

# **ING Vysya Bank**

**October 2006**

# Performance highlights : H1 2006-07

- **Core business performance improved**

15% increase in Net Interest Income to Rs 263 crore in H1 2006-07 from Rs 229 crore in H1 2005-06

- **Non-interest income**

Other Income (including CEB and treasury) is Rs 111 crores in H1 2006-07 as against Rs 98 crores in H1 2005-06

- **Profit**

Rs 56 crore after tax profit in H1 2006-07 compared to a profit of Rs 29 crore in H1 2005-06, an increase of 93% (post-tax profit on sale of stake in Bharat Overseas Bank – Rs 26 crores)

# Performance Highlights : H1 2006-07

- **Growth in advances**

- Growth of 7% - from Rs 9,368 crores to Rs 10,041 crores
- Primarily in consumer banking and SME segments

- **And deposits**

- CASA grew from Rs 3,222 crores to Rs 3,936 crores – increase of 22%

- **Investments** remained relatively flat at approximately at Rs 4,200 crores

- **Network**

The number of branches was 393 as at 30 September 2006 with the number of ATM's at 127 (including 11 Self Bank ATM's)

# Performance Highlights : H1 2006-07

- An amount of Rs 78 crores (coupon rate of 9.70 % payable annually and a tenor of 10 years) was raised as **Tier II capital** through unsecured sub-ordinated bonds in August 2006 by way of private placement. The Bonds were fully subscribed by ABN Amro Bank
- The Bank had sold 23,09,999 shares of face value of Rs. 10 invested in **Bharat Overseas Bank**. The transaction resulted in a post tax profit of Rs 26.4 crores
- **Interim dividend** of Rs. 2.76 crores was received from the wholly owned subsidiary **ING Vysya Financial Services Ltd** during the quarter

# Balance Sheet

Particulars	Sep 30 2006	June 30 2006	Mar 30 2006	Sep 30 2005	Y-on-Y Growth %
<b>Liabilities</b>					
Capital and Reserves	1,076	1,035	1,020	1,043	3%
Deposits	12,880	13,106	13,335	12,902	0%
Borrowings	1,131	739	1,107	732	55%
Other Liabilities & Provisions	1,650	1,515	1,304	1,121	47%
<b>Total</b>	<b>16,737</b>	<b>16,395</b>	<b>16,767</b>	<b>15,798</b>	<b>6%</b>
<b>Assets</b>					
Cash and bank balances with RBI	1,465	1,507	1,123	1,018	44%
Advances	10,041	9,578	10,232	9,368	7%
Investments	4,209	4,268	4,372	4,451	-5%
Fixed Assets	404	406	405	310	30%
Other Assets	618	636	634	651	-5%
<b>Total</b>	<b>16,737</b>	<b>16,395</b>	<b>16,767</b>	<b>15,798</b>	<b>6%</b>

Amounts in Rs crores

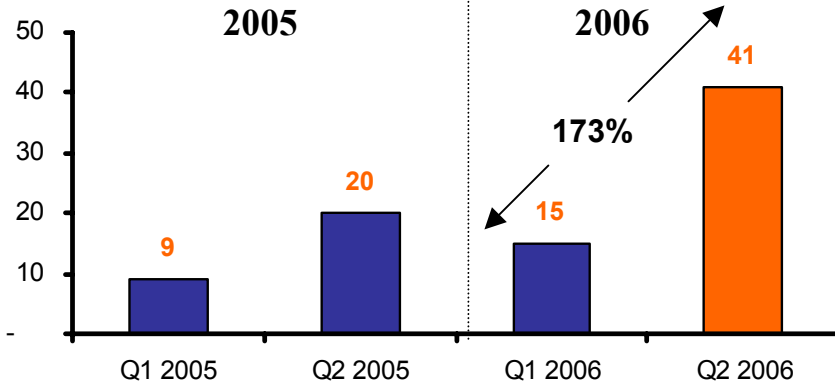
# Profit and Loss

Particulars	YTD	Q2	YTD	Q2	Y-on-Y Growth %
	Sep 30 2006	Sep 30 2006	Sep 30 2005	Sep 30 2005	
Interest Income	660.1	338.9	600.4	311.3	10%
Interest Expenses	399.9	201.7	372.0	184.8	8%
<b>Net Interest Income</b>	<b>260.2</b>	<b>137.2</b>	<b>228.4</b>	<b>126.5</b>	<b>14%</b>
Other Income	128.6	85.7	101.9	60.8	26%
<b>INCOME</b>	<b>388.7</b>	<b>222.9</b>	<b>330.3</b>	<b>187.2</b>	<b>18%</b>
Employee Cost	124.6	64.4	109.4	58.1	14%
Other operating exp	134.0	71.9	115.5	59.3	16%
<b>EXPENSES</b>	<b>258.6</b>	<b>136.3</b>	<b>224.8</b>	<b>117.4</b>	<b>15%</b>
<b>Operating Profit</b>	<b>130.1</b>	<b>86.5</b>	<b>105.5</b>	<b>69.8</b>	<b>23%</b>
Provisions and contingencies	54.0	33.6	57.7	38.9	-6%
<b>Profit before Tax (PBT)</b>	<b>76.1</b>	<b>53.0</b>	<b>47.8</b>	<b>30.9</b>	<b>59%</b>
Provision for Taxes	19.9	11.6	19.0	11.2	5%
<b>Profit After Tax (PAT)</b>	<b>56.2</b>	<b>41.4</b>	<b>28.9</b>	<b>19.7</b>	<b>94.6</b>

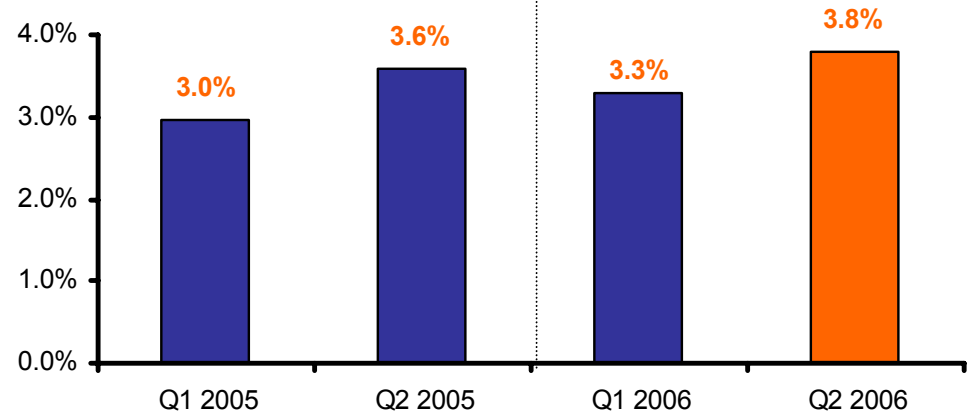
Amounts in Rs crores

# Positive quarterly momentums

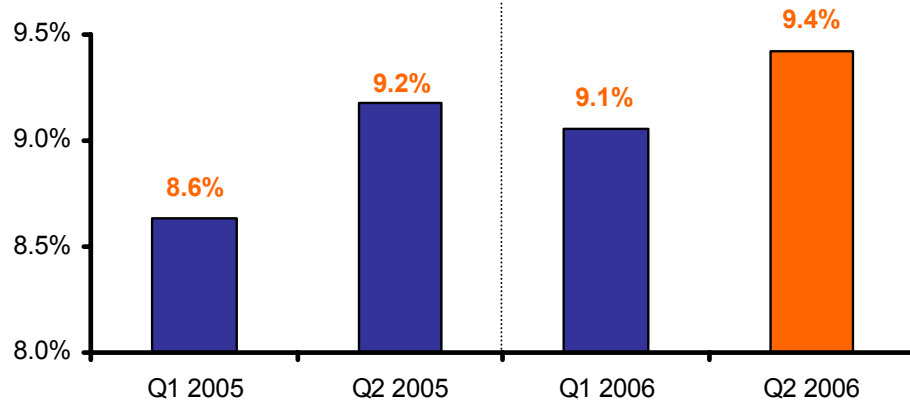
## Net profit



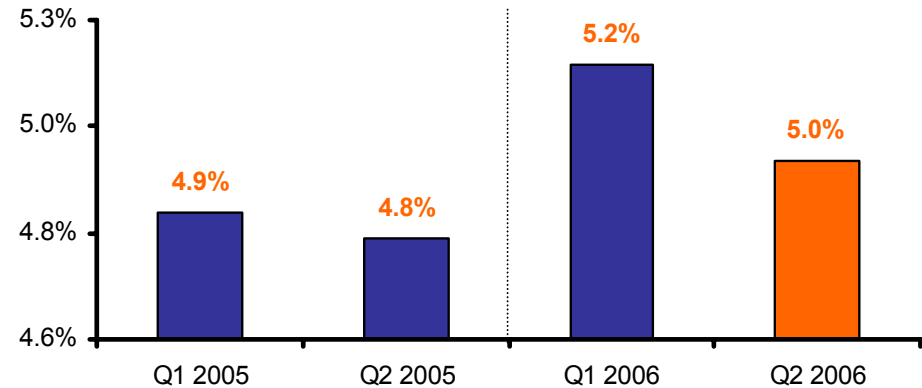
## Net Interest Margin



## Yield on advances



## Cost of deposits



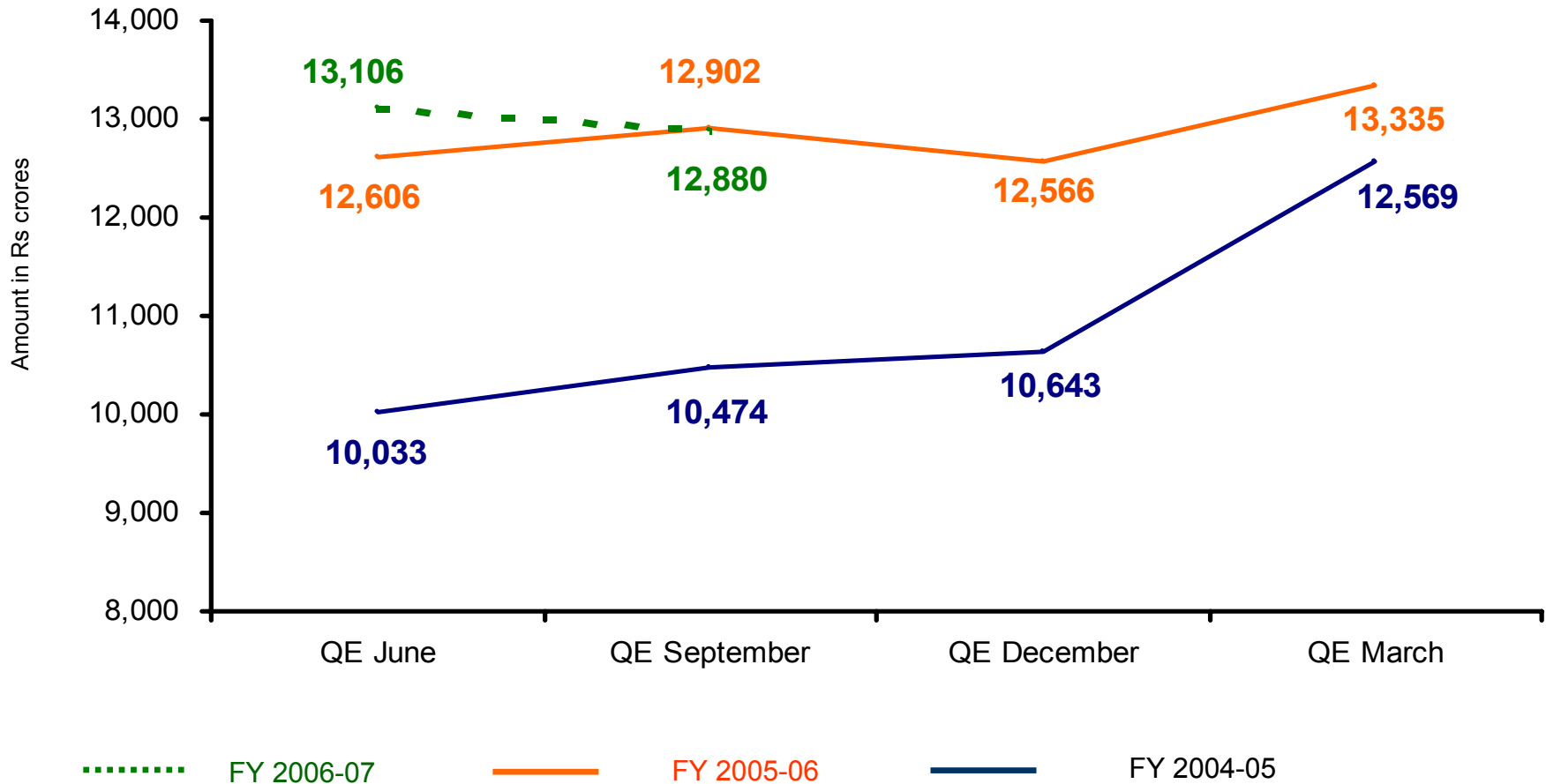
\* Ratios and numbers are for the quarter only

## Key parameters

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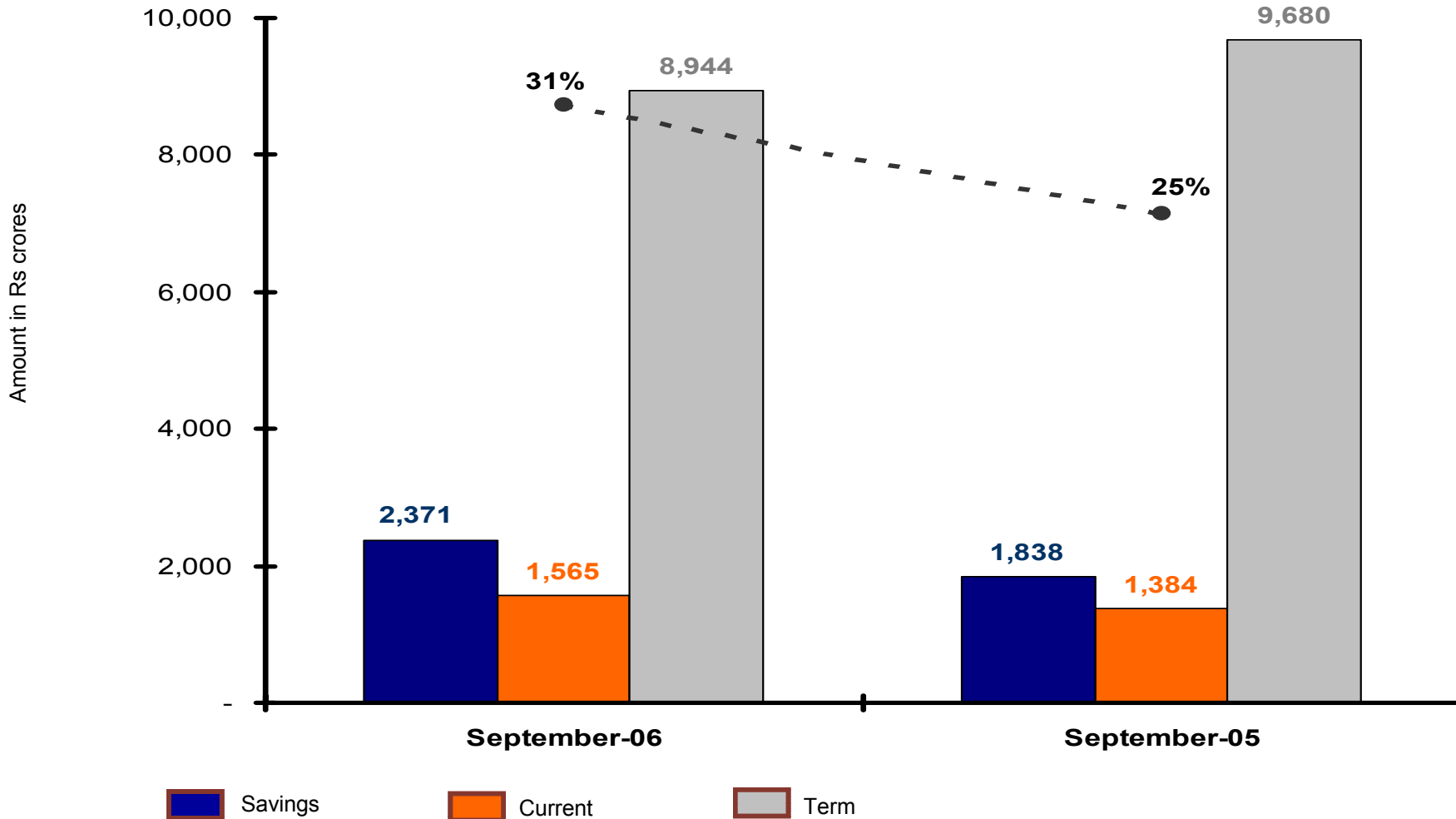
- The Net NPA to Net Advances ratio was **1.57 %** as at end of Q2 '06, as against **1.98%** at end of Q2 '05
- The Credit-Deposit Ratio (excluding IBD) stood at **82%** compared to **77%**
- Cost to income ratio was **67%** as compared to **68%** a year ago
- The Capital Adequacy Ratio (CAR) stood at **11.36%** compared to **10.95%**

# Quarterly Growth Trends - Deposits



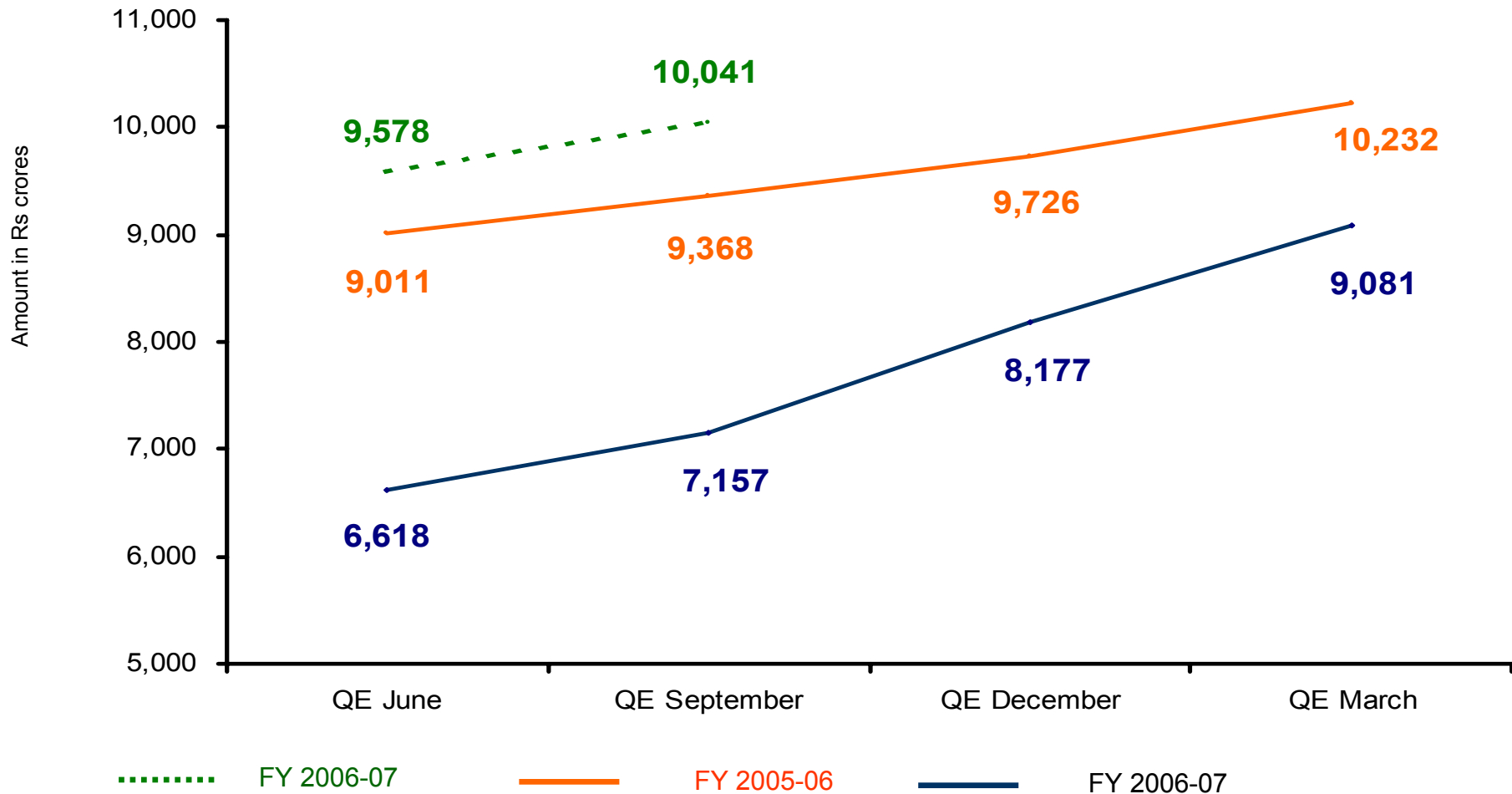
*Deposit figures are quarter end figures of total deposits*

# Composition of customer deposits



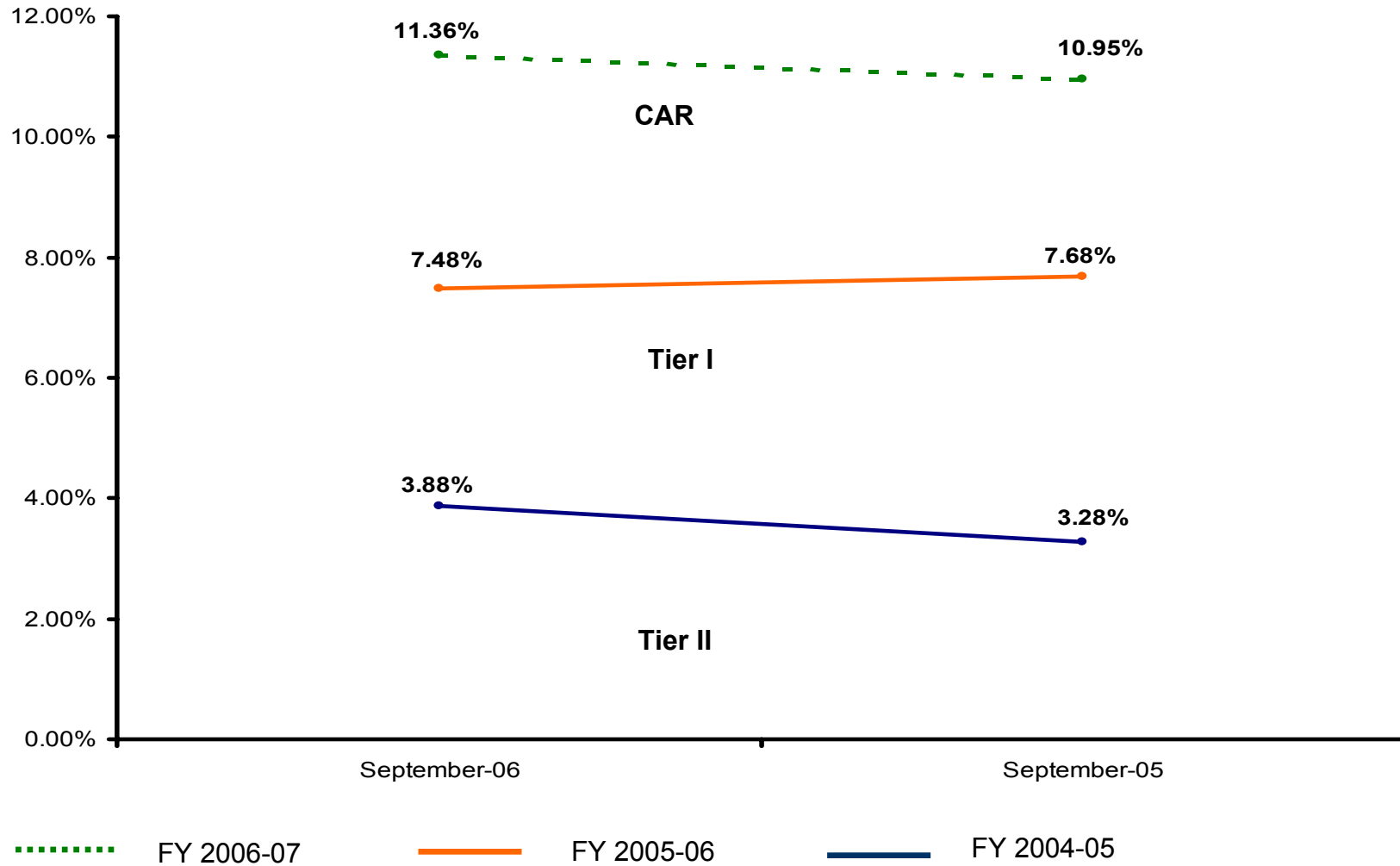
..... CASA % -  $\frac{\text{Aggregate CASA}}{\text{Total Aggregate deposits}}$

# Quarterly Growth Trends - Advances



*Advance figures are quarter end net figures*

# Capital Adequacy Ratio



ING  Vysya  
BANK