

Quarterly Results:

Results for Quarter December 2005:

The Board of Directors of Allahabad Bank, at their meeting held on 24.01.06 took on record the un-audited quarterly financial results for the third quarter ended December 31, 2005.

Core Banking operations (Advances + Deposits) of the Bank have shown a strong growth of 22.77% in Q3 on a YoY basis, while it is up by 5.06% on a sequential basis. The operating profit for Q3, at Rs.263.54 crore, as against Rs. 236.45 crore of Q3 of last year shows a growth of 11.46%

Financial Data for Third Quarter ended December 31, 2005:

Profit & Loss Account

(Rs in Crores)					
	Q3 2005-06	Q3 2004-05	Growth (%)	Q2 2005-06	Sequential Growth (%)
Gross Interest Income	945.59	821.76	15.07	901.84	4.85
Net Interest Income	391.44	377.63	3.65	367.59	6.48
Investment Trading Profit	28.72	20.21	42.11	47.62	-39.69
Others	121.28	55.83	117.23	114.48	5.94
Total Income	1095.59	897.80	22.03	1063.94	2.97
Operating Costs	277.90	217.22	27.93	288.27	-3.60
<i>of which:</i>					
<i>Staff Cost</i>	<i>166.40</i>	<i>120.02</i>	<i>38.64</i>	<i>157.20</i>	<i>5.85</i>
<i>Rent, Taxes & Lighting</i>	<i>29.15</i>	<i>13.61</i>	<i>114.18</i>	<i>17.01</i>	<i>71.37</i>
<i>Depreciation</i>	<i>11.21</i>	<i>8.38</i>	<i>33.77</i>	<i>11.02</i>	<i>1.72</i>
<i>Other Costs</i>	<i>625.28</i>	<i>519.34</i>	<i>20.40</i>	<i>637.29</i>	<i>-1.88</i>
Total Expenditure	832.05	661.35	25.81	822.52	1.59
Operating Profit	263.54	236.45	11.46	241.42	9.16
Other Provisions & Contingencies	30.85	106.94	===	55.85	===
Provision for Tax	8.39	(29.74)	===	17.22	===
Net Profit	224.30	159.25	40.85	168.35	33.23
Paid up Equity Capital	446.70	346.70	28.84	446.70	0
EPS (Rs.) Annualised	20.09	18.37	9.36	15.07	33.31

- Other Provisions & Contingencies in Q3 FY06 at Rs. 30.85 crore (comprising Standard Assets Provision of Rs. 20.00 crore, NPA Provisions of Rs. 3.00 crore, Investment Depreciation of Rs. 9.37 crore and others viz., Provision for Revenue suspense, Intangible Assets, Fraud & Forgery, (-) Rs.1.52 crore) was lower as against Rs. 106.94 crore in Q3 FY05 and Rs. 55.85 crore in Q2 FY06. The decrease during the Q3 FY 06 over Q3 FY 05 is mainly due to the fact that during Q3 FY05, provision for salary revision to the tune of Rs.68.83 crore had to be made as against no requirement of provision for arrear salary during Q3 FY 06 since arrear payment towards salary revision was made during July, 2005.

Balance Sheet

(Rs in Crores)					
	As on 31.12.2005	As on 31.12.2004	Growth (%)	As on 30.9.2005	Sequential Growth (%)
Capital & Liabilities					
Capital	446.70	346.70	28.84	446.70	0
Reserves & Surplus	3242.88	1666.99	94.54	3026.87	7.14
Deposits	44631.30	38141.82	17.01	43700.51	2.13
Borrowings	106.92	118.91	-10.08	138.24	-22.66
Other Liabilities & Provisions	2079.58	1956.30	6.30	2488.23	-16.42
Total	50507.38	42230.71	19.60	49800.58	1.42
Assets					
Cash & Balance with RBI	2778.98	2708.63	2.60	2362.77	17.62
Balance with Bank and Money at Call & Short Notice	1299.85	470.14	176.48	779.72	66.71
Investments	18145.93	17886.27	1.45	19092.90	-4.96
Advances	26685.27	19786.40	34.87	24131.35	21.96
Fixed Assets	726.82	359.59	2.12	732.92	-0.83
Other Assets	870.53	1019.68	Negative	2700.92	-67.77
Total	50507.38	42230.71	19.60	49800.58	1.42

- **Capital at Rs. 446.70 crore as on 31.12.05 was higher by Rs. 100.00 crore compared to Rs. 346.70 crore as on 31.12.04 due to issuances of follow on public offer in the month of April, 2005.**
- **Fixed Assets at Rs. 726.82 crore on 31.12.05 was higher as against Rs.359.59 crore on 31.12.04 which is mainly due to revaluation of**

certain properties as on 31.3.2005 amounting to increase of Rs. 370.00 crore.

HIGHLIGHTS:

- **The net profit for quarter ended December 31, 2005 stood at Rs.224.30 Cr against Rs.159.25 Cr in the third quarter of 2004-05, registering a growth of 40.85%.**
- **Income from Non Fund/Non Interest Business increased to Rs.65.03 crores during the quarter ended December 2005 as against Rs.45.95 crores during the quarter ended December, 2004 registering a growth of 41.69%.**
- **The Bank could achieve higher profitability even after absorbing increased Staff Cost due to wage revision and lower profit from Sale of Investment.**
- **Return on Asset has increased from 1.51% during Q3 of 2004-05 (December 2004) to 1.78% during Q3 of 2005-06 (December 2005).**
- **The Bank could maintain steady growth in Yield on Advances at 8.86% during Q3 of 2005-06 (December 2005) against 8.70% quarter ended December 2004.**
- **Ratio of Other Operating Expenses to Total Expenses has come down from 14.70% during Q3 of 2004-05 (December 2004) to 13.40% during Q3 of 2005-06 (December 2005).**
- **The Bank could reduce its Net NPA Ratio substantially to 0.83% as on 31.12.2005 against ratio of 1.48% as on 31.12.2004.**
- **Current Deposits grew by 12.97% from Rs.3160 crores as on 30.9.2005 to Rs.3570 crores as on 31.12.2005 as against the decline of 4.26% in the corresponding quarter last year.**