



**यूनियन बैंक**  
ऑफ इंडिया

**Union Bank**  
of India

# Financial Results

**Q3 FY15**

**&**

**Nine-months ended December 2014**

**27<sup>th</sup> January 2015**

## Capital

- CRAR (Basel III) at 10.30%; CET 1: 7.02%

## Margin

- Domestic NIM stable at 2.6%

## Fee Income

- Core Fee Income up 11.3% (y-o-y)

## Profit

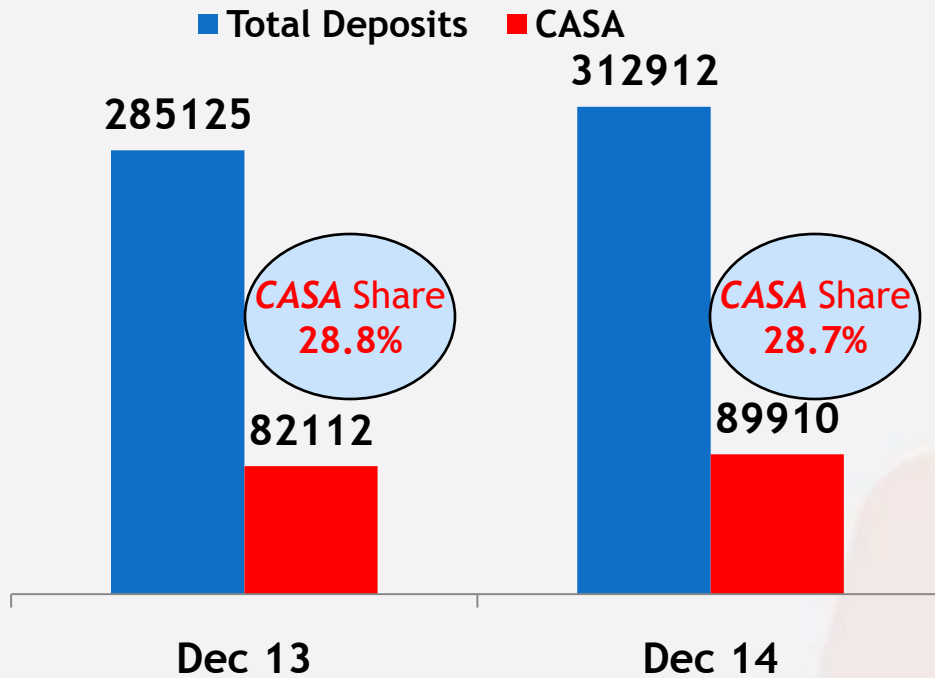
- Net Profit (Apr-Dec 2014) at ₹ 1338 crore, growth of 19.8%

## Business

- Global Business increased to ₹ 561011 crore

(₹ in crore)

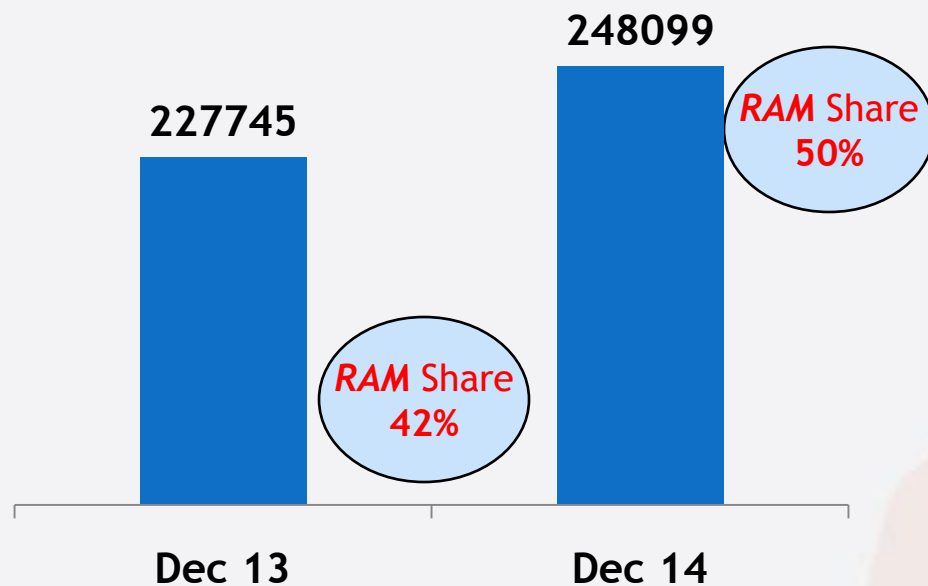
LIABILITIES	As at 31.12.13	As at 31.03.14	As at 30.09.14	As at 31.12.14	YoY Growth (%)
Capital	741	741	636	636	-14.2
Reserves and surplus	17424	17734	18861	19156	9.9
Deposits	285125	297676	300165	312912	9.7
Borrowings	31730	29317	32636	30658	-3.4
Other Liabilities and Provisions	9069	8313	8191	8418	-7.2
<b>Total</b>	<b>344089</b>	<b>353781</b>	<b>360489</b>	<b>371780</b>	<b>8.0</b>
<b>ASSETS</b>					
Cash and Balances with Reserve Bank of India	11765	18420	13978	12613	7.2
Balances with Banks and Money at call and Short Notice	6487	4653	8741	8950	38.0
Investments	93778	93723	91602	101159	7.9
Advances	223024	229104	238393	241512	8.3
Fixed Assets	2567	2608	2626	2666	3.9
Other Assets	6468	5272	5149	4880	-24.6
<b>Total</b>	<b>344089</b>	<b>353781</b>	<b>360489</b>	<b>371780</b>	<b>8.0</b>



- Total Deposits noted annual growth of 9.8%
- CASA share at 28.7%
- The Bank added 29 Lakh CASA accounts in Dec-14 quarter (84 Lakh during Apr-Dec 2014)
- Cost of Deposits at 7.31% (Apr-Dec 2014) & 7.33% (Dec 2014).

(₹ in crore)

	Dec 2013	Mar 2014	Sep 2014	Dec 2014	Growth (%)	
					Y/Y	Q/Q
Total Deposits	285125	297675	300165	312912	9.8	4.3
Current Deposits	21008	22703	18789	21891	4.2	16.5
Savings Deposits	61104	65098	67400	68019	11.3	0.9
CASA	82112	87801	86189	89910	9.5	4.3



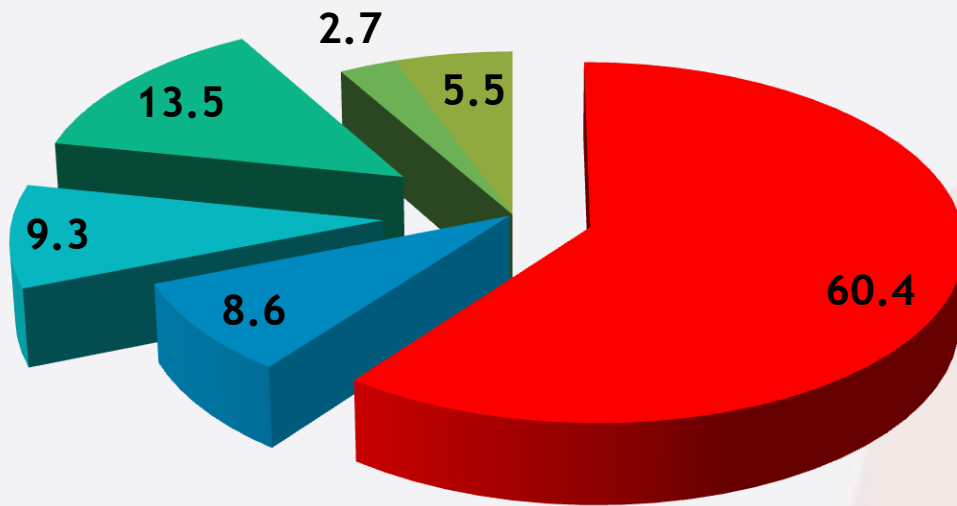
- Advances increased by 8.9%
- RAM (Retail, Agriculture & MSME) sectors are major contributors
- Yield on Advances at 10.50% (Apr-Dec 2014) & 10.43% (Dec 2014)

(₹ in crore)

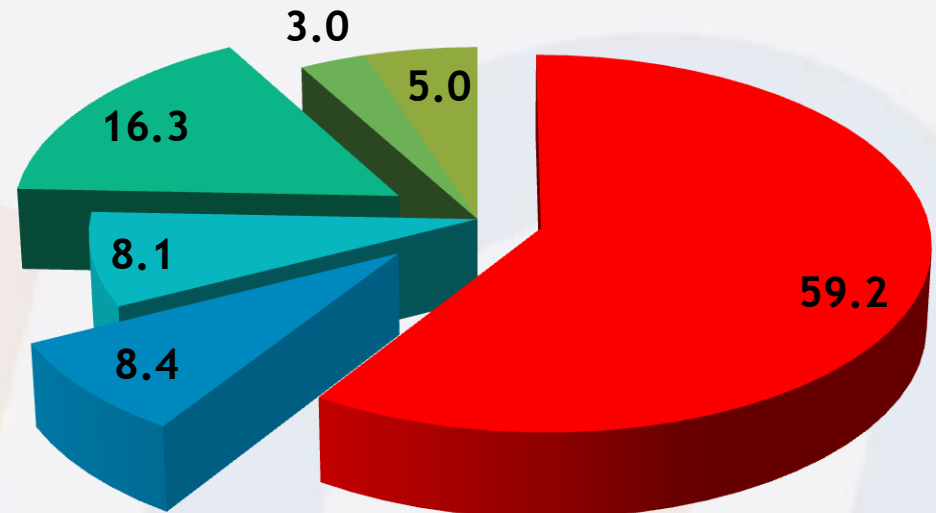
	Dec 2013	Mar 2014	Sep 2014	Dec 2014	Growth (%)	
					Y/Y	Q/Q
Retail Advances	23688	24931	28491	30155	27.3	5.9
Agriculture	23012	25614	28740	29707	29.1	3.4
MSME	42311	45372	49245	52840	24.9	7.3
RAM Advances	89011	95917	106476	112702	26.6	5.8
Share of RAM in Domestic Adv	42.3	44.3	47.1	49.6	730 bps	250 bps

Sl.	Sectors	Top 10 Sectors (Domestic ) % Share in Advances			Top 10 Sectors (Domestic ) (31 <sup>st</sup> Dec 2014)	
		Dec 2013	Mar 2014	Sep 2014	% Share	Amount ( ₹ in cr.)
1	Infrastructure	17.3	16.3	17.1	15.7	35608
2	Retail Advances	11.3	11.5	12.6	13.3	30155
3	Agriculture	10.9	11.8	12.7	13.1	29707
4	Trade	13.1	12.6	12.4	12.5	28436
5	NBFCs	9.9	10.4	10.7	10.1	22974
6	Basic Metal Products	6.7	6.0	5.1	5.9	13322
7	Food Processing	3.3	3.3	2.9	3.1	7119
8	Textiles	3.0	3.0	2.8	3.0	6792
9	Commercial Real Estate	2.3	2.5	2.5	2.4	5481
10	Gems & Jewellery	2.1	1.8	1.8	2.1	4876

Dec 2013



Dec 2014



- Home Loans
- Vehicle Loans
- Education Loans
- Mortgage Loans (LAP)
- Personal Loans
- Others

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

Representative offices at Shanghai, Beijing, Abu Dhabi and Sydney

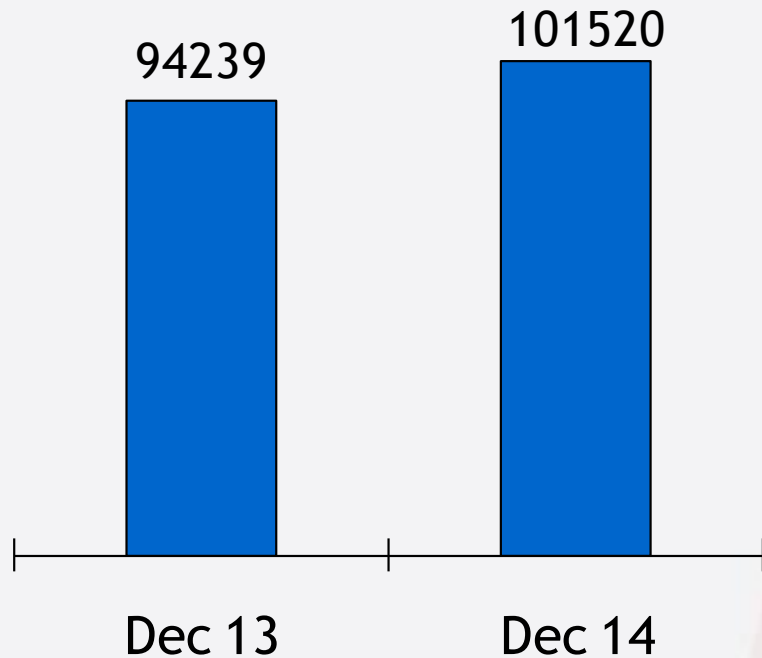
Union Bank of India (UK) Limited  
 (a wholly-owned subsidiary of the Bank in London)

## Business from Overseas Branches

	Dec 2013	Dec 2014*	Growth (%) YoY-US\$
<b>Business</b>	US \$ 3.5 Billion (₹ 21538 crore)	US \$ 4.2 Billion (₹ 26383 crore)	20.0
<b>Total Deposits</b>	US \$ 0.7 Billion (₹ 4288 crore)	US \$ 0.9 Billion (₹ 5623 crore)	28.6
<b>Total Advances</b>	US \$ 2.8 Billion (₹ 17250 crore)	US \$ 3.3 Billion (₹ 20760 crore)	17.9

\*1 US\$= ₹ 63.035 as on December 31, 2014





- Yield on Investments at 7.52% (Apr-Dec 2014) & 7.51% (Dec 2014)
- 83% of AFS portfolio is interest sensitive.

(₹ in crore)

	Dec 14	% to Total Investments	Duration (Yrs)
Held to Maturity (HTM)	77175	76.0	4.49
Held for Trading (HFT)	780	0.8	4.79
Available for Sale (AFS)	23565	23.2	3.79
<b>Total Investments</b>	<b>101520</b>	<b>100.0</b>	<b>4.33</b>



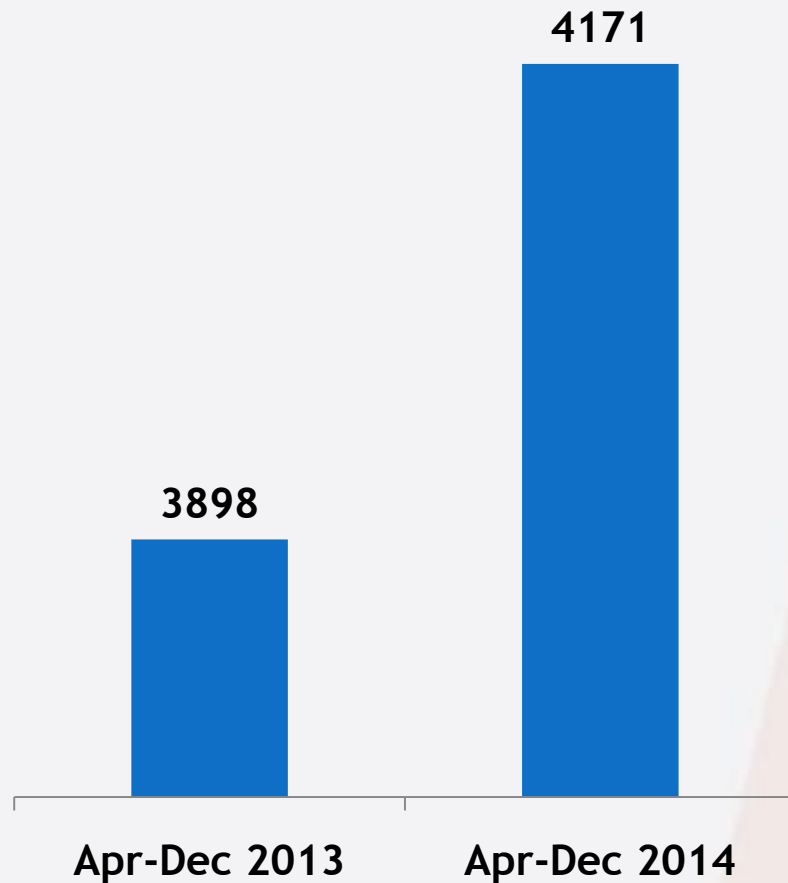
# Performance Highlights

(Apr-Dec 2014)

	Apr-Dec 2013	Apr-Dec 2014
<b>Net Interest Income (₹ in crore)</b>	<b>5827</b>	<b>6322</b>
<b>Net Interest Margin (NIM) (%)</b>		
-Global	<b>2.55</b>	<b>2.54</b>
-Domestic	<b>2.63</b>	<b>2.62</b>
<b>Yield on Fund (%)</b>		
-Global	<b>8.93</b>	<b>9.04</b>
-Domestic	<b>9.20</b>	<b>9.31</b>
<b>Cost of Fund (%)</b>		
-Global	<b>6.53</b>	<b>6.64</b>
-Domestic	<b>6.73</b>	<b>6.85</b>

(₹ in crore)

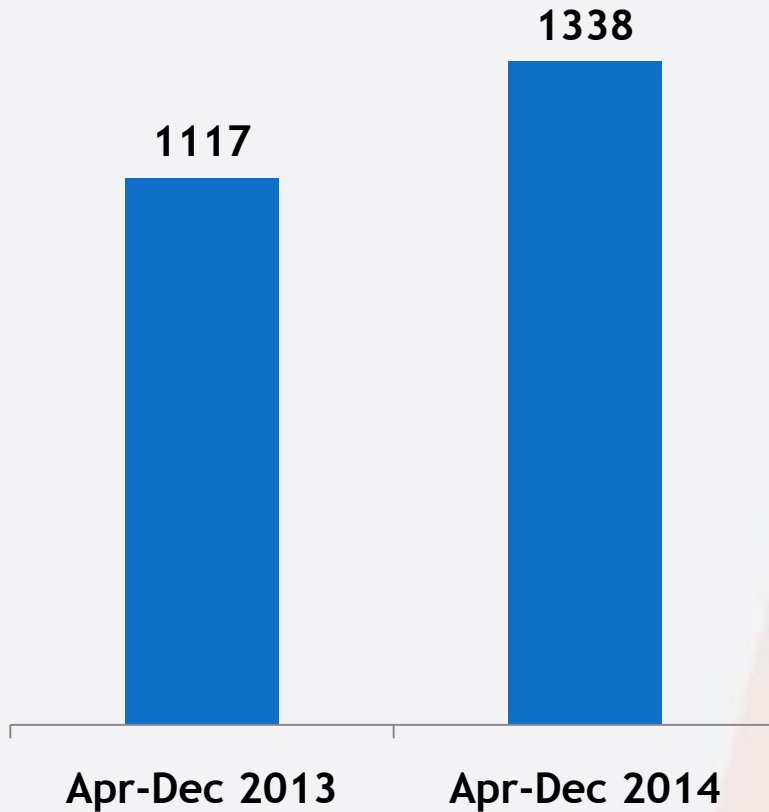
	Apr-Dec 2013	Apr-Dec 2014	Growth % (YoY)
<b>a. Core Non Interest Income</b>	<b>1116</b>	<b>1242</b>	<b>11.3</b>
<b>W/w</b>			
-Inland Commission	314	272	-13.5
-Processing Charges	228	287	25.7
-Others	574	683	19.0
<b>b. Treasury Income</b>	<b>728</b>	<b>901</b>	<b>23.8</b>
<b>W/w</b>			
-Profit on Sale of Investments	403	426	5.5
-Exchange Profit	325	475	46.5
<b>c. Recovery in Written off Accounts</b>	<b>204</b>	<b>237</b>	<b>16.5</b>
<b>Total</b>	<b>2047</b>	<b>2380</b>	<b>16.3</b>



- Operating Profit for the period of Apr-Dec 2014 is at ₹4171 crore as against ₹3898 crore during the corresponding period of last year, registering an increase of 7.0%.

(₹ in crore)

	Apr-Dec 2013	Apr-Dec 2014
<b>NPAs</b>	1436	1703
<b>Standard Assets</b>	238	94
<b>Depreciation on Investment</b>	83	-85
<b>Shifting Loss</b>	110	39
<b>Restructured Advances</b>	195	210
<b>Others (FITL etc)</b>	168	69
<b>Taxation</b>	551	803
<b>Total</b>	<b>2781</b>	<b>2833</b>



- The Net Profit for Apr-Dec 2014 registered increase of 19.8% from ₹1117 crore to ₹1338 crore.



# Performance Highlights

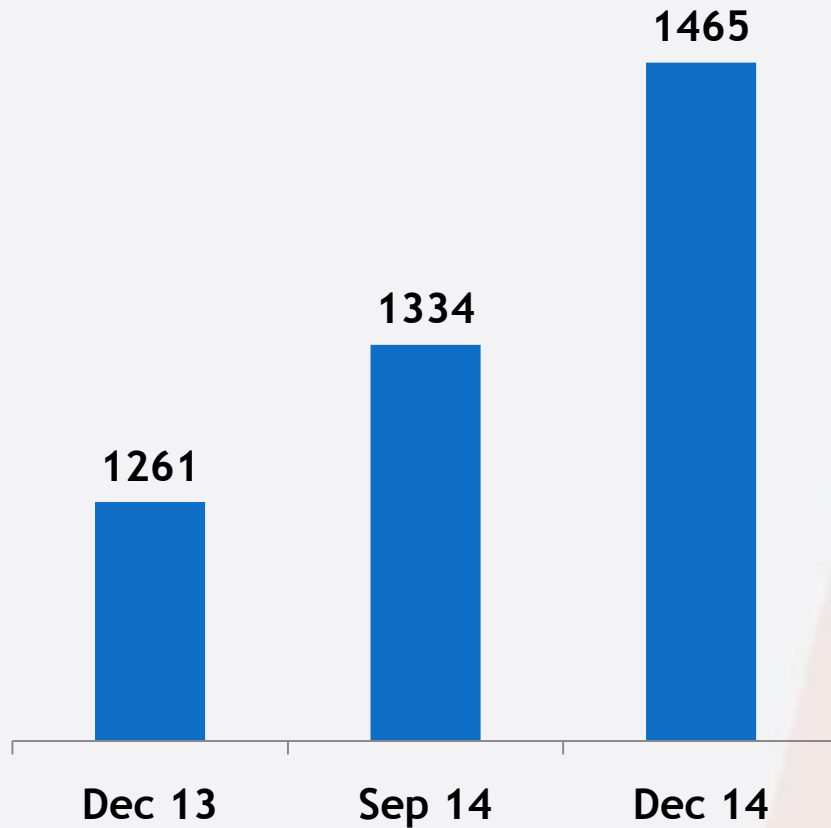
## (Oct-Dec 2014)



	Dec 2013 (Q3)	Sep 2014 (Q2)	Dec 2014 (Q3)
<b>Net Interest Income (₹ in crore)</b>	<b>1963</b>	<b>2085</b>	<b>2120</b>
<b>Net Interest Margin (NIM) (%)</b>			
-Global	2.50	2.53	2.50
-Domestic	2.54	2.60	2.57
<b>Yield on Fund (%)</b>			
-Global	9.04	9.09	8.93
-Domestic	9.29	9.34	9.21
<b>Cost of Fund (%)</b>			
-Global	6.69	6.70	6.58
-Domestic	6.90	6.89	6.80

(₹ in crore)

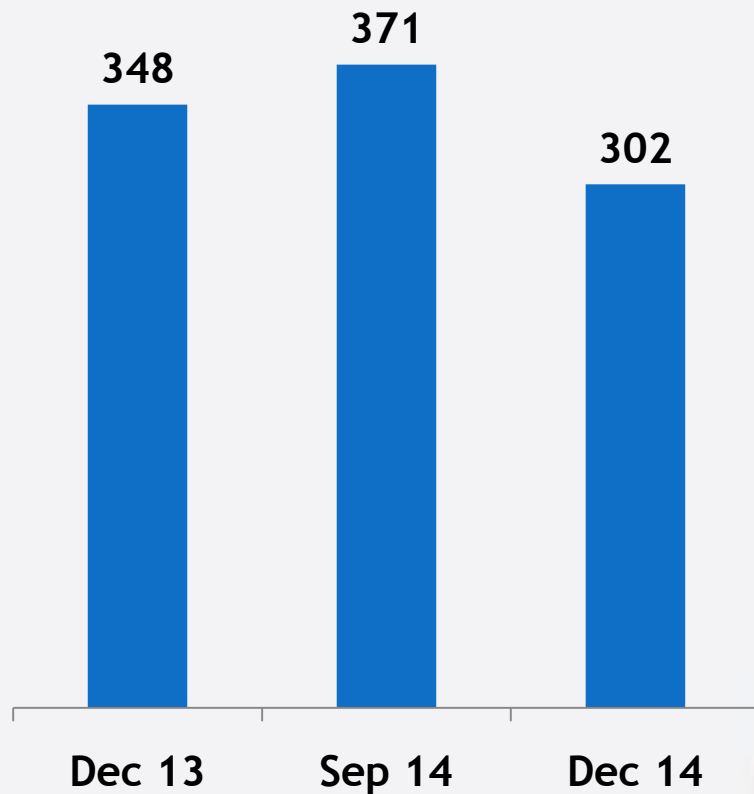
	Dec 2013 (Q3)	Mar 2014 (Q4)	Sep 2014 (Q2)	Dec 2014 (Q3)	Growth % YoY	Growth % QoQ
<b>a. Core Non Interest Income</b>	<b>392</b>	<b>519</b>	<b>448</b>	<b>455</b>	<b>16.2</b>	<b>1.8</b>
<b>W/w</b>						
-Inland Commission	113	133	90	97	-14.3	7.7
-Processing Charges	80	108	93	93	15.6	0
-Others	199	278	265	265	33.2	0
<b>b. Treasury Income</b>	<b>201</b>	<b>194</b>	<b>271</b>	<b>379</b>	<b>89.0</b>	<b>39.9</b>
<b>W/w</b>						
-Profit on Sale of Investments	70	83	75	252	262.0	235.0
-Exchange Profit	131	111	196	128	-2.7	-34.9
<b>c. Recovery in Written off Accounts</b>	<b>87</b>	<b>61</b>	<b>92</b>	<b>42</b>	<b>-51.3</b>	<b>-54.2</b>
<b>Total</b>	<b>680</b>	<b>774</b>	<b>811</b>	<b>877</b>	<b>29.0</b>	<b>8.1</b>



- Operating Profit is at ₹1465 crore for Oct-Dec 2014 as against ₹1261 crore during the corresponding period of last year.

(₹ in crore)

	Dec 2013 (Q3)	Mar 2014 (Q4)	Sep 2014 (Q2)	Dec 2014 (Q3)
<b>NPAs</b>	497	670	603	674
<b>Standard Assets</b>	24	71	45	22
<b>Depreciation on Investment</b>	44	5	79	-26
<b>Shifting Loss</b>	0	0	0	0
<b>Restructured Advances</b>	33	60	98	106
<b>Others (FITL etc)</b>	13	115	-39	76
<b>Taxation</b>	302	-180	177	311
<b>Total</b>	<b>913</b>	<b>741</b>	<b>963</b>	<b>1163</b>



- The Net Profit for Oct-Dec 2014 noted at ₹302 crore as against ₹348 crore for the corresponding period of last year.

(₹ in crore)

	Dec 2013 Q3	Mar 2014 Q4	Sep 2014 Q2	Dec 2014 Q3
Gross NPAs - Opening	8061	8776	10232	11462
Add : Additions	1154	1199	1968	1738
Less : Reductions	439	411	738	604
-Recoveries	183	141	412	358
-Upgradation	82	48	146	28
-Write Off	174	222	180	218
Gross NPAs- Closing	8776	9564	11462	12596
Gross NPA (%)	3.85	4.08	4.69	5.08
Net NPA	5048	5340	6450	7118
Net NPA ( %)	2.26	2.33	2.71	2.95
Provision Coverage Ratio (%)	59.97	59.89	57.97	57.25
Credit Cost (%)	0.92	0.94	1.00	1.11

(₹ in crore)

SECTOR	Slippages During Dec 2014	NPAs Dec 2014	% to Total NPAs	% to Sector Loan			
				Dec 2013	Mar 2014	Sep 2014	Dec 2014
Agriculture	128	1610	12.8	6.87	6.22	5.73	5.42
Micro & Small (MSE)	<u>400</u>	2161	17.2	5.07	5.02	5.26	5.64
Retail Loans	114	613	4.9	2.18	2.03	2.10	2.03
Others	<u>1096</u>	8212	65.2	3.26	3.88	4.80	5.48
<b>Total</b>	<b>1738</b>	<b>12596</b>	<b>100.0</b>	<b>3.85</b>	<b>4.08</b>	<b>4.69</b>	<b>5.08</b>

(₹ in crore)

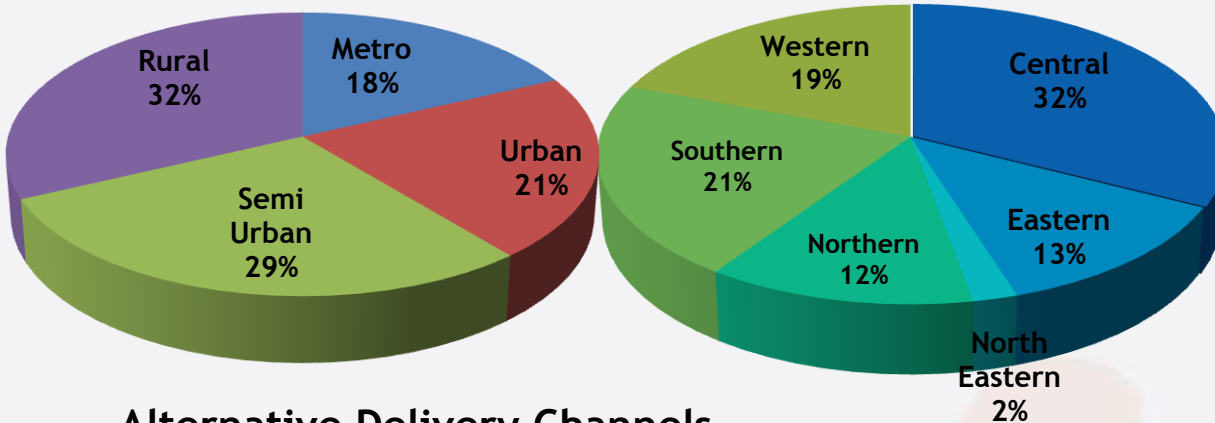
Particulars	Standard	NPA	Total
Restructured Assets as on October 1st, 2014	12603	4066	16669
Fresh Restructuring during the Quarter	1212	0	1212
Upgradation to Restructured Accounts during the Quarter	2	-2	0
Restructured Standard Advances which cease to attract higher provisioning and need not be shown as Restructured Assets	-1200	0	-1200
Down gradation of restructured accounts during the Quarter	-173	173	0
Change in Outstanding/Write-off/ Recovery/Closures	-97	71	-26
Restructured Accounts as on December 31, 2014	12347	4308	16655

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



		Dec 2013 (Q3)	Mar 2014 (Q4)	Sep 2014 (Q2)	Dec 2014 (Q3)
<b>Efficiency Ratios</b>					
Cost to Income Ratio	(%)	52.27	53.31	53.94	51.13
Return on Average Assets	(%)	0.42	0.68	0.42	0.34
Earning Per Share	(₹)	23.18	36.74	23.52	19.03
Book Value per Share	(₹)	276.62	269.37	283.34	288.18
<b>Productivity Ratios</b>					
Business per Branch	₹ in crore	137	137	139	139
Business per Employee	₹ in crore	15	16	15	16
Gross Profit per Branch	₹ in crore	1.34	1.36	1.36	1.45
Gross Profit per Employee	₹ in lakh	14.80	15.62	14.64	16.28

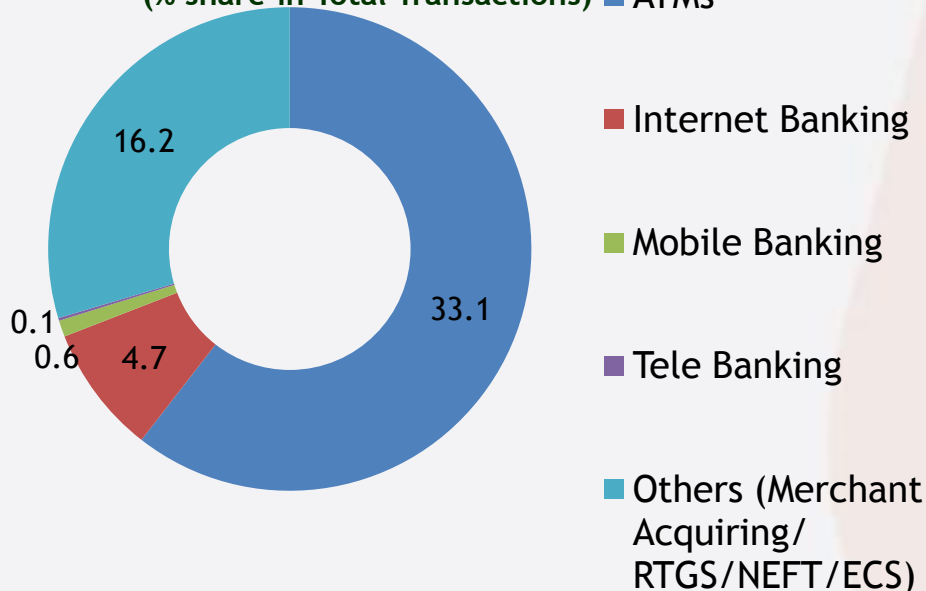
## Branch Mix



- Bank added 109 branches during Oct-Dec 2014 (163 branches and 189 ATMs during Apr-Dec 2014).
- ATM to Branch Ratio at 1.6
- Transactions through electronic channel at 55% as of Dec 2014.

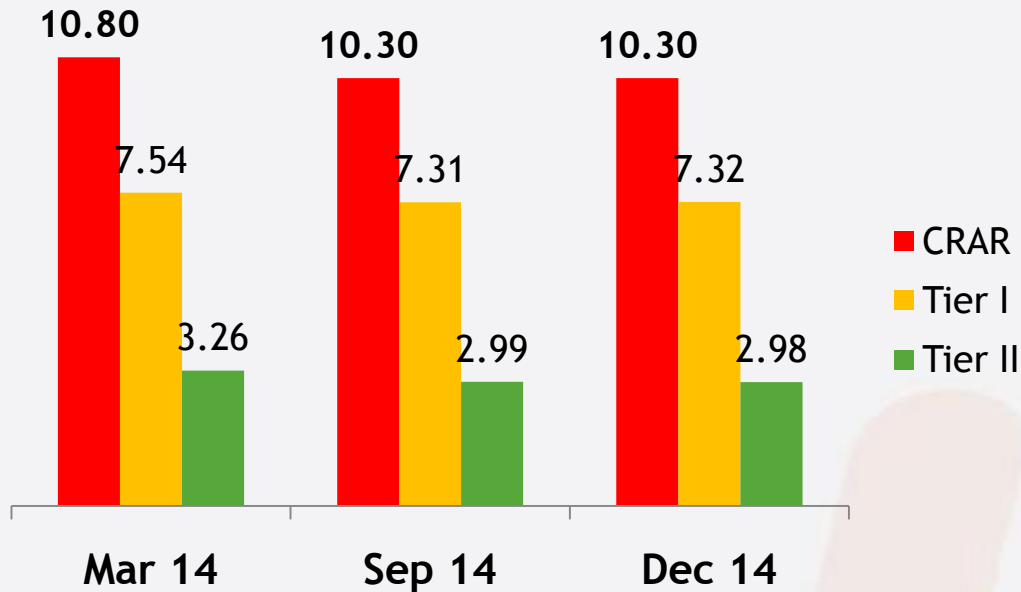
## Alternative Delivery Channels

(% share in Total Transactions) ■ ATMs



## Service Outlets

	Dec 2013	Mar 2014	Sep 2014	Dec 2014
Branches	3752	3871	3925	4034
Ext. Counters	33	31	31	31
Service branches	47	47	47	47
<b>Total</b>	<b>3832</b>	<b>3949</b>	<b>4003</b>	<b>4112</b>
<b>ATMs</b>	<b>5830</b>	<b>6429</b>	<b>6628</b>	<b>6618</b>



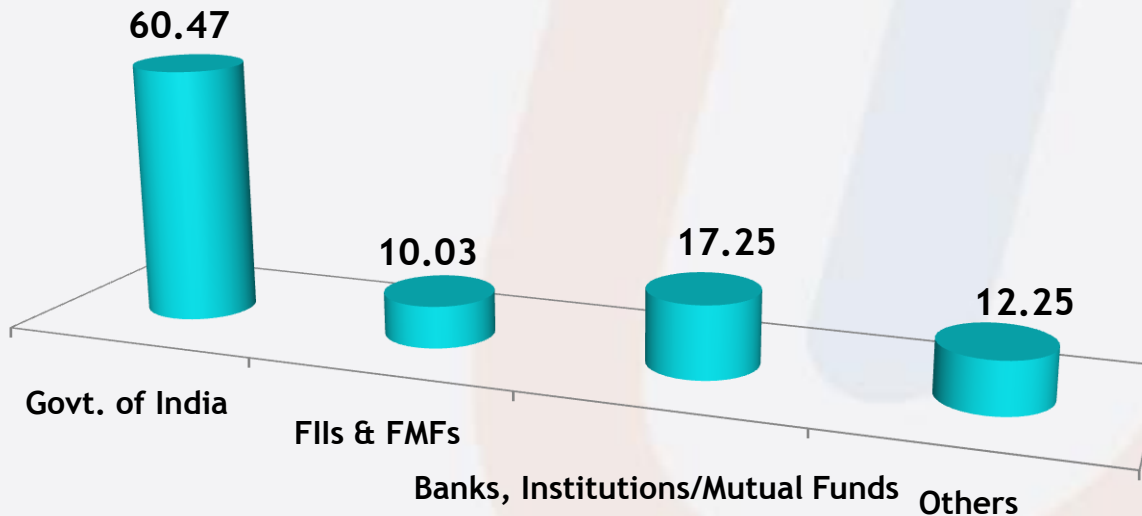
- ❑ CRAR under Basel III is 10.30% (excluding quarterly profit)
- ❑ Tier I 7.32% (CET I : 7.02%) & Tier II :2.98%.

(₹ in crore)

	Dec 2013	Mar 2014	Sep 2014	Dec 2014
Risk Weighted Assets	236079	229207	239682	240924
Capital Funds	23885	24751	24684	24807
CRAR-BASEL III (%)	10.12	10.80	10.30	10.30
CET Ratio (%)	6.33	7.18	7.01	7.02

• Share Capital	₹ 635.8 crore
• No. of Equity Shares	63.58 crore
• Net worth:	₹ 18323 crore
• Book Value per share	₹ 288
• Return on Equity	9.74%
• Market Cap	₹ 15221 crore

Shareholding Pattern (%) as on December 31 ,2014



# 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. This document does not constitute or form part of and should not be construed as an offer to sell or issue or the solicitation of an offer to buy or acquire securities of Union Bank of India or any of its subsidiaries or affiliates in any jurisdiction or as an inducement to enter into investment activity. No part of this document, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. This document and its contents should not be forwarded or delivered or transmitted in any manner to any person other than its intended recipient, and should not be reproduced in any manner whatsoever. This document is not financial, legal, tax or other product advice.



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