

# BANK OF INDIA

## FINANCIAL RESULTS FOR QUARTER ENDED JUNE 2008

28.07.2008

# HIGHLIGHTS FOR QUARTER ENDED JUNE '08

- ✓ Deposits increased by Rs.36875 cr (30% rise)  
Domestic by Rs.33141 cr, (33%), Foreign by Rs.3734 cr (16%)
- ✓ Gross Advances increased by Rs.34375 cr (39%), Domestic by Rs.26069 cr (37%), Foreign by Rs.8306 cr (45%)

# HIGHLIGHTS FOR QUARTER ENDED JUNE '08

- ✓ Net Interest Income increased by 24.71% from Rs. 947 crores to Rs. 1181 crores
- ✓ Non Interest Income increased by 48.56% from Rs. 381 crores to Rs. 566 crores
- ✓ Operating expenses increased only by 3.85% from Rs.650 crores to Rs.675 crores

# HIGHLIGHTS FOR QUARTER ENDED JUNE '08

- ✓ Operating Profit increased by 58.11% from Rs.678 crores to Rs.1072 crores
- ✓ Net Profit increased by 78.41% from Rs.315 crores to Rs.562 crores

# HIGHLIGHTS FOR QUARTER ENDED JUNE '08

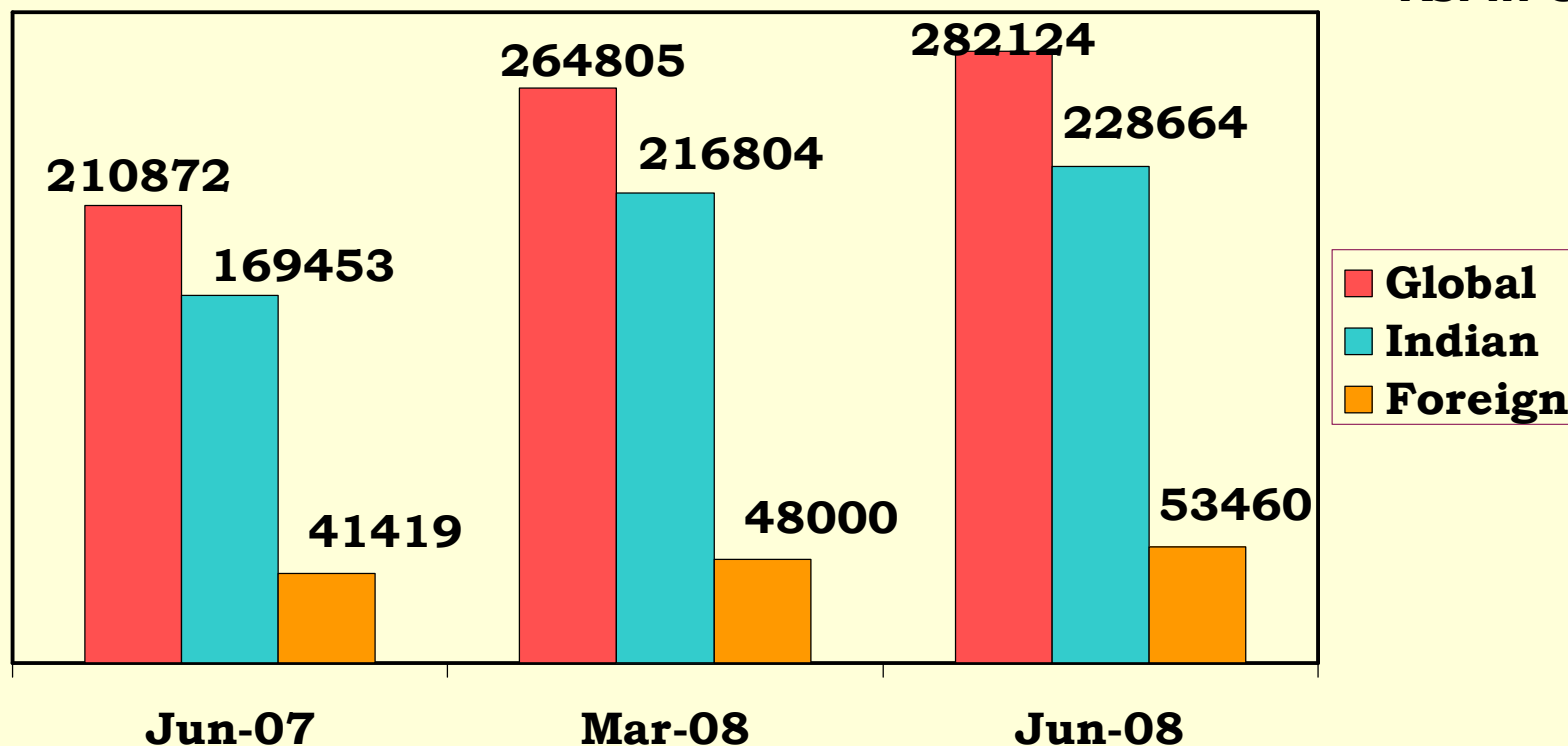
- ✓ Networth increased to Rs. 9190 crore from Rs.5819 crore - Y-o-Y growth 58%
- ✓ Book Value per Share improved to Rs.174.74 in June. 08 from Rs.119.21 in June. 07
- ✓ Earnings per Share (not annualised) increased to Rs.10.70 in June. 08 from Rs.6.47 in June. 07
- ✓ Return on Assets (annualised) improved to 1.22% in June. 08 from 0.89% in June. 07

# HIGHLIGHTS FOR QUARTER ENDED JUNE '08

- ✓ Gross N.P.A. declined to 1.64% from 2.29% in June. 07
- ✓ Net N.P.A. declined to 0.52% from 0.89% in June. 07
- ✓ Provision Coverage ratio improved to 80.25% from 70.46% in June. 07

# BUSINESS MIX

Rs. in Crore



On Y –o- Y basis :

Growth of Global Business Mix

June 08

33.79 %

June 07

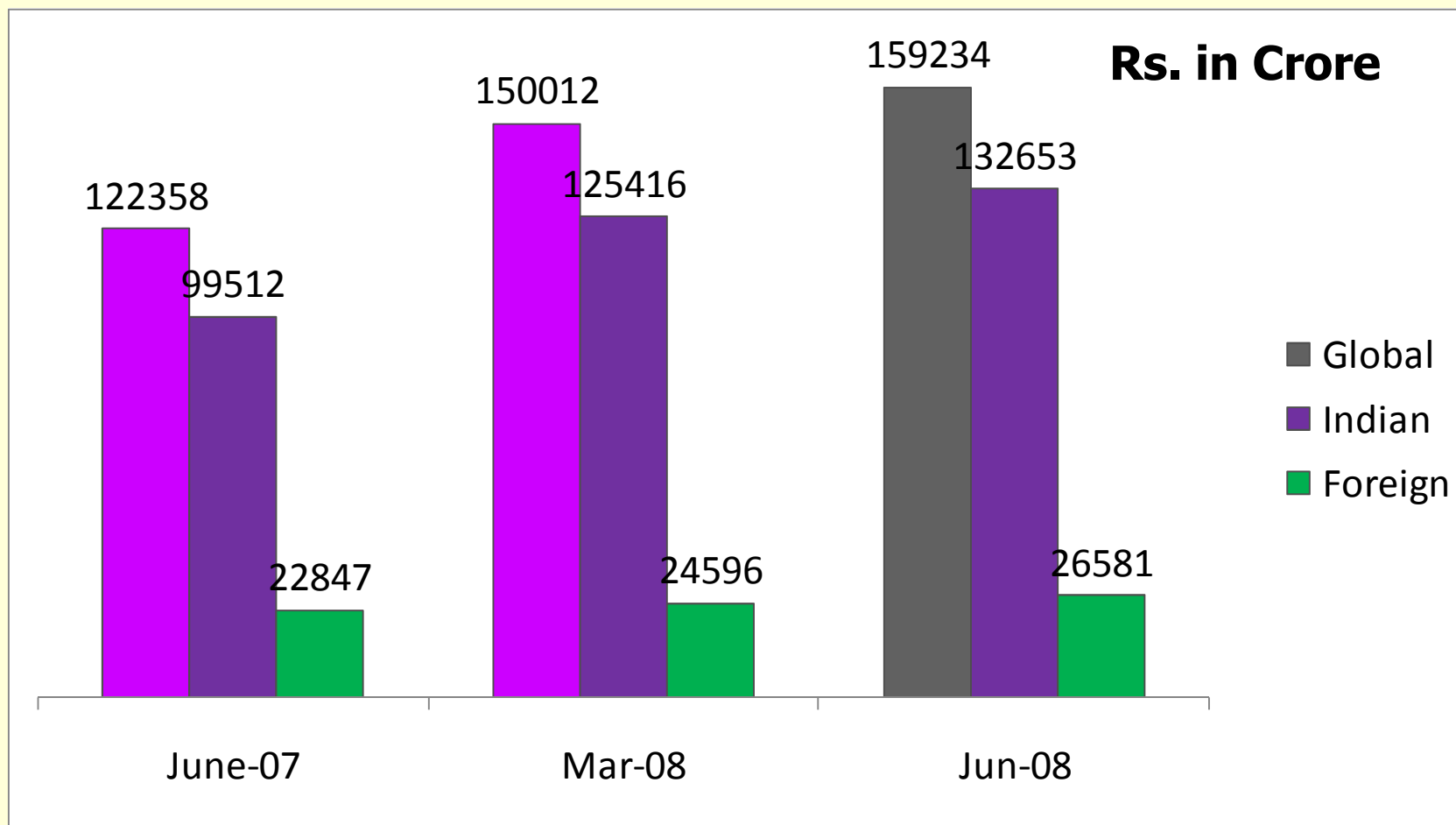
27.31%

Growth of Indian Business Mix

34.94 %

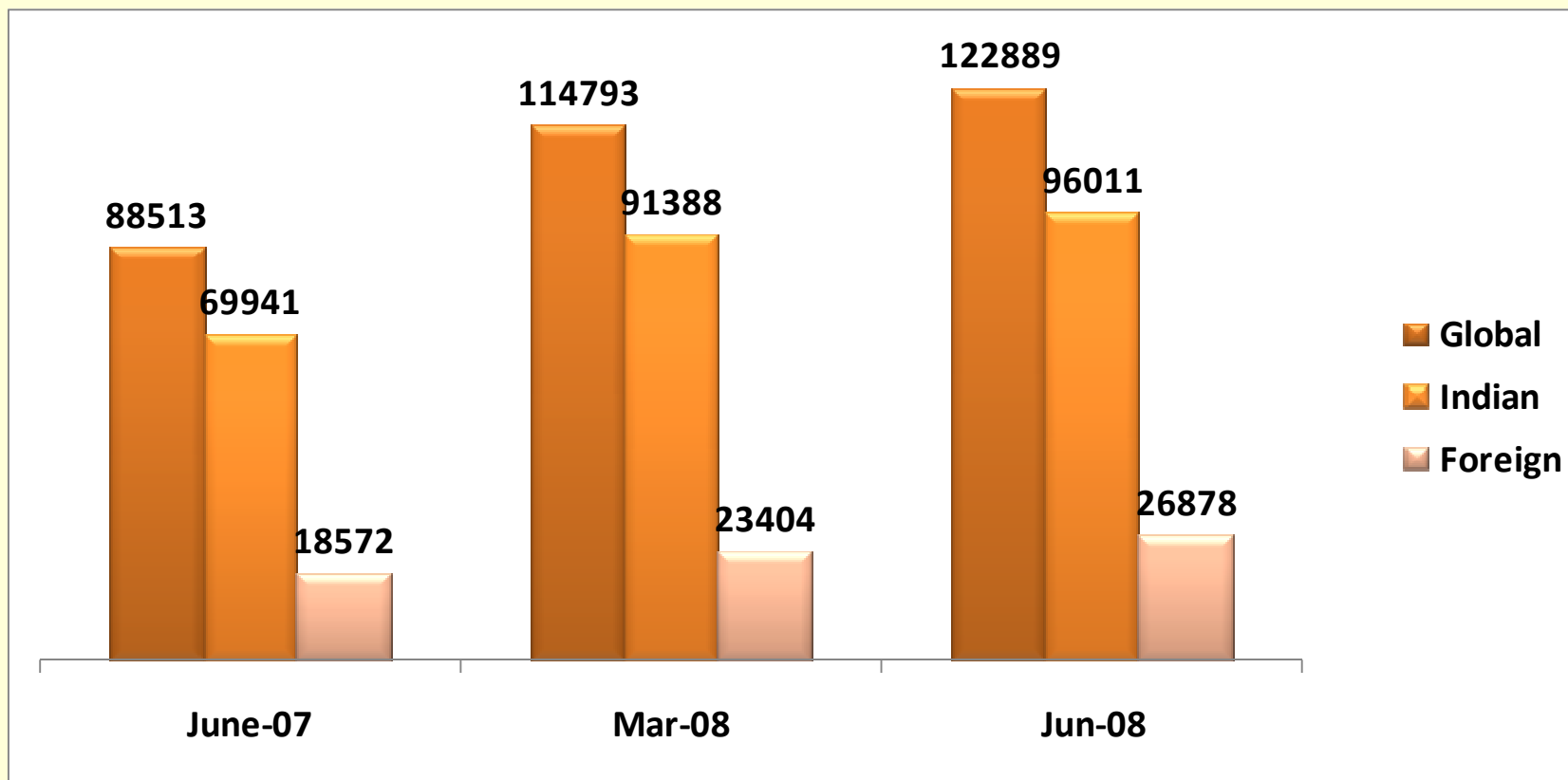
26.12 %

# GROWTH IN DEPOSITS



On Y-o-Y basis	June 08	June 07
Global Deposits	30.14%	27.70 %
Indian Deposits	33.30%	26.03 %

# GROWTH IN ADVANCES



On Y-0-Y basis	June 08	June 07
Global Advances	38.84 %	26.78 %
Indian Advances	37.27 %	26.26%
Foreign Advances	44.72 %	28.79%

# DOMESTIC DEPOSITS

(Amount in Rs. Crores)			
	June-07	Mar-08	June-08
AGGREGATE DEPOSITS	98367	124274	131561
SAVINGS BANK DEPOSITS	29293	33207	34751
CURRENT DEPOSITS	7879	10965	10153
TOTAL LOW COST DEPOSITS	37171	44172	44904
% SHARE OF LOW COST DEPOSITS TO AGGREGATE DEPOSITS	38	36	34
% SHARE OF SAVINGS BANK DEPOSITS TO AGGREGATE DEPOSITS	30	27	26

**On Y-o-Y basis, Aggregate Deposits grew by 33.74%, Savings grew by 18.63%, Current by 28.86%, Low Cost Deposits grew by 20.80%.**

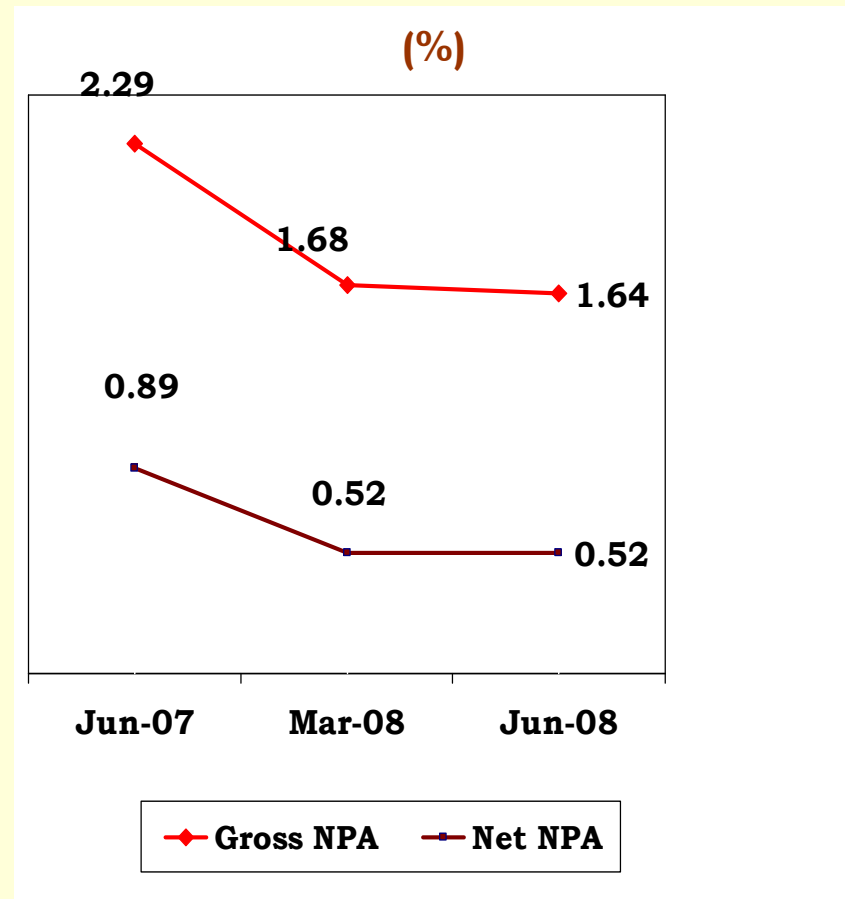
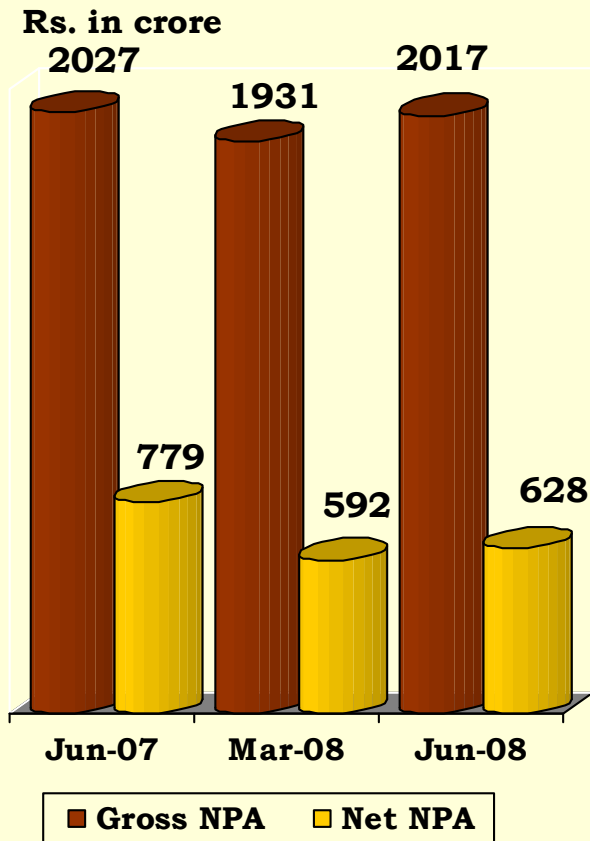
# NPA MOVEMENT

(Amount in Rs. Crores)				
	June-07		June-08	
	INDIAN	GLOBAL	INDIAN	GLOBAL
OPENING GROSS NPA	1931	2101	1783	1931
TOTAL REDUCTION	296	322	215	217
RECOVERY	137	143	128	128
UPGRADATION	26	26	43	43
WRITE-OFF	133	153	44	46
SLIPPAGES	202	248	270	303
NET REDUCTION	94	74	-55	-86
CLOSING GROSS NPA	1837	2027	1838	2017

# NPA MOVEMENT

(Amount in Rs. Crores)				
	June-07		June-08	
	INDIAN	GLOBAL	INDIAN	GLOBAL
CLOSING GROSS NPA	1837	2027	1838	2017
TOTAL NETTABLE CREDITS	1292	1428	1266	1389
NPA PROVISION	979	1113	1153	1272
OTHER CREDIT	133	135	113	117
NET NPA	725	779	572	628
GROSS NPA RATIO (%)	2.63	2.29	1.91	1.64
NET NPA RATIO(%)	1.05	0.89	.60	0.52
PROVISION COVERAGE RATIO (%)	70.32	70.46	81.42	80.25

# NON-PERFORMING ADVANCES



**Gross NPA declined from 2.29% in June 07 to 1.64% in June 08**  
**Net NPA declined from 0.89% in June 07 to 0.52 % in June 08**

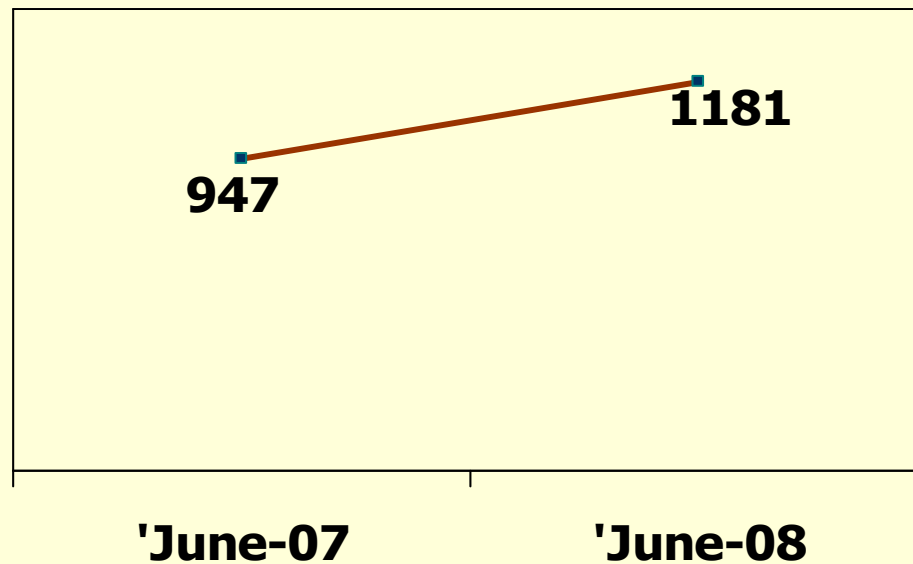
# PROFIT - NET INTEREST INCOME

(Amount in Rs. Crores)

	June-07	June-08	Variation (%)
TOTAL INTEREST INCOME	2727	3548	30.10
INT. INCOME FROM ADVANCES	2023	2687	32.82
INT. INCOME FROM INVESTMENTS	581	786	35.28
OTHER INTEREST INCOME	123	75	-39.02
TOTAL INTEREST EXPENDED	1780	2367	32.98
INT. EXPENDED ON DEPOSITS	1493	2131	42.73
INT. EXPENDED ON BORROWINGS	162	117	-27.78
INTEREST EXPENSES ON SUBORDINATED DEBT etc.	125	119	-4.80
NET INTEREST INCOME	947	1181	24.71

# PROFITABILITY RATIOS

## Net Interest Income( Spread)



Y-o-Y growth 24.71%

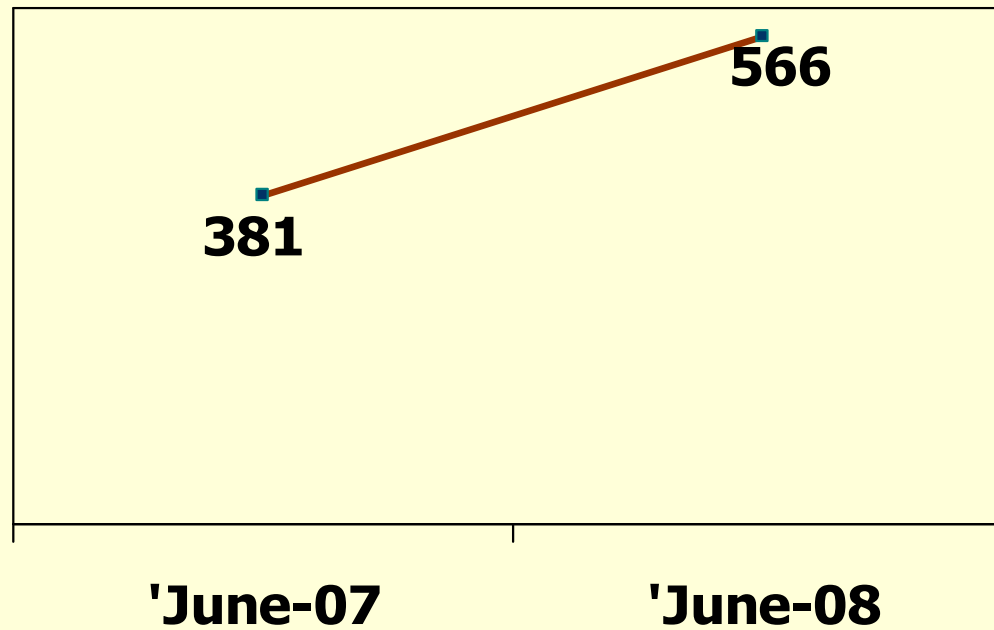
# NON - INTEREST INCOME

(Amount in Rs. Crores)

	June-07	June-08	Variation Y-O-Y (%)
PROFIT FROM SALE OF SECURITIES	65	68	4.62
PROFIT FROM EXCHANGE TRANSACTIONS	66	113	71.21
COMMISSION / EXCHANGE / BROKERAGE	150	230	53.33
RECOVERY IN WRITTEN OFF ACCOUNTS	20	87	335.00
OTHER NON-INTEREST INCOME	80	68	-15.00
TOTAL NON-INTEREST INCOME	381	566	48.56
CORE NON-INTEREST INCOME (net of Treasury)	250	385	54.00

# PROFITABILITY RATIOS

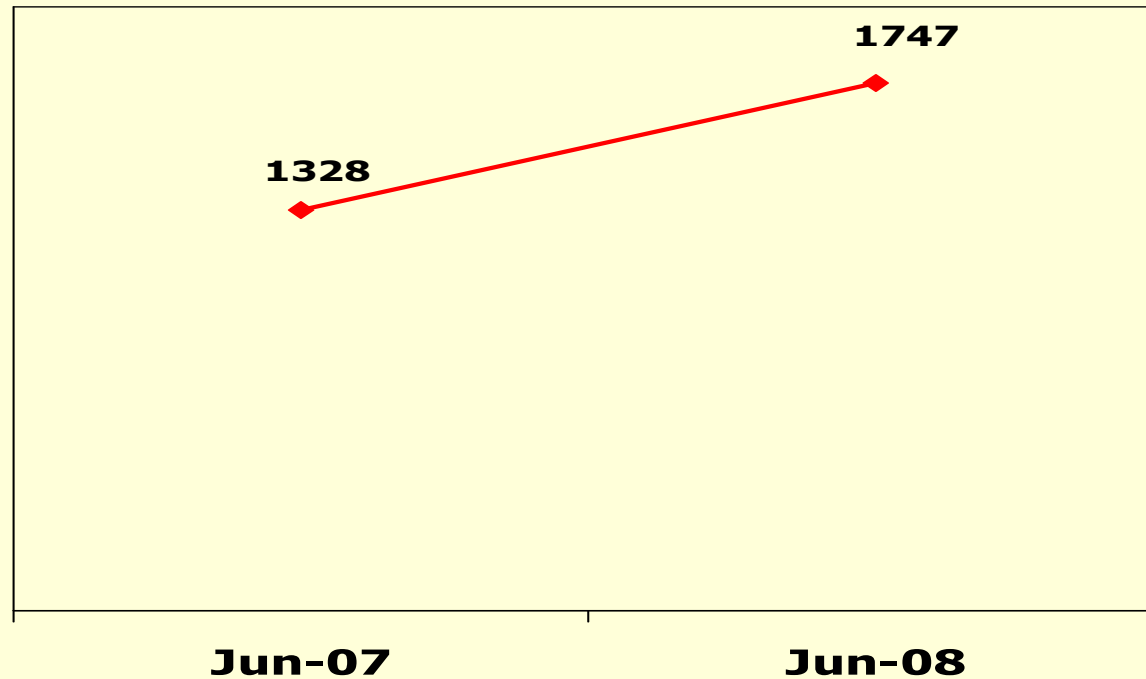
## Total Non-Interest Income



Y-o-Y growth 48.56%

# PROFITABILITY RATIOS

## Operating Income



Y-o-Y growth 31.55%

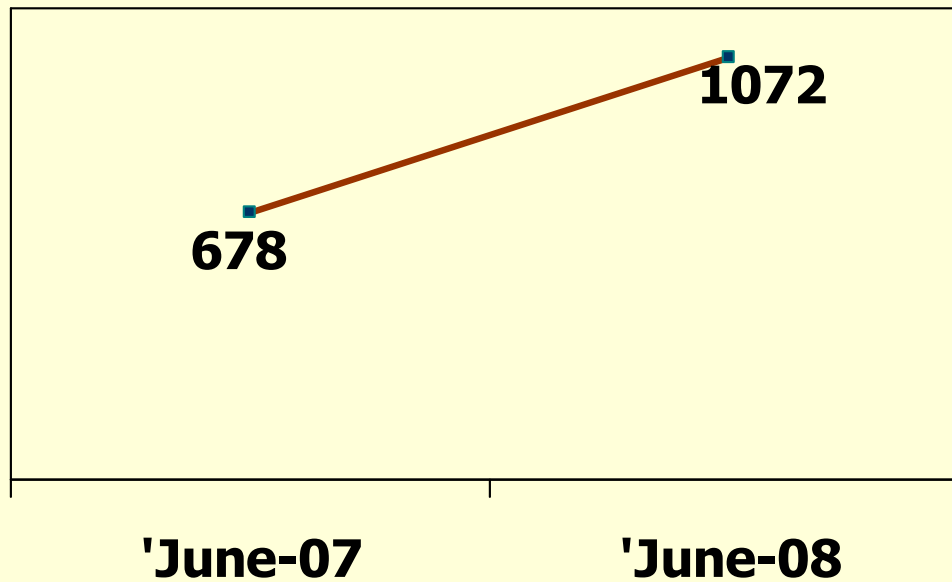
# OPERATING PROFIT

(Amount in Rs. Crores)

	June-07	June-08	Variation Y-O-Y (%)
OPERATING INCOME (NET INTT. INCOME+NON-INTT.INCOME)	1328	1747	31.55
OPERATING EXPENSES	650	675	3.85
STAFF COST	413	460	11.38
OTHER OPERATING EXPENSES	237	215	-9.28
OPERATING PROFIT	678	1072	58.11
CORE OPERATING PROFIT (net of Treasury)	547	891	62.89

# PROFITABILITY RATIOS

## Operating Profit



**Y-o-Y growth 58.11%**

# OTHER OPERATING EXPENSES

(Amount in Rs. Crores)	June-07	June-08	Variation Y-O-Y (%)
Payments to & Provision for Employees	413	460	11.38
Rent, Taxes & Lighting	41	49	19.51
Printing & Stationery	8	9	12.50
Advertisement & Publicity	5	1	-80.00
Depreciation on Bank's Property	16	16	0.00
Auditors' Fees & Expenses	10	8	-20.00
Law Charges	2	2	0.00
Postage, Telegrams, Telephones, etc	2	2	0.00
Repairs & Maintenance	8	8	0.00
Insurance	25	31	24.00
Other Expenditure	120	89	-25.83
<b>TOTAL (I TO XII)</b>	<b>650</b>	<b>675</b>	<b>3.85</b>

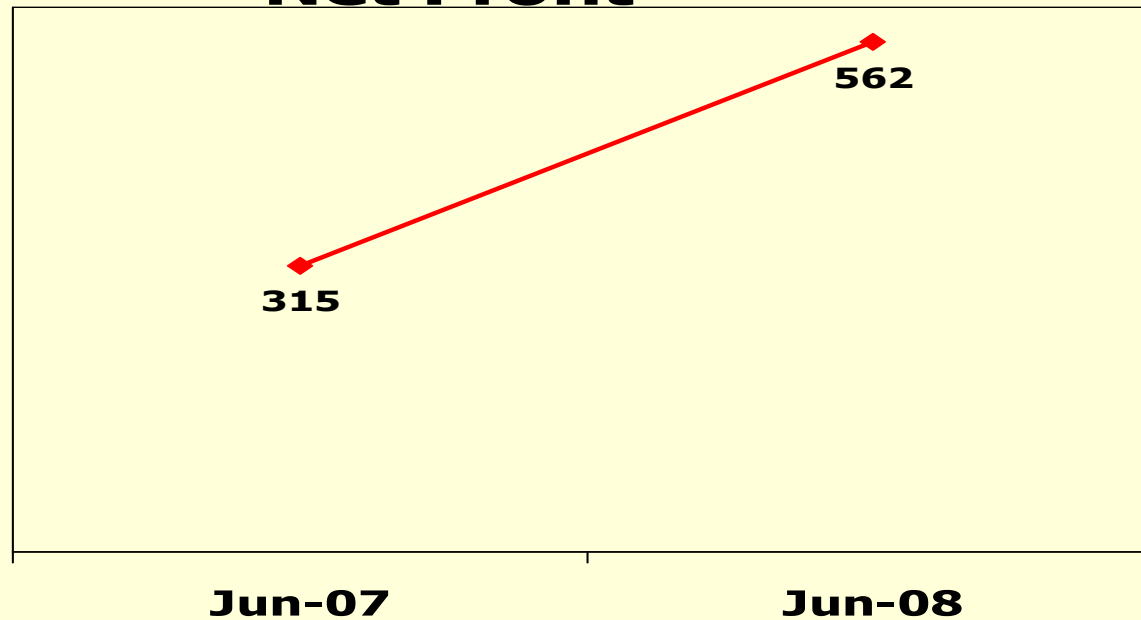
# NET PROFIT

(Amount in Rs. Crores)

	June-07	June-08	Variation Y-O-Y (%)
OPERATING PROFIT	678	1072	58.11
TOTAL PROVISIONS	363	510	40.50
PROVISION FOR NPA	92	144	56.52
PROVISION FOR INVESTMENTS	37	129	248.65
PROVISION FOR TAXATION	163	161	-1.23
OTHER PROVISIONS	71	76	7.04
NET PROFIT	315	562	78.41

# PROFITABILITY RATIOS

## Net Profit



**Y-o-Y growth 78.41%**

# PROFIT - SEGMENT

(Amount in Rs.Crores)			
	June-07	June-08	<b>Variation Y-O-Y (%)</b>
<b>OPERATING PROFIT</b>			
GLOBAL	678	1072	58.11
INDIAN	566	913	61.31
FOREIGN	112	159	41.96
<b>PROVISIONS</b>			
GLOBAL	363	510	40.50
INDIAN	331	478	44.41
FOREIGN	32	32	0.00
<b>NET PROFIT</b>			
GLOBAL	315	562	78.41
INDIAN	234	435	85.90
FOREIGN	81	127	56.79

# PROFITABILITY RATIOS

	June 07			June 08		
	Indian	Foreign	Global	Indian	Foreign	Global
COST OF DEPOSITS	5.31	3.40	4.93	6.01	3.01	5.51
COST OF FUNDS	5.14	4.56	5.02	5.51	3.41	5.13
YIELD ON ADVANCES	10.34	5.69	9.39	10.30	4.90	9.15
YIELD ON INVEST.	6.66	6.29	6.62	7.47	5.73	7.28
YIELD ON FUNDS	8.20	5.74	7.69	8.32	4.91	7.69
INTEREST SPREAD	3.06	1.18	2.67	2.80	1.49	2.56
NET INTEREST MARGIN	3.52	0.98	2.96	3.30	1.36	2.89

# RATIOS

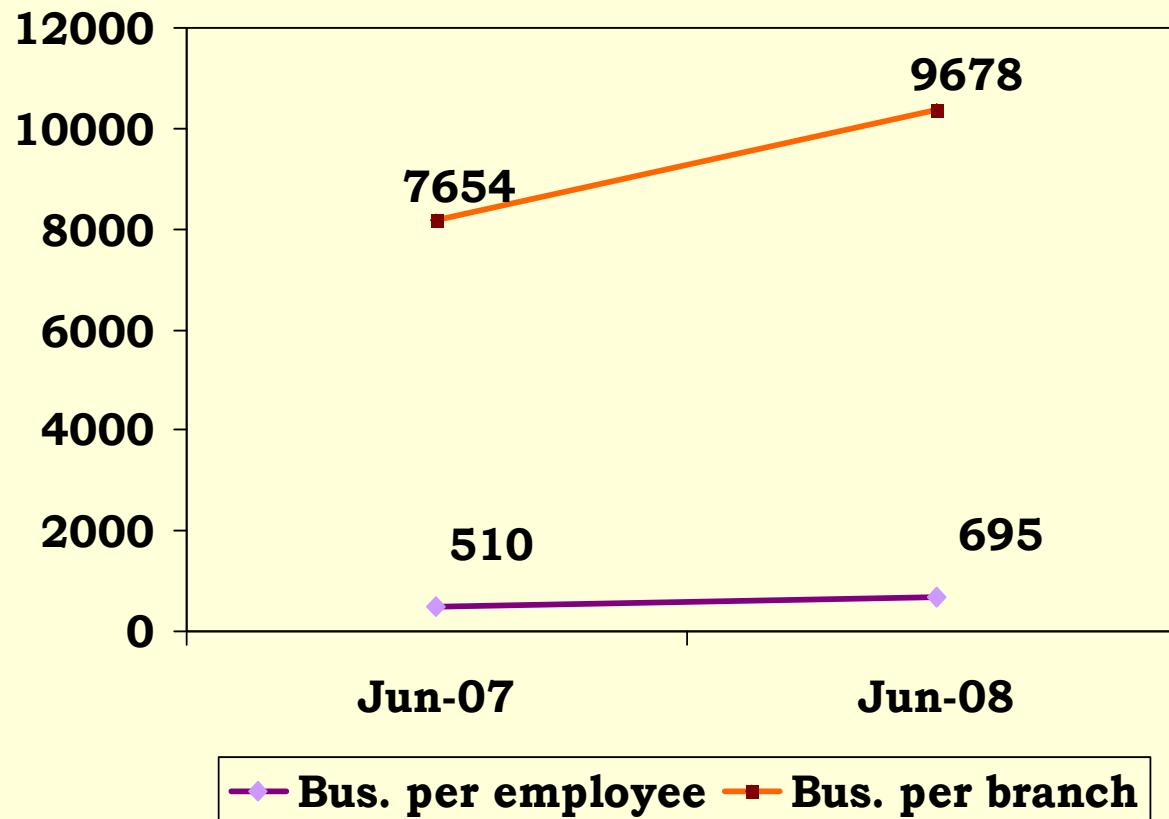
	June 07	June 08
<b>Cost to Income Ratio</b>	<b>48.97</b>	<b>38.62</b>
<b>Asset Utilisation Ratio</b>	<b>1.91</b>	<b>2.32</b>
<b>Return on Assets</b>	<b>0.89</b>	<b>1.22</b>
<b>Return on Equity</b>	<b>22.27</b>	<b>25.23</b>
<b>Earnings per Share (Rs.)</b>	<b>6.47</b>	<b>10.70</b>
<b>Capital Adequacy Ratio (CRAR) Basel I</b>	<b>11.51</b>	<b>12.24</b>
<b>Basel II</b>	<b>10.40</b>	<b>12.39</b>
<b>Book Value per Share (Rs.)</b>	<b>119.21</b>	<b>174.74</b>

# CAPITAL ADEQUACY

(Amount in Rs. Crores)				
	<b>Basel I</b>		<b>Basel II</b>	
	June-07	June-08	June-07	June-08
TIER I CAPITAL	6014	10089	5984	10059
TIER II CAPITAL	4379	5682	4294	5340
TOTAL CAPITAL	10393	15771	10278	15399
TOTAL ASSETS	141913	190280	141913	190280
RISK WEIGHTED ASSETS	90312	128828	98826	124279
CRAR - TIER I (%)	6.66	7.83	6.05	8.09
CRAR - TIER II (%)	4.85	4.41	4.35	4.30
CRAR (%)	11.51	12.24	10.40	12.39

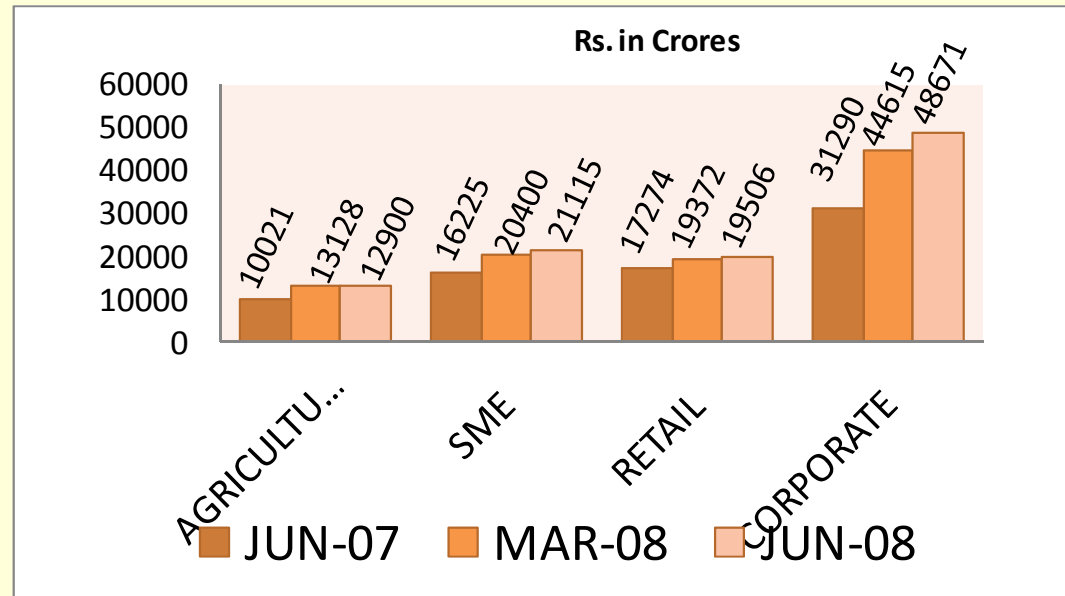
# PRODUCTIVITY

Rs.in lakhs



**Business Per Employee increased by 36.27% &  
Business Per Branch improved by 26.44%**

# KEY SECTORS



## Y-o-Y growth

<b>Agriculture</b>	<b>28.73%</b>	<b>SME</b>	<b>30.14%</b>
<b>Retail</b>	<b>12.92%</b>	<b>Corporate</b>	<b>55.55%</b>

# RETAIL CREDIT (Domestic)

	(Rs. in Crore)		% Growth
	June 07	June 08	
GROSS ADVANCES	69941	96010	37.27
FOOD CREDIT	2006	2411	20.19
NON-FOOD CREDIT	50661	74093	46.25
RETAIL CREDIT	17274	19506	12.92
RESIDENTIAL MORTGAGE	5429	6124	12.80
BUSINESS MORTGAGE LOANS	3246	3040	-6.35
AUTO FINANCE	538	620	15.24
EDUCATIONAL LOAN	765	1079	41.04
OTHERS	7296	8643	18.46

# INVESTMENTS(GLOBAL)

	(Rs.in Crore)	June 07	June 08
1	Domestic		
	a) SLR	26052	35905
	b) NON-SLR	5180	4193
	Sub-Total	31232	40098
2	International	3769	4813
	Total (1 + 2)	35001	44911

# INVESTMENTS(Domestic)

	(Rs. crore)	June 07	June 08	
1.	SLR INVESTMENTS	26052	35905	
	OF WHICH:			
	GOVERNMENT SECURITIES	25244	35175	
	OTHER APPROVED SECURITIES	808	730	
2.	NON SLR INVESTMENTS	5180	4193	
	GROSS INVESTMENTS	31232	40098	
	OUT OF TOTAL INVESTMENTS :			% of Gross
	AVAILABLE FOR SALE (AFS)	6790	6653	17%
	HELD TO MATURITY (HTM)	24422	33438	83%
	HELD FOR TRADING (HFT)	20	7	

**Thank You**