

Bangalore • 2nd May 2007

ING Vysya Bank's Net jumps to Rs.89 crores, back on dividend track.

The Board of Directors of ING Vysya Bank Ltd., approved the annual audited financials of the bank for the year ended 31st March 2007, at the Board Meeting held today, the 2nd May 2007 in Bangalore.

The Board of Directors has proposed a dividend of 6.5% for adoption by the shareholders at the next Annual General Meeting. The bank is back on the dividend track after a gap of two years.

Financial Highlights

The net profit after tax increased by 882% from Rs.9 crores to Rs.89 crores during the year under review. The Profit Before Tax (PBT) increased by 493% from Rs.22 crores in March 06 to Rs.128 crores in March 07. Total Income during the year rose to Rs.1,596 crores, up from Rs.1,362 crores, while Net Interest Income (NII) and Fee Based Income increased during the year by Rs. 61 crores and Rs.35 crores respectively. Increased focus on cost management resulted in a decrease in operating costs.

As at 31st March 07, total assets of the bank had increased by 15 % to Rs.19,286 crores. The net worth of the bank stood at Rs.943 crores. The Capital Adequacy Ratio of the bank stood at 10.56 % compared to 10.67% as at the end of March 06.

Announcing the results, Managing Director, Mr. Vaughn Richtor said: "I am delighted to report significant improvement in the bank's operating results. The profits this year are the highest recorded in the last ten years of operations. We are seeing the benefit of focusing on profitable growth and improving the productivity of our business. While we still have more work to do in this respect, we are pleased with the progress, to date."

Key Figures

| In Rs. crores | Fiscal Year (FY) Results | | |
|----------------------------|--------------------------|----------|--------------------------------------|
| | 2006-07 | 2005-06 | % Change increase / (decrease) |
| Net interest income | 542 | 481 | 13 |
| Other income | 194 | 139 | 40 |
| Total income | 736 | 620 | 19 |
| Operating costs | 507 | 519 | (2) |
| Pre-provision profit | 229 | 102 | 125 |
| Provisions & contingencies | 101 | 80 | 28 |
| Profit before tax | 128 | 22 | 493 |
| Provision for tax | 39 | 12 | 210 |
| Profit after tax | 89 | 9 | 882 |

Business Highlights

Total Deposits increased from Rs.13,335 crores as at 31st March 06 to Rs.15,419 crores as at 31st March 07, recording a growth of over 16%. Low cost deposits increased by 24 % from Rs. 3,602 crores to Rs. 4,458 crores.

For the period under review the advances grew by over 17% to reach Rs.11,976 crores from Rs.10,232 crores. While the credit deposit ratio stood at 77.68%, the yield on advances improved from 8.81% to 9.33 %. The cost of deposits however increased to 5.27 % from 4.91%, as of March 06. The Micro Financing activities during the year gained momentum and the deployment was in excess of Rs.200 crores, registering a growth of over 150%.

The net non-performing advances improved from 1.77% to 0.95% during the period under review.

Comparative Business Numbers

| In Rs. crores | Fiscal Year (FY) Results | | |
|-----------------------|--------------------------|---------------|-----------|
| | 2006-07 | 2005-06 | % Change |
| Deposits | 15,419 | 13,335 | 16 |
| Savings Bank | 2,564 | 2,093 | 22 |
| Current Account | 1,894 | 1,509 | 25 |
| Demand Deposit | 4,458 | 3,603 | 24 |
| Term Deposits | 10,961 | 9,733 | 13 |
| Advances | 11,976 | 10,232 | 17 |

Significant developments

The bank opened 6 new branches and 45 new ATMs during the year. 16 extension counters were upgraded into full-fledged branches. As of 31st March 07, the bank had 626 outlets comprising of 400 branches, 40 Ecs, 28 Satellite Offices & 158 ATMs.

In July 06, all branches, extension counters and regional offices were connected to Core Banking. This includes 20% of the remote rural locations/branches, which are connected to the network, through VSATs.

The bank's ATMs accept Visa Electron, Visa Credit & Visa Plus Cards, Maestro-Cirrus Cards and Cashnet. A wider segment of ATM cardholders from across the banks can transact business at our ATMs.

The bank extended the facility of online payment of Credit Card bills through mi-b@nk, the bank's Internet channel for its credit card customers.

The Private Banking business was given increased focus. The bank is offering an expanded range of investment solutions, which resulted in an increase in assets under management and clients. Kolkata was added as a new private banking center, in addition to the existing centers of Delhi, Mumbai, Pune and Bangalore.

The bank was awarded an 'Annual Achievers Award' by the Public Relations Council of India, in recognition of our involvement in the cause of deprived children through the ING Vysya Foundation. The innovative approach in utilizing the services of cricket legends like Ricky Ponting & Brian Lara, for the promotion of the bank under the programme " Lion meets Lion" increased the awareness of the ING Vysya brand.

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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 5,360 employees staff 626 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 120,000 people, ING comprises a broad spectrum of prominent companies that increasingly serve their clients under the ING brand.