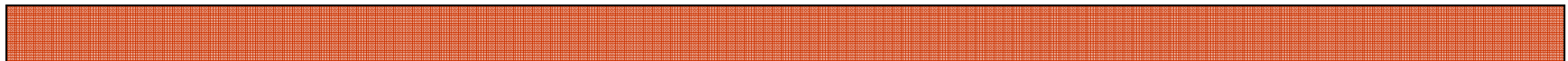




... the name you can BANK upon!

Presentation on Performance for the Quarter/Year ended March'10





We dare to dream We strive to reach



OPERATING PROFIT
Rs. 7326 crore
(Y.O.Y. Growth of 28.8%)



NET PROFIT
Rs. 3905 crore
(Y.O.Y. Growth of 26.4%)



NET INTEREST MARGIN
3.57%



BOOK VALUE (EPS)
Rs. 504.77



RETURN ON ASSETS
1.44%



TOTAL BUSINESS
Rs. 435931 crore
(Y.O.Y. Growth of 19.6%)



DEPOSITS
Rs. 2,49,330 crore
(Y.O.Y. Growth of 18.9%)



CASA
Rs. 1,01,849.9 crore
(Y.O.Y. Growth of 25%)



ADVANCES
Rs. 1,86,601 crore
(Y.O.Y. Growth of 20.6%)

पंजाब नैशनल बैंक
...भरोसे का प्रतीक !



punjab national bank
... the name you can BANK upon !



Overview of Performance

Operating Profit	■	Rs. 7326 Cr	↑	28.80%
Net Profit	■	Rs. 3905 Cr	↑	26.40%
Total Business	■	Rs. 435931 Cr	↑	19.60%
Deposits	■	Rs. 249330 Cr	↑	18.90%
Credit	■	Rs. 186601 Cr	↑	20.60%
Total Assets	■	Rs. 296633 Cr	↑	20.10%



Profit

(Rs. Crore)

Sl.	Parameters	Q4'	Q4'	Q3'	Variation (Q4'10 over Q4'09)	
		FY'09	FY'10	FY'10	Amt.	(%)
1	Interest Income	5117	5608	5389	491	9.6
2	Interest Expenses	3336	3110	3177	-226	-6.8
3	NII (Spread) (1-2)	1781	2498	2212	717	40.3
4	Other Income	931	935	848	4	0.4
5	Operating Expenses	1174	1100	1242	-74	-6.3
6	Contribution (4-5)	-243	-165	-394	78	-32.1
7	Operating Profit (3+6)	1538	2333	1818	795	51.7
8	Provisions	672	1197	807	525	78.1
9	Net Profit	866	1135	1011	269	31.1



Quarter Profit from Core Operations

(Rs. crore)

Particulars	Q4' FY09	Q4' FY10	Variation Q4'10 over Q4'09	
			Amt.	Growth (%)
Net Profit Declared	866	1135	269	31.1
Treasury Trading Profit	238	138	-101	-42.2
Depreciation on Investments	-42	-6	36	-85.2
Net Profit (Excluding Treasury Operations)	585	991	406	69.4
Operating Profit Declared	1538	2333	794	51.7
Treasury Trading Profit	238	138	-100	-42.1
Core Operating Profit (Excluding Trading Profit)	1300	2195	895	68.8



Provisions

(Rs. Crore)

Sl.	Particulars	Q4' FY 2009	Q4' FY 2010	Q3' FY 2010
1	Net Provision towards NPAs (Net of floating provisions)	139	462	326
2	Standard Advances	16	49	10
3	Standard Restructured	134	115	-82
4	Depreciation on Investment	-42	-6	42
5	Income Tax	455	576	525
6	Others	-29	1	-14
6	Total Provision	672	1197	807



Break-up : Income

(Rs. Crore)

Sl.	Parameters	Qtr'4 2009	Qtr'4 2010	Qtr'3 2009	Variation (Q4'10 over Q4'09)	
					Amt.	(%)
1	Interest on Advances	3951	4330	4194	379	9.6
2	Interest on Investments	1146	1228	1167	82	7.2
3	Other Interest Income	20	50	28	30	148.8
4	Interest Income (1+2+3)	5117	5608	5389	491	9.6
	Other Income	931	935	848	3	0.3
	of which					
5	Core Non-Interest Income.	591	657	614	66	11.1
7	Recovery in Written off a/cs	102	140	77	38	37.3
6	Trading Profit	238	138	157	-101	-42.2
9	Total Income (4+5+6+7+8)	6048	6542	6237	494	8.2

Trading Profit includes Profit of Rs.81.5 cr. from sale of 6.5% stake in UTI



Fee Based Income

(Rs. Crore)

Sl.	Particulars	Q4' FY 2009	Q4' FY 2010	Q3' FY 2010
1	Bills	32	35	37
2	LC/LG	103	134	132
3	Locker Rent	12	13	12
4	Processing Fees	125	153	115
5	Income from 3 rd party prod.	0	6	3
6	Exchange Profit	42	122	75
7	Others	277	194	240
	Total	591	657	614



Break-up : Expenditure

(Rs. Crore)

Sl.	Parameters	Q4'	Q4'	Q3'	Variation (Q4'10 over Q4'09)	
		FY'09	FY'10	FY'10	Amt.	(%)
1	Intt. Paid on Deposits	3122	2852	2920	-270	-8.65
2	Intt. Paid on Borrowings	32	8	8	-24	-75.00
3	Others	182	250	248	68	37.36
4	Total Interest Paid (1+2+3)	3336	3110	3177	-226	-6.77
5	Establishment Expenses	801	653*	833	-148	-18.48
5a	Provision for wage Revision	225	25#	100	-200	-88.89
5b	Estab. Expense excl. Prov.	576	628	733	52	9.03
6	Other Operating Expenses	373	447	409	74	19.84
7	Operating Expenses (5+6)	1174	1100	1242	-74	-6.30
8	Total Expenses (4+7)	4510	4210	4418	-300	-6.65

* Includes Rs.56 crore towards AS 15

Rs 25 cr towards wage revision cumulative Provision Rs.900 crore which works to a hike of 21% as against the agreement of 17.5%.



Cost & Yield Ratio

(Annualized)

Sl.	Particulars	Q4' FY 2009	Q4' FY 2010	Q3' FY 2010
1	Cost of Deposit [%]	6.24	4.88	5.16
2	Cost of Fund [%]	5.53	4.44	4.72
3	Yield on Advances [%]	11.18	10.22	10.44
4	Yield on Investment [%]	6.92	6.63	6.36
5	Yield on Fund [%]	8.28	7.76	8.19
6	Net Interest Margin [%]	3.33	3.99	3.64



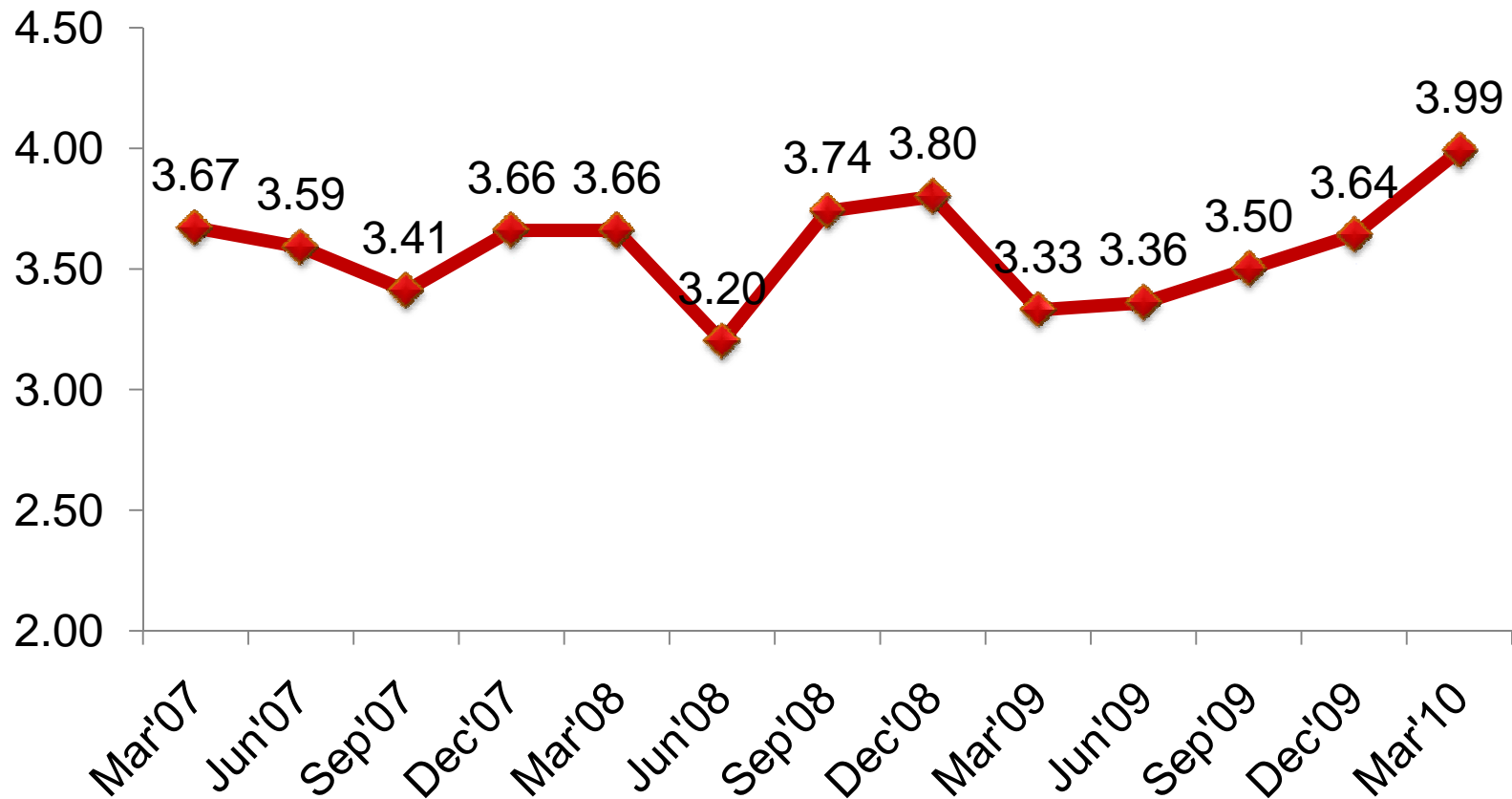
Profitability Ratio

(Annualised)

Sl.	Particulars	Q4' FY 2009	Q4' FY 2010	Q3' FY 2010
1	Return on Assets [%]	1.44	1.58	1.51
2	Return on Net worth [%]	26.35	27.31	26.03
3	Opt. Profit to AWF [%]	2.49	3.23	2.71
4	Cost to Income Ratio [%]	43.29	32.05	40.58
5	Estb. Exp. To Total Exp [%]	17.76	15.52	18.84
6	Opt. Exp. To AWF [%]	1.95	1.52	1.85
7	Book Value per Share [Rs]	416.74	514.77	492.84
8	Earnings per share [Rs]	109.81	144.46	128.30



Quarterly Net Interest Margin



* Daily Average basis

NIM for FY 2008-09: 3.52%

NIM for 2009-10: 3.57%



Profit: Full Year

(Rs. Crore)

Sl.	Parameters	Mar'08	Mar'09	Mar'10	Variation	
					Y-O-Y	
					Amt.	(%)
1	Interest Income	14265	19127	21467	2340	12.2
2	Interest Expenses	8731	12295	12944	649	5.3
3	NII (Spread) (1-2)	5534	6832	8523	1691	24.8
4	Other Income	1998	3065	3565	500	16.3
5	Operating Expenses	3525	4206	4762	556	13.2
6	Contribution (4-5)	-1527	-1141	-1197	-56	4.9
7	Operating Profit (3+6)	4007	5691	7326	1635	28.8
8	Provisions	1957	2600	3421	821	31.6
9	Net Profit	2049	3091	3905	814	26.4



Provisions: Full Year

(Rs. Crore)

Particulars	Mar'08	Mar'09	Mar'10
1. Provisions for Depreciation on Investment (Net)	104	-216	68
2. Net Provision towards NPAs (Net of floating provisions)	377	816	992
3. Standard Assets	139	65	59
4. Standard Restructured	4	132	233
4. Others	87	127	70
5. Provisions made toward Income Tax (Including FBT & Wealth Tax)	1247	1676	1999
6. Total Provisions	1957	2600	3421



Income : Full Year

(Rs. Crore)

Sl.	Parameters	Mar'08	Mar'09	Mar'10	Variation Y-O-Y	
					Amt.	(%)
1	Interest on Advances	10439	14584	16701	2117	14.5
2	Interest on Investments	3611	4265	4577	312	7.3
3	Other Interest Income	215	278	189	-89	-32.1
4	Interest Income (1+2+3)	14265	19127	21467	2340	12.2
5	Other Income	1998	3065	3565	501	16.3
	of which					
	Core Non Interest Income	1473	2061	2446	385	18.7
6	Trading Profit	442	665	803*	138	20.8
7	Recovery in written off a/cs	83	340	316	-24	-7.1
10	Total Income (4+9)	16263	22191	25032	2841	12.8

**Trading Profit includes Profit of Rs.81.5 cr. from sale of 6.5% stake in UTI and Rs 71.4 cr frpm sale of 26% stake in PNB Housing Finance.*



Fee –Based Income: Full Year

(Rs. Crore)

Sl.No.	Particulars	Mar'08	Mar'09	Mar'10
1	Bills	131	137	134
2	LC/BG	260	378	474
3	Locker Rent	35	44	48
4	Processing Fees	270	413	570
5	Income from 3 rd party prod.	-	3	10
6	Others	566	792	896
7	Exchange Profit	211	294	314
8	Total	1473	2061	2446



Expenditure : Full Year

(Rs. Crore)

Sl.	Parameters	Mar'08	Mar'09	Mar'10	Variation	
					Y-O-Y	
					Amt.	(%)
1	Interest Paid on Deposits	8265	11564	11966	402	3.5
2	Interest Paid on Borrowings	59	119	54	-65	-54.6
3	Others	407	611	924	313	51.2
4	Total Interest Paid (1+2+3)	8731	12295	12944	649	5.3
5	Establishment Expenses	2462	2924	3121	197	6.7
5a	Provision for wage Revision	100	500	300	-200	-40.0
5b	Estab. Expenses excl. Prov	2362	2424	2821	397	16.4
6	Other Operating Expenses	1064	1282	1641	359	28.0
7	Operating Expenses (5+6)	3525	4206	4762	556	13.2
8	Total Expenses (4+7)	12256	16501	17706	1205	7.3



Cost & Yield Ratios : Full Year

Sl.	Particulars	Mar'08	Mar'09	Mar'10
1	Cost of Deposit [%]	5.59	6.25	5.38
2	Cost of borrowings [%]	7.98	7.52	8.04
3	Cost of Fund [%]	4.90	5.51	4.75
4	Yield on Advances [%]	10.36	11.41	10.37
5	Yield on Investment [%]	6.94	6.69	6.73
6	Yield on Funds[%]	8.01	8.43	7.89
7	Net Interest Margin [%]	3.58	3.52	3.57



Profitability Ratios : Full Year

Sl.	Particulars	Mar'08	Mar'09	Mar'10
1	Return on Assets[%]	1.15	1.39	1.44
2	Return on Net worth [%]	19	23.52	24.06
3	Operating Profit to AWF[%]	2.25	2.51	2.69
4	Cost to Income Ratio [%]	46.81	42.50	39.39
5	Estab. Exp. To Total Exp. [%]	20.09	17.72	17.62
6	Operating Exp. To AWF[%]	1.98	1.85	1.75
7	Book Value per Share[Rs.]	341.98	416.74	514.77
8	Earnings per share [Rs.]	64.98	98.03	123.86



Business

(Rs. Crore)

Sl.	Parameters	Mar'08	Mar'09	Mar'10	Variation	
					Mar'09-Mar'10	
					Amt.	(%)
1	Total Business	285959	364463	435931	71468	19.6
2	Total Deposit	166457	209760	249330	39570	18.9
3	Net Advances	119502	154703	186601	31898	20.6
4	CD Ratio [%]	71.79%	73.75%	74.84%		



Deposit

(Rs. Crore)

Sl.	Parameters	Mar'08	Mar'09	Mar' 10	Variation	
					Mar'09-Mar'10	
					Amt.	(%)
1	Total Deposit	166457	209760	249330	39570	18.9
2	Bulk + CD	35821	45050	48322	3272	7.3
2a	Bulk	23072	24996	21782	-3214	-12.9
2b	CD	12749	20054	26540	6486	32.3
3	Core Deposit	127232	156267	192297	36030	23.1
4	Core Dep. To Total (%)	76.44	74.50	77.13		
5	SB Deposit	53770	62646	78133	15487	24.7
6	Current Deposit	17791	18814	23717	4903	26.1
7	CASA Deposit	71561	81460	101850	20390	25.0
8	Share of CASA (%)	42.99	38.83	40.85		



(Rs. Crore)

Advances

Sl.	Parameters	Mar'08	Mar'09	Mar'10	Share to Gross Non- food Credit	Variation	
						Mar'09-Mar'09	
						Amt.	(%)
	Gross Global Advances	120336	156207	188306		32099	20.6
	International Credit	33	3825	6973		3148	82.3
1	Gross Domestic Advances	120303	152382	181333	-	28951	19.0
1a	Food Credit	3139	3227	3267	-	40	1.2
1b	Non-Food Gross Bank Credit	117164	149155	178066	-	28911	19.4
	<i>of Which</i>						
2	Agriculture & Allied	19946	24057	30207	17.0	6150	25.6
3	Industry	50172	65672	88708	49.8	23036	35.1
3a	MSME Manufacturing	11565	13940	20659*	11.6	6719	48.2
3b	Large Industry	38607	51732	68049	38.2	16317	31.5
4	Retail Loans	15342	15947	19214	10.8	3267	20.5
4a	Housing/Mortgage Loans	8179	9307	10612	6.0	1305	14.0
4b	Personal Loans	1038	1029	1394	0.8	365	35.5
4c	Education Loans	1035	1559	2272	1.3	713	45.7
4d	Other Retail Loans	5090	4052	4936	2.8	884	21.8
5	Commercial Real Estate Sector	9330	14695	15258	8.6	563	3.8
6	Services & Others	22374	28784	24679	13.9	-4105	-14.3

***Gross MSME Rs 35034 cr including Traders Loan**



Advances- Sectoral Deployment (Rs. Crore)

Major Industry wise Deployment	Mar'08		Mar'09		Mar'10	
	Amt.	Industry Share (%)	Amt.	Industry Share (%)	Amt.	Industry Share (%)
Mining @ Quarrying	685	1.4	754	1.17	1093	1.2
Food Processing	4993	10.0	5100	7.89	3324	3.7
Textiles	5645	11.3	4310	6.67	6054	6.8
Chemical & Chemical Products	2512	5.0	2353	3.64	2657	3.0
-Cement & Cement Products	928	1.8	794	1.23	1151	1.3
Basic Metal & Metal Products	7922	15.8	7983	12.35	8897	10.0
-Iron & Steel	6409	12.8	7118	11.01	7820	8.8
Engineering Products	2498	5.0	3304	5.11	2644	3.0
Infrastructure	14916	29.7	19919	30.8	23277	26.2
-Power	7576	15.1	7789	12.04	9509	10.7
-Tele-Communication	2186	4.4	5195	9.58	5130	5.8
Industry (Small, Medium, large)	50172		65672		88708	



Investment

(Rs. Crore)

		Mar'08	Mar'09	Mar'10
1	Gross Investment	54912	63761	78058
2	Held To Maturity (HTM)	39424	48355	61013
3	Available For Sale (AFS)	15487	15195	13973
4	Held For trading (HFT)	-	211	3072
5	Duration (AFS)	2.18	2.58	2.34
6	Modified Duration (AFS)	2.06	2.45	2.23
7	Duration Total Portfolio	4.15	4.67	4.66
8	Modified Duration Total Portfolio	3.98	4.5	4.49
9	Net demand & time Liabilities	169799	212702	251360
10	SLR (%)	25.89	27.5	26.04
11	HTM To SLR (%)	88	86	89
12	HTM To Gross Investment (%)	72	76	78



Non-Performing Assets

(Rs. Crore)

Sl.	Parameters	Mar'08	Mar'09	Mar'10
1	NPA as at the beginning of Yr.	3391	3021	2507
2	Cash Recovery	1039	1331	950
3	Upgradation	365	448	328
4	Write Off	621	466	853
5	Total Reduction (2+3+4)	2025	2245	2131
6	Fresh Addition	1953	1731	2838
7	Gross NPAs end period	3021	2507	3214
8	Eligible Deductions including Provisions	1957	2243	2233
9	Net NPAs	754	265	982
10	Recovery in written-off debt A/Cs	83	340	316

➤ Excluding Rs.338 cr. impact of slippage from Debt relief, closing Gross NPA would be Rs.2877 cr.



NPA Ratios

(In per cent)

Sl.	Parameters	Mar'08	Mar'09	Mar'10	Mar'10
			Declared		Excl Ag Debt Relief NPA
1	Net NPA (%)	0.64	0.17	0.53	0.35
2	Gross NPA (%)	2.5	1.6	1.71	1.53
3	NPA Coverage Ratio (%)	83.53	93.51	81.17	86.80

Rs.338 cr. added to NPA on account of unrecovered amount of Debt Relief



Restructured Accounts

(Rs. Crore)

Sl.	Particulars	No.	Amt.
1	Below Rs. 1 Crore	14625	613
2	Rs. 1 Crore & above	582	11482
3	Total	15207	12096
3a	of which up to Mar'09	12658	4075
3b	During April'09 to Mar'10	2549	8021
	Of Total account restructured as at 3 above		
4	Standard A/c restructured	14357	11732
5	NPA A/cs restructured	850	364
6	Of Standard a/cs restructured as at 4 above		
	Accounts slipped to NPA	755	775.43



Sectorwise Restructured Accounts

(Rs. Crore)

Sl.	Restructured Accounts	No. of Borrowers	Amt. Restrct .	Diminutio n in Fair Value
1	Under CDR	14	1706	187
2	Under SME	159	291	4
3	Others (Non-CDR)	2376	6024	109
Cumulative since 01.04.08 to 31.03.10				
3 a	Below Rs 1cr	14625	613	-
3 b	Rs 1 cr & above	582	11482	-
4	Total	15207	12096	-

Sl.	Particulars	Mar'09	Mar'10	Total
1	Agriculture	31	63	94
2	Housing	17	5	22
3	Real Estate	467	935	1402
4	Industry	2452	6550	9002
	of which			
	Aviation	19	645	664
	Drilling	0	1094	1094
	Hotel	66	517	583
	Infrastructure	591	870	1461
	Iron & Steel	307	1554	1861
	Paper	210	251	461
	Pharmaceutical	135	90	225
	Sugar	81	442	523
	Textiles	710	626	1336
	Trading	132	26	158
5	Others	1108	468	1576
	Total	4075	8021	12096



Capital Adequacy (Basel II)

(Rs. Crore)

Sl.	Particulars	Mar'08	Mar'09	Mar'10
	Capital Fund			
1	Tier I	11460	13800	17400
2	Tier II	5738	7770	9536
3	Total (Tier I+II)	17197	21570	26937
4	Risk-weighted Assets	127809	153692	190233
5	Capital Adequacy Ratio (%)	13.46	14.03	14.16
6	Tier I (%)	8.97	8.97	9.15
7	Tier II (%)	4.49	5.06	5.01



Ratios: Productivity & Market Share

Sl.	Parameters	Mar'08	Mar'09	Mar'10
1	Deposit Market Share (%)	5.01	5.17	5.24
2	Credit Market Share (%)	5.04	5.31	5.33
3	Business Per Branch (Rs. Cr.)	66.29	81.04	87.17
4	Business Per Employee (Rs. Cr.)	5.05	6.54	8.07



Subsidiaries

PNB Housing Finance Ltd

- 74% subsidiary of bank
- For financing housing/urban development. *(Rs. crore)*

	Mar'09	Mar'10
Net Worth	207	267
Total Loans	2187	2508
PAT	53	67

PNB International Ltd

- 100% subsidiary of bank in London
- Started in May'07. Earned profit in the first year of operation *(USD million)*

	Mar'09	Mar'10
Net Worth	78.2	106.63
Total Loans	373.3	569.24
PAT	2.6	4.01

PNB Gilts

- PNB holds 74.07% of capital
- Leading Primary dealer in Govt. securities *(Rs. Crore)*

	Mar'09	Mar'10
Net Worth	538	558
Capital Adequacy [%]	26	41
PAT	24	37

PNB Investment Services Ltd

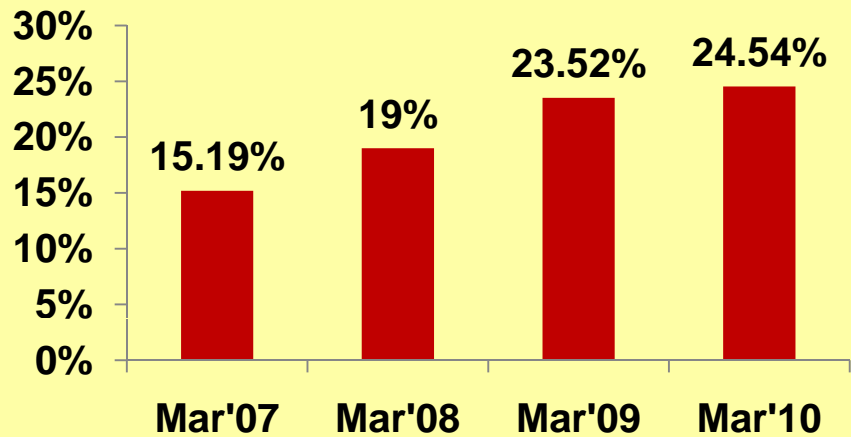
- 100% subsidiary of bank
- Operationalised in September 2009 *(Rs. Crore)*

	Mar'09	Mar'10
Networth	NA	20
Turnover	NA	2.24
PAT	NA	1.03

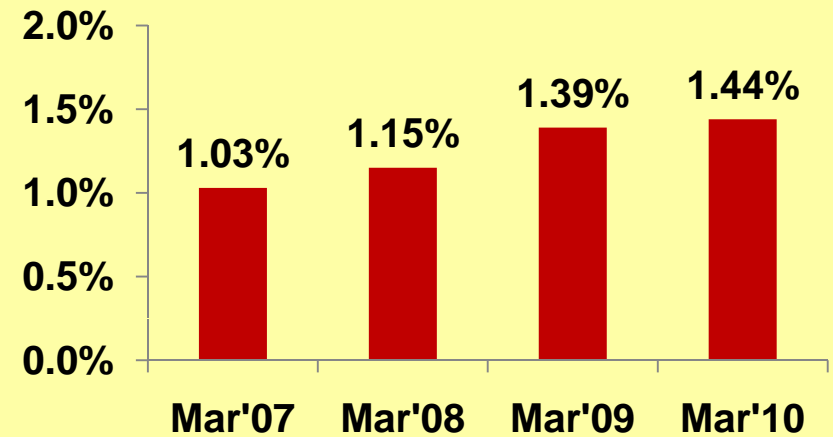


Value For Stakeholders

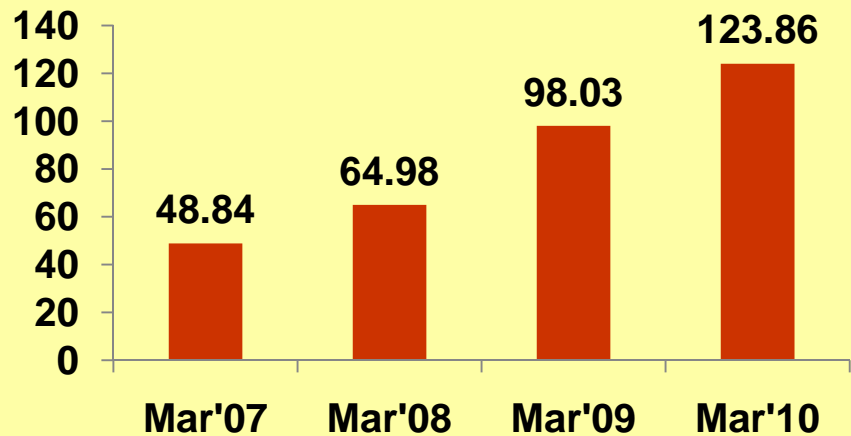
Return on Equity



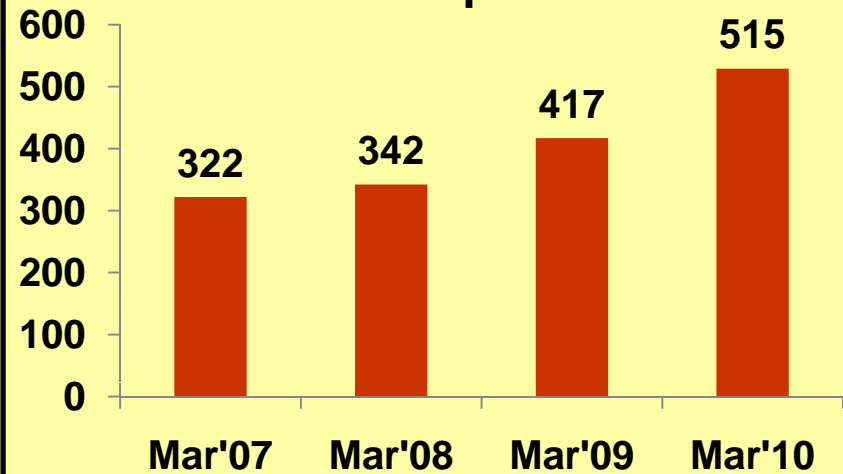
Return on Assets



Earning per Share



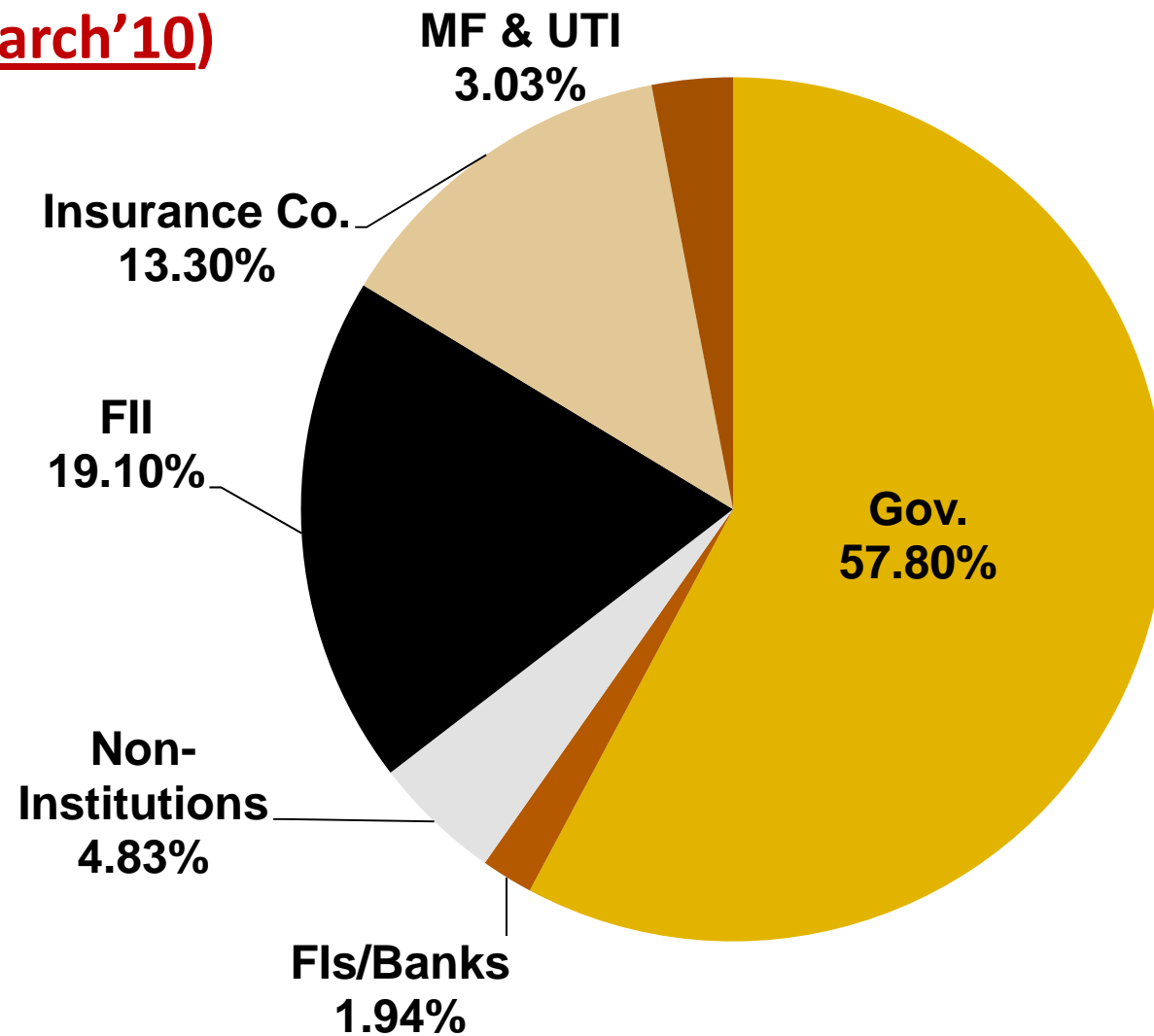
Book Value per share





Shareholding Pattern

(As on 31st March'10)





Robust Technology Platform

- ❖ All branches networked with Core Banking Solution (CBS).
- ❖ **CBS platform upgraded with Oracle RAC** (Real Application Cluster) to meet scalability and availability. First Finacle CBS setup to have RAC
- ❖ **5116 Service Outlets (SOLs) at 2694 centers** across the country facilitating around 56 million account holders with “Anytime and Anywhere” Banking.
- ❖ A world class **Security Operations Centre (SOC)** to monitor , manage the Security setup of the bank’s centralized technology activities first of its kind for any Bank in the country.
- ❖ **First nationalized bank** to implement an Enterprise-wide Data warehouse to integrate Data from multiple source systems and provide MIS and data feed to Anti Money Laundering and Operational Risk Solution.
- ❖ Operational Risk Solution operationalised to monitor compliance with BASEL II requirements.
- ❖ **Effective and seamless integration** with payment systems like RTGS, NEFT. ECS facility enabled at all 49 centres.
- ❖ All 6 PNB Sponsored RRBs 100% CBS compliant covering 1416 SOLs.



Current Overseas Presence

Type of office		Destination	Date of Commencement of operations
Branch	1	Offshore Banking Unit, Mumbai	25th September, 2003
	2	Kabul, Afghanistan	26th July 2004
	3	Hong Kong Main	17th December 2007
	4	Kowloon	2nd April 2009
	5	DIFC, Dubai	20th December 2009
Subsidiary	1	UK,(PNBIL) (4)	10th May 2007
	2	DRUK PNB Bank Ltd. (2)	27th January 2010
Joint Venture	1	Kathmandu, Nepal (Everest Bank Limited)	January, 1997
Rep. Offices	1	Almaty, Kazakhstan	23rd October, 1998
	2	Shanghai, China	3rd September 2004
	3	Dubai, UAE	29th June, 2005
	4	Oslo, Norway	1st October 2008



Increasing Global Footprints...

Bank is in the process of :

- Upgrading its Representative Offices in China and Norway to branch .
- Setting up of representative office in Sydney, Australia.
- Acquiring 63.64% stake with management control in JSC Dana Bank in Kazakhstan
- Setting up of a wholly owned subsidiary in Canada, head quartered at Vancouver.



Recognitions...

- ❖ *Golden Peacock Innovative Product/Service Award 2010.*
- ❖ *Golden Peacock Award for Excellence in Corporate Governance (2009).*
- ❖ *“Best Corporate Social Responsibility Practice” 2010 awarded by Bombay Stock Exchange.*
- ❖ *Gold trophy of SCOPE Meritorious Award for ‘Excellence in Corporate Governance 2009’.*
- ❖ *India Pride Awards for excellence in PSU (2009) presented by Dainik Bhaskar.*
- ❖ *IT: 3 Awards – CIO 100 Awards (2009); Emerson Uptime Champion Award and IBM information on Demand (2009).*
- ❖ *Skoch Challenge Award 2010 for “Livelihood Linkage” of the milk producers in Bulandshahar District, UP.*
- ❖ *As per Forbes Annual list of 2000 global giants , PNB tops the list of Nationalised banks with a global ranking of 695.*





Recognitions.....

- *As per Financial Express-Ernest & Young India's best Bank's Survey , PNB is identified as the Best Bank among the nationalised banks in terms of overall ranking.*
- *As per ET Corporate Dossier survey CEO of PNB has been ranked as the 32nd most powerful CEO of 2010.*



Going Ahead.....

- ***Leverage on Technology & franchise to offer excellent customer service & diversify income streams.***
- ***Remain proactive in the emerging dynamic financial situation and strive to maintain the margins through variety of products & services.***
- ***Selectively advancing Global footprints.***
- ***'Project Namaskar' to establish 1 Lac Touch Points by 2013.***



Thank You