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इण्डियन ओवरसीज़ बैंक

केंद्रीय कार्यालय- पोस्ट बॉक्स सं 3765, 763 अण्णा सालै, चेन्नै 600 002

Indian Overseas Bank

Central Office: P.B.No.: 3765, 763 Anna Salai, Chennai 600 002

Investor Relations Cell

IRC/ 297 /2017-18

09.02.2018

The General Manager,
Department of Corporate Services
BSE Limited
Floor 1, P.J. Towers, Dalal Street
Mumbai 400 001

The Vice President
National Stock Exchange Ltd
"Exchange Plaza", C-1 Block G
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

Dear Sir/Madam,

Rating Action: Change in Outlook of the Bank to **POSITIVE** from **STABLE** by Moody's

The International Credit Rating Agency, Moody's Investors Service, Singapore, has changed the Outlook on our Bank and our Hong Kong Branch to **POSITIVE** from stable while affirming the ratings as follows :

Indian Overseas Bank

Change in Outlook

- Outlook for our Bank changed to **Positive** from Stable
- Long-term Local and Foreign Currency Bank Deposit Ratings is affirmed at Ba3 and outlook is changed to **Positive** from stable

Affirmation of Ratings

- Short-term Foreign Currency Bank Deposit Ratings affirmed at NP
- Foreign Currency Other Short Term Program Rating affirmed at (P)(NP)
- Foreign Currency Senior Unsecured MTN Program Rating affirmed at (P)Ba3
- Foreign Currency Subordinate MTN Program Rating affirmed at (P)B3
- Foreign Currency Junior Subordinate MTN Program Rating affirmed at (P)Caa1
- Baseline Credit Assessment and Adjusted Baseline Credit Assessment affirmed at b3
- Long-term Credit Risk Assessment affirmed at Ba2(cr)
- Short-term Credit Risk Assessment affirmed at NP(cr)





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Indian Overseas Bank, Hong Kong Branch

Change in Outlook

- Outlook for the Branch changed to **positive** from stable
- Foreign Currency Senior Unsecured Debt Rating affirmed at Ba3, outlook changed to **Positive** from stable

Affirmation of Ratings

- Foreign Currency Other Short Term Program Rating affirmed at (P)(NP)
- Foreign Currency Senior Unsecured MTN Program Rating affirmed at (P)Ba3
- Foreign Currency subordinate MTN Program Rating affirmed at (P)B3
- Foreign Currency Junior Subordinate MTN Program Rating affirmed at (P)Caa1
- Long-term Credit Risk Assessment affirmed at Ba2(cr)
- Short-term Credit Risk Assessment affirmed at NP(cr)

Rating Rationale

The positive outlook reflects the upward pressure that could develop on the Bank's Long-term Ratings, if credit fundamentals of the Bank – namely capital position – continue to improve over the next 12-18 months due to capital infusion from the Indian Government

The positive outlook also reflects Moody's view on the expected evolution of the Bank's Balance Sheet, including a stabilization in Asset Quality, a moderate improvement in profitability metrics and a stable funding and liquidity position.

In view of the recapitalization plan announced by the Government for infusion of capital into public sector banks including our Bank by March 2019, Moody's continues to assume a very high probability of Government support for our Bank, resulting in three-notch uplift to Deposit Rating of the Bank from its BCA.

The positive outlook on the Deposit Rating of the Bank reflects a likely rating upgrade if the standalone BCA moves up over the next 12-18 months.

This is for your information and record in compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You,

Yours faithfully,

Anurag Shankar
General Manager & CFO

