



CITY UNION BANK



CIN NO. L65110TN1904PLC001287
Regd. Office: 149, T.S.R. (Big) Street, Kumbakonam - 612001.

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Performance Results – Quarter/Half year ended 30.09.2024

Chennai, 21st October 2024 – City Union Bank Limited announced today its performance results for the 2nd Quarter / half year ended for Financial Year 2024-25. Earlier, during the day, the Board of Directors of City Union Bank approved the working results.

Financial Performance Q2 FY 25 vs Q2 FY 24:

(Rs in Cr)

Particulars	Q2 FY 25	Q2 FY 24	Growth (%)
Interest Income	1,434	1,304	10%
Non-Interest Income	226	182	24%
Total Income	1,660	1,486	12%
Interest Expense	851	766	11%
Operating Expense	381	334	14%
Total Expense	1,232	1,100	12%
Net Interest Income	582	538	8%
Operating Profit	428	387	11%
Profit After Tax	285	281	2%

Financial Performance H1 FY 25 vs H1 FY 24:

(Rs in Cr)

Particulars	H1 FY 25	H1 FY 24	Growth (%)
Interest Income	2,823	2,570	10%
Non-Interest Income	418	374	12%
Total Income	3,241	2,944	10%
Interest Expense	1,695	1,509	12%
Operating Expense	744	634	17%
Total Expense	2,439	2,143	14%
Net Interest Income	1,128	1,061	6%
Operating Profit	802	801	0%
Profit After Tax	550	508	8%

Key Balance sheet Items:

(Rs in Cr)

(Rs in Cr)	Q2 FY 25	Q2 FY 24	Q1 FY 25	FY 2024
Deposits	57,369	52,714	54,857	55,657
Advances	48,722	43,688	46,548	46,481
Total Business	1,06,091	96,402	1,01,405	1,02,138
CASA	16,893	15,590	16,195	17,050

Asset Quality:

(Rs. in Cr)	Q2 FY 25	Q2 FY 24	Q1 FY 25	FY 2024
Gross NPA	1,725	2,035	1,806	1,854
Gross NPA (%)	3.54	4.66	3.88	3.99
Net NPA	775	999	853	899
Net NPA (%)	1.62	2.34	1.87	1.97

Key Financial Ratios:

	Q2 FY 25	Q2 FY 24	H1 FY 25	H1 FY 24
Cost of Deposits	5.75%	5.51%	5.73%	5.44%
Yield on Advances	9.81%	9.77%	9.70%	9.65%
Net Interest Margin	3.67%	3.74%	3.60%	3.70%
Return on Assets	1.59%	1.69%	1.55%	1.54%
Return on Investments	6.92%	6.62%	6.76%	6.43%
Cost to Income Ratio	47.06%	46.34%	48.15%	44.47%
Capital Adequacy Ratio	22.98%	22.21%	22.98%	22.21%

Financial Performance Q2 FY 25 / H1 FY 25:**1. Net Interest Income**

The Bank earned Net Interest Income of Rs.582 cr for Q2 FY25 and Rs.1,128 Cr for H1 FY 25 as against Rs.538 cr and Rs.1,061 Cr respectively in Q2 FY 24 and H1 FY 24. The NII had grown by 8% for Q2 FY 25 and 6% for H1 FY 25.

2. Non Interest Income

Non Interest Income of the Bank for Q2 FY 25 was at Rs.226 Cr as against Rs.182 Cr for Q2 FY 24 with 24% growth. For H1 FY 25, it had grown by 12% and stood at Rs. 418 Cr as against Rs. 374 Cr for the same period last financial year.

3. Operating Expenses

The operating expense is Rs.381 Cr for Q2 FY25 as compared to Rs. 334 Cr in Q2 FY 24 and for H1 FY 25 the same was at Rs. 744 Cr as against Rs. 634 Cr for the corresponding period last year.

4. Operating Profit

The Gross Profit for Q2 FY 25 stood at Rs.428 Cr as against Rs.387 Cr in Q2 FY 24 with a growth of 11%. For the half year ended FY 25 the operating profit was at Rs.802 Cr compared to Rs. 801 Cr in the corresponding period last year. We had positive growth in our operating profit after 6 quarters as our business growth is showing improvement.

5. Provisions

The Bank made a provision of Rs.252 cr as of 30.09.2024 as against Rs.293 cr in the corresponding period last year.

6. Net Profit

The PAT had increased marginally to Rs.285 Cr in the current quarter from Rs.281 Cr in Q2 FY 24. For the half year ended PAT had registered a growth of 8% and stood at Rs.550 Cr as compared to Rs.508 Cr for H1 FY 24.

7. Deposits

Total Deposits of the Bank had increased by 9% and increased to Rs.57,369 cr in Q2 FY 25 from Rs.52,714 cr in corresponding period last year. CASA portion stood at 29% to total deposits. Cost of Deposits increased to 5.73% in H1 FY 25 from 5.44 % in H1 FY 24.

8. Advances

Total Advances increased by 12% for Q2 FY 25 to Rs.48,722 cr from Rs.43,688 cr in Q2 FY 24. Average Credit Deposit ratio stood at 84%. The yield on Advances for H1 FY 25 improved to 9.70% compared to is at 9.65% for H1 FY 24.

9. Asset Quality

The Gross NPA for Q2 FY 25 was reduced to 3.54% from 4.66% in the corresponding quarter last financial year. Net NPA was decreased to 1.62% from 2.34% for the same period. The provision coverage ratio (PCR) as of 30.09.2024 is at 75% (including T/W) and 55% (excluding T/W). We are taking necessary steps to improve the PCR further.

10. Net Interest Margin

Net Interest Margin is at 3.67% for Q2 FY 25 showing sequential increase from Q1 FY 25 where it stood at 3.54%.

11. Return on Assets

Return on assets for Q2 FY 25 is 1.59% and for half year ended FY 25 it stands at 1.55% which is in line with our long-term average levels.

12. Return on Equity

Return on Equity was at 12.93% in Q2 FY 25 and for H1 FY 25 it stands at 12.74%.

13. Cost to Income Ratio (CIR)

Our cost to income ratio for Q2 FY 25 had reduced to 47.06% as compared to 49.34% in Q1 FY 25 and 51.26% in Q4 FY 24 showing sequential decrease. The CIR had reduced in the current quarter due to significant improvement in loan processing charges and interest received on IT refund. The CIR may hover around 48% to 50% for the current financial year.

14. Capital Adequacy

The Bank's capital adequacy as on 30.09.2024 as per Reserve Bank of India (RBI) guidelines on Basel III norms is 22.98% and Tier-1 capital adequacy was 21.98%, well above regulatory requirements.

About the Bank:

City Union Bank is an old sector private sector bank with 812 branches across 16 states and three Union territories. It is a scheduled commercial Bank regulated by the Reserve Bank of India. It is professionally managed and governed. City Union Bank has contemporary technology and infrastructure including ATMs, Net Banking, Mobile Banking, E-Wallet, Social Media Banking for personal as well as business banking customers. The Bank positioned itself as a banker to SMEs, Agri and Traders apart from all other banking activities.

Conference call details: City Union Bank will hold an earnings conference call on 21st October 2024 at 4.30 p.m. IST to discuss our performance for the 2nd quarter ended September 2024. The transcript of the management discussions and the question and answer session will be available online and will be accessible in the Investor Relations section of our website at www.cityunionbank.com

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