यूनियन बैंक
ऑफ इंडिया

Ref: ISD/17-18/392

3rd February, 2018

The Deputy General Manager, Corporate Relationships Dept. **BSE Ltd.** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. Scrip Code 532 477	The Deputy General Manager, Listing Dept. **National Stock Exchange of India Ltd.** Exchange Plaza, Plot No.C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai-400 051. Scrip Symbol/Series-UNIONBANK-EQ

Madam /Sir,

Subject: Presentation on Financial Results of the Bank for the Quarter / Nine Months ended on 31.12.2017

Pursuant to Regulation 30 read with point 15 of Para A of Part A of Schedule III and Regulation 46(2)(o) of SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015, we hereby submit the Presentation on Financial results of the Bank for the Quarter / Nine Months ended 31.12.2017.

Presentation is also made available on the Bank's website under the following link- http://www.unionbankofindia.co.in/investorrelations.aspx.

The above is for your information and record.

Thanking you.

Yours faithfully,

Mangesh Mandrekar

(Mangesh Mandrekar)
Company Secretary

Encl: As above.

यूनियन बैंक ऑफ इंडिया
अच्छे लोग, अच्छा बैंक

Union Bank of India
Good people to bank with

Financial Results

Q3/FY18
&
9M/FY18

February 03, 2018

Please follow us on:

@unionbankofficial @UnionBank Tweets UnionBankInsta YouTube UnionBankofIndiaUtube UnionBankofIndia

Union Bank of India

Table of Contents

#1 Business Performance

#2 Financials

#3 Structural Transformation

#4 Awards & Accolades

Union Bank of India

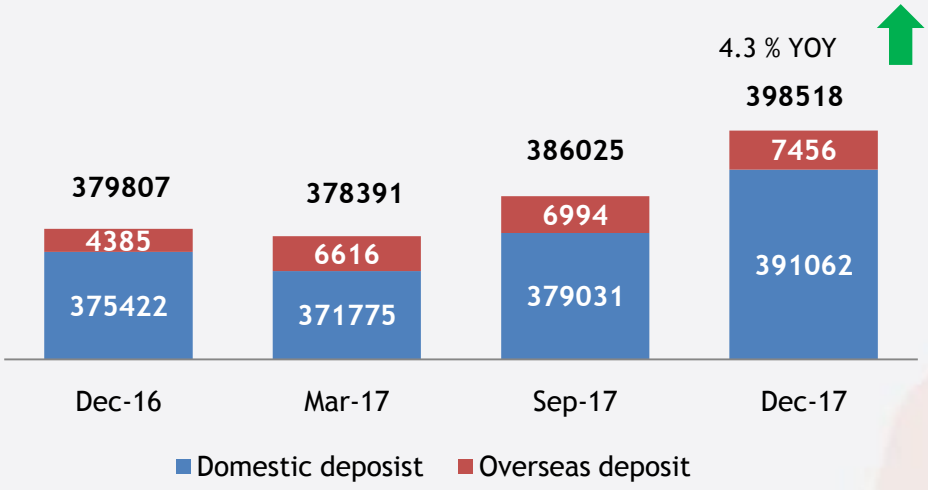
Snapshot as on December 31, 2017

Total Business	₹ 712993 crore
Gross Advances	₹ 314474 crore
Total Deposits	₹ 398518 crore
Operating Profit(Q3/FY18)	₹ 1654 crore
Net NPA Ratio	6.96%
Basel III Tier I CAR	8.65%
Basel III Total CAR	11.37%
Branches	4302
ATMs	7690

*Additional Micro-ATM stands at 5407

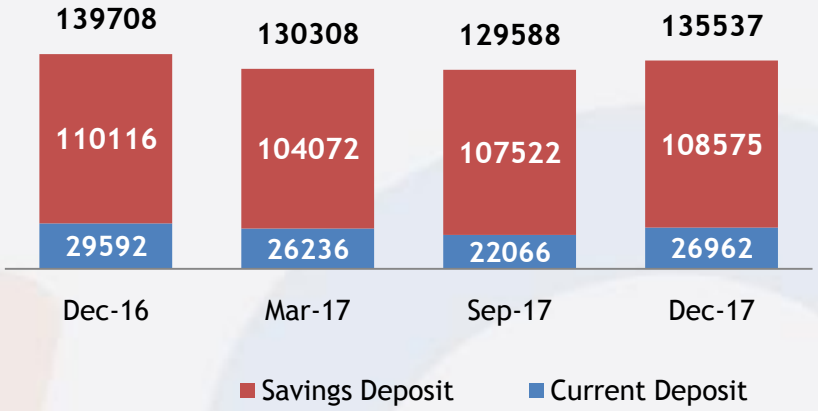
Strong Liability Franchise

Total Deposits

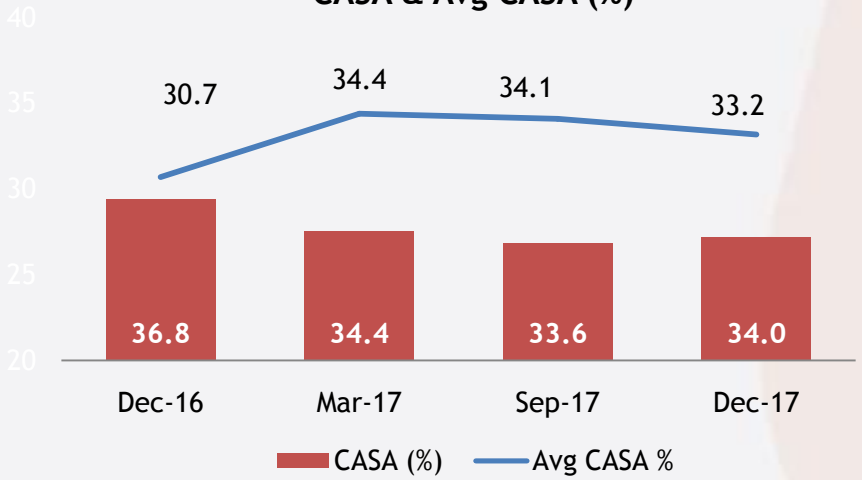


CASA Portfolio

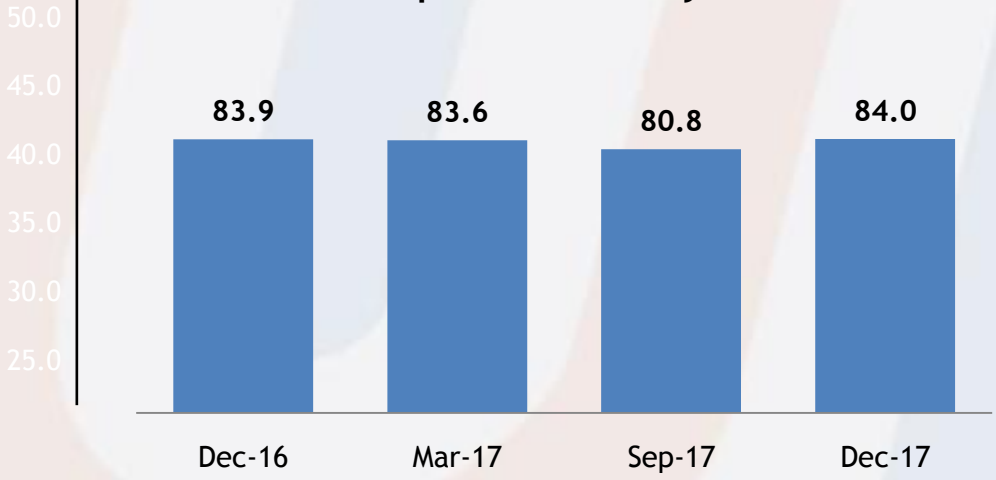
(₹ crore)



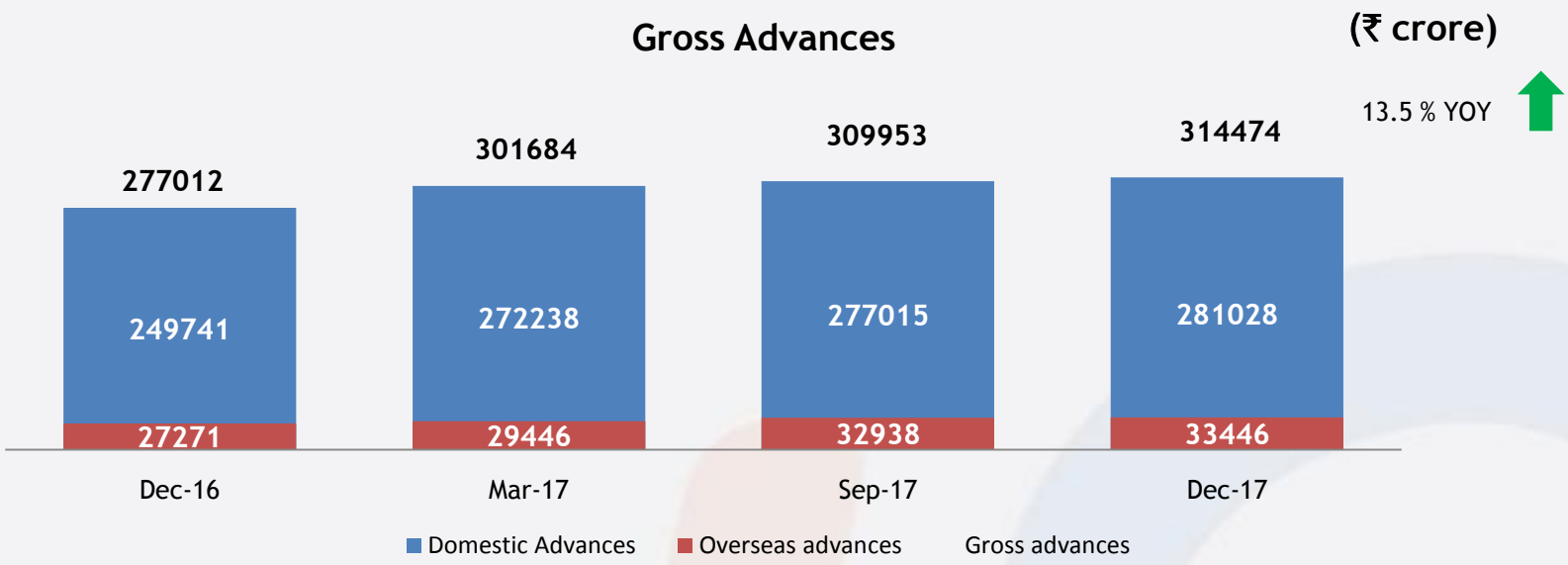
CASA & Avg CASA (%)

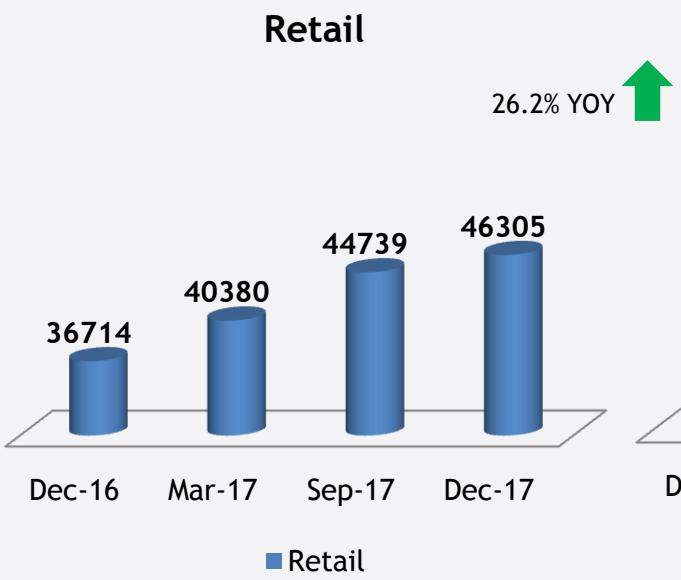


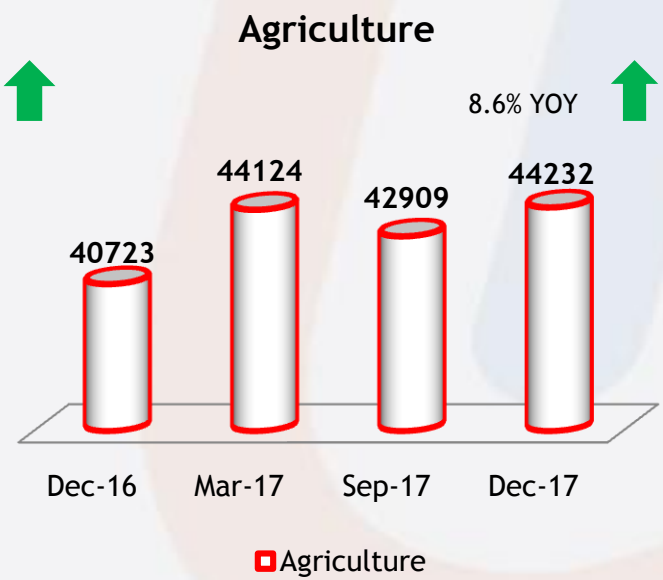
Deposit to Liability Ratio

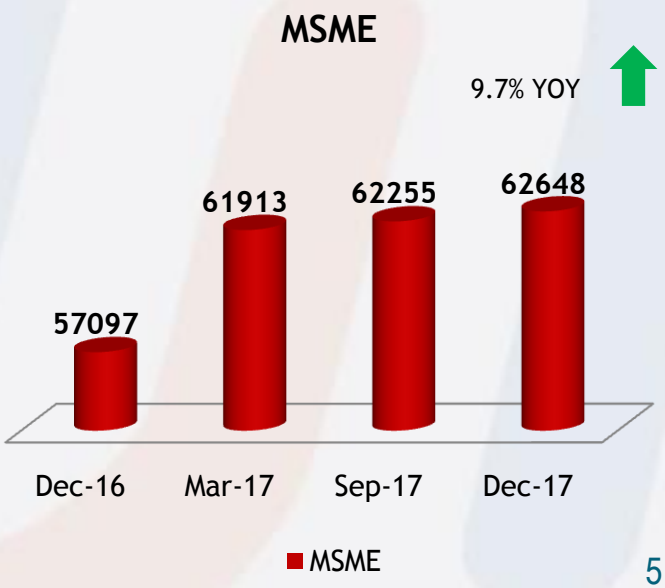


Diversified Loan Portfolio



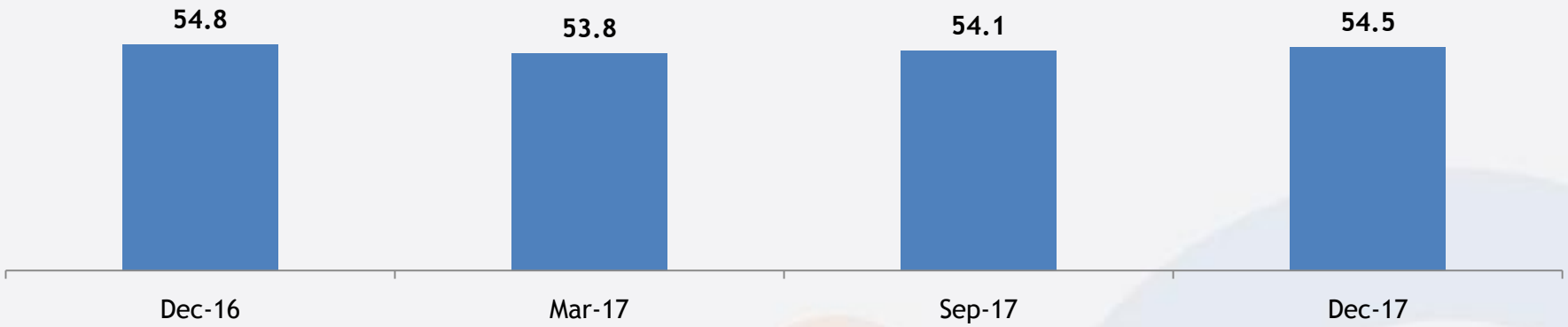




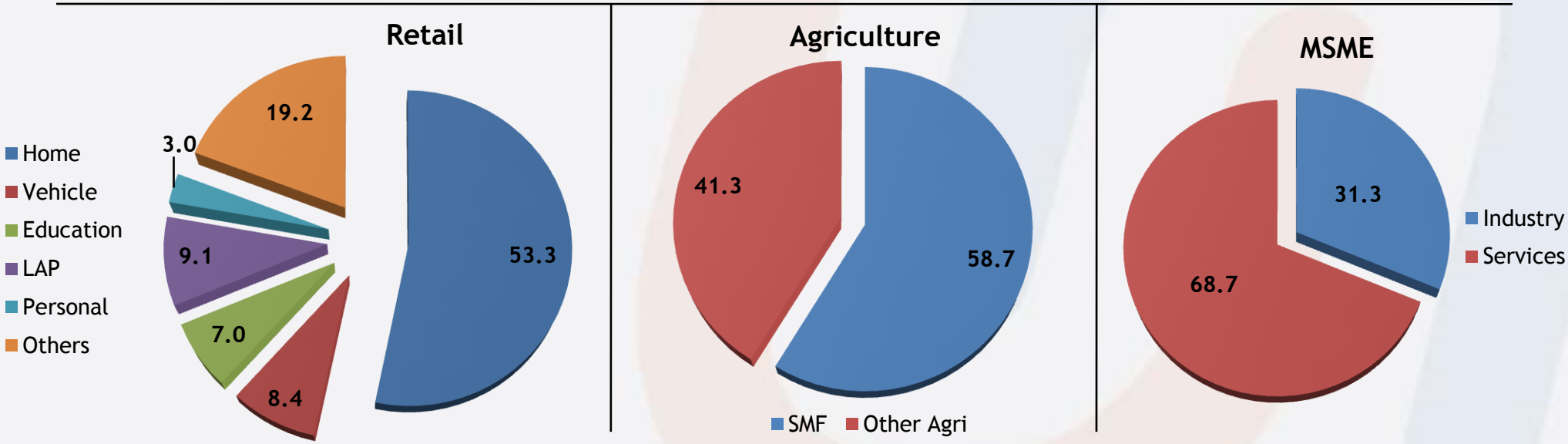


Diversified Loan Portfolio

RAM* share (%) in Domestic advances



Composition of Advances



*Retail, Agriculture and MSME collectively called as "RAM sector"

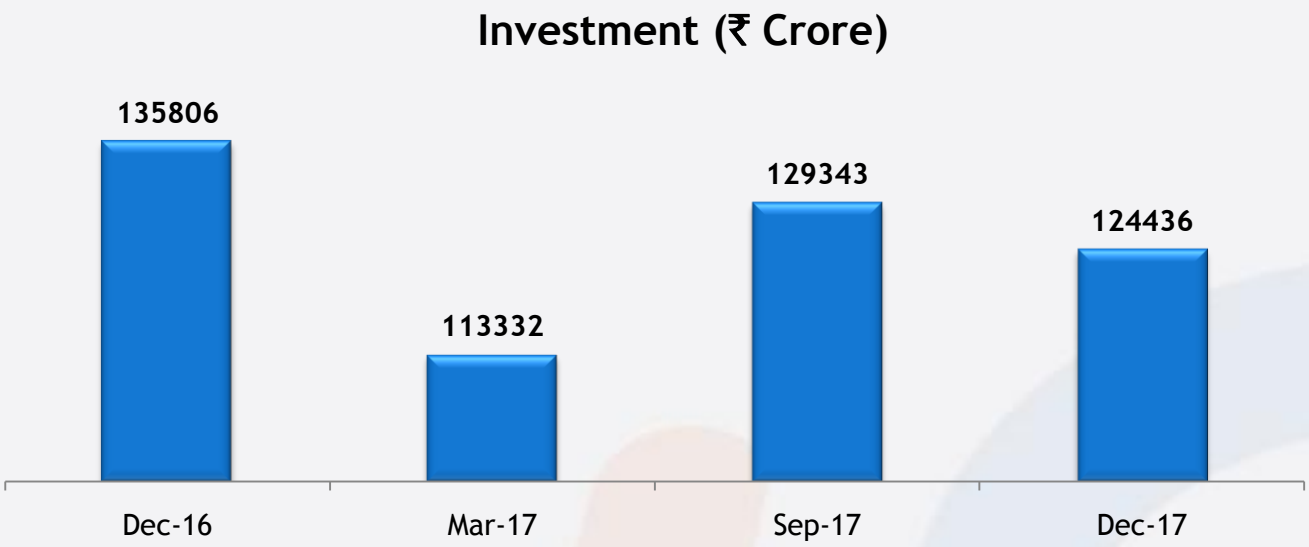
Union Bank of India

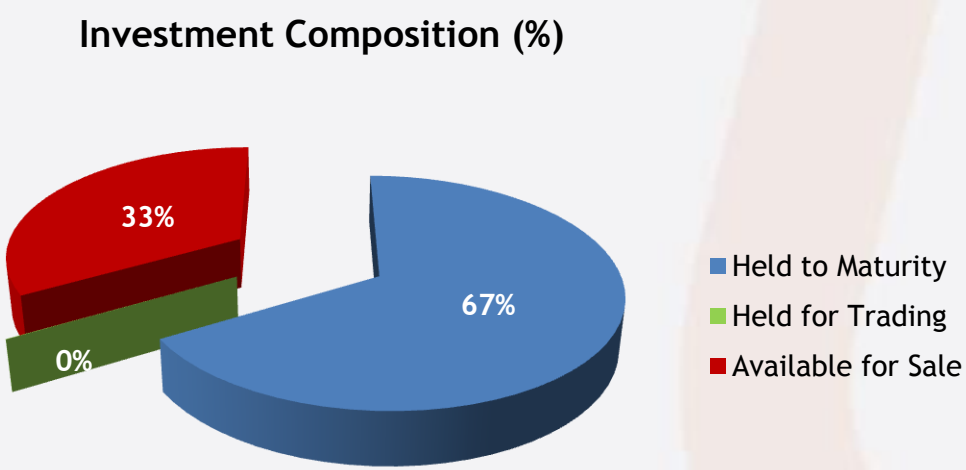
Diversified Loan Portfolio

S No.	Sectors	Top 10 Sectors (% Share in Domestic Advance)				
		Dec	Mar	Sep	Dec-17	
		2016	2017	2017	₹ Crore	% Share
1	Infrastructure*	16.3	17.5	17.4	48398	17.2
2	Retail Advances	15.6	14.6	16.2	46305	16.4
3	Agriculture	15.6	16.2	15.5	44232	15.7
4	Trade	12.7	12.6	13.0	34320	12.2
5	NBFCs	11.3	8.9	10.1	31161	11.1
6	Basic Metal Products	5.6	5.1	5.1	13786	4.9
7	Construction	3.4	4.0	4.0	9898	3.5
8	Food Processing	2.8	3.4	3.2	7608	2.7
9	Textiles	2.2	2.5	2.6	5496	2.0
10	All Engineering	2.1	1.9	1.9	5133	1.8
Total		**87.6**	**86.7**	**89.0**	**246337**	**87.5**

*Includes lending to social infrastructure as per harmonized definition of RBI

Investments





(₹ crore)

	Dec 2017	Duration (Years)
Held to Maturity	82830	4.2
Held for Trading	53	8.6
Available for Sale	41552	4.7
Total Investment	124436	4.3

Union Bank of India

Overseas Operations

Business from Overseas Operations					
US $ in billion (₹ crore)	Dec 2016#	Mar 2017	Dec 2017*	Growth (%)	
				Y-o-Y (US$)	Y-o-Y (INR)
Total Business	4.6 (31656)	5.6 (36062)	6.4 (40902)	39.1	29.2
Total Deposits	0.6 (4385)	1.0 (6616)	1.2 (7456)	100.0	70.0
Total Advances	4.0 (27271)	4.6 (29446)	5.2 (33446)	30.0	22.6

*1US$ = ₹ 63.875 as on Dec 31, 2017
#1US$ = ₹ 67.925 as on Dec 31, 2016

Union Bank of India

Statement of Assets & Liabilities

(₹ crore)

	As at 31.12.16	As at 31.03.17	As at 30.09.17	As at 31.12.17	Growth (%)	
					Y-o-Y	Q-o-Q
LIABILITIES						
Capital	687	687	726	856	24.6	17.9
Share Application Money	0	541	0	0	-	-
Reserves and surplus	22890	22748	21882	22331	-2.4	2.1
Deposits	379807	378391	386025	398518	4.9	3.2
Borrowings	39949	41226	57922	44418	11.2	-23.3
Other Liabilities and Provisions	9208	9111	11021	8296	-9.9	-24.7
Total	**452541**	**452704**	**477576**	**474419**	**4.8**	**-0.7**
ASSETS						
Cash and Balances with Reserve Bank of India	19117	16520	21434	19324	1.1	-9.8
Balances with Banks and Money at call and Short Notice	13497	16302	18141	18913	40.1	4.3
Investments	135222	112149	128418	122388	-9.5	-4.7
Advances	262659	286467	290850	293669	11.8	1.0
Fixed Assets	3851	3894	3843	3838	-0.3	-0.1
Other Assets	18195	17372	14890	16287	-10.5	9.4
Total	**452541**	**452704**	**477576**	**474419**	**4.8**	**-0.7**

Union Bank of India

Table of Contents

#1 Business Performance

#2 Financials

#3 Structural Transformation

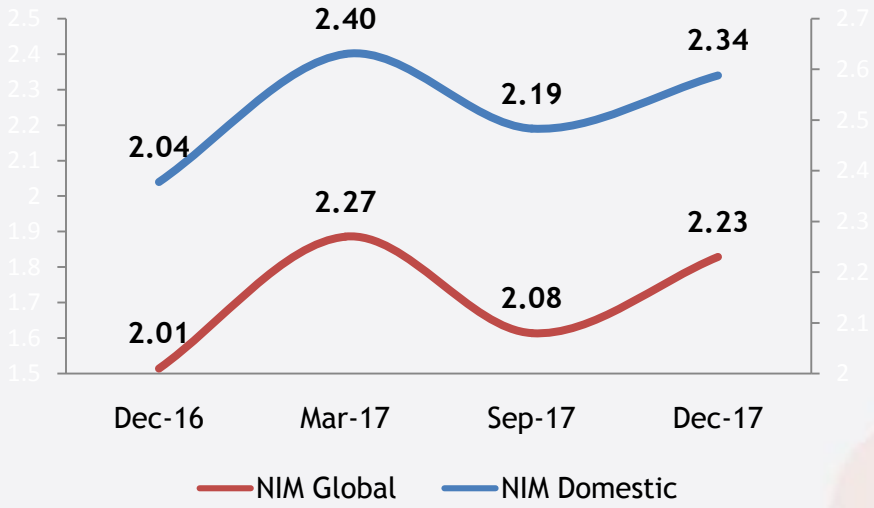
#4 Awards & Accolades

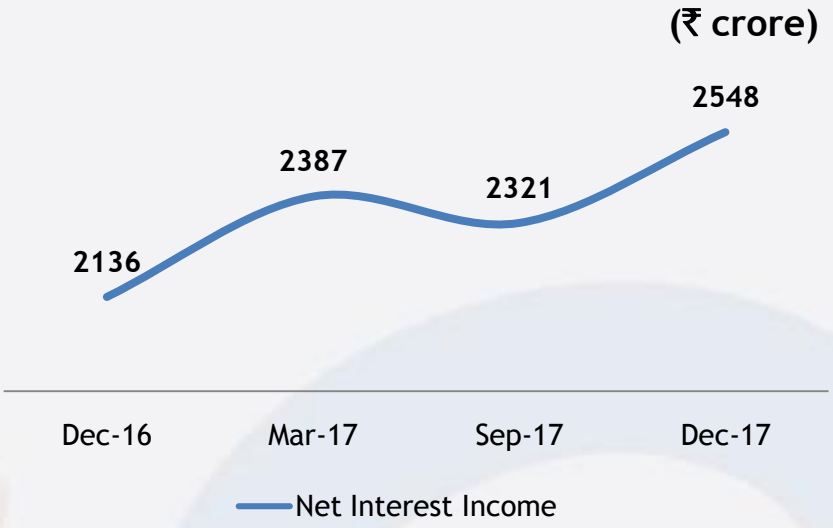
Union Bank of India

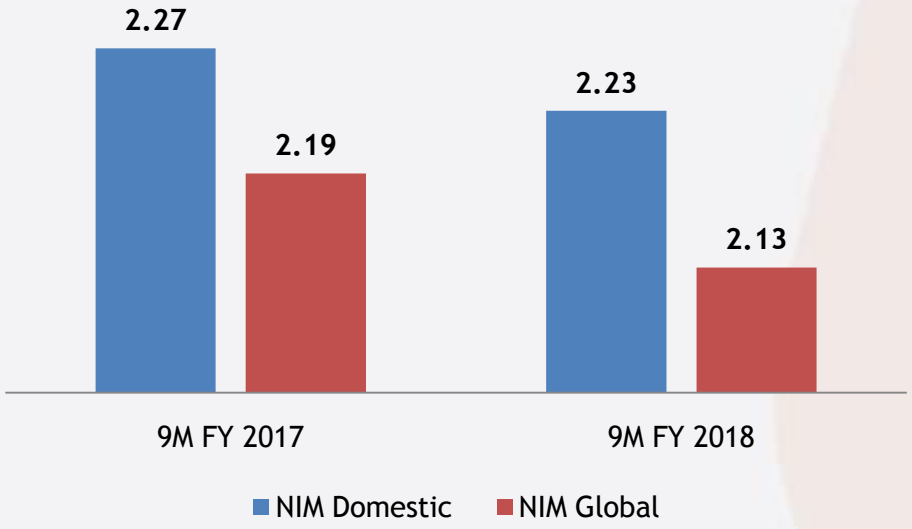
Cost & Yield Ratio

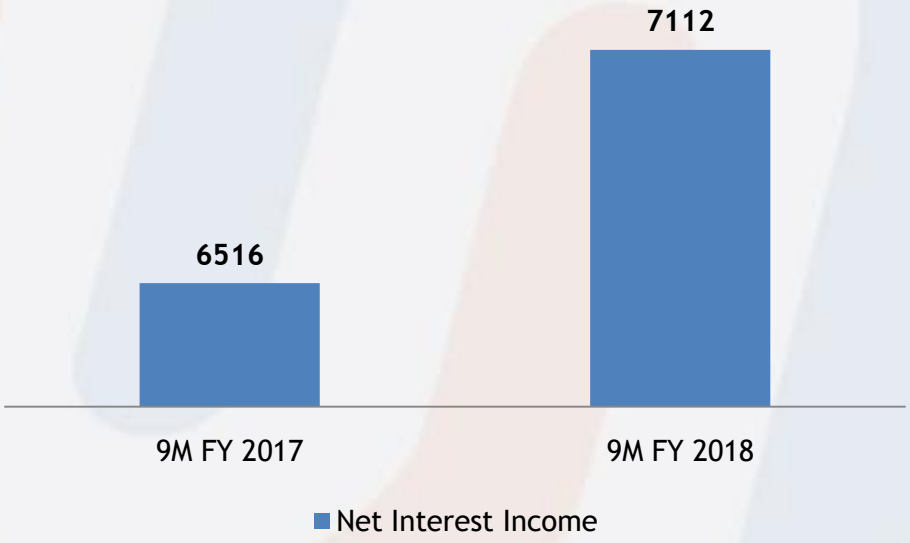
Parameters	Dec-16 (Q3)		Mar-17 (Q4)		Dec-17 (Q3)		Dec-16 (9M)		Dec-17(9M)	
	Domestic	Global	Domestic	Global	Domestic	Global	Domestic	Global	Domestic	Global
Cost of Deposit	6.35	6.28	5.98	5.91	5.68	5.61	6.49	6.42	5.80	5.72
Cost of Funds	5.52	5.34	5.41	5.24	4.91	4.61	5.78	5.57	5.14	4.84
Yield on Advances	9.14	8.59	9.03	8.41	8.09	7.53	9.47	8.83	8.36	7.81
Yield on Investment	7.19	7.14	7.15	7.09	7.03	6.95	7.39	7.34	6.95	6.89
Yield on Funds	7.40	7.20	7.63	7.35	7.06	6.67	7.88	7.60	7.19	6.80

Movement of NIM & NII







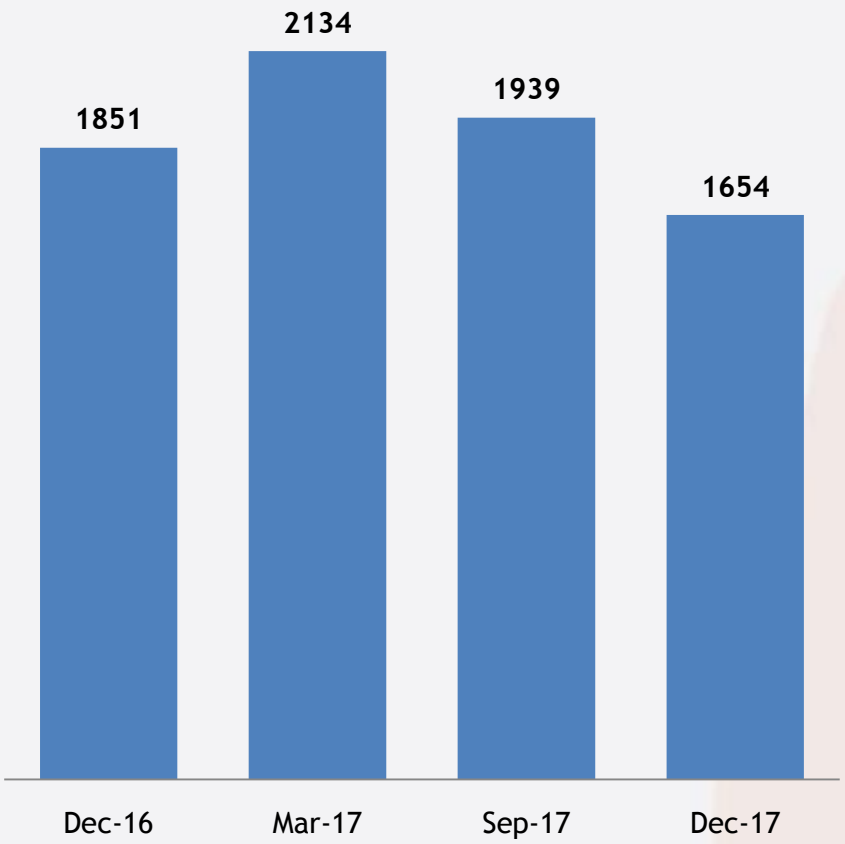


Union Bank of India

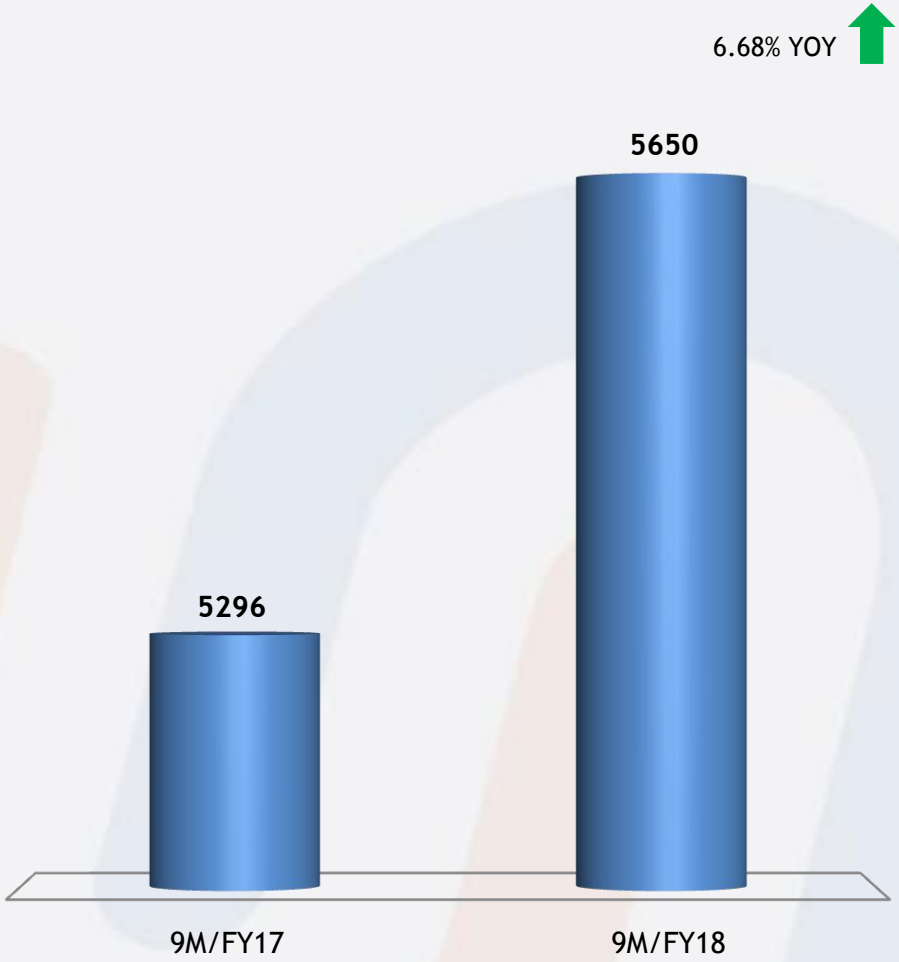
Non Interest Income

Parameters	Dec-16 (Q3)	Mar-17 (Q4)	Sep-17 (Q2)	Dec-17 (Q3)	Growth (%) YOY	Growth (%) QOQ	9M FY17	9M FY18	Growth (%)
a. Core Non Interest Income	472	641	549	597	26.43	8.73	1427	1752	22.78
b. Treasury Income	822	728	613	155	-81.10	-74.66	1968	1557	-20.86
W/w • Profit on Sale of Investments	694	582	477	6	-99.17	-98.8	1477	1135	-23.2
• Exchange Profit	128	146	136	150	16.78	9.86	491	423	-13.96
c. Recovery in Written off Accounts	45	77	55	121	168.6	120.1	124	195	57.8
Total	1339	1446	1217	873	-34.8	-28.28	3519	3505	-0.4

Operating Profit



(₹ crore)



Union Bank of India

Provisions

(₹ crore)

Parameters	Dec-16 (Q3)	Mar-17 (Q4)	Sep-17 (Q2)	Dec-17 (Q3)	9M FY 2017	9M FY 2018
NPAs	1582	1505	3465	2521	4527	7861
W/w additional Provision on accounts referred to NCLT(as per RBI list 1)	-	-	1566	-	-	1566
W/w additional Provision on accounts referred to NCLT(as per RBI list 2)	-	-	-	991	-	991
Standard Assets	78	249	-20	110	257	23
Depreciation on Investment	81	604	166	**700**	27	440
Shifting Loss	0	0	0	0	2	367
Restructured Advances	-10	88	-8	-1	-22	-52
Others (FITL etc)	-61	-12	-48	-76	-148	-126
Taxation	77	-409	-85	-350	206	-199
Total	1747	2025	3470	2904	4849	8314

Union Bank of India

Provisions

Provision fully provided to Accounts referred to NCLT under IBC 2016

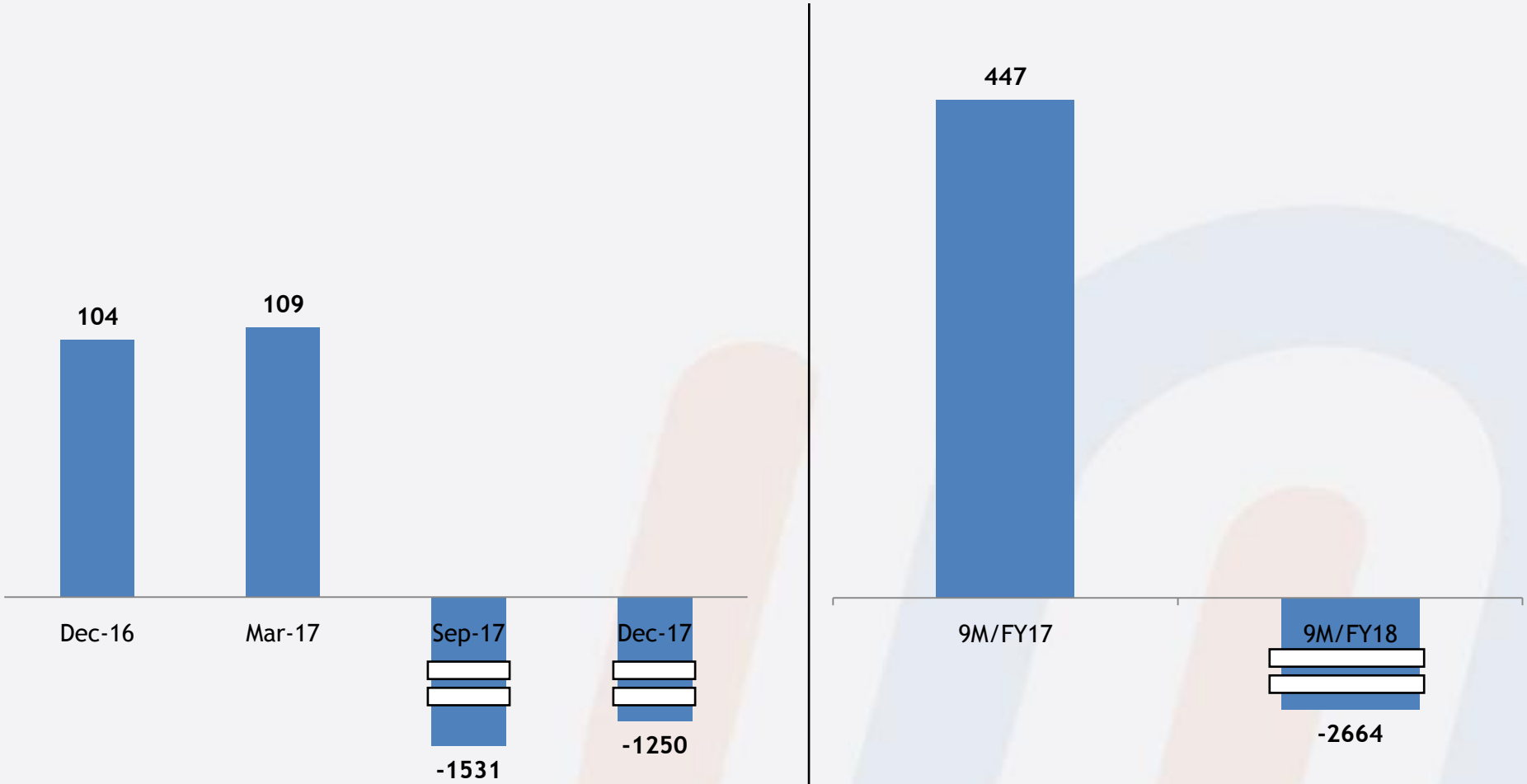
(₹ crore)

	1st list	2nd list	Total
Exposure to number of accounts referred under IBC (as per RBI list)	11	18	29
Loan Outstanding as of Dec 31, 2017	7658	4808	12466
Total Provisions held upto Dec 31, 2017	4145	2678*	6823
Additional Provisions required in FY18	0	0	0
Provision Coverage Ratio as of Dec 31, 2017	54.13	55.70	54.73

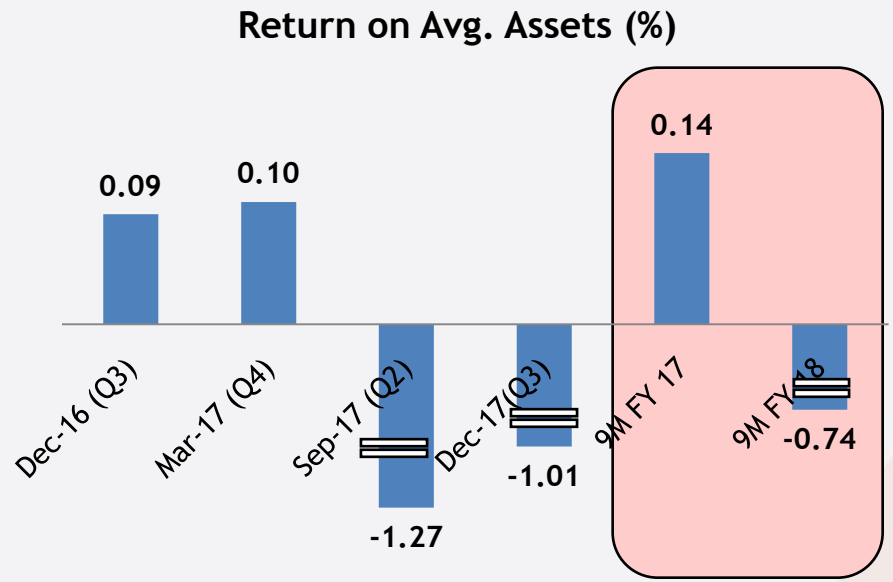
*Includes Provision of Rs.991 crores provided in Q3/FY18, which was to provided upto March 2018

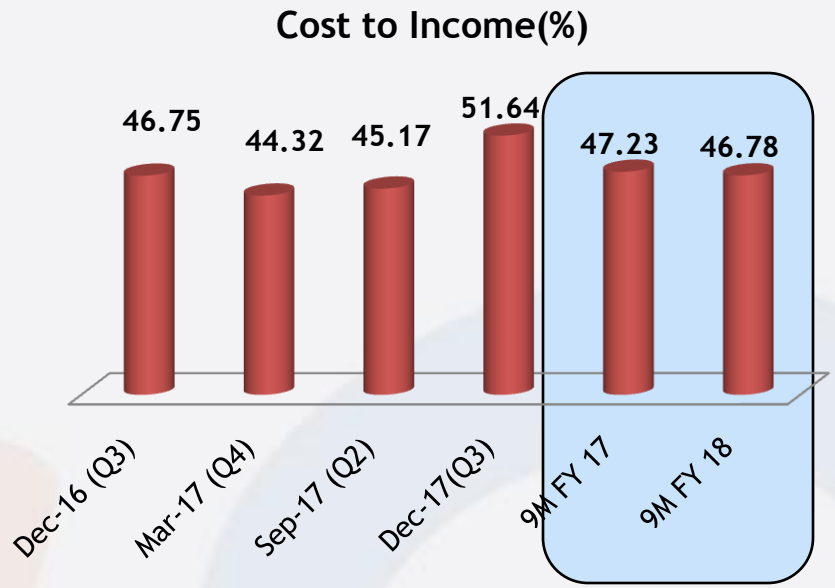
Net Profit

(₹ crore)



Efficiency/Profitability Ratios





S. No.	Efficiency Parameters	Dec-16 (Q3)	Mar-17 (Q4)	Sep-17 (Q2)	Dec-17 (Q3)	9M FY 2017	9M FY 2018
1	Return on Equity (%)	2.17	2.27	-35.81	-28.08	3.05	-19.95
2	Book Value Per Share	284.50	277.76	244.33	236.89	284.50	248.29
3	Earnings per share	6.06	6.33	-87.50	-22.17	8.67	-49.53

Union Bank of India

Efficiency Ratios

Sn.	Profitability Parameters		Dec-16 (Q3)	Mar-17 (Q4)	Sep-17 (Q2)	Dec-17 (Q3)	9M FY 17	9M FY 18
1	Business per Branch	₹ crore	155	158.8	162.0	165.9	155.02	165.9
2	Business per employee	₹ crore	17.6	18.4	18.1	18.8	17.6	18.8
3	Gross Profit per Branch	₹ crore	1.7	2.0	1.8	1.5	1.7	1.8
4	Gross Profit per Employee	₹ lacs	19.9	23.2	20.2	17.4	18.9	19.8
5	Net Profit per Branch	₹ lacs	9.8	10.2	-142.6	-116	14.1	-82.6
6	Net Profit per Employee	₹ lacs	1.1	1.2	-15.9	-13.1	1.6	-9.3

Union Bank of India

Asset Quality: Movement in Non Performing Assets

(₹ crore)

Parameters	Dec-16 (Q3)	Mar-17 (Q4)	Sep-17 (Q2)	Dec-17 (Q3)	9M FY 17	9M FY 18
Gross NPAs - Opening	29862	32403	37286	38286	24171	33712
Add : Additions	3294	2951	2686	4187	10293	11326
Less : Reductions	753	1642	1686	1485	2061	4050
1. Recoveries	254	533	484	636	855	1448
2. Upgradation	101	393	92	55	658	358
3. Write Off	398	716	1110	794	548	2244
Gross NPAs- Closing	32403	33712	38286	40988	32403	40988
Gross NPA (%)	11.70	11.17	12.35	13.03	11.70	13.03
Net NPA	18246	18833	19479	20428	18246	20428
Net NPA (%)	6.95	6.57	6.70	6.96	6.95	6.96
Provision Coverage Ratio (%)	50.62	51.41	56.06	57.12	50.62	57.12
Tangible PCR (%)	43.69	44.14	49.12	50.16	43.69	50.16
Credit Cost (%)	2.28	2.08	4.58	3.23	2.18	3.40

Union Bank of India

Asset Quality: Sectoral

(₹ crore)

Sectors	Slippages During Q3 FY 18	NPAs Dec 2017	% to Bank's GNPAs	Sectoral NPA %			
				Dec-16	Mar-17	Sep-17	Dec-17
Retail Loans	114	1080	2.63	2.99	3.12	2.53	2.33
Agriculture	247	2676	6.53	5.61	5.10	6.74	6.06
Micro & Small (MSE)	373	5270	12.86	9.25	8.92	10.71	11.02
Medium & Large	3453	31962	77.98	16.4	15.21	20.56	18.15
Total	4187	40988	100	11.70	11.17	12.35	13.03

Asset Quality: Sectoral

Scheme	Standard as on Sept 2017		Standard as on Dec 2017	
	Account	Amount(Rs. in crore)	Account	Amount(Rs. in crore)
5:25	13	3439	11	2795
SDR	24	5095	18	2660
S4A	9	1724	12	1923

Union Bank of India

Asset Quality: Sectoral

(₹ crore)

S.N.	Sector	Outstanding	NPA	Std. Restructured	NPA + Std. Restructured (%)
1	Infrastructure	48398	6785	2736	19.7
a.	Power	21459	1886	1510	15.8
b.	Roads/Ports	13181	1827	1205	23.0
2	Textiles	7495	1830	110	25.9
3	Iron & Steel	10869	8382	10	77.2

Sectors	5:25		SDR		S4A	
(Standard accounts)	During Q3	Outstanding	During Q3	Outstanding	During Q3	Outstanding
Power		1537		1247	467	1227
Road				922	131	131
Telecom				268		
Textile				62		316
Road/Port		300				
Cement		300				
Iron & Steel		437		22		45
Chemical						68
Hotel		221		95		
Pharma						
Metal						
Infra					19	19
CRE						
Others			25	45	66	117
Total	0	2795	25	2660	683	1923

Union Bank of India

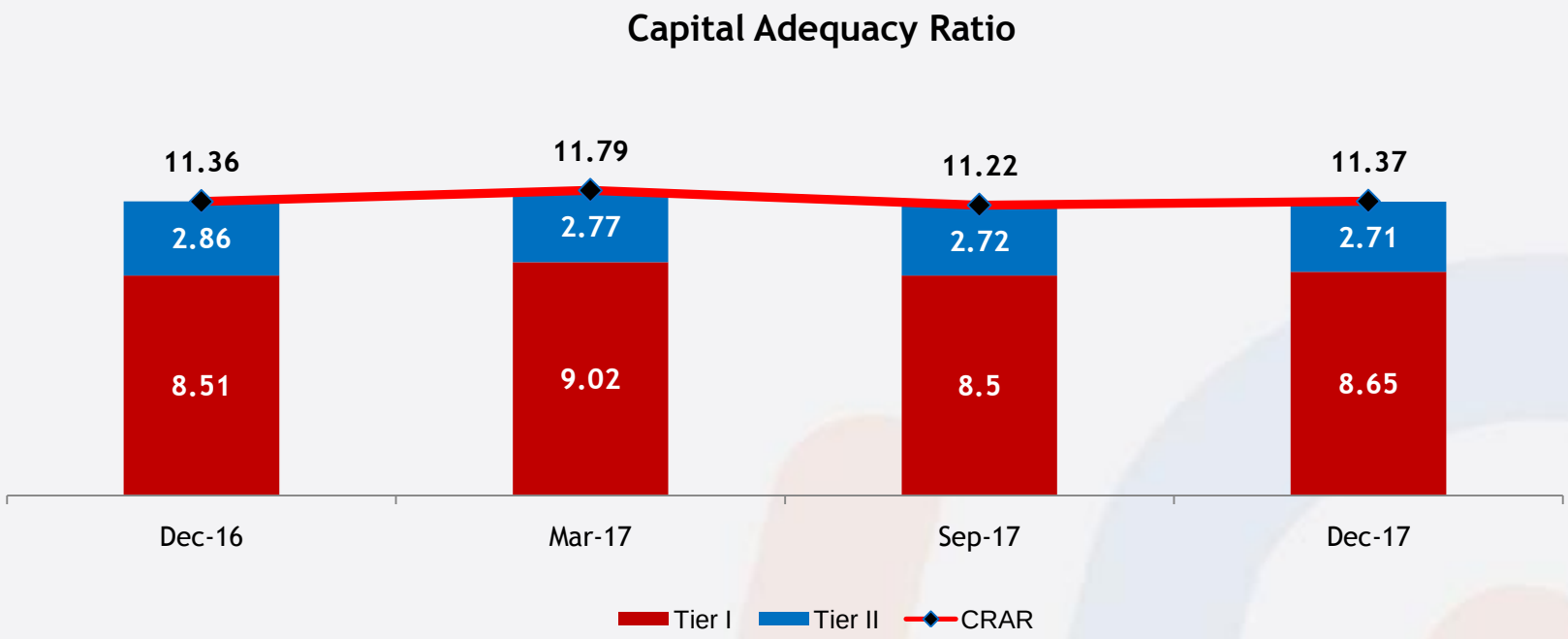
Restructured Assets

(₹ crore)

	Dec-17 (Q3)		
Particulars	**Standard**	**NPA**	**Total**
Restructured Assets as on September 30, 2017	5270	10262	15532
Fresh Restructuring during the Quarter	0	0	0
Upgradation to Standard Restructured Accounts during the Quarter	10	-10	0
Restructured Standard Advances which cease to attract higher provisioning and need not be shown as Restructured Assets Quarter	-431	0	-431
Down gradation of restructured accounts during the Quarter	-1167	1167	0
Change in Outstanding/Write-off/ Recovery/Closures Quarter	54	-487	-433
Restructured Accounts as on December 31, 2017	3736	10932	14668

Particulars (percent to Gross Advances)	**Dec-16**	**Mar-17**	**Sep-17**	**Dec-17**
Standard Restructured	1.99	1.89	1.70	1.19
Impaired Assets Ratio (GNPA + Standard Res)	13.69	13.06	14.05	14.22
Net Impaired Assets Ratio (NNPA + Standard Res)	8.58	8.13	8.40	7.68

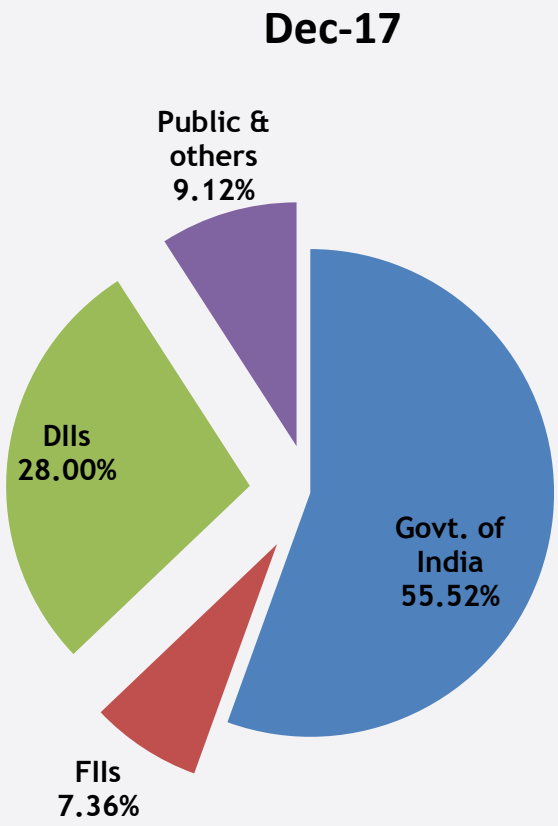
Basel III : Capital Adequacy



(₹ crore)

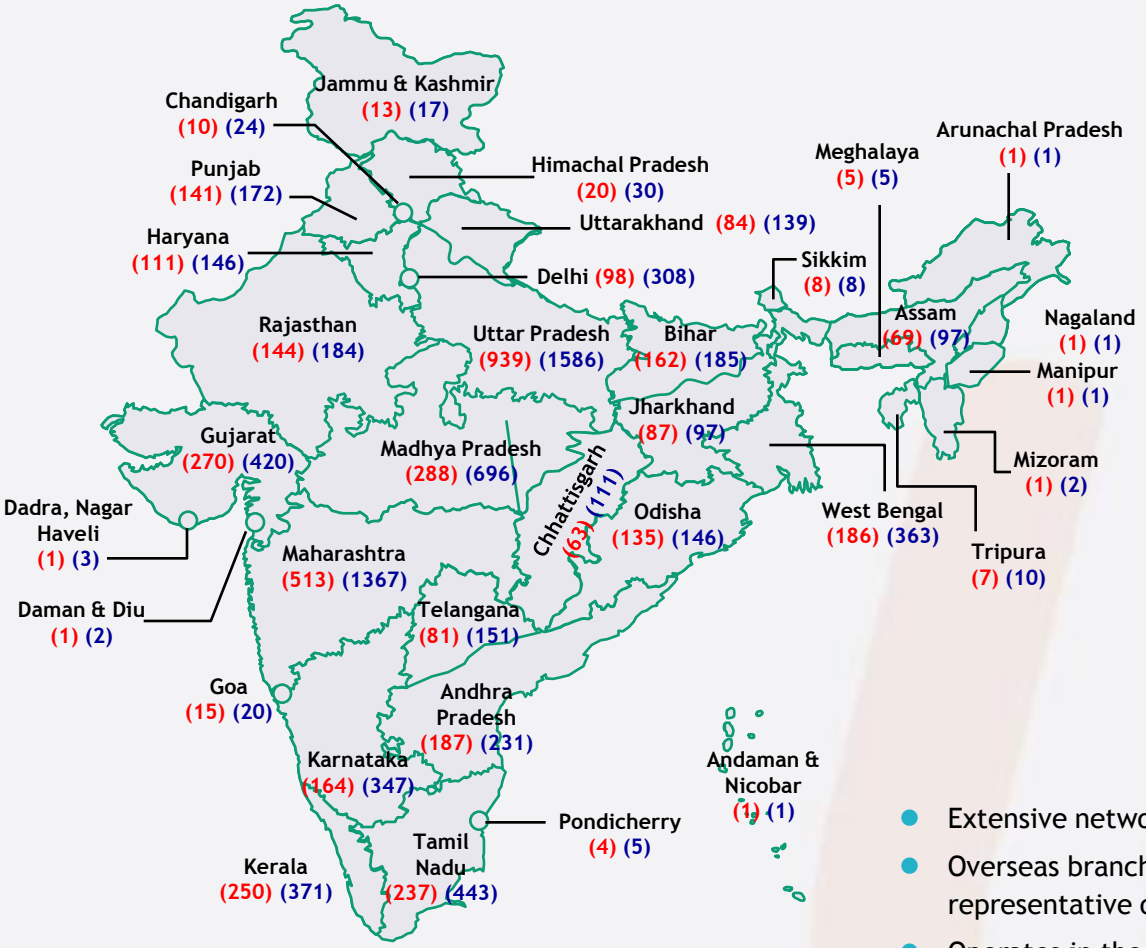
Particulars	Dec-16	Mar-17	Sep-17	Dec-17
Risk Weighted Assets	281877	291204	290259	290276
Capital Funds	32029	34334	32567	32996
CRAR-BASEL III (%)	11.36	11.79	11.22	11.37
TIER 1 (%)	8.51	9.02	8.50	8.65
CET 1 (%)	7.68	7.71	7.00	7.18

Shareholding Pattern



Share Capital	**₹ 855.7 crore**
No. of Equity Shares	85.57 crore
Net Worth	₹ 17807 crore
Market Cap	₹ 12434 crore

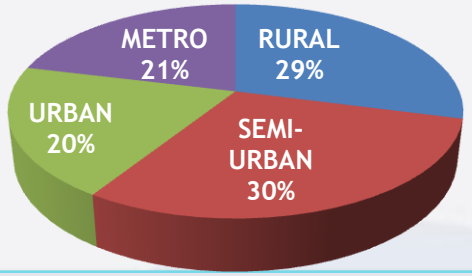
Extensive & specialized distribution network focused on the needs of the different business segments



Domestic Branches (4,298)

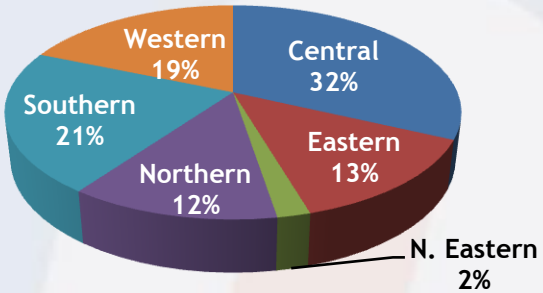
ATMS (7690)
Micro-ATMS (5407)

Branch Distribution by Urbanization



59% branches in rural/semi-urban markets

Branch Distribution by Geography



Geographical diversification minimizes regional risks

- Extensive network across India
- Overseas branches in Hong Kong, Sydney, Dubai and Antwerp, in addition to representative offices in Shanghai, Beijing and Abu Dhabi
- Operates in the UK through its wholly owned subsidiary, Union Bank of India (UK) Ltd.
- The Bank has 28 extension counters, 60 satellite offices and 48 service branches in addition to its regular bank branches as of December 31, 2017.

Financial Inclusion

Progress under Pradhan Mantri Jan Dhan Yojana (PMJDY)	
Parameters	**Achievements of the Bank**
Villages covered	18396
No. of BCs	5407
Sub Service Areas	5407
Urban Wards	2581
Accounts opened till December 31, 2017	74.65 Lakh
Deposits	₹ 1359.8 Crore
RuPay Cards issued	48.12 Lakh
Aadhar Seeding	57.1 Lakh

JAN-DHAN SE JAN SURAKSHA

Pradhan Mantri Suraksha Bima Yojana — 30.7 Lakh

Pradhan Mantri Jeevan Jyoti Bima Yojana — 13.08 Lakh

Atal Pension Yojana — 2.78 Lakh

Financial Inclusion

Total outstanding under Mudra loan = ₹502.03 crore

Progress under Mudra Yojana (PMMY) (October to December 2017)			
Category	No. of Accounts	Sanctioned Amount (₹ crore)	Outstanding Amount (₹ crore)
Shishu (< ₹ 50k)	6929	28.03	18.75
Kishor (Above ₹ 50k-5 Lakh)	24010	466.16	370.82
Tarun (Above ₹ 5 Lakh-10 Lakh)	2135	149.86	112.46
Total	**33074**	**644.05**	**502.03**

Finance to Light Commercial Vehicle under PMMY (October to December 2017)	
No. of Accounts	Outstanding Amount (₹ crore)
10961	221.45

Union Bank of India

Table of Contents

#1 Business Performance

#2 Financials

#3 Structural Transformation

#4 Awards & Accolades

Structural Transformation

21 key achievements/big shifts so far

Structural changes

1. Transformed banking in **915 UX, 46 ULPs,21 SARALs (65% Retail + MSME** business)
2. **Set up Analytics Centre (BIU),** a pioneer initiative in Public sector banking
3. Revamped **Large Corporate operating model** (IFBs and CRH)
4. **Creation of DART** for focussed stressed asset resolution
5. **New business model for retail loans** (HL/ML cells)
6. **Dedicated acquisition engine for MSME** (dedicated RMs)

People initiatives

7. Set-up one of its kind **Union Suvidha**, an HR Shared service centre
8. Streamlined **Performance Management System and fitment**
9. **2,500+ trainings** conducted to up-skill and change mindset and behaviour
10. **20+ employee engagement** initiatives successfully executed
11. **PO job rotation** program to provide head start to new joiners
12. Empowered employees with **e-Learning Management system**, an online self-paced system

Digitization/ Technology shifts

13. **99% digitization** of new MSME proposals in LAS and **Retail loans digitization** (Online application) is live
14. **Multi-channel integration** (Leads from ATMs)
15. **Roll-out Buddy,** an in-house project management tool
16. Revamped **LMS** and **visual dashboards** to monitor performance
17. Enhanced and streamlined operations in **Digital Channels** (e.g., Call Centre-Outbound calling)

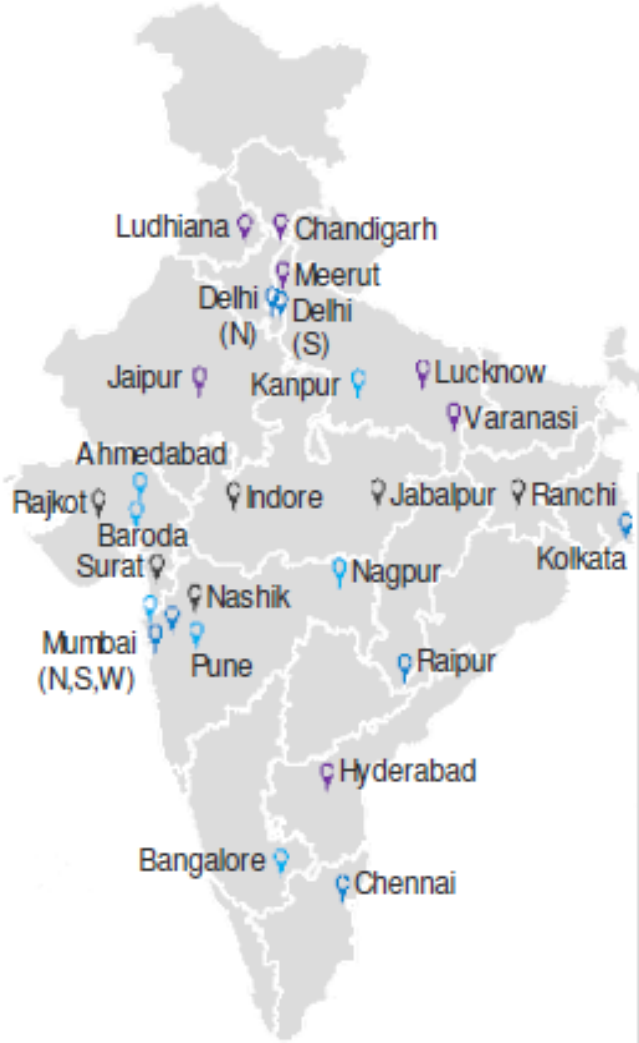
Cultural changes

18. Onset of **Sales culture** in the Bank
19. Set up of **War-Room** and institutionalizing **data driven performance** culture
20. Re-designed **Union Bank Championship,** a reward and recognition program for Branches, Regions and Zones
21. **At scale implementation and change management** (BPT dept, Change leaders)

Union Bank of India

Structural Transformation

Project Utkarsh implemented in 27 regions covering 65% of Retail & MSME Branches

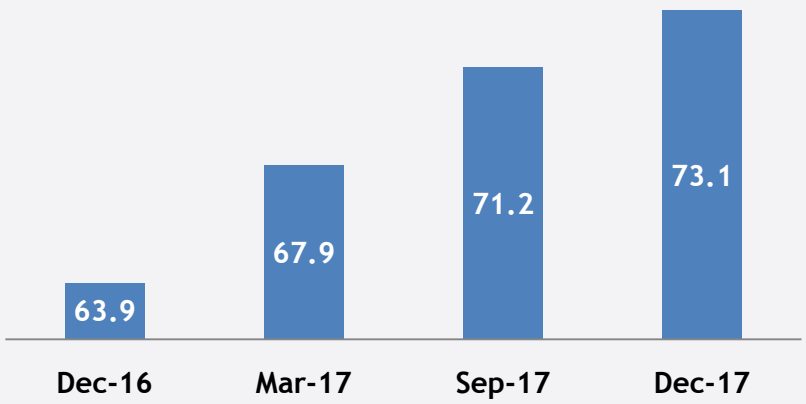


	Wave 1 & 2	Wave 3	Wave 4	Wave 5
	▪ Delhi S ▪ Mumbai S ▪ Chennai ▪ Kolkata ▪ Raipur ▪ Delhi N ▪ Mumbai W	▪ Pune ▪ Nagpur ▪ Mumbai N ▪ Ahmedabad ▪ Baroda ▪ Bangalore ▪ Kanpur	▪ Lucknow ▪ Hyderabad ▪ Varanasi ▪ Chandigarh ▪ Jaipur ▪ Ludhiana ▪ Meerut	▪ Indore ▪ Jabalpur ▪ Nashik ▪ Rajkot ▪ Ranchi ▪ Surat
No. of branches	310	547	784	915
No. of ULPs	14	26	37	46
No. SARALs	7	14	20	21
No. of employees	4,496	7,652	10,250	11,849
Retail + MSME business	28%	44%	56%	65%

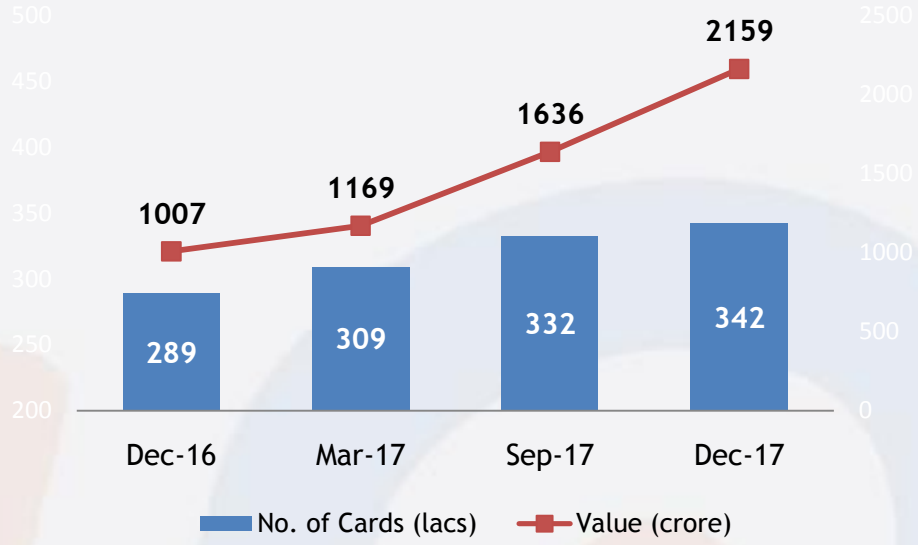
Digital Banking

Expanding Digital banking base

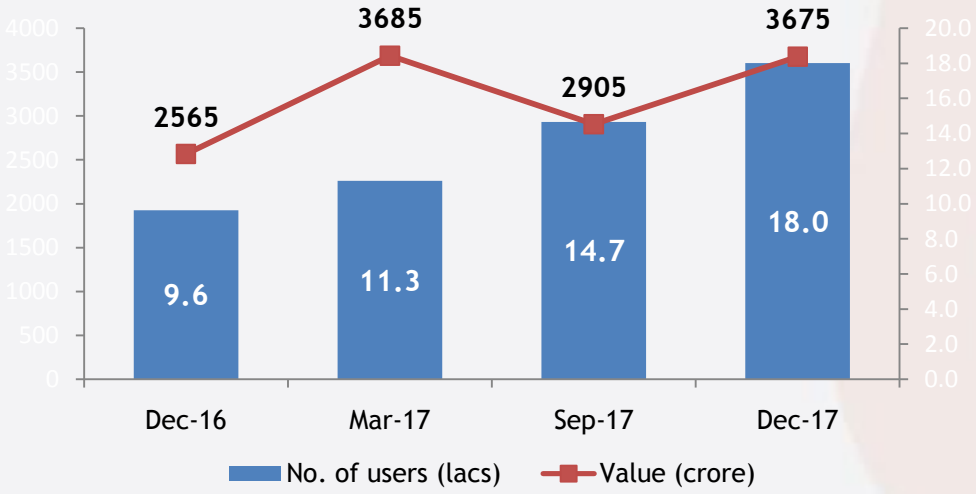
Transactions through Alternate Channels (In %)



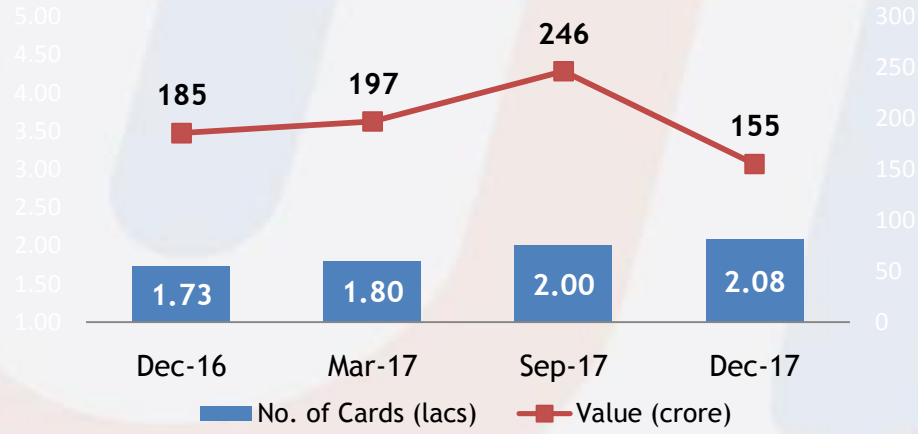
Debit Card Spends



Mobile Banking



Credit Card Spends



Digital Banking

Other Initiatives

- Introduced Biometric authentication of ATM transactions through fingerprint
- Launched Union Virtual Assistant(UVA) FAQ Chatbot to cater questions asked by customers on social media & Bank's website

Union Bank of India

Table of Contents

#1 Business Performance

#2 Financials

#3 Structural Transformation

#4 Awards & Accolades

Awards

Information Technology

- **SKOCH Order of Merit Award-**
  - Union Mobile NPA Recovery App
- **Customer Service Innovation Award**
  - Best Customer Service Innovation Award for Union Customer Connect(OCRM) from Infosys

Union Bank of India

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.

Investor queries: investor.relations@unionbankofindia.com