



CITY UNION BANK LIMITED

Press Release

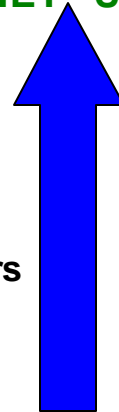
CITY UNION BANK Q1 FY 2008

NET UP

Total Income for Q1 ↑ 46.32% to Rs.141.73Crs

Profit After Tax for Q1 ↑ 36.40% to Rs.21.36 Crs

Total Business Stood at Rs.8314 Crs ↑ 36.00%



Kumbakonam, July 24, 2007 : The Board of Directors of CITY UNION BANK LTD. took on record the unaudited results for Q1 FY2008 at its meeting held in Kumbakonam, today.

Results for the Quarter Ended June 30, 2007

(Rs. in Crs)

Particulars	30-06-2007	30-06-2006	% Growth
Interest Income	128.53	88.68	44.94%
Other Income	13.20	8.18	61.37%
Total Income	141.73	96.86	46.32%
Interest Expenses	77.54	51.12	51.68%
Operating Expense	26.79	18.90	41.75%
Operating Profit	37.40	26.84	39.34%
Provisions & Contingencies	8.72	6.65	
Provision for Tax	7.32	4.53	
Profit After Tax	21.36	15.66	36.40%

The total income for Q1 FY08 was up 46.32% to Rs. 141.73 Crs as compared to Rs.96.86 Crs for Q1 FY07. Profit after tax for Q1 FY08 was up 36.40% at Rs.21.36 Crs as compared to Rs. 15.66 Crs for Q1 FY07.

Summary Balance Sheet as at June 30,2007 (Rs. in Crs)

	30-06-2007	30-06-2006	% Growth
Advances	3431	2549	34.60%
Total Assets	5515	4117	33.96%
Shareholder's Funds	387	286	35.31%
Deposits	4883	3555	37.36%



CITY UNION BANK LIMITED

The Advances portfolio as at June 30, 2007 was up 34.60% to Rs.3431 Crs as compared to Rs.2549 Crs as at June 30 2006. Deposits as at June 30, 2007 were up 37.36% to Rs.4883 Crs as compared to Rs. 3555 Crs as at June 30, 2006. The Bank achieved a balance sheet growth of 29.95%, from Rs. 4117 Crs as at June 30, 2006 to Rs. 5515 Crs as at June 30, 2007. The total Shareholders' funds as at June 30, 2007 stood at Rs.387 Crs. The Bank's capital adequacy ratio was 13.42% for the Q1 2007-08 as against the stipulated minimum of 9%.

Key Ratios:

- ❖ Gross NPAs at 2.42%. The Bank continues to concentrate on recovery of overdue advances and the Net NPA has come down from 2.49% to 0.98% as on June 30, 2007;
- ❖ Capital Adequacy Ratio of 13.42% at June 30, 2007:
- ❖ Return on Average Assets of 1.57%

Quarterly Trend in Financial Performance :

(Rs. in Crs)

Particulars	Q1 FY2007	Q2 FY2007	Q3 FY2007	Q4 FY2007	FY 2007	Q1 FY2008
Interest Income	88.68	97.35	99.40	114.62	400.05	128.53
Other Income	9.49	13.91	12.29	18.39	54.08	13.20
Total Income	98.17	111.26	111.69	133.01	454.13	141.73
Interest Expenses	51.12	53.33	59.80	68.31	232.56	77.54
Operating Expense	20.21	22.24	24.89	22.75	90.09	26.79
Operating Profit	26.84	35.69	27.00	41.95	131.48	37.40
Provisions & Contingencies	6.65	11.55	5.82	9.03	33.05	8.72
Provision for Tax	4.53	7.83	7.32	6.94	26.62	7.32
Profit After Tax	15.66	16.31	13.86	25.98	71.81	21.36

Business Update for Quarter ended June 30, 2007:

Summary Balance Sheet & Prior Period Comparison

(Rs. in Crs)

Particulars	FY2003	FY2004	FY2005	FY2006	FY2007	Q1 FY2008
ASSETS						
Advances	1214	1547	2013	2550	3329	3381
Investments	1099	1279	1102	1057	1307	1382
Other Assets	317	365	380	520	727	752
Total Assets	2630	3191	3495	4127	5363	5515
LIABILITES						
Shareholder's Funds	165	203	241	286	366	387



CITY UNION BANK LIMITED

Deposits	2317	2847	3095	3518	4699	4883
Borrowings	11	30	22	75	20	6
Other Liabilities	137	111	137	248	278	239
Total Liabilities	2630	3191	3495	4127	5363	5515

- Consistent growth in deposits; Increase of 37.36% over June 30, 2006.
- Cost of deposits at 6.55%
- CASA 21% of total deposits as on June 30, 2007.

Performance Highlights – (June) 2007-08 Y-o-Y 2006-07

a)	Operating Profit	Operating Profit improved from Rs.26.84 Crs to Rs.37.40 Crs registering a growth rate of 39.34%.
b)	Net Profit	Net Profit improved from Rs.15.66 Crs to Rs.21.36 Crs recording an increase of 36.40%.
c)	Deposits	Total Deposits rose by 37.36% from Rs.3555 Crs to Rs.4883 Crs and cost of Deposits increased to 6.55%
d)	Advances	Advances grew by 34.60% from Rs.2549 Crs to Rs.3431 Crs. Yield on Advances increased to 12.32%.
e)	Business	Total Business stood at Rs.8314 Crs. up by 36.21% from Rs.6104 Crs
f)	Networth	Owned capital funds have grown from Rs.286 Crs to Rs.387 Crs.
g)	Earning per share	Earnings per share grew to Rs.8.48 from Rs.6.52
h)	Return on Average Assets	Return on Average Assets (ROA) rose to 1.57% (Annualised)
i)	Net Interest Margin	Net Interest Margin (NIM) increased to 3.74%(Annualised)
j)	Net Interest Income	Net Interest Income (NII) increased to Rs.51 Crs up by 36% from Rs.37.56 Crs.
k)	Capital Adequacy Ratio	Capital Adequacy Ratio comfortably stands at 13.42%.
l)	Staff Productivity	Staff productivity increased to Rs.424 Lakhs.
m)	Non - Performing Assets	The percentage of Gross NPA to Gross Advances stood at 2.42%. The Percentage of Net NPA to Net Advances declined from 2.49% to 0.98%.