

NEWS RELEASE

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ING Vysya Bank's Net Profit up 62% at Rs 14.79 crores

ING Vysya Bank Ltd. today announced that its Board of Directors had approved its financial results for the fiscal first quarter ended 30 June 2006 at its meeting held today in Bangalore.

Performance Highlights

ING Vysya Bank's financial results improved as profit after tax increased by 62% to Rs. 14.79 crores compared with the first quarter for fiscal year (FY) 2005-06. Total income of the bank during the period rose to Rs. 364 crores from a level of Rs. 330 crores for the same period a year earlier. Net Interest Income increased to Rs. 123 crores, up 21% from Rs. 102 crores over the same period. The capital adequacy ratio stood at 10.90% as at 30 June 2006, compared to 11.90% as at 30 June 2005. As at 30 June 2006 the total assets of the bank stood at Rs. 16,670 crores compared to Rs. 15,696 crores as at 30th June 2005.

Announcing the results after the Board of Directors meeting today, Managing Director of the Bank, Mr. Vaughn Richtor said: "We are concentrating our efforts on profitable growth and the first quarter results show we are on the right track to build on that aim".

Key Figures

In Rs. crores	Fiscal Year (FY) Results		
	Q1 FY2006-07	Q1 FY2005-06	% Change
Net interest income	123.00	101.96	20.64
Other income	42.88	42.20	1.61
Total income	165.88	144.16	15.07
Operating costs	123.68	108.49	14.00
Pre-provision profit	42.20	35.67	18.31
Provisions & contingencies	19.08	18.74	1.81
Profit before tax	23.12	16.93	36.56
Provision for tax	8.33	7.78	7.07
Profit after tax	14.79	9.15	61.64

Business Highlights

Total Deposits increased at the Bank from Rs. 12,606 crores as at 30 June 2005 to Rs. 13,136 crores as at 30 June 2006. During the same period, the low-cost current and savings account deposits rose by 28.39% to Rs. 3,763 crores, up from Rs. 2,931 crores. Activity in advances improved and reached a level of Rs. 9,578 crores, up from Rs. 9,011 crores for the same period in the previous fiscal year. The cost of deposits increased marginally from 4.88% to 5.15% as also the yield on advances from 8.65% to 9.04%, for the same period. The credit deposit ratio stood at 73% for the period under review.

The net non-performing assets to net advances ratio improved to 1.78%, as at 30 June 2006 from 2.03% as at the end of June 2005.

Other Key Initiatives

During the three months, the Bank opened two new branches, one in Sambalpur, Orissa and the other in Jodhpur, Rajasthan. Both branches have on-site ATMs for the convenience of customers. Further thirteen Extension Counters were upgraded into full branches and two more Self Bank outlets became operational in Bangalore. Meanwhile, five on-site ATMs were commissioned within existing branches to strengthen the distribution services.

CRISIL reaffirmed its rating of "AA+/Stable" for the Bonds raised by the Bank and also rated the Certificate of Deposit Programme as "P1+" and the Fixed Deposit Programme as FAAA/Stable.

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ING Vysya Bank Ltd is a premier private sector bank with retail, private and wholesale banking platforms that serve over 1.5 million customers. With over 75 years of history in India and leveraging ING's global financial expertise, a workforce of 5,422 employees staff 491 outlets to offer their clients an increasingly broad range of innovative and established products and services.

ING is a global financial institution of Dutch origin offering banking, insurance and asset management to over 60 million private, corporate and institutional clients in more than 50 countries. With a diverse workforce in excess of 117,000 people, ING comprises a broad spectrum of prominent companies that increasingly serve their clients under the ING brand.