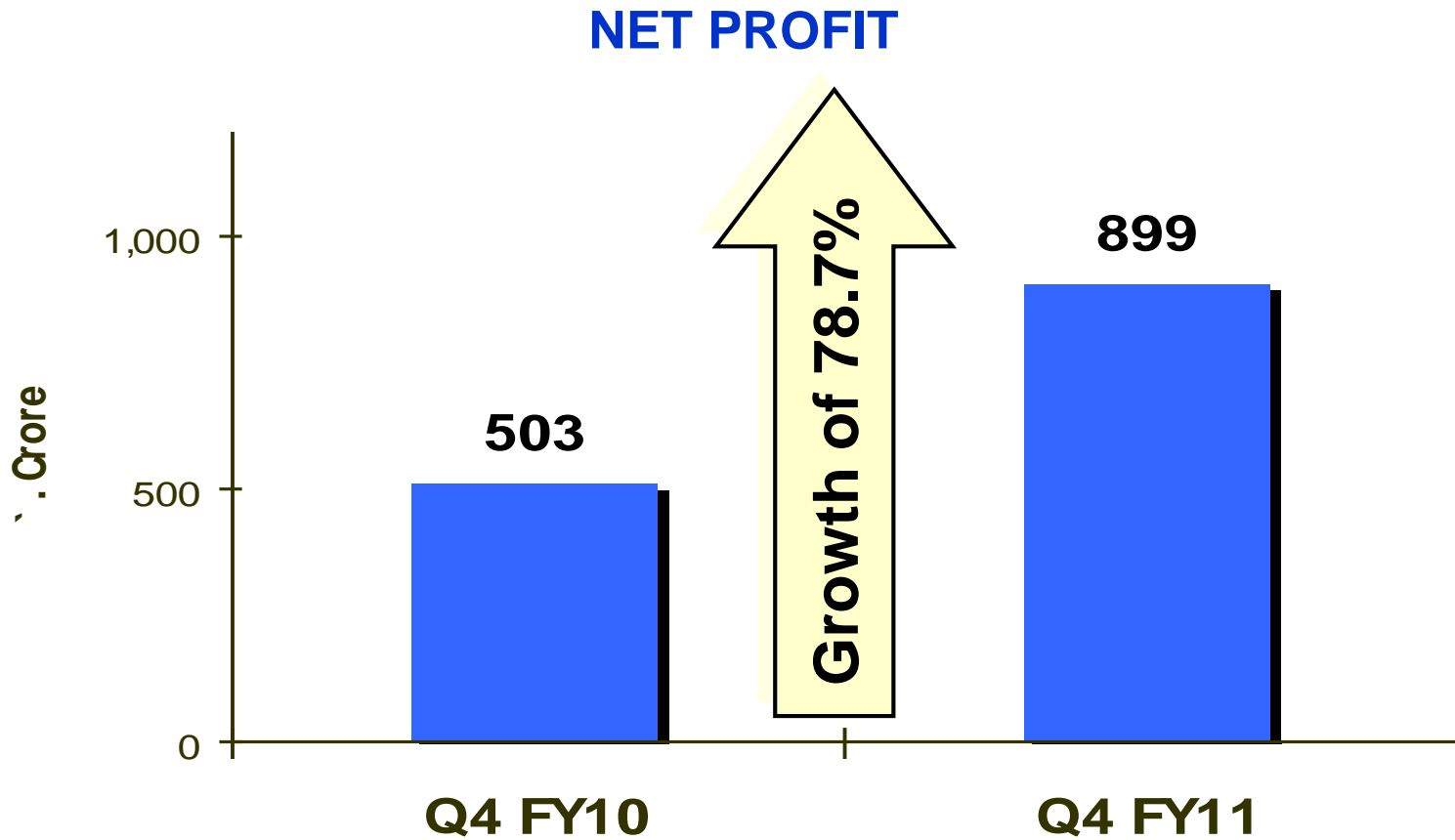


# PERFORMANCE HIGHLIGHTS

## MARCH 2011

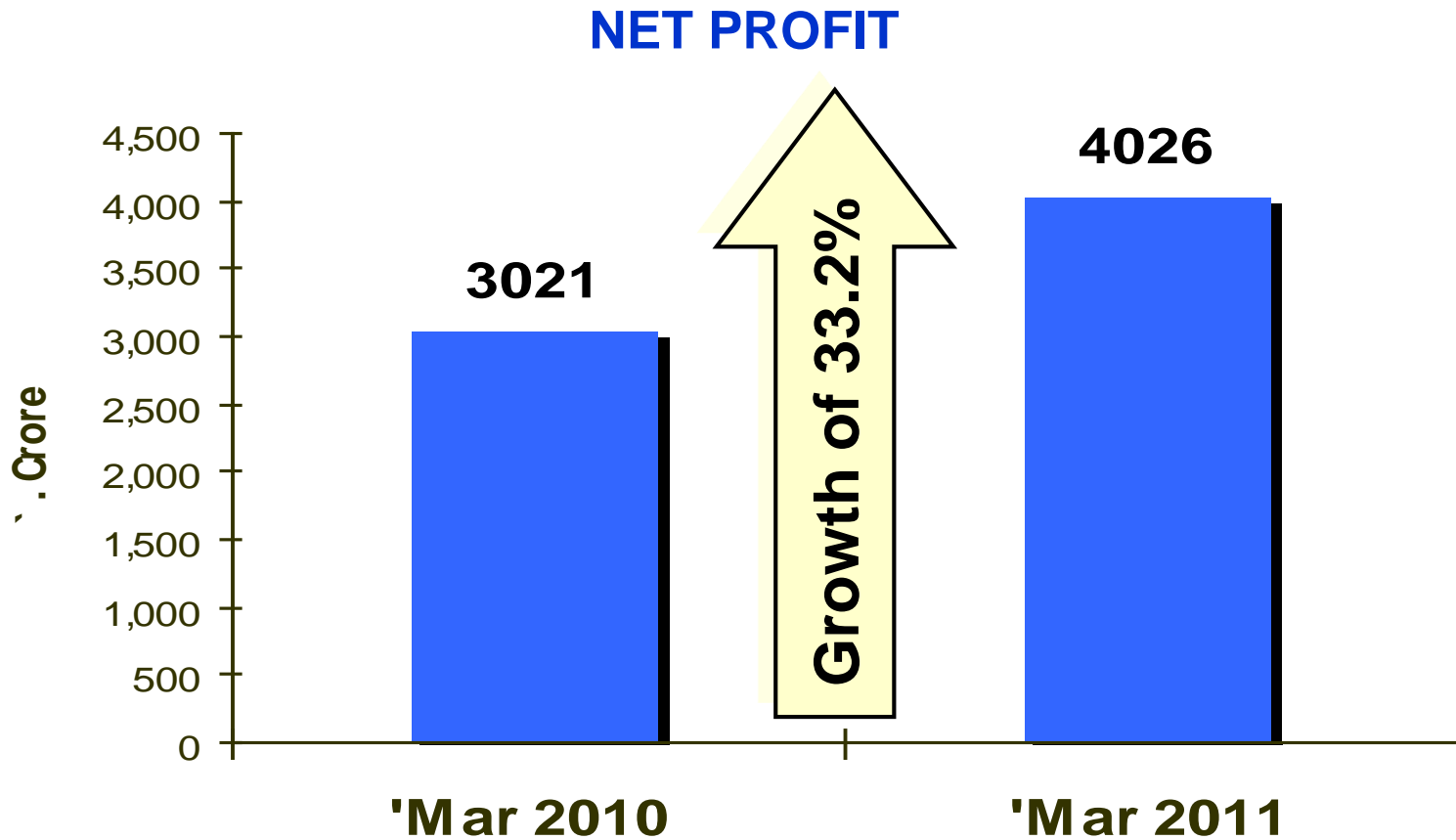
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# NET PROFIT GROWTH Q4 FY11



**Net Profit Rose by a Robust 78.7%**

# NET PROFIT GROWTH FY11



**The Highest ever Net Profit for any Year**

# Yet Another Milestone Surpassed

Canara Bank's Total Business Crosses

**₹ 5,00,000 Crore**

Thank you Customers, Stakeholders & Well-wishers

**3250 Branches**

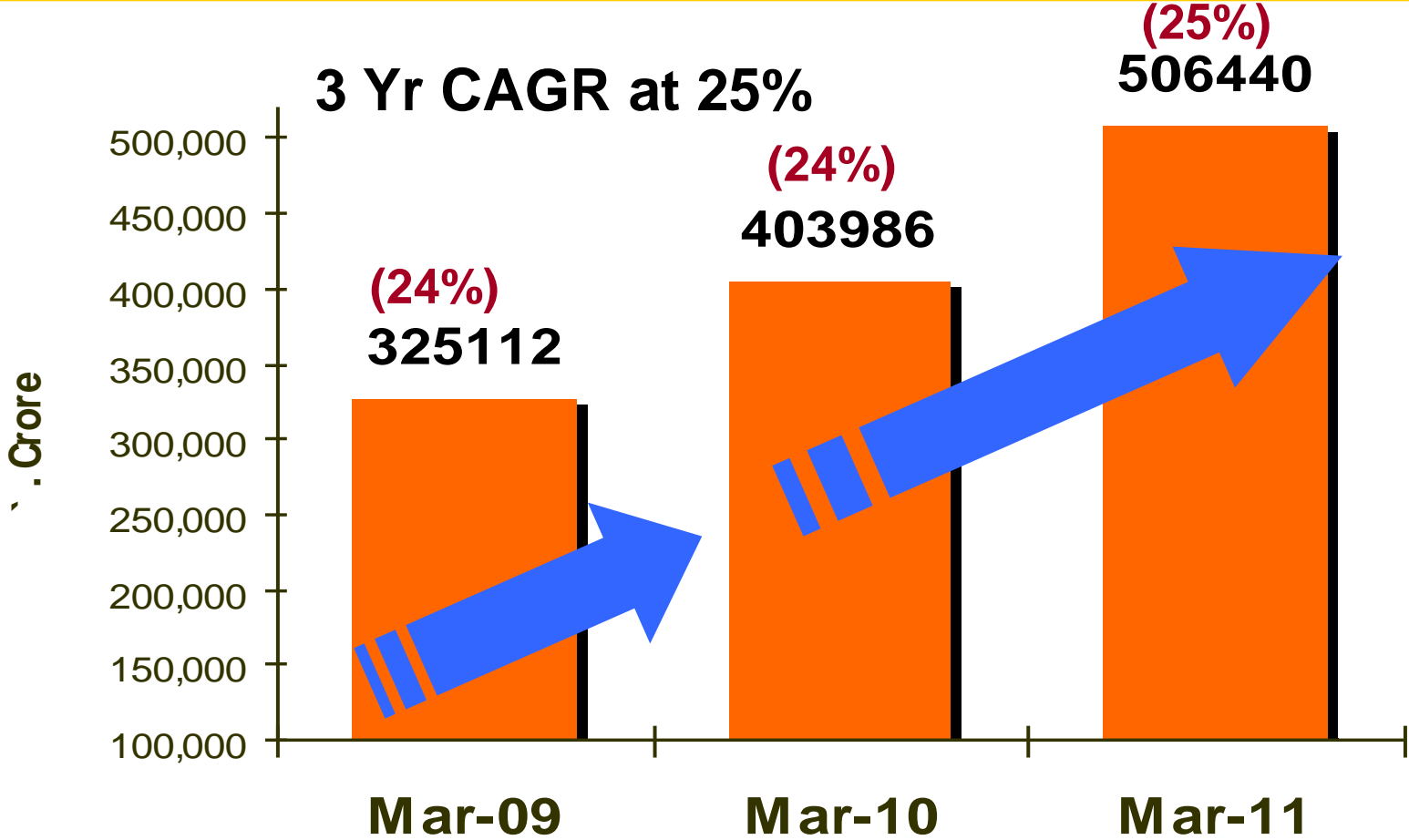
**2200 ATMs**

**3.85 Crore Customers**

- Sustained high growth trajectory
- Surpassed landmark `5 lakh crore in total business
- Net Interest Income Growth at 23.5%
- Net Interest Margin expanded to 3.12%
- Return on Assets at 1.27%
- Healthy Capital Adequacy Ratio at 15.38%
- Tier I Capital Ratio at 10.87%

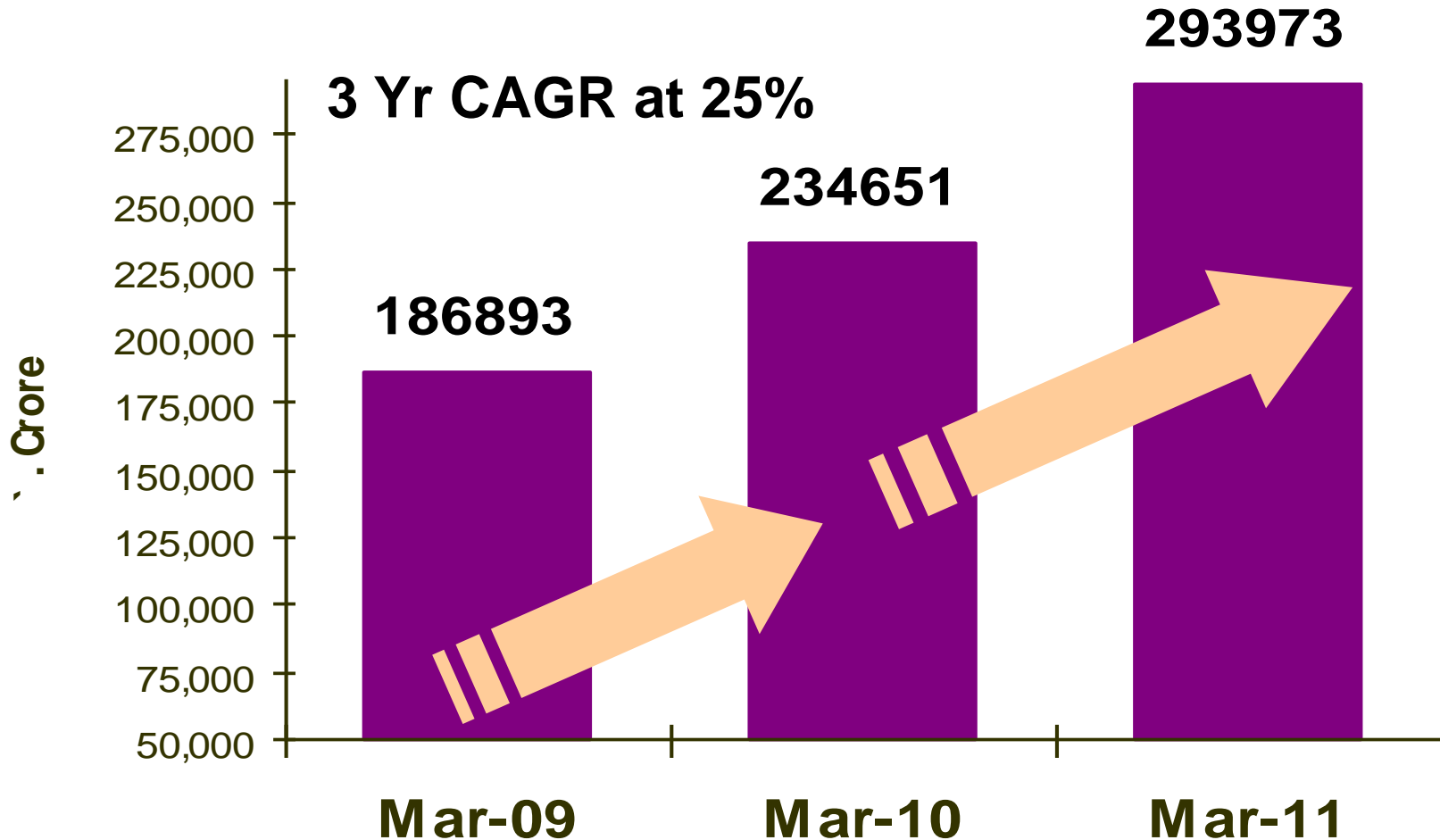
- Successfully raised ₹1993.2 crore through QIP
- Raised of \$350 million through MTN for overseas business funding
- Gross NPA ratio at 1.45% and Net NPA ratio at 1.11%
- Record Cash Recovery of over ₹2000 crore
- Provision Coverage Ratio at 72.99%

# TOTAL BUSINESS



**Over ` 1 lakh Crore Business Added  
Y.o.Y Growth at 25.4%**

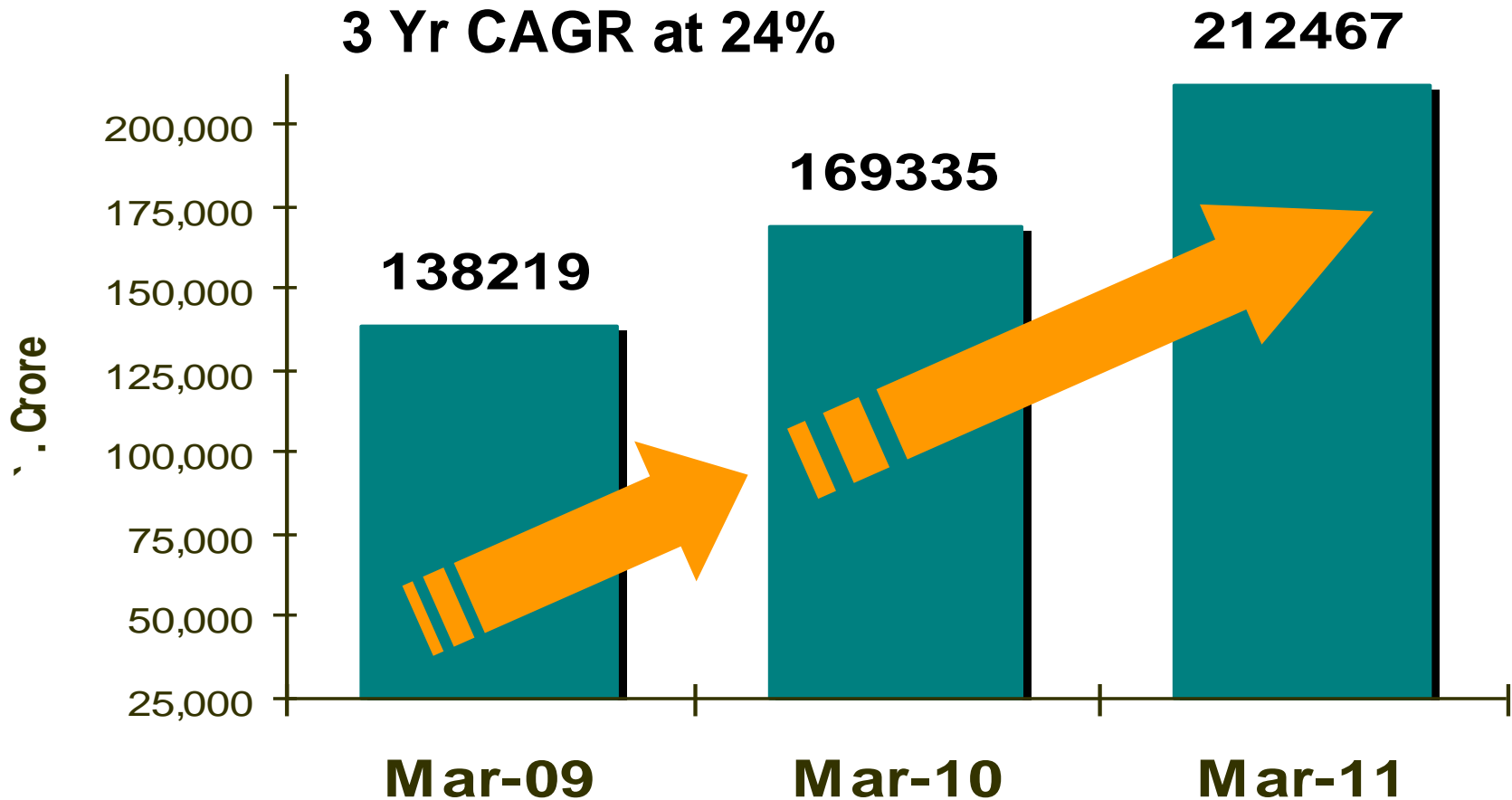
# TOTAL DEPOSITS



**Y.o.Y Growth at 25.3%**  
**Against SCBs' Growth at 15.8% (Domestic)**



## NET ADVANCES



**Y.o.Y Growth at 25.5%**  
**Against SCBs' Growth at 21.4% (Domestic)**

## PROFIT GROWTH

Amt. in ` Crore

	FY11	FY10	Q4 FY11	Q4 FY10
<b>Operating Profit</b>	<b>6107</b>	<b>5061</b>	<b>1695</b>	<b>1430</b>
<b>Growth</b>	<b>20.7%</b>	<b>27.7%</b>	<b>18.5%</b>	<b>12.4</b>
<b>Provisions</b>	<b>2081</b>	<b>2039</b>	<b>796</b>	<b>927</b>
<i>Provision for NPA</i>	<i>1001</i>	<i>1426</i>	<i>541</i>	<i>596</i>
<i>Prov for Taxation</i>	<i>1000</i>	<i>800</i>	<i>250</i>	<i>200</i>
<b>Net Profit</b>	<b>4026</b>	<b>3021</b>	<b>899</b>	<b>503</b>
<b>Growth</b>	<b>33.2%</b>	<b>45.8%</b>	<b>78.7%</b>	<b>-30.0%</b>

**Robust Growth in Net Profit for Q4 and FY11**

## INCOME

Amt. in ` Crore

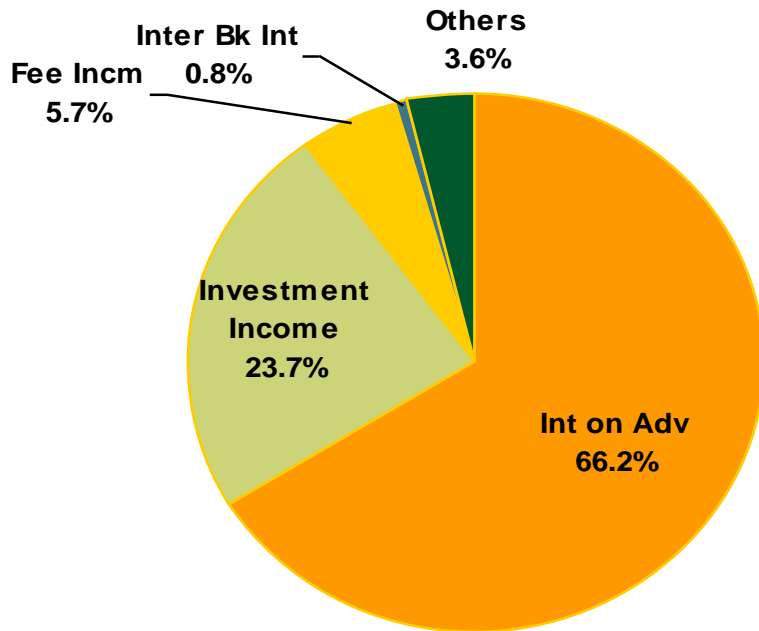
	FY11	FY10	Growth	Q4FY11	Q4FY10	Growth
<b>Total Income</b>	<b>25767</b>	21610	19.2%	<b>7351</b>	5507	33.5%
<b>Int. Income</b>	<b>23064</b>	18752	23.0%	<b>6418</b>	4797	33.8%
<b>Int. Loans/Adv</b>	<b>17052</b>	13946	22.3%	<b>4823</b>	3545	36.0%
<b>Non-Int. Inc</b>	<b>2703</b>	2858	--	<b>933</b>	710	31.4%

**Sustained Increase in Income**

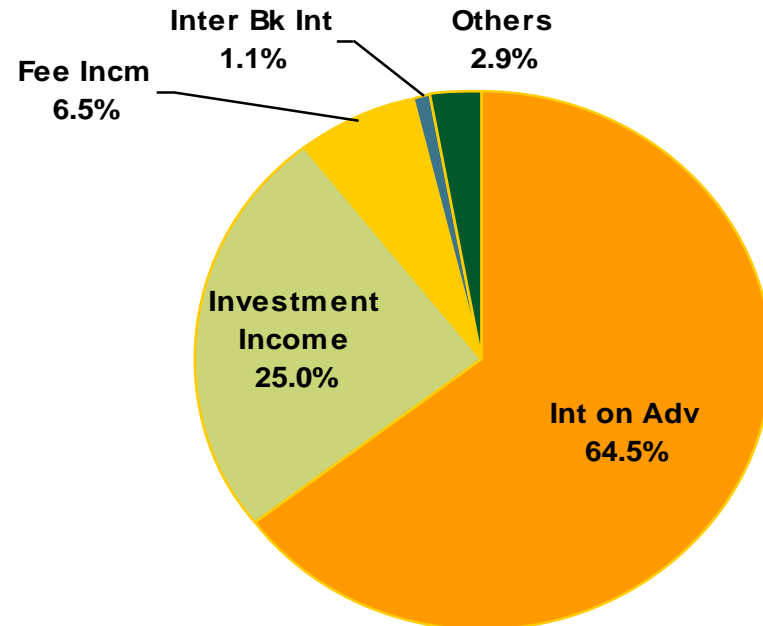
# MAJOR COMPONENTS OF INCOME

Interest Income continues to drive growth in income .. over 65% of earnings from int on advances

March 2011



March 2010



## BREAK-UP OF OTHER INCOME

	Mar'11		Mar'10	
	FY11	Q4 FY11	FY10	Q4 FY10
<b>Total Other Income</b>	<b>2703</b>	<b>933</b>	<b>2858</b>	<b>710</b>
Commission & Exchange	756	249	724	213
Profit from Exchange Trans	381	116	215	44
Trading Profit	236	-18	872	114
Dividend Income	199	87	104	32
Recovery in w/off A/cs	555	327	406	149
Other Misc. Income	576	172	537	158
of the above ..				
<b>Fee Income</b>	<b>1455</b>	<b>447</b>	<b>1400</b>	<b>402</b>

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

**CANARA ROBECO**



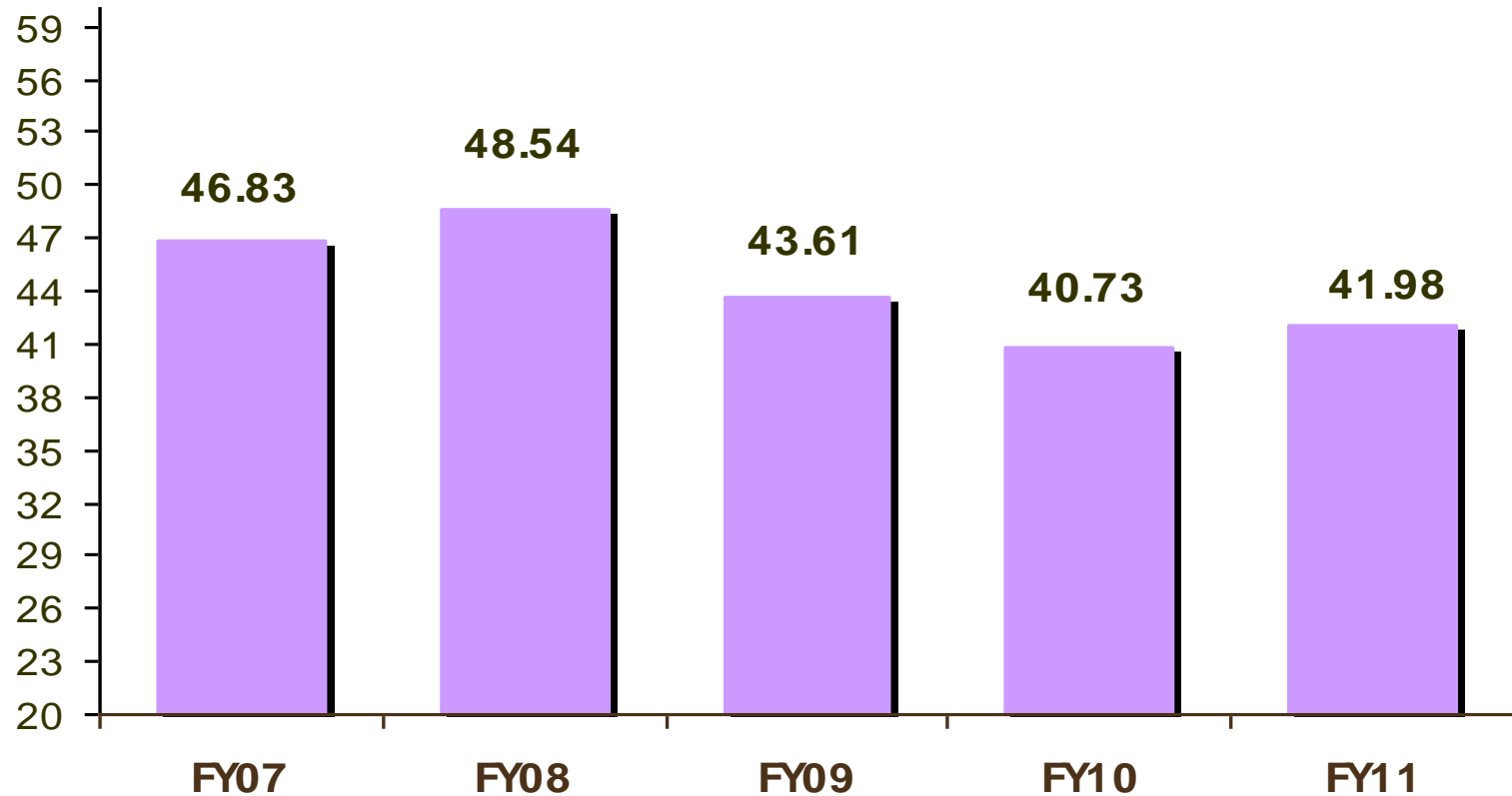
## EXPENDITURE

Amt. in ` Crore

	FY11	FY10	Growth	Q4FY11	Q4FY10	Growth
<b>Total Exp.</b>	<b>19660</b>	<b>16549</b>	<b>18.8%</b>	<b>5656</b>	<b>4076</b>	<b>38.8%</b>
<b>Int. Exp.</b>	<b>15241</b>	<b>13071</b>	<b>16.6%</b>	<b>4445</b>	<b>3199</b>	<b>38.9%</b>
<b>Op. Expense</b>	<b>4419</b>	<b>3478</b>	<b>27.1%</b>	<b>1211</b>	<b>877</b>	<b>38.0%</b>
<b>Staff Expense</b>	<b>2955</b>	<b>2194</b>	<b>34.7%</b>	<b>783</b>	<b>498</b>	<b>57.1%</b>

**Higher Expenses on account of additional provision for gratuity and pension**

## COST-INCOME RATIO (%)



**Contained Cost-Income Ratio for FY11, despite additional provisions for gratuity and pension**



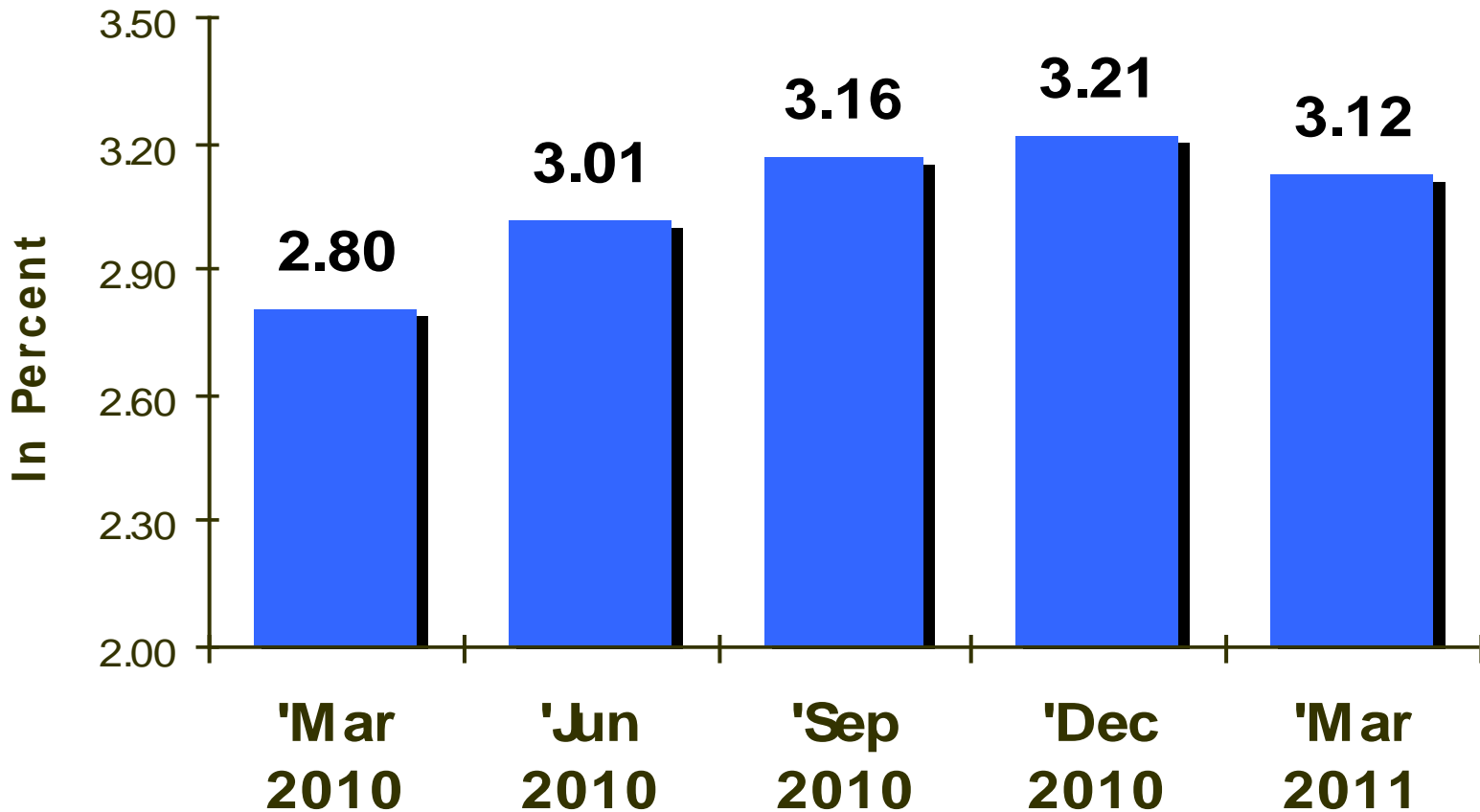
## EARNINGS PROFILE

Amt. in ` Crore

	FY11	FY10	Q4 FY11	Q4 FY10
Net Int. Income	7823	5681	1973	1598
Y-o-Y Growth (%)	37.7	20.4	23.5	22.4
NIM (%)	3.12	2.80	3.12	2.80
ROAA (%)	1.42	1.30	1.27	0.87
ROE (%)	28.26	26.76	22.78	16.05
EPS (`)	97.83	73.69	20.76	12.27
Book Value (`)	405	306	405	306

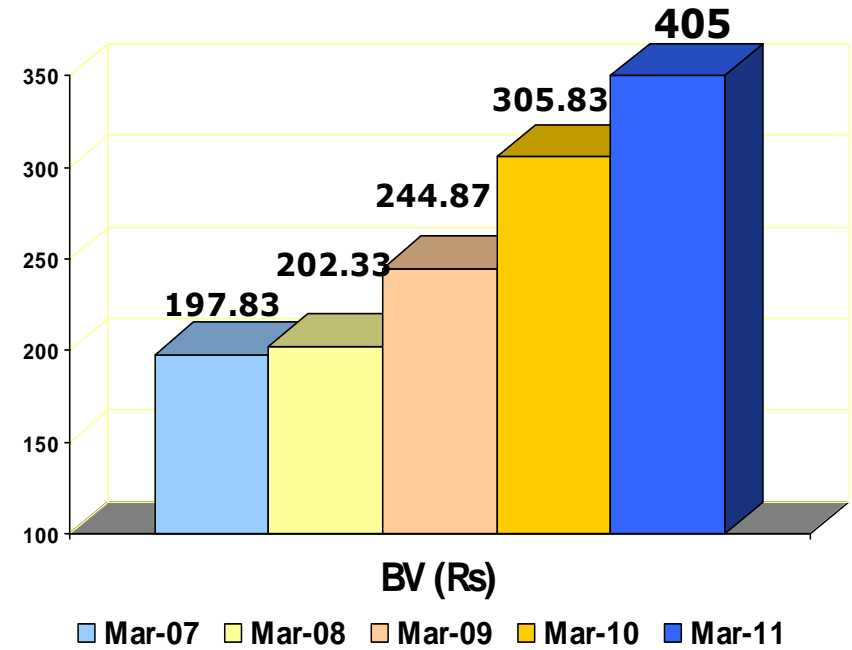
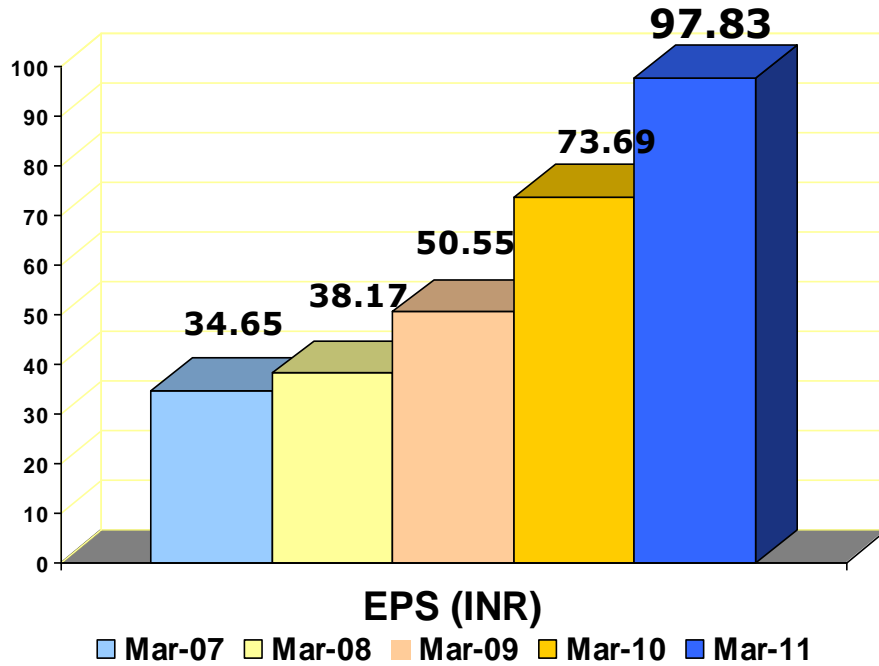
**Good Growth in Net Interest Income**  
**Improvement in NIM**

# QUARTER ON QUARTER POSITION IN NIM



**NIM above 3% since June 2010**

# EARNINGS PROFILE



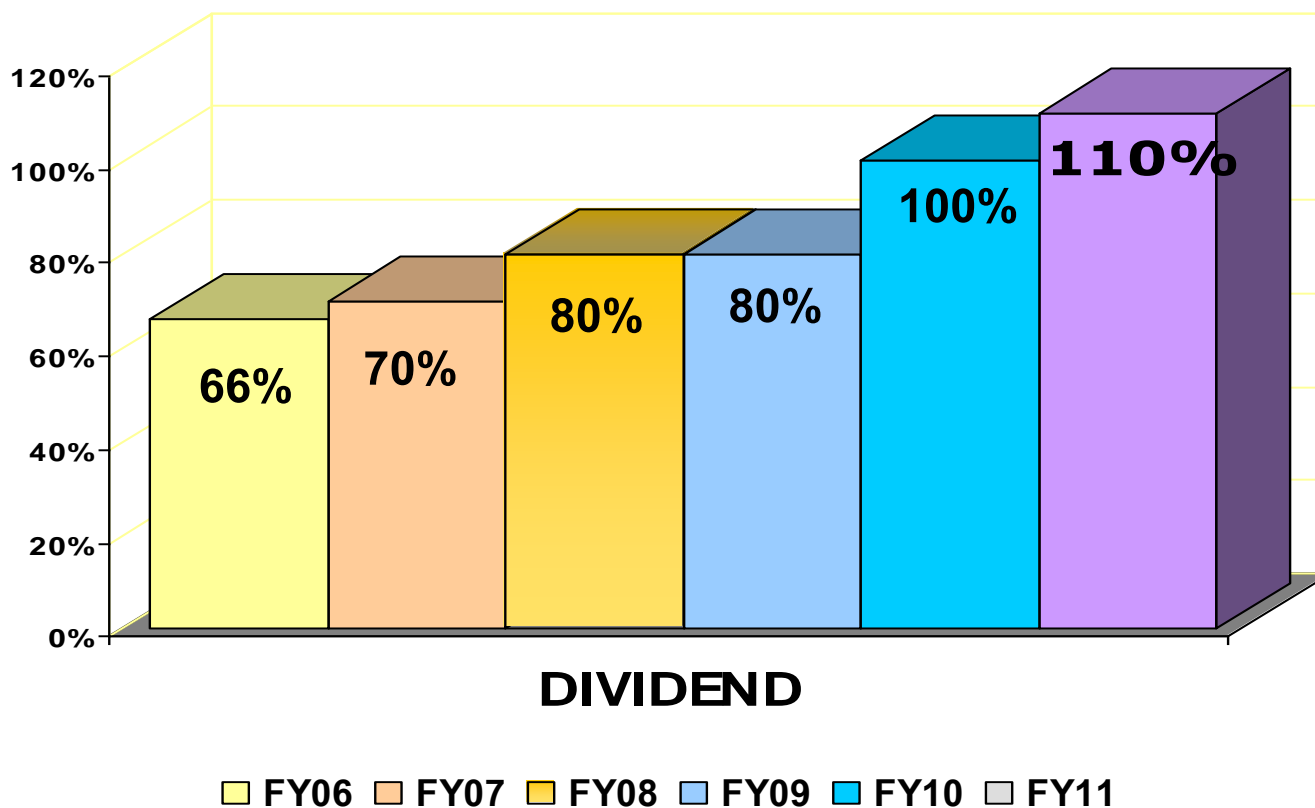
- The Bank continues to sustain high levels of earnings. Book Value and Earnings Per Share show consistent rise, year on year

## TREND IN COST AND YIELD (%)

	Mar'11	Dec'10	Sep'10	Jun'10	Mar'10
Cost of Deposits	5.80	5.66	5.69	5.69	6.12
Cost of Funds	5.37	5.26	5.30	5.26	5.65
Yield on Advances	9.73	9.67	9.61	9.35	9.81
Yield on Funds	8.13	8.12	8.12	7.91	8.10
Yield on Investments	7.72	7.68	7.61	7.54	7.52

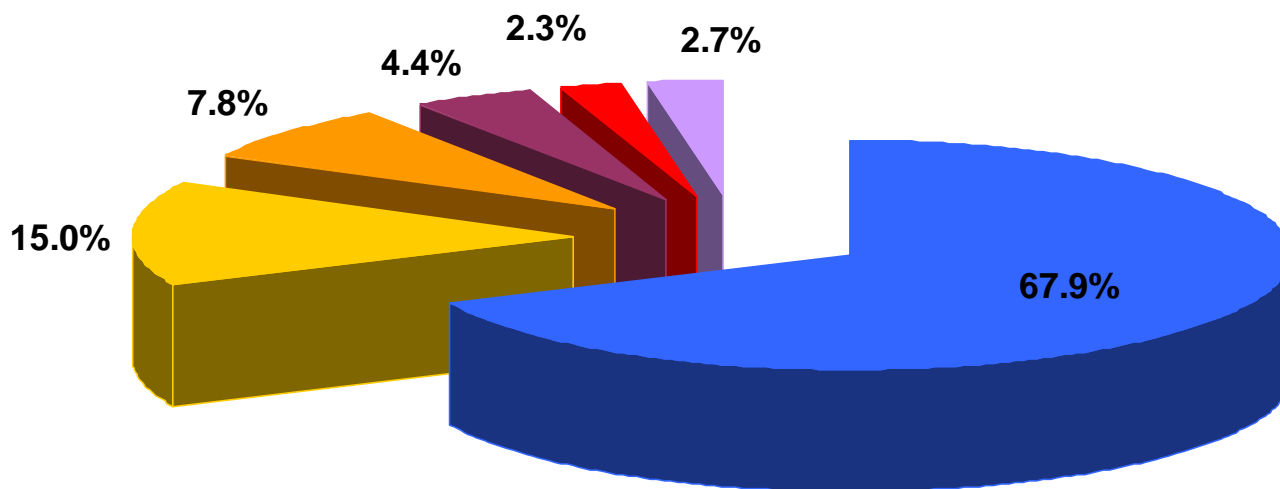
**Decrease in Cost Y.o.Y**

## Dividend ... Progressively Increasing Returns for the Shareholders



# SHARE HOLDING PATTERN

As on Mar.31, 2011



■ Govt of India ■ FIIs ■ Insurance Companies ■ Resident Individuals ■ Banks ■ Others

## **BUSINESS HIGHLIGHTS: FY11**

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## BUSINESS PROFILE

Amt. in ` Crore

	March'11	March'10	Y-o-Y Gr
<b>Global Business</b>	<b>506440</b>	<b>403986</b>	<b>25.4%</b>
<b>Total Deposits</b>	<b>293973</b>	<b>234651</b>	<b>25.3%</b>
<b>Net Advances</b>	<b>212467</b>	<b>169335</b>	<b>25.5%</b>
<b>CD Ratio (%)</b>	<b>72.27</b>	<b>72.16</b>	

**Robust Business Growth of over ` 1 lakh Crore**  
**Overseas Business Constituted 3.8%**



## CORE DEPOSITS GROWTH

Amt. in ` Crore

	March'11	March'10	Y-o-Y Gr
Savings Deposits	58617	49875	17.5%
CASA Deposits	83117	68261	21.8%
Term Deposits	210856	166390	26.7%
CASA Ratio	30.30%	29.85%	--
CASA Per Branch	25.52	22.41	--

**22% Growth in CASA**

## CREDIT FOCUS

Amt. in ` Crore

	March'11	March'10	Y-o-Y Gr
Priority Sector Credit	70757	59310	19.3%
Agriculture Credit	29656	25052	18.4%
MSME Advances	37684	31074	21.3%
Retail Lending	31572	23902	32.1%
Housing	15219	10116	50.4%
Infrastructure Advances	34702	25388	36.7%
Industrial Advances	118281	87504	35.2%

**Well Diversified Credit Portfolio**

- Education Loans grew by 21% y.o.y
- Outstanding Education Loans at `3503 crore
- The portfolio covers over 1.93 lakh students
- On-line Education Loan application in web portal

**Number ONE amongst Nationalized Banks  
In Outstanding Education Loans**



- Mobilised over 6.02 lakhs No-frill Accounts during this year.  
.... **Cumulative No-frill Accounts 27.84 lakhs ( ₹ 520 Cr)**
- Issued over 3.02 lakhs **General Credit Cards ( ₹ 463 Cr)**
- 19 Exclusive **Micro-Finance Branches** to help Urban Poor
- Cumulative **SHG Tally** up at 3.51 Lakhs ..Credit Linked 3.20 Lakhs
- Total Exposure under SHG ( ₹ 1064 cr) spread over 90172 SHGs
- 10 **Financial Literacy and Credit Counselling Centres (FLCCs)** in Kerala, Tamil Nadu, Karnataka and Bihar.
- **'Canara Financial Advisory Trust'** to manage FLCCs

## PRODUCTIVITY RATIOS

	March'11	March'10
<b>Business per Employee (₹ Crore)</b>	<b>12.28</b>	<b>9.83</b>
<b>Business per Branch (₹ Crore)</b>	<b>155.49</b>	<b>132.63</b>
<b>Gross Profit per Employee (₹ Lakh)</b>	<b>14.81</b>	<b>12.28</b>
<b>Net Profit per Employee (₹ Lakh)</b>	<b>9.76</b>	<b>7.36</b>

**Jump in Business Per Employee and Business Per Branch**

## INVESTMENT PORTFOLIO

	Amt. in ` Crore	
	March'11	March'10
Net Investments (Domestic)	83208	69114
Held to Maturity	61127 (73.5%)	54516 (78.9%)
Available for Sale	21830 (26.2%)	14182 (20.5%)
Held for Trading	251 (0.30%)	416 (0.6%)

Figures in the brackets are percentage shares in

	Mar'11	Mar'10
SLR Portfolio	71485 (85.7%)	63175 (91.2%)
Non SLR Portfolio	11959 (14.3%)	6089 (8.8%)

## DURATION OF INVESTMENT PORTFOLIO

### Duration of AFS book and Total Investment

Details	Mar'11	Mar'10
Duration of AFS Book	2.35 yrs	2.04 yrs
Duration of HTM Book	5.87 yrs	5.87 yrs
Duration of Total Investment Book	4.95 yrs	5.17 yrs

### Modified Duration of AFS book and Total Investment book

Details	Mar'11	Mar'10
Modified duration of AFS Book	2.23 yrs	1.93 Yrs
Modified duration of HTM Book	5.64 yrs	5.65 Yrs
Modified duration of Total Investment Book	4.75 yrs	4.97 Yrs

## ASSET QUALITY

	March'11	March'10
<b>Gross NPA ( ₹ Crore)</b>	<b>3089</b>	<b>2590</b>
<b>Gross NPA Ratio (%)</b>	<b>1.45</b>	<b>1.52</b>
<b>Net NPA ( ₹ Crore)</b>	<b>2347</b>	<b>1800</b>
<b>Net NPA Ratio (%)</b>	<b>1.11</b>	<b>1.06</b>

**Provision Coverage Ratio at 72.99%**

**Record Cash Recovery at ₹ 2032 crore**



## Movement of NPA

Amt. in ` Crore

	Mar'11	Mar'10
Opening Balance	2590	2168
Fresh Slippages (+)	3508	3266
Upgradation (-)	889	866
Cash Recovery (-)	1625	1094
Write-off (-)	495	884
Closing Balance	3089	2590

**Implemented System Driven NPA  
Classification for A/Cs above ` 10 lakh**

## Sectoral NPA

Amt. in ` Crore

	Mar '11	Mar' 10
Micro & Small Enterprises	555	394
Agriculture	663	462
Other Priority Segments	474	567
Medium Enterprises	135	102
Large Industries	300	299
Non-Priority Segments	962	766
<b>Total</b>	<b>3089</b>	<b>2590</b>



## Amount Restructured During Q4 FY11

	Amt. in ` Crore	
	No. of Accounts	Amount
Agriculture	42	9.0
MSME	17	7.4
Housing	7	0.2
Large Advances	4	16.3
Others	172	124.6
<b>Total</b>	<b>242</b>	<b>157.5</b>

**101 restructured accounts from Agriculture Slipped during Q4, amounting to ` 1 crore**

# Total Amount under Restructured Accounts – As on

Mar'11

Amt. in Crore

	No. of Accounts	Amount
Agriculture	40965	600
MSME	4546	705
Housing	11086	528
Large Advances	2720	4917
Others	35107	1328
<b>Total</b>	<b>94424</b>	<b>8078</b>

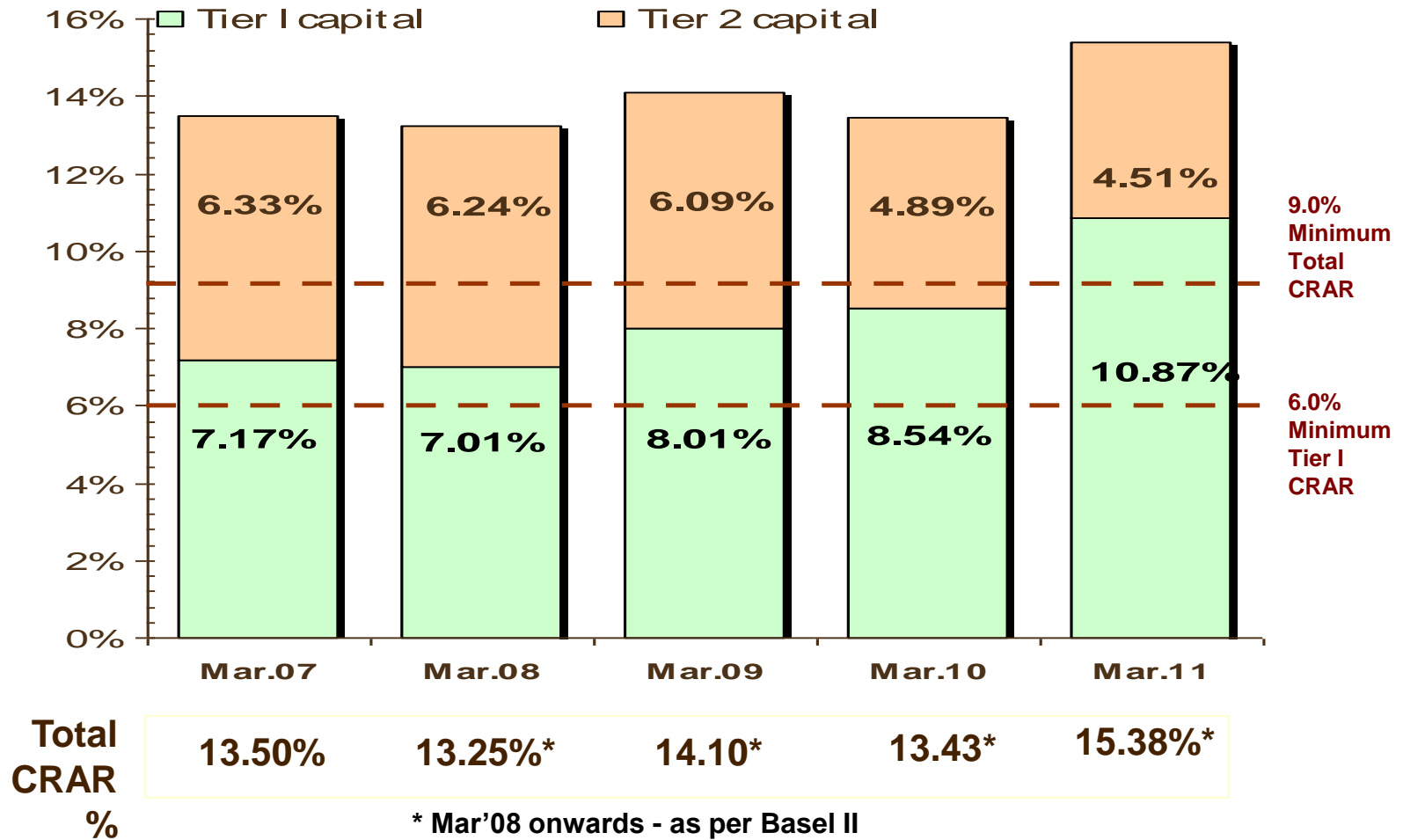
**Total Slippages out of the above - `655 Crore**

## COMFORTABLE CAPITAL POSITION

- CRAR of **15.38%** at Mar'11
  - ...Tier I ratio at **10.87%**
  - ...Tier II ratio at **4.51%**
- Raised `750 Cr under IPDI and `1000 Cr under Upper Tier II Bonds.
- Raised `1993.20 crore through the QIP issue.
- Govt. holding reduced from 73.17% to 67.72% post QIP
- Paid-up Capital rose to `443 crore

**Adequate Headroom for further Capital Augmentation**

## CAPITAL ADEQUACY – Basel II



# Beyond Numbers

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## EXPANDING THE REACH

	March'11	March'10	Y-o-Y Incr
Branch Network	3257	3046	211
ATM Strength	2216	2017	199
Card Base (In Lakh)	59.69	49.96	9.73

### Strategic Initiatives

- Focus on Expanding Domestic Branch Network.
- Addition of 211 branches and 199 ATMs during FY11.
- Significant rise in number of Savings Bank accounts.
- Over 16 lakhs new SB accounts added 'Savings Mahotsav' campaign





# DEDICATING 100 BRANCHES AND 100 ATMS TO THE NATION - ON 19<sup>th</sup> Nov' 2010



**Inauguration of 100 branches and ATMs across India by  
Hon'ble Union Finance Minister in New Delhi**

## EXPANDED CLIENTELE BASE

(In Lakhs)

	March'11	March'10	Y-o-Y Incr
<b>Clientele Base</b>	<b>387</b>	<b>373</b>	<b>14</b>
<b>- No of Deposit A/Cs</b>	<b>342</b>	<b>329</b>	<b>13</b>
<b>- No of Borrowal A/Cs</b>	<b>45</b>	<b>45</b>	<b>-</b>

**3.87 crore strong clientele base**

## INFOTECH PROGRESS

	March'11
Core Banking Branches	All Branches
Internet Banking Branches	All Branches
NEFT and RTGS	All Branches

**100% Business under Core Banking Branches**





**Basket of Technology Products for Customer Convenience**  
**ASBA, Gift Cards, Canara Debit Card- Platinum, Canara Campus Cards, Withdrawal at PoS, Bills Desk for Utility Bills Payment**

## GOALS FOR FY12

- Aiming at a Total Business of ` 6.25 lakh crore by Mar'12
  - ... ` 3.55 lakh crore under Deposits
  - ... ` 2.70 lakh crore under Advances
- Over 250 **new branches** to be opened during FY12
- To Take ATM strength to 4000 by March 2012, by adding 1784 ATMs during the year.
- Thrust on growing **Retail Business-** Retail Deposits and Retail Advances
- Plans to Open Branches at **Manama, QFC-Qatar, South Africa, Germany, the USA, Brazil, Tanzania and Representative Office in Tokyo, Japan**
- Survey to open Branches in **Sri Lanka, Nigeria and Kenya** completed



**THANK YOU**