

Date: May 28, 2010

PRESS RELEASE

Consolidated Financial Statements – PNB Group

Shri K R Kamath, CMD, Punjab National Bank has informed that Board in its meeting held on 28th May 2010 approved the consolidated Financial Statements (CFS) of the PNB Group and expressed satisfaction that the profit of all four existing subsidiaries increased compared to the financial year 2008-09. .

Comparative Profit after Tax of Subsidiaries (Rs. In crore)

Name of Subsidiaries	As on 31.03.2010	As on 31.03.2009	%age Increase in profit
PNB Gilts Ltd	36.70	24.49	49.86%
PNB International Ltd	19.04	13.46	41.45%
PNB Housing Ltd	66.76	53.41	25.00%
PNB Investment Services	1.03	-0.20*	
Total	123.53	91.16	35.51%

* Operation commenced in Nov. 2009 only

The DRUK PNB Bank has come up as 5th subsidiary which commenced operation only on 27th January 2010

During 2009-10 Bank also divested 26% stake in the wholly owned subsidiary PNB Housing Finance Ltd.

Similarly all our Associates are in profit. India Factoring & Finance Solution Pvt Ltd which is our latest associate has been incorporated in 2009-10 but is yet to commence operation. .

Bank also divested 6.50% stake out of 25% held by the bank in two of our Associates namely UTI AMC & UTI Trustee Co. This has resulted in reducing our Associates to 14 as against 15 at the end of previous financial year.

The **operating Profit** of PNB Group excluding minority interest increased from Rs.5809crore to Rs.7366crore registering a growth of 26.80 %.

The **net profit** of the Group increased by 24.26% , from Rs.3197crore to Rs.3973crore.

The **total Income** of the PNB Group increased by 12.37% thus reaching a level of Rs.25436crore from Rs.22636crore.

Out of above **Interest Income** remained at 21982crore compared 19579crore during the previous financial year showing an increase of 12.28%.

The **Other Income** registered a growth of 12.96% and increased from Rs.3057crore to Rs.3453 crore.

The **total expenditure** increased from Rs.16824 crore to Rs.18054 crore, i.e. an increase of 7.31%.

The **interest expenditure** increased by 5.20% from Rs.12576crore to Rs.13230crore.

The **operating expenses** increased from Rs.4248crore to Rs.4824crore i.e. by 13.56%.