



# Financial Results

**Q2 & H1 FY 2014 -15**

**31<sup>st</sup> October 2014**

**Business**

- Global Business increased to ₹ 544576 crore

**Margin**

- Domestic NIM for the quarter at 2.60%

**Fee Income**

- Core Fee Income up 20.6% (y-o-y)

**Profit**

- Net Profit up 78.4% (y-o-y) to ₹ 371 crore

**Capital**

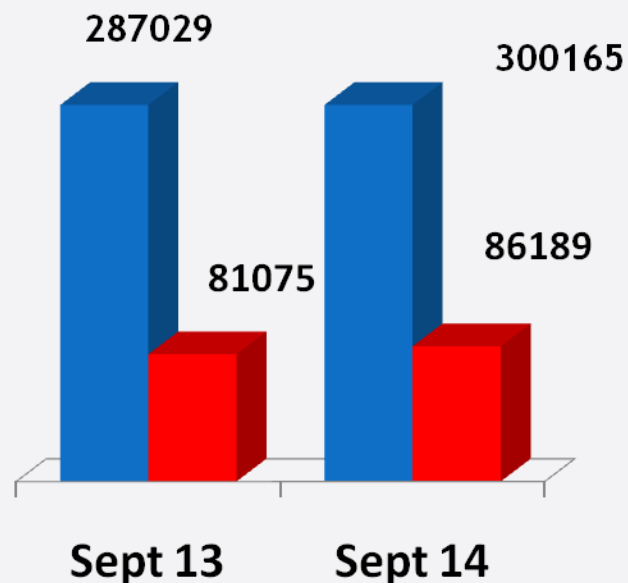
- CRAR (Basel III) at 10.30%; CET 1: 7.01%

# Statement of Assets & Liabilities

(₹ crore)

LIABILITIES	As at 30.09.13	As at 31.03.14	As at 30.06.14	As at 30.09.14	YoY Growth (%)
Capital	708	741	741	636	-10.17
Reserves and surplus	17338	17734	18390	18861	8.78
Deposits	287029	297676	297420	300165	4.58
Borrowings	27664	29317	31570	32636	17.97
Other Liabilities and Provisions	6699	8313	8393	8191	22.27
<b>Total</b>	<b>339438</b>	<b>353781</b>	<b>356514</b>	<b>360489</b>	<b>6.20</b>
ASSETS					
Cash and Balances with Reserve Bank of India	12667	18420	12235	13978	10.35
Balances with Banks and Money at call and Short Notice	5659	4653	11452	8741	54.46
Investments	95600	93723	91780	91602	-4.18
Advances	217295	229104	233932	238393	9.71
Fixed Assets	2535	2608	2616	2626	3.59
Other Assets	5682	5272	4499	5149	-9.38
<b>Total</b>	<b>339438</b>	<b>353781</b>	<b>356514</b>	<b>360489</b>	<b>6.20</b>

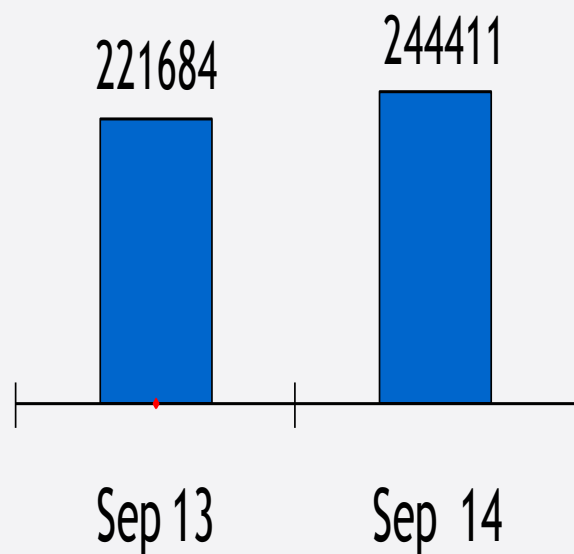
■ Total Deposits ■ CASA



- CASA share at 28.7%
- Added 33 lakh CASA accounts
- Cost of Deposits at 7.31%(HY) & 7.37% (Q2).

(₹ in crore)

	Sept 2013	Mar 2014	Jun 2014	Sept 2014	YoY Growth (%)
Total Deposits	287029	297675	297420	300165	4.6
Current Deposits	20253	22703	22205	18789	-7.2
Savings Deposits	60822	65098	64432	67400	10.8
CASA	81075	87801	86637	86189	6.3



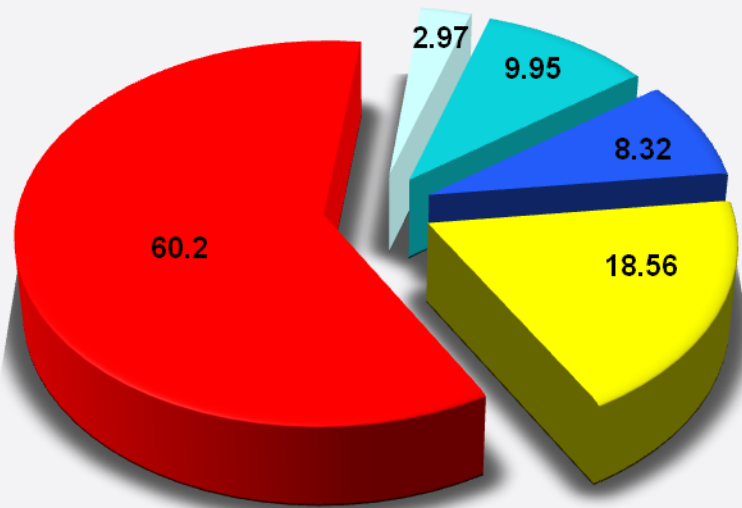
- Advances increased by 10.3%
- *RAM* (Retail, Agriculture & MSME) sectors are major contributors
- Yield on Advances at 10.54% (HY) & 10.60% (Q2)

(₹ in crore)

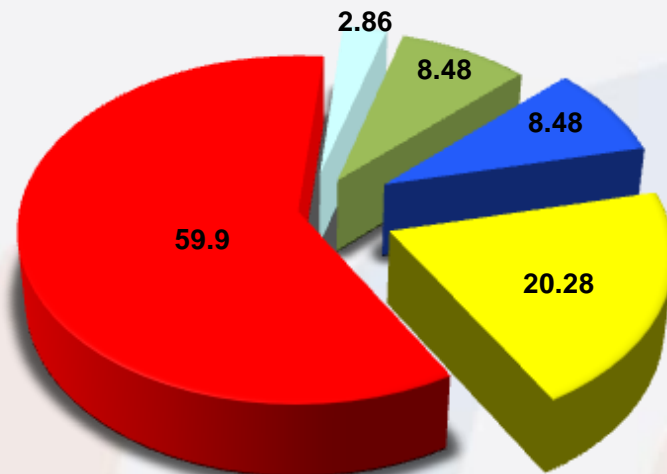
	Sept 2013	Mar 2014	Sept 2014	YoY Growth (%)
Retail Advances	22166	24931	28491	28.5
Agriculture	22385	25614	28740	28.4
MSME	37410	45372	49245	31.6
Share of <i>RAM</i> in Domestic Adv	39.7	44.3	47.1	740 bps

Sl.	Sectors	Top 10 Sectors (Domestic ) % Share in Advances		Top 10 Sectors (Domestic ) (30 <sup>th</sup> Sept 2014)	
		Sept 2013	Mar 2014	% Share	Amount ( ₹ in cr.)
1	Infrastructure	17.4	16.3	17.1	38656
2	Agriculture	10.7	11.8	12.7	28740
4	Retail Advances	10.8	11.5	12.6	28491
4	Trade	12.3	11.5	11.0	24895
5	NBFCs and HFCs	11.6	10.2	10.6	23913
6	Basic Metal Product	6.2	6.6	5.1	11625
7	Textile	3.0	3.1	2.8	6406
8	Commercial Real Estate	2.4	2.3	2.5	5689
9	Food Processing	2.8	3.3	2.3	5099
10	Gems & Jewellery	2.1	2.1	1.8	4021

Sept 2013



Sept 2014



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

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

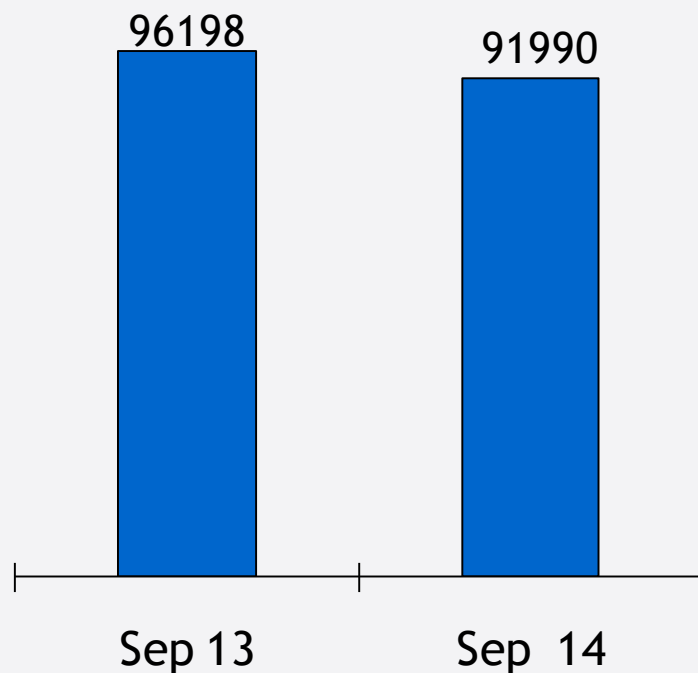
Representative offices at  
Shanghai, Beijing,  
Abu Dhabi and Sydney

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

## Business from Overseas Branches

Business	US \$ 3.76 Billion (₹ 23204 crore)
Total Deposits	US \$ 0.78 Billion (₹ 4804 crore)
Total Advances	US \$ 2.98 Billion (₹ 18400 crore)





- Yield on Investments at 7.53%(HY) & 7.48% (Q2)
- 81% of AFS portfolio is interest sensitive.

(₹ in crore)

	Sept 14	% to Total	Duration (Yrs)
Held to Maturity	69417	75.46	4.41
Held for Trading	447	0.49	5.95
Available for Sale	22126	24.05	3.35
<b>Total</b>	<b>91990</b>	<b>100.00</b>	<b>4.17</b>

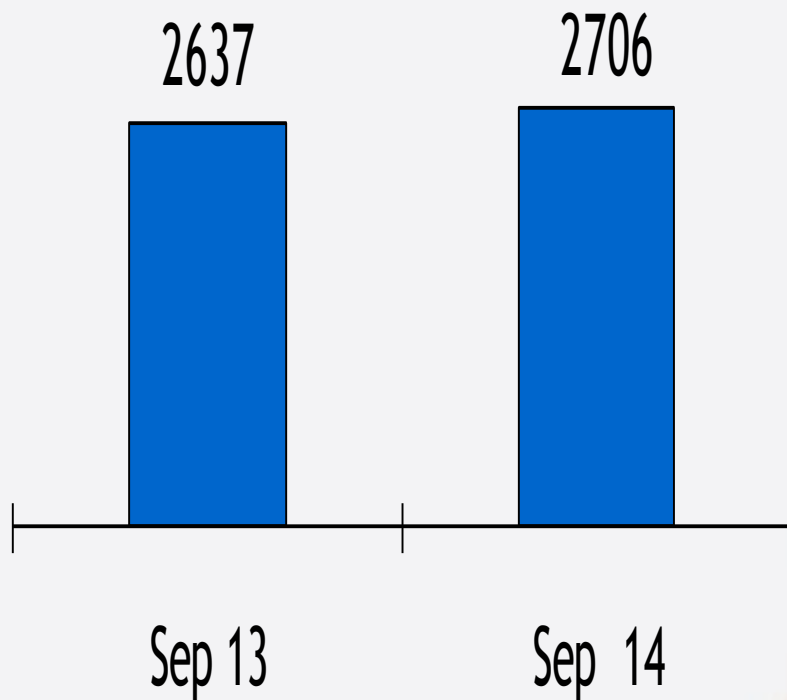


# Half Yearly Financials

	Sept 2013 (H1) %	Sept 2014 (H1) %
<b>Net Interest Margin (NIM)</b>		
-Global	2.58	2.56
-Domestic	2.67	2.64
<b>Yield on Fund</b>		
-Global	8.87	9.10
-Domestic	9.15	9.36
<b>Cost of Fund</b>		
-Global	6.45	6.68
-Domestic	6.64	6.87

(₹ in crore)

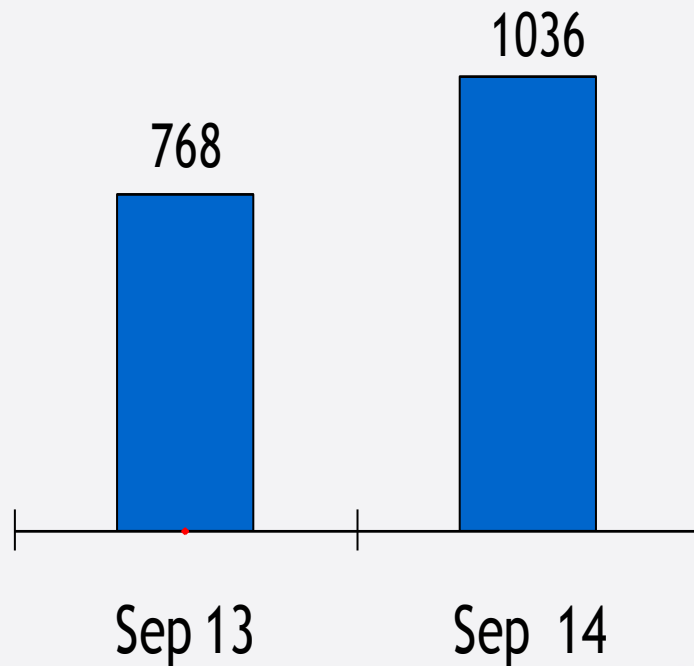
	Sept 2013 (H1)	Sept 2014 (H1)	Growth %
<b>a. Core Non Interest Income</b>	<b>724</b>	<b>787</b>	<b>8.7</b>
<b>W/w</b>			
Inland Commission	201	175	-13.0
Processing Charges	148	194	31.2
Others	375	418	11.5
<b>b. Treasury Income</b>	<b>527</b>	<b>521</b>	<b>-1.1</b>
<b>W/w</b>			
Profit on Sale of Investments	334	174	-47.9
Exchange Profit	193	348	79.8
<b>c. Recovery in Written off Accounts</b>	<b>117</b>	<b>195</b>	<b>67.1</b>
<b>Total</b>	<b>1367</b>	<b>1503</b>	<b>9.9</b>



- Operating Profit for the Half Year is at ₹ 2706 crore as against ₹ 2637 crore during the corresponding period of last year, showing an increase of 2.6%.

(₹ in crore)

	Sept 2013 (H1)	Sept 2014 (H1)
<b>NPAs</b>	939	1029
<b>Standard Assets</b>	214	72
<b>Depreciation on Investment</b>	39	-58
<b>Shifting Loss</b>	110	39
<b>Restructured Advances</b>	162	104
<b>Others (FITL etc)</b>	155	-8
<b>Taxation</b>	250	492
<b>Total</b>	1869	1670



- The Net Profit for the Half Year registered increase of 34.9% from ₹ 768 crore to ₹ 1036 crore.



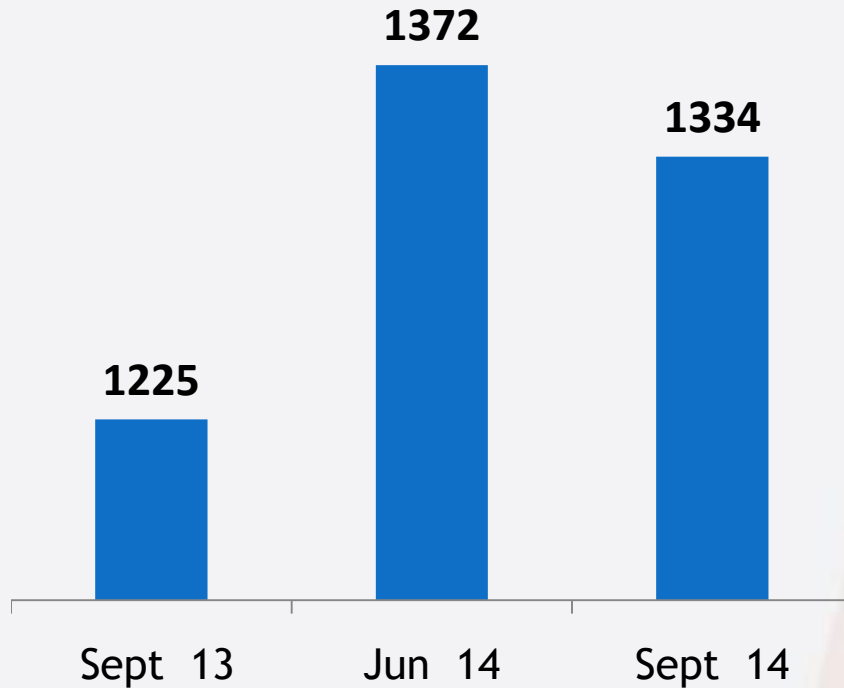
# Performance Highlights (July-Sept 2014)



	Sept 2013 (Q2) %	Mar 2014 (Q4) %	Sept 2014 (Q2) %
<b>Net Interest Margin (NIM)</b>			
-Global	2.54	2.55	2.53
-Domestic	2.62	2.62	2.60
<b>Yield on Fund</b>			
-Global	8.87	8.98	9.09
-Domestic	9.15	9.29	9.34
<b>Cost of Fund</b>			
-Global	6.49	6.58	6.70
-Domestic	6.69	6.83	6.89

(₹ in crore)

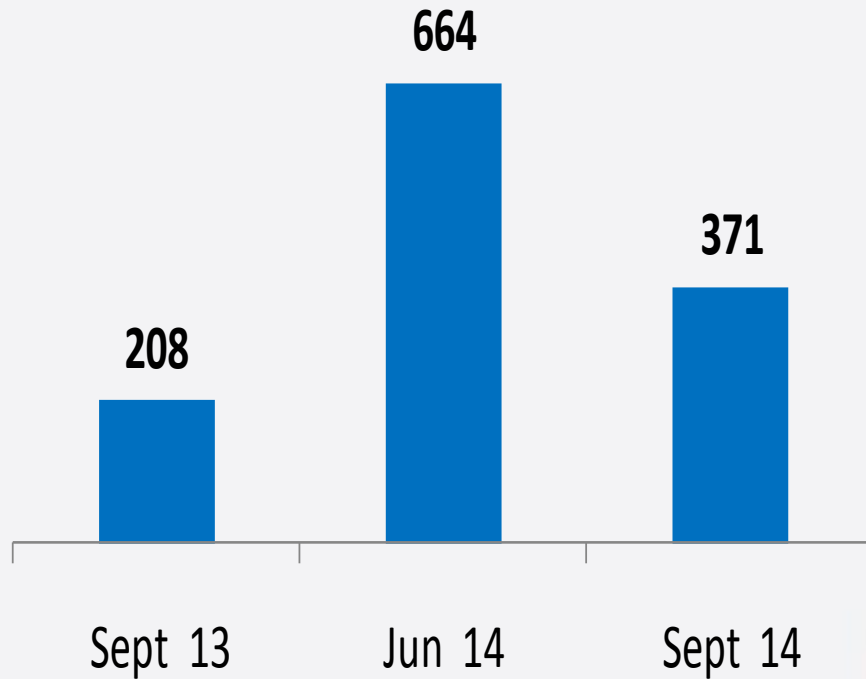
	Sept 2013 (Q2)	Mar 2014 (Q4)	June 2014 (Q1)	Sept 2014 (Q2)	Growth % YoY	Growth % QoQ
<b>a. Core Non Interest Income</b>	<b>371</b>	<b>519</b>	<b>339</b>	<b>448</b>	<b>20.6</b>	<b>32.0</b>
<b>W/w</b>						
Inland Commission	105	133	85	90	-14.1	6.3
Processing Charges	81	108	100	93	15.7	-7.3
Others	185	278	153	265	43.2	73.2
<b>b. Treasury Income</b>	<b>169</b>	<b>194</b>	<b>250</b>	<b>271</b>	<b>60.5</b>	<b>8.5</b>
<b>W/w</b>						
Profit on Sale of Investments	95	83	99	75	-20.5	-23.7
Exchange Profit	74	111	152	196	163	29.5
<b>c. Recovery in Written off Accounts</b>	<b>71</b>	<b>61</b>	<b>102</b>	<b>92</b>	<b>30.2</b>	<b>-9.7</b>
<b>Total</b>	<b>611</b>	<b>774</b>	<b>691</b>	<b>811</b>	<b>32.8</b>	<b>17.4</b>



- Operating Profit is at ₹ 1334 crore for July-Sept 2014 as against ₹ 1225 crore during the corresponding period of last year.

(₹ in crore)

	Sept 2013 (Q2)	Mar 2014 (Q4)	June 2014 (Q1)	Sept 2014 (Q2)
<b>NPAs</b>	456	670	426	603
<b>Standard Assets</b>	172	71	27	45
<b>Depreciation on Investment</b>	-3	5	-138	79
<b>Shifting Loss</b>	82	0	39	0
<b>Restructured Advances</b>	112	60	7	98
<b>Others (FITL etc)</b>	117	115	32	-39
<b>Taxation</b>	80	-180	315	177
<b>Total</b>	1016	741	708	963



- The Net Profit for July-Sept 2014 increased to ₹ 371 crore as against ₹ 208 crore for the corresponding period of last year, registering a growth of 78.4%.

(₹ in crore)

	Sept 2013 Q2	Mar 2014 Q4	June 2014 Q1	Sept 2014 Q2
Gross NPAs - Opening	7093	8776	9564	10232
Add : Additions	1657	1199	1274	1968
Less : Reductions	689	411	606	738
1. Recoveries / Upgradation	419	189	318	558
2. Write Off	270	222	288	180
Gross NPAs- Closing	8061	9564	10232	11462
Gross NPA (%)	3.64	4.08	4.27	4.69
Net NPA	4670	5340	5763	6450
Net NPA ( %)	2.15	2.33	2.46	2.71
Provision Coverage Ratio (%)	60.43	59.89	58.92	57.97
Credit Cost (%)	0.86	0.94	0.72	0.86

(₹ in crore)

SECTOR	Slippages During Sept 14	NPAs Sept 14	% to Total NPAs	% to Sector Loan			
				Sep 13	Mar 14	June 14	Sept 14
Agriculture	152	1620	14.1	6.93	6.22	6.13	5.73
Micro & Small (MSE)	358	1903	16.6	5.15	5.02	5.09	5.26
Retail Loans	110	578	5.0	2.29	2.03	2.15	2.10
Others	1349	7361	64.2	3.07	3.88	4.15	4.80
<b>Total</b>	<b>1968</b>	<b>11462</b>	<b>100.0</b>	<b>3.64</b>	<b>4.08</b>	<b>4.27</b>	<b>4.69</b>

(₹ in crore)

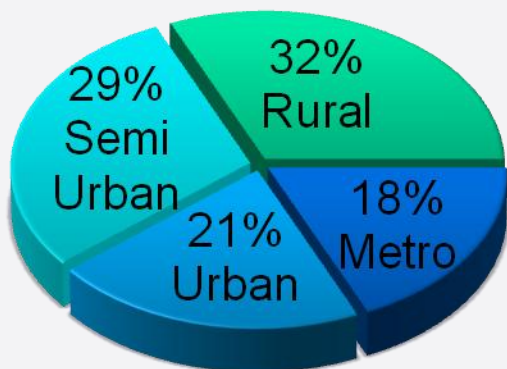
Particulars	Standard	NPA	Total
Restructured Assets as on July 1st, 2014	11967	3358	15325
Fresh Restructuring during the Quarter	738	193	931
Upgradation to Restructured Accounts during the Quarter	16	-16	0
Restructured Standard Advances which cease to attract higher provisioning and need not be shown as Restructured Assets	-266	0	-266
Down gradation of restructured accounts during the Quarter	-598	598	0
Change in Outstanding/Write-off/ Recovery/Closures	746	-67	679
Restructured Accounts as on Sept 30, 2014	12603	4066	16669

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

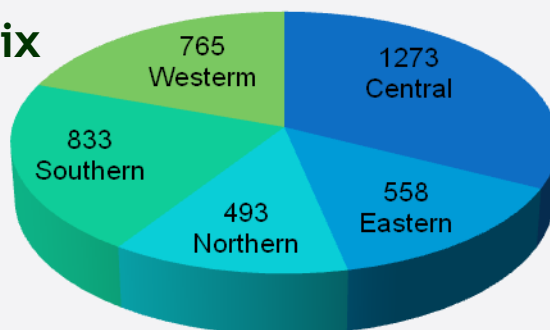


		Sept 2013 (Q2)	Mar 2014 (Q4)	June 2014 (Q1)	Sept 2014 (Q2)
Cost to Income Ratio	(%)	52.25	53.31	51.15	53.94
Return on Average Assets	(%)	0.25	0.68	0.77	0.42
Earning Per Share	(₹)	13.95	36.74	42.15	23.52
Book Value per Share	(₹)	276.96	269.37	279.94	283.34
Business per Branch	₹ in crore	142	137	138	139
Business per Employee	₹ in crore	13	16	15	15
Gross Profit per Branch	₹ in crore	1.37	1.36	1.41	1.36
Gross Profit per Employee	₹ in lakh	14.42	15.62	15.81	14.64
Net Profit per Branch	₹ in lakh	23.20	59.82	68.32	37.84
Net Profit per Employee	₹ in lakh	2.45	6.85	7.66	4.08

## Branch



## Mix

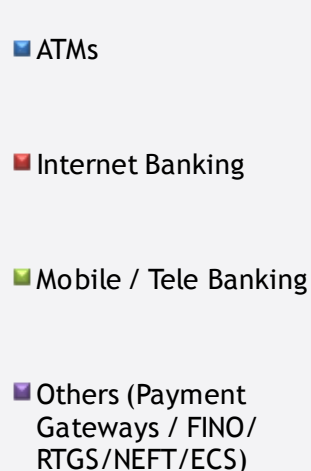


▪ Bank opened 53 domestic branches & 1 foreign branch at Antwerp and 199 ATMs during the half year ended Sept 2014.

▪ ATM to Branch Ratio at 1.7

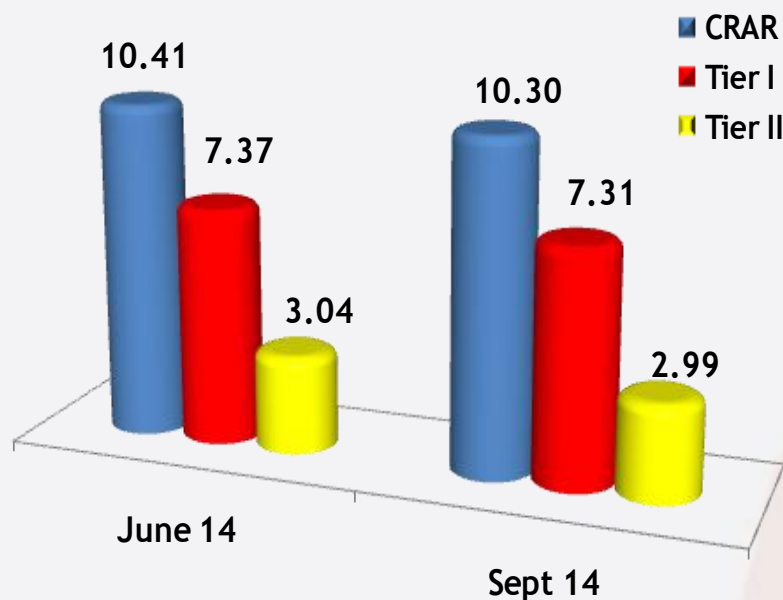
▪ Transactions through electronic channel at 59.3% as of Sept 2014

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



## Service Outlets

	Sept 13	Mar 14	Sept 14
Branches	3589	3871	3925
Ext. Counters	35	31	31
Service branches	47	47	47
<b>Total</b>	<b>3671</b>	<b>3949</b>	<b>4003</b>
ATMs	5337	6429	6628

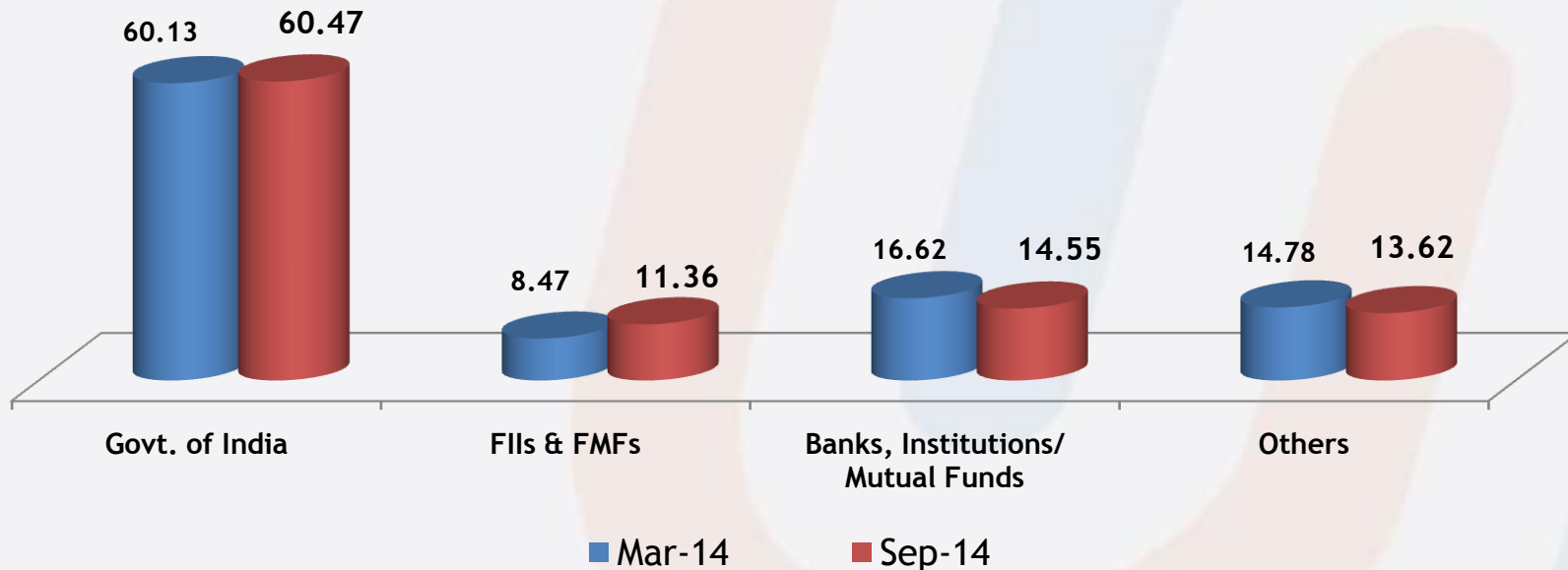


- ❑ CRAR under Basel III is 10.30% (excluding quarterly profit)
- ❑ Tier I - 7.31% (CET I :7.01%) & Tier II :2.99%.

(₹ in crore)

	Sept 2013	Mar 2014	Sept 2014
Risk Weighted Assets	222984	229207	239682
Capital Funds	21704	24751	24684
CRAR-BASEL III ( % )	9.72	10.80	10.30

- **Share Capital** ₹ 635.8 crore
- **No. of Equity Shares:** 63.58 crore
- **Net worth:** ₹ 18015 crore
- **Book Value per share** ₹ 283.34
- **Return on Equity** 11.50%
- **Market Cap** ₹ 12004 crore



# 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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