यूनियन बैंक
ऑफ इंडिया

Ref: ISD/15-16/449

11th February, 2016

The Deputy General Manager, Corporate Relationships Dept. **BSE Ltd.** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. Scrip Code 532 477 "Email:corp.relations@bseindia.com" Fax no.2272 3121/2272 3719	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 "Email:cmlist@nse.co.in" Fax No.66418124/25/26

Dear Madam/Sir,

Subject: Press Release on the Working Results of the Bank for the 3rd Quarter ended on 31.12.2015

We enclose a copy of Press Release issued by the Bank on its Working Results for the 3rd quarter ended on 31.12.2015.

The above is for your information please.

Thanking you,

Yours faithfully,

(Dipak D. Sanghavi)
Deputy General Manager

Encl: As above.

Union Bank of India
निवेशक सेवाएं संभाग, प्रबंध निदेशक कार्यालय, 12वीं मंजिल, यूनियन बैंक भवन, 239, विधान भवन मार्ग, नरीमन पॉईंट, मुंबई–400021.
Investor Services Division, Managing Director's Office, 12th Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400021.
T: + 91 22 2289 6636/2289 6643, F: +91 22 2202 5238, Email: investorservices@unionbankofindia.com

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Financial Results

Q3 & 9M
FY 2015-16

February 11, 2016

Digital Initiatives

DigiPurse is a mobile wallet that enables the users to preload a certain amount in the wallet and spend the amount for various online services viz. Bill payment, Mobile recharge, DTH Recharge, Online shopping, Funds transfer etc.

"Union Selfie" is a mobile application based savings account opening process, which allows a prospective customer to open savings account just by scanning his AADHAAR card, PAN and by uploading a "Selfie Photo" through his smart phone.

ONLINE ACCOUNT OPENING

Applicant can submit the savings account opening application online by giving the necessary details and submitting physical documents to branch. The status of the application can be tracked through reference no./PAN and Date of Birth of the applicant.

Union Bank of India

Performance Highlights

Business

- Global Business increased by 5.2% to ₹ 589889 crore
- CASA deposits have crossed the landmark figure of Rs. 1 lakh crore; CASA Share improved to 30.6%.

Non Interest Income

- Non Interest Income for Q3/FY16 stood at ₹ 892 crore;
- Non Interest Income for 9M /FY16 stood at ₹ 2635 crore up by 10.7%.

Net Profit

- Net Profit for Q3/FY16 stood at ₹ 78 crore; Net profit for 9M/FY16 stood at ₹1255 crore.

Efficiency

- ROA stood at 0.08% (Q3/FY16); 0.44% (9M/FY16);
- ROE stood at 1.53% (Q3/FY16); 8.13% (9M/FY16).

Asset Quality

- Gross NPA (%) and Net NPA (%) stood at 7.05% and 4.07% respectively.

Capital Adequacy

- Capital Adequacy Ratio at 10.30% (excluding 9M/FY16 profit); CET 1 Ratio at 7.45%.

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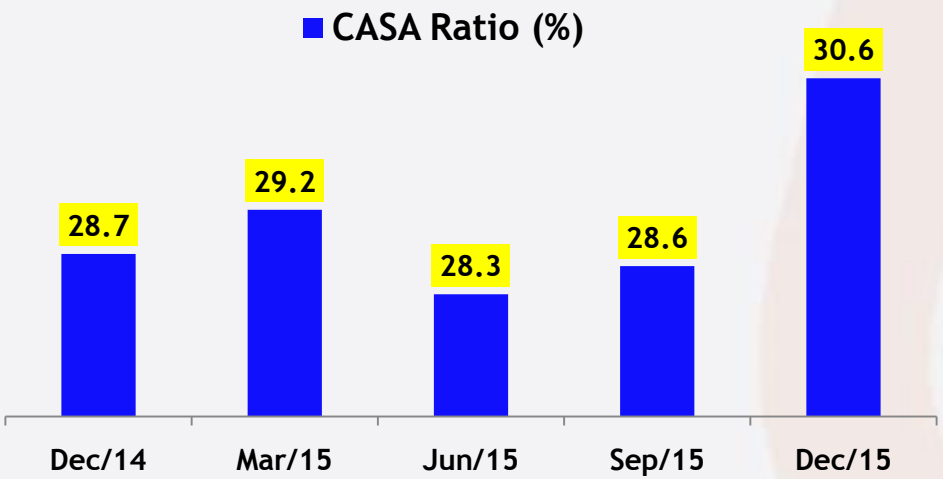
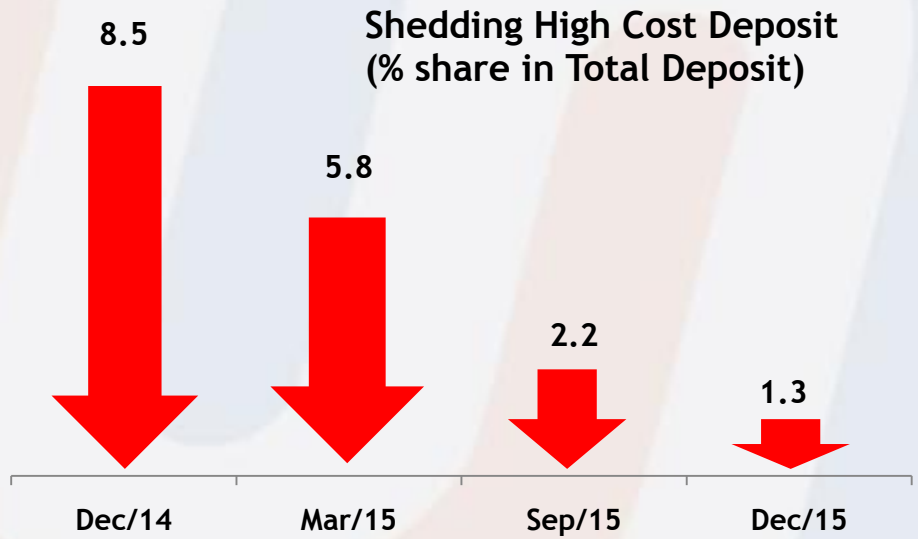
Business Performance

Deposits

Parameters (₹ crore)	Dec 2014	Mar 2015	Sep 2015	Dec 2015	Growth (%)	
					Y-o-Y	Q-o-Q
Total Deposits	312912	316870	330665	327412	4.6	-1.0
Current Deposits	21891	21092	21046	25149	14.9	19.5
Savings Deposits	68019	71558	73367	75024	10.3	2.3
CASA	89910	92650	94413	100173	11.4	6.1

- The Bank activated 3.44 lakh Dormant accounts during Q3 of FY 2015-16. In addition, the Bank added 9.55 lakh CASA accounts during December Quarter.



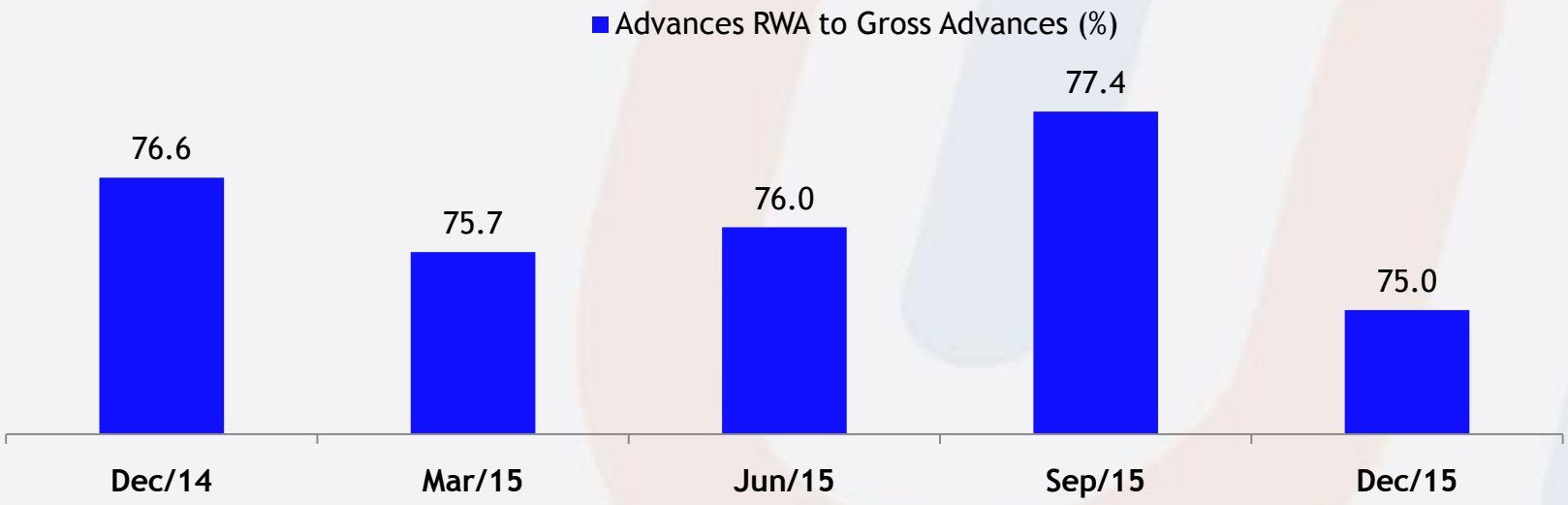


Union Bank of India

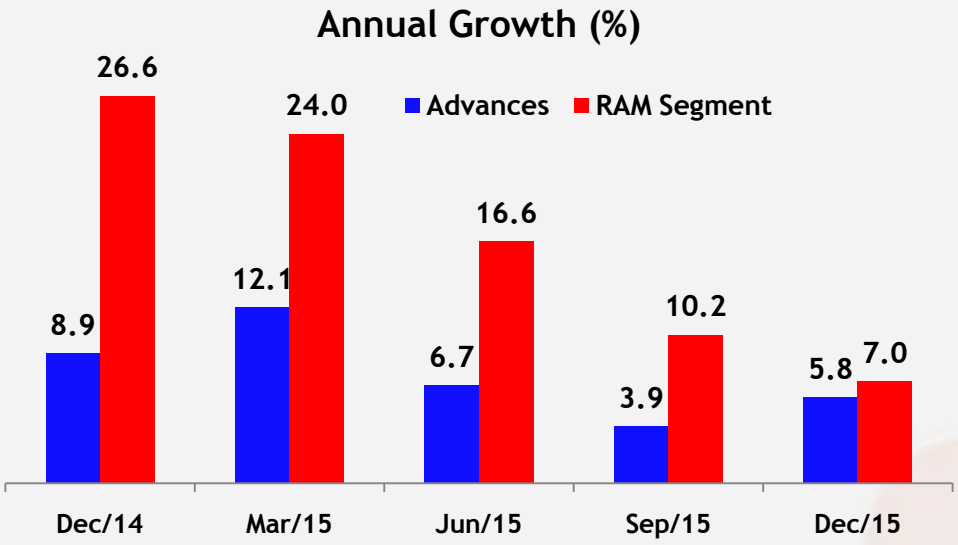
Advances

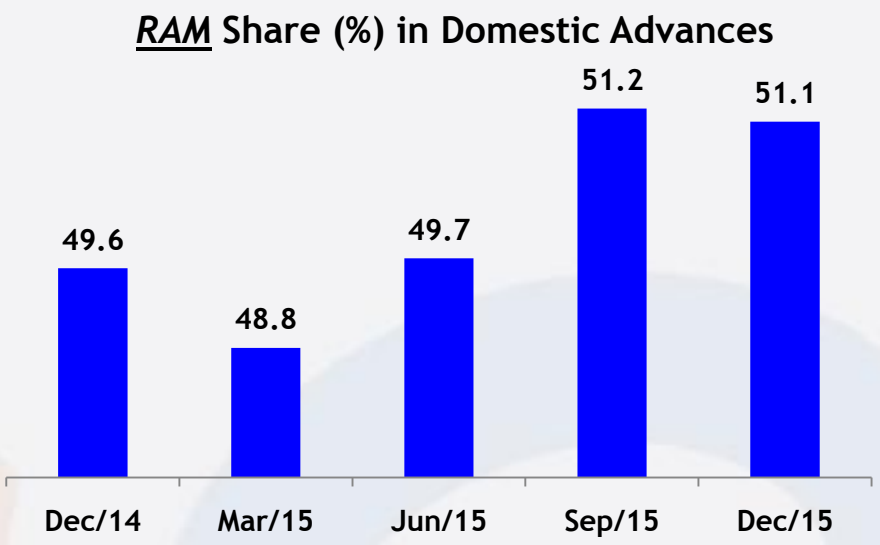
Parameters (₹ crore)	Dec 2014	Mar 2015	Sep 2015	Dec 2015	Growth (%)	
					Y-o-Y	Q-o-Q
Gross Advances	**248099**	**262757**	**254022**	**262477**	**5.8**	**3.3**
- Domestic	227339	241323	229339	235948	3.8	2.9
- Overseas	20760	21434	24683	26529	27.8	7.5
Retail Advances	**30155**	**31658**	**33621**	**34816**	**15.5**	**3.6**
Agriculture	**29707**	**31574**	**36158**	**36926**	**24.3**	**2.1**
MSME	**52840**	**54755**	**47589***	**48881**	**-7.5**	**2.7**

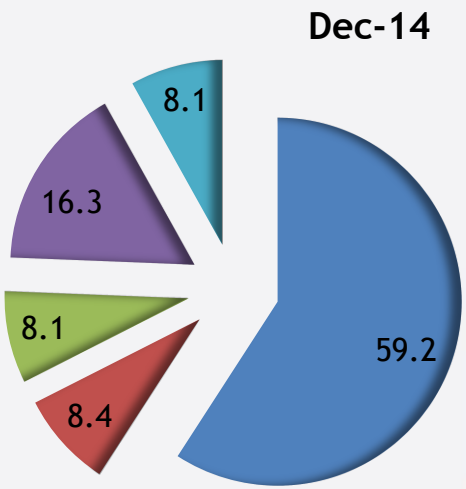
** Reclassification as per RBI guidelines*

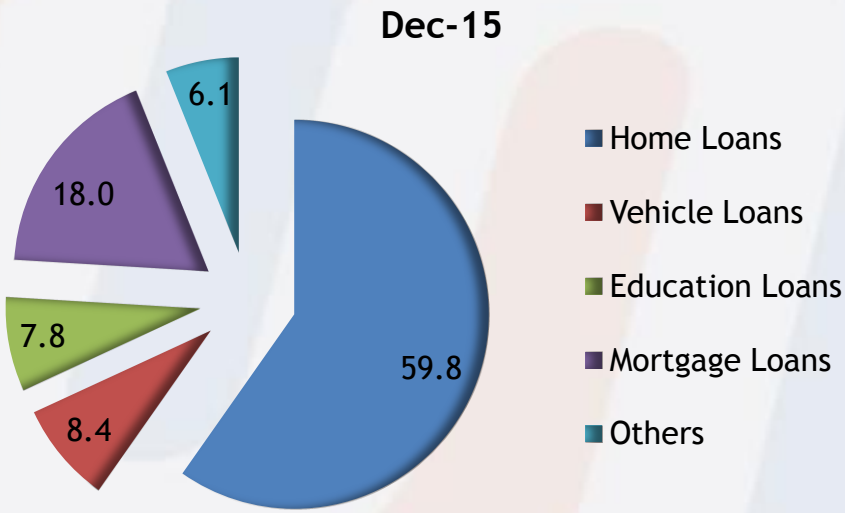


Advances









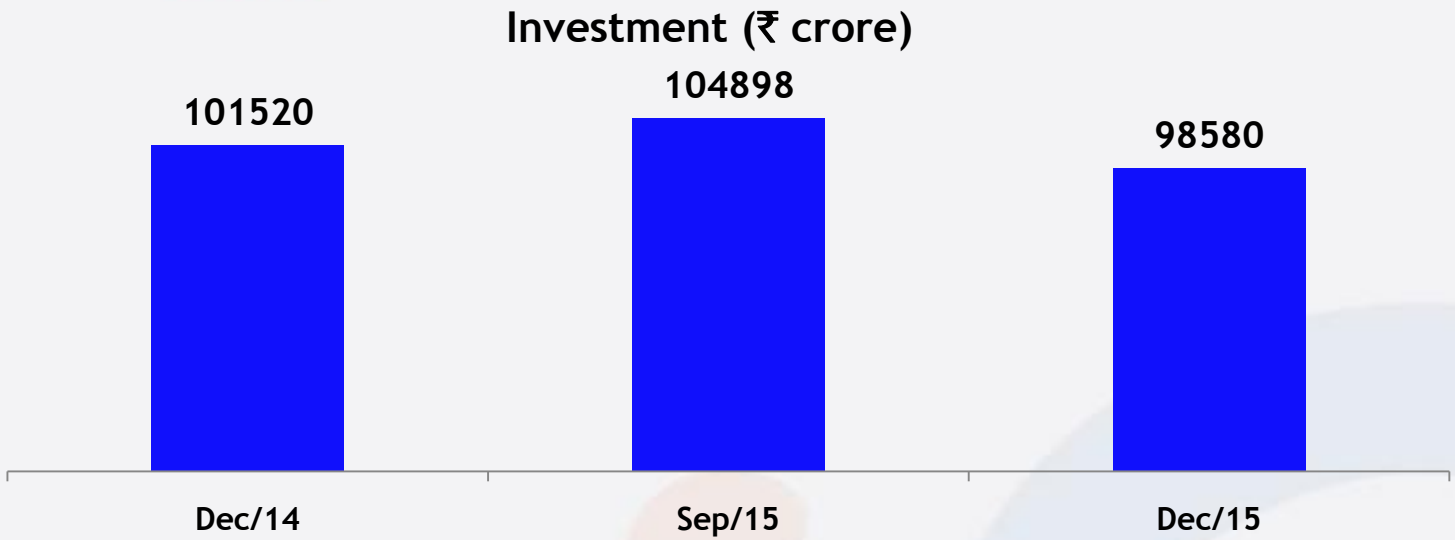
Composition of Retail Portfolio

Union Bank of India

Advances – Top Exposures

Sl.	Sectors	Top 10 Sectors (Domestic) % Share in Advances			Top 10 Sectors (Domestic) (31th Dec 2015)	
		Dec 2014	Mar 2015	Sep 2015	% Share	Amount (₹ crore)
1	Infrastructure	15.7	15.9	16.5	16.1	37959
2	Agriculture	13.1	13.1	15.8	15.6	36926
3	Retail Advances	13.3	13.1	14.7	14.7	34816
4	Trade	12.5	11.6	10.7	11.4	26869
5	NBFCs and HFCs	10.1	10.1	9.1	8.6	20293
6	Basic Metal Products	5.9	4.8	5.0	5.0	11769
7	Textiles	3.0	2.9	2.2	3.0	7150
8	Gems & Jewellery	2.1	2.1	2.2	2.1	4990
9	Construction	2.5	2.6	2.0	2.1	4984
10	All Engineering	2.0	1.5	1.8	2.0	4646

Investments



(₹ crore)	Dec 2015	% to Total	Duration (Years)
			Dec 2015
Held to Maturity	70080	71.1	4.1
Held for Trading	1616	1.6	5.7
Available for Sale	26884	27.3	4.8
Total Investment	98580	100	4.3

- *89.1% of AFS & HFT portfolio is interest sensitive*

Overseas Operations

- 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

US $ (₹ crore)	Dec -14	Sep-15	Dec-15	Growth (%) YoY-US$
Business	4.2 billion (26383)	4.7 billion (30382)	5.0 billion (32927)	19.5
Total Deposits	0.9 billion (5623)	0.9 billion (5699)	1.0 billion (6398)	8.4
Total Advances	3.3 billion (20760)	3.8 billion (24683)	4.0 billion (26529)	25.5

*1 US$= ₹ 66.155 as on Dec 31, 2015

Union Bank of India

Statement of Assets & Liabilities

(₹ crore)

	As at 31.12.14	As at 30.09.15	As at 31.12.15	Growth (%)	
				Y-o-Y	Q-o-Q
LIABILITIES					
Capital	636	687	687	8.0	0.0
Reserves and surplus	19156	21316	21387	11.6	0.3
Deposits	312912	330665	327412	4.6	-1.0
Borrowings	30658	32493	32466	5.9	-0.1
Other Liabilities and Provisions	8418	8480	8868	5.3	4.6
Total	**371780**	**393641**	**390820**	**5.1**	**-0.7**
ASSETS					
Cash and Balances with Reserve Bank of India	12613	14489	15450	22.5	6.6
Balances with Banks and Money at call and Short Notice	8950	10343	12029	34.4	16.3
Investments	91686	104517	92278	0.6	-11.7
Advances	241512	246217	253705	5.0	3.0
Fixed Assets	2666	2689	2714	1.8	0.9
Other Assets	14353	15386	14644	2.0	-4.8
Total	**371780**	**393641**	**390820**	**5.1**	**-0.7**

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Financial Highlights

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Cost & Yield Ratio

Parameters (%)	Dec-14 (Q3)		Sep-15 (Q2)		Dec-15 (Q3)		9M FY 15		9M FY16	
	Domestic	Global	Domestic	Global	Domestic	Global	Domestic	Global	Domestic	Global
Cost of Deposit	7.43	7.33	7.19	7.09	7.03	6.94	7.40	7.31	7.17	7.08
Cost of Funds	6.80	6.58	6.53	6.25	6.44	6.14	6.85	6.64	6.56	6.28
Yield on Advances	11.01	10.43	10.69	9.81	10.15	9.39	11.07	10.50	10.43	9.70
Yield on Funds	9.21	8.93	8.77	8.43	8.59	8.21	9.31	9.04	8.79	8.45
Yield on Investment	7.75	7.74	7.37	7.33	7.35	7.29	7.76	7.75	7.52	7.48
NIM	2.57	2.50	2.42	2.34	2.31	2.22	2.62	2.54	2.40	2.32

Union Bank of India

Non-Interest Income

(₹ crore)

Parameters	Dec-14 (Q3)	Sep-15 (Q2)	Dec-15 (Q3)	Growth (%)- Y/Y	Growth (%)- Q/Q	9M FY 15	9M FY 16	Growth (%)
a. Core Non Interest Income	455	469	437	-3.9	-6.7	1242	1329	7.0
b. Treasury Income	379	435	421	11.1	-3.2	901	1177	30.6
W/w								
•Profit on Sale of Investments	252	259	257	2.0	-0.8	426	710	66.8
•Exchange Profit	128	176	164	28.1	-6.8	475	467	-1.8
c. Recovery in Written off Accounts	42	55	34	-18.0	-37.4	237	130	-45.3
Total	**877**	**959**	**892**	**1.8**	**-6.9**	**2380**	**2635**	**10.7**

Union Bank of India

Operating Profit

(₹ crore)

Parameters	Dec-14 (Q3)	Sep-15 (Q2)	Dec-15 (Q3)	Growth (%)-Y/Y	Growth (%)-Q/Q	9M FY15	9M FY16	Growth (%)-Y/Y
Interest Income	8044	8141	7910	-1.7	-2.8	23843	24311	2.0
Interest Expenditure	5924	6039	5913	-0.2	-2.1	17521	18082	3.2
Net Interest Income	2120	2102	1997	-5.8	-5.0	6322	6229	-1.5
Non Interest Income	877	960	892	1.7	-7.1	2380	2635	10.7
Operating Expenses	1532	1572	1555	1.5	-1.1	4531	4552	0.5
-Establishment Expenses	965	926	905	-6.2	-2.3	2829	2684	-5.1
-Other Expenses	567	646	650	14.6	0.6	1702	1868	9.8
Operating Profit	**1465**	**1490**	**1334**	**-8.9**	**-10.5**	**4171**	**4312**	**3.4**

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Provisions

(₹ crore)

Parameters	Dec-14 (Q3)	Sep-15 (Q2)	Dec-15 (Q3)		9M FY15	9M FY16
NPAs	674	924	1243		1703	2647
Standard Assets	22	2	-17		94	-37
Depreciation on Investment	-26	-113	21		-85	107
Shifting Loss	0	0	0		39	6
Restructured Advances	106	-320	-6		210	-318
Others (FITL etc)	76	-61	-4		69	-92
Taxation	311	320	18		803	665
Total	**1163**	**753**	**1256**		**2833**	**2978**

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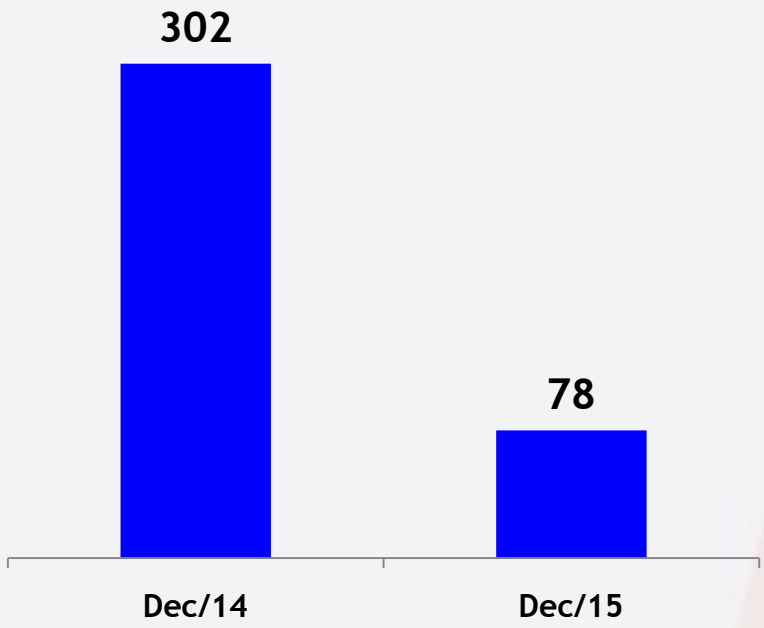
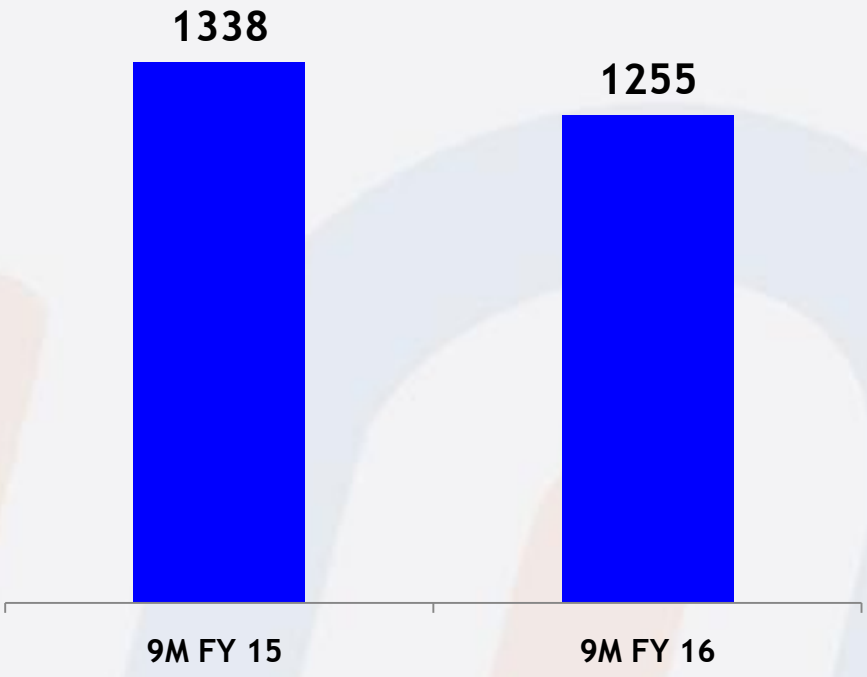
Net Profit

₹ crore





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Efficiency/ Profitability Ratios

Sl.	Efficiency Parameters	Dec-14 (Q3)	Sep-15 (Q2)	Dec-15 (Q3)		9M FY 15	9M FY 16
1	Return on Avg. Assets (%)	0.34	0.68	0.08		0.51	0.44
2	Return on Equity (%)	6.60	12.80	1.53		9.74	8.13
3	Cost to Income Ratio (%)	51.13	51.32	53.82		52.07	51.35
4	Book Value Per Share (₹)	288.18	299.30	299.62		288.18	299.62
5	Earnings per share (₹)	19.03	41.37	4.57		28.20	25.63

Sl.	Profitability Parameters		Dec-14 (Q3)	Sep-15 (Q2)	Dec-15 (Q3)		9M FY 15	9M FY 16
1	Business per Branch	₹ crore	139.1	142.7	141.5		139.1	143.1
2	Business per Employee	₹ crore	15.6	16.2	16.3		15.6	16.5
3	Gross Profit per Branch	₹ crore	1.45	1.45	1.30		1.37	1.40
4	Gross Profit per Employee	₹ lakh	16.28	16.49	14.91		15.45	16.06
5	Net Profit per Branch	₹ lakh	29.99	64.24	7.63		44.22	40.63
6	Net Profit per Employee	₹ lakh	3.36	7.28	0.88		4.96	4.68

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Asset Quality

Union Bank of India

Asset Quality

(₹ crore)

Parameters	Dec-14 (Q3)	Sep-15 (Q2)	Dec-15 (Q3)		9M FY 15	9M FY 16
Gross NPAs - Opening	11462	14144	15541		9564	13031
Add : Additions	1738	1931	3409		4980	6698
Less : Reductions	604	534	455		1948	1233
1. Recoveries	358	205	77		987	404
2. Upgradation	28	59	119		275	143
3. Write Off	218	270	259		686	686
Gross NPAs- Closing	12596	15541	18495		12596	18495
Gross NPA (%)	5.08	6.12	7.05		5.08	7.05
Net NPA	7118	8335	10322		7118	10322
Net NPA (%)	2.95	3.39	4.07		2.95	4.07
Provision Coverage Ratio (%)	57.25	57.85	55.00		57.25	55.00
Credit Cost (%)	1.11	1.45	1.92		0.94	1.34

Union Bank of India

Asset Quality: Sectoral

(₹ crore)

Sectors	Slippages During Q3 FY 16	NPAs Dec 2015	% to Total NPAs	% to Sector Loan			
				Dec 2014	Mar 2015	Sep 2015	Dec 2015
Agriculture	156	1776	9.60	5.42	5.08	4.75	4.81
Micro & Small (MSE)	454	3024	16.35	5.64	6.09	6.90	7.44
Retail Loans	459	970	5.24	2.03	1.96	2.76	2.79
Others	2340	12725	68.80	5.48	5.23	6.85	8.28
Total	3409	18495	100.00	5.08	4.96	6.12	7.05

Union Bank of India

Restructured Assets

(₹ crore)

	Dec-15 (Q3)		
Particulars	Standard	NPA	Total
Restructured Assets as on October 01,2015	13913	5597	19510
Fresh Restructuring during the Quarter	0	0	0
Upgradation to Standard Restructured Accounts during the Quarter	28	-28	0
Down gradation of restructured accounts during the Quarter	-1303	1303	0
Change in Outstanding/Write-off/ Recovery/Closures Quarter	979	428	1407
Restructured Accounts as on December 31, 2015	**13617**	**7300***	**20917**

Outstanding Standard Restructured Assets excluding SEBs as % to Gross Advances: 3.0%

*Rs 7300 crore included in Gross NPAs of Rs 18495 crore.

Union Bank of India

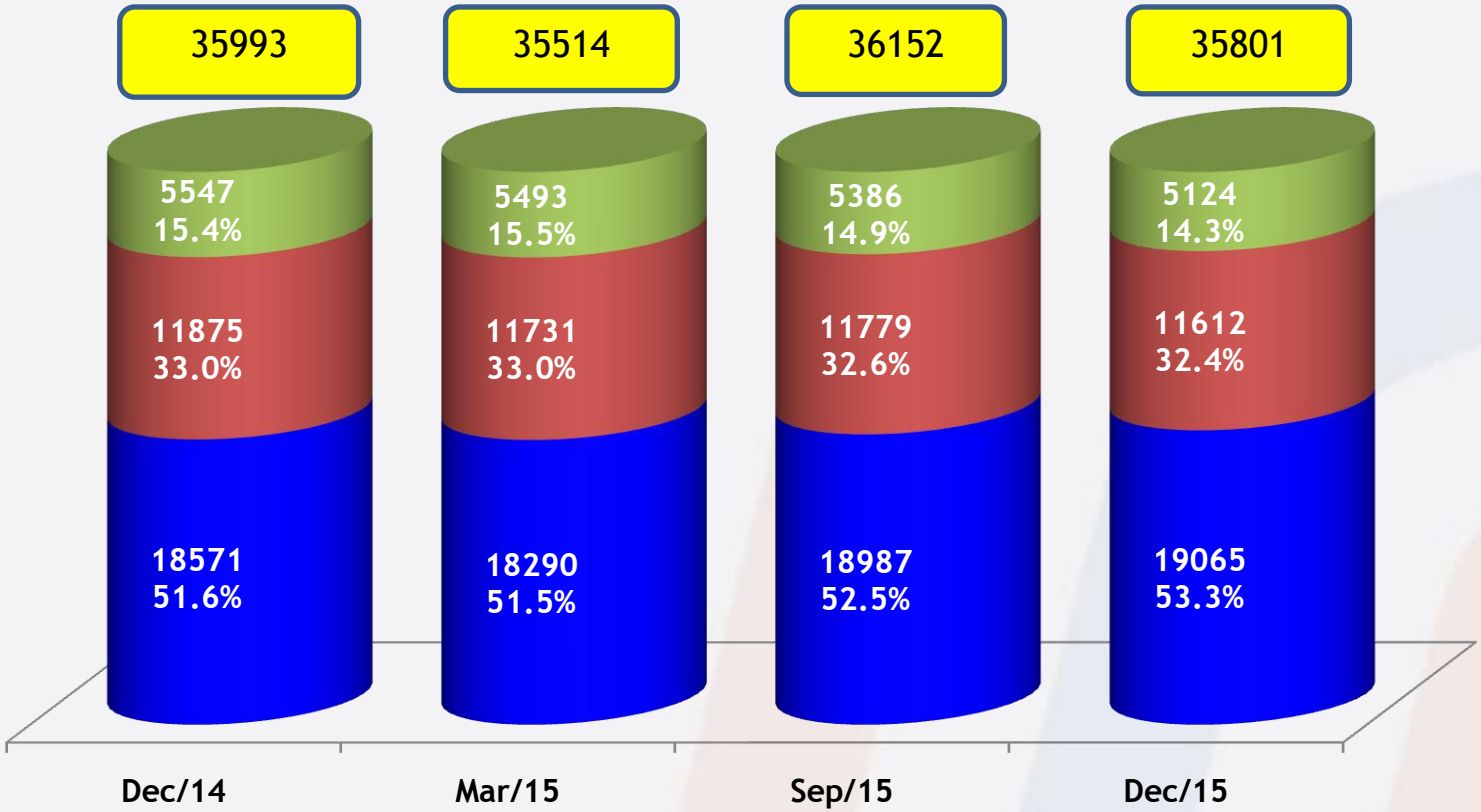
Sector wise Standard Restructured Accounts

(₹ crore)

	Sector	Amt.	% to Standard Restructured
1	Infrastructure	8547	62.8
a.	Power	7221	53.0
	w/w SEBs	5727	42.1
2	Engineering	927	6.8
3	Iron & Steel	667	4.9
4	Textiles	518	3.8
5	Hotel	418	3.1

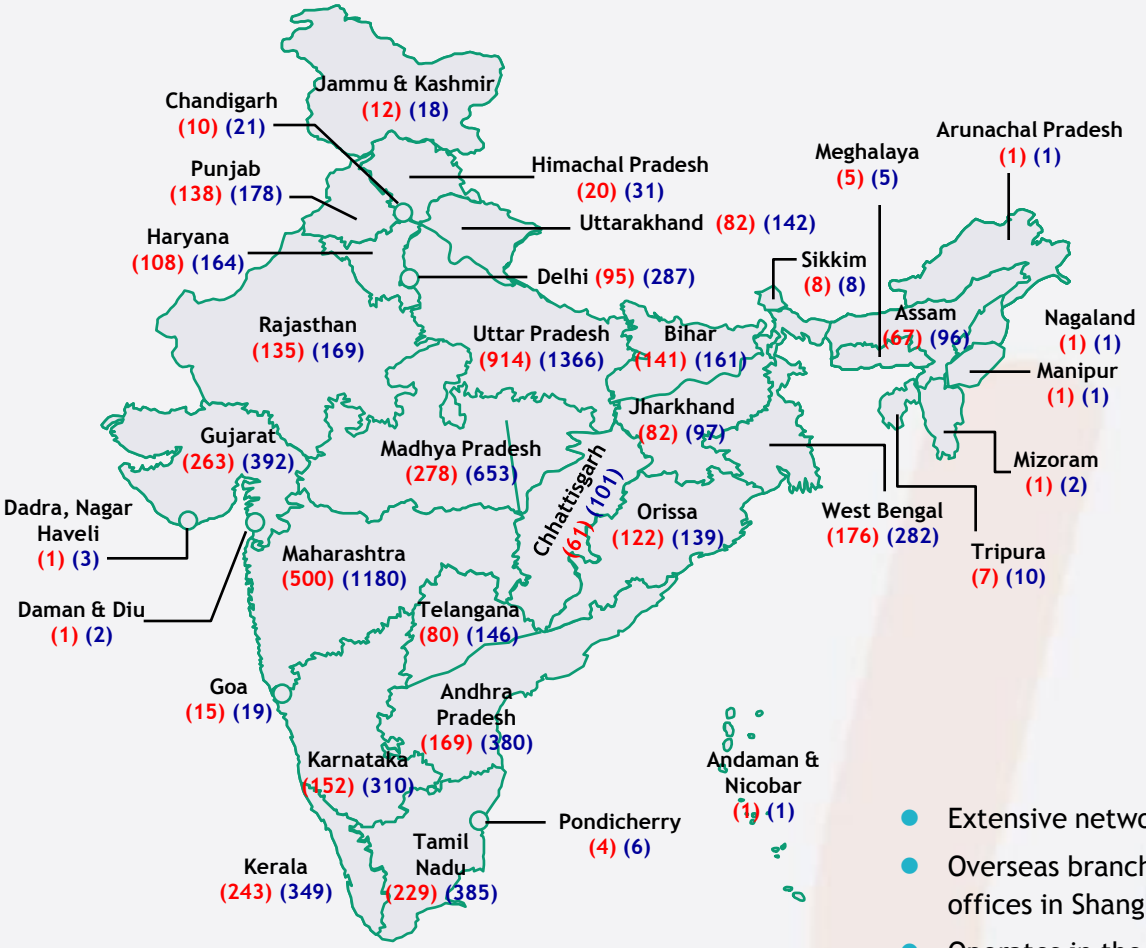
		Amt	% to Standard Restructured Advances	% to Gross Loans
	Outstanding Standard Restructured Assets	13617	100.0	5.2
	W/w			
	-SEBs	5727	42.1	2.2
	-Stalled Projects	3012	22.1	1.1

Human Capital



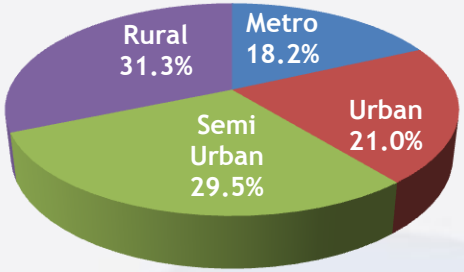
Avg. age of employee
40 years

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



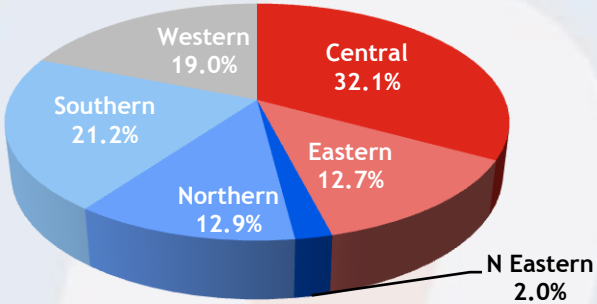
Domestic Branches (4,131) # ATMS (6960)

Branch Distribution by Urbanization



61% branches in rural/semi-urban markets

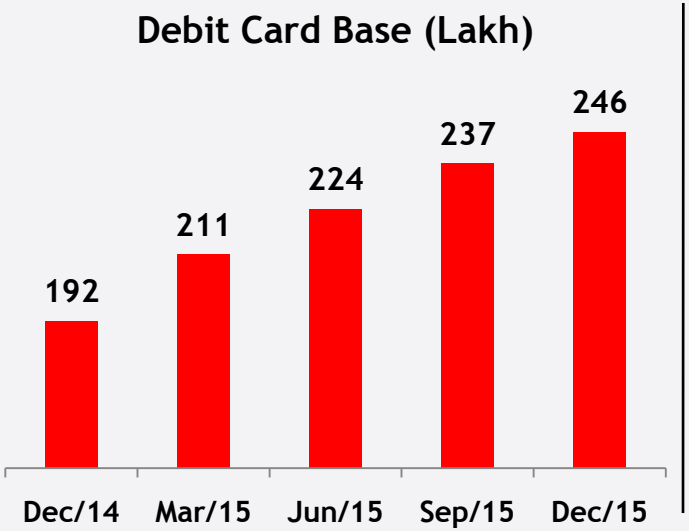
Branch Distribution by Geography

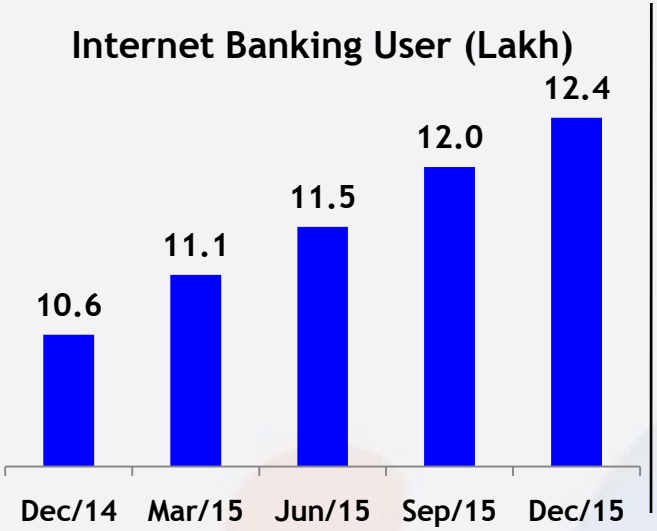


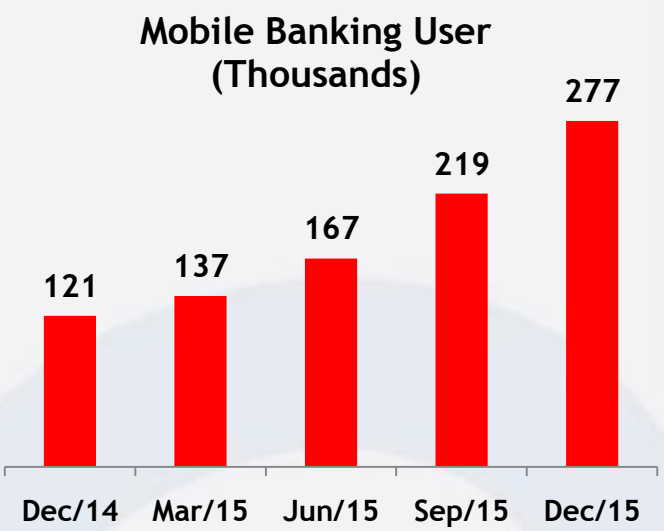
Geographical diversification minimizes regional risks

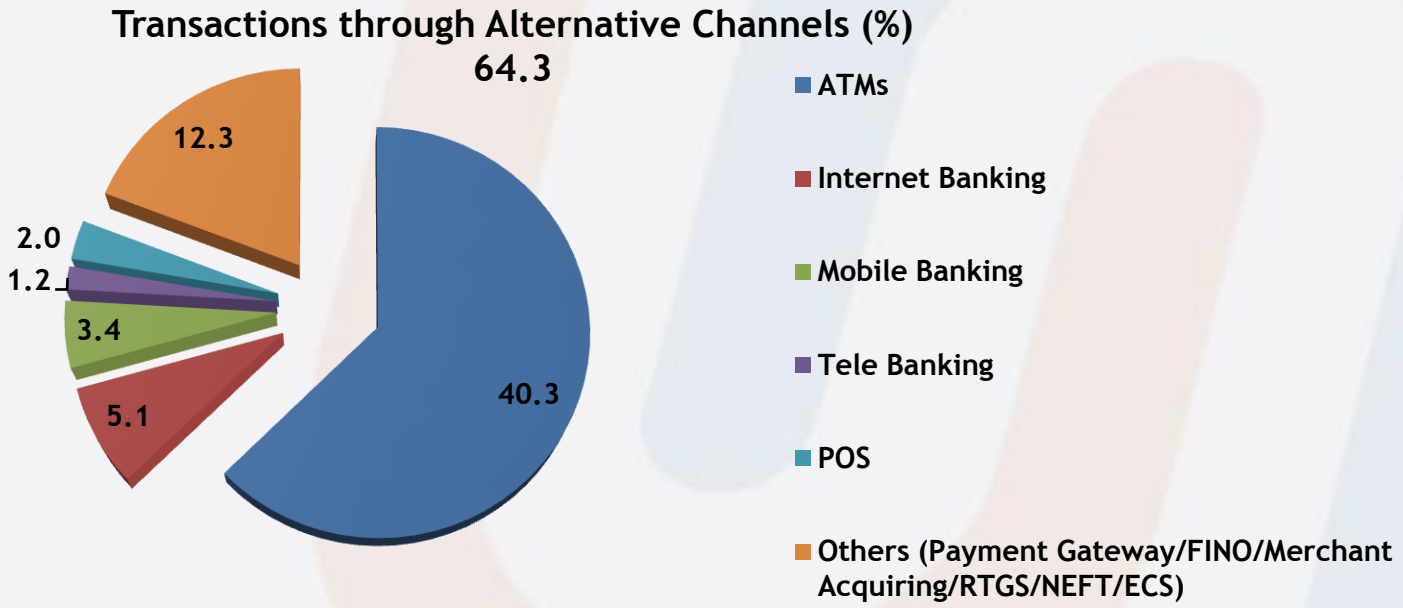
- Extensive network across India
- Overseas branches in Hong Kong, Dubai and Antwerp, in addition to representative offices in Shanghai, Beijing, Abu Dhabi and Sydney
- Operates in the UK through its wholly owned subsidiary, Union Bank of India (UK) Ltd.
- The Bank has 31 extension counters, 60 satellite offices and 47 service branches in addition to its regular bank branches as of December 31, 2015.

Multiple Delivery Channels

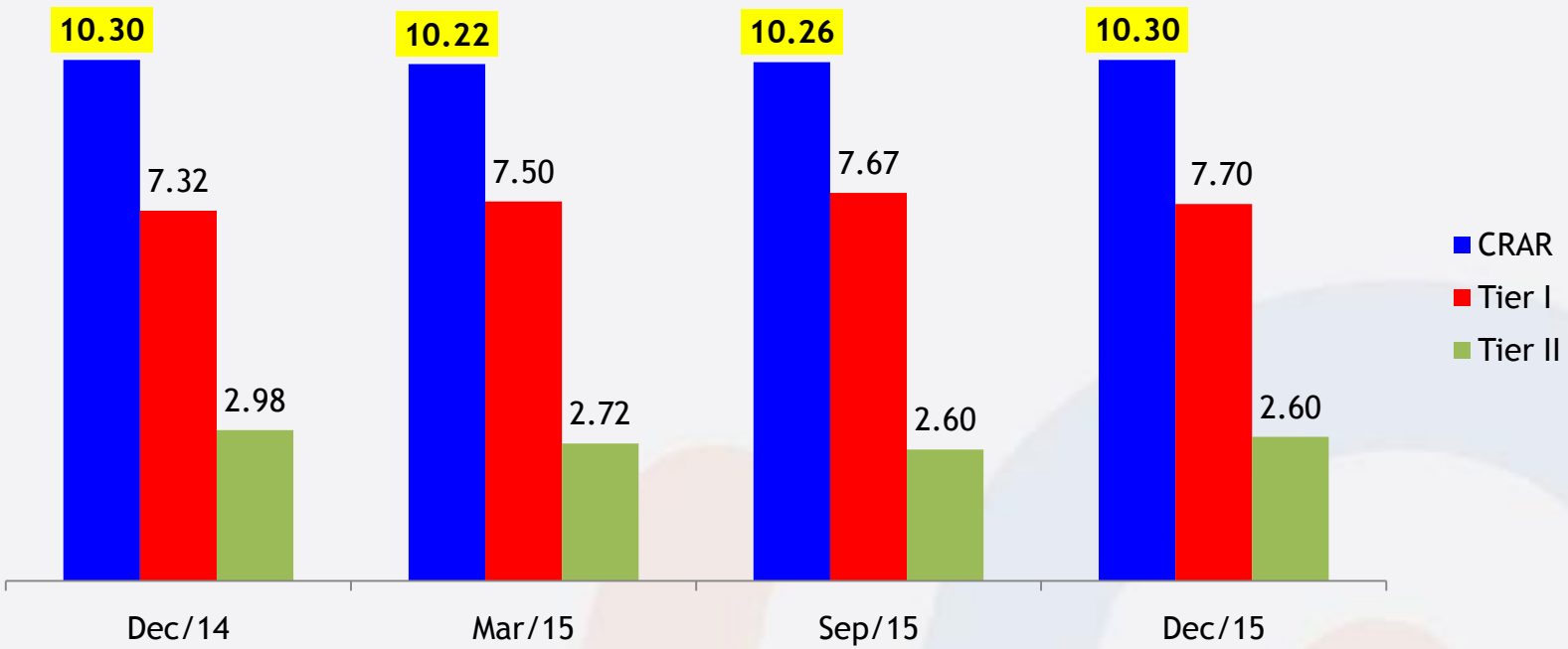








Basel III: Capital & Liquidity

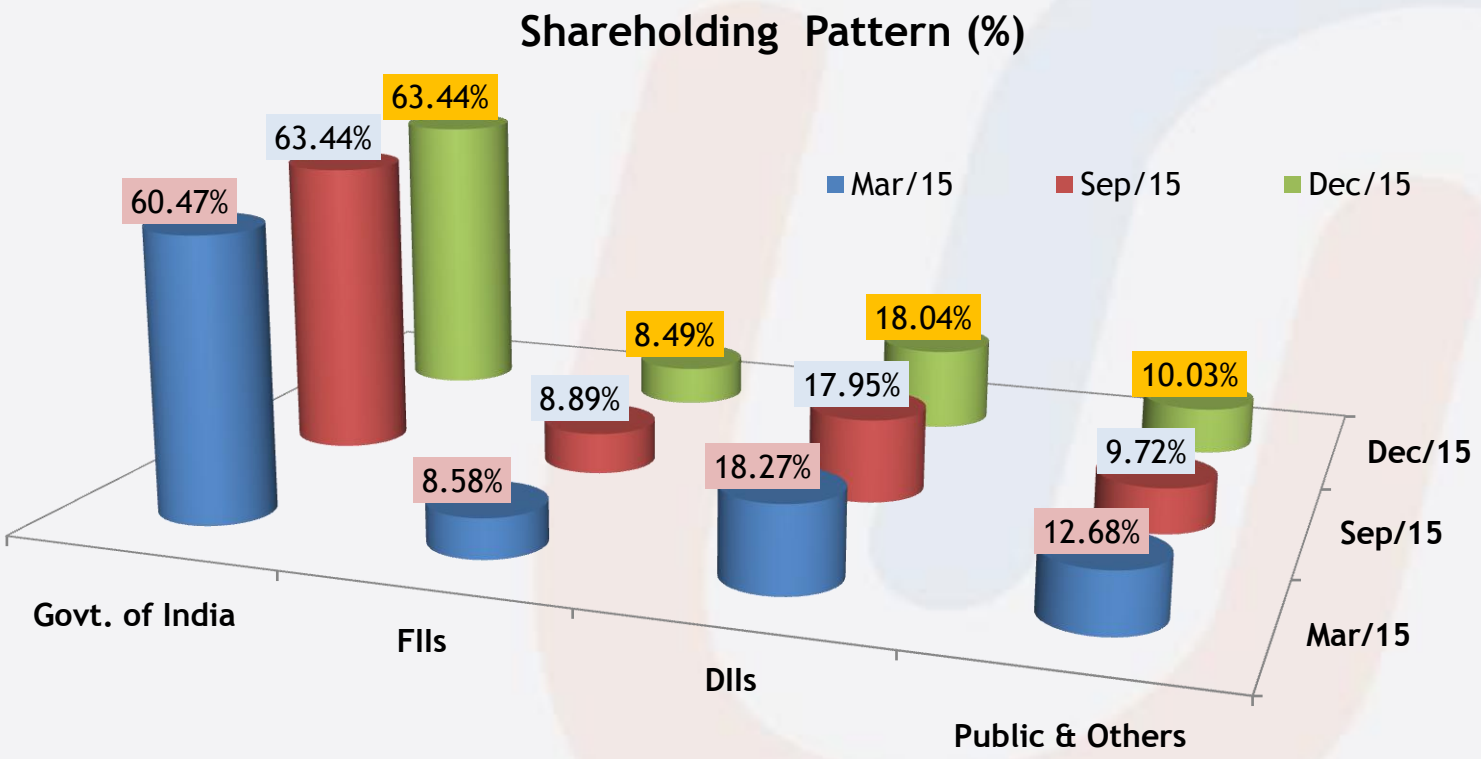


(₹ crore)

	Dec 2014	Mar 2015	Sep 2015	Dec 2015
Risk Weighted Assets	240924	253162	260508	258677
Capital Funds	24807	25885	26740	26632
CRAR-BASEL III (%)	10.30	10.22	10.26	10.30
CET Ratio (%)	7.02	7.24	7.42	7.45

Shareholding Details

- Share Capital ₹ 687.4 crore
- No. of Equity Shares: 68.74 crore
- Net worth: ₹ 20596 crore
- Book Value per share ₹ 299.62
- Return on Equity 8.13%
- Market Cap ₹ 10219 crore



Financial Inclusion

Progress under Pradhan Mantri Jan Dhan Yojana (PMJDY)	
Parameters	**Achievements of the Bank**
Villages covered	18396
Sub Service Areas	5407
Urban Wards	2581
Accounts opened till December 31, 2015	56.8 Lakh
Deposits	₹ 672.3 Crore
RuPay Cards issued	54.2 Lakh
Aadhar Seeding	16.0 Lakh

Progress under PMSBY, PMJJBY and APJ Schemes	
Scheme Name	**Total Enrolments**
Pradhan Mantri Suraksha Bima Yojana **(PMSBY)**	26.59 Lakh
Pradhan Mantri Jeevan Jyoti Bima Yojana **(PMJJBY)**	11.15 Lakh
Atal Pension Yojana **(APJ)**	0.46 Lakh

Progress under Mudra Yojana			
Category	**No. of Account**	**Sanctioned amount**	**Outstanding amount**
Shishu (< ₹ 50k)	104440	267.8	231.4
Kishor (Above ₹ 50k-5 Lakh)	40030	708.6	604.3
Tarun (Above ₹ 5 Lakh-10 Lakh)	3852	279.2	197.5
Total	148322	1255.7	1033.2

Awards During the Quarter

"National Award for Innovative Training Practices" (Second Prize for 2014-15) by Indian Society for Training & Development (ISTD)

MSME Banking Excellence Awards 2015 from Chamber of Indian Micro Small & Medium Enterprises (CIMSME)

1. Best Bank Award for Promotional Schemes - Winner
2. Best Bank Award for Mudra Yojna - Runner Up

"ICT4 Development Awards 2015" from ASSOCHAM in the areas of Green IT (Tabulous Banking, eKYC application, and M Passbook application)

"elets Awards 2015" for "Multi Channel Payment Solution (IMPS)" from elets Technomedia Pvt. Ltd.

SKOCH order of Merit Awards 2015 for:

1. eKYC implementation
2. Financial Inclusion Technology
3. Kendriya Vidayalaya Fee Collection

'Excellence in Innovation' Award 2015 for implementation of M Passbook from Financial Insights, International Data Corporation (IDC)

NPCI Award 2015 under:
1. Special category for implementation of IMPS through branches

2. Recognition Award 2015 in issuance of RuPay cards

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.

यूनियन बैंक ऑफ इंडिया
अच्छे लोग, अच्छा बैंक

Union Bank of India
Good people to bank with

Investor queries: investor.relations@unionbankofindia.com