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NEWS RELEASE

4th Quarter Performance Results, Financial year 2017-18

▲ Net profit up 18% ▲ Net Interest income up by 18%

Chennai, 24th May 2018 – City Union Bank Limited announced its performance results for the 4th Quarter and for the Financial Year 2017-18 today. Earlier, during the day, Board of Directors approved the working results for Q4 FY 2018. The Bank witnessed a robust growth in Advances and CASA Deposits. It may be noted that the Bank have posted a significant 18% growth in net profit which is at Rs. 592 Crore. **The Board of Directors has recommended for the FY 2017-18, a dividend of 30% (i.e.30 paise) for face value of Re.1/- per equity share and issue of bonus @ 1 share for every 10 shares held subject to the approval of shareholders.**

FINANCIAL PERFORMANCE in Q4 - FY 2018 over the same quarter of FY 2017:

- Net Interest Income increased by 18% to Rs.368 Crore from Rs.311 Crore
- Net interest margin was at 4.36%
- Operating Profit increased by 19% to Rs. 294 Crore from Rs.248 Crore
- Net profit increased by 18% to Rs.152 Crore from Rs.129 Crore

Network: The Bank continues to expand its Core Banking Services with a network of 600 branches and 1,621 ATMs as on 31.03.2018.

FINANCIAL PERFORMANCE for the Financial Year 2017-18

- Advances grew by 17% from Rs. 24,112 Crore to Rs.28,238 Crore

- Net Interest Income surged by 19% from Rs.1,199 Crore to Rs.1,430 Crore
- Deposits increased by 9% from Rs.30,116 Crore to Rs.32,853 Crore
- Total Business was up by 13% from Rs.54,228 Crore to Rs. 61,091 Crore
- Gross Profit increased by 22% from Rs.994Crore to Rs.1208 Crore
- Net Profit increased by 18% from Rs.503 Crore to Rs.592 Crore
- CASA deposits increased by 13% from Rs. 7,039 Crore to Rs.7,957 Crore and the CASA ratio stood at 24% to total deposits.
- Net Interest Margin of the bank increased from 4.17% to 4.42%

Asset Quality for the year ended 31st March 2018:

Gross NPA of the Bank stood at Rs. 857 Crore at 3.03 % to Gross Advances. Net NPA of the Bank stood at Rs.475 Crore at 1.70% to Net Advances.

Key Performance Indicators:

- ROA of the bank stood at 1.60%.
- ROE of the bank stood at 15.37%
- Cost to income ratio decreased to 38.46% from 40.94%

Capital Adequacy: The Bank's capital adequacy as on March 31, 2018 as per Reserve Bank of India (RBI) guidelines on Basel III norms is 16.22% and Tier-1 capital adequacy was 15.79%, well above regulatory requirements.

Financial Performance FY 2018 & Q4 FY 2018:

(₹ in Cr.)

	FY 17-18	FY 16-17	GRW	(%)		Q4 FY 18	Q4 FY 17	GRW	(%)
Net Interest Income	1430.30	1198.77	231.53	19.31		367.94	310.56	57.38	18.48
Other Operating Income	532.10	483.95	48.15	9.97		119.82	125.85	(6.03)	--
Operating Expenses	754.65	688.98	65.67	9.53		193.49	188.77	4.72	2.50
Operating Profit	1207.75	993.74	214.01	21.54		294.27	247.64	46.63	18.83
Provisions	615.75	490.97	124.78	25.41		142.15	118.76	23.39	19.70
Net Profit	592.00	502.77	89.23	17.75		152.12	128.88	23.24	18.03

Business Performance for the year ended March 2018:

(Rs in Cr)

	March-18	March-17	Inc/(Dec)	Growth (%)
Deposits	32853	30116	2737	9.09
Advances	28238	24112	4126	17.12
Total Business	61091	54228	6863	12.66
CASA	7957	7039	918	13.04
Balance Sheet size	39937	35271	4666	13.23
Gross NPA	857	682		
Gross NPA (%)	3.03	2.83		
Net NPA	475	408		
Net NPA (%)	1.70	1.71		
CRAR – Basel III	16.22	15.83		

Safe Harbor: *The information contained in this earnings release is only current as of its date. Certain statements made in this presentation may not be based on historical information or facts and may be “forward looking statements”, including those relating to the bank’s general business plan’s and strategy, its future financial condition and growth prospects and future developments in the industry and regulatory environment. Actual results may differ materially from these forward-looking statements due to a number of factors including future changes or developments in the bank’s business, its competitive environment and political, economic, legal and social conditions in India. City Union Bank Limited undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.*

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