

Bangalore • 31<sup>st</sup> October 2008

## ING Vysya Bank H1 Net Profit up 23%, Operating Profit up 67%

The Board of Directors of ING Vysya Bank Ltd, at its meeting held at Bangalore today, approved the un-audited financial results of the Bank for the quarter and half year ended 30 September 2008.

### Financial Highlights

The Net Profit of the Bank for the half year ended 30 September 2008 increased by 23% to Rs.87.6 crores from Rs.71.3 crores in the first half of last year. The Operating Profit increased by 67% to Rs.196.3 crores from Rs.117.8 crores. Net Interest Income (NII) increased by 48% to Rs. 314.5 crores from Rs. 213 crores and Other Income increased by 37% to Rs.251.5 crores from Rs.184 crores in the prior year.

The Operating Profit for the quarter ended 30 September 2008 increased by 47% to Rs.91.60 crores from Rs.62.50 crores in the quarter ended 30 September 2007. Net Interest Income (NII) increased by 44% to Rs.156.6 crores from Rs.109.1 crores and Fee and Other income registered a growth of 26% to Rs.123.6 crores from Rs.98.1 crores. However, the Net Profit of the Bank for the quarter ended 30 September 2008 was higher by only 2% at Rs.47 crores compared to Rs.46 crores in the previous year as in the corresponding quarter last year there was a net write-back of Rs 9.8 crores in Provision & contingencies on account of re-classification of a non-performing asset against a charge of Rs.21.6 crores in the current quarter.

Announcing the results, Managing Director, Vaughn Richtor said: "We are pleased to see continued growth and profitability improvement in these challenging times"

### Financial Indicators

In Rs. Crores	H1 2008-09	H1 2007-08	% growth	Q2 2008-09	Q2 2007-08	% growth
Net Interest Income	314.5	213.0	47.7%	156.6	109.1	43.5%
Other Income	251.5	184.0	36.7%	123.6	98.1	25.9%
Total Income	566.0	396.9	42.6%	280.1	207.2	35.2%
Operating Costs	369.7	279.2	32.4%	188.5	144.7	30.3%
Operating Profit	196.3	117.8	66.7%	91.6	62.5	46.6%
Exceptional Items	-	2.0	-100.0%	-	-	
Operating Profit after Exceptional Items	196.3	119.8	63.9%	91.6	62.5	46.6%
Provision & Contingencies	63.1	6.1	930.4%	21.6	(9.8)	
Profit before Tax	133.2	113.6	17.2%	70.0	72.3	-3.2%
Provision for Taxes	45.6	42.3	7.7%	23.0	26.3	-12.5%
<b>Profit after Tax</b>	<b>87.6</b>	<b>71.3</b>	<b>22.9%</b>	<b>47.0</b>	<b>46.0</b>	<b>2.2%</b>

In Rs. Crores	As at 30th Sep 2008	As at 30th Sep 2007	% growth
<b>Deposits</b>	<b>20,897</b>	<b>17,025</b>	<b>22.7%</b>
Savings Bank	3,136	2,734	14.7%
Current Account	2,944	2,213	33.0%
<b>Demand Deposits</b>	<b>6,080</b>	<b>4,947</b>	<b>22.9%</b>
<b>Term Deposits</b>	<b>14,817</b>	<b>12,079</b>	<b>22.7%</b>
<b>Advances</b>	<b>15,866</b>	<b>12,565</b>	<b>26.3%</b>

### **Business Highlights**

Total Deposits grew by 22.7% to Rs.20,897 crores as at the end of September 2008 from Rs.17,025 crores as at the end of September 2007. Current and Savings deposits (CASA) increased by 22.9% to Rs.6,080 crores from Rs.4,947 crores and Advances increased by 26.3% to Rs.15,866 from Rs.12,565 crores. Total assets of the Bank registered a growth of 28.3% to Rs.26,828 crores as at 30 September 2008 from Rs.20,906 crores as at 30 September 2007.

As at 30 September 2008, the net worth of the Bank stood at Rs.1,515 crores compared to Rs.1,065 crores as at end September 2007 and the Capital Adequacy Ratio stood at 10.52%. In October 2008 the Bank further increased its Capital through the issue of Tier 1 Perpetual debt amounting to approx. Rs. 95 crores, further improving the Capital Adequacy Ratio.

As part of its strategy to increase its pan India footprint, the Bank opened 18 new branches and 30 new ATMs during the quarter, of which 15 branches were opened in the North and West regions. As at the end of September 2008, the Bank had 454 branches and Extension Counters across 319 locations and 244 ATMs.

Portfolio quality continued to remain healthy. Gross NPAs to Gross Advances declined to 1.44% as at end September 2008 from 2.06% as at end September 2007. Net NPAs as a proportion of Net Advances remained unchanged at 0.78%.

The Bank launched India's first Formula One lifestyle based financial product "ING Formula Savings Account", a new variant of the Savings Bank Account that offers a host of online banking and gaming features and F1 merchandize linked to the debit card together with the convenience of online banking, all packaged together.

Also, during the period under review, the bank commenced "ING Platina preferred banking services". This is a priority banking service, that bundles financial planning services, personalized banking and host of privileges linked to the Platina Debit Card.

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*ING Vysya Bank Ltd is a premier private sector bank with retail, private and wholesale banking platforms that serve over 1.8 million customers. With over 75 years of history in India and leveraging ING's global financial expertise, a workforce of 5,852 employees staff, 698 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, investments, and life insurance and retirement services to over 85 million private, corporate and institutional clients in more than 50 countries. With a diverse workforce of about 130,000 people, ING is dedicated to setting standard in helping our clients manage their financial future. .*