

PERFORMANCE HIGHLIGHTS

DECEMBER 2010

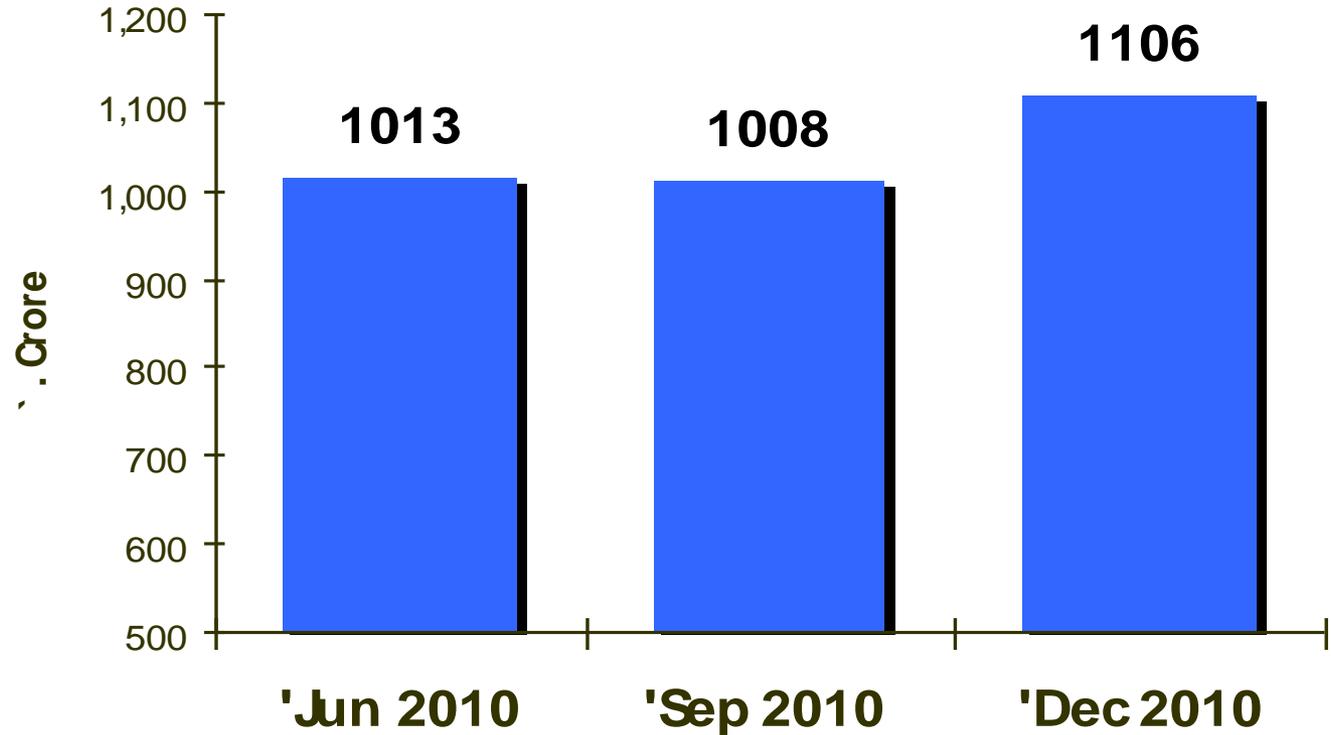
A Premier Nationalised Bank in India

- **Well spread network of 3174 branches**
 - ✓ **Over 2100 ATMs spread across the country**
- **Over 38 million strong cross-section clientele base**
- **Consistent track record of profit making .. Since inception**
- **Financial Supermarket - 9 subsidiaries/sponsored institutions/JVs**
- **Foray into High Growth Areas, viz., Insurance and Asset Management with Global Majors**

Pan India Presence

Hattrick - Over ` 1000 Cr Net Profit for 3 Consecutive Quarters

NET PROFIT

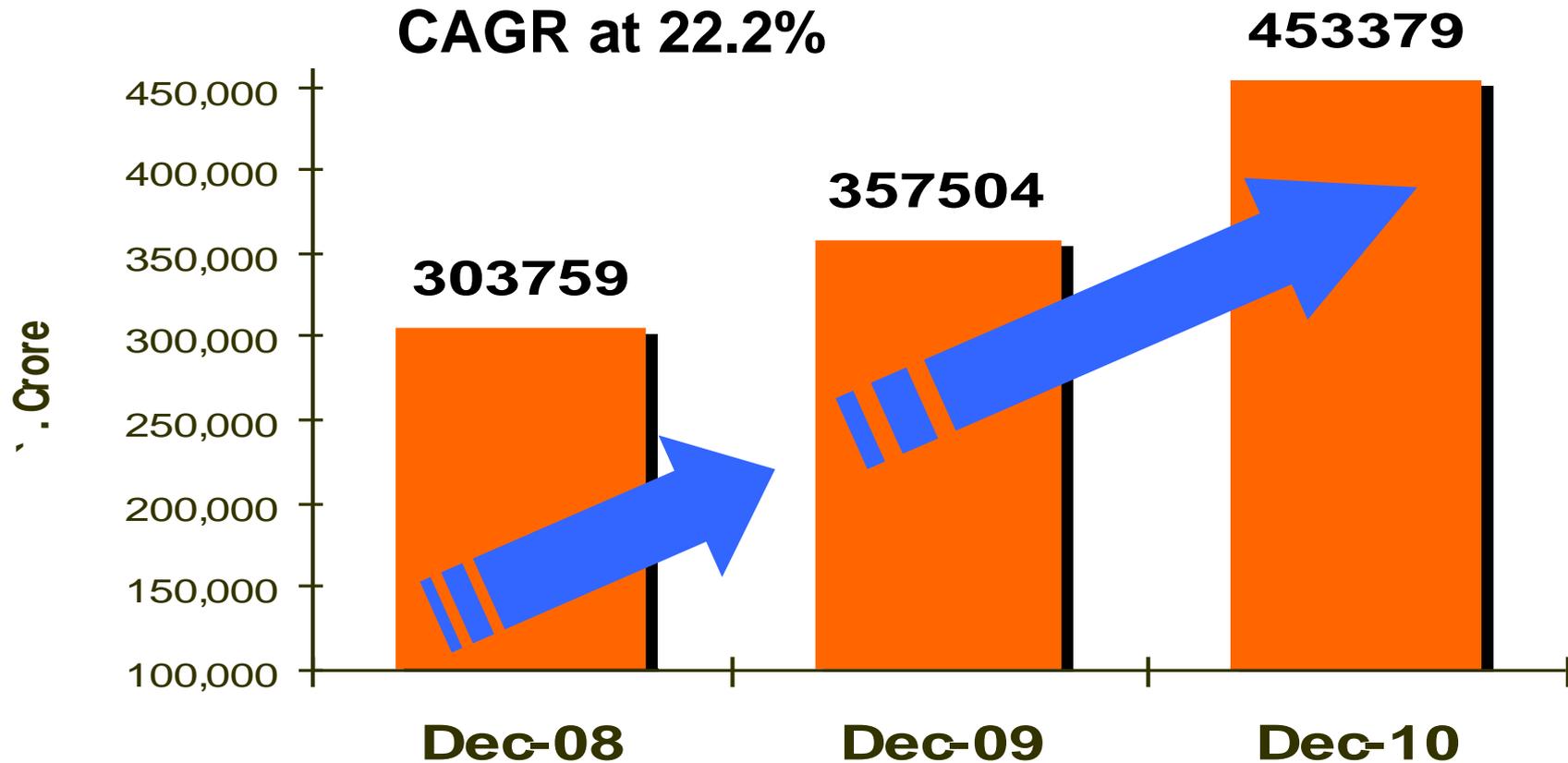


Highest Ever Profit for any Quarter

- **Total business** crossed ` 4.53 lakh crore, up by 27%
- **Net Profit** at ` 1106 crore
- Over ` 1000 crore **Net Profit** for 3 Consecutive Quarters
- Robust **Net Interest Income** Growth at 43%
- **Net Interest Margin** at 3.21%, up by 50 bps

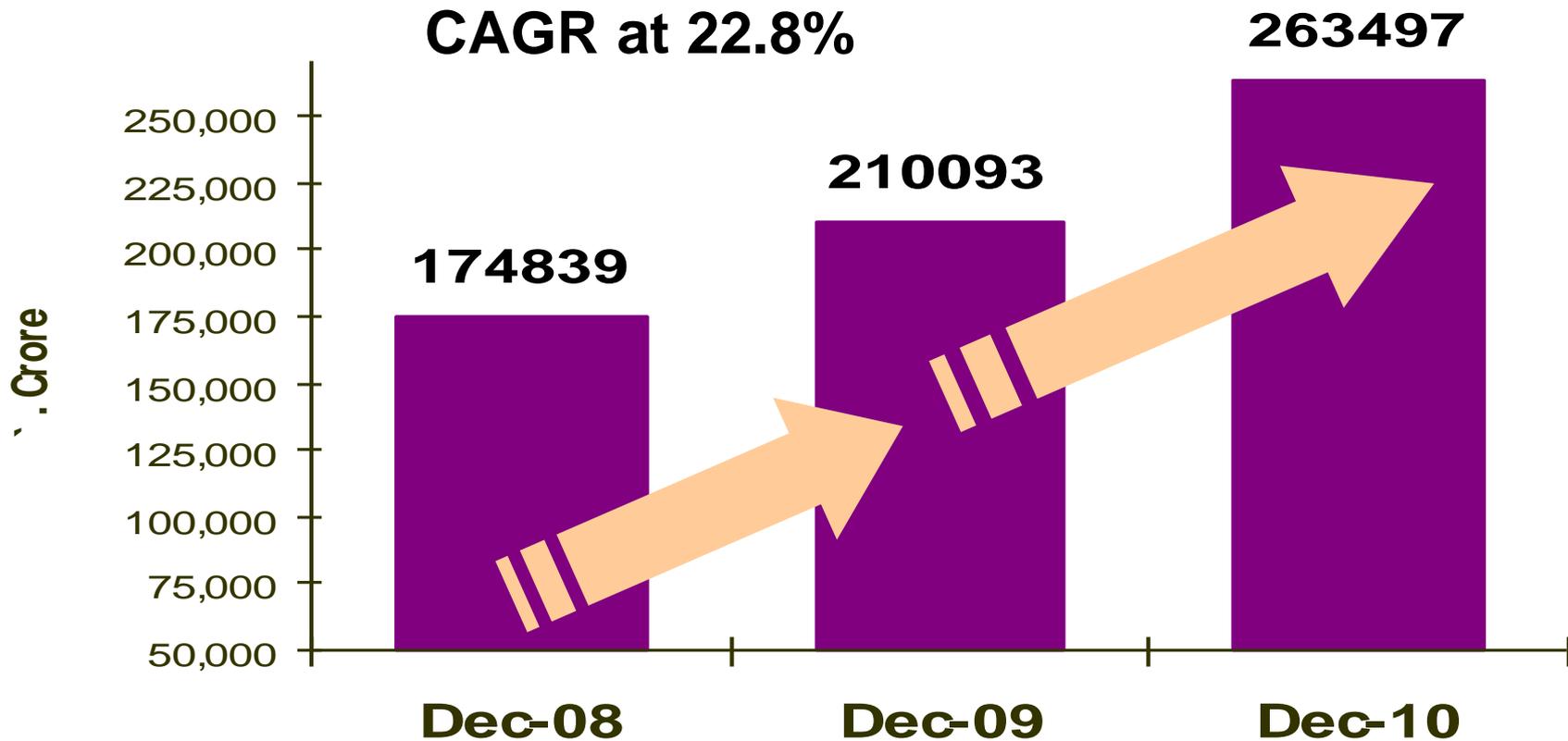
- **Return on Assets at 1.62%**
- **Capital Adequacy Ratio at 13.02%, Tier I ratio at 8.27%**
- **Improvement in Gross NPA ratio at 1.44% and Net NPA ratio at 1.05%,**
- **Record Cash Recovery of over `1200 crore**
- **Provision Coverage Ratio at 75.91%**

TOTAL BUSINESS



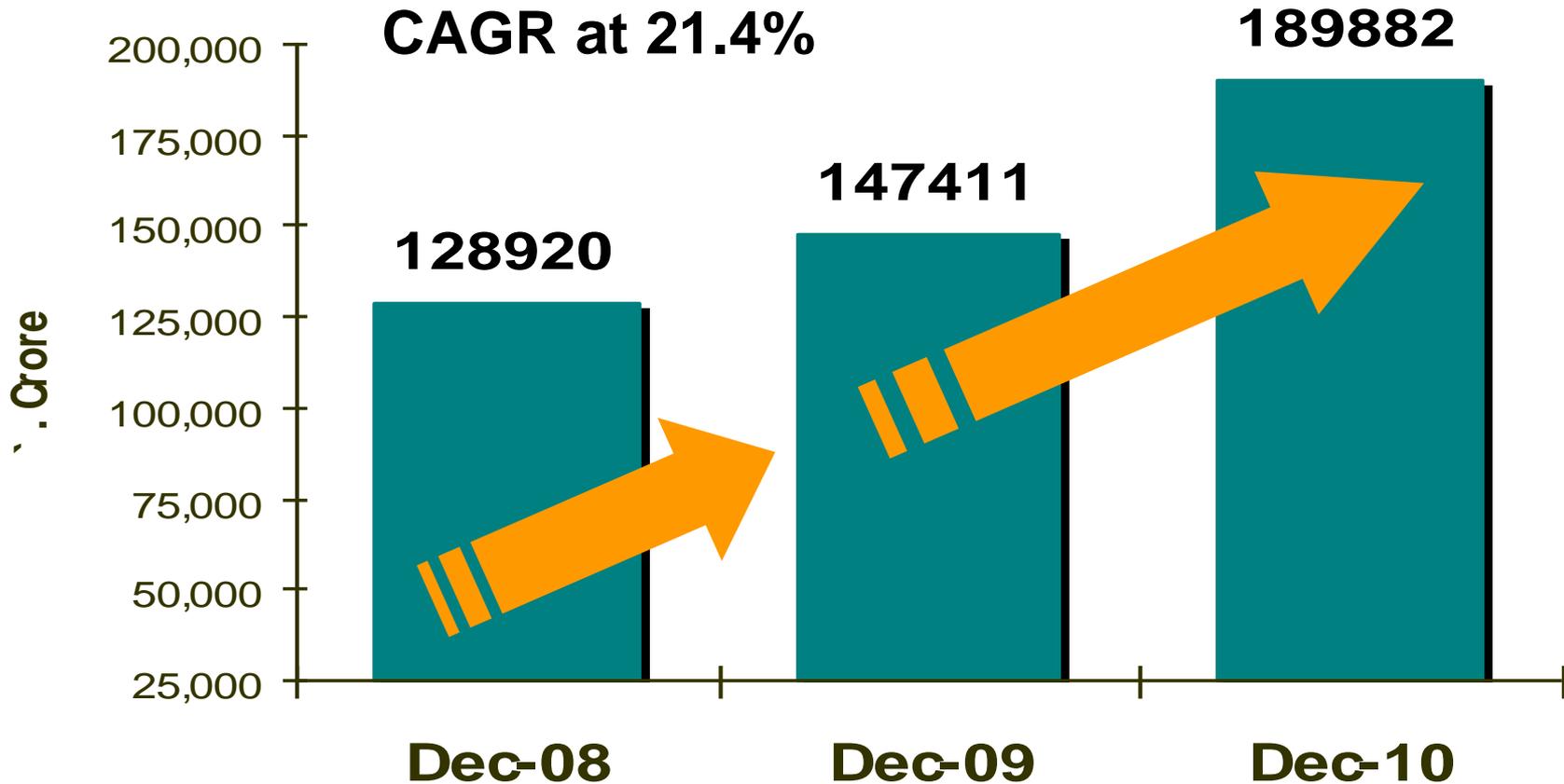
₹96000 Crore Business Added
Y.o.Y Growth at 27%

TOTAL DEPOSITS



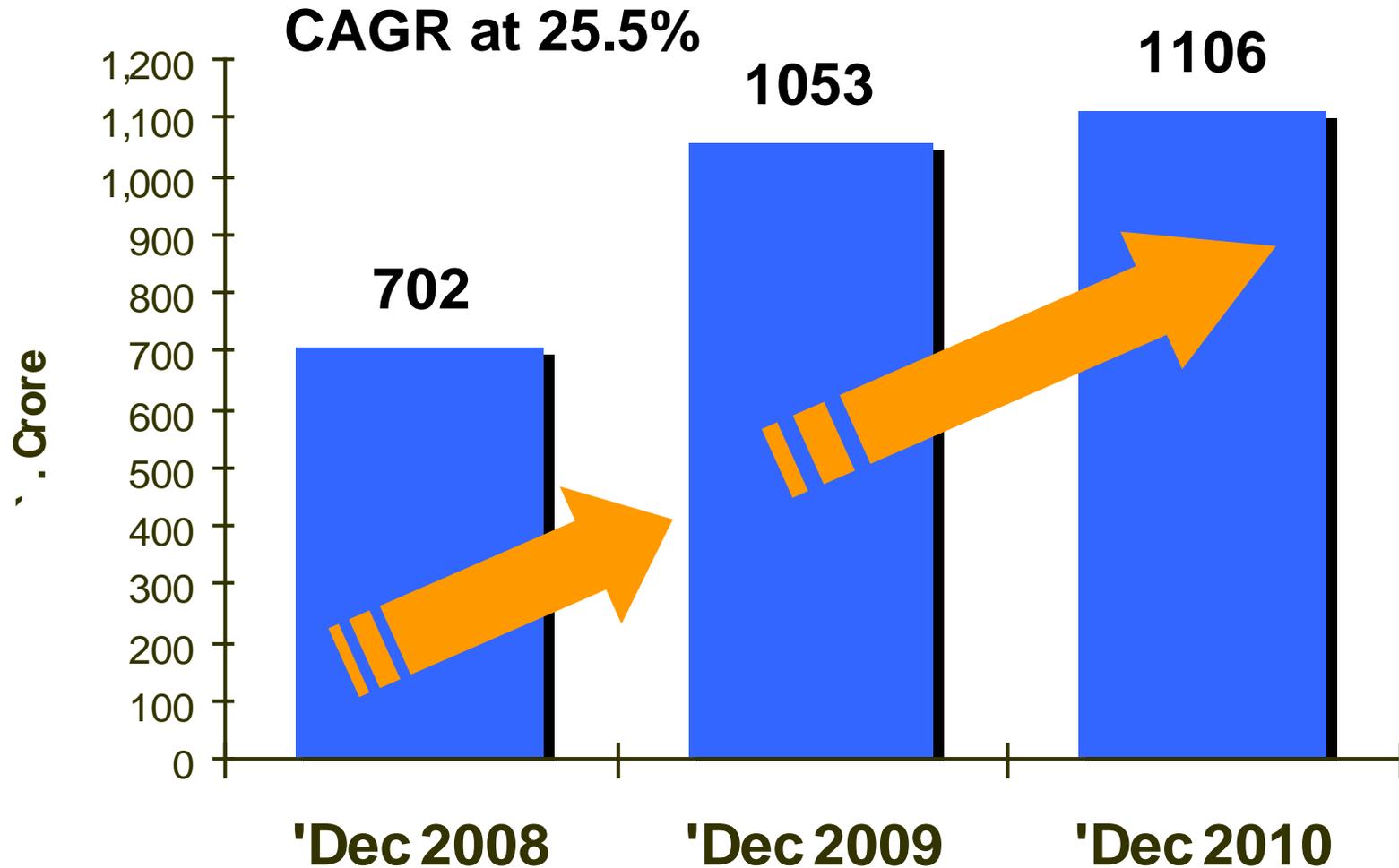
Y.o.Y Growth at 25%
Against SCBs' Growth at 16.5%

NET ADVANCES



Y.o.Y Growth at 29%
Against SCBs' Growth at 24.4%

NET PROFIT GROWTH- Q3



Stronger Bottomline

PROFIT GROWTH : Q3 FY11

	Amt. in ` Crore	
	Q3 FY11	Q3 FY10
Operating Profit	1513	1380
<i>Growth</i>	9.6%	13.7%
Provisions	407	327
<i>Prov for Taxation</i>	250	250
Net Profit	1106	1053
<i>Growth *</i>	5.1%	50.1%

***Excluding One Time Profit on Sale of Investment and Write-back of Inv. Provisions during Q3 (FY10), Net Profit growth worked out to 120%**

PROFIT GROWTH : 9m FY11

Amt. in ` Crore

	9m FY11	9m FY10
Operating Profit	4412	3630
<i>Growth</i>	<i>21.5%</i>	<i>34.9%</i>
Provisions	1285	1112
<i>Prov for Taxation</i>	<i>750</i>	<i>600</i>
Net Profit	3127	2518
<i>Growth</i>	<i>24.2%</i>	<i>86.1%</i>

**Net profit for Nine Months in FY11
Exceeds Net Profit (` 3021 cr) for entire 2009-
10**

INCOME

Amt. in ` Crore

	Q3 FY11	Q3 FY10	Growth	9m FY11	9m FY10	Growth
Total Income	6445	5469	17.8%	18416	16103	14.4%
Int. Income	5908	4688	26.0%	16646	13955	19.3%
Int. Loans/Adv	4326	3471	24.6%	12229	10401	17.6%
Non-Int. Inc	537	781	(-31.3%)	1770	2148	(-17.6%)

Excluding trading profit and one time income, growth in non-int. income works out to 10.5% for Q3 (FY11)

EXPENDITURE

Amt. in ` Crore

	Q3			9m		
	FY11	FY10	Growth	FY11	FY10	Growth
Total Exp.	4932	4089	20.6%	14004	12473	12.3%
Int. Exp.	3789	3210	18.0%	10796	9872	9.4%
Op. Expense	1143	879	30.0%	3208	2600	23.4%
Staff Expense	784	565	38.6%	2172	1696	28.1%
Cost-Income Ratio (%)	43.03	38.91		42.1	41.73	

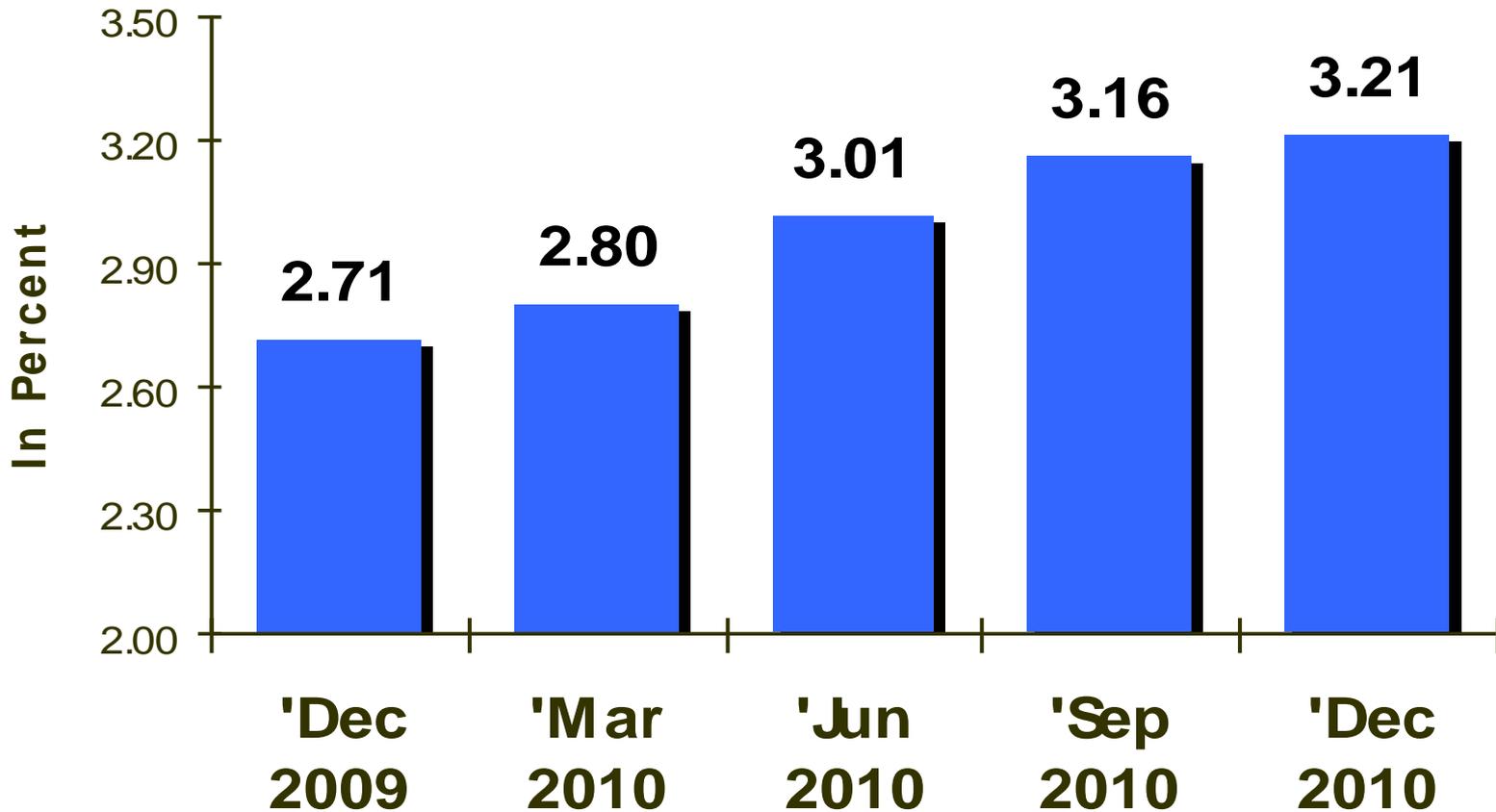
Gratuity Liability Fully Provided

EARNINGS PROFILE

Amt. in ` Crore

	Q3 FY11	Q3 FY10	9m FY11	9m FY10
Net Int. Income	2119	1478	5850	4083
Y-o-Y Growth	43.4	18.8	43.3	19.7
Net Int. Margin (NIM) (%)	3.21	2.71	3.21	2.71

Robust Growth in Net Interest Income
Steady Increase in NIM



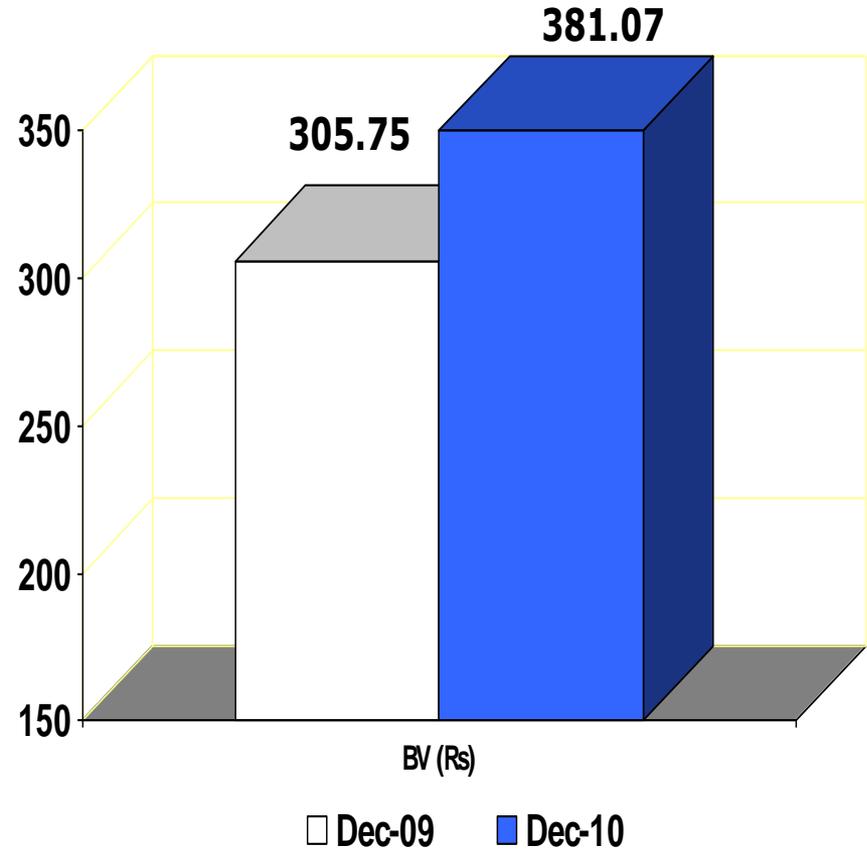
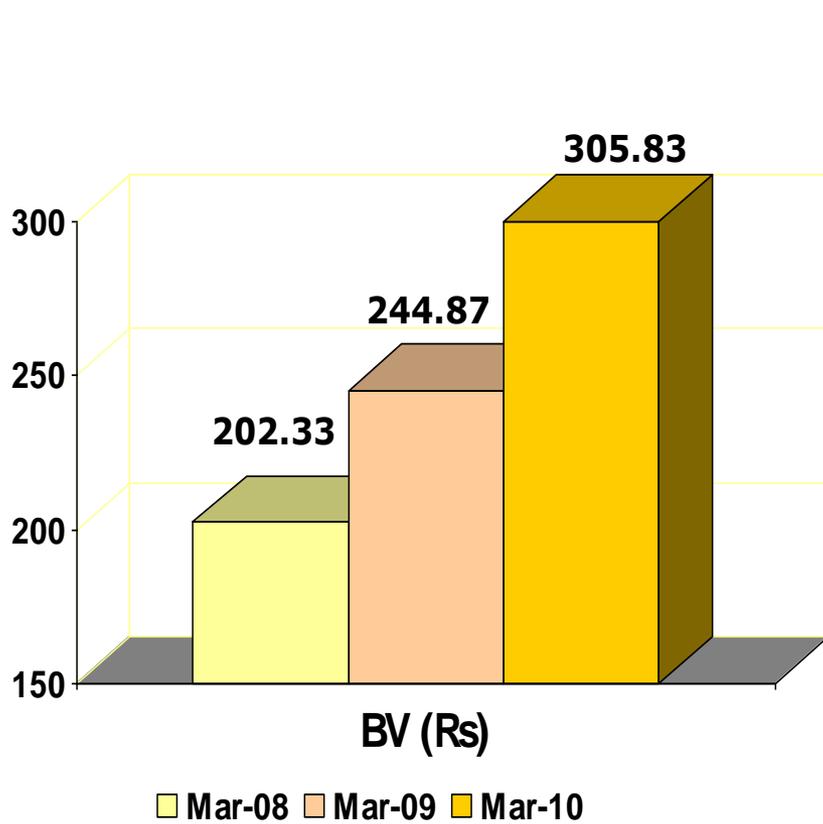
Steady Increase in NIM

STRONGER RETURNS

	Q3 FY11	Q3 FY10	9m FY11	9m FY10
RoAA (%)	1.62	1.85*	1.52	1.47
EPS (Rs.) <i>(Not Annualized)</i>	26.97	25.67	76.27	61.43
Book Value (Rs.)	381.07	305.75	381.07	305.75

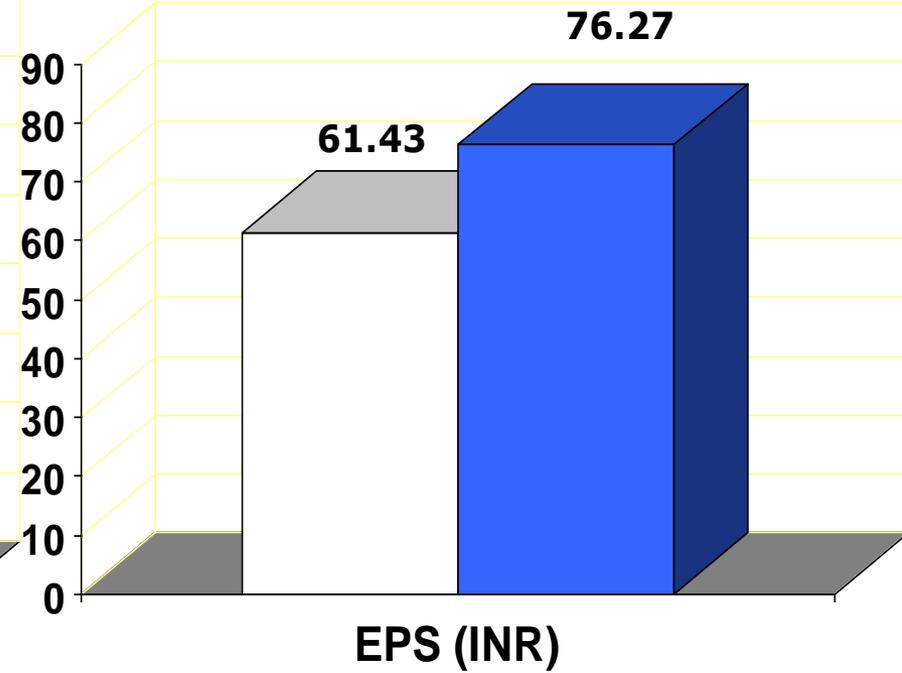
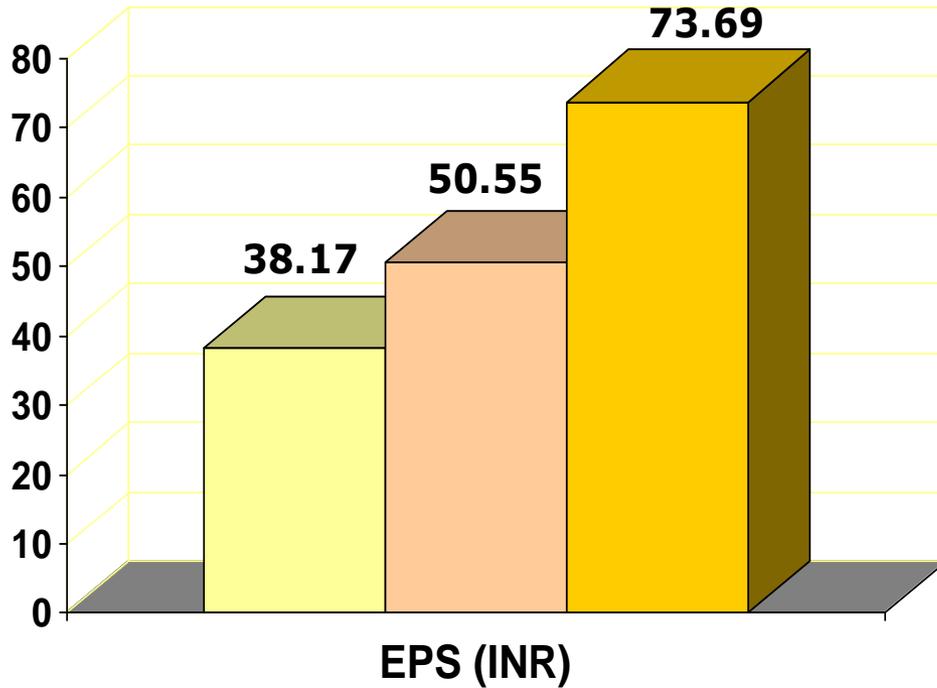
***Excluding one time Profit on sale of investments and write-back of inv. provisions, RoAA in Q3 (FY10) worked out to 0.88%**

BOOK VALUE



Consistent Increase in Book Value

EARNINGS PER SHARE



Mar-08

Mar-09

Mar-10

Dec-09

Dec-10

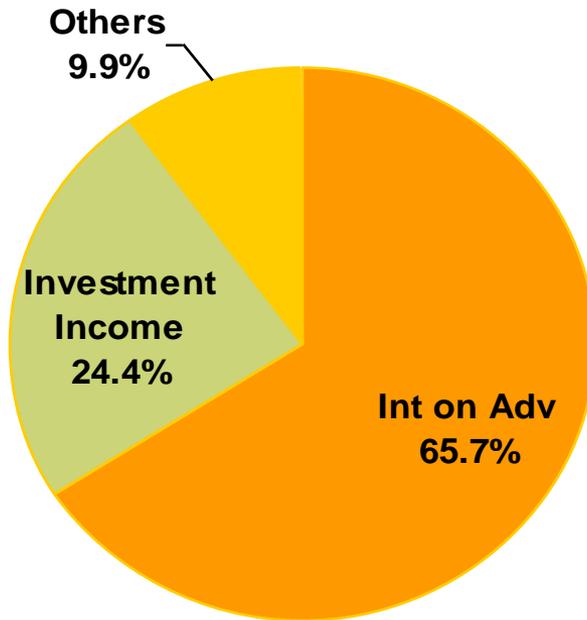
EPS for Dec. Quarters (Not Annualized)

Consistent Increase in EPS

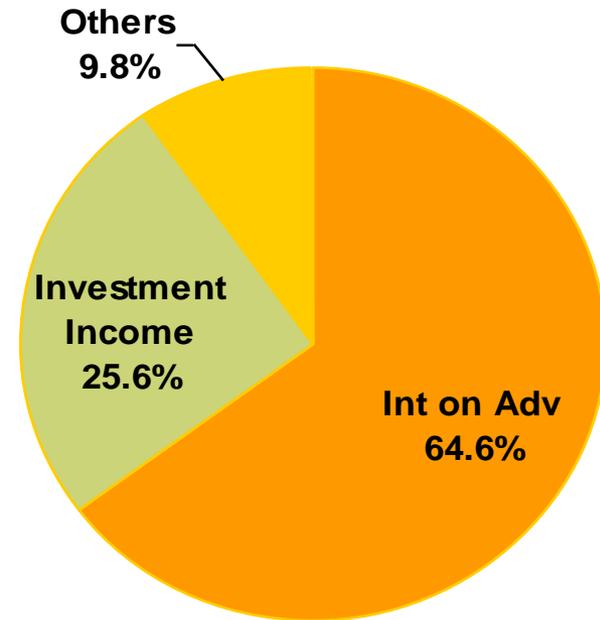
MAJOR COMPONENTS OF INCOME

- Interest Income continues to drive growth in income
...over 2/3rd of earnings from interest on advances/loans

9m FY11(Dec'10)



9m FY 10 (Dec'09)



BREAK-UP OF OTHER INCOME

	Amt. in ` Crore			
	FY 11		FY 10	
	9m	Q3	9m	Q3
Total Other Income	1770	536	2148	781
Commission & Exchange	507	169	511	184
Profit from Exchange Trans	266	120	171	61
Trading Profit	254	29	759	295
Dividend Income	112	36	72	28
Recovery in w/off A/cs	225	72	257	106
Other Misc. Income	406	110	378	107
of the above ..				
Fee Income	1008	310	998	331

- **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



BREAK-UP OF PROVISIONS

Amt. in ` Crore

	FY 11		FY 10	
	9m	Q3	9m	Q3
Total Provision & Contingencies	1285	407	1112	327
Of Which:				
Non Performing Advances	460	130	830	371
Standard Assets	100	70	17	9
Provision for Investments	21	10	-335	-303
Taxation	750	250	600	250
Others	-46	-53	--	--

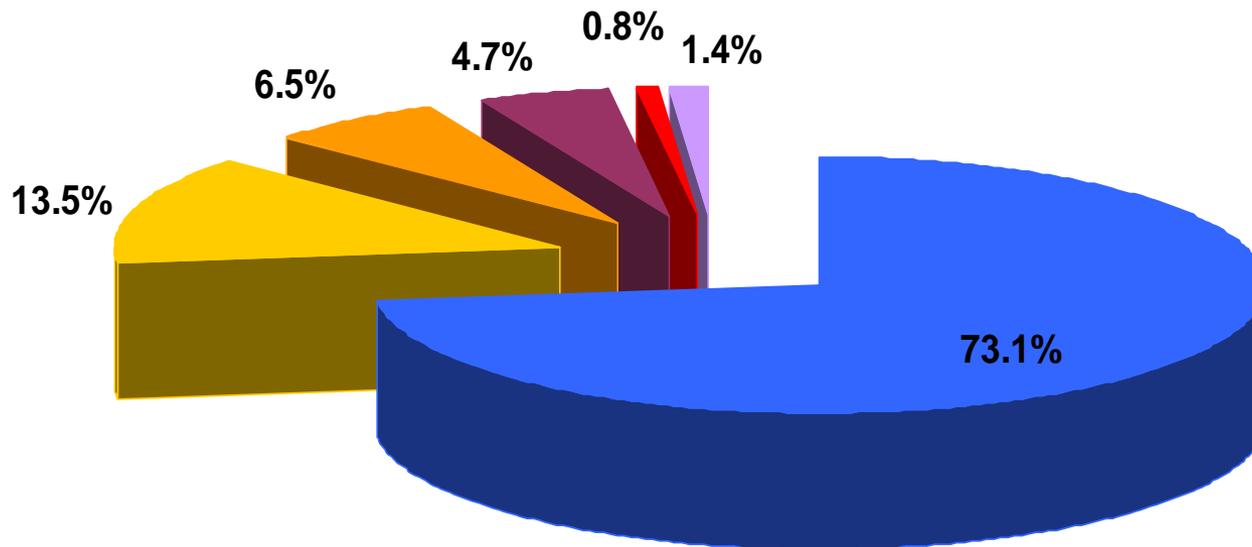
TREND IN COST AND YIELD (%)

	Dec'10	Sep'10	Jun'10	Mar'10	Dec'09
Cost of Deposits	5.66	5.69	5.69	6.12	6.25
Cost of Funds	5.26	5.30	5.26	5.65	5.77
Yield on Advances	9.67	9.61	9.35	9.81	10.01
Yield on Funds	8.12	8.12	7.91	8.10	8.16
Yield on Investments	7.68	7.61	7.54	7.52	7.57

Cost of Deposits Contained

SHARE HOLDING PATTERN

As on Dec.31, 2010



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

BUSINESS PROFILE

Amt. in ` Crore

	Dec'10	Dec'09	Y-o-Y Gr
Global Business	453379	357504	26.8%
Total Deposits	263497	210093	25.4%
Net Advances	189882	147411	28.8%
CD Ratio (%)	72.06	70.16	+190 bps

Robust Business Growth of `96000 Cr
Domestic Business Constituted 96%

CORE DEPOSITS GROWTH

Amt. in ` Crore

	Dec'10	Dec'09	Y-o-Y Gr
Savings Deposits	58558	45918	27.5%
CASA Deposits	76496	59920	27.7%
Term Deposits	187001	150173	24.5%
CASA Ratio (Domestic)	30.50	29.50	--
CASA Per Branch	24.10	19.94	--

Strong CASA deposit Growth at over 27%

CREDIT FOCUS

Amt. in ` Crore

	Dec'10	Dec'09	Y-o-Y Gr
Priority Sector Credit	65891	54893	20.0%
Agriculture Credit	27056	22880	18.3%
MSME Advances	35348	28427	24.3%
Retail Lending	28949	21462	34.9%
Housing	14348	8464	69.5%
Infrastructure Advances	43075	26502	62.5%
Industrial Advances	99706	72967	36.6%

Well Diversified Credit Portfolio

- Education Loans grew by 22.6% y.o.y
- Outstanding Education Loans at `3423 crore
- The portfolio covers over 1.87 lakh students
- On-line Education Loan application in web portal

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



- Mobilised over 3.77 lakhs No-frill Accounts during the first 9 months
.... **Cumulative No-frill Accounts 25.57 lakhs (₹ 462 Cr)**
- Achieved Total Financial Inclusion... **in all the 26 Lead Districts**
- Issued over 2.47 lakhs **General Credit Cards (₹ 328 Cr)**
- 19 Exclusive **Micro-Finance Branches** to help Urban Poor
- Cumulative **SHG Tally** up at 3.39 Lakhs ..Credit Linked 2.98 Lakhs
- Total Exposure under SHG (₹ 1057 cr) spread over 92173 SHGs
- **10 Financial Literacy and Credit Counselling Centres** in

PRODUCTIVITY RATIOS

	Dec'10	Dec'09
Business per Employee (₹ Crore)	11.23	8.61
Business per Branch (₹ Crore)	142.84	118.97
Gross Profit per Employee (₹ Lakh)	14.58	11.66
Net Profit per Employee (₹ Lakh)	10.33	8.09

Jump in Business Per Employee and Business Per Branch

INVESTMENT PORTFOLIO

Amt. in ` Crore

	Dec'10	Dec'09
Net Investments (Domestic)	78740	69717
Held to Maturity	61951 (78.68%)	53236 (76.36%)
Available for Sale	16450 (20.89%)	15943 (22.87%)
Held for Trading	339 (0.43%)	538 (0.77%)

Figures in the brackets are percentage shares in
total



DURATION OF INVESTMENT PORTFOLIO

Duration of AFS book and Total Investment book (Years)

Details	Dec '10	Sep '10	Mar '10	Dec '09
Duration of AFS Book	4.25	4.05	2.04	2.40
Duration of HTM Book	6.06	6.19	5.87	5.70
Duration of Total Investment Book	5.77	5.81	5.17	5.16

Modified Duration of AFS book and Total Investment book (Years)

Details	Dec '10	Sep '10	Mar '10	Dec '09
Modified duration of AFS Book	4.04	3.85	1.93	2.26
Modified duration of Total Investment Book	5.54	5.58	4.97	4.96

ASSET QUALITY

	Dec'10	Dec'09
Gross NPA (₹ Crore)	2753	2619
Gross NPA Ratio (%)	1.44	1.77
Net NPA (₹ Crore)	1991	1976
Net NPA Ratio (%)	1.05	1.34

Provision Coverage Ratio at 75.91%

Both Gross NPA and Net NPA Ratios Improve

Movement of NPA

Amt. in ` Crore

	Dec'10	Dec'09
Opening Balance	2590	2168
Fresh Slippages (+)	1666	2498
Upgradation (-)	343	746
Cash Recovery (-)	895	718
Write-off (-)	265	583
Closing Balance	2753	2619

Strict Control over Slippages and Robust Cash Recovery

Sectoral NPA

Amt. in ` Crore

	Dec'10	Dec'09
Micro & Small Enterprises	488	343
Agriculture	456	383
Other Priority Segments	399	509
Medium Enterprises	153	114
Large Industries	363	299
Non-Priority Segments	895	971
Total	2753	2619



Amount Restructured During Q3 FY11

Amt. in ` Crore

	No. of Accounts	Amount
Agriculture	22720	211
MSME	56	50
Housing	46	3
Large Advances	3	23
Others	462	20
Total	23287	307

Slippages from Restructured Accounts During Q3 FY11

Amt. in ` Crore

	No. of Accounts	Amount
Agriculture	448	5
MSME	42	1
Housing	8	1
Large Advances	0	0
Others	11	3
Total	509	10

Total Amount under Restructured Accounts – Dec'10

Amt. in ` Crore

	No. of Accounts	Amount
Agriculture	64721	847
MSME	4557	673
Housing	11103	540
Large Advances	2735	5425
Others	35180	1259
Total	118296	8744

Total Slippages out of the above - `654 Cr

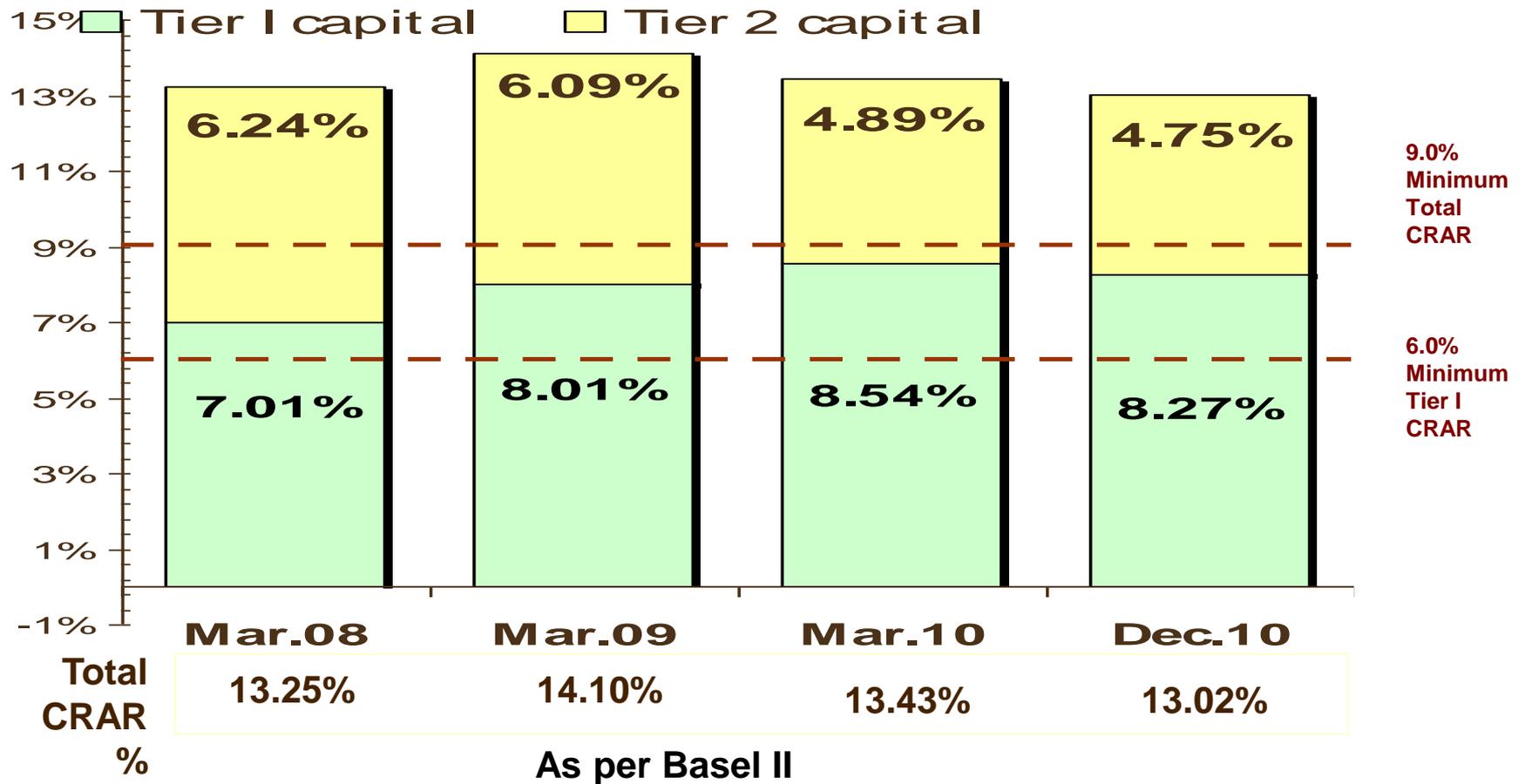


- CRAR of **13.02%** at Dec'10
 - ...Tier I ratio at 8.27%
 - ...Tier II ratio at 4.75%
- Reckoning 9 months profit, CRAR works out to 14.56%
- Raised `750 Cr under IPDI and `1000 Cr under Upper Tier II Bonds in 9 months of FY11.

Medium Term Objective .. CRAR of above 12%

**Adequate Headroom for Capital
Augmentation**

CAPITAL ADEQUACY – Basel II



EXPANDING THE REACH

	Dec'10	Dec'09	Y-o-Y Incr
Branch Network	3174	3005	169
ATM Strength	2146	2017	129
Card Base (In Lakh)	61.07	40.95	20.12

Strategic Initiatives

- Focus on Expanding Domestic Branch Network
- Addition of 169 branches over December 2009
- Thrust on Savings deposits: Ongoing Mega '**Savings Mahotsav**' Campaign
- Significant rise in number of Savings Bank accounts



DEDICATING 100 BRANCHES AND 100 ATMS TO THE NATION - ON 19th Nov' 2010



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

EXPANDED CLIENTELE BASE

	Dec'10	Dec'09	Y-o-Y Incr
Clientele Base in Mn	38.2	36.4	+1.8
- No of Deposit a/cs (Mn)	33.9	32.2	+1.7
- No of Borrowal a/cs (Mn)	4.3	4.2	+0.1

Over 38 million strong clientele base



OVERSEAS BRANCHES/OFFICES/JVS

LONDON (UK)	BRANCH
LEICESTER (UK)	BRANCH
HONG KONG	BRANCH
SHANGHAI (CHINA)	BRANCH
SHARJAH (UAE)	REPRESENTATIVE OFFICE
COMMERCIAL BANK OF INDIA LLC MOSCOW (RUSSIA)	JV

**Rupee Drawing Arrangements: 22 Exchange Houses & 18 Banks in the Middle East
Managing 2 Exchange Houses; Al Razouki International Exchange Company, Dubai
and Eastern Exchange Est., Qatar**

INFOTECH PROGRESS

	Dec'10	Dec'09
Core Banking Branches	All Branches	1768
Internet Banking Branches	All Branches	1918
NEFT and RTGS	All Branches	

100% Business under Core Banking Branches



CANARA BANK NOW 100% CBS

100%

Convenience, Benefit & Satisfaction

With 100% CBS we bring unmatched advantages to our 37.5 million valuable customers across India and abroad

Customer Convenient Features
Under Core Banking Solution

Anytime Anywhere Banking

Internet Banking

Tele-Banking

Remittances

SMS Alert

Security Trading

Government Business

ATMs – Mobile ATMs – Bio-metric ATMs • Bill Payments • Mobile Recharge • Visa Money Transfer and Many More



**Towards Enhancing the basket of
Technology Products/Services**

FUTURE PLANS

- Aiming at a Total Business of ` 5,00,000 crore by Mar'11
 - ... ` 2,85,000 crore under Deposits
 - ... ` 2,15,000 crore under Advances
- Over **200 new branches** to be opened during FY11
- Continued focus on **Core Business Growth**
- Plans to Open Branches at ***Manama and QFC-Qatar***
- RBI permission is available to open branches in **South Africa, Germany, the USA, Brazil, Tanzania** and **Representative Office in Tokyo, Japan.**
- Survey to open Branches in ***Sri Lanka, Nigeria and Kenya*** undertaken



THANK YOU