



PERFORMANCE HIGHLIGHTS

March 2010

3 Major Milestones Crossed



- **Total Business Crosses Rs.400000 crore Mark**
... An Addition of over Rs.78500 crore



- **Net Profit Crosses Rs.3000 crore, up by 46%**

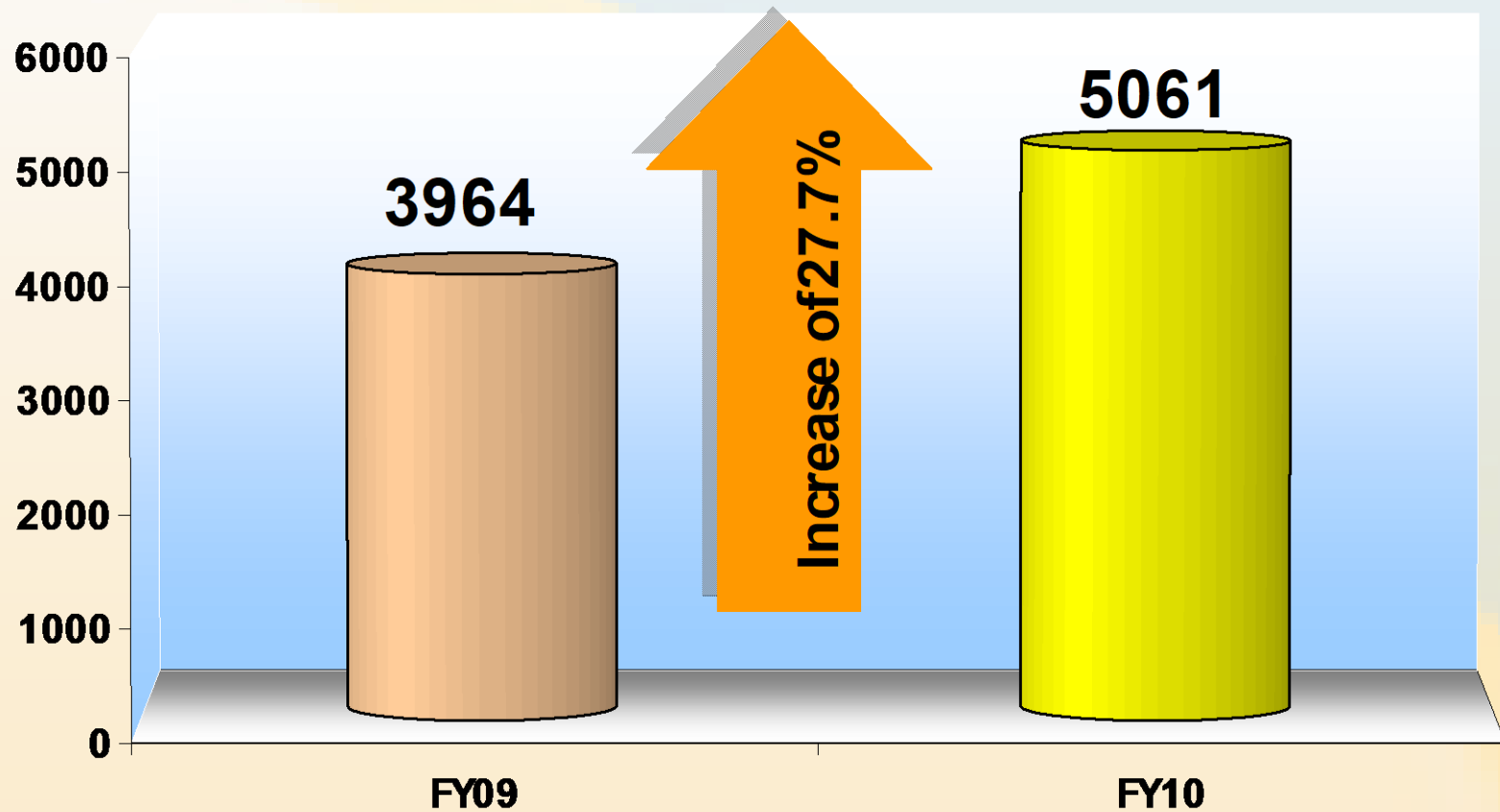


- **Branch Network crosses 3000 Mark**
... An addition of 314 branches

FINANCIAL HIGHLIGHTS

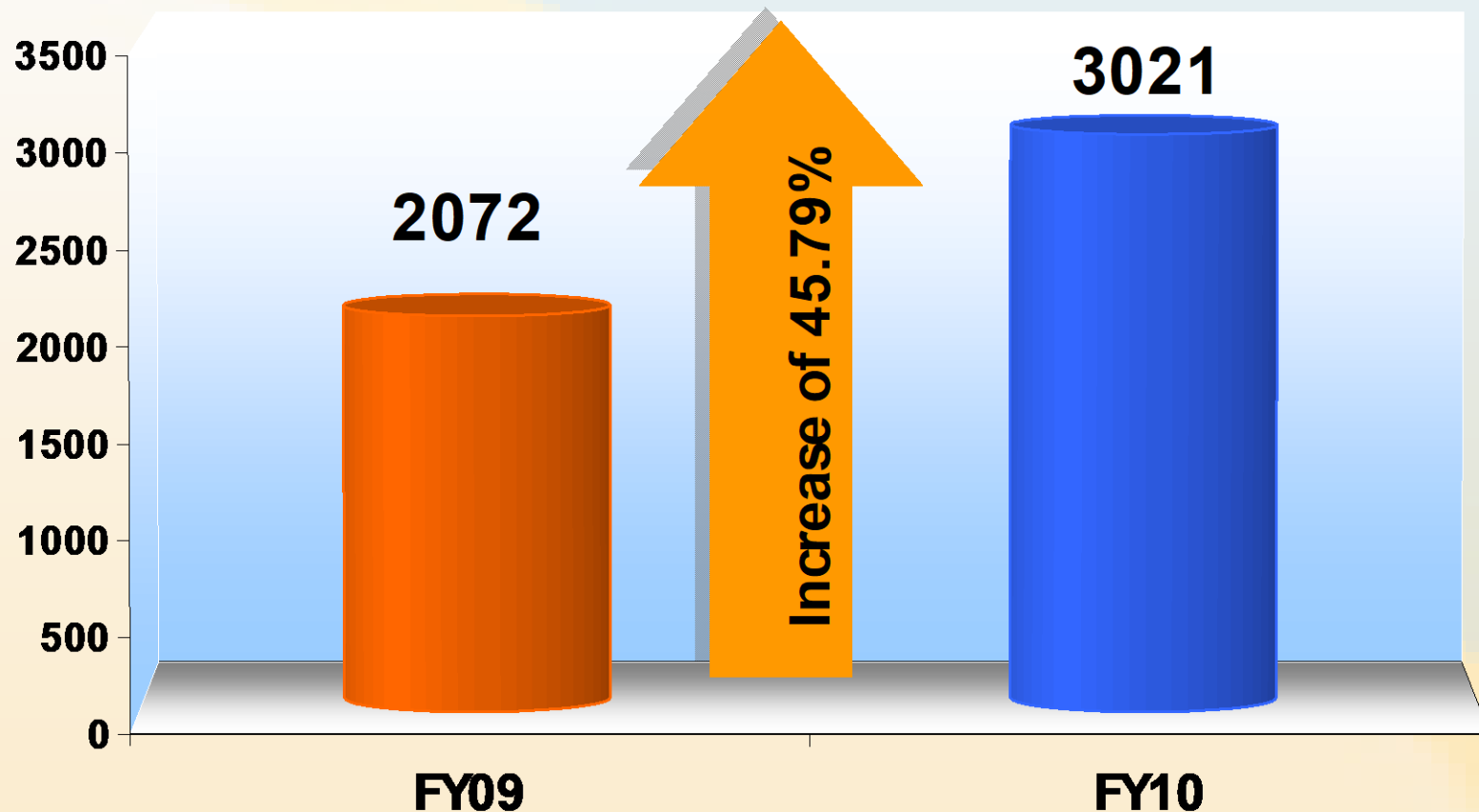
GROSS PROFIT GROWTH FY10

Gross Profit
(Rs. in Crore)



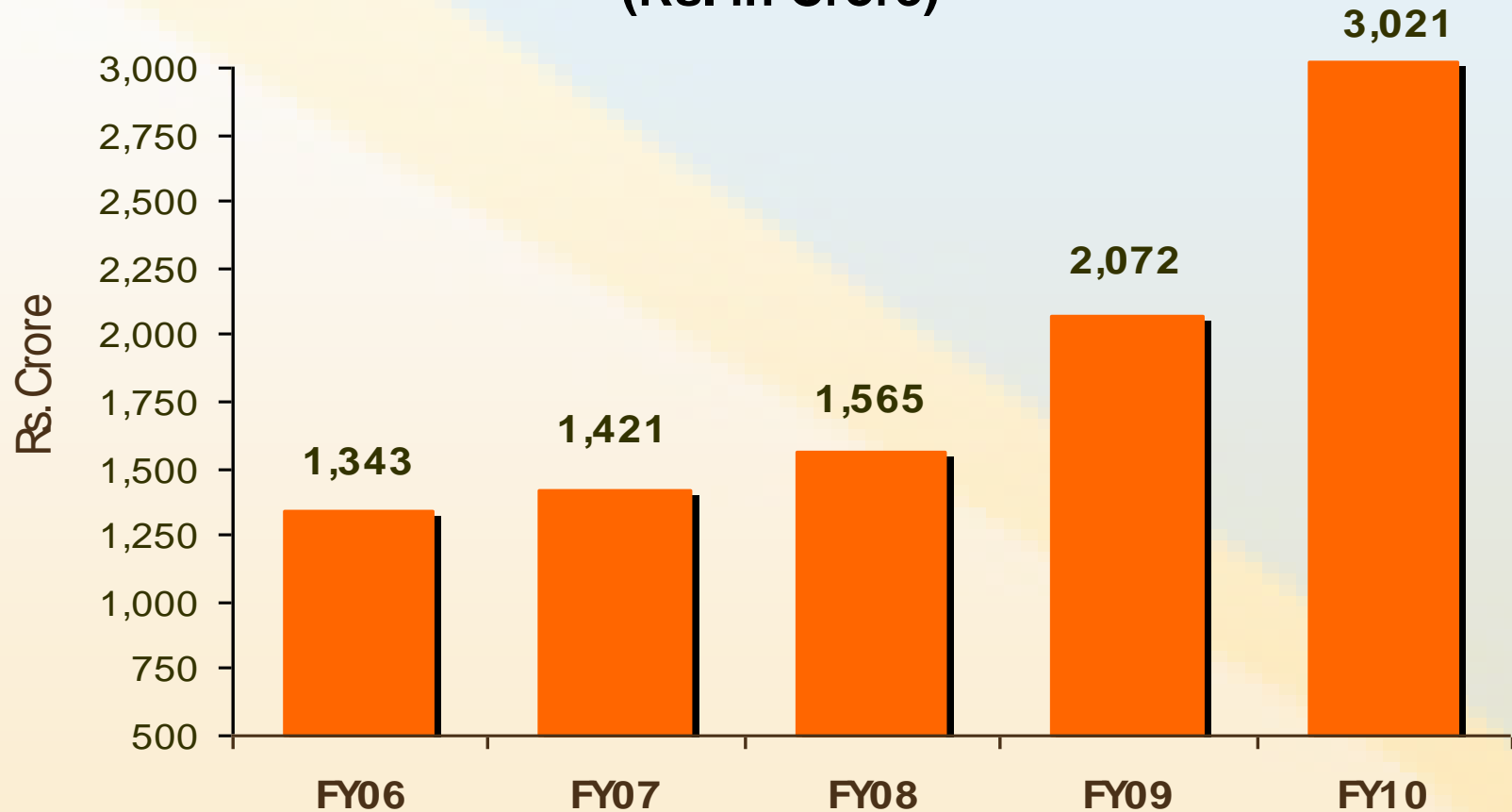
ROBUST NET PROFIT GROWTH FY10

Net Profit
(Rs. in Crore)



CONSISTENT PROFIT GROWTH LAST FIVE

YEARS NET PROFIT (Rs. in Crore)



PROFIT GROWTH

Amt. in Rs. Crore

	<u>Mar'10</u>	<u>Mar'09</u>
Operating Profit	5061	3964
<i>Growth (%)</i>	27.68	33.94
Provisions	2039	1891
Net Profit	3021	2072
<i>Growth (%)</i>	45.79	32.42

PROVISIONS: FY10

Amt. in Rs. Crore

	<u>Mar'10</u>	<u>Mar'09</u>
Total Provisions	2039	1891
of which ..		
Provision for NPA	1408	900
Provision for Taxation	800	500

INCOME

Amt. in Rs. Crore

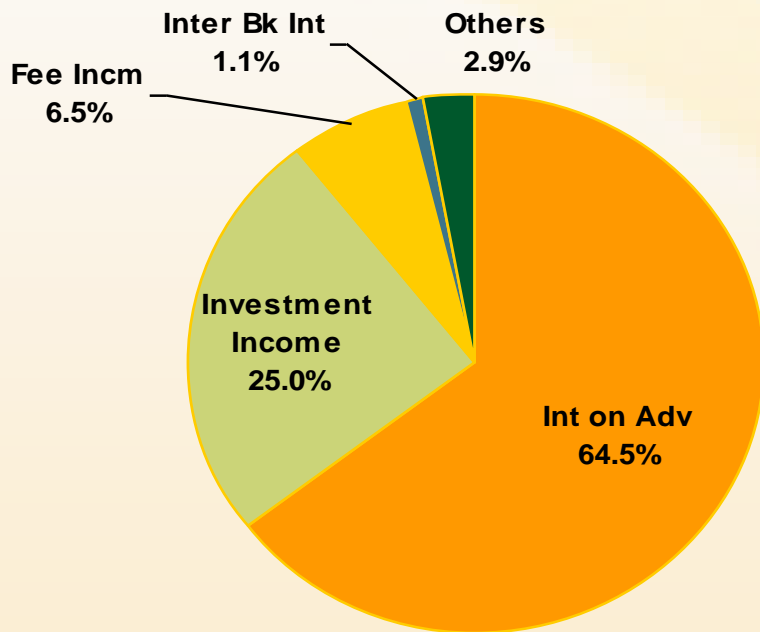
	<u>Mar'10</u>	<u>Mar'09</u>	<u>Growth</u>
Total Income	21610	19430	11.2%
Int. Income	18752	17119	9.5%
Int. Loans/Adv	13946	12813	8.8%
Non-Int. Inc	2858	2311	23.7%

Good Growth in Non-Interest Income

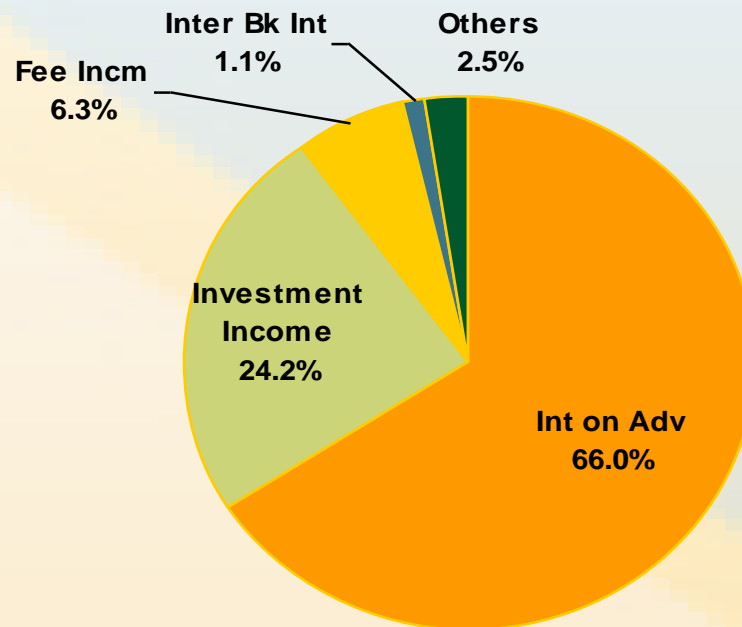
MAJOR COMPONENTS OF INCOME

Interest Income continues to drive growth in income .. over 60% of earnings from int on advances

March 2010



March 2009



BREAK-UP OF OTHER INCOME

Rs. in Crore

	Mar'10		Mar'09	
	FY10	Q4 FY10	FY09	Q4 FY09
Total Other Income	2858	710	2311	846
Commission & Exchange	724	213	604	163
Profit from Exchange Trans	215	44	174	14
Trading Profit	872	114	675	349
Dividend Income	104	32	38	11
Recovery in w/off A/cs	406	149	319	99
Other Misc. Income	537	158	501	210
of the above ..				
Fee Income	1403	405	1222	404

MEASURES TO AUGMENT NON INTEREST INCOME

- Increased thrust on Fee Income
- Broadbasing of Fee Income sources
 - ✓ Cross Selling of Insurance
 - ✓ Mutual Fund Products
 - ✓ On-line Trading Services
 - ✓ Other Traditional Services- LCs, Guarantees, DDs and others.

CANARA ROBECO



EXPENDITURE

Amt. in Rs. Crore

	<u>Mar'10</u>	<u>Mar'09</u>	<u>Growth</u>
Total Expenditure	16549	15467	7.0%
Int. Expenditure	13071	12401	5.4%
Op. Expense	3478	3065	13.5%
Staff Expense (incl. prov. for wage revision)	2194	1877	16.9%
Cost-Income Ratio (%)	40.73	43.61	-288 bps

Full Prov. Wage Revision Made

EARNINGS PROFILE

Amt. in Rs. Crore

	<u>Mar'10</u>	<u>Mar'09</u>
Net Int. Income	5681	4718
Y-o-Y Growth (%)	20.4	33.4
Net Int. Margin(%) (NIM)	2.80	2.78
ROAA (%)	1.30	1.06
EPS (Rs.)	73.69	50.55
Book Value (Rs.)	305.83	244.87

NIM sustained

ASSET QUALITY

	<u>Mar'10</u>	<u>Mar'09</u>
Gross NPA (Rs. Crore)	2590	2168
Gross NPA Ratio (%)	1.52	1.56
Net NPA (Rs. Crore)	1800	1507
Net NPA Ratio (%)	1.06	1.09

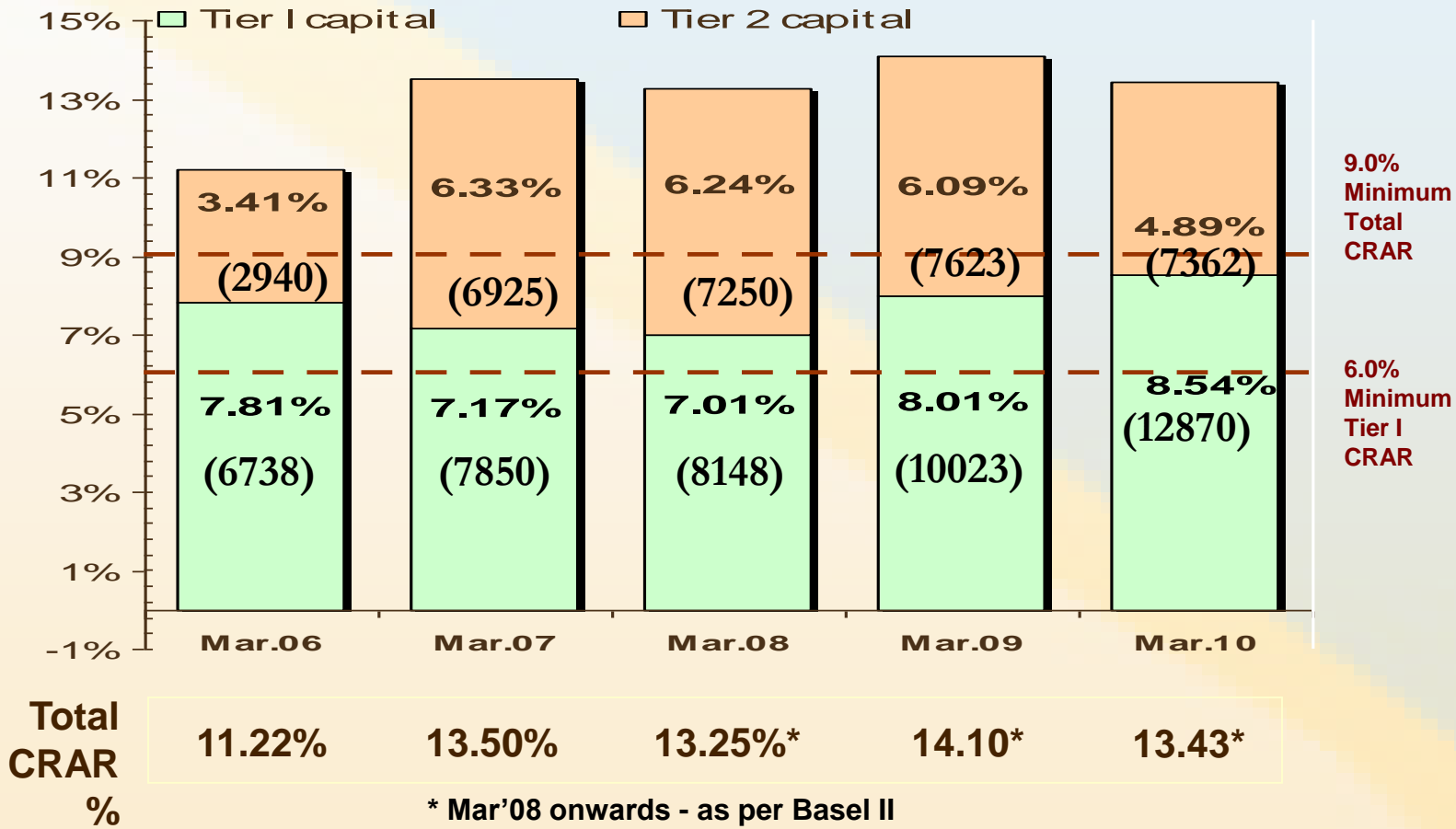
Provision Coverage Ratio at 77.71%

COMFORTABLE CAPITAL POSITION

- **CRAR of 13.43% at Mar '10**
 - ...well above the regulatory minimum of 9%
 - ...Tier I ratio at 8.54%
 - ...Tier II ratio at 4.89%
- **Capital raised during FY 2010 : Rs.600 Crore**
- **Medium Term Objective .. CRAR of above 12%**
 - ...still undiluted 73.17% GoI Holding in the Bank

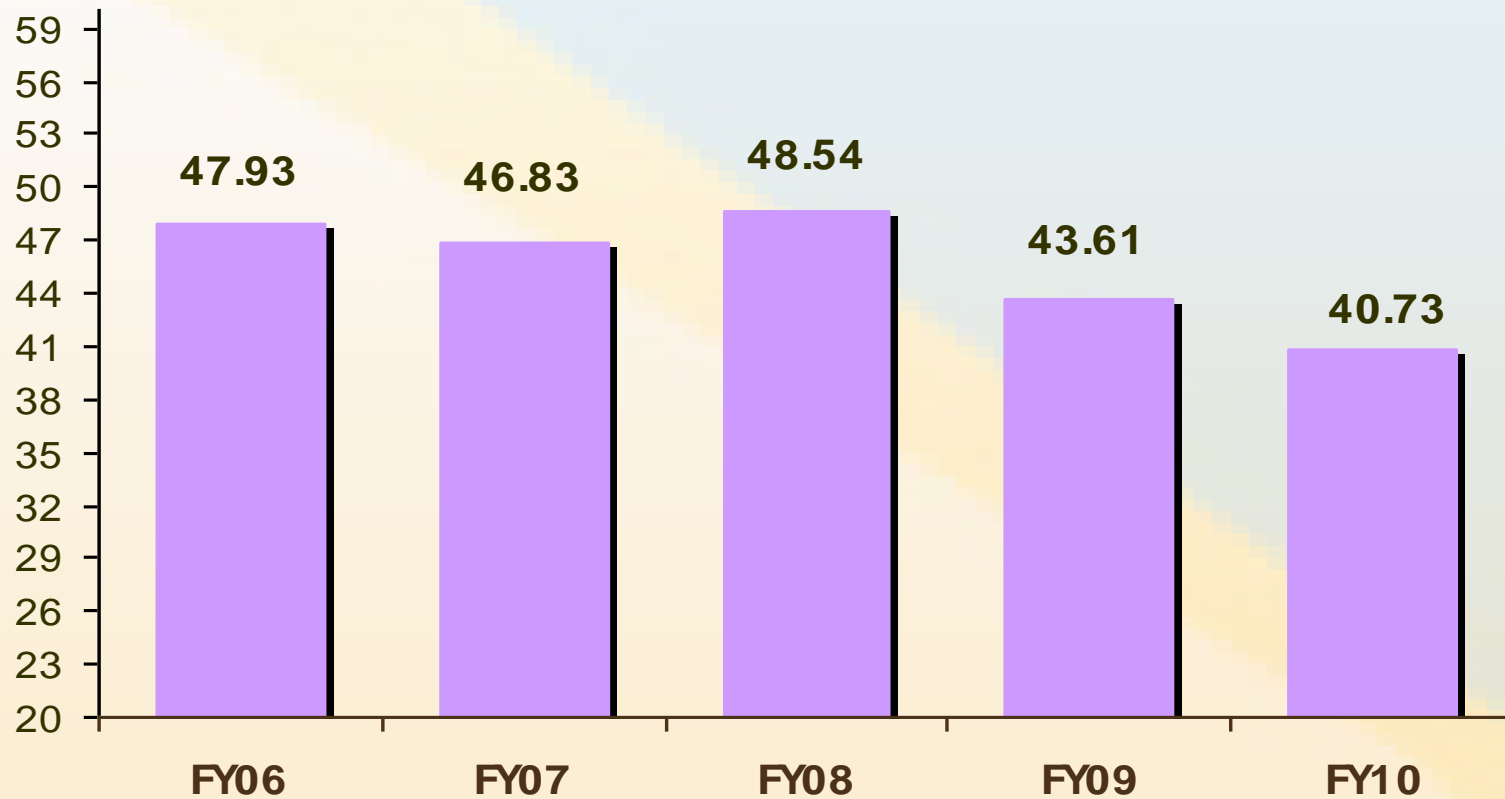
Adequate Headroom for Capital Augmentation

CAPITAL ADEQUACY – Basel II

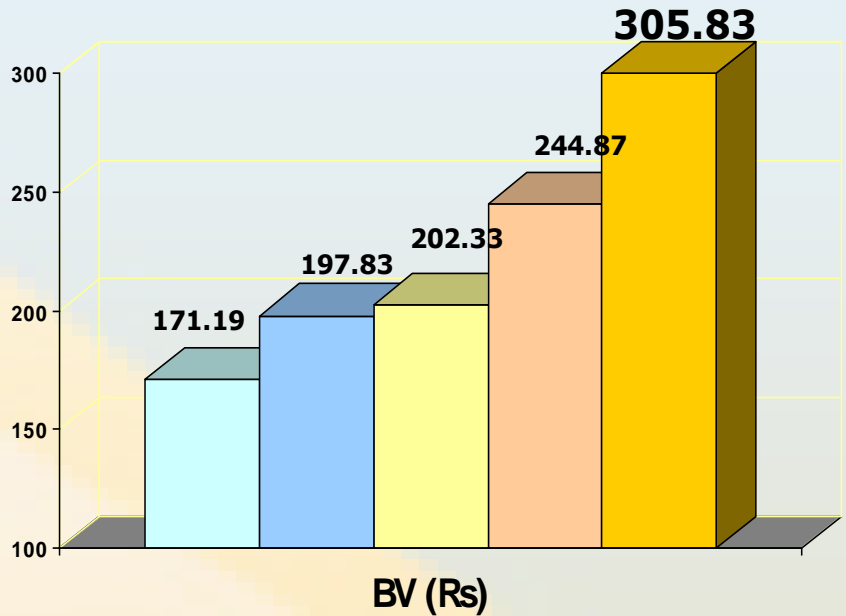
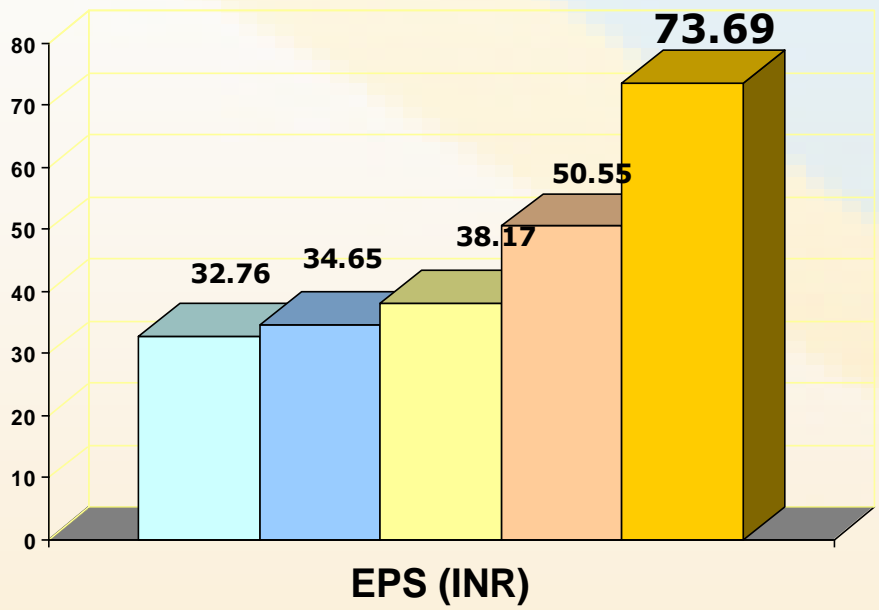


(Figures in the brackets are amt. in Rs. Crore)

DECLINE IN COST-INCOME RATIO (%)



EARNINGS PROFILE



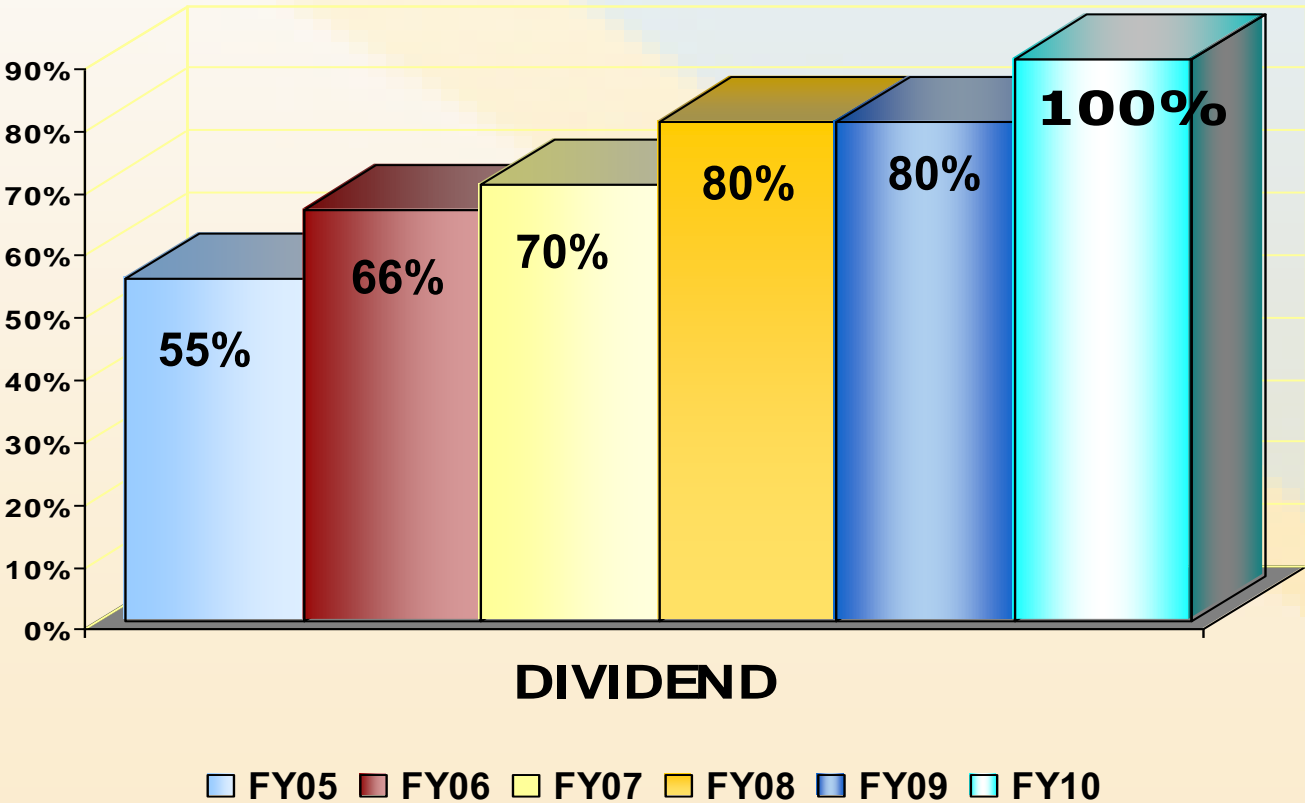
■ Mar-06
 ■ Mar-07
 ■ Mar-08
 ■ Mar-09
 ■ Mar-10

■ Mar-06
 ■ Mar-07
 ■ Mar-08
 ■ Mar-09
 ■ Mar-10

■ The Bank continued to sustain high levels of earnings. Book Value and Earnings Per Share show consistent rise, year on year

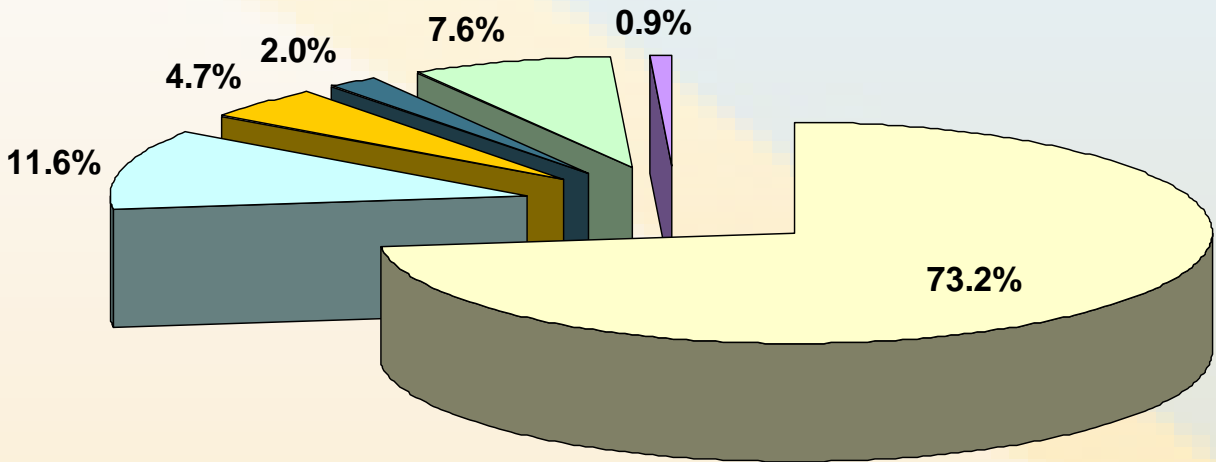
VALUE FOR STAKEHOLDERS

Dividend ... Progressive Return for the Shareholders



SHARE HOLDING PATTERN

As on Mar 31, 2010



Govt of India | FIIs | Resident Individuals | MFs | IFIs | Others

FINANCIAL HIGHLIGHTS: Q4 FY10

PROFIT GROWTH

Amt. in Rs. Crore

	<u>Q4 FY10</u>	<u>Q409</u>
Operating Profit	1430	1273
<i>Growth (%)</i>	12.4	35.5
Provisions	927	554
Net Profit	503	719
<i>Growth (%)</i>	-30.0	54.9

**Net Profit lower due to lesser trading profit
and higher provision**

PROVISIONS : Q4 FY10

Amt. in Rs. Crore

	<u>Q4FY10</u>	<u>Q4FY09</u>
Total Provisions	927	554
of which ..		
Provision for NPA	578	250
Provision for Taxation	200	200

INCOME

Amt. in Rs. Crore

	<u>Q4FY10</u>	<u>Q4FY'09</u>
Total Income	5507	5500
Int. Income	4797	4654
Other Income (Excl. Inc from Sale of Investments)	597	498
Trading Profit	113	349

Treasury Income impacted by rising Gsec Yield

EXPENDITURE

Amt. in Rs. Crore

	<u>Q4FY10</u>	<u>Q4FY09</u>	<u>Growth</u>
Total Expenditure	4076	4228	-3.6%
Int. Expenditure	3199	3349	-4.5%
Op. Expense	877	879	-0.23%
Staff Expense (Incl. prov. For wage revision)	498	530	-6.09%

EARNINGS PROFILE

Amt. in Rs. Crore

	<u>Q4FY10</u>	<u>Q4FY09</u>
Net Int. Income	1598	1305
Y-o-Y Growth (%)	22.4	41.5
Net Int. Margin (NIM)	2.80	2.78

Sustenance of NIM

PROFITABILITY RATIOS (%)

	<u>Mar'09</u> (FY09)	<u>Jun'09</u> (Q1 FY10)	<u>Sep'09</u> (H1 FY10)	<u>Dec'09</u> (9m FY10)	<u>Mar'10</u> (FY10)
Cost of Deposits	6.87	6.48	6.47	6.25	6.12
Yield on Advances	10.79	10.05	10.02	10.01	9.81
Cost of Funds	6.32	6.00	5.98	5.77	5.65
Yield on Funds	8.72	8.37	8.32	8.16	8.10
Spread	2.40	2.37	2.34	2.39	2.45
Net Interest Margin	2.78	2.70	2.66	2.71	2.80

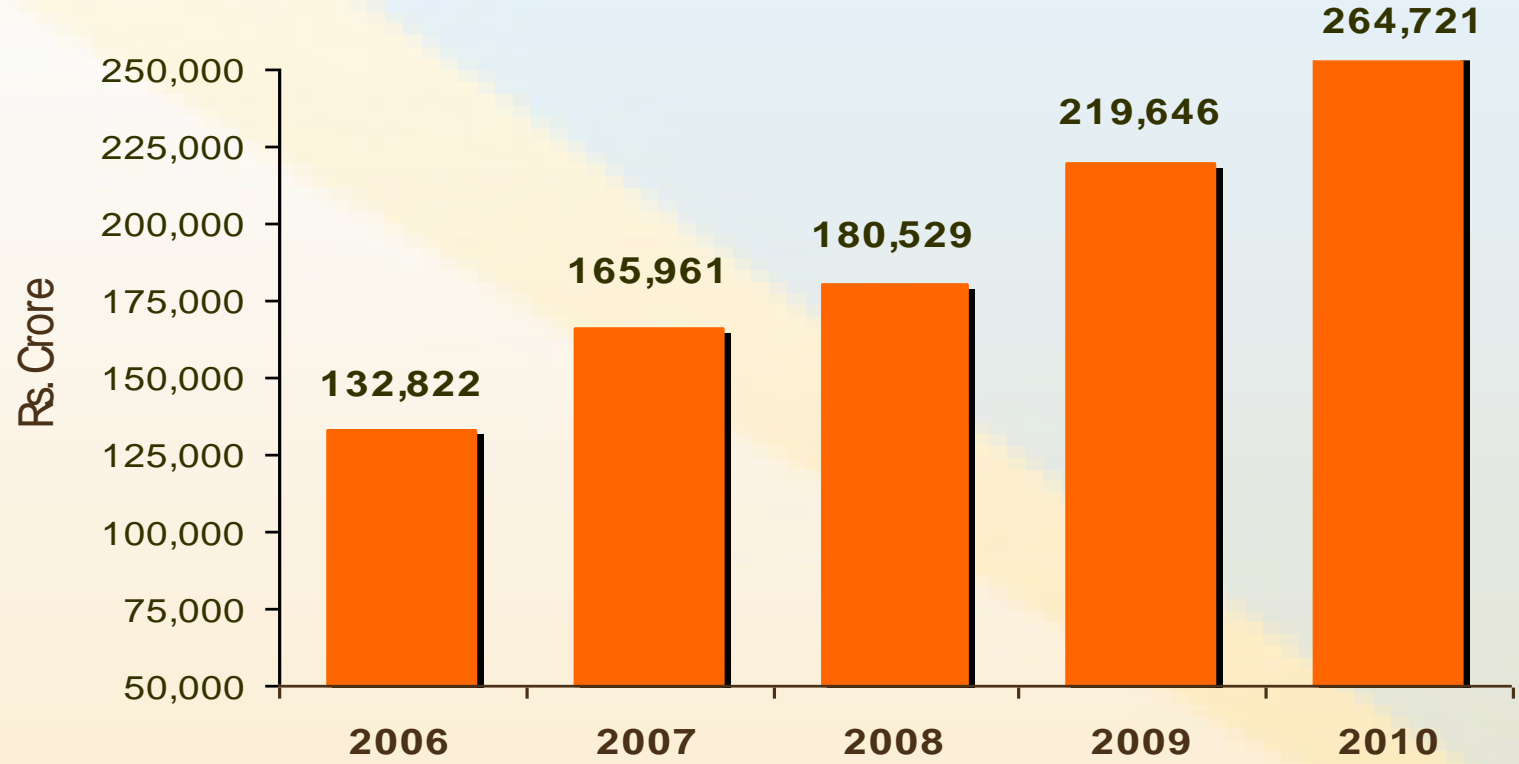
PRODUCTIVITY RATIOS

	<u>Mar'10</u>	<u>Mar'09</u>
Business per Employee (Rs. Crore)	9.83	7.80
Business per Branch (Rs. Crore)	132.63	118.96
Gross Profit per Employee (Rs. Lakh)	12.32	9.51
Net Profit per Employee (Rs. Lakh)	7.36	4.97

Highest Per Branch Business amongst Peers

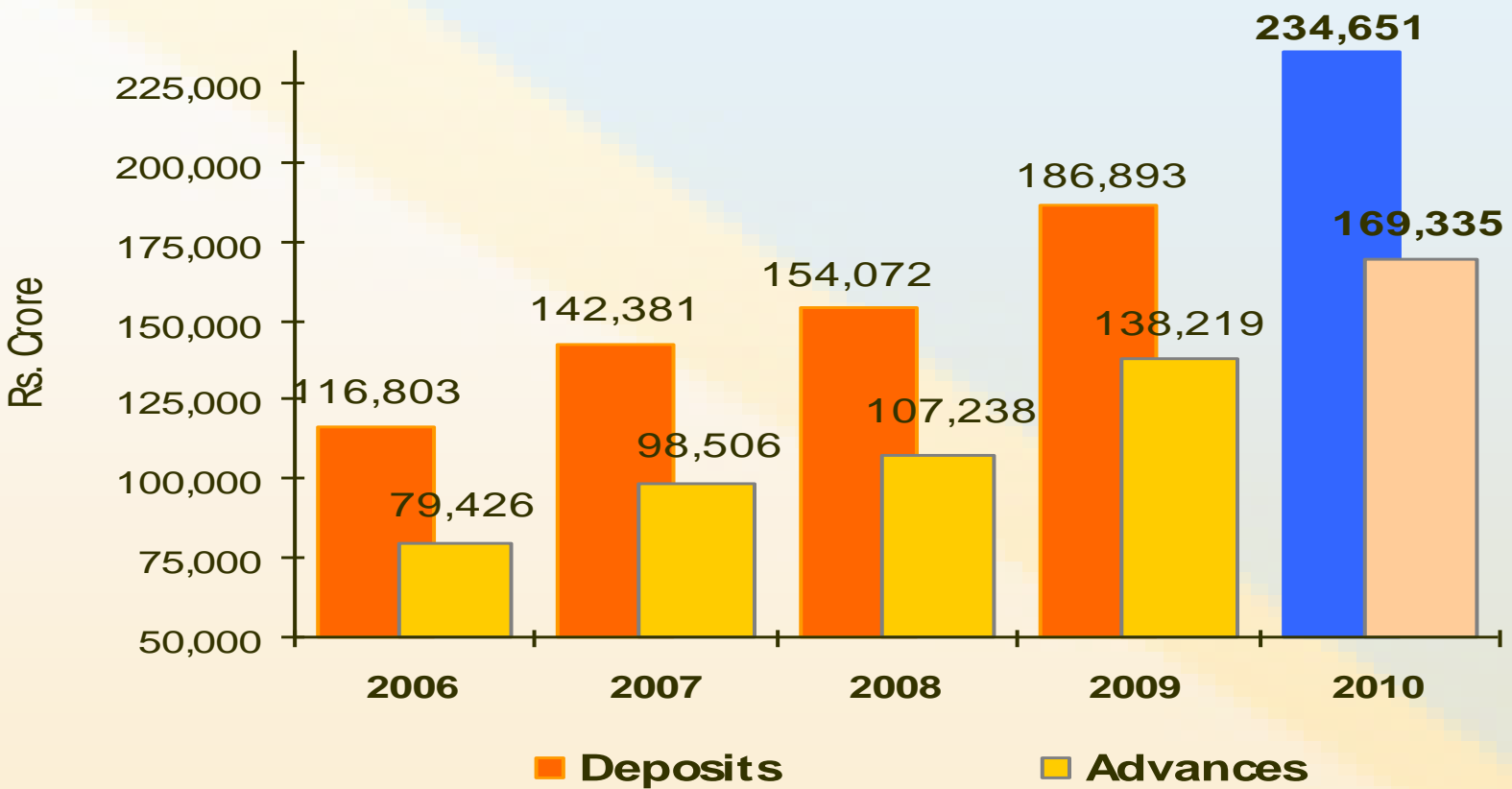
BUSINESS HIGHLIGHTS: FY10

TOTAL ASSETS



Significant Jump in Asset size

TOPLINE GROWTH



Total Business added during FY 2010 over Rs.78500 Crore

BUSINESS PROFILE

Amt. in Rs. Crore

	<u>Mar'10</u>	<u>Mar'09</u>	<u>Y-o-Y Gr</u>
Total Business	403986	325112	24.3%
Total Deposits	234651	186893	25.6%
Net Advances	169335	138219	22.5%
C-D Ratio (%)	72.16	73.96	

**Total Business Crossed Rs. 4 lakh crore
Addition of over Rs.78500 Cr**

CORE DEPOSITS GROWTH

Amt. in Rs.

	<u>Mar'10</u>	<u>Mar'09</u>	<u>Y-o-Y Gr</u>
Core Deposits	198544	150127	32.3%
CASA Deposits	68261	56168	21.5%
CASA per branch	22.41	20.55	
Deposits Clientele (Mn)	32.85	30.50	2.35 Mn

Highest Per Branch CASA Deposit among Peers

CREDIT FOCUS

Amt. in Rs. Crore

	<u>Mar' 10</u>	<u>Mar'09</u>	<u>Y-o-Y Gr</u>
Priority Sector Credit	59310	48763	21.6%
Agriculture Credit	25052	20144	24.4%
MSME Advances	31074	23823	30.4%
Education Loans	2896	2301	25.9%
Retail Lending	23902	19798	20.7%
Housing Loans	10116	7896	28.1%
Industrial Advances	87504	52142	67.8%
Infrastructure Advances	32741	17313	89.1%

Well Diversified Credit Portfolio
Focus on Productive Sectors

PRIORITY SECTOR

(Amt. in Rs. Crore)

	<u>Mar'10</u>	<u>Mar'09</u>	<u>Y-o-Y Gr</u>
Priority Credit O/s	59310	48763	21.6%
% to ANBC	43.92	46.02	
Agriculture Adv O/s	25052	20144	24.4%
% to ANBC	18.55	19.01	
MSME Advances O/s	31074	23823	30.4%

**Surpassed 18% Adjusted Net Bank Credit (ANBC) Norm in
Agriculture**

INVESTMENT PORTFOLIO

Amt. in Rs. Crore

	<u>Mar'10</u>	<u>Mar'09</u>
Investments (In India)	69114	57146
	54516	41007
Held to Maturity	(78.9%)	(71.8%)
	14182	15728
Available for Sale	(20.5%)	(27.5%)
	416	412
Held for Trading	(0.6%)	(0.7%)

Figures in the brackets are percentage shares in

total	Mar'10	Mar'09
SLR Portfolio	63175 (91.2%)	51329 (89.2%)
Non SLR Portfolio	6089 (8.8%)	6213 (10.8%)

DURATION OF INVESTMENT PORTFOLIO

Duration of AFS book and Total Investment

Details	Mar'09	Mar'10
Duration of AFS Book	1.96 yrs	2.04 yrs
Duration of HTM Book	4.93 yrs	5.87 yrs
Duration of Total Investment Book	4.23 yrs	5.17 yrs

Modified Duration of AFS book and Total Investment book

Details	Mar'09	Mar'10
Modified duration of AFS Book	1.87 Yrs	1.93 Yrs
Modified duration of HTM Book	4.76 Yrs	5.65 Yrs
Modified duration of Total Investment Book	4.08 Yrs	4.97 Yrs

Beyond Numbers

EXPANDING THE REACH

	<u>Mar'10</u>	<u>Mar'09</u>	<u>Y-o-Y Incr</u>
Branch Network	3046	2733	314
ATM Strength	2017	2019	
Card Base (In Lakh)	49.96	42.68	7.28

Strategic Initiatives

- Focus on Expanding Domestic Branch Network
- **Addition of 314 branches** during FY10
- 16 lakhs new SB accounts added during **'Savings Utsav'** campaign



DEDICATING 104 BRANCHES TO THE NATION

ON 10th Nov 2009



Inauguration of 104 branches across India by Hon'ble Union Finance Minister in New Delhi



4th OVERSEAS BRANCH AT LEICESTER, UK



**C&MD Shri A.C Mahajan inaugurated the Branch on
12.04.2010**

in presence of Lord Mayor of Leicester.

EXPANDED CLIENTELE BASE

	<u>Mar'10</u>	<u>Mar'09</u>	<u>Y-o-Y Incr</u>
Clientele Base in Mn	37.34	34.80	2.54
- No of Deposit a/cs (Mn)	32.85	30.50	2.35
- No of Borrowal a/cs (Mn)	4.49	4.30	0.19

Over 37 million strong clientele base

INFOTECH PROGRESS

	<u>Mar'10</u>	<u>Mar'09</u>
Core Banking Branches	1809	1053
ATMs	2017	2019
AWB Branches	2091	2062
IMB Branches	1959	1362
NEFT and RTGS	ALL Branches	All Branches

90% Business under Core Banking Solution

AWARDS/ACCOLADES

- **Best Bank in South Zone Award 2008-09:** For lending under KVIC and PMEGP Schemes.
- **Credit Guarantee Approval Certificate** issued by CGTMSE from Shri Pranab Mukherjee, Hon'ble Finance Minister of India.

FUTURE PLANS

- **Aiming at a Total Business of Rs.5,00,000 crore by Mar'11**
 - ... Rs.2,85,000 crore under Deposits
 - ... Rs.2,15,000 crore under Advances
- **Over 200 new branches to be opened during the year**
- **Continued focus on Core Business Growth**
- **Strengthening overseas presence**
- **Cover all branches under CBS by June 2010**
- **RBI approval for 9 overseas Branches/offices obtained...**
Johannesburg, Frankfurt, Muscat, Manama, QFC-Qatar, New York, Sao Paulo, Dar-er-Salam and Tokyo



THANK YOU