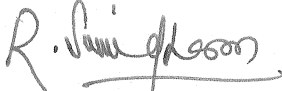


Notes:

1. The working results for the quarter and nine months ended 31st December 2010 have been arrived at after considering necessary provisions for NPAs, Standard Assets, Standard Derivative Exposures, Provision Coverage Ratio and Investment Depreciation on the basis of prudential norms issued by RBI and other provisions made on an estimated basis for Employee Benefits, Bonus, Income Tax (after adjustment for deferred tax), Wealth Tax and for other items/assets.
2. Consequent to the notification of the "Acquisition of State Bank of Indore Order, 2010" issued by the Govt. of India, the undertaking of State Bank of Indore stands transferred to and vests in State Bank of India ("the Bank"), with effect from 26th August 2010, the effective date. The results for the quarter and nine months ended 31st December 2010 include the results of operations of the erstwhile State Bank of Indore for the period from 26th August 2010 and the results of the Bank are not comparable to that extent.
3. Subsequent to the disbursement of arrears of wages finalized in accordance with the ninth Bipartite Settlement, an amount of Rs.986.66 crores for the nine months ended 31st December 2010 (including Rs. (38.51) crores for the quarter) being excess provision for wage revision have been written back to the Profit & Loss account.
4. Provision for employee benefits including pension, gratuity, compensated absences, etc. has been made (considering the wage revision except for pension) on the basis of an independent external actuarial valuation carried out as at 31st December 2010. The gratuity liability has been ascertained considering the wage revision and the increase in limit of the ceiling under the Payment of Gratuity Act, 1972. The incremental gratuity liability for the nine months ended 31st December 2010 is Rs. 1,540.00 crores (including Rs. 140.00 crores for the quarter). The pension liability has been estimated without considering the ninth bipartite settlement as the final approval from Government for revision in pension on the basis of the revised salaries is awaited.
5. The Bank has made technical write-offs during the quarter whereby advances aggregating Rs. 1084.53 crores have been written off against existing provisions. Also, the balances in INCA and URIPY aggregating Rs. 1618.02 crores have been reversed to the individual borrower accounts as stipulated by Reserve bank of India. Consequently, the advances and provisions as at 31st December, 2010 are lower by Rs. 2702.55 crores, improving the Gross NPA Ratio.
6. Provision Coverage Ratio as on December 31, 2010 works out to 64.07% in accordance with the quarter wise targets permitted by RBI, with the target of achieving 70% by September 2011. As per RBI guidelines, the Bank has made a prudential provision of Rs. 1780.00 crores for the nine months ended December 31, 2010 to meet the Provision Coverage Ratio stipulated by RBI.
7. The Bank has made additional infusion of capital in the following subsidiaries during the nine months:
 - SBI Cards and Payment Services Pvt. Ltd. - Rs. 18.00 crores.
 - SBI DFHI Ltd. - Rs. 37.64 crores
 - State Bank of Mysore (rights issue) - Rs. 538.49 crores
 - SBI Payment Services Pvt. Ltd. - Rs. 2.00 crores.
8. Number of Investors' Complaints received and disposed of during the quarter ended 31st December 2010:
 - (i) Pending at the beginning of the quarter - nil. (ii) Received during the quarter - 79
 - (iii) Disposed of during the quarter - 79 (iv) Lying unresolved at the end of the quarter - nil.
9. The above results have been reviewed by the Audit Committee at the meeting held on January 21, 2011 and approved by the Board of Directors at their meeting held on January 22, 2011. The results have been subject to a limited review by the statutory auditors.

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10. Previous period figures have been regrouped/reclassified, wherever necessary, to conform to current period classification.



R. SRIDHARAN

Managing Director and GE (A&S)



O. P. BHATT

Chairman

In terms of our Review Report of even date

Kalyaniwalla & Mistry
Chartered Accountants

Viraf R Mehta
Partner : M.No. 32083
Firm Regn. No. 104607 W

Essveeyar
Chartered Accountants

B. Shanmuganathan
Partner : M.No. 027882
Firm Regn. No.000808 S

K.C.Mehta & Co.
Chartered Accountants

Milin Mehta
Partner : M.No. 038665
Firm Regn. No.106237 W

**Krishnamoorthy &
Krishnamoorthy**
Chartered Accountants

R. Venugopal
Partner: M.No. 202632
Firm Regn. No.001488 S

Raj Bordia & Co.,
Chartered Accountants

R. S. Bordia
Partner : M No.081200
Firm Regn. No. 003293 C

B.M.Chatrath & Co.
Chartered Accountants

A. Chatrath
Partner : M.No.052975
Firm Regn. No.301011 E

Venugopal & Chenoy
Chartered Accountants

D.V.Jankinath
Partner : M.No.029505
Firm Regn. No.004671 S

Dagliya & Co.
Chartered Accountants

P. Manohara Gupta
Partner : M.No. 016444
Firm Regn. No.000671 S

Todi Tulsyan & Co.
Chartered Accountants

Sushil Kumar Tulsyan
Partner: M.No. 075899
Firm Regn. No.002180 C

SBA & Company,
Chartered Accountants

B D Bhattar
Partner : M.No. 071499
Firm Regn. No.004651 C

K K Soni & Co.,
Chartered Accountants

S. S. Soni
Partner : M.No.0094227
Firm Regn. No. 000947 N

K.G.Somani & Co.
Chartered Accountants

B. Maheshwari
Partner : M.No. 088155
Firm Regn. No.006591 N

M.Verma & Associates
Chartered Accountants

M. Gandhi
Partner : M No.088396
Firm Regn. No. 501433 C

R K J K Khanna & Co.
Chartered Accountants

Vipin Bali
Partner : M No.083436
Firm Regn. No. 000033 N

Place : Mumbai
Date : 22nd January, 2011