

PRESS RELEASE

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PERFORMANCE FOR THE FIRST QUARTER ENDED 30th JUNE 2011

Syndicate Bank recorded 27% increase in its operating profit for the quarter ended June 2011. The operating profit was Rs.743 crore for the period ended June 2011 as against Rs.587 crore recorded during the corresponding period of the previous year. Net Interest Income increased from Rs.963 crores for the quarter ended June 2010 to Rs.1111 crore for June 2011 registering growth of 15%. Other income increased by 35% from Rs.216 crore to Rs.291 crore YoY mainly due to the increase in fee based income and trading profit. The net profit for quarter ended is Rs.343 crore as against Rs.265 crore recording 29% growth in the first quarter end of 2011-12

The Global Business of the Bank was at Rs.243436 crore as on 30.06.2011 as against Rs.202622 crores as on 30.06.2010 registering a growth of 20%. The Global Deposits stood at Rs.132889 crore and Global Advances at Rs. 110547 crore as on 30th June 2011. The CASA deposits grew from Rs.39690 crores as on 30th June 2010 to Rs.41436 crore as on 30th June 2011 registering year-on-year growth of 6%.

The Return on Assets has increased from 0.81% as on 30.06.2010 to 0.90% as on 30.06.2011. The Net Interest Margin for the first quarter ended 30.06.2011 improved to 3.16% from 3.09% recorded as on 30.06.2010. The increase in overall interest rates has resulted in increase of cost of deposits from 5.27% as on 30.06.2010 to 6.36% as on June 2011. The yield on Advances has also increased from 9.08% as on 30.06.2010 to 10.19% as on June 2011.

The Gross NPAs of the Bank increased to 2.39% in June 2011 as compared to 2.31% in June 2010. However The Net NPA declined to 0.93% as on June 2011 as compared to 1.06% as on June 2010. Provision Coverage Ratio is 78.43%, higher than the mandatory coverage ratio of 70%.

Quarterly Performance highlights of the Bank:

(Rs.Crore)

KEY PARAMETERS	Quarter ended June-11	Quarter ended June-10	Growth (%)
Business (Rs. crores)	243,436	202,622	20
Deposits (Rs. crores)	132,889	108,560	22
Advances (Rs. crores)	110,547	94,062	18
Net Interest Income (Rs. crores)	1,111	963	15
Operating Profit (Rs. crores)	743	587	27
Net Profit (Rs. crores)	343	265	29
Net Interest Margin (NIM) (%)	3.16	3.09	
Capital Adequacy Ratio (%)	12.09	12.37	
Gross NPA (%)	2.39	2.31	
Net NPA (%)	0.93	1.06	
Earning Per Share (Annualised) (Rs.)	23.93	20.34	
Cost of Deposits (%)	6.36	5.27	
Yield on Advances (%)	10.19	9.08	
Cost to Income Ratio (%)	47.03	50.20	