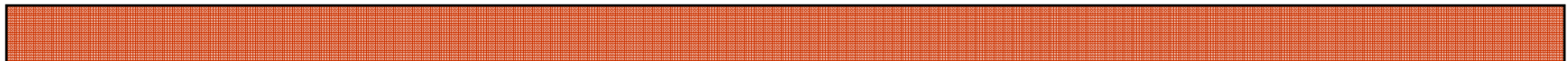




Presentation on Performance for the Quarter / December'2010





Scaling New Peaks

pnb – Welcomes the New Year with

₹5,00,000,00,00,000

Shri Basanta Kumar Singha Roy, employee of PNB on top of Mount Everest hoisting PNB's flag (Dated 17th May, 2010)

Thank you 60 million customers. Your trust is our confidence.

(₹5 lakh crore in total business)

पंजाब नैशनल बैंक  punjab national bank
...भरोसे का प्रतीक ! ...the name you can BANK upon !



Overview of Performance – Nine Months Dec'10

		Rs cr		YOY Growth %
Operating Profit	:	6548	↑	31.13
Net Profit	:	3233	↑	16.69
Total Business	:	510125	↑	26.15
Total Assets	:	343598	↑	23.99
Deposits	:	288873	↑	23.48
Credit	:	221252	↑	29.82



Profit (qtr)

(Rs. Crore)

Sl.	Parameters	Q3' FY 10	Q3' FY 11	Q2' FY 11	Y-O-Y Variation	
					Amt.	(%)
1	Interest Income	5389	7119	6455	1730	32.11
2	Interest Expenses	3176	3916	3479	739	23.28
3	NII (Spread) (1-2)	2212	3203	2977	991	44.8
4	Other Income	848	857	718	9	1.11
5	Operating Expenses	1242	1711	1595	469	37.74
6	Contribution (4-5)	-394	-853	-877	-459	-216.50
7	Operating Profit (3+6)	1818	2350	2100	532	29.24
8	Provisions	807	1260	1026	453	56.18
9	Net Profit	1011	1090	1075	78	7.76



Profit from Core Operations

(Rs. crore)

Particulars	Q3' FY	Q3' FY	Q2' FY	Variation Q3'11 over Q3'10	
	10	11	11	Amt.	Gr. (%)
Net Profit Declared	1011	1090	1075	78	7.76
Treasury Trading Profit	*157	87	38	-69	-44.17
Depreciation on Inv	42	44	67	2	4.85
Net Profit (Exclding Trading Profit + Dep on Inv)	812	959	970	147	18.10
Operating Profit Declared	1818	2350	2100	532	29.24
Treasury Trading Profit	*157	87	38	-69	-44.17
Core Operating Profit (Excluding Trading Profit)	1661	2262	2062	601	36.17

**Treasury Income last year includes Rs 71 cr from sale of Housing Finance*



Provisions

(Rs. Crore)

Sl.	Particulars	Q3 FY'10	Q3 FY'11	Q2 FY'11	Var (Q3'11 over Q3'10)	
					Amt.	%
1	Provision towards NPAs (Net of floating prov)	328	555	359	227	69.01
2	Standard Advances	10	81	39	71	709.60
3	Standard Restructured	-85	28	40	113	132.80
4	Depreciation on Investment	42	44	67	2	4.85
5	Others	-14	6	12	19	42.86
6	Income Tax	525	546	510	21	4.05
7	Total Provision	807	1260	1026	453	56.18



Break-up : Income

(Rs. Crore)

Sl.	Parameters	Q3 FY'10	Q3 FY'11	Q2 FY'11	Variation (Q3'11 over Q3'10)	
					Amt.	(%)
1	Interest on Advances	4188	5489	5035	1301	31.06
2	Interest on Investments	1173	1493	1397	320	27.29
3	Other Interest Income	28	137	23	109	395.16
4	Interest Income (1+2+3)	5389	7119	6455	1730	32.11
5	Other Income	848	857	718	9	1.11
	of which					
6	Core Non-Interest Income.	614	647	592	33	5.41
7	Recovery in Written off a/cs	77	123	89	45	58.75
8	Trading Profit	157	87	38	-69	-44.17
9	Total Income (4+5)	6237	7976	7174	1740	27.90



Fee Based Income

(Rs. Crore)

Sl.	Particulars	Q 3 FY 2010	Q 3 FY 2011	Q 2 FY 2011	Variation (Q3'11 over Q3'10)	
					Amt.	(%)
1	Processing Fees	107	102	148	-5	-4.41
2	LC/LG Income	133	149	140	16	12.40
3	Bills & Remittance	62	73	64	11	17.31
4	Locker Rent	12	11	13	0	-1.23
5	Inc from 3 rd party prod.	1	2	4	0	27.20
6	Inc from ATM operations	35	57	54	21	60.76
7	Misc. Income	57	103	89	45	78.93
8	Exchange Profit	80	125	31	45	56.36
9	Dividend Income MF	112	17	22	-95	-84.97
10	Residual (incl Derivative inc)	15	8	27	-6	-43.76
	Core NII	614	647	591	33	5.45



Break-up : Expenditure

(Rs. Crore)

Sl.	Parameters	Q 3' FY'10	Q 3' FY'11	Q 2' FY'11	Variation (Q3'11 over Q3'10)	
					Amt.	(%)
1	Intt. Paid on Deposits	2920	3499	3152	579	19.84
2	Intt. Paid on Borrowings	8	103	58	95	1119.58
3	Others	248	313	269	65	26.27
4	Total Interest Paid (1+2+3)	3176	3916	3479	739	23.28
5	Establishment Expenses	833	1224	1113	391	46.93
5a	Prov for Pension /Gratuity	100	360	250	260	260.00
5b	Estab. Expense excl. Prov.	733	864	863	131	17.85
6	Other Operating Expenses	409	487	482	78	19.03
7	Operating Expenses (5+6)	1242	1711	1595	469	37.74
8	Total Expenses (4+7)	4418	5626	5074	1208	27.34

Rs. 235 cr. Provision for Pension Fund 2nd option & Rs 125 cr for Gratuity Fund



Cost & Yield Ratio

(Annualized)

Sl.	Particulars	Q3' FY 2010	Q3' FY 2011	Q2' FY 2011
1	Cost of Deposit [%]	5.16	5.20	4.96
2	Cost of Fund [%]	4.72	4.54	4.39
3	Yield on Advances [%]	10.43	10.59	10.55
4	Yield on Investment [%]	5.81	6.77	6.69
5	Yield on Fund [%]	8.00	8.25	8.15
6	Net Interest Margin [%]	3.64	4.13	4.06



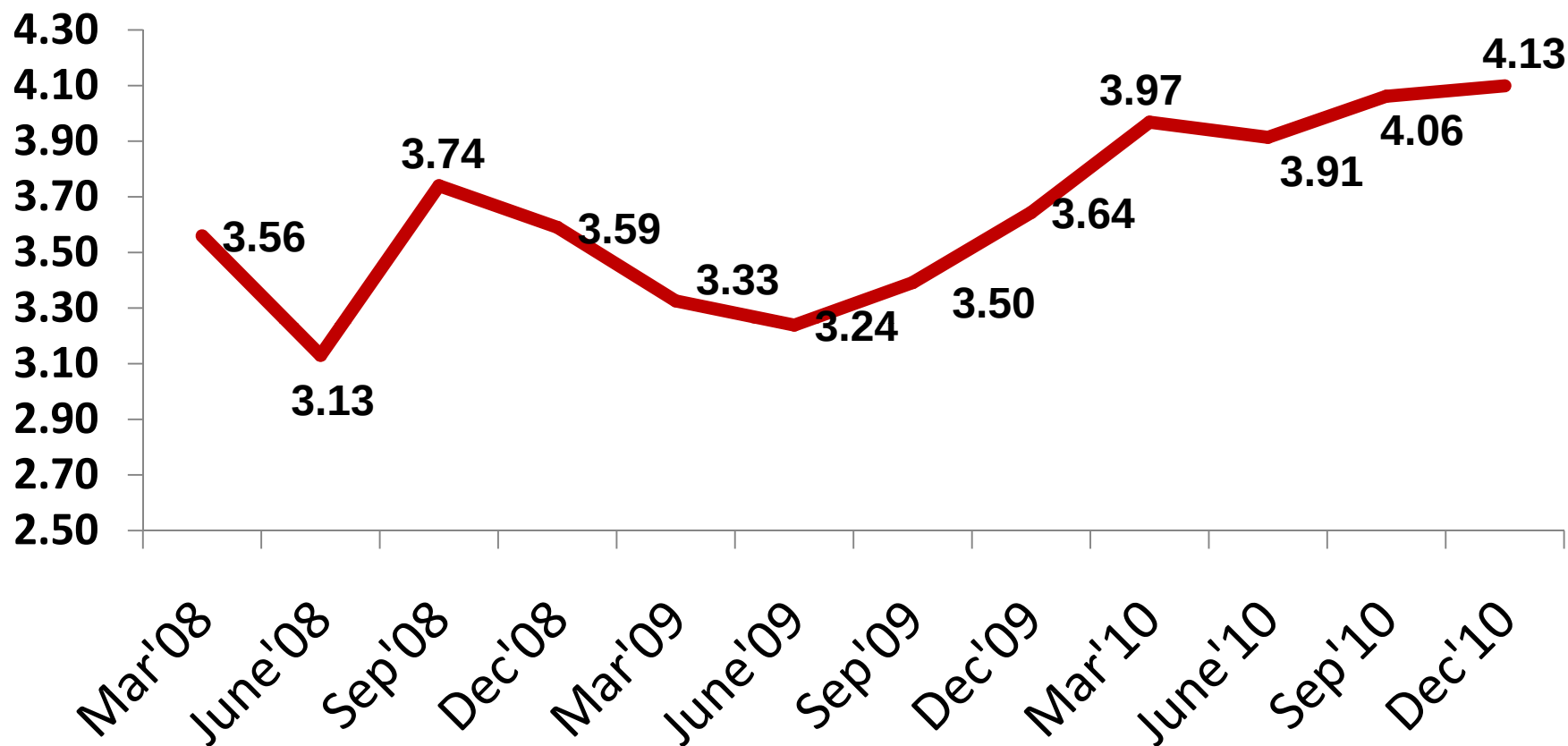
Profitability Ratio

(Annualized)

Sl.	Particulars	Q3' FY 2010	Q3' FY 2011	Q2' FY 2011
1	Return on Assets [%]	1.51	1.27	1.36
2	Return on Net worth [%]	26.03	22.40	23.39
3	Opt. Profit to AWF [%]	2.70	2.72	2.68
4	Cost to Income Ratio [%]	40.58	42.13	43.16
5	Estb. Exp. To Total Exp. [%]	18.85	21.75	21.94
6	Opt. Exp. To AWF [%]	1.84	1.98	2.01
7	Book Value per Share [Rs]	492.84	628.92	582.72
8	Earnings per share [Rs]	128.30	138.25	136.32



Quarterly Net Interest Margin



** Daily Average basis*

NIM for Dec 09 (9 M) : 3.58%

NIM for Dec'10 (9m): 3.99%



Profit : Nine Months

(Rs. Crore)

Sl.	Parameters	Dec'09	Dec'10	Mar'10	Var (Dec'10 over Dec'09)	
					Amt.	(%)
1	Interest Income	15837	19546	21422	3709	23.42
2	Interest Expenses	9834	10768	12944	934	9.49
3	NII (Spread) (1-2)	6003	8778	8478	2775	46.23
4	Other Income	2653	2467	3610	-185	-6.99
5	Operating Expenses	3662	4697	4762	1036	28.28
6	Contribution (4-5)	-1009	-2230	-1152	1221	-121.0
7	Operating Profit (3+6)	4994	6548	7326	1554	31.13
8	Provisions	2223	3316	3421	1092	49.12
9	Net Profit	2770	3233	3905	462	16.69



Provisions : Nine Months

(Rs. Crore)

Particulars	Dec'09	Dec'10	Mar'10	Variation (Dec'10 over Dec'09)	
				Amt.	(%)
Provision towards NPAs (Net of floating provisions)	532	1462	994	930	174.78
Standard Advances	10	159	59	149	1494.70
Standard Restructured	115	45	231	-70	-60.93
Depreciation on Investment	75	125	68	50	67.26
Others	68	-27	69	-95	-140.52
Income Tax	1424	1552	1999	128	8.97
Total Provision	2223	3316	3421	1092	49.12



Income – Nine Months

(Rs. Crore)

Sl.	Parameters	Dec'09	Dec'10	Mar'10	Variation (Dec'10 over Dec'09)	
					Amt.	(%)
1	Interest on Advances	12364	15200	16677	2837	22.94
2	Interest on Investments	3335	4165	4556	830	24.90
3	Other Interest Income	139	181	189	42	30.05
4	Interest Income (1+2+3)	15837	19546	21422	3709	23.42
5	Other Income	2653	2467	3610	-185	-6.99
	of which					
6	Core Non Interest Income	1811	1933	2491	122	6.75
7	Trading Profit	666	246	803	-419	-62.99
8	Recovery in written off a/cs	176	288	316	112	63.30
9	Total Income (4+5)	18490	22013	25032	3523	19.06



Fee Based Income : Nine Months

(Rs. Crore)

Sl.	Particulars	Dec'09	Dec'10	Mar'10	Variation (Dec'10 over Dec'09)	
					Amt.	(%)
1	Processing Fees	418	461	570	43	10.32
2	LC/LG Income	340	421	474	80	23.57
3	Bills & Remittance	237	203	301	-34	-14.17
4	Locker Rent	35	37	48	2	4.31
5	Inc from 3 rd party prod.	2	9	7	7	326.97
6	Inc from ATM operations	72	142	107	70	96.58
7	Misc. Income	195	258	281	63	32.47
8	Exchange Profit	199	270	338	71	35.47
9	Dividend Income MF	275	96	323	-179	-64.96
10	Residual (incl Derivative inc)	37	36	41	-1	-3.71
	Core NII	1811	1933	2491	122	6.73



Expenditure – Nine Months

(Rs. Crore)

Sl.	Parameters	Dec'09	Dec'10	Mar'10	Variation (Dec'10 over Dec'09)	
					Amt.	(%)
1	Interest Paid on Deposits	9113	9744	11966	630	6.91
2	Interest Paid on Borrowings	47	188	54	142	305.14
3	Others	674	836	924	161	23.95
4	Total Interest Paid (1+2+3)	9834	10768	12944	934	9.49
5	Establishment Expenses	2468	3332	3121	864	35.00
5a	Provision for pension & gratuity	275	860	300	585	212.73
5b	Estab. Expenses excl. Prov	2193	2472	2821	279	12.72
6	Other Operating Expenses	1194	1366	1641	172	14.38
7	Operating Expenses (5+6)	3662	4697	4762	1036	28.28
8	Total Expenses (4+7)	13496	15465	17706	1969	14.59

Rs. 485 cr. Provision for Pension Fund 2nd option & Rs 375 cr for Gratuity Fund



Cost & Yield Ratios : Nine Months

(Annualized)

Sl.	Particulars	Dec'09	Dec'10	Mar'10
1	Cost of Deposit [%]	5.56	5.09	5.38
2	Cost of Fund [%]	5.06	4.44	4.76
3	Yield on Advances [%]	10.45	10.48	10.36
4	Yield on Investment [%]	6.02	6.58	6.73
5	Yield on Fund [%]	8.15	8.06	7.88
6	Net Interest Margin [%]	3.43	3.99	3.57



Profitability Ratios : Nine Months

(Annualised)

Sl.	Particulars	Dec'09	Dec'10	Mar'10
1	Return on Assets [%]	1.43	1.34	1.44
2	Return on Net worth [%]	23.77	22.15	24.59
3	Opt. Profit to AWF [%]	2.57	2.70	2.62
4	Cost to Income Ratio [%]	42.31	41.77	39.39
5	Estb. Exp. To Total Exp. [%]	18.29	21.54	17.63
6	Opt. Exp. To AWF [%]	1.88	1.94	1.70
7	Book Value per Share [Rs]	492.84	617.28	514.77
8	Earnings per share [Rs]	117.15	136.70	123.86



Business

(Rs. Crore)

Sl.	Parameters	Dec'09	Mar'10	Dec'10	YOY Variation	
					Amt.	(%)
1	Total Business	404373	435931	510125	105752	26.15
2	Total Deposit	233946	249330	288873	54927	23.48
3	Total Advances	170427	186601	221252	50825	29.82
4	CD Ratio [%]	72.85%	74.84%	76.59%		



Deposit

(Rs. Crore)

Sl.	Parameters	Dec'09	Mar'10	Dec'10	YoY Variation	
					Amt.	(%)
1	Total Deposit	233946	249330	288873	54927	23.48
2	Bulk incld CD	46114	48322	64797	18683	40.51
	<i>Share of Bulk to Total %</i>	<i>19.71</i>	<i>19.38</i>	<i>22.43</i>		
3	Core Deposit	187832	201008	224076	36244	19.3
4	SB Deposit	72628	78133	89860	17233	23.73
5	Current Deposit	19864	23717	22945	3081	15.51
6	CASA Deposit	92492	101850	112806	20314	21.96
7	<i>Share of CASA (%)</i>	<i>39.54%</i>	<i>40.85%</i>	<i>39.05%</i>		



Advances- Sectoral

(Rs. Crore)

Sl.	Parameters	Dec'09	Mar'10	Dec'10	%share in Gr. Non- food Cr.	Variation (Dec'10 ovr Dec'09)	
						Amt.	(%)
1	Global Gross Advances	172132	188306	223744	-	51612	30.0
2	Overseas Advances	6128	6973	10817	-	4689	76.5
3	Domestic Gross Advances	166004	181333	212927	-	46923	28.3
3a	Food Credit	3075	3267	4485	-	1410	45.9
3b	Dom. Non-Food Gross Adv.	162929	178066	208442	100	45513	27.9
	- of Which						
4	Agriculture & Allied	27224	30207	33909	16.3	6685	24.6
5	Industry	79503	88708	101794	48.9	22291	28.0
5a	MSME Manufacturing	19456	20659	25249	12.1	5793	29.8
5b	Large Industry	60047	68049	76545	36.8	16498	27.5
6	Retail Loans	17874	19214	21732	10.4	3858	21.6
6a	Housing	9187	9538	11008	5.3	1821	19.8
6b	Personal Loans	1398	1394	1393	0.7	-5	-0.4
6c	Education Loans	2194	2272	2747	1.3	553	25.2
6d	Other Retail Loans	5095	6010	6584	3.2	1489	29.2
7	Commercial Real Estate	10551	10382	9729	4.7	-822	-7.8
	<i>Of which lease rentals</i>	3749	2471	2079		-1670	-44.5
8	Services & Others	27777	29555	41278	19.7	13501	47.8

MSME Advances: Rs 44125 cr YOY 35.05%

Real Estate Advances Rs 23935 cr



Advances – Industry wise Breakup (Rs. Crore)

Major Industry wise Deployment	Dec'09		Mar'10		Dec'10		Var (Dec'10 over Dec'09)	
	Amt.	Industry Share (%)	Amt.	Industry Share (%)	Amt.	Ind Share (%)	Amt.	(%)
Food Processing	2698	3.60	3512	3.96	3035	2.98	337	12.49
Textiles	5945	7.94	6414	7.23	6771	6.65	826	13.89
Chemical & Chemical Products	2622	3.50	2682	3.02	3067	3.01	445	16.97
Cement & Cement Products	1498	2.00	1189	1.34	1728	1.70	230	15.35
Basic Metal & Metal Products	9081	12.13	9388	10.58	10086	9.91	1005	11.07
-Iron & Steel	8032	10.73	8266	9.32	8430	8.28	398	4.96
Petroleum	2281	3.05	2109	2.38	2072	2.04	-209	-9.16
Engineering Products	2935	3.92	2321	2.62	2842	2.79	-93	-3.17
Rubber & plastic products	782	1.04	971	1.09	1252	1.23	470	60.10
Vehicles parts & equipments	1285	1.72	1100	1.24	1455	1.43	170	13.23
Gems and jewellery	818	1.09	1083	1.22	1419	1.39	601	73.47
Construction	1405	1.88	2324	2.62	1540	1.51	135	9.61
Infrastructure	22567	30.14	24520	27.64	33787	33.19	11220	49.72
-Power	9342	12.48	9914	11.18	13498	13.26	4156	44.49
-Tele-Communication	4657	6.22	5748	6.48	7628	7.49	2971	63.80
- Roads & Ports	5084	6.79	5384	6.07	5553	5.46	469	9.23
- Others	3484	4.65	3474	3.92	7108	6.98	3624	104.02
Others	25586	34.17	31095	35.05	32740	32.16	7154	27.96
Industry (Micro, Small, Medium large)	79503	100.00	88708	100.00	101794	100.00	22291	28.04



Investment

(Rs. Crore)

Sl.	Particulars	Dec'09	Mar'10	Dec'10
1	Gross Investment	73998	78058	88378
2	Held To Maturity (HTM)	58661	61013	68534
3	Available For Sale (AFS)	13466	13973	18468
4	Held For trading (HFT)	1871	3072	1376
5	Duration (AFS)	2.69	2.34	3.36
6	Modified Duration (AFS)	2.57	2.23	3.19
7	Duration Total Portfolio	4.83	4.66	4.86
8	Modified Duration Total Portfolio	4.65	4.49	4.66
9	Net demand & time Liabilities	239374	251360	285585
10	SLR (%)	26.2	26.04	26.55
11	HTM To SLR (%)	88	89	90.85
12	HTM To Gross Investment (%)	79.27	78.16	77.55



Non-Performing Assets

(Rs. Crore)

Sl.	Parameters	Dec'09	Mar'10	Dec'10
1	NPA as at the beginning of Yr.	2507	2507	3214
2	Cash Recovery	600	950	955
3	Up gradation	263	328	232
4	Write Off	529	853	590
5	Total Reduction (2+3+4)	1392	2131	1777
6	Fresh Addition	2032	2838	3104
7	Gross NPAs end period	3155	3214	4541
8	Eligible Deductions incldg Provisions	2344	2233	2966
9	Net NPAs	812	982	1575
10	Recovery in written-off A/Cs	176	316	288



NPA Ratios

(In per cent)

Particulars	Dec'09	Mar'10	Dec'10
Net NPA%	0.48%	0.53%	0.72%
Gross NPA%	1.83%	1.71%	2.03%
NPA Coverage Ratio	82.91%	81.17%	77.18%



Restructured Accounts

(Rs. Crore)

S No	Restructured Accounts	TOTAL		WHICH SLIPPED TO NPA	
		A/C	AMOUNT	A/C	AMOUNT
1	A/cs restructured in FY 08-09	12658	4075	699	902.02
2	A/cs restructured in FY 09-10	2549	8021	119	353.04
3	A/cs restructured in FY 10-11	266	2266	Nil	
3a	Out of 3 above Restructured during Dec'10 Qtr	69	817		
Total		15473	14362	818	1255.06

Sl.	Particulars	No.	Amt.
1	Below Rs. 1 Crore	14812	628
2	Rs. 1 Crore & above	661	13734
3	Total	15473	14362
4	Out of 3 above <i>Standard Restructured Accounts</i>	14620	14090
5	<i>NPA A/c restructured</i>	853	271
6a	Out of 4 above <i>Accounts slipped to NPA</i>	818	1255
6b	Of which during FY 10-11 (9 months)	67	486
6d	Of which Dec10 Qtr	16	66



Sectorwise Restructured Accounts

(Rs. Crore)

April'10 to Dec'10			
Restructured A/cs	No	Amt O/s	Diminution in fair value
Standard Adv.	263	2258	75.8
Sub Standard Adv.	3	8	1.2
Doubtful Adv.	0	0	0.0
TOTAL	266	2266	77.1

SI	Restructured A/c	No.	Amt.
1	Under CDR	25	2075
2	Under SME	1458	1212
3	Others (Non-CDR)	13990	11075
	Total	15473	14362

SI	Particulars	Mar'09	Mar'10	Dec'10	Total
A	Agriculture	31	63	9	103
B	Housing	17	5	0	21
C	Real Estate	467	935	16	1418
D	Industry **	2376	6327	1855	10559
E	Others	1184	691	386	2260
	Total	4075	8021	2266	14362
**Out of E above Major Industries					
1	Auto	35	13	70	118
2	Aviation	19	645	463	1127
3	Construction	0	6	367	373
4	Drilling	0	1094	0	1094
5	Education	0	142	227	369
6	Engineering	90	50	0	141
7	Hotel	66	517	85	668
8	Infrastructure	591	870	488	1949
9	Iron & Steel	307	1554	14	1875
10	Paper	210	251	20	481
11	Pharma	135	90	45	270
12	Sugar	81	442	69	592
13	Textiles	710	625	8	1344
14	Trading	132	26	0	158



Capital Adequacy (Basel II)

(Rs. Crore)

Sl.	Particulars	Dec'09	Mar'10	Dec'10
	Capital Fund			
1	Tier I	16763	17227	17302
2	Tier II	9571	9536	9874
3	Total (Tier I+II)	26334	26764	27176
4	Risk-weighted Assets	180904	189025	228395
5	Capital Adequacy Ratio (%)	14.56%	14.16%	11.90%
6	Tier I (%)	9.27%	9.11%	7.58%
7	Tier II (%)	5.29%	5.04%	4.32%

As per new guidelines of RBI while the quarter end RWA are to be taken , the profit of Mar10 is to be taken in Tier I . In case the Dec'10 profit is ploughed back the CRAR increases to 13.31% & Tier I 8.99%

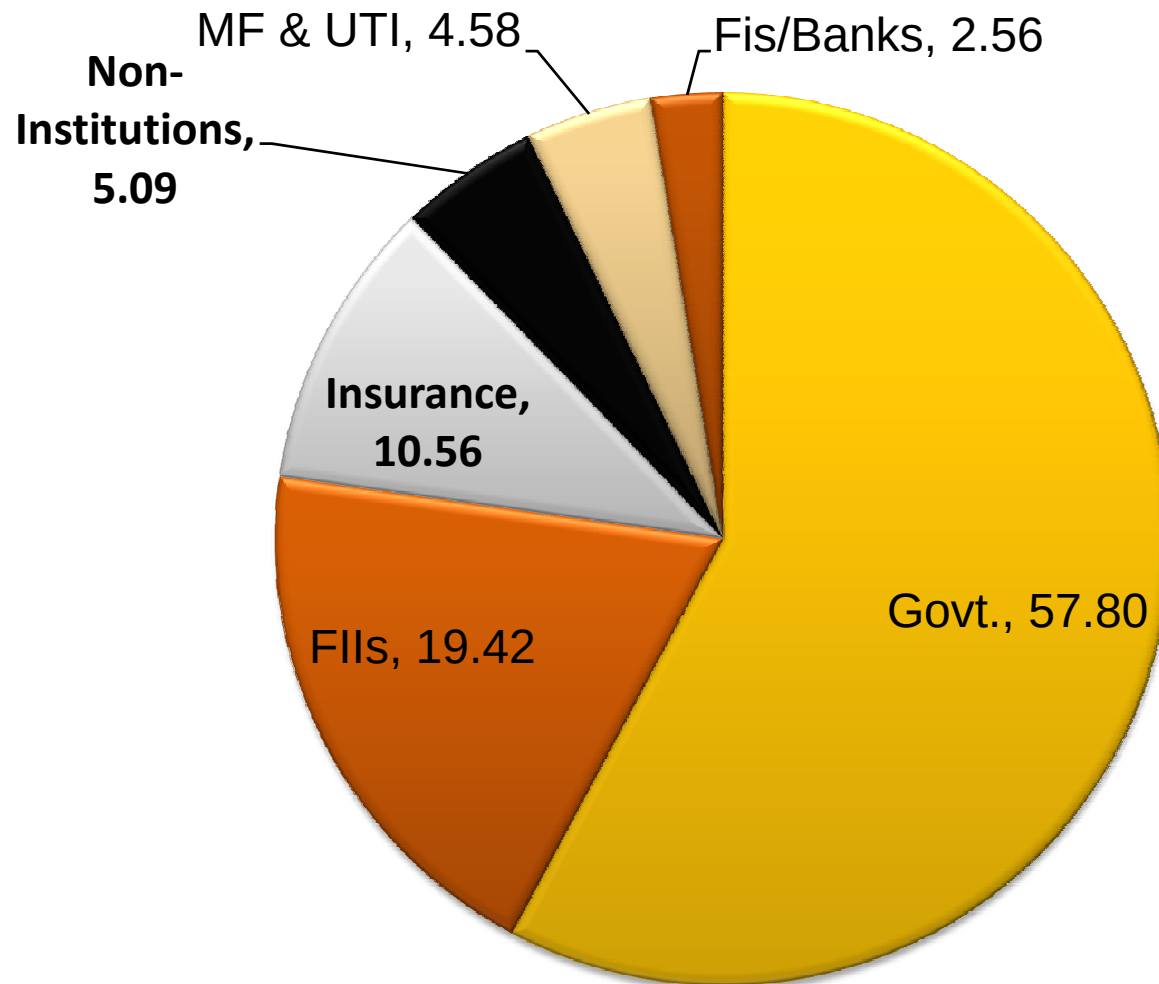


Ratios: Productivity & Market Share

Sl.	Parameters	Dec'09	Mar'10	Dec'10
1	Deposit Market Share (%)	5.32	5.23	5.56
2	Credit Market Share (%)	5.43	5.33	5.63
3	Business Per Branch (Rs. Cr.)	83.31	87.17	100.27
4	Business Per Employee (Rs. Cr.)	7.43	8.07	9.48



Shareholding Pattern (As on 31st Dec 2010)





New Initiatives

● **Mobile Payment facility** made live. Facility based on the concept of Bill Presentment and Bill Payment.

● **New addendum to SMS services:-**

Pull SMS service allowing users getting information on accounts

Minimum amount reduced to Rs. 1000 for receiving SMS alerts

All pensioners accounts have been enabled for SMS alert

● **PNB Uphaar**, a pre-paid gift card launched which can be used at Point of Sale (POS) Terminals.

● **World Travel Card** designed as a prepaid card for foreign travelers outside India in 3 currencies.



Current Overseas Presence

Type of office		Destination	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 Hong Kong	2nd April 2009
	5	DIFC, Dubai	20th December 2009
Subsidiary	1	PNBIL, UK (5 branches)	10th May 2007
	2	DRUK PNB Ltd., Bhutan (3 Branches)	27th January 2010
	3	JSC SB PNB, Kazakhstan (5 Branches)	
Joint Venture	1	Everest Bank Limited, Kathmandu, Nepal (37 Branches)	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

Acquired controlling stake 63.64% in JSC DANA Bank to be known as JSC SB PNB



Increasing Global Footprints...

Bank is in the process of :

- ***Upgrading Representative office in Norway to a full fledged branch. (RBI Approval has been received)***
- ***Setting up of representative office in Sydney, Australia.***
- ***Setting up of a wholly owned subsidiary in Canada, head quartered at Vancouver.***



Recognitions.....

- **3rd biggest Financial Co. & 5th fastest growing bank in 2010 by Business World.**
- **14th most valuable Public Sector Co for 2010 by Business Today.**
- **25th most valuable corporate brand amongst Top 50 by Brand Finance-ET.**
- **“Best Corporate Social Responsibility Practice” 2011 by Bombay Stock Exchange. 2nd in a row**
- **“Financial Inclusion Award” by SKOCH Consultancy Services.**
- **“Best Home Loan Provider” and “Best Education Loan Provider” by Outlook Money.**



Thank You