

SIGNIFICANT EVENTS FOR THE PERIOD APRIL 2008 TO SEPTEMBER 2008 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 first half of the fiscal year 2008-2009.

A. CHANGES IN COMPOSITION OF THE BOARD OF DIRECTORS:

Mr. Santosh Ramesh Desai was appointed on the Board effective 29-Apr-2008 as an additional Director to hold office up to the date of 77th Annual General Meeting (AGM). The Shareholders at the 77th AGM, held on 30-Jun-2008 appointed him as a Director liable to retire by rotation.

Mr. Lars Kramer resigned from the Board effective from 01-May-2008 and Mr. Ramakrishnan Subramanian appointed as a Director in casual vacancy caused due to the resignation of Mr. Lars Kramer to hold office up to 78th AGM to be held in 2009, the date up to which Mr. Lars Kramer would have held if he had not resigned.

Mr. Meleveetil Damodaran appointed on the Board as an Additional Director effective 21-Jul-2008.

B. OPERATING RESULTS:

Bank's Net Profit After Tax (PAT) for the half year ended 30 September 2008 increased by 23 % to Rs.87.6 Crore from Rs.71.3 Crore for the half year ended 30 September 2007 and the Profit Before Tax (PBT) increased by 67 % to Rs.196.3 Crore from Rs.117.8 crores.

The profit for the half year ended 30 September 2007 includes profit of Rs.1.99 Crore (post tax of Rs.1.97 Crore) on sale of ING Investment Management (India) Pvt. Ltd.

Net Interest Income increased by 48% to Rs.314.5 Crore for the half year ended 30 September 2008 from Rs.213 Crore for the half year ended September 2007 and Other Income increased by 37% to Rs.251.5 Crore from Rs.184 Crore in the same period.

C. BUSINESS PERFORMANCE:

I) DEPOSITS

Deposits grew by 22.7% to Rs.20,897 Crore as at 30 September 2008 from Rs.17,025 Crore as at 30 September 2007. Low cost deposits increased by 22.9% to Rs.6,080 Crore from Rs.4,947 Crore in the same period.

II) ASSETS

Total assets of the Bank registered a growth of 28.3% to Rs.26,828 Crore as at 30 September 2008 from Rs.20,906 Crore as at 30 September 2007. The credit deposit ratio stood at 76%.

III) ADVANCES

Advances increased by 26.3% to Rs.15,866 Crore as at 30 September 2008 from Rs.12,565 Crore as at 30 September 2007. The net NPA ratio deteriorated from 0.77% as at September 2007 to 0.78% as at September 2008.

IV) INVESTMENTS

The Investments Portfolio increased by 18% to Rs.6,086 Crore as at 30 September 2008 from Rs.5,154 Crore as at 30 September 2007.

V) BRANCHES AND ATMS

The Bank opened 22 new branches and 41 new ATMs during the first half of the year. As of 30 September 2008 the Bank had 429 branches, 39 Extension Counters, 28 Satellite Offices and 244 ATMs. During the current financial year, based on the license received from RBI for opening 56 new branches and 100 ATMs, the bank has opened 22 branches and 41 ATMs until 30 September 2008.

D. CAPITAL ADEQUACY RATIO:

The Capital Adequacy Ratio stood at 10.52% as at September 2008, compared to 10.51% as at September 2007.

E. REGULATORY CHANGES:

- The Finance Minister in his Budget Speech (paragraph 73) for 2008-09 had announced a debt waiver and debt relief Scheme for farmers, for implementation by all scheduled commercial banks, besides RRBs and co-operative credit institutions. RBI vide circular RPCD.No.PLFS.BC.72/05.04.02/2007-08 had instructed that the implementation of the Debt Waiver and Debt Relief Scheme should be completed by June 30, 2008.
- In the light of the macroeconomic and overall monetary conditions and with a view to containing inflation expectations, the Reserve Bank of India vide circular FMD.MOAG.No.18/01.01.01/2007-08 had decided to increase the fixed repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points to 8.00 per cent from 7.75 per cent, with effect from June 12, 2008. Later it was further increased to 8.50% with effect from June 25, 2008 and again increased to 9.0% with effect from July 30, 2008.
- On review of global and domestic macroeconomic and financial developments, RBI had decided to increase cash reserve ratio (CRR) of Scheduled Commercial Banks by 50 basis points to 8.75 per cent of its net demand and time liabilities with effect from the fortnight beginning July 19, 2008. Later it was further increased to 9.00% with effect from the fortnight beginning August 30, 2008.

F. TIER II CAPITAL

In July 2008, the Bank has raised a 120 months subordinated debt of Rs. 150 Crore which has been appropriately considered as Tier II capital for the purpose of Capital Adequacy Ratio.

G. SOCIAL INITIATIVE:

The ING Vysya Foundation, incorporated in October 2004 with the mandate to **promote**

primary education for under privileged children, has been very successful in reaching out to underprivileged children and providing them with a platform to learn, grow, and achieve, through partnerships with seven non-profit organizations in India. The foundation supports various programmes managed by these non-profit organisations in achieving its objective. The employees of the group raised Rs. 75 lakh through a fundraising initiative to get child labourers to school through its partnership with UNICEF. The Foundation has also provided footwear for 1370 children of UNICEF schools in the year 2008-09.

H. OUTLOOK:

ING Vysya Bank will continue to focus on increasing its market share of low cost deposits and on profitable growth with an emphasis on improving the liabilities mix to ensure steady results. The Bank will continue to build on the progress made.

31-Oct- 2008

By order of the Board
Managing Director and CEO

Segment Results for the period ended 30 September 2008

Rs. In Crores

Particulars	Quarter Ended	Quarter Ended	Half Year ended	Half Year ended	Year ended
	30.09.2008	30.09.2007	30.09.2008	30.09.2007	31.03.2008
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Segment Revenue					
a) Treasury	512.62	376.99	968.19	761.55	1,555.91
b) Retail Banking	534.96	384.53	1,019.86	740.96	1,597.38
c) Corporate / Wholesale Banking	434.27	357.41	791.37	695.13	1,379.85
d) Other Banking Operations	(11.71)	(14.23)	1.04	(23.16)	(14.89)
e) Unallocated	-	-	-	-	-
Total	1,470.14	1,104.70	2,780.46	2,174.48	4,518.25
Less: Inter Segmental Revenue	814.94	598.92	1,519.00	1,179.37	2,419.25
Income from Operations	655.20	505.78	1,261.46	995.11	2,099.00
2 Segment Results					
a) Treasury	26.82	(1.22)	63.27	13.30	51.15
b) Retail Banking	26.62	34.78	55.47	56.98	160.92
c) Corporate / Wholesale Banking	48.77	50.69	88.22	84.54	141.38
d) Other Banking Operations	(10.61)	(21.75)	(10.70)	(35.07)	(45.99)
e) Unallocated	(21.63)	9.77	(63.06)	(6.12)	(56.00)
Total Profit Before Tax	69.97	72.27	133.20	113.63	251.46
Taxes	(23.00)	(26.29)	(45.60)	(42.33)	(94.53)
Total Profit After Tax	46.97	45.98	87.60	71.30	156.93
3 Capital Employed (Segment Assets - Segment Liabilities)					
a) Treasury	5,620.08	5,696.61	5,620.08	5,696.61	7,523.55
b) Retail Banking	(7,818.85)	(6,686.36)	(7,818.85)	(6,686.36)	(8,494.79)
c) Wholesale Banking	3,881.68	2,369.15	3,881.68	2,369.15	3,377.32
d) Other Banking Operations	(58.29)	(204.29)	(58.29)	(204.29)	(870.43)
Total	1,624.62	1,175.11	1,624.62	1,175.11	1,535.65

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 above standalone results for the quarter and half year ended 30 September 2008 were reviewed by the Audit Committee of the Board and approved by the Board at its meeting held on 31 October 2008.
2. The standalone results for the quarter ended 30 September 2008 have been subject to a limited review by the statutory auditors of the Bank.
3. The unaudited financial results for the quarter and half year ended 30 September 2008 have been prepared based on the same accounting policies as those adopted in the preparation of the annual financial statements for the year ended 31 March 2008.
4. Exceptional items for the year ended 31 March 2008 represents sale of a Non-Banking Asset resulting in pre-tax profit of Rs. 18.38 crores and divestment of the Bank's holdings in ING Investment Management (India) Private limited (IIM) resulting in pre-tax profit of Rs. 1.99 crores.
5. Information on investor complaints pursuant to Clause 41 of the listing agreement for the quarter ended 30 September 2008:
 - a) At the beginning of the quarter - Nil
 - b) Received during the quarter - 61
 - c) Disposed of during the quarter - 61
 - d) Pending as at 30 September 2008- Nil
6. Comparative figures for the previous periods have been regrouped/rearranged/reclassified, where required, to conform to current classification.

For and on behalf of the Board


Vaughn Richter
Managing Director & CEO

Place: Bangalore
Date: 31.10.2008