



Press Release – FY 09 Results

- **SBI net profit crosses Rs. 9100 crores**
 - For FY 09,
 - Net Profit for FY 09 increased to Rs 9,121 crores up by 35.5% as compared to Rs 6,729 crore in FY 08.
 - For Q4 FY 09,
 - Net Profit for Q4 FY 09 increased to Rs 2,742 crores, up by 45.62% as compared to Rs 1,883 crore in Q4 FY 08.
- **Total business growth of Rs 3,30,899 crore in FY 09, including international business growth of Rs 39,384 crore**
 - Deposits up by Rs 204,669 crores (International deposits up by Rs 9314 crore), y-o-y growth of 38.08%
 - Strong CASA growth at 23%; Market share in Demand Deposits up by 367 bps to 17.53% from 13.86%.
 - TD growth of 41%, giving ample resources for lending in FY 10
 - The 1000-day deposit scheme was launched to address tightness in liquidity prevailing in Sep 09; Interest rates on this have since been dropped by 300 bps to 8%.
 - Bulk deposits (DIR) as a percentage of total deposits have decreased from 14.13% in FY 08 to 10.81% in FY 09
 - Advances up by Rs 126,231 crore (International advances up by Rs 30,070 crore), y-o-y growth of 29.88%.
 - Loan book well diversified across segments. Advances are spread across many sectors.
 - The revised targets set by the Government in respect of Advances have been achieved
 - Large corporate book up by 47%, Iron, Steel, Petroleum, Telecom Infrastructure are the main drivers of growth. SBI is now World #1 in the mandated arranger ranking in Q4 FY 09 (Source: Dealogic)
 - Mid corporate advances grew by 23%, SME grew by 26%,
 - Education loans are up by 50%, Auto loans up by 36%, Housing loan portfolio up by 21%
 - International advances up by 54%
 - Priority Sector targets and targets for Agri have been achieved.
 - Deployment of fresh funds has already begun; Rs. 24,334 crore disbursed in Feb/Mar 09



- **Cost / Income ratio has improved by 241 bps from 49.03% in March 08 to 46.62% in March 09.**
- Other income increased by 45.96% to Rs. 12,691 crore in FY 09.
 - Core fee income increased by 29% to Rs 7,617 crore. Major contributors are commission, exchange, brokerage, loan processing fees, account maintenance charges, etc
 - Treasury income increased by 171% to Rs 2,566 crore on account of profit on sale of investments
 - Dividend income increased by 107%
- Staff costs have increased by Rs 1961 crore, (25.19%) driven by
 - Increase in pension provisions by Rs 960 crore from Rs 574 crore in FY 08 to Rs 1,534 crore in FY 09; The pension scheme is unique to SBI among all banks in India; Employees are given a pension over and above their provident fund and gratuity on retirement. The pension provision is based on actuarial valuation; The liability as of March 31, 2009 has increased as a result of fall in interest rates.
 - Increase in provisions for wage increase by Rs 805 crore from Rs 575 crore in FY 08 to Rs 1,380 crore in FY 09
- New operating architecture enabling rapid and cost-effective growth; More than 800 new branches added during the year; branch network crosses 11,500, including 93 branches overseas
- 30,127 staff recruited in FY 09
- 24x7 contact center started; Customers can use a toll-free number
- **NPAs remain under control**
 - Gross NPA Ratio has improved from 3.04% in March 08 to 2.84% in March 09
 - International NPAs have increased by 955 crores as a result of the economic slowdown, particularly in USA, Male and Singapore
 - Domestic NPAs alone have increased by only Rs 1,774 crores. Of this, Ratnagiri Power alone contributed to Rs 1,651 crore of the increase
 - Net NPA Ratio is stable 1.78% in March 08 and 1.76 % in March 09
 - Total amount restructured during the year Rs 8,310 crore
- **Capital Adequacy**
 - As on 31 Mar 09, CAR under Basel II is above 14% (14.25%). Further, CAR under Basel II is more than that of Basel I due to implementation of Risk Mitigation Techniques.



- CAR as on 31 Mar 09 is as under:

	TOTAL	TIER I
Basel I (%)	12.97	8.53
Basel II (%)	14.25	9.38

- **Branch expansion**

- Market share in branches has increased to 14.48% from 13.70%.
- During the year, ATM network was expanded to 8,581 ATMs, up by 44%
- Market share in aggregate deposits has increased from 15.41% in March 08 to 17.72 % in March 09
- Market share in advances has increased from 15.20% in March 08 to - 16.03 % in March 09.

- **Home Loans**

- Sanctioned Rs. 2,348 crore under New Happy Home loan Scheme (8% interest rate for first year) till Mar 09; scheme extended to Sep 09
- Share in incremental loans among banks is 46.62% till Feb '09

- **Auto Loans**

- Market share increased to 12% of new vehicle sales from 10% (source: SIAM)
- Tie-up entered with Tata Motors Ltd, for Tata Nano bookings
- Tie-ups existing with Maruti and Hyundai as well
- Growth is significantly higher than closest competitor (22%)

- **Rural Business**

- The Bank strongly believes in 'Financial Inclusion' and has set itself the mission of being the 'Banker to every Indian' household
 - 17,979 Customer Service Points / BCs / BFs are in place to cater to 52,782 previously unbanked villages
 - Scaling up branch network; 481 branches added in rural and semi-urban areas in FY 09 taking the total to 7,696;
 - ATM network in rural and semi-urban areas increased to 3,800
- Plans in place to cover an additional 50,000 villages in FY 10
- Enhancing loan processing capacity by setting up additional rural central processing centres – 158 in place by March 2009, which is being expanded to 300 by March 2010
- Using technology to cover unbanked villages and increasing financial inclusion through
 - Internet Kiosk
 - Mobile banking



- Number of Self-Help Groups financed surpassed 1 million during FY 09
- Agricultural Debt Waiver and Debt relief scheme
 - Total amount involved under Agricultural Debt Waiver and Debt relief scheme is around Rs 10,200 crore
 - The expected claim from the government will be Rs 6,600 crore
 - Claims filed thus far is Rs 5,287 crore, of which Rs 2,168 crore has been already received
 - Around 42 lac farmers benefitted under the Scheme
 - Loss of interest is Rs 188 crore; However, this has resulted in an NPA reduction of Rs 1,500 crore
- **International Loans**
 - Capturing India related business in high potential countries
 - Significant credit growth despite global meltdown; Loan book in USD terms has grown from USD 14.49 Bn to USD 17.05 Bn (17.7%); Rupee depreciation accounts for the rest of the growth

PROFITABILITY – FY 09

- **Net Profit increased by 35.55% to Rs. 9121.23 crore in FY 09**
 - NII increased by 22.63% during FY 09 to Rs. 20873 crore from Rs. 17,021 crore in FY 08
 - Interest income on advances increased by 31.76% during FY 09 over FY 08 driven by growth and increase in yields
 - Interest expense on deposits increased by 40.13 % over FY 2008;
 - NIM at 2.93% in March 09 vs. 3.07% in March 2008.
 - Other income increased by 45.96% to Rs. 12,691 crores in FY 09
 - Core fee income increased by Rs.1703 crore, an increase of 29%.
 - Operating expenses increased by 24% to Rs. 15,649 crore, mainly on account of higher provisions for salary revision and for pensions
 - 100% rollout of core banking system covering all branches and 100% of business – the largest such system in the world.

PROFITABILITY – Q4 FY 09

- **Net Profit increased by 45.62% to Rs. 2742.43 crore in Q4 FY 09**
 - Interest income on advances increased by 25.83% during Q4 FY 09 over Q4 FY 08 driven by growth and increase in yields
 - Interest expense on deposits increased by 53.47% over Q4 FY 08
 - Other income increased by 67.49% in Q4 FY 09.
 - Operating expenses increased by 31.98% to Rs. 4283 crore;



Awards and recognition

- Only Indian bank to find a place in the Fortune Global 500 list – Up from 495 last year to 380 this year (+115) seventh highest gainer
- Moved up in rankings from 219th spot last year to 150th spot this year in the Forbes 2000 list of largest companies in the world
- Best Executive award to the Chairman by Asia Money
- Voted as “The Best Domestic Provider of FX Services” (2nd year in a row) & “The Best Domestic Provider of Single Bank Electronic Trading Platform” By Asia Money
- Only Indian bank among the top 100 banks in the world. Ranked 8th in top 25 banks in Asia
- Ranking in the banker top 1000 world banks improved to 57 from 70 as compared to the ranking of 2007;
- Awards by “The Banker Magazine” for “Retail Core Banking” and “Overall Retail Technology Product”. SBI is the only Indian bank to receive these awards
- Awarded the “Bank of the Year 2008 – India” by The Banker Magazine, London
- Awarded “Best Bank” and “Most Preferred Home Loan” By Outlook Money Awards, 08
- Won “Most Preferred Bank” and “Most Preferred Brand for Home Loan” CNBC Consumer Awards, Sept '08 (third year in a row)

Bagged two prestigious awards from Indian Banks Association and TFCI for

- Best IT architecture
- Rural banking initiative
- Awarded the top Public Sector Bank under the SME Financing category and the Rural Reach category – Dun & Bradstreet Banking Awards 2009
- Moved up to 59 from 61 in Global 500 financial brand recognition ranking by Brand Finance, London February '08
- Ranked # 1 in Survey of top 5 companies in India in terms of financial reputation by Wall Street Journal Asia
- Selected to receive the “Most Admired Infrastructure Financier” Award at the KPMG – Infrastructure Today Awards '08



- Awarded the “First National Award” for excellence in lending to micro-enterprises for 2007-08 under National Awards to Banks 2007-08. SBI has been winning this award for the fourth year in succession, every since it was instituted
- Awarded “Second National Award” award for excellence in MSE lending for 2007-08 under National Awards to Banks 2007-08
- Winner of Readers Digest trusted brands awards 2008 - GOLD Credit Card Issuing Bank – Gold
- Awarded the Financial Services Developer Award for Central Plan Scheme Monitoring System (CSPMS)
- Reputation Institute, US has ranked SBI 29th

