

DEVELOPMENT CREDIT BANK LTD
Q1 FY 09 Results

HIGHLIGHTS

- Operating Profit of Rs.25.08 crores, up 204% over Q1 FY08.
- Net Profit of Rs 5.44 crores in Q1 FY 09.
- Assets Growth at 27% over Q1 FY 08.
- Advances at Rs. 3815 crores with a Growth of 32 % over Q1 FY 08.
- Retail advances stood at Rs.1913 crores showing 46 % growth over Q1 FY 08.
- Deposits at Rs.5640 crores with a Growth of 18.% over Q1 FY 08 .
- Gross NPAs reduced to Rs.115 crores from Rs.151 crores as at June 2007.
- Net NPAs reduced to 1.52 % from 1.57% in June 2007
- Capital Adequacy Ratio up at 13.7 % from 10.5% in June 2007.

Business Update

- Focus on SME Business Segment.
- Full Fledged Corporate Internet Banking Launched.
- Launched Online trading portal called DCB Smart Trade, offering a full suite of capital market products.
- Commenced acting as “Bankers To Issue”.
- Head of SME Business-Mr. K S Ramdas has joined from J P Morgan Chase, New York. He brings with him over 30 years of Banking Experience.
- Mr. Ganapati Bhat from IDBI Bank joined as Head-Corporate Banking Group, North India and Mr. Abhijit Bose from Standard Chartered, South Africa joined as Head-Unsecured Assets. Both have a rich Banking Experience.

Summary Results & Prior Period Comparison

(Rs in crores)

	Q1FY 09	Q1 FY 08	FY 08	YOY Growth %
Net Interest Income	48.69	27.65	169.22	76%
Non Interest Income	38.93	32.96	179.46	18%
Total Income	87.62	60.61	348.67	45%
Operating Expenses	62.54	52.35	239.06	19%
Provisions & Contingencies	19.64	2.52	71.28	679%
Net Profit	5.44	5.74	38.33	(5)%

Profitability Analysis

- Operating Profit up 204% YOY.
- Net Interest Income up 76% YOY.
- Non Interest Income increased 18% YOY.
- Total Income increased 45% YOY.

Summarised Balance Sheet & Prior Period Comparison

(Rs in crores)

	June 30,2008	March 31,2008	Dec 31,2007	Sept 30,2007	June 30,2007	Growth % Q1FY09 over Q1FY08
Assets						
Advances	3815.0	4068.8	3628.3	3195.2	2887.2	32%
Investments	2004.1	2134.6	1866.1	1728.2	1722.2	16%
Fixed & Other Assets	1286.7	1374.1	1127.1	1169.7	990.3	30%
Total Assets	7105.8	7577.5	6621.5	6093.1	5599.7	27%
Liabilities						
Shareholders' Funds	637.6	634.4	645.7	628.9	335.2	90%
Deposits	5640.4	6074.9	5303.8	4916.6	4766.6	18%
Borrowings	467.8	426.8	241.1	115.8	74.6	527%
Other Liabilities	360.0	441.4	430.9	431.8	423.3	(15%)
Total Liabilities	7105.8	7577.5	6621.5	6093.1	5599.7	27%

Major Trends

- 18% growth in Deposits YOY.
- 32 % growth in Advances YOY.
- Balance Sheet Growth by 27% in Q1 FY09 over Q1 FY 08.
- Capital Adequacy Ratio at 13.7 % - above Regulatory Requirement
- Average Growth in CASA by 26% over June 2007.