



PRESS RELEASE

QUARTERLY RESULTS Q1 FY09

1. SBI STAND ALONE NET PROFIT FOR Q1 FY 09

⇒ Net Profit for Q1FY09 at Rs. 1640.79 crores, up by 15.08 % from Rs. 1425.81crores in Q1FY08.

2. TOTAL BUSINESS GROWTH OF OVER RS. 215690 CRORES (Y-O-Y)

⇒ Deposits up by Rs. 1,12,197 crores, a 24.95 % growth from Rs.4,49,660 crores in Q1FY08 to Rs. 5,61,857 crores in Q1FY09.

- CASA ratio as on June '08 is 41.87% (41.06 % as on June 2007).
- Market share in deposits as on June 2008 is 15.14% (15.17 % as on June 2007).

⇒ Gross Advances up by Rs. 1,03,493 crores, a 30.01 % growth from Rs. 3,44,834 crores in Q1FY08 to Rs 4,48,327 crores in Q1FY09. Market Share in advances as on June 2008 15.61% (15.60 % in June 2007).

- Mid corporate advances grew by 30.79 % (YOY)
- SME advances grew by 23.16 % (YOY)
- Agriculture advances grew at 9.39 % (YOY)
- Home loans grew by 17.40 %, auto loans by 41.31 % and education loans by 45.89 %.(YOY)
- International advances up by 46.17% (YOY)

3. OPERATING PROFIT INCREASED BY 67.79% TO RS 3962.34 CRORES IN Q1FY09

⇒ NII increased by 14.67 % (YOY) to Rs. 4817.65 crores in Q1FY09.

- Interest Income on Advances increased by 25.35 %, driven by growth.
- Income from resource operations (including investments) increased by 20.02 %.
- Interest expense increased by 30.37 %.
- NIM at 3.03% for Q1FY09 vs 3.27% for Q1FY08.

- ⇒ Other income increased by 111.13 % to Rs. 2,403.88 crores; core fee income increased by 45.06% to Rs. 1,285.00 crores. Q1FY09 include dividend income of Rs. 385.35 crores.
- ⇒ Operating costs increased by only 9.42 % to Rs 3,259.19 crores
- ⇒ As a result, Cost/Income ratio has declined by 1065 bps from 55.78% in Q1FY08 to 45.13 % in Q1FY09.

(Rs in crores)

	Q1 FY 2007-08 (Re-grouped)	Q1FY2008 - 09	Q-o-Q growth (%)	Comment
Interest on Advances	7988.52	10013.99	25.35	Advances growth of 30.01% (YOY)
Other Interest Income	3101.98	3785.21	22.03	Despite unfavourable market conditions and nil interest on CRR balances, there is growth in interest income from Investments
Total Interest Income	11090.50	13799.19	24.42	
Total Interest Expenses	6889.12	8981.54	30.37	Increase in deposits by 24.95%
NII	4201.37	4817.65	14.67	
Non Interest Income	1138.59	2403.88	111.13	Rs 399.15 crores increase in fee income
Total Income	5339.96	7221.53	35.24	
Operating Expenses	2978.51	3259.19	9.42	Higher Employee productivity helping to keep costs under control
Operating Profit	2361.46	3962.34	67.79	
Provisions	159.37	1549.47	872.27	Write back of Loan loss provisions in line with decrease in NPLs Higher MTM provisions for Q1FY 09 include Rs. 784 crore on securities issued to Govt. of India in connection with the rights issue.
Profit before Tax	2202.09	2412.87	9.57	
Tax	776.28	772.08	-0.54	
Profit after Tax	1425.81	1640.79	15.08	

4. NPLs:

- ⇒ Gross NPA ratio is 2.54 % as on June 2008 (3.30% as on June 2007). Net NPA ratio is 1.42% as on June 2008 (1.62 % in June 2007). There has been a write back of Rs 247.40 crores towards loan loss provisions in Q1FY09 against an additional provision of Rs 506.33 crores in Q1FY08. The Provision Cover is at 44.79 % as on June 2008 (51.63 % in June 2007).

5. CAPITAL ADEQUACY:

⇒ Capital Adequacy Ratio of the Bank as on 30.06.2008 is 12.99 % and Tier I CAR is 9.25 % as per Basel I. (CAR and Tier I as on 30.06.2007 was 13.13% and 8.32%).

6. PERFORMANCE OF ASSOCIATES AND SUBSIDIARIES

- ⇒ Associate banks' net profit is Rs.285.95 crores as on June 2008 (Rs 520.70 crores as on June 2007)
- ⇒ SBI Life Gross Premium income at Rs 1,387.56 crores showed a YOY growth of 169%. New premium collected was Rs 1,148 crores as against Rs 426 crores in June 2007.
- ⇒ SBI MF's AUM as on June '08 stood at Rs 30,132 crores (ranked 6th) with a growth of 15 % over March 2008 and PAT of Rs. 22.28 crores in Q1FY09.
- ⇒ SBI CAPS profit as on June 2008 Rs 101.28 crores, a YOY growth of 53%.
- ⇒ SBI Factors: net profit of Rs. 8.35 crores in Q1FY09.
- ⇒ GTF: net profit of Rs. 25.61 crores in Q1FY09.

7. OTHER HIGHLIGHTS

Corporate Accounts Group:

⇒ CAG advances grew by Rs 13,580 crores to Rs 46,584 crores (Rs 33,004 crores as on June 2007 – YOY growth 41.15 %)

Mid Corporate Group:

⇒ MCG advances grew by Rs 26,050 crores to Rs 1,10,662 crores (Rs 84,612 crores as on June 2007 - YOY growth 30.79%).

Personal Banking Business Unit :

- ⇒ Home Loans as on June 2008 at Rs 46,069 crores (from Rs 39,241 crores as on June 2007 - YOY growth 17.40 %).
- ⇒ Auto Loans as on June 2008 at Rs 8059 crores (Rs 5703 crores as on June 2007 – YOY growth 41.31 %)
- ⇒ Educational Loans as on June 2008 stood at Rs 5099 crores (Rs 3495 crores as on June 2007 - YOY growth 45.89 %)

SME :

- ⇒ A new Product '**Power Jyoti**', a solution for institutions to collect fee or donation through any CBS Branch and detailed MIS to institutions has been launched.
- ⇒ Bank has recruited Customer Relationship Executives for Medium Enterprises from the market for potential SME pockets to serve our ME customers and also to acquire new business.

Rural Business:

- ⇒ Bank has surpassed 1 million Self Help Groups as on 31st March 2008 and as on June 2008, 11.42 lacs SHGs were financed with a credit deployment of Rs 5,742 crores.
- ⇒ During the quarter, Bank has opened 112 branches in rural and semi urban centres (57% of total branches opened during the quarter). Bank plans to open 1000 branches during the year in rural and semi urban centres.
- ⇒ SBI Tiny Cards based on mobile communication and finger print verification has been rolled out in 13 states covering 38 districts.
- ⇒ 'SBI Talent Awards' Scheme launched during the Q1FY09 to felicitate 1,00,000 Rank Holders of the Higher Secondary Examination (Std – XII) in around 10,000 Higher Secondary Schools situated in rural and semi-urban centres.
- ⇒ The Bank has implemented the Agricultural Debt Waiver and Debt Relief Scheme, 2008 covering around 30 lacs accounts.
- ⇒ The Total amount involved under Agricultural Debt Waiver and Debt Relief Scheme is around Rs.10,200 crores and expected claim from Govt. will be Rs.6,600 cr.

Information Technology:

- ⇒ 100% Bank's Business is now on Core Banking Solution. The Largest Bank in the World covering 10800+ offices on a single Core Banking Platform.
- ⇒ Total number of ATMs of the Group as on June 2008 stood at 5969 with a debit card base of 28.75 million cards.
- ⇒ All the 16,800 branches of the State Bank Group have been networked

International Banking:

- ⇒ Bank successfully closed USD 3 Bn syndicated Term Loan facility for acquisition of Jaguar/ Land Rover for Tata Motors Ltd as joint mandated lead arranger.
- ⇒ The Bank increased its footprint in China by opening a 2nd office at Tianjin taking the total number of overseas offices of the Bank to 85 spread over 32 countries.

8. RECENT AWARDS / RANKINGS

- ⇒ Bank has recently been conferred with two awards by "the Banker Magazine" for "Retail Core Banking" and "Overall Retail Technology Product". SBI is the only Indian bank to receive these awards.
- ⇒ SBI is placed at 57th place in the Top 1000 Global Banks by Banker Magazine in July 2008 up from 70 last year. SBI is ranked 8th among Top 10 Banks in Asia.
- ⇒ SBI is the only Indian Bank to find place in the Fortune Global 500 List (2008) (380th place, up from 495th last year).