

DCB (Development Credit Bank Ltd.) Announces FY '08 Audited Results

Posts Net Profit of Rs. 38.33 Crores for FY 2007-08, over 400% increase from FY 2006-07.

7th May, 2008, Mumbai: The Board of Directors of Development Credit Bank Ltd (BSE: 532772; NSE: DCB) took on record the audited results for the quarter and the year ended March 2008 at its meeting held in Mumbai 6th May, 2008.

The year ended on a positive note, with the **Operating Profit** of the Bank at Rs. **109.61 Crores in FY 2007-08** as against Rs. 40.25 Crores in FY 2006-07, an **increase of 168%**. Net NPAs with Standard Asset Provision reduced to 0.7% from 1.6% in March 2007. The adjusted book value per share increased to Rs. 33.2 from Rs. 17.5 as at March 2007.

Net Profit for FY 2007-08 at Rs 38.33 Crores, from Rs. 7.37 Crores in FY 2006-07 recorded a rise of 420%.

The Bank's balance sheet has doubled over the last two years and the strategy of focusing in select western India corridor, select SME clusters with a focus on retail and SME remains intact. The Bank diversified its product base, increased distribution and invested on increasing the CASA base of the bank. The Bank will be focusing on CASA growth so that NIM's don't decline but increase over a long-term period. This will help the bank have sustainable growth and may impair short-term balance sheet and loan growth.

Commenting on the results **Mr. Gautam Vir, Managing Director & CEO, Development Credit Bank Ltd.** said, "DCB's performance is in line with the vision of a solid financial institution that is nimble in response to the changing business landscape and challenges."

DCB Audited Results for the year ended 31 March, 2008

	(Rs. in Crores)		
	FY 2007- 08	FY 2006-07	Growth
Interest Income	574.11	346.93	65%
Interest Expense	388.00	227.38	71%
Net Interest Income	186.11	119.55	56%
Non Interest Income	162.56	92.49	76%
Total Income	348.67	212.04	64%
Operating Expenses	239.06	171.07	40%
Operating Profit/(Loss)	109.61	40.25	168%

Provisions	73.47	39.15	88%
Net Profit	38.33	7.37	420%

The performance of the Bank improved overall in 2007-08. The Bank bettered its profit figure over the previous financial year's profit, having successfully emerged from a very lean patch.

Net Interest Income at Rs. 186.11 Crores recorded a rise of 56% over the previous year's Rs. 119.55 Crores.

Non Interest Income grew to Rs. 162.56 Crores an increase of 76% over the previous year's Rs. 92.49 Crores and Total Income rose to Rs. 348.67 Crores, up 64% from Rs. 212.04 Crores in 2006-07.

Operating Profit for the year at Rs. 109.61 Crores was a 168% increase from Rs. 40.2 Crores in the previous year.

Some key parameters at a glance

Key Balance Sheet Parameters	(Rs. in Crores)		
	March 31,2008	March 31,2007	Growth %
Advances	4068.80	2658.31	53%
Investments	2134.56	1846.63	16%
Shareholders' Funds	634.34	329.80	92%
Deposits	6074.85	4415.20	38%
Total Assets	7577.48	5262.15	44%

DCB Performance Highlights:

- Operating Profit for Q4 FY'08 at Rs.50.63 Crores, up at 237% Y-O-Y
- Operating Profit for FY'08 at Rs.109.61 Crores, up 168% Y-O-Y
- Net Profit for FY'08 at Rs. 38.33 Crores, up 420% Y-O-Y
- Assets Growth at 44%
- Advances at Rs. 4069 Crores, with a growth of 53% over FY'07
- Deposits at Rs. 6075 Crores with a growth of 38% over FY'07
- Gross NPAs reduced to Rs. 63 Crores (1.5%) from Rs.146 Crores (5.1%) as at March 2007
- Net NPAs reduced to 0.7% from 1.6% in March 2007

- Capital Adequacy Ratio (CAR) up at 13.4% (Tier I Capital 11.8% + Tier II Capital 1.5%) from 11.3% (Tier I Capital 8.4% + Tier II Capital 2.9%) in March 2007
- Book Value per Share up at Rs. 34.8 from Rs. 20.4 at March 2007
- Adjusted Book Value per Share up at Rs. 33.2 from Rs. 17.5 at March 2007

DCB Major Business Update 2007-08:

- Surpassed Priority Sector lending target as on 31st March 2008
- DCB launched a range of financial products and services for its customers.
New products launched FY 2007-08:
 - DCB Sahayog - Micro Finance initiative, with a dedicated branch at Dediapada, Narmada district, Gujarat
 - Online Bill Payment facility - Offering convenience to customers in paying utility bills
 - Online Trading Portal – ‘DCB Smart Trade’, offering a full suite of capital market products
 - Mix-N-Match - A product that offers systematic reinvestment facility through a combination of Recurring FD’s (Fixed Deposits) and traditional SIP’s (Systematic Investment Plan) in Mutual Funds
 - DCB Advantage Credit Card - A lifetime free credit card, featuring an Express Rewards Program, in alliance with ICICI Bank
 - New Classic Current Account launched
 - POS launched with over 3000 Merchant leads
- 8 new Bank branches and 3 relocated branches operationalised - DCB’s Network of Branches and extension counters now stands at 80
- Strategic Alliance with HDFC Ltd. for marketing their Home Loan Products
- In addition to MCX (Multi Commodities Exchange), DCB acquires Clearing Bank status with NCDEX (National Commodities & Derivatives Exchange)



- DCB is India's 3rd largest distributor for Birla Sun Life Insurance in terms of collection of life insurance premium
- DCB's stock permitted to be traded in Futures & Options Segment of NSE

About DCB

DCB is a private sector bank having access to over 18,000 ATMs and 80 branches and extension counters spread across nine States and two Union Territories. The Bank has launched several value added initiatives and is on its way becoming one of the country's preferred and profitable financial institutions, providing a comprehensive suite of "best in class" products for specific market segments in chosen geographies.

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