

SIGNIFICANT EVENTS FOR THE PERIOD OCTOBER 2006 TO MARCH 2007 TO BE COMMUNICATED TO THE SHAREHOLDERS AS RECOMMENDED UNDER ANNEXURE III OF THE LISTING AGREEMENT

The Directors of ING Vysya Bank Ltd are pleased to present you the significant developments of the Bank for the second half of the 2006-2007 fiscal year.

A. CHANGES IN COMPOSITION OF THE BOARD OF DIRECTORS:

Dr. Prakash G.Apte resigned as a Director from the Board effective 18-Oct-2006. Mr.Aditya Krishna was appointed as a Director on the Board effective 21-Dec-2006 in the casual vacancy arising out of the resignation of Dr. Prakash Apte.

B. OPERATING RESULTS:

The net profit after tax increased by 882% from Rs.9 Crore for FY 2005-06 to Rs.89 Crore for the FY 2006-07. The Profit Before Tax (PBT) increased by 493% from Rs.22 Crore for the FY 2005-06 to Rs.128 Crore for the FY 2006-07. Total income during the year 2006-07 rose to Rs.1,596 Crore , from Rs.1,362 Crore , while Net Interest Income (NII) and Fee Based Income increased during the year by Rs.61 Crore and Rs.55 Crore respectively. Increased focus on cost management resulted in a decrease in operating costs.

As at 31-March-2007, total assets of the Bank had increased by 15% to Rs.19,286 Crore .

C. BUSINESS PERFORMANCE:

I) DEPOSITS

Total Deposits increased from Rs.13,335 crore as at 31 March 2006 to Rs.15,419 Crore as at 31 March 2007, recording a growth of over 16%. Low cost deposits increased by 24% from Rs.3,602 Crore to Rs.4,458 Crore . The growth in the second half of the year was Rs. 2,539 Crore in total deposits and Rs. 570 Crore in CASA.

II) ADVANCES

Advances grew by over 17% to reach Rs.11,976 Crore from Rs.10,232 Crore . Advances grew by Rs.1,770 Crore in the second half of the year. While the credit deposit ratio stood at 77.67%, the yield on advances improved from 8.78% to 9.33%. The Micro Financing activities during the year gained momentum and the deployment was in excess of Rs.200 Crore, registering a growth of over 150%. The net non-performing advances improved from 1.76% to 0.95% during this period.

III) INVESTMENTS

The Investments Portfolio has increased by 4% to Rs. 4,528 crore during year, from Rs. 4,372 Crore

IV) BRANCHES AND ATMs

During the second half of the year the Bank opened 18 new branches and 31 new ATMs. 2 extension counters were upgraded into full-fledged branches. As of 31-Mar-2007, the Bank had 626 outlets comprising of 400 branches, 40 Ecs, 28 Satellite Offices & 158 ATMs.

D. CAPITAL ADEQUACY RATIO:

The Capital Adequacy Ratio stood at 10.56% compared to 10.67% as at the end of March 06.

E. KEY ACCOMPLISHMENTS

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

The Bank extended the facility of online payment of Credit Card bills through mi-Bank , the Bank 's intranet channel for its credit card customers.

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.

H. OUTLOOK

The Bank remains focused on profitable growth and will continue to focus on growth across all business segments and expanding the franchise.

By Order of the Board

02 May 2007

Vaughn Richter
Managing Director & CEO

ING VYSYA BANK LIMITED
Regd. Office: 22, MG Road, BANGALORE - 560 001.
Audited financial results for the period ended 31 MARCH 2007

(Rupees in Crores)

Particulars		Figures for the 9 months ended December 2006	Figures for the last quarter ended March 2007	Figures for the corresponding quarter of the previous year March 2006	Audited figures for the current year 2006-07	Audited figures for the previous year 2005-06
1	Interest earned (a)+(b)+(c)+(d)	1,004.46	396.92	314.22	1,401.38	1,222.44
	(a) Interest/Discount on Advances / Bills	693.39	266.20	217.35	959.59	824.51
	(b) Income on Investments	245.41	87.19	74.50	332.60	302.71
	(c) Interest on balances with Reserve Bank of India and Other Inter Bank Funds	17.71	11.20	6.51	28.91	26.49
	(d) Others	47.95	32.33	15.86	80.28	68.73
2	Other Income	128.24	66.08	30.95	194.32	139.17
	A. TOTAL INCOME (1+2)	1,132.70	463.00	345.17	1,595.70	1,361.61
3	Interest Expended	607.58	251.74	181.32	859.32	741.25
4	Operating Expenses (e)+(f)	374.33	132.74	172.26	507.07	518.79
	(e) Payments to and Provisions for Employees	176.24	62.24	70.68	238.48	234.19
	(f) Other Operating Expenses	198.09	70.50	101.58	268.59	284.60
	B. TOTAL EXPENDITURE (3)+(4) (excluding Provisions and Contingencies)	981.91	384.48	353.58	1,366.39	1,260.04
	C. OPERATING PROFIT (A-B) (Profit before Provisions and Contingencies)	150.79	78.52	(8.41)	229.31	101.57
	D. Other Provisions and Contingencies	53.36	48.33	28.06	101.69	80.05
	E. Provision for Taxes (including FBT)	26.92	11.80	(11.82)	38.72	12.46
	F. NET PROFIT/(LOSS) (C - D - E)	70.51	18.39	(24.65)	88.90	9.06
5	Paid-up equity share capital (Face Value Rs.10/- per share)	90.80	90.90	90.72	90.90	90.72
6	Reserves excluding Revaluation reserves				901.60	817.41
7	Analytical Ratios					
	i) Percentage of shares held by Government of India	-	-	-	-	-
	ii) Capital Adequacy Ratio	10.70%	10.56%	10.67%	10.56%	10.67%
	iii) Earnings per share					
	-Basic	7.77	2.03	(2.72)	9.80	1.02
	-Diluted	7.72	2.01	(2.72)	9.73	1.02
	(On current profits after prior period items)	Not Annualised	Not Annualised	Not Annualised		
	iv) (a) Amount of Gross Non Performing Assets	369.23	310.87	428.64	310.87	428.64
	(b) Amount of Net Non Performing Assets	137.96	114.02	180.93	114.02	180.93
	(c) Percentage of Gross Non Performing Assets	3.34%	2.55%	4.09%	2.55%	4.09%
	(d) Percentage of Net Non Performing Assets	1.27%	0.95%	1.77%	0.95%	1.76%
	v) Return on Assets (Annualised)	0.55%	0.11%	(0.61%)	0.52%	0.05%
8	Aggregate of Non-Promoter Shareholding					
	- Number of Shares	50,998,610	51,100,317	50,928,045	51,100,317	50,928,045
	- Percentage of Shareholding (on Issued Capital)	55.94%	55.99%	55.91%	55.99%	55.91%

Segment Results for the period ended 31 March 2007

(Rs. in Crores)

Business Segments	Treasury				Other Banking Operations				Total			
	For the 9 months ended 31.12.2006	For the 3 months ended 31.03.2007	For the accounting year ended 31.03.2007	For the accounting year ended 31.03.06	For the 9 months ended 31.12.2006	For the 3 months ended 31.03.2007	For the accounting year ended 31.03.2007	For the accounting year ended 31.03.06	For the 9 months ended 31.12.2006	For the 3 months ended 31.03.2007	For the accounting year ended 31.03.2007	For the accounting year ended 31.03.06
Particulars												
Revenue	335.05	129.02	464.07	396.69	1,024.95	360.51	1,385.46	1,234.07	1,360.00	489.53	1,849.53	1,630.76
Less: Inter segment revenue	-	-	-	-	186.86	66.97	253.83	218.01	186.86	66.97	253.83	218.01
Net Revenue	335.05	129.02	464.07	396.69	838.09	293.54	1,131.63	1,016.06	1,173.14	422.56	1,595.70	1,412.75
Result	41.01	10.32	51.33	48.22	150.22	27.76	177.98	105.61	191.23	38.08	229.31	153.83
Unallocated expenses												
Operating Profit									191.23	38.08	229.31	153.83
Provisions and contingencies									93.80	7.89	101.69	132.31
Taxes									26.92	11.80	38.72	12.46
Share of Loss in Associates												
Minority Interest												
Extraordinary profit/loss												
Net Profit									70.51	18.39	88.90	9.06
Other Information												
Segment Assets	4,673.10	4,881.70	4,881.70	4,400.33	13,474.94	14,404.60	14,404.60	12,366.34	18,148.04	19,286.30	19,286.30	16,766.67
Unallocated Assets												
Total Assets	4,673.10	4,881.70	4,881.70	4,400.33	13,474.94	14,404.60	14,404.60	12,366.34	18,148.04	19,286.30	19,286.30	16,766.67
Segment Liabilities	1,834.24	2,898.83	2,898.83	2,486.11	15,222.88	15,284.18	15,284.18	13,260.88	17,057.12	18,183.01	18,183.01	15,746.99
Unallocated Liabilities												
Total Liabilities	1,834.24	2,898.83	2,898.83	2,486.11	15,222.88	15,284.18	15,284.18	13,260.88	18,148.04	19,286.30	19,286.30	16,766.67

Notes on Segment Results:

1. Segment report has been prepared based on the stand alone financial information of the Bank.
2. As the Bank operates only in the domestic segment there are no other geographic segments.

Notes on Financial Results:

1. The results for the year ended 31 March 2007 have been prepared following the same accounting policies as those followed in the annual financial statements for the year ended 31 March 2006 except as indicated otherwise.
2. The results for the year ended 31 March 2007 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), Taxation, Pension, Gratuity, Leave Encashment, Bonus, Depreciation on Fixed Assets and other expenses.
3. The Bank has, with effect from 1 April 2006, reassessed and revised the estimated useful life of certain categories of fixed assets being ATMs, VSAT equipments and improvements to leasehold premises. Consequent to such change, depreciation and operating expenses for the year are lower by Rs. 4.64 crores and net profit for the year is higher by Rs. 4.64 crores. Net Block of fixed assets is higher by Rs. 4.20 crores and Capital Adequacy ratio is higher by 0.04%.
4. Pursuant to the increase in provisioning requirements for certain classes of Standard Assets from 0.40% as notified by the RBI through its circular dated 31 January 2007, the Bank has made additional provision of Rs. 23.81 crores during the year ended 31 March 2007.
5. The deferred revenue expenditure in respect of employees who availed VRS during 2002 was fully amortised by September 2006. The results for the year includes an amount of Rs. 9.42 crores (Previous year: 18.78 crores) being the proportionate charge to the profit and loss account.
6. The Bank's holding in Bharat Overseas Bank was divested during the year. The results for the year includes an amount of Rs. 27.24 crores being the post tax profit due to this divestment.
7. As required by RBI circular dated 20 April 2007, the Bank has deducted the amortisation of premium on HTM investments from 'Other Income' which was earlier included under 'Other provisions and contingencies'. Prior period figures have been reclassified to conform to the current classification.
8. During the current year the Bank has allotted 172,272 equity shares pursuant to the exercise of stock options by certain employees and forfeited 165,072 unexercised options. Further, the Bank has made fresh grant of 20,000 options under Employees Stock Option Scheme 2005 during the year.
9. Status of Investors complaints is as follows:
 - a) Pending as at December 2006 – 1;
 - b) Received during the quarter -62
 - c) Disposed of during the quarter – 62;
 - d) Pending as at March 2007 – 1
10. The above results for the year ended 31 March 2007 were reviewed by the Audit Committee of the Board and have been subsequently approved by the Board at its meeting held on 2 May 2007.
11. The Board of Directors have proposed a dividend @ 6.5% for the year.

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

Place: Bangalore
Date: 02-05-2007

For and on behalf of the Board


Vaughn Richter
Managing Director & CEO