

The Manager
The Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street MUMBAI - 400 001
Fax: 022-22722037/39/2041/2061/
3121/1557/1278/3354/3577

The Manager
Listing Department
National Stock Exchange of India Ltd
EXCHANGE PLAZA
Bandra-Kurla Complex
Bandra [E] MUMBAI 400051 Fax : 022 -
26598237 / 238 / 26598347 / 348

प्रिय महोदय/ Dear Sir,

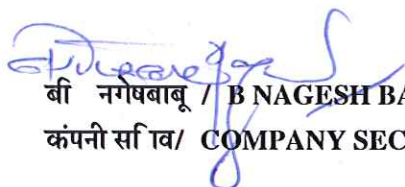
विषय/ Subject: Reviewed Financial Results - 31.12.2014

Ref : Clause No. 41 of the Listing Agreement

The Reviewed Financial Results of the Bank for the Third Quarter and Nine Months ended 31st December, 2014 were approved by the Board of Directors at its Meeting of 04.02.2015. A copy of the same along with Limited Review Report are enclosed.

धन्यवाद / Thanking you,

भवदीय/ Yours faithfully,


बी नगेशबाबू / B NAGESH BABU
कंपनी सचिव/ COMPANY SECRETARY

सचिवीय विभाग

प्रबंध निदेशक व मुख्य कार्यकारी अधिकारी सचिवालय

प्रधान कार्यालय

112, जे सी रोड बेंगलूर - 560002

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REVIEWED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER 2014

(₹ in Crore)

Sl. No.	PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
		(REVIEWED)			(REVIEWED)		(AUDITED)
		31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
1	INTEREST EARNED (a)+(b)+(c)+(d)	11051.66	10893.87	10083.87	32646.64	29007.93	39547.61
	(a) Interest/discount on advances/bills	8063.26	8004.71	7360.12	23972.93	20774.30	28457.32
	(b) Income on Investments	2791.71	2681.14	2574.55	8097.86	7653.14	10251.08
	(c) Interest on balances with Reserve Bank of India & Other Inter-Bank Funds	196.69	208.02	149.10	575.85	580.18	730.82
	(d) Others	0.00	0.00	0.10	0.00	0.31	108.39
2	Other Income	1176.20	1021.34	851.42	3224.44	2862.72	3932.76
3	TOTAL INCOME (1+2)	12227.86	11915.21	10935.29	35871.08	31870.65	43480.37
4	Interest Expended	8671.18	8526.08	7856.88	25469.11	22598.68	30603.17
5	Operating Expenses (i)+(ii)	1759.38	1763.59	1487.55	5184.13	4357.88	6081.01
	(i) Employees Cost	1037.85	1035.79	873.44	3111.74	2693.14	3672.38
	(ii) Other Operating Expenses	721.53	727.80	614.11	2072.39	1664.74	2408.63
6	TOTAL EXPENSES ((4+5) excluding Provisions & Contingencies)	10430.56	10289.67	9344.43	30653.24	26956.56	36684.18
7	Operating Profit before Provisions and Contingencies (3-6)	1797.30	1625.54	1590.86	5217.84	4914.09	6796.19
8	Provisions (Other than Tax) and Contingencies	841.33	813.70	1051.51	2443.17	2641.73	3733.00
9	Exceptional items	0.00	0.00	0.00	0.00	0.00	0.00
10	Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9)	955.97	811.84	539.35	2774.67	2272.36	3063.19
11	Tax expense	300.00	185.00	130.00	685.00	445.00	625.00
12	Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	655.97	626.84	409.35	2089.67	1827.36	2438.19
13	Extraordinary items (net of tax expense)	0.00	0.00	0.00	0.00	0.00	0.00
14	Net Profit (+) / Loss (-) for the period (12-13)	655.97	626.84	409.35	2089.67	1827.36	2438.19
15	Paid up Equity Share Capital (Face Value of each share-Rs 10/-)	461.26	461.26	461.26	461.26	461.26	461.26
16	Reserves excluding Revaluation Reserves						23660.60
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India	69.00%	69.00%	69.00%	69.00%	69.00%	69.00%
	(ii) Capital Adequacy Ratio - Basel II	10.26%	10.61%	10.12%	10.26%	10.12%	11.14%
	(iii) Capital Adequacy Ratio - Basel III	9.87%	10.19%	9.83%	9.87%	9.83%	10.63%
	(iii) Earnings per Share (EPS) (Not Annualised)						
	a) Basic and diluted EPS before Extraordinary items (net of tax expense) for the period, for the year to date and for the previous year	14.22	13.59	9.24	45.30	41.24	54.48
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year	14.22	13.59	9.24	45.30	41.24	54.48
	(iv) NPA Ratios						
	(a) Amount of Gross Non Performing Assets	10573.57	9164.26	8073.92	10573.57	8073.92	7570.21
	(b) Amount of Net Non Performing Assets	7555.85	7170.30	6869.87	7555.85	6869.87	5965.46
	(c) Percentage of Gross Non Performing Assets	3.35%	2.92%	2.79%	3.35%	2.79%	2.49%
	(d) Percentage of Net Non Performing Assets	2.42%	2.31%	2.39%	2.42%	2.39%	1.98%
	(v) Return on Assets (Annualised)	0.53%	0.51%	0.37%	0.56%	0.55%	0.54%
18	Public shareholding						
	- Number of Shares	143000000	143000000	143000000	143000000	143000000	143000000
	- Percentage of shareholding	31.00%	31.00%	31.00%	31.00%	31.00%	31.00%
19	Promoters and promoter group shareholding						
	a) Pledged / Encumbered						
	- Number of shares						
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)						
	- Percentage of shares (as a % of the total share capital of the Company)						
	b) Non-encumbered						
	- Number of shares	318258837	318258837	318258837	318258837	318258837	318258837
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the Company)	69.00%	69.00%	69.00%	69.00%	69.00%	69.00%

SEGMENT REPORTING FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014

[₹ in Crore]

BUSINESS SEGMENT		REVIEWED			REVIEWED		AUDITED
		Quarter ended			Nine Months ended		Year ended
		31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
(1)	Segment Revenue						
a	Treasury Operations	3174.90	2891.81	2676.16	8800.15	8380.86	11079.17
b	Retail Banking Operations	3173.45	2975.18	2705.54	9163.22	7693.50	10788.38
c	Wholesale Banking Operations	5713.79	5867.90	5392.25	17363.21	15303.64	20806.56
d	Other Banking Operations	0.00	0.00	0.00	0.00	0.00	0.00
e	Unallocated	165.72	180.32	161.34	544.50	492.65	806.26
	Total	12227.86	11915.21	10935.29	35871.08	31870.65	43480.37
(2)	Segment Results						
a	Treasury Operations	418.08	175.98	231.67	702.42	1115.97	1463.00
b	Retail Banking Operations	231.43	231.55	469.25	984.51	1317.37	1722.43
c	Wholesale Banking Operations	999.35	1059.69	728.59	3052.08	2076.07	2946.74
d	Other Banking Operations	0.00	0.00	0.00	0.00	0.00	0.00
	Total	1648.86	1467.22	1429.51	4739.01	4509.41	6132.17
(3)	Unallocated Income/Expenses	148.44	158.32	161.35	478.83	404.68	664.02
(4)	Operating Profit	1797.30	1625.54	1590.86	5217.84	4914.09	6796.19
(5)	Provisions and Contingencies	841.33	813.70	1051.51	2443.17	2641.73	3733.00
(6)	Income Tax	300.00	185.00	130.00	685.00	445.00	625.00
(7)	Net Profit	655.97	626.84	409.35	2089.67	1827.36	2438.19
(8)	Segment Assets*						
a	Treasury Operations	197101.40	191993.17	164804.81	197101.40	164804.81	167100.83
b	Retail Banking Operations	109199.61	107323.26	91751.92	109199.61	91751.92	99619.98
c	Wholesale Banking Operations	205558.56	210862.06	200165.64	205558.56	200165.64	209370.03
d	Other Banking Operations	0.00	0.00	0.00	0.00	0.00	0.00
e	Unallocated Assets	16942.88	13056.41	12433.75	16942.88	12433.75	10332.76
	Total Assets	528802.45	523234.90	469156.12	528802.45	469156.12	486423.60
(9)	Segment Liabilities						
a	Treasury Operations	45838.30	50409.37	42115.15	45838.30	42115.15	51466.11
b	Retail Banking Operations	203695.78	197496.73	174806.12	203695.78	174806.12	183552.33
c	Wholesale Banking Operations	223045.27	222224.62	202767.59	223045.27	202767.59	199789.78
d	Other Banking Operations	0.00	0.00	0.00	0.00	0.00	0.00
e	Unallocated Liabilities	30255.64	27800.01	25479.67	30255.64	25479.67	27493.52
f	Capital and Reserves *	25967.46	25304.17	23987.59	25967.46	23987.59	24121.86
	Total Liabilities	528802.45	523234.90	469156.12	528802.45	469156.12	486423.60

(* Excluding Revaluation Reserve)

[₹ in Crore]

GEOGRAPHICAL SEGMENT		REVIEWED			REVIEWED		AUDITED
		Quarter ended			Nine Months ended		Year ended
		31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
(1)	Domestic Operations						
a	Revenue	11931.58	11603.38	10649.89	34953.97	31103.57	42431.73
b	Assets	486044.67	480588.97	435026.52	486044.67	435026.52	449034.29
(2)	International Operations						
a	Revenue	296.29	311.83	285.40	917.12	767.08	1048.64
b	Assets	42757.78	42645.93	34129.60	42757.78	34129.60	37389.31
	Total						
a	Revenue	12227.87	11915.21	10935.29	35871.09	31870.65	43480.37
b	Assets	528802.45	523234.90	469156.12	528802.45	469156.12	486423.60

STATEMENT OF ASSETS AND LIABILITIES

[₹ In Crore]

	As on 31.12.2014 (REVIEWED)	As on 31.12.2013 (REVIEWED)	As on 31.03.2014 (AUDITED)
CAPITAL AND LIABILITIES			
CAPITAL	461.26	461.26	461.26
RESERVES AND SURPLUS	30936.47	29038.88	29158.85
DEPOSITS	462449.58	408924.42	420722.82
BORROWINGS	23638.03	22622.81	27230.64
OTHER LIABILITIES AND PROVISIONS	16747.38	13621.30	14348.28
TOTAL	534232.72	474668.67	491921.85
ASSETS			
CASH & BALANCES WITH RESERVE BANK OF INDIA	20874.69	18708.76	22153.78
BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE	21655.88	16228.32	22674.93
INVESTMENTS	153425.99	130359.44	126828.25
ADVANCES	312268.62	287700.05	301067.48
FIXED ASSETS	6925.38	6492.73	6641.56
OTHER ASSETS	19082.16	15179.37	12555.85
TOTAL	534232.72	474668.67	491921.85

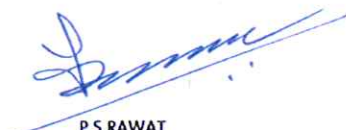
Notes:

- The above Financial Results were reviewed by the Audit Committee of the Board and approved by the Board of Directors in the meeting held on 4th February 2015. The results have been subjected to a 'Limited Review' by the Statutory Central Auditors of the Bank in accordance with the guidelines issued by Reserve Bank of India (RBI) and as per the requirement of Listing Agreement with Stock Exchanges.
- There has been no change in the accounting policies followed during the quarter/nine months period ended 31st December 2014 as compared to those followed in the preceding financial year ended 31st March 2014.
- The working results for the quarter/nine months period ended 31st December 2014 have been arrived at after considering provision for Loan losses in accordance with the extant guidelines of RBI on Prudential Norms for 'Income Recognition, Asset Classification and Provisioning' and Provision for Income Tax and Deferred Tax, Depreciation on Investments and Fixed Assets and other necessary provisions.
- In accordance with the RBI Circular No.DBOD.BP.BC.80/21.04.018/2010-11 dated 09.02.2011:
 - a sum of Rs.92.68 Crore has been charged to Profit & Loss Account during the quarter ended December, 2014 on proportionate basis towards unamortized liability of Rs. 1853.57 Crore (being amortized over 5 years beginning from 31st March 2011) on account of reopening of pension option for existing employees who had not opted for Pension earlier. The balance amount of Rs. 92.68 Crore will be dealt with as per guidelines of Reserve Bank of India.
 - a sum of Rs. 33.98 Crore has been charged to Profit & Loss Account during the quarter ended December 2014 on proportionate basis towards unamortised liability of Rs.679.52 Crore (being amortized over 5 years beginning from 31st March 2011) on account of the enhancement of gratuity limit. The balance amount of Rs. 33.97 Crore will be dealt with as per guidelines of Reserve Bank of India.
- Based on the available data, available financial statements and declaration from the Borrowers wherever received, the Bank has estimated the liability of Rs.54.03 Crore as at 31.12.2014 (Rs.39.44 Crore as at 30.09.2014) on Unhedged Foreign Currency Exposure to their constituents in terms of RBI Circular DBOD.No.BP.BC.85 / 21.06.200/2013-14 dated 15.01.2014. The entire estimated amount is fully provided for.



- 6 In terms of RBI Circular DBOD.BP.BC.2/21.06.201/2013-14 dated 01.07.2013 Banks are required to make Pillar 3 disclosures under Basel III Capital Regulations. The Disclosures are being made available on our website "www.canarabank.com". These disclosures have not been subjected to a Limited Review by the auditors.
- 7 Pending settlement of wage revision w.e.f 01.11.2012, adhoc provision of Rs.595 Crore is held as on 31.12.2014 which includes Rs.90 Crore provided during the current quarter and kept under Contingencies.
- 8 Provision Coverage Ratio as on 31st December 2014 is 59.44%
- 9 Number of Investors Complaints received and disposed off during the quarter ended 31.12.2014.
- i) Pending at the beginning of the quarter - Nil
 - ii) Received during the quarter - 360
 - iii) Disposed off during the quarter - 360
 - iv) Lying unresolved at the end of the quarter - Nil
- 10 Figures of the corresponding previous period have been regrouped/restated/incorporated wherever considered necessary / feasible.

PLACE: MUMBAI
DATE : 04.02.2015



P S RAWAT
EXECUTIVE DIRECTOR



V S KRISHNA KUMAR
MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

Limited Review Report
(in respect of Canara Bank)
for the quarter and nine months period ended December 31, 2014

To
The Board of Directors
Canara Bank
Bangalore

Introduction:

We have reviewed the accompanying statement of unaudited financial results of **CANARA BANK** for the quarter and nine months period ended December 31, 2014 which has been approved by the Board of Directors; except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. Management of the Bank is responsible for preparation and presentation of this statement of unaudited financial results in accordance with applicable Accounting Standards and other recognized accounting practices and policies and relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, and provisioning. Our responsibility is to express a conclusion on this statement based on our review.

Scope of Review:

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In conduct of our review, we have relied upon the review reports in respect of non-performing asset reviewed by the Bank's Inspection teams of 175 branches and the review reports of 2 foreign branches reviewed by the external auditor of those branches, besides carrying out the review of 20 branches by us and the Treasury Operations. These review reports cover 57.68% of the advances portfolio of the Bank (excluding ARM Branches and Food Credit); 68.17% of Non Performing Assets of the Bank. Apart from these review reports, in conduct of our review, we have also relied upon various returns received from the branches of the Bank.



JK.



Conclusion:

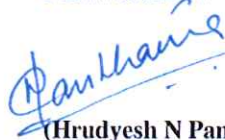
Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results together with the Notes thereon prepared in accordance with applicable Accounting Standards issued by the Institute of Chartered Accountants of India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of Income Recognition, Asset Classification, Provisioning and other related matters.

Emphasis of Matter:

We draw attention to Note No.4 in the unaudited financial results regarding amortization of pension and gratuity liability as permitted by the Reserve Bank of India (RBI) vide their circular dated February 9, 2011.

Our conclusion is not qualified in respect of above matter.

For Loonker & Co.
Chartered Accountants
FRN : 000172W



(Hrudyesh N Pankhania)
Partner
Membership No.138932



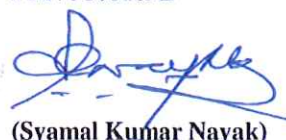
For P. Chopra & Co.
Chartered Accountants
FRN : 004957N



(Rakesh Jain)
Partner
Membership No. 087925



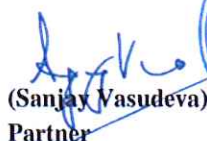
For A.R. Das & Associates
Chartered Accountants
FRN : 306109E



(Syamal Kumar Nayak)
Partner
Membership No.051353



For S. C. Vasudeva & Co.
Chartered Accountants
FRN : 000235N



(Sanjay Vasudeva)
Partner
Membership No.090989



For Vinay Kumar & Co.
Chartered Accountants
FRN : 000719C



(V K Agrawal)
Partner
Membership No.013795



For Ford Rhodes Parks & Co.
Chartered Accountants
FRN : 102860W



(A. D. Shenoy)
Partner
Membership No.011549



Place: Mumbai

Date: February 4, 2015