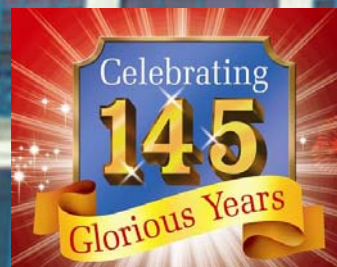


Presentation on Performance 2008-09



**WELCOME TO
ANALYSTS & INVESTORS**



A Brief History

- **1865 :** Founded by a group of Europeans at Allahabad,
- **1920 :** Passed into the fold of P & O Banking Corporation (POBC),
- **1923 :** Head Office shifted to Kolkata,
- **1927 :** Chartered Bank took over (POBC) – Allahabad Bank became a subsidiary of Chartered Bank,
- **1965 :** Centenary Celebration – 100th Branch at Ranchi,
- **1969 :** Nationalization - Business – Rs.196 crore
Dep. – Rs.114 crore, Adv. – Rs.82 crore,
- **2002 :** Initial Public Offer – Rs.100 crore,
- **2005 :** Follow on Public Offer – Rs.100 crore,

THE OLDEST JOINT STOCK BANK IN THE COUNTRY



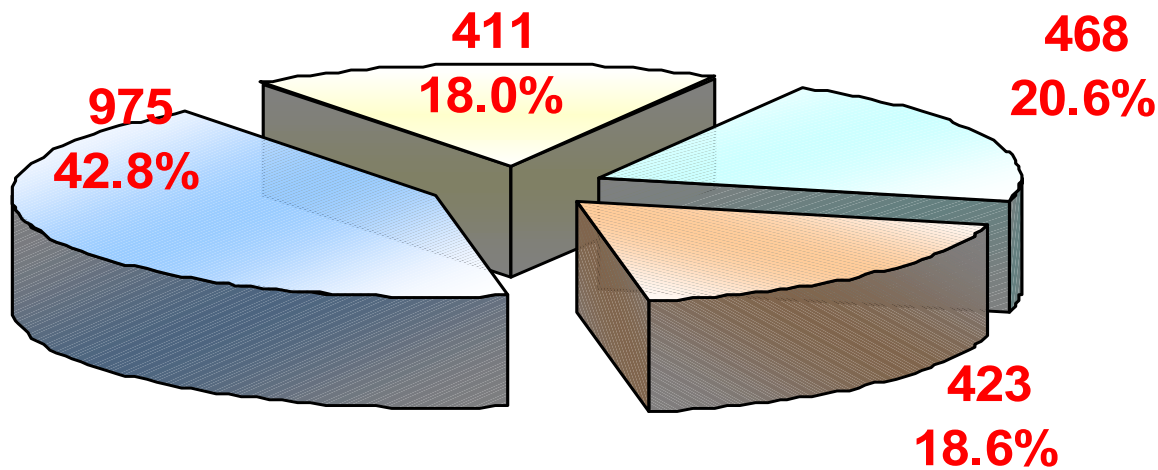
A Profile

Total Business	:	Rs.1,44,415 crore,
Total Deposits	:	Rs. 84,972 crore,
Credit	:	Rs. 59,543 crore,
Investment	:	Rs. 30,081 crore,
Operating Profit	:	Rs. 1,901 crore
Net Profit	:	Rs. 769 crore
Number of Branches	:	2,260,
International Operations	:	Representative Office at Shenzhen, China (2006) Branch at Hong Kong (2007)
Subsidiary	:	AllBank Finance Ltd. (1991)
Joint Venture	:	Universal Sompo General Insurance Company (2006)
Regional Rural Banks	:	3 (2 in UP & 1 in MP)



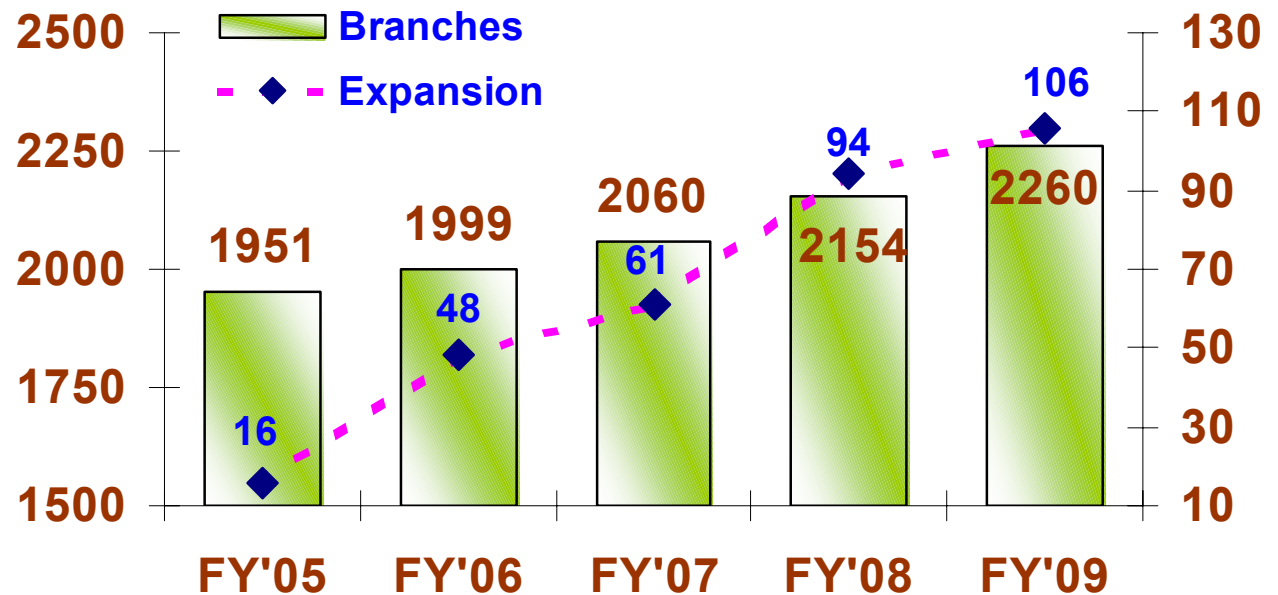
Branch Network

■ Rural ■ Semi-Urban ■ Urban ■ Metropolitan



**Branches 2,277
as on 30.4.2009**

Branch Expansion





Profit

Rs. in crores

Sl. No.	Particulars	Mar'08 (Q4)	Mar'09 (Q4)	Mar'08	Mar'09	Variation (%)	
						Q4 over Q4	Y-O-Y
1	Interest Income	1693	1915	6171	7365	13.11	19.34
2	Interest Expenses	1277	1323	4499	5206	3.53	15.72
3	Net Interest Income (Spread) (1-2)	416	593	1672	2159	42.54	29.08
4	Other Income	287	458	965	1142	59.66	18.36
5	Operating Expenses	333	437	1158	1399	31.22	20.89
6	Contribution (4-5)	-46	22	-193	-258		
7	Operating Profit (3+6)	370	614	1480	1901	66.00	28.50
8	Provisions	200	350	505	1133		
	Net Profit (7-8)	170	264	975	769	55.80	-21.15



Provisions

Rs. in crores

Sl. No.	Particulars	Mar'08 (Q4)	Mar'09 (Q4)	Mar'08	Mar'09	Variation (Amt)	
						Q4 over Q4	Y-O-Y
1	Bad & Doubtful Debts	70.86	188.23	268.55	313.23	117.37	44.68
2	Standard Advance	8.04	0.09	56.36	20.01	-7.95	-36.35
3	Depreciation on Inv.	85.55	23.03	20.40	357.49	-62.52	337.09
4	Income Tax	24.41	96.42	147.37	307.17	72.01	159.80
5	Others	11.60	42.29	12.09	134.65	30.69	122.56
6	Total Provision	200.46	350.06	504.77	1132.55	149.60	627.78



Profit : Quarter to Quarter

Rs. in crores

Sl. No.	Particulars	June'08 (Q1)	Sept'08 (Q2)	Dec'08 (Q3)	Mar'09 (Q4)	Variation (%)		
						Q2 over Q1	Q3 over Q2	Q4 over Q3
1	Interest Income	1706	1846	1898	1915	8.23	2.82	0.90
2	Interest Expenses	1237	1352	1294	1323	9.32	-4.33	2.22
3	Net Interest Income (Spread) (1-2)	469	494	604	593	5.34	22.41	-1.92
4	Other Income	144	131	408	458	-8.87	211.22	12.21
5	Operating Expenses	306	311	346	437	1.55	11.57	26.02
6	Contribution (4-5)	-162	-179	62	22	10.84	-134.54	-65.06
7	Operating Profit (3+6)	307	314	666	614	2.44	111.98	-7.79
8	Provisions	213	273	297	350	27.73	8.83	18.02
	Net Profit (7-8)	93	42	369	264	-55.36	786.44	-28.52



Break-up : Income

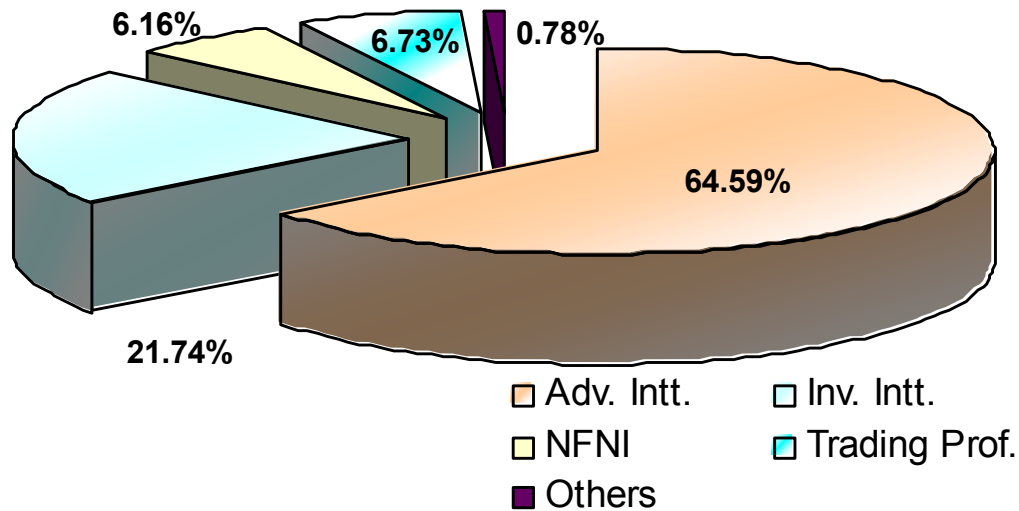
Rs. in crores

Sl. No.	Particulars	Mar'08 (Q4)	Mar'09 (Q4)	Mar'08	Mar'09	Variation (%)	
						Q4 over Q4	Y-O-Y
1	Intt. on Advances	1232	1445	4460	5494	17.29	23.20
2	Intt. on Investments	456	466	1669	1849	2.17	10.78
3	Other Interest Income	4	4	42	21		
4	Interest Income (1+2+3)	1693	1915	6171	7365	13.11	19.34
5	Non-Fund & Non-Intt. Inc.	143	208	438	524	45.61	19.59
6	Trading Profit	124	245	471	573	96.67	21.58
7	Other Income	20	6	56	45		
8	Total Income (4+5+6+7)	1980	2373	7136	8507	19.86	19.21

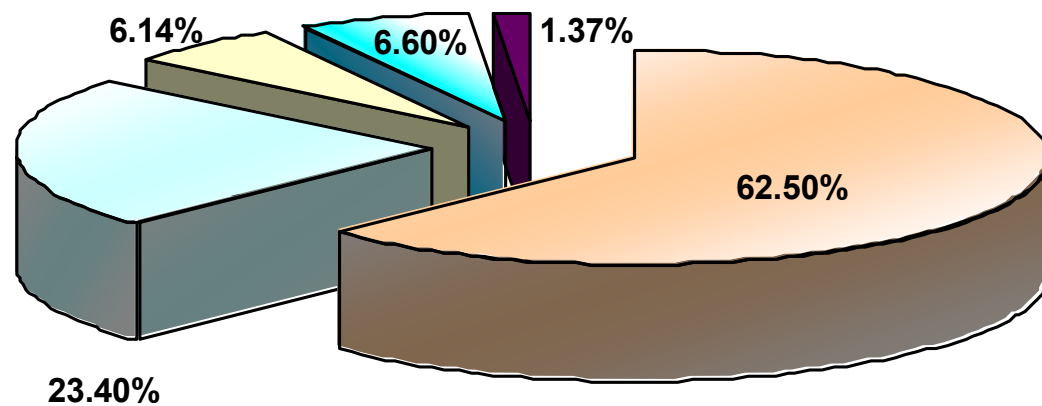


Sources of Income

Sources of Income 2008-09



Sources of Income 2007-08





Break-up : Fee-based Income

Rs. in crores

Sl.	NFNI Income	Mar'07	Mar'08	Mar'09
1	Bills	64	53	48
2	LC/BG	59	81	102
3	Locker Rent	14	14	15
4	Processing Fees	55	67	128
5	Others	86	137	142
6	Commission (1+2+3+4+5)	278	352	435
7	Exchange	81	86	88
8	Total NF/NI (6+7)	359	438	524



Break-up : Expenditure

Rs. in crores

Sl. No.	Particulars	Mar'08 (Q4)	Mar'09 (Q4)	Mar'08	Mar'09	Variation (%)	
						Q4 over Q4	Y-O-Y
1	Intt. Paid on Deposit	1204	1256	4306	4886	4.35	13.46
2	Intt. Paid on Borrowings	73	66	193	320	-9.80	66.13
3	Total Intt. Paid (1+2)	1277	1323	4499	5206	3.53	15.72
4	Operating Expenses (6+7)	333	437	1158	1399	31.22	20.89
6	Estab. Expenses	195	272	690	874	39.22	26.68
7	Other Operating Expenses	137	164	468	526	19.83	12.36
5	Total Expenses (3+4)	1610	1759	5656	6606	9.26	16.78



Cost & Yield Ratios

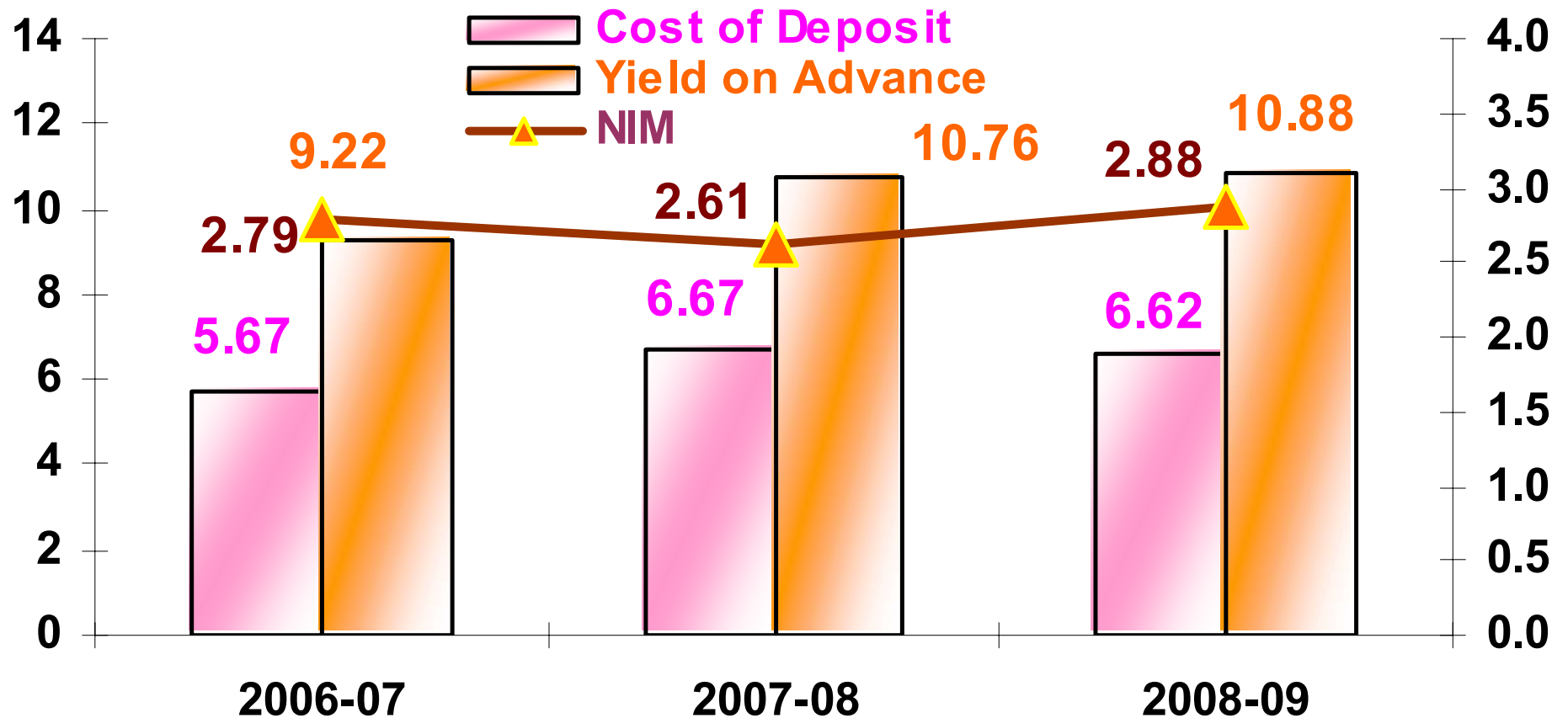
Rs. in crores

Sl.	Parameters	Mar'07	Mar'08	Mar'09
1	Cost to Deposit (%)	5.67	6.67	6.62
2	Cost of Borrowings (%)	6.21	6.60	7.51
3	Cost of Fund (%)	5.69	6.66	6.67
4	Yield on Advance (%)	9.22	10.76	10.88
5	Yield on Investment (%)	7.58	7.43	7.57
6	Yield on Fund (%)	8.11	9.26	9.62
7	Net Interest Margin (%)	2.79	2.61	2.88



Cost, Yield & NIM

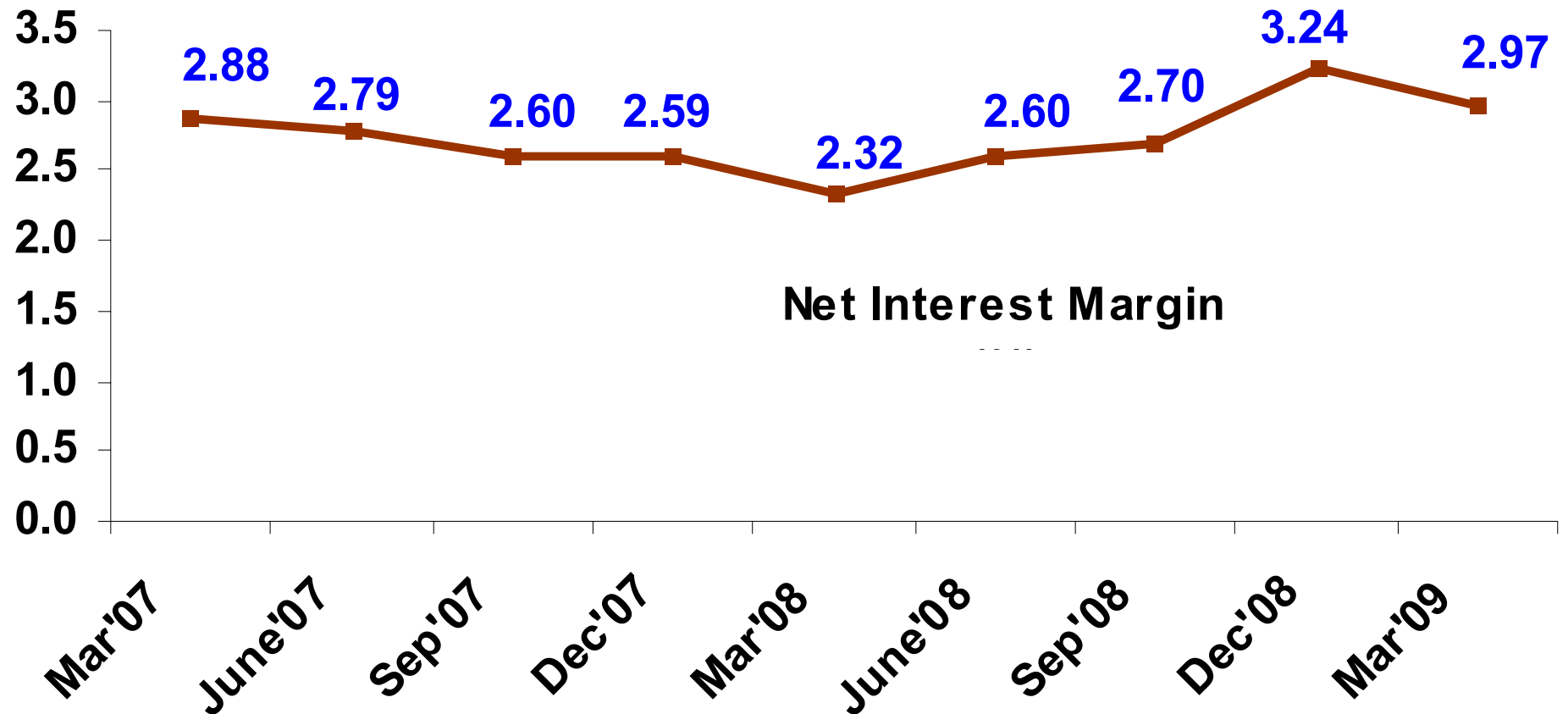
in per cent





Quarterly Net Interest Margin

in per cent





Business

Rs. in crores

Sl. No.	Particulars	Mar'07	Mar'08	Mar'09	Variation (%)	
					Mar'08 Over Mar'07	Mar'09 Over Mar'08
1	Total Business	101457	121929	144415	20.18	18.44
2	Total Deposit	59544	71616	84972	20.28	18.65
3	Total Advances	41914	50312	59443	20.04	18.15



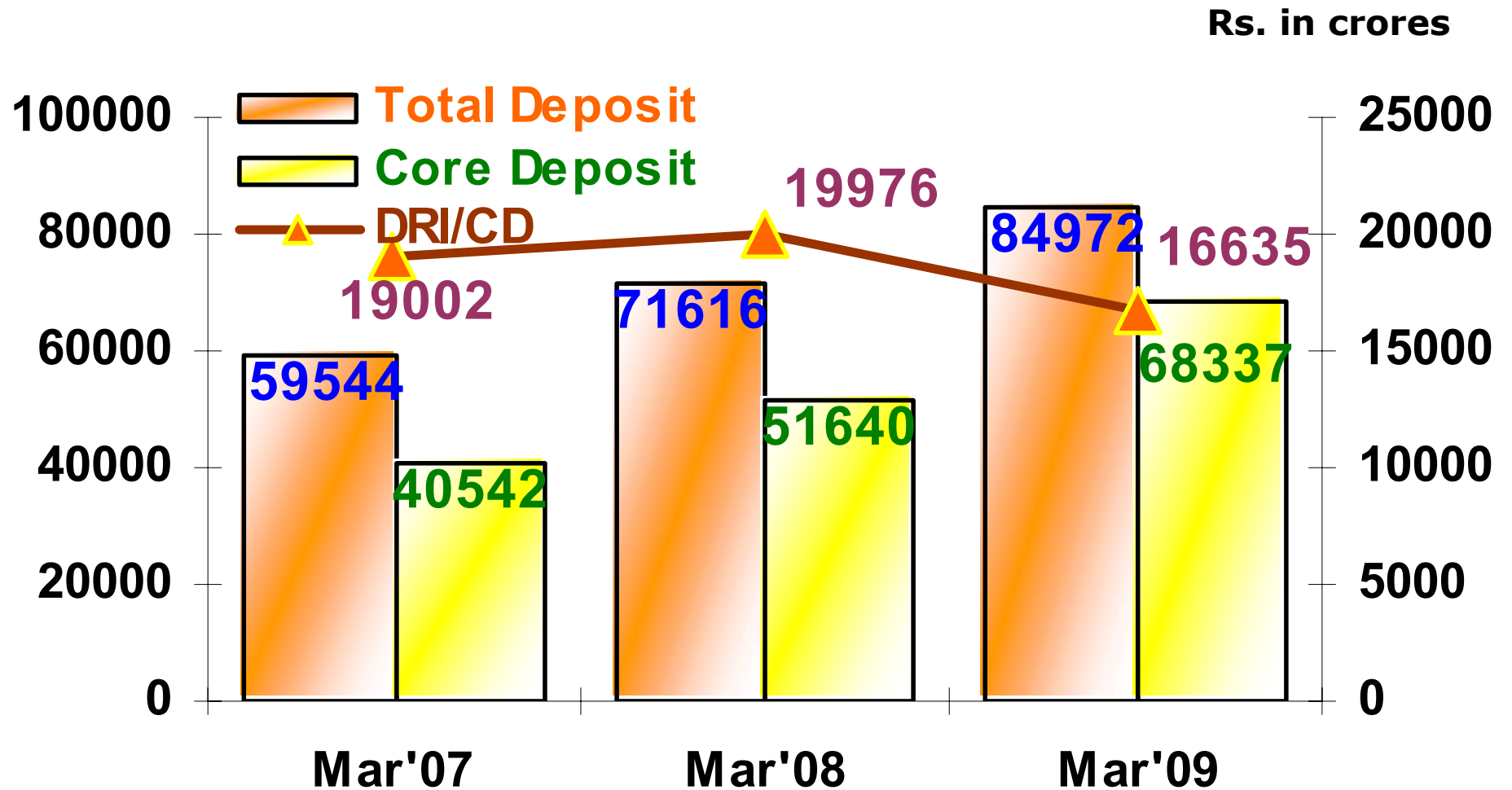
Deposit

Rs. in crores

Sl. No.	Particulars	Mar'07	Mar'08	Mar'09	Variation (%)	
					Mar'08 Over Mar'07	Mar'09 Over Mar'08
1	Total Deposit	59544	71616	84972	20.28	18.65
2	DRI/CD	19002	19976	16635	5.13	-16.73
2a	below card rate	0	0	9704		
2b	above card rate	19002	19976	6931	5.13	-65.31
3	Share (%) {2b/1}	31.91	27.89	8.16		
4	Core Deposit (1-2)	40542	51640	68337	27.38	32.33
5	Core in Total Dep. (4/1)	68.09	72.11	80.42		
6	SB Deposit	18965	20028	22774	5.61	13.71
7	Current Deposit	5267	5780	6623	9.74	14.58
8	CASA Deposit	24233	25809	29398	6.50	13.91
9	CASA (%) to Agg. Dep.	35.95	36.41	35.08		



Deposit : Core & DRI





Rs. in crores

Sl. No.	Particulars	Mar'07		Mar'08		Mar'09	
		Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
1	Total Advances	41914		50312		59443	
2a	Agriculture & Allied Activities	7691	18.35	9146	18.18	9568	16.10
2b	Industry (Small, Medium & Large)	14617	34.87	17907	35.59	24948	41.97
2c	Services	393	0.94	540	1.07	639	1.07
2d	Personal Loans	6651	15.87	6797	13.51	7893	13.28
2e	Trade	2881	6.87	4219	8.39	4517	7.60
2f	Others	8848	21.11	10351	20.57	10488	17.64
A	Priority Sector Credit	16553	39.49	18774	37.32	20435	34.38
B	Retail Credit	7188	17.15	7394	14.70	8406	14.14



Industry-wise Deployment

Rs. in crores

Sl. No.	Major Industry wise Deployment	Mar'07		Mar'08		Mar'09	
		Amt.	Share %)	Amt.	Share %)	Amt.	Share %)
1	Minning & Quarrying	17	0.12	43	0.24	57	0.23
2	Food Processing	408	2.79	606	3.38	721	2.89
3	Textiles	1133	7.75	1428	7.97	1768	7.09
4	Chemical & Chemical Products	1395	9.54	1365	7.62	1484	5.95
4a	Cement & Cement Products	174	1.19	174	0.97	288	1.15
5	Basic Metal & Metal products	2031	13.89	2744	15.32	3215	12.89
5a	Iron & Steel	1755	12.01	2349	13.12	2676	10.73
6	Engineering Products	1208	8.26	1285	7.18	2124	8.51
7	Infrastructure	5357	36.65	7303	40.78	10052	40.29
7a	Power	2252	15.41	3382	18.89	5129	20.56
8b	Tele-communication	212	1.45	967	5.40	1942	7.78
	Industry (Small, Medium & large)	14617		17907		24948	



Investment

Rs. in crores

Sl. No.	Particulars	Mar'07	Mar'08	Mar'09	Variation (%)	
					Mar'08 Over Mar'07	Mar'09 Over Mar'08
1	Gross Investment	19050	23722	30081	24.52	26.81
2	SLR Securities	14793	17909	21801	21.07	21.73
3	SLR to NDTL (%)	25.84	25.02	26.41		
4	Held To Maturity (HTM)	13434	12604	16555	-6.18	31.34
5	HTM to SLR Securities (%)	90.81	70.38	75.93		
6	HTM to Gross Investment (%)	70.52	53.13	55.03		
7	Available For Sale (AFS)	5616	11118	13527	97.97	21.66
8	Held For Trading (HFT)	0.00	0.35	0.14		
9	Duration	5.07	4.21	4.58		
10	Modified Duration	4.88	4.03	4.42		
11	Modified Duration (AFS)	2.48	2.84	3.36		



Non-Performing Assets

Rs. in crores

Sl.	Parameters	Mar'07	Mar'08	Mar'09
1	Opening Balance	1183.83	1093.59	1010.51
2	Recovery in NPA	274.67	306.10	267.78
3	Upgradation	62.66	109.68	179.22
4	Write Off	322.51	286.52	331.32
5	Total Reduction	659.84	702.30	778.32
6	Fresh Addition	569.60	619.22	846.06
7	NPA as at the end of Yr./Qr.	1093.59	1010.51	1078.25
8	Provisions	653.40	610.70	656.14
9	Net NPAs	440.19	399.81	422.11



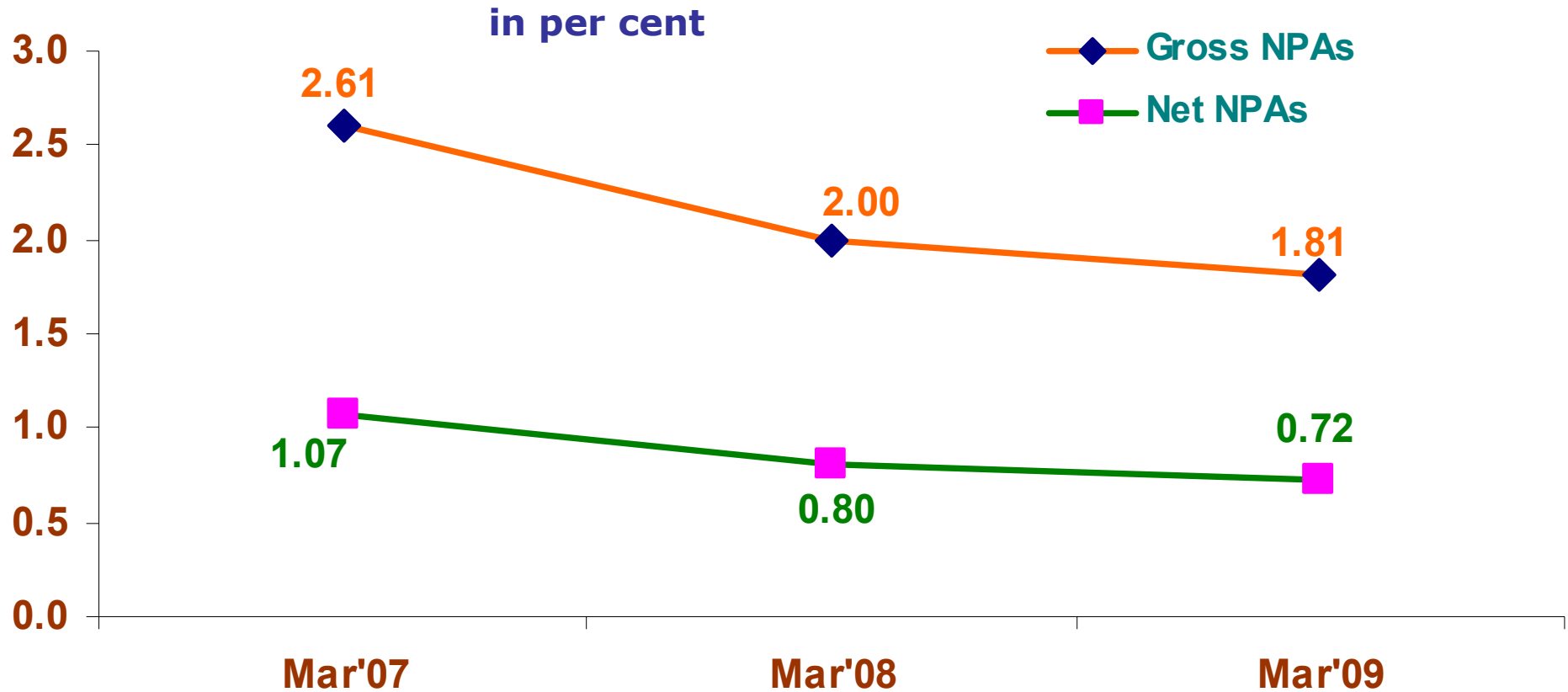
NPA Ratios

In per cent

Sl.	Parameters	Mar'07	Mar'08	Mar'09
1	Gross NPA (%)	2.61	2.00	1.81
2	Net NPA (%)	1.07	0.80	0.72
3	Provision Coverage Ratio (%)	57.01	58.55	59.51
4	Recovery Ratio (%)	28.50	38.02	38.40
5	Slippage Ratio (%)	1.97	1.52	1.72



Non-Performing Assets



Adopted aggressive strategy for NPA management including –

- **Thrust on recovery of fresh NPAs and arrest slippage**
- **Invocation of SARFAESI Act and sale of assets,**
- **Emphasize compromise settlement & upgradation of fresh NPAs**



Sectoral Yield & NPAs

Rs. in crores

Particulars	2007-08			2008-09 (Est.)		
	Advance	Yield (%)	NPA (%)	Advance	Yield (%)	NPA (%)
Corporate	14800	10.05%	0.81%	19425	10.88%	0.97%
share in total credit	<i>29.41%</i>			<i>32.68%</i>		
PSU	8510	10.03%	0.47%	10040	10.52%	0.48%
share in total credit	<i>16.91%</i>			<i>16.89%</i>		
Retail Consumption	9505	11.55%	2.26%	10485	11.16%	2.52%
share in total credit	<i>18.89%</i>			<i>17.64%</i>		
Retail Production	8356	11.45%	3.71%	9925	11.03%	3.77%
share in total credit	<i>16.61%</i>			<i>16.70%</i>		
Agriculture	9145	11.21%	3.47%	9568	10.76%	2.12%
share in total credit	<i>18.18%</i>			<i>16.10%</i>		
Total	50316	10.77%	1.99%	59443	10.88%	1.81%
	100.00%			<i>100.00%</i>		

- Yield on advances improved significantly due to re-pricing exercise,



Capital Adequacy Ratio (%)

Rs. in crores

Sl.	Particulars	Mar'07	Mar'08	Mar'09
1	Capital Fund			
2	Tier I	3551	4319	5107
3	Tier II	1938	2394	3252
4	Total (Tier I+II)	5489	6713	8359
5	Risk-weighted Assets	43841	55982	63768
6	Capital Adequacy Ratio (%)	12.52	11.99	13.11
7	Tier I (%)	8.10	7.71	8.01
8	Tier II (%)	4.42	4.28	5.10
9	RWA / Working Fund (%)	64.79	67.58	65.25

Particulars	Head Room
Innovative Perpetual Debt	600
Upper Tier II	1850
of which Subordinated Debt	450
Total	2450



Profit Ratios

In per cent

Sl.	Parameters	Mar'07	Mar'08	Mar'09
1	Return on Assets (%)	1.26	1.32	0.90
2	Return on Networth (%)	22.58	24.56	16.49
3	Operating Profit to AWF (%)	1.84	2.00	2.24
4	Book Value Per Share (Rs)	100.22	116.88	131.00
5	Earnings per share (Rs)	16.79	21.82	17.21
6	Cost to Income Ratio (%)	48.29	43.90	42.40
7	Estab. Exp. to Total Exp. (%)	14.92	12.20	13.23
8	Operating Exp. to AWF (%)	1.72	1.56	1.65



Ratios : Productivity & Market Share

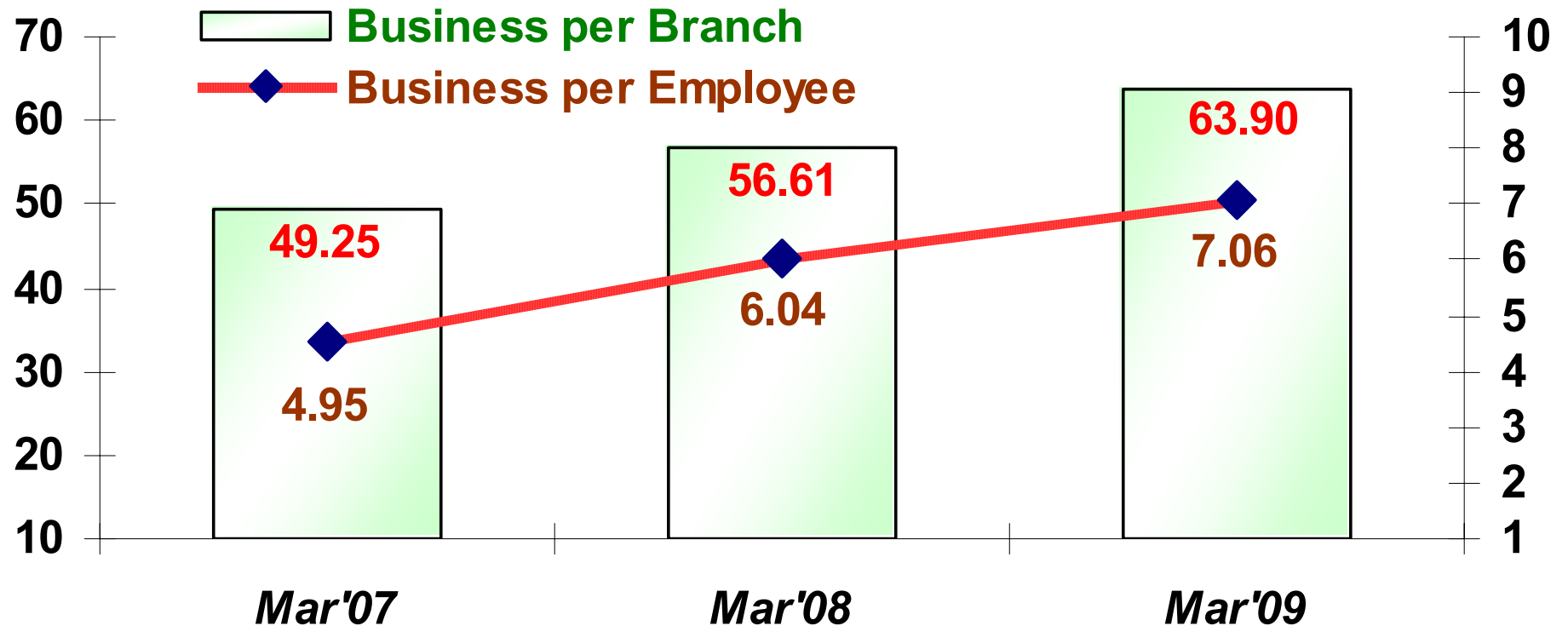
In per cent

Sl.	Parameters	Mar'07	Mar'08	Mar'09
1	Deposit Market Share (%)	2.24	2.22	2.11
2	Credit Market Share (%)	2.18	2.14	2.00
3	Business Per Branch (Rs. Cr.)	49.25	56.61	63.90
4	Busines Per Employee (Rs. Cr.)	4.95	6.04	7.06
5	Profit per Employee (Rs. lacs)	3.68	4.85	3.76
6	Credit Deposit Ratio (%)	70.39	70.25	69.96



Productivity

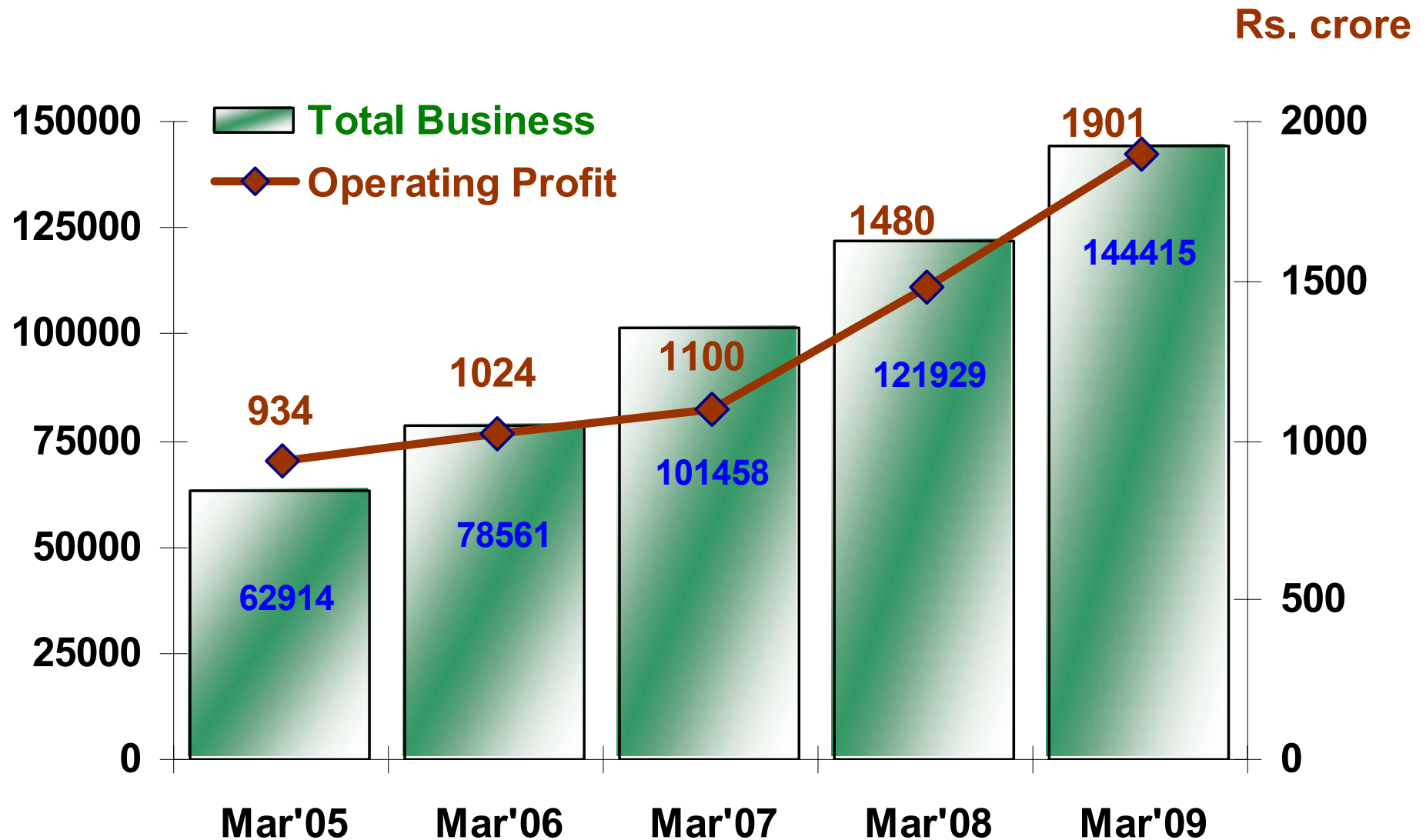
Rs. in crores



**Sustained business growth
enhanced productivity**



Sustained Growth

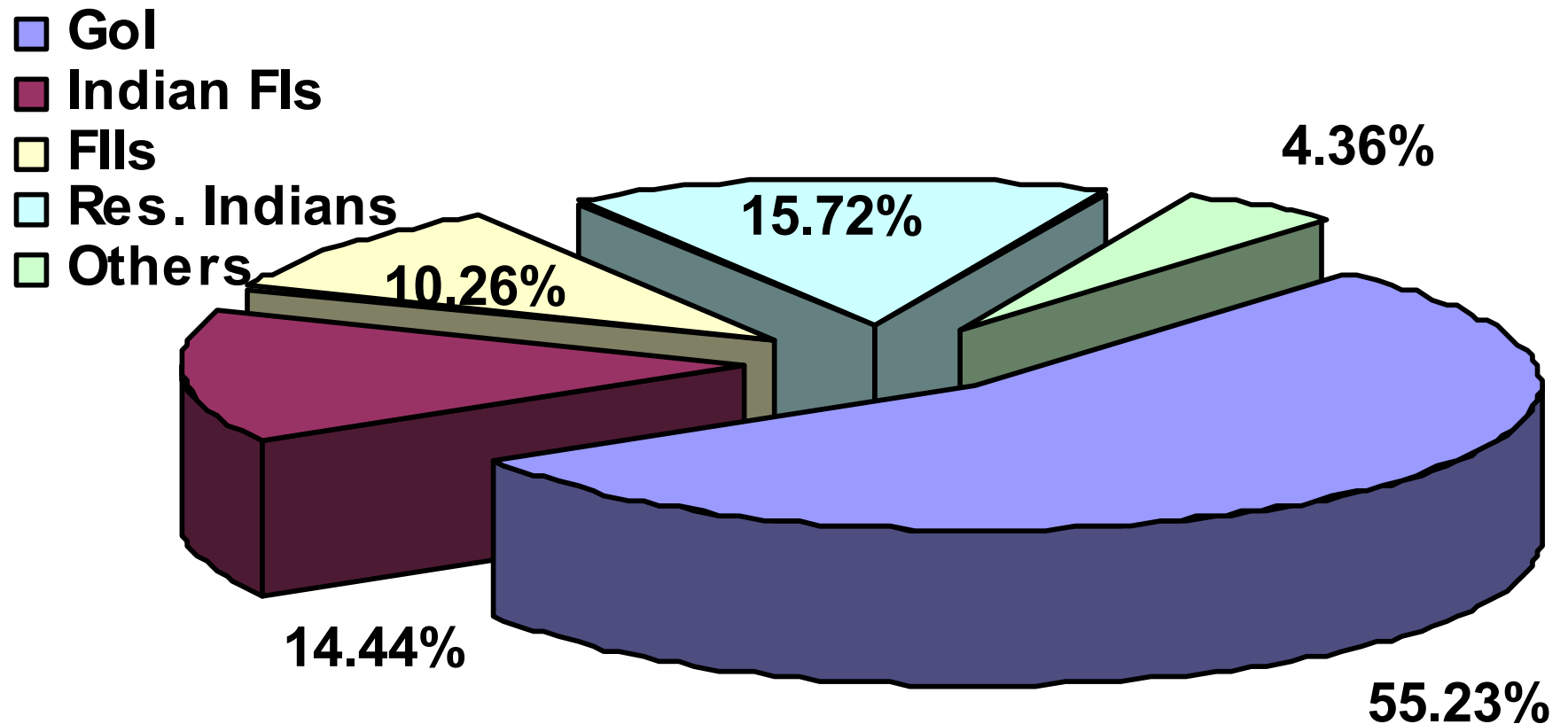




Shareholding Pattern

As on 31.3.2009

In per cent





Technology

- ❖ ***Computerization of all branches (2,260), extension counters (70) and offices,***
- ❖ ***ATMs with 884 branches on its network where customers can access more than 35,000 VISA & NFS ATM free of charge across the country,***
- ❖ ***CBS rolled out in 916 branches in 436 centres, covering business over 82%.***
- ❖ ***Launched internet banking, SMS banking & e-Payment facility,***
- ❖ ***RTGS implemented in 886 branches,***
- ❖ ***OLTAS implemented in 167 identified branches,***
- ❖ ***Institute of Research & Technology - for R & D and technical education at Panchkula.***



New Initiatives

Structural

- ❖ ***9 Field General Managers to expedite business decisions,***
- ❖ ***Retail Banking Boutique rejuvenated with processing centres,***
- ❖ ***BPR Cell formed to change/modify systems in line with CBS environment requirements,***

Manpower

- ❖ ***Fresh recruitments in line with attrition and tech-backed banking service requirements,***

Business Lines

- ❖ ***Sale of Gold Coin, rejuvenation in CMS, thrust on Bancassurance,***
- ❖ ***Loan Syndication Cell***



Looking Ahead

❖ **Business Projection for March 2010 -**

Business **Rs.1,75,000 crore**

Deposit **Rs.1,03,000 crore**

Advances **Rs. 72,000 crore**

❖ **December 2010** **Rs.2,00,000 crore**

❖ **CBS Roll Out**

1,200 branches by March 2010
All Branches by December 2010.

इलाहाबाद बैंक

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