

## Press Release

### Financial Results for the quarter and half Year ended September 30, 2018


The Board of Directors of Union Bank of India today approved the accounts of the Bank for the quarter and half year ended September 30, 2018.

#### Key Highlights of the Quarter

Net Profit  ₹139 crore

Provision Coverage Ratio  57.66 %






Cash Recovery  149.6 % YoY

Domestic Gross Advances  9.0 % YoY





Net Interest Margin  2.18%

Saving Deposits  10.1 % YoY

#### Business:

-  Global Business grew by 3.1 per cent to ₹717656 crore as on September 30, 2018 from ₹695978 crore as on September 30, 2017. Domestic business grew by 6.5 per cent to ₹698892 crore as on September 30, 2018 from ₹656046 crore as on September 30, 2017.
-  Total deposit of the bank grew from ₹386025 crore as on September 30, 2017 to ₹399092 crore as on September 30, 2018 showing growth of 3.4 per cent.
-  Saving deposits grew by 10.1 per cent to ₹118424 crore as on September 30, 2018 from ₹107522 crore as on September 30, 2017.
-  The Bank's Global Advances grew by 2.8 per cent to ₹318563 crore as on September 30, 2018 from ₹309953 crore as on September 30, 2017.
-  Domestic Advances increased by 9.0 per cent from ₹277015 crore as on September 30, 2017 to ₹302007 crore as on September 30, 2018.

#### Financial Performance for the quarter ended September 2018:

-  Net Interest Income for July-September 2018 increased by 7.5 per cent to ₹2494 crore from ₹2321 crore for July-September 2017.
-  Operating profit stood at ₹1772 crore during July-September 2018.
-  Net Profit for July-September 2018 improved to ₹139 crore from ₹-1531 crore in July-September 2017.
-  Global Net Interest Margin (NIM) for July-September 2018 increased to 2.18 per cent as against 2.08 per cent for July-September 2017. Domestic NIM stood at 2.18 per cent for July-September 2018 as against 2.19 per cent for July-September 2017.



- Return on average assets (annualised) improved to 0.11 per cent for July-September 2018 as against -1.27 per cent for July-September 2017.
- Return on equity (annualised) improved to 3.11 per cent in July-September 2018 as against 2.88 per cent for April-June 2018.
- Yield on funds improved to 6.88 per cent for July-September 2018 as against 6.81 per cent for July-September 2017.
- Cost of funds stood at 4.87 per cent for July-September 2018 as against 4.81 per cent for April-June 2018.
- Cost to income ratio stood at 47.77 per cent for July-September 2018 as against 45.52 per cent for April-June 2018.
- Earnings per share (annualised) improved to ₹4.76 in July-September 2018 as against ₹4.43 for April-June 2018.

#### Financial Performance for half Year ended FY 2018-19:

- Net Interest Income for H1 2018-19 up by 12.2 per cent on YoY basis to ₹5120 crore from ₹4564 crore in H1 2017-18.
- Non Interest Income for H1 2018-19 stood at ₹2107 crore.
- Net profit for H1 2018-19 improved to ₹269 crore from ₹-1414 crore in H1 2017-18.
- Return on average assets (annualised) improved to 0.10 per cent for H1 2018-19 from -0.59 for H1 2017-18.
- Return on equity (annualised) improved to 3.00 per cent in H1 2018-19 from -16.54 per cent for H1 2017-18.
- Yield on funds improved to 6.89 per cent for H1 2018-19 as against 6.88 per cent for H1 2017-18.
- Cost of funds stood at 4.84 per cent for H1 2018-19 as against 4.96 per cent for H1 2017-18.
- Cost to Income ratio stood at 46.58 per cent during H1 2018-19.
- Earnings per share (annualised) stood at ₹4.60 in H1 2018-19.

#### Asset Quality:

- Cash Recovery & Upgradation during July - September 2018 increased by 180.4 % to ₹1615 crore as against ₹576 crore during July - September 2017.
- Gross NPA stood at 15.74 per cent as on September 30, 2018 as against 16.00 per cent as on June 30, 2018.
- Net NPA ratio stood at 8.42 per cent as on September 30, 2018 as against 8.70 per cent as on June 30, 2018.
- Provision Coverage Ratio stood at 57.66 per cent as on September 30, 2018 as against 56.49 per cent as on June 30, 2018.

Corporate Communications Division, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400021.



## Capital Adequacy:

- Capital Adequacy ratio of the Bank under Basel III is 11.55 per cent as on September 30, 2018 as against 11.45 per cent as on June 30, 2018 compared to minimum regulatory requirement of 10.875 per cent.
- The Tier I ratio as of September 30, 2018 is 9.02 per cent, within which Common Equity Tier 1 ratio is 7.54 per cent compared to regulatory minimum of 7.375 per cent.

## Digital Initiatives:

The Bank has been pioneer in taking various digital initiatives and continuously launched various digital products for enhancing the customer services. The Bank is offering a bundle of digital products to meet the financial needs of the customers.

The Bank offers “Union Sahyog” app with single user interface for all mobile and web based payment channel; “U mobile” secure and convenient means of various request, inquiry and fund transfer; “Digipurse” mobile wallet with features of Bill Payment, DTH Recharge, Mobile Recharge, online fund transfer; “M Passbook” app based passbook; Union Selfie app based account opening; “Unified Payment Interface (UPI)” Mobile based application enabling interoperable payments and “Ucontrol” app based credit card control. Bringing more convenience to customers, the Bank’s “E-Lobby” provide automation like self service passbook printing, cheque deposits machine, cash deposit machine, ATM etc. The Bank has taken several other digital initiatives: Chatbot– “Union Virtual Assistant” to simulate conversation with human users using Artificial Intelligence. Further, keeping pace with India’s Digital transformation, the Bank has developed in-house mobile based recovery app - To aid NPA recovery by geo tagging of location; OTS calculator - To calculate minimum settlement amount and NPV for NPA borrowers.

- Mobile banking users grew by 74 per cent on YoY basis.
- 76 per cent share of “transactions through digital channels” in “overall transactions”.

## Financial Inclusion:

- Under the Pradhan Mantri Jan Dhan Yojana (PMJDY), the Bank has more than 92 lakh accounts having a balance of ₹1996 crore.
- 48.20 lakh Rupay Card issued under PMJDY as on September 30, 2018.
- Total enrollment under Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Atal Pension Yojana (APY) increased to 32.4 lakh, 13.7 lakh and 3.7 lakh respectively.



- The Bank financed ₹2120 crore in 87933 accounts under Pradhan Mantri Mudra Yojana, including an amount of ₹497 crore to 19899 beneficiaries through a specific scheme for financing of light commercial vehicle during April -September 2018.

#### Network:

- The Bank has 4299 branches as of September 30, 2018 excluding 4 overseas branches at Hong Kong, DIFC (Dubai), Antwerp (Belgium) and Sydney (Australia). In addition, the Bank has representative offices at Shanghai, Beijing and Abu Dhabi. The Bank also operates in United Kingdom through its wholly owned subsidiary, Union Bank of India (UK) Ltd.
- Total number of ATMs stood at 12201 including 5407 micro ATMs & 3466 talking ATMs as of September 30, 2018. ATM to branch ratio stood at 2.84.

#### Awards & Accolades during July-September 2018:

##### World HRD Congress Award

- Best Leadership Development program Award in Top Management Category
- Best Leadership Development program Award in Middle Management Category

##### Asia Pacific HRM Congress Award

- Organization with Innovative HR Practices

##### UIDAI Award

- “Rising Star Award” - 1<sup>st</sup> Rank 2018 for best Aadhaar Services

##### PFRDA Awards

- Best Performing Bank- APY Formation Day
- Best Performing Bank- Quest for Crown

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Date: 29<sup>th</sup> October, 2018  
Place: Mumbai