

Financial Results for the Quarter/Nine Months ended December 2011

Mumbai 25th January 2012: The Board of Directors of the Union Bank of India today approved the reviewed accounts of the Bank for the quarter/nine months ended December 31, 2011 which were subjected to Limited Review.

Performance for the quarter-ended December 31, 2011

- ✚ Net Interest Income for Q3/FY12 up 10.28% to ₹. 1781 crore from ₹. 1615 crore in Q3/FY11
- ✚ Net Interest Margin (on earning assets) for Q3/FY12 was 3.31%, as compared to 3.44% in Q3/FY11.
- ✚ Non Interest Income for Q3/FY12 up by 19.84% to ₹. 592 crore, compared to ₹. 494 crore in Q3/FY11.
- ✚ Net Profit for Q3/FY12 stood at Rs.197 crore as compared to ₹. 579 crore in Q3/FY11. Increase in provisions towards NPAs, restructured advances and depreciation on investments have weighed on net profits.
- ✚ Gross NPA ratio stood at 3.33% in Q3/FY12 as against 2.68% in Dec. 10.
- ✚ Provision Coverage ratio stood at 63.14% as against 70.20% in Dec.10.
- ✚ Bank added 9.01 lakh customer accounts during the quarter. Bank's customer base increased to 31.97 million as of 31st December, 2011.

Highlights of performance on Sequential basis for December, 2011 Over September, 2011

- ✚ Net Interest Income for Q3/FY12 up 7.22% to ₹. 1781 crore from ₹. 1661 crore in Q2/FY12
- ✚ Net Interest Margin (on earning assets) for Q3/FY12 was 3.31%, as compared to 3.21% in Q2/FY12.
- ✚ Non Interest Income for Q3/FY12 up by 18.16% to ₹. 592 crore, compared to ₹.501 crore in Q2/FY12.
- ✚ Gross NPA ratio stood at 3.33% in Q3/FY12 as compared to 3.49% in Q2/FY12. NPA coverage was at 63.14% as of Q3/12 as compared to 60.52% in Q2/FY12.

Performance for the Nine Months ended December 31, 2011

- ✚ Net Interest Income for 9M/FY12 up 11.85% to ₹. 5032 crore from ₹. 4499 crore in 9M/FY11
- ✚ Net Interest Margin (on earning assets) for 9M/FY12 was 3.19%, as compared to 3.29% in 9M/FY11.
- ✚ Non Interest Income for 9M/FY12 was ₹. 1577 crore, compared to ₹. 1438 crore in 9M/FY11, an increase of 9.67%.
- ✚ Net Profit for 9M/FY12 stood at ₹. 1014 crore as compared to ₹. 1484 crore in 9M/FY11. Reduction is attributed to increase in provisions towards NPAs, restructured advances and depreciation on investments.

Balance Sheet

- ✦ Global Business grew by 12.82%, from ₹. 320442 crore to ₹. 361518 crore as on December 31, 2011
- ✦ Domestic Deposits increased from ₹. 186224 cr. in Dec'10 to ₹. 204493 cr., a growth of 9.81%. Global Deposits increased from ₹. 186655 crore (December 2010) to ₹. 205317 crore (December 2011) a growth rate of 10.00%.
- ✦ CASA deposits grew by 7.57% to ₹. 66810 crore from ₹. 62106 crore in the previous year. CASA share in total deposits was at 32.54%.
- ✦ Domestic Advances increased from ₹. 128564 cr. to ₹. 147255 cr., a growth of 14.54%. Global Advances increased from ₹. 133787 crore (December 2010) to ₹.156202 crore (December 2011), a growth rate of 16.75%.

Asset Quality

- ✦ Bank's Gross NPAs stood at 3.33% as compared to 2.68% in Dec. 10 and 3.49% in Sept. 11. Slippages during the quarter are ₹ 566 crore.
- ✦ Net NPA ratio is at 1.88% as on December 31, 2011 as against 1.21% in Dec.10 and 2.04% in Sept. 11.

Capital Adequacy

- Capital Adequacy ratio of the Bank, under Basel II, is 11.72% as on December 31, 2011 as compared to 11.88% as on December 31, 2010.
- The Tier I CRAR is at 7.98% as on December 2011 as against 7.44% in December 2010.

Delivery Channels

- Bank has 3177 branches including 1 overseas branch. 184 branches were opened during the year including - Specialised Financial Inclusion (FI) branches.
- Bank has presence in 5 overseas territories including 1 branch at Hong Kong and representative offices at Abu Dhabi, Beijing, London, Shanghai and Sydney. Bank has approval of Reserve Bank of India for opening a subsidiary in London, branches at Belgium & Sydney and representative offices in Toronto (Canada) & Johannesburg (South Africa). The bank is in the process of obtaining approval from respective regulators.
- During the year, bank added 519 ATMs, taking the total number of ATMs to 3025. Bank's ATMs to branches ratio is 0.95, which is one of the best among PSU Banks.
- Transactions through alternative channels have increased to 55.72% of the total transactions of the Bank as of December 2011 compared to 50.49% as of March 2011.