

## Press Release

### Financial Results for the quarter and financial year ended March 31, 2020

The Board of Directors of Union Bank of India today approved the accounts of the Bank for the quarter and financial year ended March 31, 2020.

#### Key Highlights (FY 2019-20)

Global Business ↑ 7.6% (YoY)	Global Advances ↑ 6.6% (YoY)
Net Interest Income ↑ 12.0% (YoY)	Operating Profit ↑ 22.1% (YoY)
Domestic NIM ↑ 2.36%	Provision Coverage Ratio (PCR) ↑ 73.64%

- Other Income for the Q4 FY20 increased by 58.6% as compared to Q4 FY19.
- Operating profit for Q4 FY20 increased by 53.3% as compared to Q4 FY19.
- PCR improved to 73.64% as on March 31, 2020 compared to 66.24% as on March 31, 2019.
- Net NPA ratio declined to 5.49% as on March 31, 2020.

#### Business Performance:

- 🔗 Global Business grew by 7.6% Y-o-Y to ₹797589 crore as on March 31, 2020.
- 🔗 Total Global Deposits grew by 8.4% Y-o-Y to ₹450668 crore as on March 31, 2020.
- 🔗 Global Gross Advances grew by 6.6% Y-o-Y to ₹346921 crore as on March 31, 2020.
- 🔗 CASA base increased by 119 bps Q-o-Q to 35.59% as on March 31, 2020.

#### Operational Performance for the quarter ended March 2020:

- 🔗 Net Interest Income for the Q4 FY20 increased by 10.6% to ₹2878 crore as compared to ₹2602 crore in Q4 FY19.
- 🔗 Other Income for the Q4 FY20 increased by 58.6% to ₹2018 crore as compared to ₹1272 crore in Q4 FY19.
- 🔗 Operating profit for Q4 FY20 increased by 53.3% to ₹2653 crore as compared to ₹1730 crore in Q4 FY19.
- 🔗 Yield on advances improved to 7.57% for Q4 FY20 as against 7.51% for Q4 FY19.
- 🔗 Cost of Deposit improved to 5.46% for Q4 FY20 as against 5.66% for Q4 FY19.
- 🔗 Cost to income ratio improved to 45.82% for Q4 FY20 as against 55.33% for Q4 FY19.



## Operational Performance for the financial year ended March 2020:

- Net Interest Income for the FY20 increased by 12.0% to ₹11437 crore as compared to ₹10215 crore in FY19.
- Global Net Interest Margin (NIM) for FY20 improved to 2.29% as compared to 2.23% in FY19. Domestic Net Interest Margin (NIM) for FY20 improved to 2.36% as compared to 2.28% in FY19.
- Other Income for the FY20 increased by 17.6% to ₹5261 crore as compared to ₹4474 crore in FY19.
- Operating profit for FY20 increased by 22.1% to ₹9181 crore as compared to ₹7521 crore in FY19.
- Yield on advances improved to 7.81% for FY 20 as against 7.71% for FY19.
- Cost to income ratio improved to 45.02% for FY20 as against 48.80% for FY19.

### Asset Quality:

- GNPA ratio declined to 14.15% as on March 31, 2020 compared to 14.98% as on March 31, 2019.
- Net NPA ratio declined to 5.49% as on March 31, 2020 compared to 6.85% as on March 31, 2019.
- Provision Coverage Ratio (PCR) improved to 73.64% as on March 31, 2020 compared to 66.24% as on March 31, 2019.

### Capital Adequacy:

- Tier -I and CET-1 capital ratio stood at 10.75% and 9.40% respectively as on March 31, 2020.
- CRAR under BASEL III stood at 12.81% as on March 31, 2020.

### Update on Amalgamation:

Andhra Bank and Corporation Bank have been amalgamated with Union Bank of India w.e.f April 01, 2020. Key benefits of amalgamation are:

#### Enhanced Business Mix:

- 5<sup>th</sup> largest Public sector Bank;
- More than 5% market share in 15 states;
- More than 120 million customers base;
- Total business around ₹15 trillion;
- Gross Advance around ₹6.50 trillion

#### Wider network:

- More than 9500 Branches;
- More than 13000 ATMs;
- More than 8200 BC points



**U Best in class Products & Services:**

- Greater focus on digitization of processes and digital banking services
- Revamped & harmonized products at par with Industry offerings
- Enhanced capacity to take credit exposure
- Customer Service support offered in 10+ national and regional languages

**U System Integration & Synergy realization:**

- Integration of Inter Branch operability
- Integration of Loan automation system for credit processing and HR systems

**U Refined Organization structure:**

- Introduction of CGM layer
- Dedicated verticals for Business development and Digitization
- Refined Zonal & Regional structure

**New schemes launched to tackle COVID-19:**

In response to significant challenge of COVID 19, Bank in March 2020 launched various flagship schemes for business entities, retail customers, SHGs in order to ease out the stress/ tide over the liquidity mismatch or for fulfilling the consumption needs.

**U COVID Emergency Line of Credit (CELC):** Scheme for all existing Fund Based working capital limit borrowers irrespective of sector.

**U Union COVID 19 Personal Loan Scheme (UCPLS):** Scheme for all govt/ non-govt employees drawing salary through our bank for last 12 months and existing retail borrowers.

**U Union SHG COVID Suvidha Loan (USCSL):** Scheme for all existing SHGs with satisfactory track record.

**U Union Guaranteed Emergency Credit Line (UGECL):** A special scheme as per Gol guidelines which shall be a pre-approved sanction limit of up to 20% of loan outstanding as on 29th February, 2020 to eligible borrowers, in the form of additional working capital term loan facility (in case of banks and Financial Institutions), eligible Business Enterprises / MSME borrowers, including interested PMMY borrowers.

**U Liberalised Working Capital Assessment (LWCA) Model:** Scheme for existing MSME borrowers whose operating cycle is affected by COVID-19 pandemic.

**U Extended Partial Credit Guarantee Scheme (PCGS):** Scheme to provide liquidity support to low rated NBFCs/HFCs/MFI.

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Date: 23<sup>rd</sup> June, 2020

Place: Mumbai