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Ref: ISD/18-19/66

10th May, 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: Press Release on the Financial Results of the Bank for the Quarter / Financial Year ended on 31.03.2018

We enclose herewith a copy of Press Release issued by the Bank on its Audited Standalone and Consolidated Financial Results for the Quarter/Financial Year ended on 31.03.2018.

The same is also made available on the Bank's website under the following link - http://www.unionbankofindia.co.in/english/financial_ result.aspx

The above is for your information and record.

Thanking you.

Yours faithfully,

Mangesh Mandrekar

(Mangesh Mandrekar)
Company Secretary

Encl: As above.

Press Release

Financial Results For the Quarter And Financial Year Ended March 31, 2018.

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, 2018.

Key Highlights

PCR ↑ 57.16% (up 575 bps YoY)	Global Business ↑ 6.2% YoY
CRAR ↑ 11.50%	Non Interest Income ↑ 70.1% QoQ
Operating Profit ↑ 14.27% QoQ	Risk Weighted Assets ↓ 1.7% YoY

Business:

- Global Business grew by 6.2 per cent to ₹722362 crore as on March 31, 2018 from ₹680076 crore as on March 31, 2017. Domestic business grew by 7.4 per cent to ₹691533 crore as on March 31, 2018 from ₹644014 crore as on March 31, 2017.
- Total deposit of the bank grew from ₹378392 crore as on March 31, 2017 to ₹408502 crore as on March 31, 2018 showing growth of 8.0 per cent.
- CASA deposits increased by 6.9 per cent to ₹139241 crore as on March 31, 2018 from ₹130308 crore as on March 31, 2017.
- CASA share in total deposits increased to 34.1 per cent as on March 31, 2018 compared to 34.0 per cent as on December 31, 2017.
- A total of 47 lakh CASA accounts were opened during FY 2017-18. Out of these 45 lakh were Savings Bank Accounts (excl. BSBDA/BSBDS accounts).
- Bank's Global Advances grew by 4.0 per cent to ₹313860 crore as on March 31, 2018 from ₹301684 crore as on March 31, 2017.
- Domestic Advances increased by 5.9 per cent from ₹272238 crore as on March 31, 2017 to ₹288336 crore as on March 31, 2018.

Financial Performance for the quarter ended March 2018:

- Global NIM for January-March 2018 stood at 1.90 per cent as against 2.23 per cent for October-December 2017 quarter. It was 2.27 per cent a year ago. Domestic Net Interest Margin (NIM) stood at 1.99 per cent for January-March 2018 as against 2.34 per cent for October-December 2017. It was 2.40 per cent a year ago.
- Yield on funds stood at 6.43 per cent for January-March 2018 as against 6.67 per cent for October-December 2017 and 7.35 per cent for January-March 2017.

- Cost of funds declined to 4.69 per cent for January-March 2018 as against 5.24 per cent for January-March 2017 and 4.61 per cent for October-December 2017.
- Net Interest Income for January-March 2018 stood at ₹2193 crore. It was ₹2387 crore a year ago.
- Non Interest Income for January-March 2018 was sequentially up by 70.1 per cent to ₹1485 crore from ₹873 crore in October-December 2017
- Operating profit stood at ₹1890 crore for January-March 2018 over ₹1654 crore for October-December 2017 and was ₹2134 crore for January-March 2017.
- Earnings per share (annualised) stood at ₹-29.59 for January-March 2018.
- Net loss for January-March 2018 stood at ₹2583 crore. This includes Investment Depreciation of Rs.1120 crore.

Financial Performance for Financial Year ended March 2018:

- Global NIM for FY 2017-18 stood at 2.07 per cent as against 2.23 per cent for FY 2016-17. Domestic Net Interest Margin (NIM) stood at 2.17 per cent for FY 2017-18 compared to 2.33 per cent for FY 2016-17.
- Yield on funds stood at 6.71 per cent for FY 2017-18 as against 7.60 per cent for FY 2016-17.
- Cost of funds declined to 4.80 per cent for FY 2017-18 as against 5.53 per cent for FY 2016-17.
- Net Interest Income for FY 2017-18 up by 4.52 per cent on YoY basis to ₹9305 crore from ₹8903 crore for FY 2016-17.
- Non Interest Income stood at ₹4990 crore for FY 2017-18 as against ₹4965 crore for FY 2016-17.
- Net loss for FY 2017-18 stood at ₹5247 crore. This includes ₹1560 crore of Investment Depreciation & ₹7326 crore provision held for 27 accounts referred to National Company Law Tribunal (NCLT), as per RBI list-I & II.
- Cost to Income ratio stood at 47.26 per cent for FY 2017-18.

Asset Quality:

- Slippages for Q4 2017-18 was ₹10043 crore.
- Gross NPAs stood at 15.73 per cent as on March 31, 2018 as against 13.03 per cent as on December 31, 2017 and 11.17 per cent as on March 31, 2017.
- Net NPA ratio stood at 8.42 per cent as on March 31, 2018 as against 6.96 per cent as on December 31, 2017 and 6.57 per cent as on March 31, 2017.
- Provision Coverage Ratio stood at 57.16 per cent as on March 31, 2018 as against 51.41 per cent as on March 31, 2017. It was 57.12 per cent as on December 31, 2017.

Capital Adequacy:

- Capital Adequacy ratio of the Bank under Basel III improved to 11.50 per cent as on March 31, 2018 as against 11.37 per cent as on December 31, 2017 compared to minimum regulatory requirement of 10.875 per cent.
- The Tier I ratio as of March 31, 2018 is 9.07 per cent, within which Common Equity Tier 1 ratio is 7.60 per cent compared to regulatory minimum of 7.375 per cent.

PRESS RELEASE

- Risk Weighted Assets (RWA) to Gross Advances decreased to 91.2% as on March 31, 2018 compared to 96.5% as on March 31, 2017. Against an increase of 7.7% in Total Assets during FY 2017-18, RWA declined at annual rate of 1.7%, reflecting Bank's focus on optimizing risk efficiency.

Digital Initiatives:

The Bank has been pioneer in taking various digital initiatives and continuously launched various digital products for enhancing the customer services. Following are some of the key achievements during FY 2017-18:

- Trendsetter on Social media channels by taking various initiatives like Live streaming, Digital Education Series – #KyaAapJanteHai etc.
- Launch of Union Recovery mobile App – For effective monitoring of NPA accounts, a user friendly mobile based application namely "Union Recovery App" launched by the Bank. This app was designed for facilitating effective follow-up with NPA borrowers with aim of enhancing recovery.
- Launch of Union Sahyog mobile App – One app with multiple functionality features aiming to provide single interface across all mobile & web based payment channels, more customers friendly in providing information on various products offering of the Bank in both English & Hindi.
- Introduced Biometric authentication of ATM transactions through Fingerprint.
- Launched Union Virtual Assistant (UVA) FAQ Chatbot to cater questions asked by the customers on social media and bank's website.
- Launched Visa payWave Debit card for all customers irrespective of their average quarterly balance.

Financial Inclusion:

- Under the Pradhan Manrti Jan Dhan Yojana **(PMJDY),** the Bank has more than 86.2 lakh accounts having a balance of ₹1930.6 crore as on March 31, 2018.
- Total enrollment under Pradhan Mantri Suraksha Bima Yojana **(PMSBY),** Pradhan Mantri Jeevan Jyoti Bima Yojana **(PMJJBY)** and Atal Pension Yojana **(APY)** increased to 31 lakh, 13.2 lakh and 3.2 lakh respectively.
- The Bank financed ₹4009 crore in 185137 accounts under Pradhan Mantri Mudra Yojana, including an amount of ₹1103 crore to 44529 beneficiaries through a specific scheme for financing of light commercial vehicle during FY 2017-18.

Network:

- The Bank has 4301 branches as of March 31, 2018 including 4 overseas branches at Hong Kong, DIFC (Dubai), Antwerp (Belgium) and Sydney (Australia). In addition, the Bank has representative offices at Shanghai, Beijing and Abu Dhabi. The Bank also operates in United Kingdom through its wholly owned subsidiary, Union Bank of India (UK) Ltd.
- Total number of ATMs stood at 13049 including 5407 micro ATMs & 3115 talking ATMs as of March 31, 2018. ATM to branch ratio stood at 3.03.

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Awards & Accolades during FY 2017-18:

IDRBT Banking Technology Excellence Awards:

- Best Emerging Bank Award for the year 2016-17

Golden Peacock Award:

- Golden Peacock Award for HR Excellence for the year 2017

IBA Banking Technology Awards:

- Winner - Best Financial Inclusion Initiatives
- Runner Up - Best Payment Initiatives

SKOCH Awards:

SKOCH Order of Merit Award:

- Operational Customer Relationship Management (OCRM)
- Business Continuity Planning and IT Recovery
- Disaster Management & Disaster Recovery
- Data Centre Security
- Network Access Control (NAC)
- Union Mobile NPA Recovery App

SKOCH Financial Technology Award:

- Unified Payment Interface(UPI)
- Green PIN solution for Debit cards
- Union DIGI Gaon

SKOCH Financial Inclusion Award:

- Financial Inclusion

PFRDA Awards:

- 2nd Prize- "NPS LAO ACCHE DIN PAO" (Target achieved by highest no. Of PoP-SPs)
- 2nd Prize- "LIFE'S GLORY" (Achieving Highest no. of NPS accounts)
- 2nd Prize- "LIFE'S GLORY" (Achieving Highest no. of new PoP-SPs activation)
- 3rd Prize- "NPS LAO ACCHE DIN PAO" (for achieving the Targets by highest percentage among competing PoP-SPs)
- 3rd Prize- "LIVE ON NPS LIFE" (Achieving Highest no. of NPS accounts)

Award by Infosys:

- Best Customer Service Innovation Award for Union Customer Connect (OCRM)

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Date: 10th May, 2018

Place: Mumbai

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