इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

Good People to Grow With

Touching Hearts Spreading Smiles

since 1937

Presentation to Analysts
December 2011
(in INR)

75 Years of Quiet & Dignified Service to the Society

Good People to Grow With

INDEX

Indian Overseas Bank

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FIRST 50 YEARS	
1937	Opening of Bank Branch simultaneously in India & Abroad
1938	Opening Branch in Kuala Lumpur
1941	Opening Branch in Singapore
1945	Opening Branch in Colombo
1955	Opening Branch in Hong Kong
1957	Bank established its own training centre
1960s	Was a decade of inorganic expansion for the Bank. The Bank took over: The Coimbatore Standard Bank Ltd., The Nanjinnad Bank Ltd., The Coimbatore Vasunthara Bank Ltd., The Kulitalai Bank Ltd., The Srinivasaperumal Bank and The Venkateswara Bank
1964	Inauguration of IOB's Head Office in Mount Road – A monument of highest banking tradition
1969	Nationalisation of the Bank
1973	Formation of United Asian Bank Berhad (Indian Bank / IOB / United Commercial Bank)
1974	Official Language Department established in 1974
1977	Bank opened its Tsim Tsa Tsui Branch at Kowloon side of Hongkong
1984	1000^{th} branch – Commercial & Industrial Credit – opened

Milestones - IOB Young at 75 Years

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NEXT 25 YEARS	
1990	Took over Bank of Tamilnad
1991	Bank moved its Staff College premises to a own spacious learning zone at Koyambedu
1996	Banks profit reached INR 100 cr. For the first time
1997	First on site ATM at Mahim, Mumbai
2000	Initial Public Offer
2003	Follow on Public Offer
2005	Launched Debit Card
2006	Launched VISA Card
	Launched Retail Sale of Gold , Non Life Joint Insurance
	Bank reached INR 1 lac crore mark in Total Business
2006-07	Net Profit reached INR 1000 Cr.
	Bharat Overseas Bank Ltd. Was merged with IOB
	Total branches reached 1800
2007	First Off site ATM at Kamatchi Hospital, Chennai
2009	100% CBS
2010	2000th Branch - Yamuna Vihar, New Delhi - opened
2010-11	Total Deposit reached INR 1,51,173 cr.
	Total Advances reached INR 1,19,148 cr.
	Total Business Mix is at INR 2,70,321 cr.

Investor Profile – Shareholding Pattern (%) as on 31.12.2011

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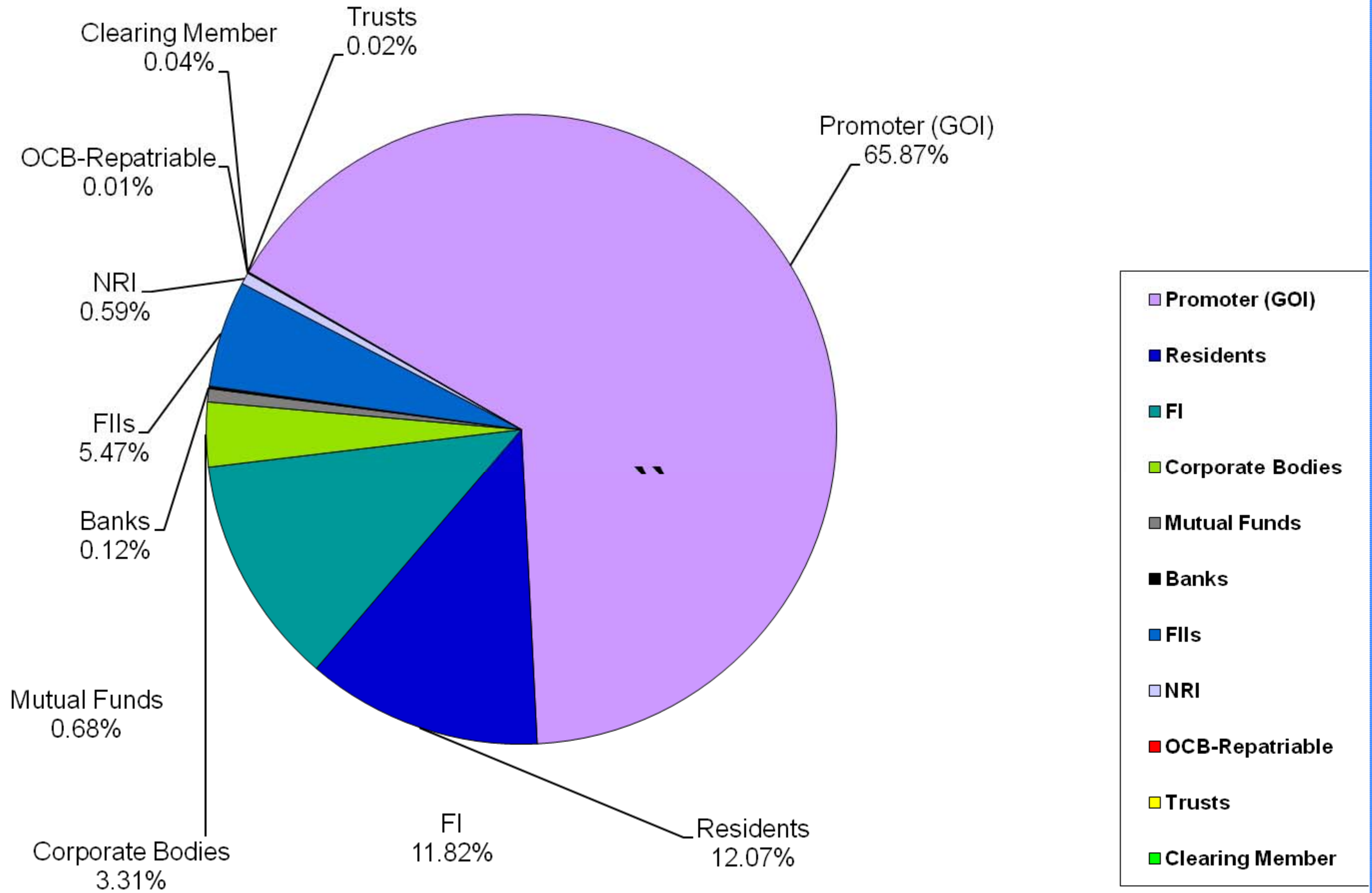

Global Footprints – Foreign Branches of the Bank

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Branches / Extension Counter	Representative Office	Remittance Centres
❖ Singapore	❖ Guangzhou - China	❖ Singapore - Serangoon Road
❖ Hong Kong Main	❖ Kuala Lumpur – Malaysia	❖ Singapore - Boon Lay
❖ Hong Kong TST	❖ Vietnam	
❖ Colombo	❖ Dubai	
❖ Seoul		
❖ Bangkok		
❖ New Kathiresan Temple Extension Road- Colombo (EC)		

- Bank has signed the joint venture agreement with Bank of Baroda and Andhra Bank to open a banking subsidiary in Malaysia. Bank Negara, the Central Bank of Malaysia has issued the license on 16.4.2010. The joint venture subsidiary has been duly incorporated at Malaysia on 13.8.2010 by name India International Bank (Malaysia) Ltd. Out of the Total Capital of the joint venture MYR 300 Mio, our Bank's share is 35% - MYR 105 Mio. Bank has so far subscribed to 8,19,035 shares of MYR 10 each .
- The bank is planning to open new branches in Dubai and China and has sought permission from RBI.
- The bank is also planning to expand its operations to Africa, Australia and New Zealand

Strategic Investments - Joint Ventures

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- IOB entered into Non Life Insurance Business with Universal Sompo General Insurance (USGI) Company Limited with equity participation of 19% along with the Following Banks and Institutions

Joint venture Equity Contributors	%	INR Crs
Allahabad Bank	30	45
Indian Overseas Bank	19	29
Karnataka Bank	15	23
Dabur Investments	10	15
Universal Sompo Insurance Inc	26	39

- The Company has entered into Bancassurance tie ups with Allahabad Bank, IOB and Karnataka Bank.
- Our Bank has entered into Corporate Agency arrangements with effect from 20.12.08 for distribution of USGI products
- Bank earned net commission of INR 1.18 crores upto 31.12.2011 compared to INR 0.99 crores upto 31.12.2010 from Health Care Policies
- During the current year upto 31.12.11, the Bank earned commission from Non Life Sompo (Asset) insurance INR 3.93 crores compared to INR 3.03 crores upto 31.12.2010

Credit Rating – International & Domestic

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Rating Agency	Rating	
Standard and Poor	BBB- / Stable / A-3	BBB- Adequate capacity to meet its financial commitments A-3 Adequate capacity to meet its financial obligations
CRISIL	AA+ for all Bonds	High Safety
ICRA	AA+ Lower Tier II Bonds	LAA+ High credit quality Low credit risk
CARE	AA+ Lower Tier II Bonds	AA+ 1)ownership by Government of India & Support from GOI 2)IOB's large scale operations 3)Adequate capitalisation 4) Healthy resources 5)Ability to improve spreads
ICRA	AA upper Tier II & Perpetual Tier I	LAA High credit quality & Low Credit Risk
CARE	AA upper Tier II & Perpetual Tier I	AA High safety for timely servicing of debt obligations Very low credit risk
Moody	Baa 3	

9

Highlights

Indian Overseas Bank

- Business touched INR 2,99,555 Crores **(YoY Growth 33.02%)**
- Deposits stood at INR 1,67,006 Crores **(YoY Growth 33.54%)**
- CASA stood at 26.15 **%**
- Advances at INR 1,32,549 Crores **(YoY Growth 32.38%)**
- Operating Profit increased from INR 804.12 Crores to INR 822.36 Crores
- Net Profit decreased from INR 231.66 Crores to INR 108.27 Crores
- Provision Coverage Ratio improved from 65.37% to 71.70 **%** Y-o-Y

IT Initiatives

Indian Overseas Bank

Initiatives taken…………

......Core Banking, Internet Banking Software is developed in house:

- Our Bank stands tall, in developing our own CBS software and internet Banking software, UNIQUE in the Indian Banking Scenario.
- It has stood the test of time and scaled up to accommodate 100% of the bank's business. Our CBS software 'CROWN' implemented in both RRBs sponsored by the BANK. All branches are enabled for NEFT/RTGS. NEFT implemented in both RRBs.
- Our Information Technology Department is ISO:9001:2008 certified.
- All the overseas branches under a common CBS platform-MIDAS PLUS Core Banking Software of M/S Misys Ltd,under HUB and SPOKES Model, with the HUB at Singapore. At present, Bangkok and Sri Lanka are brought under Midas Plus CBS software.Seoul,Hongkong and TST branch will be brought under MIDAS PLUS shortly.

…….Alternate delivery Channels:

- As on 31.12.2011,our Bank has 1344 ATMs spread across the country, of which 846 are onsite, 454 ATMs are Off-Site and 44 are at Railway stations. Our bank is a member of NPCI,cashtree and VISA consortiums. The average number of ATM transactions per month for all the ATMS is 35.48 lacs
- Our bank has launched two Mobile ATMs,one in Chennai and the second in Hyderabad.

…….Infrastructure Space

- One of the few bank's, which has successfully implemented 3-way-DR.
- One of the Very few Banks, which have gone for network redundancy by alternative service providers and alternative last-mile.

IT Initiatives (contd…)

…….**Product Space**

- **GENNEXT** branch to cater to the needs of techsavvy younger generation of customers has been opened.
- **CTS**: Cheque Truncation System has been implemented in Chennai in addition to NCR,Delhi.
- **Aadhar** registration through our branches has been enabled.
- **Financial Inclusion Project:** Funds transfer, Deposits and remittances towards advances has been enabled.
- **Online Loan Processing**:Upgradation of RAM Rating facility from CRISIL along with integration of Loan Appraisal Software has been implemented.
- **City Back Office:** For centralized opening of accounts and centralized processing of inward clearing,CBOs have been opened in all CCO centers.18 Centres and 34 clusters have implemented the centralised processing of our inward clearing cheques and among them 16 centres and clusters have been carrying 90% of their inward clearing work on behalf of the branches.
- **Central Plan Schemes Monitoring System(CPSMS)** for direct credit of Govt. aide to beneficiaries introduced.
- **Biometric based authentication** of all users in CBS introduced for increased security in all branches.
- **RTGS/NEFT** facility implemented in all branches.
- **All branches of both RRBS have been brought under CBS.NEFT introduced in both RRBS**.
- **Internet Banking:** Bank has home-grown Internet Banking suite, which has contemporary Offerings; Opening of Term Deposits, Funds transfer using RTGS through Internet Banking have been enabled.E-PAYMENT of DELHI VAT/CST and payment of port charges has been enabled for Chennai and Tuticorin Ports which ensures float funds for the Bank. Average number of registrations per month during 2011-12 is 14,132 and the cumulative registrations upto December 2011 is 4,23,515.

…….Product Space

- **Payment Gateway:** There has been an increase in the number of hits in our Payment Gateway for payment utility bills like mobile payment, insurance premium, other banks' credit cards, telephone bill payments etc using the debit cards. The average number of transactions per month during 2011-12 is 21705 .
- Bank is the Second only Bank to have brought out a full Blown Mobile Banking Suite – IOB Mobile – which has enquiry, funds transfer within bank and Inter-bank and m-commerce facilities,IntraBank Mobile Payment scheme implemented. The cumulative number of accounts registered since inception is 13,649 and 57,411 transactions have been put through.
- Customer complaint redressal through Mobile implemented.
- Bank has 568 POS terminals installed till December 2011 and number of POS transactions during December 2011 is 1,91,137 and the amount of transaction is Rs 41.55 crores
- Introduced e-Kiosks.
- Student card introduced.
- Corporate Connectivity has been introduced with SAP-ERP solution, which enables corporate to Reconcile on line, authorize on-line, on-line transfer of funds, e-presentment of Bills, on-line trade finance etc. The pilot run has been completed.
- We have introduced direct remittance facility at our overseas branches

IT Initiatives (contd..)

Indian Overseas Bank

……Data Warehousing and Business Intelligence

- Data relating to 12 years have been ware-housed and moved to Oracle-Essbase.
- We have introduced Oracle-Business Intelligence suite, reportedly first Bank to do so, which gives Interactive Dash Boards, alerts, analytics etc.
- **Business Intelligence**: Many returns have been generated using B1 tool to reduce the load of the branches.
- **……Other Initiatives:**
- **Paperless Banking Initiatives**: As a first step towards paperless banking initiative, we have implemented Microsoft SharePoint which enables the members to access the Agenda papers with their Laptops using wi-fi.All agenda papers are ported on the website and no notes need be carried by the members.
- **Green Initiative: The** Bank has been taking various initiatives towards saving precious natural sources and energy by adopting the latest technological advances. Video Conferencing is very widely used-Both for Top Management level meetings and for Virtual Classrooms.

IT Initiatives contd

Indian Overseas Bank

……**How the initiative contributed to the success of the organization...............**

- Developing software in-house resulted in perfect alignment of business and IT aspirations, reduced cost, increased agility and nimble footedness and the all-important flavor of domain knowledge.
- 3-way DR has revolutionalized the BCPDR readiness of the Bank;
- Apart from introducing network redundancy, this has given us **double-bandwidth at half-the cost**, because of the competition.
- The excess bandwidth has been tapped to introduce Video Conferencing and IP – Video/Audio telephony – thereby enhancing reach, at reduced cost. **Since, IP telephony is introduced to 3 of our Overseas Branches, the benefit is absolute.**
- Bank has all the products in its repertoire, as USP for the Bank.
- Business intelligence has enhanced the quality in Decision Making.

……**IT Security..............**

- IS security policy confirms to ISO standards

Major Business Parameters

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Quarter ending

INR Crs

Key performance indicators	Dec 2010	Mar 2011	June 2011	Sep 2011	Dec 2011
Business Mix	2,25,191	2,59,020	2,70,320	2,90,744	2,99,555
Deposits	1,25,062	1,45,229	1,51,173	1,63,579	1,67,006
Advances (Gross)	1,00,129	1,13,792	1,19,148	1,27,166	1,32,549
Operating Profit	804	977	803	907	822
Net Profit	232	434	206	207	108
NIM (%)	3.27	3.16	2.85	2.86	2.61
Gross NPA	3,265	3,090	3,292	3,898	3,972
Net NPA	1,488	1,328	1,258	1,505	1,600
Return on Assets (%)	0.60	1.02	0.44	0.42	0.21
Return on Equity (%)	13.83	24.27	11.35	11.07	5.63
Book Value (INR)	125.13	115.41	118.71	123.71	124.90

Deposits

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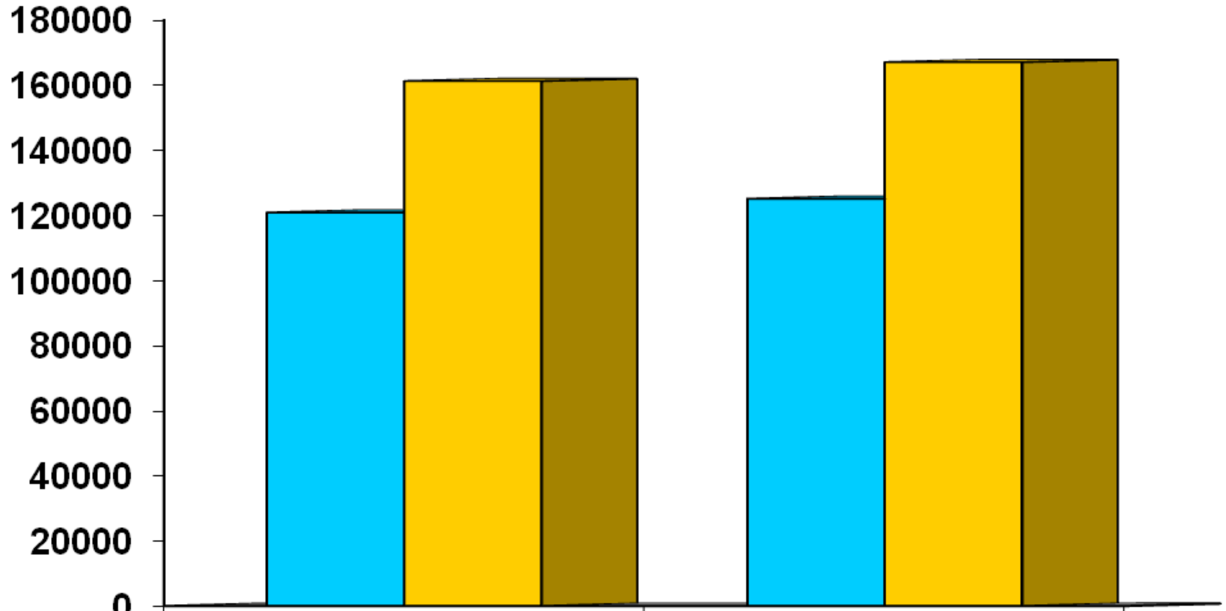
INR Crs



	Domestic	Global
31.12.2010	120823	125062
31.12.2011	161202	167006

Domestic Deposits	Global Deposits
❖ Y-o-Y Growth:33.42 %	❖ Y-o-Y Growth:33.54 %

Deposits - CASA

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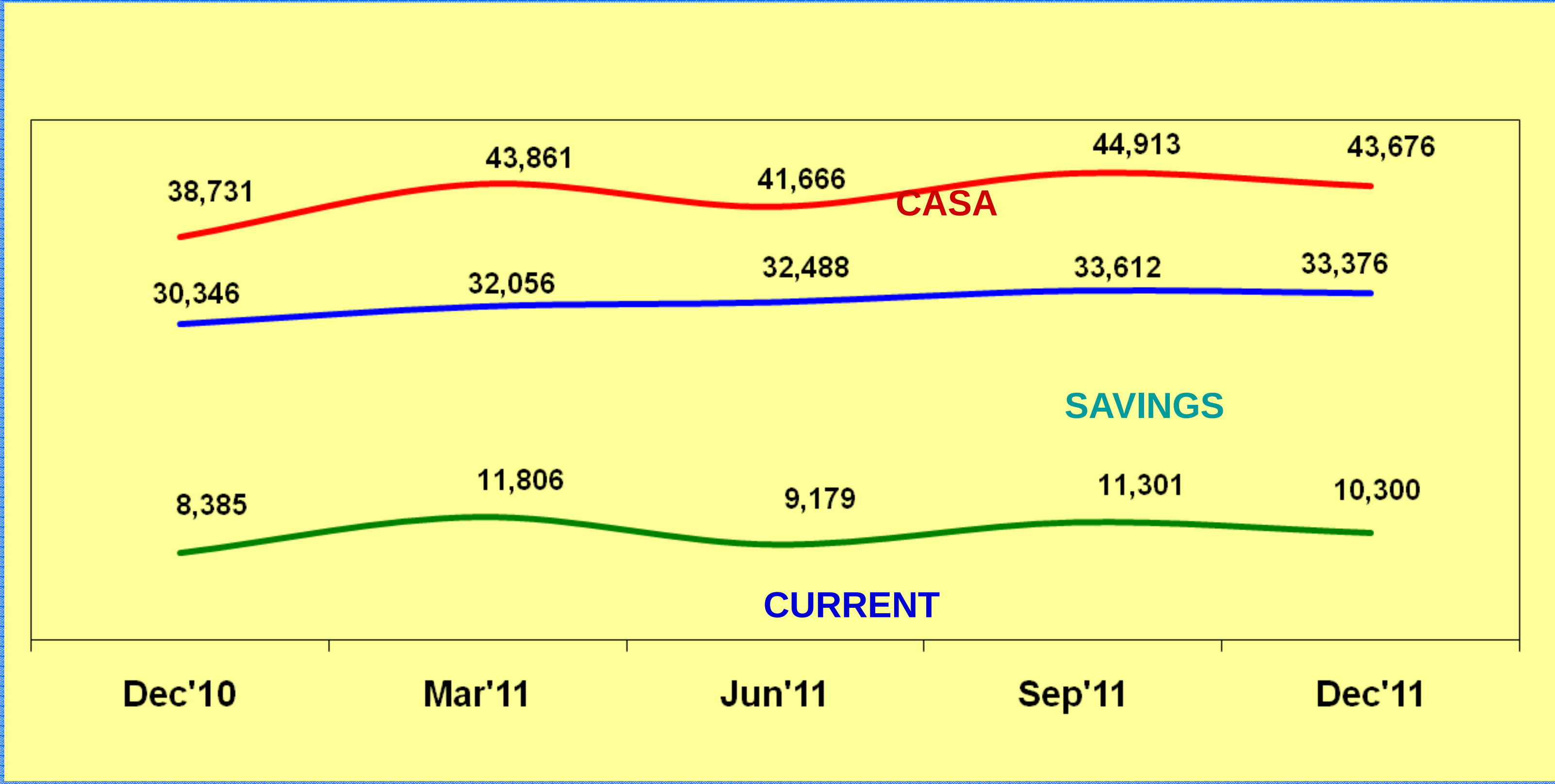
INR Crs



Current Deposits	Savings Bank	CASA	Share of CASA to Aggregate Deposits
❖ Y-o-Y Growth: 22.84%	❖ Y-o-Y Growth: 9.98%	❖ Y-o-Y Growth: 12.77%	Dec'10 : 30.97% Dec'11 :26.15 %

Domestic Deposit-Category Wise

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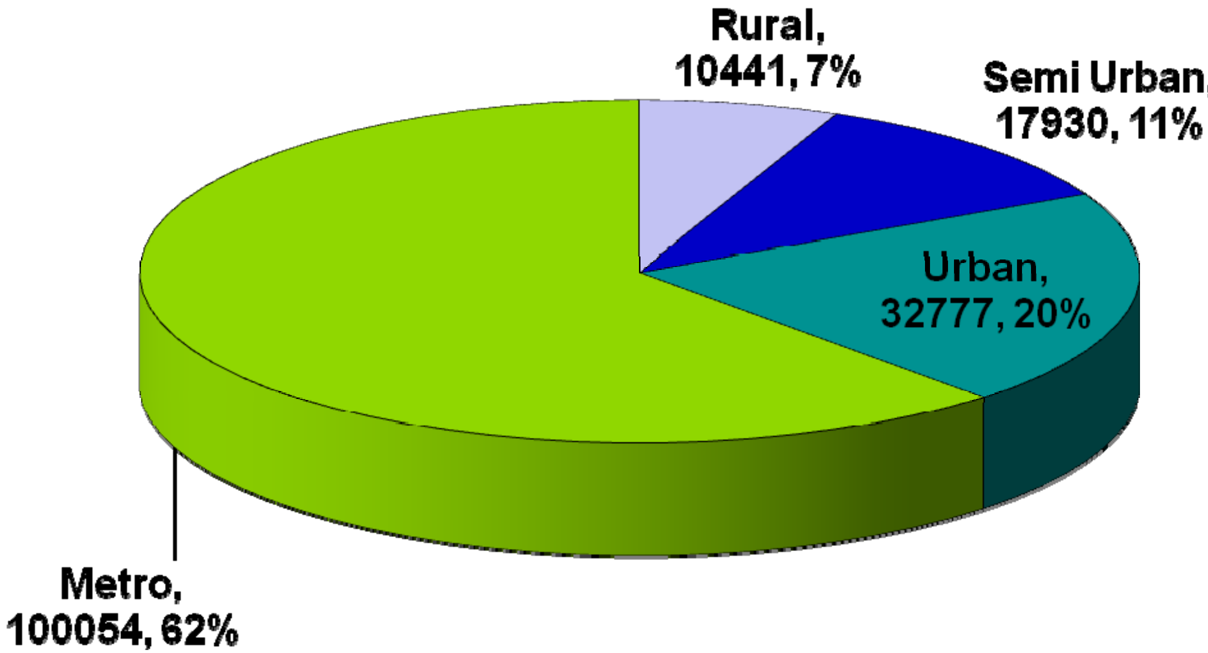
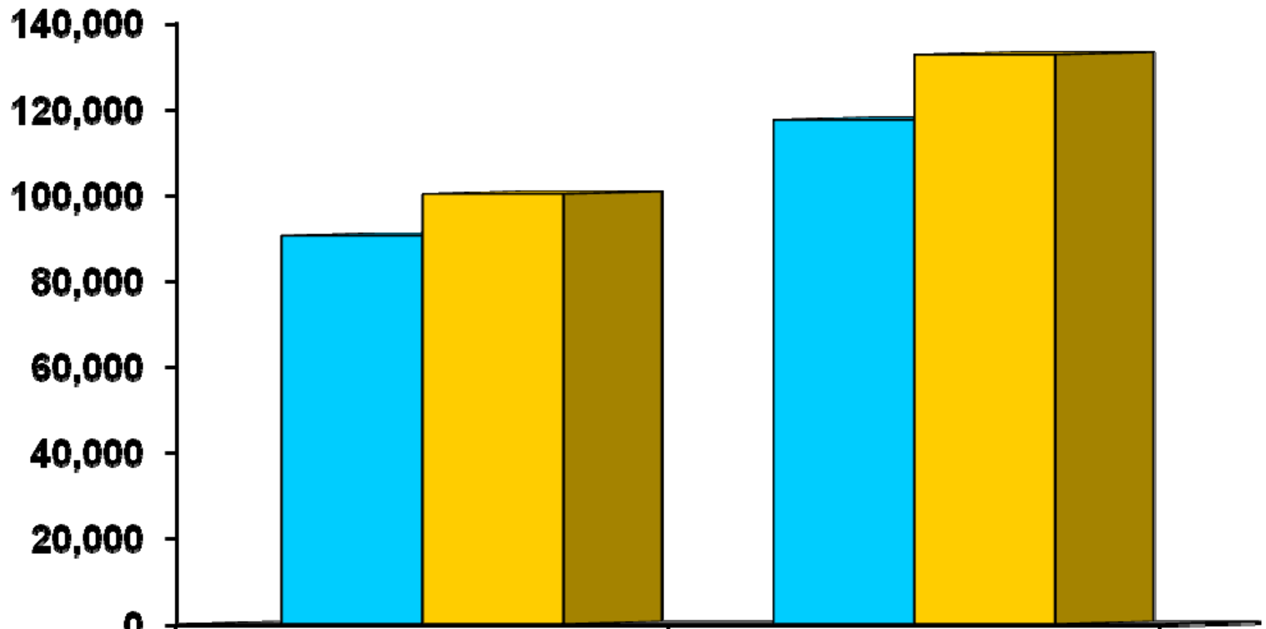
Dec 2011 INR Crs



Gross Advances

INR Crs



	31.12.2010	31.12.2011
Domestic	90,404	117,379
Global	100,129	132,549

Domestic Advances	Global Advances
❖ Y-o-Y Growth:29.84 %	❖ Y-o-Y Growth:32.38 %

Domestic Advances-Category Wise

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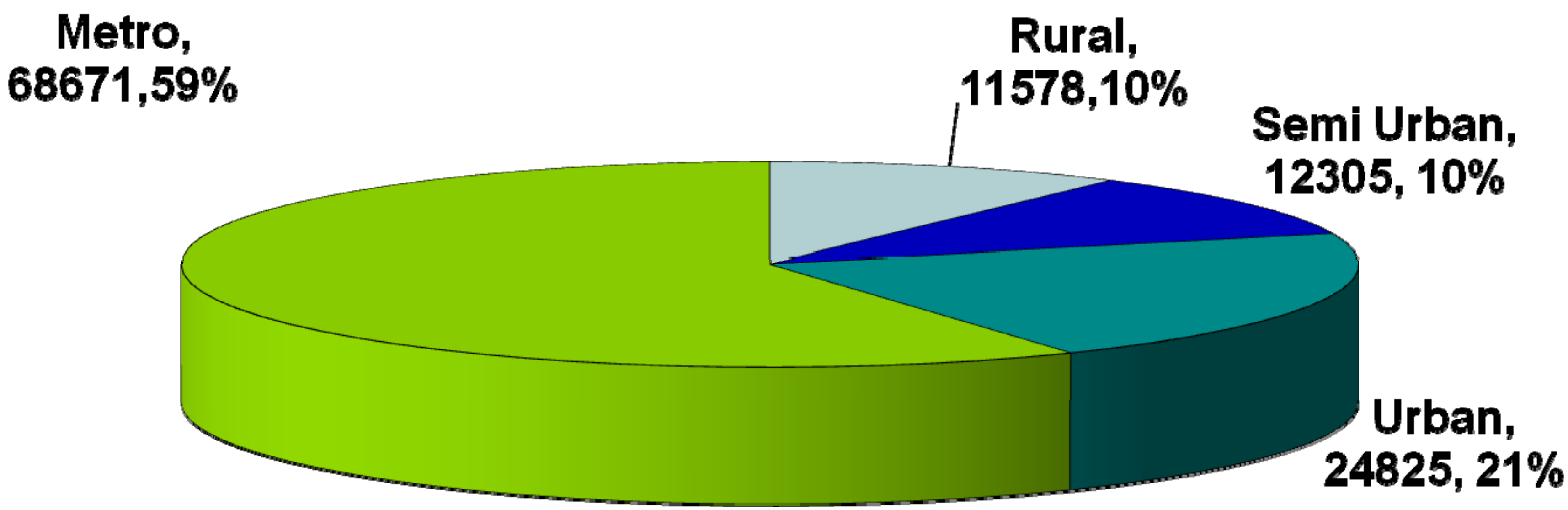
Dec 2011 **INR Crs**



Key Sectors (Domestic Credits)

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INR Crs

Sector	Mar 2010	Mar 2011	Dec 2010	Dec 2011
1. Agriculture	12,597	16,056	13,988	17,745
2.SME	11,660	14,622	13,112	17,163
of which Micro	3,602	4,542	3,910	5,190
3.Retail Credit	6,138	7,769	7,293	8,951

Retail Credit (Breakup)

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INR Crs

Sector	Mar 2010	Mar 2011	Dec 2010	Dec 2011
Retail Credit	6,138	7,769	7,293	8,951
Housing Loans	2,791	3,212	3,000	3,886
Misc.CC	695	970	839	1,064
Pushpaka	494	598	572	655
Educational Loan	1,441	1,971	1894	2,409

Advances to Sensitive Sectors - Domestic

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(FUND + NON FUND)

INR Crs

Sector	Mar 2010	Mar 2011	Dec 2010	Dec 2011	YoY Growth%
REAL ESTATE	10813	14288	12659	14909	17.77
of which					
HOUSING LOAN	3148	3718	3370	4351	29.11
COMMERCIAL REAL ESTATE	4802	6048	4551	6484	42.47
OTHERS (DIRECT & INDIRECT)	2863	4522	4738	4074	- 14.01
CAPITAL MARKET	364	508	783	756	- 3.45

Overseas Advances - Breakup

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INR Crs

	Mar 10	Mar 11	Dec 10	Dec 11
Trade	2,623	3,966	2,866	6,642
Manufacturing	1,509	1,886	2,817	4,186
Real Estate	360	307	278	311
Buyers Credit	2,178	2,644	3,143	2,605
Others	1,086	1,901	621	1,426
Total	7,756	10,704	9,725	15,170

RESTRUCTURED ACCOUNTS
(INCLUDES ALL F.B. FACILITIES OF THE BORROWER)

INR Crs

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	Domestic			Foreign	Global
	> 1 crore	< 1 crore	Total		
As on 31.12.2010	6,707	207	6,914	663	7,577
Addition: during Q4	183	4	188	-	188
Less: Repayment in Restructured A/cs	754	24	779	22	801
As on 31.3.2011	6,136	187	6,323	641	6,964
Addition during Q1	32	10	43	11	54
Less: Repayment in Restructured A/cs	244	4	249	7	256
As on 30.06.2011	5,924	193	6,117	645	6,762
Addition during Q2	920	5	925	56	980
Less: Repayment in Restructured A/cs	543	15	558	5	563
As on 30.9.2011	6,301	183	6,484	696	7,179
Addition during Q3	2,824	4	2,828	388	3,216
Less: Repayment in Restructured A/Cs	294	6	300	13	313
As on 31.12.2011	8,831	181	9,012	1,071	10082

Restructured Accounts
Outstanding Position as on 30.12.2011

INR Crs

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Sector	31.3.2011 Accounts	31.3.2011 Amount	% to total restrucutured	31.12.2011 Accounts	31.12.2011 Amount	31.12.2011 %
Chemical & Pharma	4	105	1.50	6	99	0.98
Sugar	4	281	4.03	5	348	3.45
Textile	61	957	13.74	59	910	9.02
Rubber & Plastics	3	43	0.62	5	143	1.42
Iron & Steel	22	685	9.84	21	835	8.27
Auto & Ancillary	12	505	7.25	11	572	5.67
Paper	10	321	4.61	15	342	3.40
Wood	2	48	0.69	1	33	0.32
Engineering	2	17	0.24	1	11	0.12
Telecom				3	1222	12.12
Cement	1	8	0.11	-	-	-
Minerals & Metals / Glass Industries	2	138	1.99	-	-	-
Power	3	26	0.37	7	966	9.58
Airways	3	176	2.53	2	130	1.29
Petroleum	-	-	-	2	316	3.14
Entertainment & Media				3	295	2.93
Other industries	8	135	1.94	8	156	1.55
Sub Total	**137**	**3,445**	**49.47**	**149**	**6378**	**63.26**
SME	891	736	10.56	736	692	6.86
Infrastructure	30	849	12.19	26	851	8.44
Comm. Real Estate(CRE)	31	650	9.33	20	294	2.92
Trade	101	914	13.12	128	1342	13.33
Agriculture	1079	189	2.73	1018	344	3.41
HL/EDU/Others	2,842	162	2.32	2632	161	1.59
Real Estate (other than CRE)	10	19	0.28	10	20	0.19
GRAND TOTAL	**5,121**	**6,964**	**100**	**4719**	**10082**	**100**

Asset Classification wise details of Restructured Accounts Outstanding

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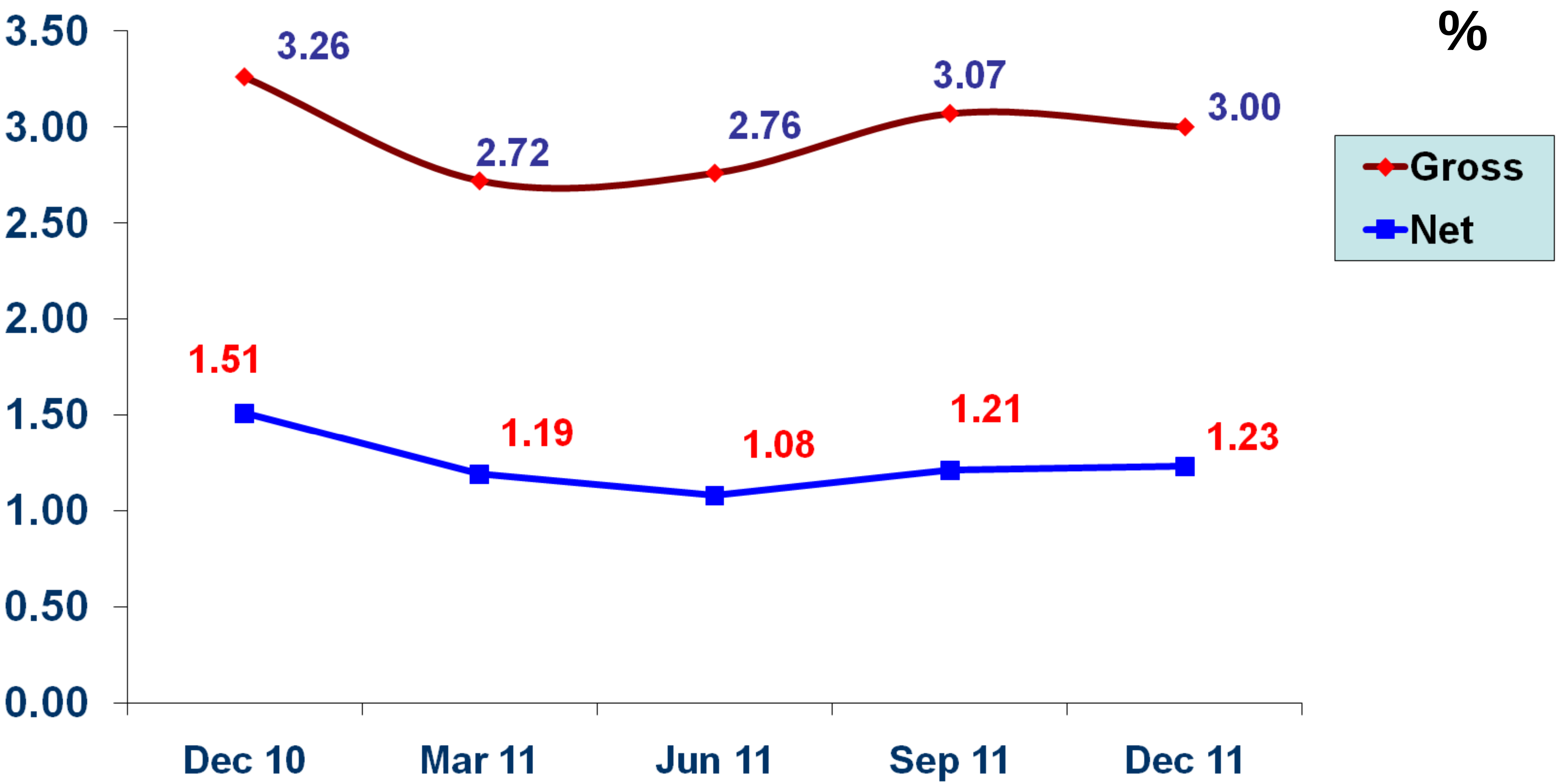
Asset Classification	No. of Accounts (31.3.2011)	Amount (INR Crs) (31.3.2011)	No. of Accounts (31.12.2011)	Amount (INR Crs) (31.12.2011)
Standard Assets	4,724	6,552	4,221	9,712
Sub-Standard Assets	328	291	417	202
Doubtful Assets	69	122	81	168
Total	5,121	6,965	4,719	10,082

RESTRUCTURED Accounts slipped - (INR 1 Crore & above)-Domestic

	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11
No. of A/cs slipped during the quarter	3	14	8	18	9
Amount in INR Crs	24	212	115	229	175

NPA Ratio


%
3.50
3.00
2.50
2.00
1.50
1.00
0.50
0.00
3.26
2.72
2.76
3.07
3.00
1.51
1.19
1.08
1.21
1.23
Dec 10
Mar 11
Jun 11
Sep 11
Dec 11
Gross
Net

NPA SEQUENTIAL MOVEMENT

INR Crs

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Indian Overseas Bank

	Dec 2010	Mar 2011	June 2011	Sep 2011	Dec 2011
OPENING GROSS NPA	3,326	3,265	3,090	3,292	3,898
ADD Slippages	183	873	485	995	686
LESS					
Cash Recovery	124	381	101	245	173
Upgradation	27	293	38	70	112
Write Off	93	374	144	74	327
Total Reduction in NPA	244	1,048	283	389	612
Total Nettable Credits	1,777	1,761	2,034	2,393	2372
NPA Provision	1,759	1,741	2,014	2,370	2350
Other Credits	18	20	20	23	22
CLOSING GROSS NPA	3,265	3,090	3,292	3,898	3,972
Net NPA	1,488	1,328	1,258	1,505	1,600
Gross NPA Ratio	3.26%	2.72%	2.76%	3.07%	3.00%
Net NPA Ratio	1.51%	1.19%	1.08%	1.21%	1.23%
Provision Coverage Ratio	65.37%	70.45%	73.50%	71.77%	71.70%
NPA of Overseas Branches (included in Gross NPA above)	257	296	302	290	369

Sector Wise Break Up of NPAs as of 31.12.2011 (Domestic)

INR Crs

Category	NPA as of 31.12.2011	% to total Domestic NPA	% of NPA to the total domestic Advances
Agriculture	700	19.42	0.60
Industry	1773	49.20	1.51
Services	788	21.88	0.67
Personal	342	9.50	0.29
Total	**3603**	**100**	**3.07**
Of which			
Infrastructure	147	4.09	0.13
Commercial Real Estate	251	6.98	0.21

NPAs-Industry Wise-Domestic

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Indian Overseas Bank

INR Crs

Sl. No	Industry	NPA as of 31.12.2011	Outstanding under each category as of 31.12.2011	% of NPA to the respective exposure	% to the total Domestic NPA
1	Cotton Textiles/Other Textiles	138	5294	2.61	3.83
2	Iron and Steel	260	8584	3.03	7.22
3	Infrastructure	147	16174	0.91	4.08
4	Chemicals,Dyes,Paints etc.	125	1885	6.63	3.47
5	Gems and Jewellery	98	567	17.28	2.72
6	Construction	50	1850	2.70	1.39
7	Other Metal & Metal Products	150	1881	7.97	4.16
8	Paper & Paper Products	118	1393	8.47	3.28
9	Food Processing	23	1216	1.89	0.64
10	Sugar	33	860	3.84	0.92
	All Other Industries	631	11780	5.36	17.50
	Total	**1773**	**51484**	**3.44**	**49.21**
	Others	1830	65630	2.79	50.79
	Total Domestic NPA	**3603**	**117114**	**3.07**	**100**

Slippages during the quarter ended 31.12.2011 (Major Industries)

INR Crs

Sl. No.	Industry	Amount
1	Infrastructure	27
2	Textile	17
3	Sugar	22
4	All Other Industries	205

Overseas NPAs

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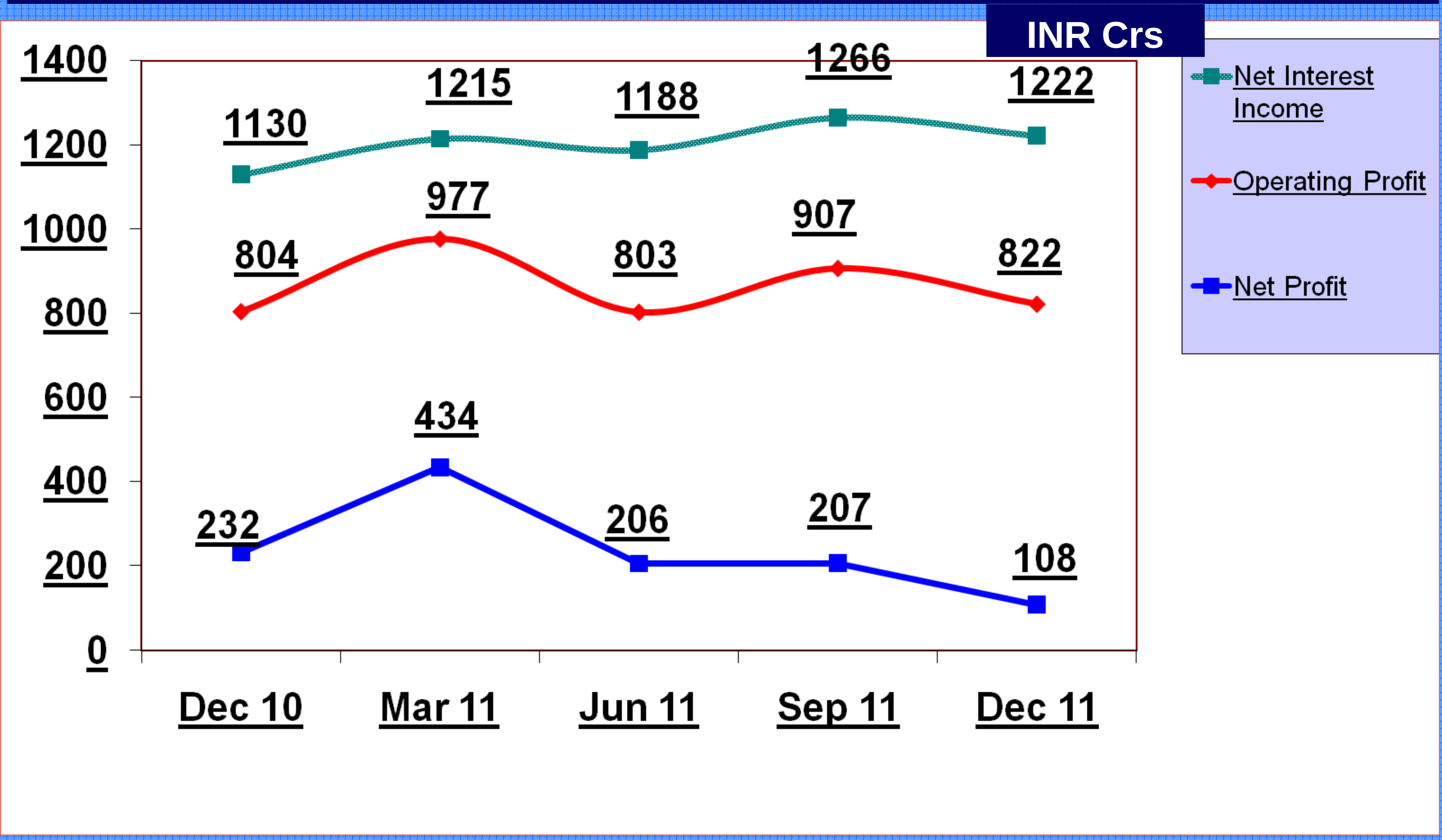
INR Crs

	Mar 10	Mar 11	Dec 10	Dec 11
Trade	115.54	129.80	133.00	210.64
Manufacturing	41.77	113.35	112.30	106.03
Real Estate	8.75	8.82	8.50	10.22
Others	3.35	44.19	3.60	41.93
TOTAL	169.41	296.16	257.40	368.82

Profitability (Quarter Sequential)

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank



PROFIT - SUMMARY

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

INR Crs

	Quarter Ending				
	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11
Interest Earned	3,102	3,532	3,993	4,395	4,604
Interest Expended	1,971	2,317	2,805	3,129	3,383
Net Interest Income	1,130	1,215	1,188	1,266	1,222
Non Interest Income	351	385	339	427	411
Total Operating Income	1,481	1,600	1,527	1,693	1,633
Operating Expenses	677	623	724	787	810
Operating Profit	804	977	803	906	822
Total Provision	572	543	597	699	714
Net Profit	232	434	206	207	108

PROFITABILITY - Q3

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

INR Crs

Particulars	Q3 11-12	Q3 10-11	Variance %
TOTAL INCOME	**5015**	**3453**	**45.23**
Interest Earned	4604	3102	48.42
Other Income	411	351	17.09
TOTAL EXPENDITURE (excl. provisions and contingencies)	**4193**	**2649**	**58.29**
Interest Expended	3383	1972	71.55
Operating Expenses	810	677	19.65
i)Payments to and provisions for employees	546	484	12.81
ii)Other Operating Expenses	264	193	36.79
OPERATING PROFIT (profit bef. provisions and contingencies)	**822**	**804**	**2.24**
Total Provisions and Contingences	**714**	**572**	**24.83**
Of which Provisions for NPAs	295	302	- 2.32
Provision for Taxes	47	214	- 78.04
Others	372	56	564.29
NET PROFIT	**108**	**232**	**- 53.45**

PROFIT – Geographical Distribution – Q 3

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

INR Crs

Particulars	Q3 11-12	Q3 10-11	Variance %
OPERATING PROFIT			
Global	**822**	**804**	**2.24**
Domestic	724	736	- 1.63
Overseas	98	68	44.12
PROVISIONS			
Global	**714**	**572**	**24.83**
Domestic	681	557	22.26
Overseas	33	15	120
NET PROFIT			
Global	**108**	**232**	**- 53.45**
Domestic	43	179	75.98
Overseas	65	53	22.64

PROFIT - NET INTEREST INCOME

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

INR Crs

	Quarter Ending				
Particulars	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**
Total Interest Income	**3,102**	**3,532**	**3,993**	**4,395**	**4,604**
Of which					
Int Income from Advances	2,274	2,616	3,009	3,334	3,513
Int. Income from Investments	756	823	893	985	1,013
Other Interest Income	72	93	91	76	78
Total Interest Expended	**1,972**	**2,317**	**2,805**	**3,129**	**3,383**
Of which					
Int. Expended on Deposits	1,668	1,968	2,450	2,729	2,941
Int. Expended on borrowings	194	349	355	247	289
Other Int. Expenses	110	0	0	153	153
NET INTEREST INCOME	**1,130**	**1,215**	**1,188**	**1,266**	**1,221**
NET INTEREST MARGIN	**3.27%**	**3.16%**	**2.85%**	**2.86%**	**2.61**

PROFIT - NET INTEREST INCOME

INR Crs

Particulars	9m 11-12	9m 10-11	Variance %
Total Interest Income	**12984**	**8569**	**51.52**
Of which			
Int Income from Advances	9848	6233	58.00
Int. Income from Investments	2891	2142	34.96
Other Interest Income	245	194	26.20
Total Interest Expended	**9309**	**5577**	**66.93**
Of which			
Int. Expended on Deposits	8111	4785	69.51
Int. Expended on borrowings	739	464	59.30
Other Int. Expenses	459	328	40.11
NET INTEREST INCOME	**3675**	**2993**	**22.82**
NET INTEREST MARGIN (on avg. earning assets)	**2.74%**	**3.08%**	

Non Interest Income (Quarterly Comparison)

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

INR Crs

	Quarter Ending				
Particulars	**Dec 10**	**Mar 11**	**Jun 11**	**Sep 11**	**Dec 11**
Total Non Interest Income	**351**	**385**	**339**	**427**	**411**
Of which					
Exchange / Commission	161	228	178	216	237
Profit on Sale of Investments	23	30	20	49	35
Profit on Revaln. Of Investments	0	0	(35)	0	0
Recovery in written off Accounts	78	46	100	64	21
Other Non interest Income	89	81	76	98	118

Non Interest Income - 9m

INR Crs

Particulars	9m 11-12	9m 10-11	Variance %
Total Non Interest Income	**1177**	**841**	**39.95**
Of which			
Exchange / Commission	632	461	37.09
Profit on Sale of Investments	104	78	33.33
Profit on Revaln. Of Investments	-35	-53	33.96
Recovery in written off accounts	179	148	20.95
Other Non interest Income	297	354	16.10

Operating Expenses – A breakup

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

INR Crs

Particulars	Quarter Ending				
	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11
Payments to and provision for employees	483.70	362.70	502.30	526.67	545.80
Rent,Taxes and Lighting	58.00	69.60	66.80	78.02	73.80
Printing and Stationery	3.50	5.40	3.70	5.44	3.96
Advertisement and Publicity	3.80	13.50	4.50	9.44	12.41
Depreciation on Bank's Property	23.40	31.90	25.40	21.65	21.62
Directors' fees, allowances and expenses	0.20	0.40	0.20	0.39	0.28
Auditors' fees and expenses	0.70	18.60	1.90	0.92	1.13
Law Charges	1.30	5.10	-0.70	1.09	1.30
Postages, telegrams, telephones, etc.	2.90	2.70	4.90	10.68	11.94
Repairs and Maintenance	2.50	2.50	3.00	2.62	2.05
Insurance	30.00	33.00	37.80	37.22	41.96
Other Expenditure	67.20	77.40	74.40	92.59	94.03
Total	**677.20**	**622.80**	**724.20**	**786.73**	**810.28**

NET PROFIT (Quarterly Comparison)

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

Quarter Ending INR Crs

Particulars	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11
OPERATING PROFIT	804.1	977.0	802.6	906.8	822.4
Total Provision	572.4	542.7	597.0	699.4	714.1
Of which					
NPA	301.6	304.8	394.5	462.9	294.9
Countercylical Provisioning Buffer			41.0		
Standard Advances	10.1	53.4	42.1	63.4	56.7
Depreciation on Investments	38.7	41.6	53.3	75.4	84.2
Staff Welfare Fund	4.0	3.0	4.0	4.0	0.0
Deferred Tax Liability	0	3,68.1	0	0.0	0.0
Income Tax	214.2	-271.8	52.1	63.0	46.6
Wealth Tax	0	0.4	0	0	0.0
Contingencies	0	0.8	0	0.1	0.1
Other General Provisions	9	-1.0	0	0.0	3.0
Non Performing Investments	0	0	0	0.0	7.1
Provision for SSSBL	0	0	0	0.0	0.0
Diminution of Securities	-2.7	0.3	1.0	0.8	7.0
Restructured accounts	4.9	42.3	7.2	26.3	214.1
Other Assets	0.7	0	0.5	2.9	0.0
Country-wise risk	0	0.9	1.3	0.8	0.4
NET PROFIT	231.7	434.3	205.6	207.5	108.3

Cost & Yield Ratios (Quarterly Comparison)

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11
Avg. Cost of Deposits (%)	5.59	5.99	6.77	7.17	7.31
Avg. Yield on Advances(%)	9.77	9.85	10.46	10.91	10.81
Avg. Yield on Investments(%)	7.00	7.20	7.25	7.38	7.35
Avg. Cost of Funds(%)	5.71	6.09	6.78	7.10	7.24
Avg. Yield on Funds(%)	8.99	9.20	9.59	9.92	9.85
Net Interest Margin(%)	3.27	3.16	2.85	2.86	2.61

	Dec 10	Mar 11 (Annual)	Jun 11	Sep 11	Dec 11
Cost to Income Ratio (%)	45.72	47.35	47.43	46.45	49.63
Return on Assets (%)	0.60	1.02	0.44	0.42	0.21
Return on Equity (%)	13.83	24.27	11.35	11.07	5.63
Earning Per share (INR)	17.01	17.33	13.29	13.41	7.00
Book Value per Share (INR)	125.13	115.41	118.71	123.71	124.90

INVESTMENTS - Domestic

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

INR Crs

	31.3.2011				31.12.2011			
	AFS	HTM	HFT	TOTAL	AFS	HTM	HFT	TOTAL
SLR Investments	7,786.10	30,442.00	4.90	38,233.00	9829.06	38,452.04		48,281.10
Of which								
Government. Securities	7,716.50	30,429.20	4.90	38,150.60	9762.45	38,443.65		48,206.10
Other Approved Securities	69.60	12.80	0.00	82.40	66.61	8.39		75.00
M Duration (for SLR)				6.29				5.58
Non SLR Investments	9,382.00	101.80	3.70	9,487.50	5,912.04	118.40	12.56	6,043.00
M Duration (Non SLR)				0.77				1.35
M Duration (Entire Portfolio)				5.29				5.23
Total	17,168.10	30,543.80	8.60	47,720.50	15,741.10	38,570.44	12.56	54,324.10

INVESTMENTS - Foreign

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

INR Crs

Type of Investment	Book Value	Total Provision
G - Sec	1,066.64	2.25
Bonds - Others	38.05	-
CLN, FXYDA &FCCB	149.08	5.12
Shares	3.36	-
Joint Venture - Malaysia	12.96	-
Total	1,270.09	7.37

CAPITAL ADEQUACY

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

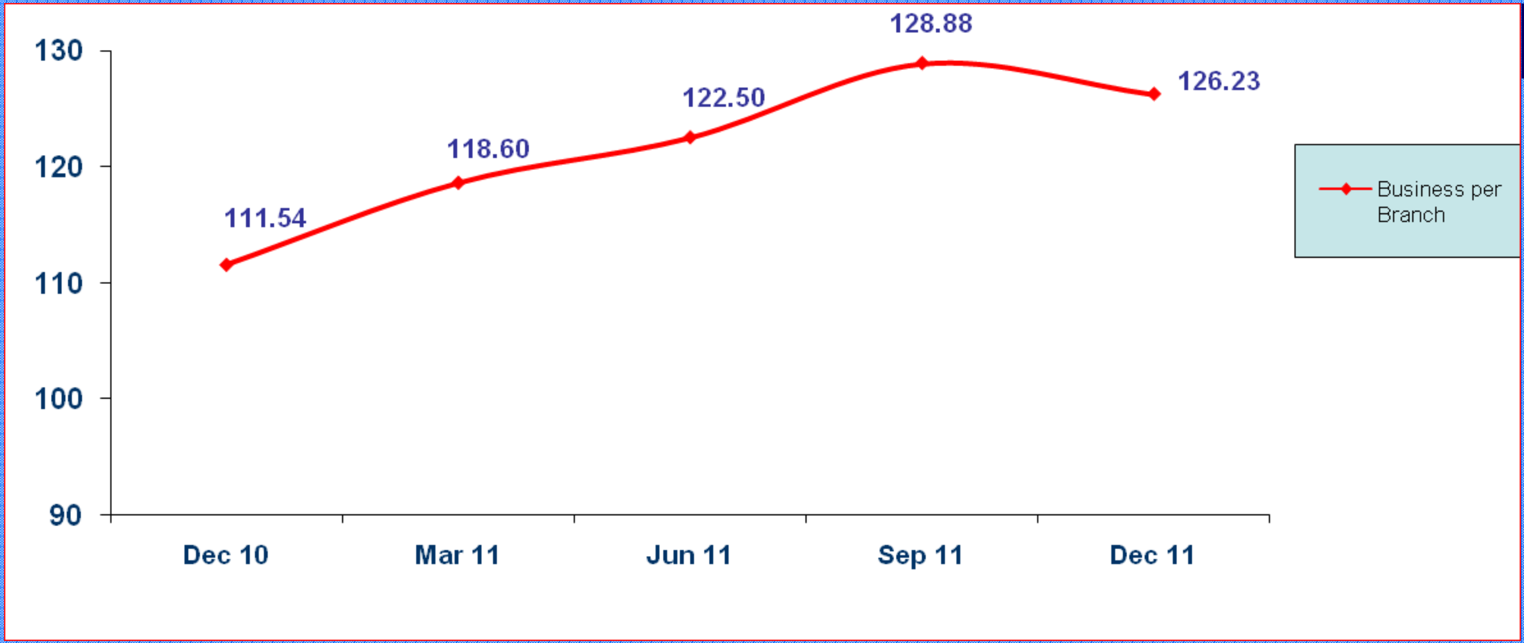
INR Crs

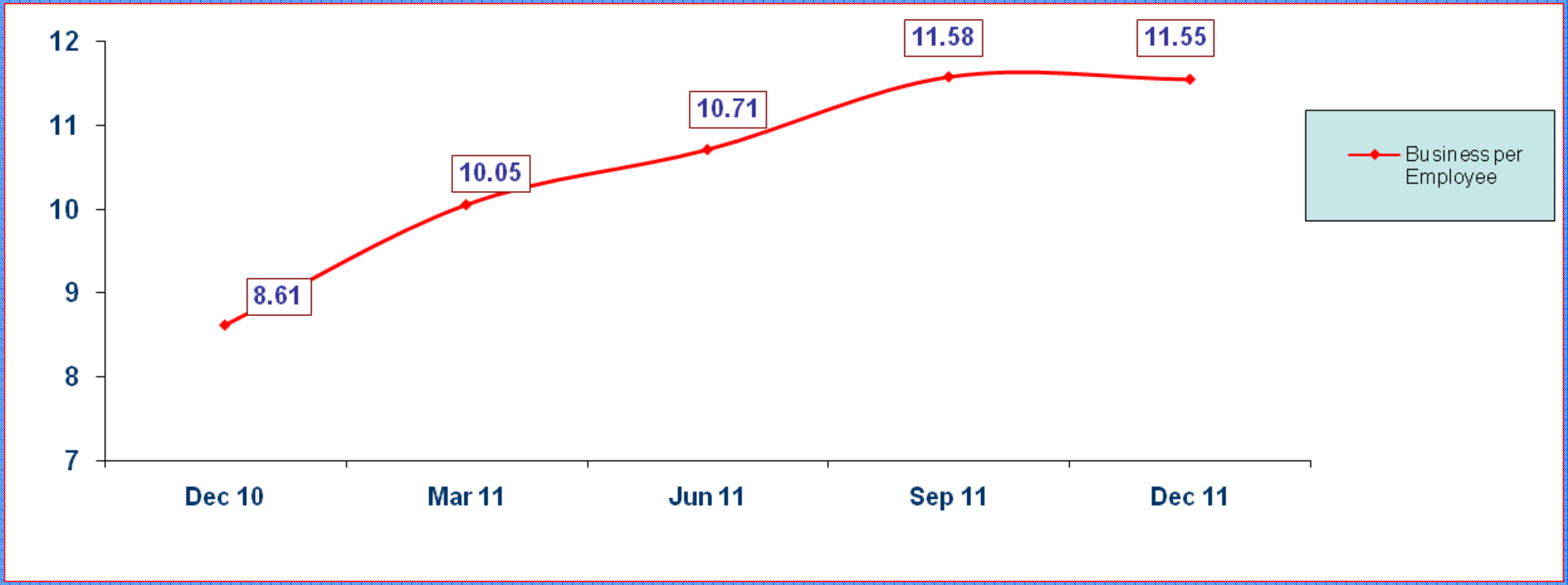
	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11
Tier I Capital	6,788.30	8,555.10	8,554.20	8,554.22	8,534.79
Tier II Capital	5,793.70	6,700.80	6,662.40	6,589.86	6,602.51
Total Capital	12,582.00	15,255.90	15,216.60	15,144.08	15,137.30
Total Net Assets (Terminal)	1,61,179.00	1,78,784.28	1,89,869.50	2,00,223.44	2,07,163.41
Risk Weighted Assets					
BASEL I	1,00,020.30	1,14,920.90	1,22,764.50	1,32,594.33	1,39,029.94
BASEL II	93,511.70	1,04,878.90	1,13,701.30	1,21,869.20	1,27,868.38
CRAR – TIER I (%)					
BASEL I	6.79	7.45	6.97	6.45	6.14
BASEL II	7.25	8.16	7.52	7.02	6.68
CRAR – TIER II (%)					
BASEL I	5.79	5.83	5.42	4.97	4.75
BASEL II	6.20	6.39	5.86	5.41	5.16
CRAR (%)					
BASEL I	12.58	13.28	12.39	11.42	10.89
BASEL II	13.45	14.55	13.38	12.43	11.84

PRODUCTIVITY

इण्डियन ओवरसीज़ बैंक
Indian Overseas Bank

INR Crs





Financial Inclusion

- **No Frills Savings Bank Accounts:** As per the guidelines issued by Reserve Bank of India, our branches open No-Frills Savings Bank Accounts under simplified Know Your Customer norms to bring the excluded segment of population into banking fold. General Purpose Credit Cards are granted to meet their credit requirements.

- **Smart Card:** To extend banking service to the villages and provide banking outlet in un-banked centers, our Bank is introducing Smart Card Banking. Under this method villagers can operate their account with Bio-metric Smart Card at the Hand Held Device with a Business Correspondent

Progress under Financial Inclusion Furnished below:

Sl. No.	Particulars	31.03.2011 (Nos.)	31.12.2011 (Nos.)
1	No-Frills SB Accounts Opened	16,81,918	21,69,505
2	General Purpose Credit Cards Granted	6,997	10,453
3	Branches Under Smart Card Banking	491	639
4	Villages Covered Under Smart Card Banking	811	1,372
5	Business Correspondents engaged	766	1,251
6	Bio-Metric Smart Card issued	40,129	1,20,944
7	Smart Card Banking Coverage- Regions	33	41
8	Smart Card Banking Coverage-States/Union Territory	16/1	20/2

Thank You