

**ING VYSYA BANK LIMITED**  
 Regd. Office: 22, MG Road, BANGALORE - 560 001.  
 Unaudited financial results for the period ended 31 December 2006

(Rupees in Crores)

| Particulars  | Quarter ended  | Quarter ended  | Year to date for | Year to date for | Previous        |
|--|----------------|----------------|------------------|------------------|-----------------|
|  | 31.12.2006     | 31.12.2005     | the period       | the period       | Accounting      |
|  | (Unaudited)    | (Unaudited)    | ended            | ended            | Year ended      |
|  |                |                | 31.12.2006       | 31.12.2005       | 31.03.2006      |
|  |                |                | (Unaudited)      | (Unaudited)      | (Audited)       |
| <b>1</b> Interest earned (a)+(b)+(c)+(d)   | 344.35         | 307.83         | 1,004.46         | 908.22           | 1,222.44        |
| (a) Interest/Discount on Advances / Bills  | 241.09         | 206.66         | 693.39           | 607.16           | 824.51          |
| (b) Income on Investments  | 81.42          | 75.97          | 245.41           | 228.21           | 302.71          |
| (c) Interest on balances with Reserve Bank of India and Other Inter Bank Funds                         | 5.70           | 6.46           | 17.71            | 19.98            | 26.49           |
| (d) Others   | 16.14          | 18.74          | 47.95            | 52.87            | 68.73           |
| <b>2</b> Other Income  | 40.32          | 42.06          | 168.68           | 143.96           | 190.31          |
| <b>A. TOTAL INCOME (1+2)</b>   | <b>384.67</b>  | <b>349.89</b>  | <b>1,173.14</b>  | <b>1,052.18</b>  | <b>1,412.75</b> |
| <b>3</b> Interest Expended   | 207.88         | 187.95         | 607.58           | 559.93           | 741.25          |
| <b>4</b> Operating Expenses (e)+(f)  | 115.70         | 119.10         | 374.33           | 343.94           | 517.67          |
| (e) Payments to and Provisions for Employees   | 51.65          | 54.13          | 176.24           | 163.51           | 234.19          |
| (f) Other Operating Expenses   | 64.05          | 64.97          | 198.09           | 180.43           | 283.48          |
| <b>B. TOTAL EXPENDITURE (3)+(4)</b><br>(excluding Provisions and Contingencies)                        | <b>323.58</b>  | <b>307.05</b>  | <b>981.91</b>    | <b>903.87</b>    | <b>1,258.92</b> |
| <b>C. OPERATING PROFIT (A-B)</b><br>(Profit before Provisions and Contingencies)                       | 61.09          | 42.84          | 191.23           | 148.31           | 153.83          |
| <b>D. Other Provisions and Contingencies</b>   | 39.77          | 32.65          | 93.80            | 90.32            | 132.31          |
| <b>E. Provision for Taxes (including FBT)</b>  | 6.99           | 5.33           | 26.92            | 24.28            | 12.46           |
| <b>F. NET PROFIT (C - D - E)</b>   | <b>14.33</b>   | <b>4.86</b>    | <b>70.51</b>     | <b>33.71</b>     | <b>9.06</b>     |
| <b>5</b> Paid-up equity share capital<br>(Face Value Rs.10/- per share)                                | 90.80          | 90.56          | 90.80            | 90.56            | 90.72           |
| <b>6</b> Reserves excluding Revaluation reserves<br>(as per balance sheet of previous accounting year) |                |                |                  |                  | 817.41          |
| <b>7</b> Analytical Ratios   |                |                |                  |                  |                 |
| i) Percentage of shares held by Government of India  | -              | -              | -                | -                | -               |
| ii) Capital Adequacy Ratio   | 10.70%         | 10.40%         | 10.70%           | 10.40%           | 10.67%          |
| iii) Earnings per share  |                |                |                  |                  |                 |
| -Basic   | 1.58           | 0.54           | 7.77             | 3.84             | 1.02            |
| -Diluted   | 1.57           | 0.53           | 7.72             | 3.83             | 1.02            |
| (On current profits after prior period items)  | Not Annualised | Not Annualised | Not Annualised   | Not Annualised   |                 |
| iv) (a) Amount of Gross Non Performing Assets  | 369.23         | 467.98         | 369.23           | 467.98           | 428.64          |
| (b) Amount of Net Non Performing Assets  | 137.96         | 161.90         | 137.96           | 161.90           | 180.47          |
| (c) Percentage of Gross Non Performing Assets  | 3.34%          | 4.66%          | 3.34%            | 4.66%            | 4.09%           |
| (d) Percentage of Net Non Performing Assets  | 1.27%          | 1.66%          | 1.27%            | 1.66%            | 1.76%           |
| v) Return on Assets (Annualised)   | 0.33%          | 0.12%          | 0.55%            | 0.29%            | 0.06%           |
| <b>8</b> Aggregate of Non-Promoter Shareholding  |                |                |                  |                  |                 |
| - Number of Shares   | 50,998,610     | 50,890,864     | 50,998,610       | 50,890,864       | 50,928,045      |
| - Percentage of Shareholding ( on Issued Capital)  | 55.94%         | 55.89%         | 55.94%           | 55.89%           | 55.91%          |

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Segment Results for the period ended 31 December 2006

| Business Segments            | Treasury                         |                                  |                                 |                                 |  | Other Banking Operations         |                                  |                                 |                                 |  | Total                            |                                  |                                 |                                 |  |
|------------------------------|----------------------------------|----------------------------------|---------------------------------|---------------------------------|--|----------------------------------|----------------------------------|---------------------------------|---------------------------------|--|----------------------------------|----------------------------------|---------------------------------|---------------------------------|--|
|                              | For the quarter ended 31.12.2006 | For the quarter ended 31.12.2005 | For the period ended 31.12.2006 | For the period ended 31.12.2005 | For the accounting year ended 31.03.06 | For the quarter ended 31.12.2006 | For the quarter ended 31.12.2005 | For the period ended 31.12.2006 | For the period ended 31.12.2005 | For the accounting year ended 31.03.06 | For the quarter ended 31.12.2006 | For the quarter ended 31.12.2005 | For the period ended 31.12.2006 | For the period ended 31.12.2005 | For the accounting year ended 31.03.06 |
| <b>Particulars</b>           |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |
| Revenue                      | 94.08                            | 95.55                            | 335.05                          | 314.03                          | 396.69                                 | 347.50                           | 303.73                           | 1,024.95                        | 918.02                          | 1,234.07                               | 441.58                           | 399.28                           | 1,360.00                        | 1,232.05                        | 1,630.76                               |
| Less: Inter segment revenue  | -                                | -                                | -                               | -                               | -                                      | 56.91                            | 49.39                            | 186.86                          | 179.87                          | 218.01                                 | 56.91                            | 49.39                            | 186.86                          | 179.87                          | 218.01                                 |
| Net Revenue                  | 94.08                            | 95.55                            | 335.05                          | 314.03                          | 396.69                                 | 290.59                           | 254.34                           | 838.09                          | 738.15                          | 1,016.06                               | 384.67                           | 349.89                           | 1,173.14                        | 1,052.18                        | 1,412.75                               |
| Result                       | 1.12                             | 7.79                             | 41.01                           | 27.19                           | 48.22                                  | 59.97                            | 35.05                            | 180.22                          | 121.12                          | 105.61                                 | 61.09                            | 42.84                            | 191.23                          | 148.31                          | 153.83                                 |
| Unallocated expenses         |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |
| Operating Profit             |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  | 61.09                            | 42.84                            | 191.23                          | 148.31                          | 153.83                                 |
| Provisions and contingencies |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  | 39.77                            | 32.65                            | 93.80                           | 90.32                           | 132.31                                 |
| Taxes                        |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  | 6.99                             | 5.33                             | 26.92                           | 24.28                           | 12.46                                  |
| Share of Loss in Associates  |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |
| Minority Interest            |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |
| Extraordinary profit/loss    |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |
| Net Profit                   |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  | 14.33                            | 4.86                             | 70.51                           | 33.71                           | 9.06                                   |
| <b>Other Information</b>     |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |
| Segment Assets               | 4,673.10                         | 4,254.88                         | 4,673.10                        | 4,254.88                        | 4,400.33                               | 13,474.94                        | 11,845.57                        | 13,474.94                       | 11,845.57                       | 12,366.34                              | 18,148.04                        | 16,100.45                        | 18,148.04                       | 16,100.45                       | 16,766.67                              |
| Unallocated Assets           |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |
| Total Assets                 | 4,673.10                         | 4,254.88                         | 4,673.10                        | 4,254.88                        | 4,400.33                               | 13,474.94                        | 11,845.57                        | 13,474.94                       | 11,845.57                       | 12,366.34                              | 18,148.04                        | 16,100.45                        | 18,148.04                       | 16,100.45                       | 16,766.67                              |
| Segment Liabilities          | 1,834.24                         | 2,333.65                         | 1,834.24                        | 2,333.65                        | 2,486.11                               | 15,222.88                        | 12,720.87                        | 15,222.88                       | 12,720.87                       | 13,260.88                              | 17,057.12                        | 15,054.52                        | 17,057.12                       | 15,054.52                       | 15,746.99                              |
| Unallocated Liabilities      |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |                                  |                                  |                                 |                                 |  |
| Total Liabilities            | 1,834.24                         | 2,333.65                         | 1,834.24                        | 2,333.65                        | 2,486.11                               | 15,222.88                        | 12,720.87                        | 15,222.88                       | 12,720.87                       | 13,260.88                              | 18,148.04                        | 16,100.45                        | 18,148.04                       | 16,100.45                       | 16,766.67                              |

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**Notes on Segment Results:**

1. As the Bank operates only in the domestic segment there are no other geographic segments.

**Notes on Financial Results:**

1. The results for the quarter ended 31 December 2006 have been subject to a limited review by the statutory auditors of the bank as per the requirements of the listing agreement.
2. The above results for the quarter ended 31 December 2006 were reviewed by the Audit Committee of the Board and approved by the Board at its meeting held on 19 January 2007.
3. The unaudited financial results for the quarter ended 31 December 2006 have been prepared based on the same accounting policies as those adopted in the preparation of the annual financial statement for the year ended 31 March 2006.
4. The unaudited financial results for the quarter ended 31 December 2006 have been arrived at after considering provision for Non Performing Assets and Standard Assets as per the guidelines issued by the Reserve Bank of India (RBI). In respect of Taxation, Bonus, Depreciation on Fixed Assets and other expenses etc., provisions have been made on an estimated basis.
5. The deferred revenue expenses in respect of employees who had availed VRS during 2002 was fully amortised by September 2006. The working results for the nine months ended 31 December 2006 includes an amount of Rs 9.42 crores being the proportionate charge to the Profit and Loss account.
6. The Bank's holding in Bharat Overseas Bank was divested during the quarter ended 30 September 2006. The working results for the nine months ended 31 December 2006 includes an amount of Rs. 26.40 crores being the post tax profit due to this divestment.
7. The transitional effect of the revised Accounting Standard-15 on employee benefits (which has come into effect from 1 April 2006), has not been considered pending receipt of clarifications from Reserve Bank of India. The Bank has recognized the pro-rata charge for Pension, Gratuity and Leave encashment liabilities based on revised AS 15 in the profit and loss account for the nine months ended 31 December 2006.
8. Status of Investor Complaints is as follows:
  - a) Pending as at September 2006 – 2;
  - b) Received during the quarter – 48;
  - c) Disposed of during the quarter – 49;
  - d) Pending as at December 2006 - 1



9. Comparative figures for the previous periods have been regrouped / rearranged / reclassified, where required, to conform to current classification.

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For and on behalf of the Board

  
Vaughn Richter  
Managing Director & CEO

Place: Bangalore  
Date: 19.01.2007

