**CORPORATION BANK**

CORPORATE OFFICE, MANGALADEVI TEMPLE ROAD, MANGALORE

**NOTES FORMING PART OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED / NINE MONTHS ENDED 31st DECEMBER 2011**

1. The financial results have been prepared following the same accounting policies and practices as those followed in the annual financial statements for the year ended 31st March 2011.

2. The working results for the quarter /nine months ended 31st December 2011 have been arrived at after considering provision for Non-Performing and Standard Assets and depreciation on Investments as per Reserve Bank of India guidelines. Provision for taxes, Pension, Gratuity and other necessary provisions for the quarter / nine months ended 31st December 2011 have been made on an estimated basis.

3. In terms of RBI circular no:DBOD.BP.BC.80/21.04.018/2010-11 dated 9th February 2011, after reckoning the available pension fund balance of Rs.338.67 crores, the net incremental liability of Rs.552.53 crores relating to II option for Pension is being amortised over a period of five years (Rs. 110.51 crores annually) starting form year 2010-11. Accordingly a sum of Rs.83.00 crores (representing 75% of Rs.110.51crores) has been charged to the Profit and Loss Account during the nine months period ended 31st December 2011.

4. Segment Report has been prepared based on the stand-alone financial information of the Bank. The Bank's operations are predominantly in India, therefore there are no reportable geographical segments.

**[Rs. in Crores]**

| SEGMENT REPORT | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Sl. No** | **Particulars** | **Quarter ended [Unaudited]** | | | **Nine months ended [Unaudited]** | | **Year ended** |
| | | **31.12.2011** | **30.09.2011** | **31.12.2010** | **31.12.2011** | **31.12.2010** | **31.03.2011 (Audited)** |
| a) | Segment Revenue | | | | | | |
| | i)Treasury Operations | 1005.00 | 970.01 | 781.90 | 2708.44 | 2031.64 | 2747.58 |
| | ii) Wholesale Banking | 1825.13 | 1,700.93 | 1296.01 | 5252.64 | 3376.48 | 4831.96 |
| | iii) Retail Banking | 857.33 | 742.26 | 566.58 | 2260.21 | 1731.87 | 2477.44 |
| | iv)Other Banking Operations | 117.04 | 76.27 | 91.25 | 340.69 | 273.85 | 402.64 |
| | **Total** | **3804.50** | **3489.47** | **2735.74** | **10561.98** | **7413.84** | **10459.62** |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| b) | **Segment Results** | | | | | | |
| | Profit (+) Loss (-) before tax and after interest from each segment | | | | | | |
| | i) Treasury Operations | 98.19 | 156.48 | 165.20 | 93.00 | 383.84 | 561.39 |
| | ii) Wholesale Banking | 218.44 | 226.74 | 78.54 | 742.57 | 274.96 | 347.21 |
| | iii) Retail Banking | 185.10 | 107.60 | 253.23 | 532.97 | 737.80 | 866.12 |
| | iv) Other Banking Operations | 85.18 | 13.31 | 72.47 | 187.40 | 182.79 | 231.05 |
| | **Total** | **586.91** | **504.13** | **569.44** | **1555.94** | **1579.39** | **2005.77** |
| c) | **Unallocated Expenses** | 62.47 | 8.75 | 82.51 | 126.97 | 122.83 | 72.13 |
| d) | **Operating Profit** | 524.44 | 495.38 | 486.92 | 1428.97 | 1456.56 | 1933.64 |
| e) | **Income Tax** | 122.22 | 94.27 | 104.50 | 274.19 | 388.62 | 520.37 |
| f) | **Extraordinary Profit/Loss** | - | - | - | - | - | - |
| g) | **Net Profit** | 402.22 | **401.11** | **382.42** | **1154.78** | **1067.94** | **1413.27** |
| h) | **Other Information** | **-** | **-** | **-** | **-** | **-** | **-** |
| i) | **Segment Assets** | | | | | | |
| | i) Treasury Operations | 43179.00 | 43765.04 | 39900.33 | 43179.00 | 39900.33 | 44164.84 |
| | ii) Wholesale Banking | 70192.45 | 62225.47 | 54853.28 | 70192.45 | 54853.28 | 68913.61 |
| | iii) Retail Banking | 22227.11 | 19443.03 | 17139.44 | 22227.11 | 17139.44 | 17960.50 |
| | iv)Other Banking Operations | 14937.45 | 13949.25 | 7009.30 | 14937.45 | 7009.30 | 10395.22 |
| | v) Unallocated Assets | 1989.23 | 2101.89 | 2548.39 | 1989.23 | 2548.39 | 2074.42 |
| | **Total Assets** | **152525.24** | **141484.68** | **121450.74** | **152525.24** | **121450.74** | **143508.59** |
| j) | **Segment Liabilities** | | | | | | |
| | i)Treasury Operations | 44868.80 | 45459.37 | 39065.47 | 44868.80 | 39065.47 | 44754.86 |
| | ii) Wholesale Banking | 73660.25 | 65387.07 | 54370.02 | 73660.25 | 54370.02 | 70624.54 |
| | iii) Retail Banking | 24425.81 | 21573.20 | 19532.10 | 24425.81 | 19532.10 | 19662.80 |
| | iv)Other Banking Operations | 101.64 | 118.99 | 57.43 | 101.64 | 57.43 | 65.54 |
| | v) Unallocated Liabilities | 1176.15 | 1055.68 | 1582.91 | 1176.15 | 1582.91 | 1263.04 |
| | vi) Capital and Reserves | 8292.59 | 7890.37 | 6842.81 | 8292.59 | 6842.81 | 7137.81 |
| | **Total Liabilities** | **152525.24** | **141484.68** | **121450.74** | **152525.24** | **121450.74** | **143508.59** |

5. Status of Investor Complaints is as follows:

| **Particulars** | **No. of complaints** |
|---|---|
| a. Pending as on 30th September, 2011 | Nil |
| b. Received during the Quarter | 97 |
| c. Disposed off during the Quarter | 97 |
| d. Pending as on 31st December 2011 | Nil |

6. Provisioning Coverage Ratio as at 31st December 2011 works out to 88.03% with respect to Gross NPA as at September 30, 2010 and 62.88% with respect to Gross NPA as at December 2011.
7. Corresponding period/year figures have been regrouped / reclassified, wherever necessary.
8. The above results have been approved by the Board of Directors at its meeting held on 02-02-2012. The same have been subjected to limited review by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and as per the requirements of the listing agreement with Stock Exchanges.

[Ashwani Kumar]
Executive Director

[Ajai Kumar]
Chairman & Managing Director

Place: Mumbai
Date: 02-02-2012

In terms of our report of even date

| | | |
|---|---|---|
| for Vinod Kumar & Associates | for O.P. Totla & Co. | for Rajendra K. Goel & Co. |
| Chartered Accountants | Chartered Accountants | Chartered Accountants |
| FRN-002304N | FRN-000734C | FRN-001457N |
| [Vaibhav Jain] | [S.R.Totla] | [R.K.Goel] |
| M.No.515700 | M.No.071774 | M.No.006154 |
| PARTNER | PARTNER | PARTNER |

| | | |
|---|---|---|
| for K.Varghese & Co. | for V.Narayanan & Co. | for Suresh Chandra & Associates |
| Chartered Accountants | Chartered Accountants | Chartered Accountants |
| FRN-004525S | FRN-002398S | FRN-001359N |
| [K.Varghese] | [S.Ananthan] | [S.C.Gupta] |
| M.No.020674 | M.No.026379 | M.No.016534 |
| PARTNER | PARTNER | PARTNER |

Place: Mumbai
Date: 02-02-2012