



**यूनियन बैंक**  
ऑफ इंडिया  
**Union Bank**  
of India

# Financial Results

**Q1 FY 2014 -15**

**1<sup>st</sup> August 2014**

## Business

- Global Business increased to Rs. 536824 crore

## Margin

- NIM for the quarter at 2.60%

## Profit

- Net Profit up 18.6% to Rs. 664 crore

## Capital

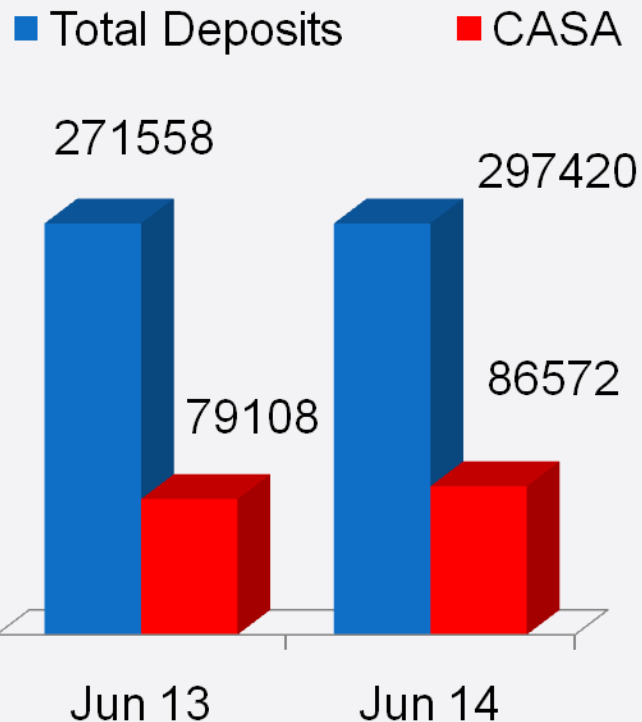
- CRAR (Basel III) at 10.41%; CET 1: 7.03%

## ROE

- Return on Equity at 15.1%

(Rs. crore)

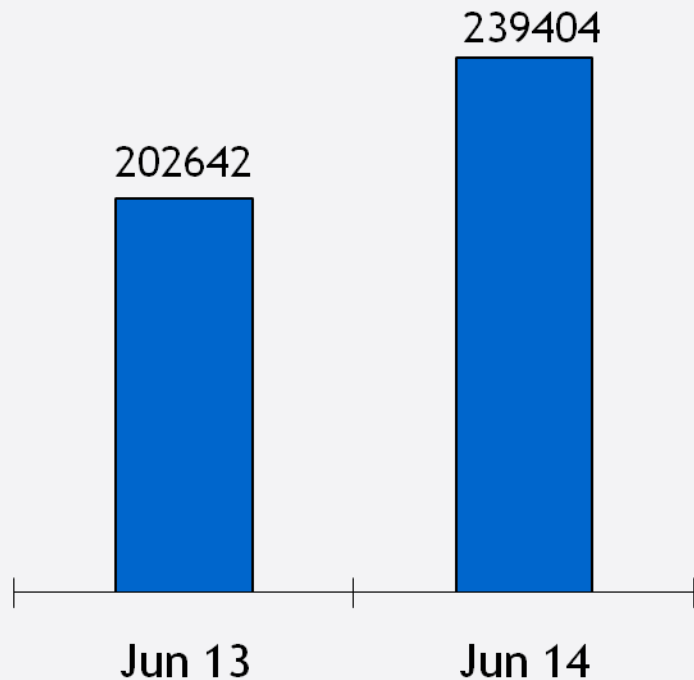
LIABILITIES	As at 30.06.13	As at 31.03.14	As at 30.06.14	YoY Growth (%)
Capital	708	741	741	4.7
Reserves and surplus	17140	17734	18390	7.3
Deposits	271558	297676	297420	9.5
Borrowings	23945	29317	31570	31.8
Other Liabilities and Provisions	7261	8313	8393	15.6
<b>Total</b>	<b>320612</b>	<b>353781</b>	<b>356514</b>	<b>11.2</b>
ASSETS				
Cash and Balances with Reserve Bank of India	12364	18420	12235	-1.0
Balances with Banks and Money at call and Short Notice	11345	4653	11452	0.9
Investments	91294	93723	91780	0.5
Advances	198543	229104	233932	17.8
Fixed Assets	2465	2609	2616	6.1
Other Assets	4601	5272	4499	-2.2
<b>Total</b>	<b>320612</b>	<b>353781</b>	<b>356514</b>	<b>11.2</b>



- CASA share at 29.1%
- Added 7.7 lakh CASA accounts
- Cost of Deposits at 7.24%.

(Rs. crore)

	Jun 2013	Mar 2014	Jun 2014	YoY Growth (%)
Total Deposits	271558	297675	297420	9.5
Current Deposits	21445	22703	21768	1.5
Savings Deposits	57663	65098	64804	12.4
CASA	79108	87801	86572	9.4



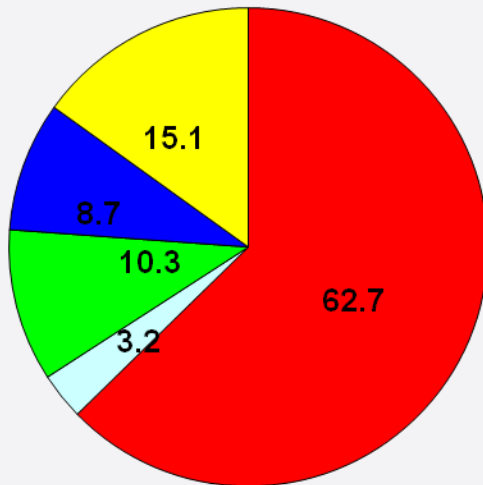
- Advances increased by 18.1%
- RAM (Retail, Agriculture & MSME) sectors are major contributors
- Yield on Advances at 10.47%

(Rs. crore)

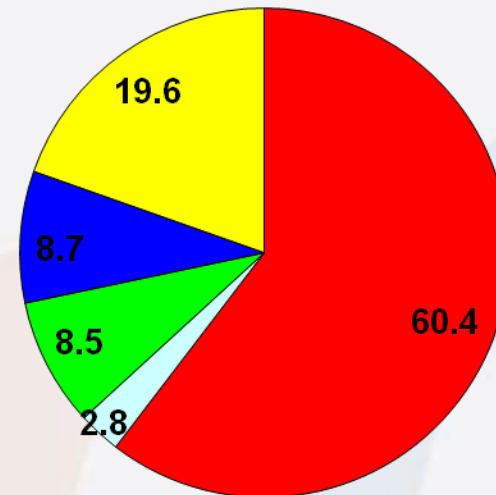
	Jun 2013	Mar 2014	Jun 2014	YoY Growth (%)
Retail Advances	20406	24931	26772	31.2
Agriculture	20513	25614	26553	29.4
MSME	34688	45372	45581	31.4
Share of RAM in Domestic Adv	40.3	44.3	44.6	

Sl.	Sectors	Top 10 Sectors (Domestic ) % Share in Advances		Top 10 Sectors (Domestic ) (30 <sup>th</sup> June 2014)	
		June 2013	Mar 2014	% Share	Amount (Rs. cr.)
1	Infrastructure	17.2	16.3	16.4	36433
2	Agriculture	10.1	11.8	12.0	26553
3	Trade	10.2	11.5	12.2	26973
4	Retail Advances	10.1	11.5	12.1	26772
5	NBFCs and HFCs	10.4	10.2	10.0	22264
6	Basic Metal Product	5.9	6.6	5.9	13190
7	Food Processing	3.0	3.3	3.1	6942
8	Textile	3.0	3.1	3.0	6749
9	Commercial Real Estate	1.9	2.3	2.4	5241
10	Gems & Jewellery	2.0	2.1	2.1	4572

Jun 2013



Jun 2014



- Housing Loans
- Personal Loans
- Education Loans
- Auto Loans
- Other Retail

Share of non-home retail loans increased by 2.3% over the year, adding to the margins

Overseas branches at  
Hong Kong, DIFC (Dubai) &  
Antwerp (Belgium)

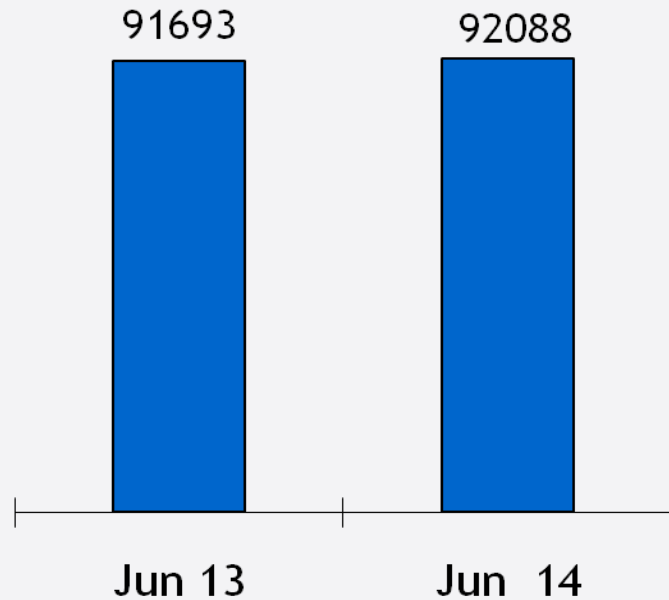
Representative offices at  
Shanghai, Beijing,  
Abu Dhabi and Sydney

Union Bank of India (UK) Limited  
(a wholly-owned subsidiary of  
the Bank in London)

## Business from Overseas Branches

Business	US \$ 3.63 Billion (Rs. 21820 crore)
Total Deposits	US \$ 0.71 Billion (Rs. 4283 crore)
Total Advances	US \$ 2.92 Billion (Rs. 17537 crore)





- Yield on Investments at 7.59%, up 22 bps
- 88% of AFS portfolio is interest sensitive.

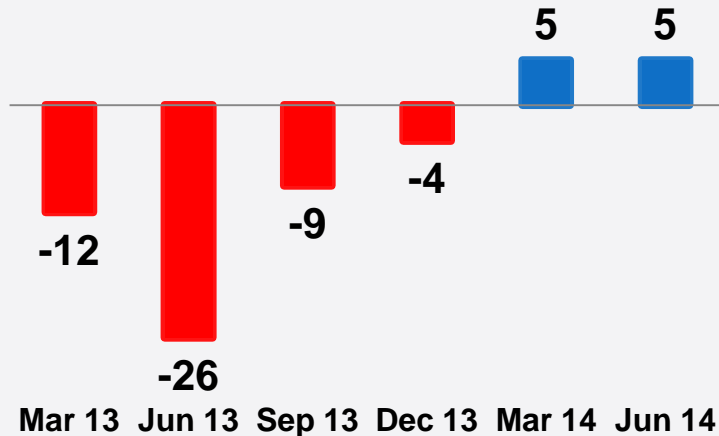
(Rs. crore)

	Jun 14	% to Total	Duration (Yrs)
Held to Maturity	70995	77.1	4.63
Held for Trading	253	0.3	4.72
Available for Sale	20840	22.6	2.63
<b>Total</b>	<b>92088</b>	<b>100.0</b>	<b>4.15</b>

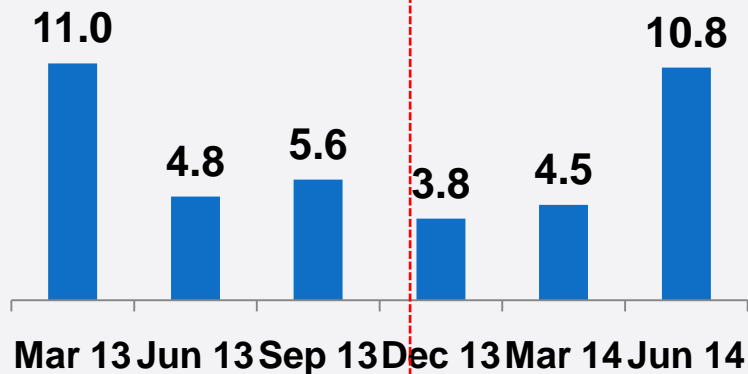


# Performance Highlights (April-June 2014)

### Q-o-Q Change in NIM (bps)



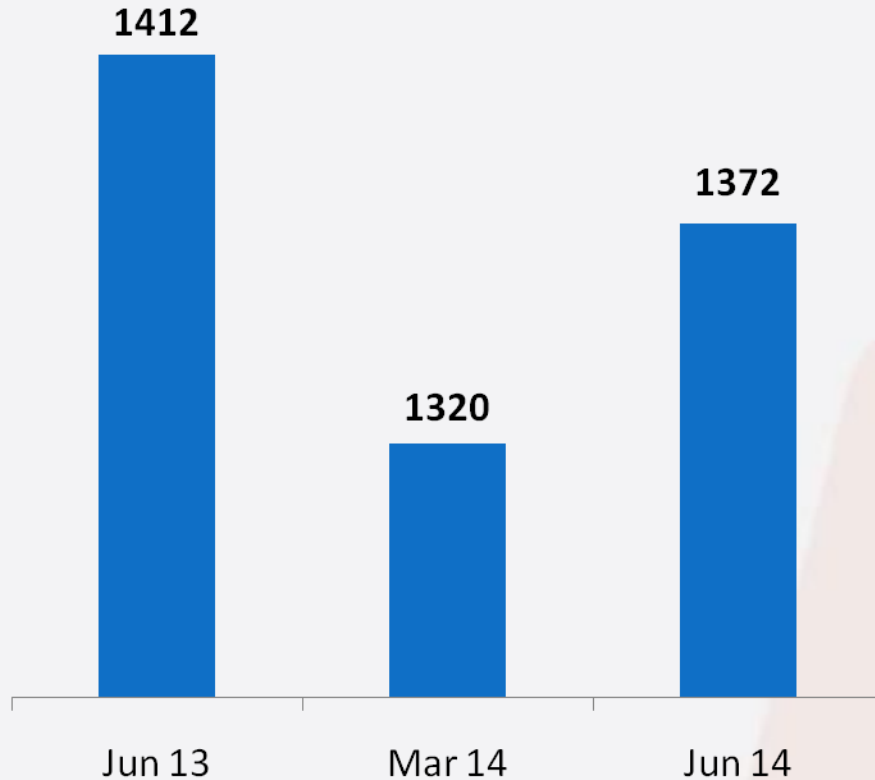
### YoY Growth (%) in Net Interest Income



	Jun 2013 (Q1) %	Mar 2014 (Q4) %	Jun 2014 (Q1) %
<b>Net Interest Margin (NIM)</b>			
-Global	2.63	2.55	2.60
-Domestic	2.72	2.62	2.68
<b>Yield on Fund</b>			
-Global	8.87	8.98	9.11
-Domestic	9.16	9.29	9.38
<b>Cost of Fund</b>			
-Global	6.40	6.58	6.65
-Domestic	6.60	6.83	6.86

(Rs. crore)

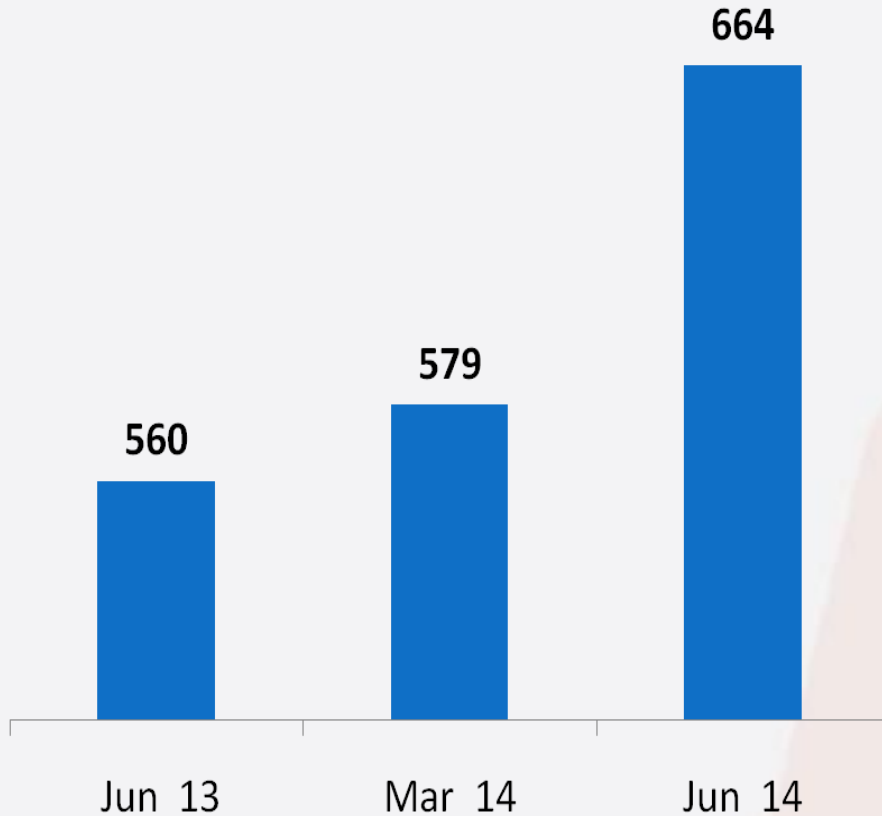
	Jun 2013 (Q1)	Mar 2014 (Q4)	Jun 2014 (Q1)	Growth % YoY	Growth % QoQ
<b>a. Core Non Interest Income</b>	<b>353</b>	<b>519</b>	<b>339</b>	<b>-3.9</b>	<b>-34.7</b>
<b>W/w</b>					
Inland Commission	96	133	85	-11.5	-36.1
Processing Charges	67	108	100	49.3	-7.4
Others	189	278	153	-19.0	-45.0
<b>b. Treasury Income</b>	<b>358</b>	<b>194</b>	<b>250</b>	<b>-30.1</b>	<b>28.9</b>
<b>W/w</b>					
Profit on Sale of Investments	239	83	99	-58.8	19.5
Exchange Profit	119	111	152	27.5	35.9
<b>c. Recovery in Written off Accounts</b>	<b>46</b>	<b>61</b>	<b>102</b>	<b>124.6</b>	<b>67.6</b>
<b>Total</b>	<b>756</b>	<b>774</b>	<b>691</b>	<b>-8.9</b>	<b>-10.7</b>



- Operating Profit is at Rs. 1372 crore for Apr-June 2014 as against Rs. 1320 crore during the last quarter ended March 2014.

(Rs. crore)

	Jun 2013 (Q1)	Mar 2014 (Q4)	Jun 2014 (Q1)
<b>NPAs</b>	483	670	426
<b>Standard Assets</b>	42	71	27
<b>Depreciation on Investment</b>	41	5	-138
<b>Shifting Loss</b>	28	0	39
<b>Restructured Advances</b>	50	60	7
<b>Others (FITL etc)</b>	38	115	32
<b>Taxation</b>	170	-180	315
<b>Total</b>	<b>852</b>	<b>741</b>	<b>708</b>



- The Net Profit for Apr-June 2014 increased to Rs 664 crore as against Rs. 579 crore for Jan-March 2014, registering a growth of 14.7%.

(Rs. crore)

	Jun 2013 Q1	Mar 2014 Q4	Jun 2014 Q1
Gross NPAs - Opening	6314	8776	9564
Add : Additions	1468	1199	1274
Less : Reductions	689	411	606
1. Recoveries / Upgradation	443	189	318
2. Write Off	246	222	288
Gross NPAs- Closing	7093	9564	10232
Gross NPA (%)	3.50	4.08	4.27
Net NPA	3883	5340	5763
Net NPA ( %)	1.96	2.33	2.46
Provision Coverage Ratio (%)	63.43	59.89	58.92
Credit Cost (%)	0.93	0.94	0.72



(Rs. crore)

SECTOR	Slippages During Jun 14	NPAs Jun 14	% to Total NPAs	% to Sector Loan		
				Jun 13	Mar 14	Jun 14
Agriculture	100	1590	15.54	7.38	6.22	6.13
Micro & Small (MSE)	172	1653	16.16	3.79	5.02	5.09
Retail Loans	102	558	5.45	2.57	2.03	2.15
Others	900	6431	62.85	2.96	3.88	4.15
<b>Total</b>	<b>1274</b>	<b>10232</b>	<b>100.00</b>	<b>3.50</b>	<b>4.08</b>	<b>4.27</b>

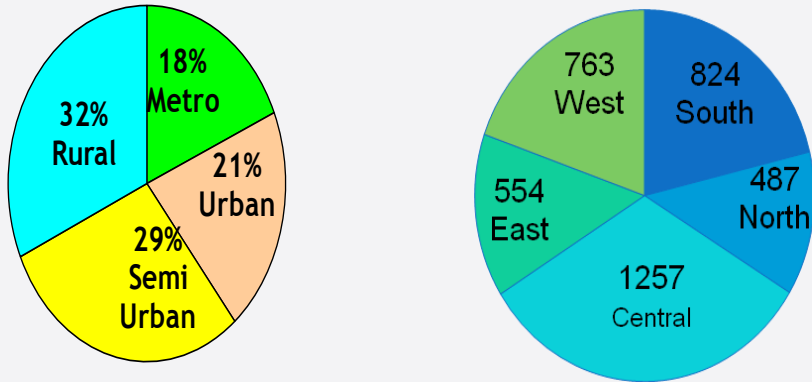
(Rs. crore)

Particulars	Standard	NPA	Total
Restructured Assets as on April 1, 2014	12353	3080	15433
Fresh Restructuring during the Quarter	465	0	465
Upgradation to Restructured Accounts during the Quarter	5	-5	0
Restructured Standard Advances which cease to attract higher provisioning and need not be shown as Restructured Assets	-348	0	-348
Down gradation of restructured accounts during the Quarter	-246	246	0
Change in Outstanding/Write-off/ Recovery/Closures	-262	37	-225
Restructured Accounts as on June 30, 2014	11967	3358	15325

**Outstanding Standard Restructured Assets excluding SEBs as % to Gross Advances: 2.8%**

		Jun 2013 (Q1)	Mar 2014 (Q4)	Jun 2014 (Q1)
<b>Cost to Income Ratio</b>	(%)	47.03	53.31	51.15
<b>Return on Average Assets</b>	(%)	0.73	0.68	0.77
<b>Earning Per Share</b>	(Rs.)	37.55	36.74	42.15
<b>Book Value per Share</b>	(Rs.)	273.81	269.37	279.94
<b>Business per Branch</b>	Rs. crore	135	137	138
<b>Business per Employee</b>	Rs. crore	14	16	15
<b>Gross Profit per Branch</b>	Rs. crore	1.60	1.36	1.41
<b>Gross Profit per Employee</b>	Rs. lakh	16.93	15.62	15.81
<b>Net Profit per Branch</b>	Rs. lakh	63.65	59.82	68.32
<b>Net Profit per Employee</b>	Rs. lakh	6.72	6.85	7.66

## Branch Mix

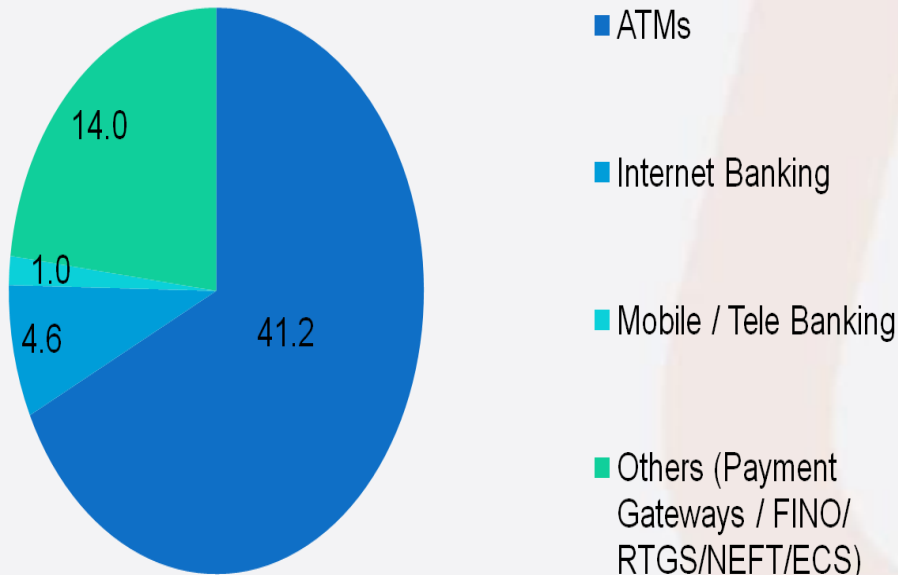


- Bank opened 16 domestic branches & 1 foreign branch at Antwerp and 192 ATMs during the quarter June 2014.

- ATM to Branch Ratio at 1.7

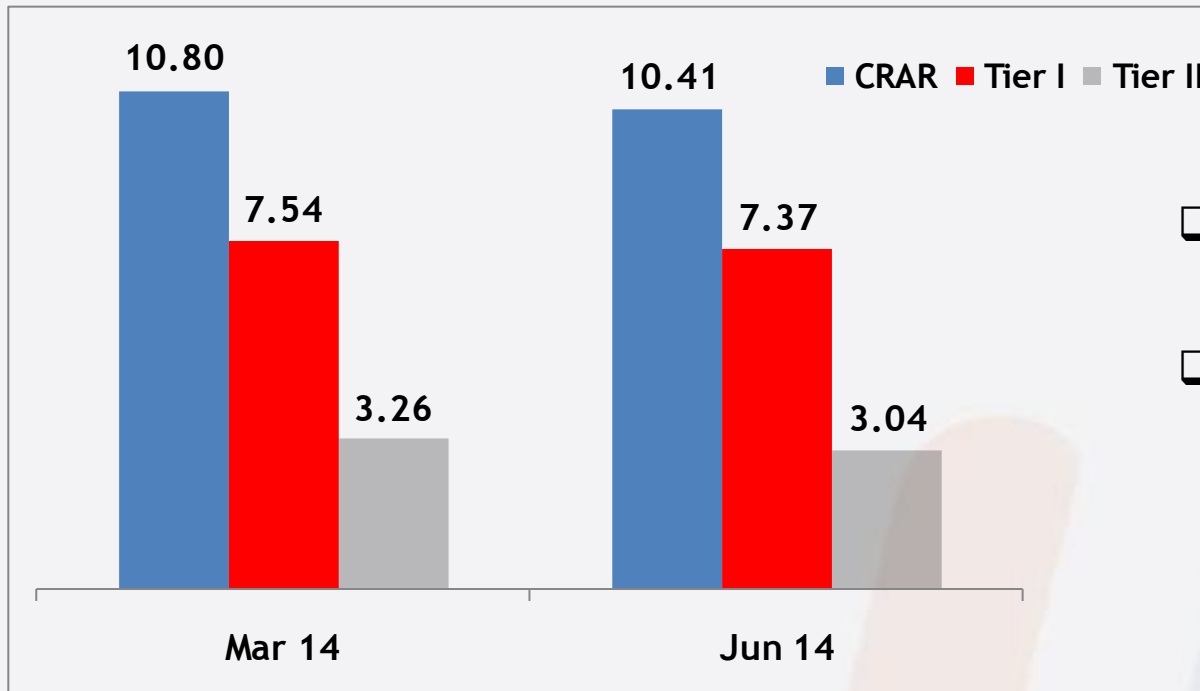
- Transactions through electronic channel at 61% as of Jun 2014

## Alternate Delivery Channels (% share in Total Transactions)



## Service Outlets

	Jun 13	Mar 14	Jun 14
Branches	3520	3871	3888
Ext. Counters	37	31	31
Service branches	47	47	47
<b>Total</b>	<b>3604</b>	<b>3949</b>	<b>3966</b>
<b>ATMs</b>	<b>5006</b>	<b>6429</b>	<b>6621</b>



- ☐ CRAR under Basel III is 10.41% (excluding quarterly profit)
- ☐ Tier I - 7.37% (CET I : 7.03%) & Tier II : 3.04%.

(Rs. crore)

	Jun 2013	Mar 2014	Jun 2014
Risk Weighted Assets	207228	229207	235875
Capital Funds	20547	24751	24557
CRAR-BASEL III ( % )	9.92	10.80	10.41

• Share Capital	Rs. 630.30 crore
• No. of Equity Shares:	63.03 crore
• Net worth:	Rs. 17645 crore
• Book Value per share	Rs. 280
• Return on Equity	15.1%
• Market Cap	Rs. 15181 crore

Shareholding Pattern (%)	Jun 13	Mar 14	Jun 14
Govt. of India	57.89	60.13	60.13
FIIs & FMFs	11.65	8.47	10.67
Banks, Institutions/ Mutual Funds	17.64	16.62	15.57
Others	12.82	14.78	13.63

# Disclaimer

Except for the historical information contained herein, statements in this presentation which contain words or phrases such as “is”, “aims”, ‘will’, ‘would’, ‘indicating’, ‘expected to’ etc., and similar expressions or variations of such expressions may constitute ‘forward-looking statements’. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, future levels of non-performing loans, our growth and expansion in business, the impact of any acquisitions, the adequacy of our allowance for credit losses, technological implementation and changes, the actual growth in demand for banking products and services, investment income, cash flow projections, our exposure to market risks as well as other risks. Union Bank undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



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