

City Union Bank Ltd.,

CIN NO.L65110TN1904PLC001287

Regd.Office: 149 T.S.R. (Big) Street, Kumbakonam 612001

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED 31st DECEMBER, 2017

Particulars	(Rs in Lakhs)					
	Quarter ended			Nine months ended		Year ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	Reviewed			Reviewed		Audited
1. Interest earned (a+b+c+d)	86535.63	84087.68	81100.52	253175.97	237388.27	317378.73
a) Interest/Discount on Advances/Bills	72461.41	70105.91	65655.23	211684.32	193822.35	259021.47
b) Income on Investments	13145.96	12995.37	13915.24	38523.17	40297.38	53850.39
c) Interest on balances with RBI and other Inter Bank funds	533.15	549.57	1060.34	1687.22	1962.00	2725.68
d) Others	395.11	436.83	469.71	1281.26	1306.54	1781.19
2. Other Income	12169.24	15524.57	14280.22	41227.69	35810.08	48394.67
3. Total Income (1 + 2)	98704.87	99612.25	95380.74	294403.66	273198.35	365773.40
4. Interest Expended	50022.62	48602.10	50402.06	146940.21	148567.50	197502.06
5. Operating Expenses (i) + (ii)	19037.08	19004.53	17620.55	56115.83	50020.86	68897.49
(i) Employees Cost	7987.60	8271.91	8033.11	23912.09	22035.81	29813.68
(ii) Other Operating expenses	11049.48	10732.62	9587.44	32203.74	27985.05	39083.81
6. Total Expenditure (4) + (5) excluding provisions and contingencies	69059.70	67606.63	68022.61	203056.04	198588.36	266399.55
7. Operating Profit before provisions and contingencies (3) - (6)	29645.17	32005.62	27358.13	91347.62	74609.99	99373.85
8. Provisions (other than tax) and contingencies	8566.00	12929.99	9196.00	33160.41	22970.97	30096.97
9. Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
10. Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)	21079.17	19075.63	18162.13	58187.21	51639.02	69276.88
11. Tax Expenses	5600.00	4600.00	5500.00	14200.00	14250.00	19000.00
12. Net Profit / (Loss) from Ordinary Activities after tax (10) - (11)	15479.17	14475.63	12662.13	43987.21	37389.02	50276.88
13. Extra ordinary items (Net of Tax Expense)	0.00	0.00	0.00	0.00	0.00	0.00
14. Net Profit / (Loss) for the period (12) - (13)	15479.17	14475.63	12662.13	43987.21	37389.02	50276.88
15. Paid up equity share Capital (Face value of Re.1/- each)	6634.74	6634.74	6010.65	6634.74	6010.65	6010.65
16. Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)						351009.10
17. Analytical ratios						
i) % of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
ii) Capital Adequacy Ratio (%) - Basel III	14.93%	15.31%	14.88%	14.93%	14.88%	15.83%
iii) Earning Per Share (EPS)						
Basic EPS - before/after extra ordinary items (Not annualised) (Rs.)	2.33	2.22	2.12	6.89	6.25	8.39
Diluted EPS - before/after extra ordinary items (Not annualised) (Rs.)	2.30	2.19	2.07	6.79	6.12	8.24
iv) NPA Ratios						
(a) Gross NPA	85979.32	78039.09	64993.10	85979.32	64993.10	68198.27
(b) Net NPA	44782.35	44097.78	37066.40	44782.35	37066.40	40834.36
(c) % of Gross NPA	3.30	3.07	2.98	3.30	2.98	2.83
(d) % of Net NPA	1.74	1.76	1.72	1.74	1.72	1.71
v) Return on Assets - Annualised	1.64%	1.58%	1.45%	1.61%	1.50%	1.50%

Notes :

- The above financial results for the quarter / nine months ended 31st December 2017 have been reviewed by the Audit Committee of the Board in the meeting held on 6th February 2018 and approved by the Board of Directors at their meeting held on 7th February 2018. The same has been subjected to limited review by the Statutory Central Auditors of the Bank in line with the guidelines issued by Reserve Bank of India and as per listing agreement with the Stock Exchanges.
- There has been no change in the accounting policies followed during the quarter ended 31st December 2017 as compared to those followed in the preceding financial year ended 31st March 2017.
- The above working results for the quarter / nine months ended 31st December 2017 have been arrived at after considering various provisions as per RBI guidelines, for Standard Assets, Non Performing Assets and Depreciation on Investments, Employee benefits, taxes & other usual and necessary provisions.
- In accordance with the RBI circular DBOD. No.BP.BC.1/21.06.201/2015-16 dated 1st July 2015, read together with RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31.03.2015, Banks are required to make Pillar III disclosures under Basel III capital regulations. Accordingly, Pillar 3 disclosures under Basel III capital regulations have been made available on the Bank's website (www.cityunionbank.com). These disclosures have not been subjected to review/audit by the Statutory Central Auditors.
- RBI inspection has been recently concluded with position relating to 31.03.2017 and we do not have requirement of reporting any divergence as per RBI / SEBI guidelines for the said period and the same was informed to stock exchanges through our filing dated 30.01.2018.
- The figure for the quarter ended 31st December 2017 are the balancing figures between reviewed figures for the nine months period ended 31st December 2017 and published figures for the half year ended 30th September 2017.
- Other Income relates to income from non-fund based banking activities including commission, fees, gains from securities transactions, ATM sharing fees, income from PSLC certificates (Net), recoveries from accounts written off and other miscellaneous income.

- 8 In accordance with the RBI guidelines, the bank has shifted securities amounting to Rs.318.73 cr from HTM to AFS category and Rs.434.53 cr from AFS to HTM category during the first quarter of FY 2017-18. The resulting depreciation of Rs.10.24 cr has been charged to Profit & Loss account in the June quarter. Further, as per Reserve Bank of India Cir No.RBI/2017-18/70 DBR.No.Ret.BC.90/12.02.001/2017-18 dated October 04, 2017, during the quarter ended 31st December 2017, the bank has shifted securities amounting to Rs. 290.97 cr from HTM to AFS category and there was no impact on the Profit & Loss account.
- 9 As informed to the Stock Exchanges on 08.12.2017, during the quarter, there were certain improper transactions amounting to Rs.31.55 cr through VISA, MASTER & NPCI networks through ATM switch which were approved outside the Bank's network. The bank has a cyber insurance cover for Rs.25 cr and insurance claim has been lodged. During the quarter a provision has been made for Rs.7 cr. Forensic Audit report is awaited.
- 10 Pursuant to RBI circular FMRD.DIRD.10/14.03.002/2015-16 dated May 19, 2016, as amended, the Bank has with effect from November 26, 2016 considered its repo/reverse repo transactions under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) of RBI as Borrowings/Lendings, as the case may be. Hitherto, the repo/reverse repo transactions were included under investments. Figures for the previous period's/year have been regrouped/reclassified to conform to current period's/year classification. The above regrouping/reclassification has no impact on the profit of the Bank for the quarter ended 31st December 2017 or the previous periods/year.
- 11 RBI has advised banks to make higher provisions for those accounts referred under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC). The bank had exposure to two such accounts which were declared as NPA and fully provided in earlier years.
- 12 Number of Investor complaints pending at the beginning of the quarter - Nil. Received during the quarter - 3 : Disposed of during the quarter - 3 : Pending complaints as on 31st December 2017 : Nil
- 13 Figures of the corresponding period's/year's have been reclassified/regrouped, wherever considered necessary.

By order of the Board

Place : Chennai
Dated : 7th February 2018

Dr. N. KAMAKODI
MD & CEO

SEGMENT REPORTING FOR THE QUARTER / NINE MONTHS ENDED 31.12.2017

(Rs in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	Reviewed			Reviewed		Audited
Segment Revenue						
a) Treasury	17116	20012	22910	54017	59255	77138
b) Corporate / wholesale banking	24805	24503	24763	76694	69338	99444
c) Retail Banking	56430	54786	47425	162839	144063	188089
d) Other Banking Operations	354	311	283	854	542	1102
Total	98705	99612	95381	294404	273198	365773
Less : Inter segment revenue	-	-	-	-	-	-
Total	98705	99612	95381	294404	273198	365773
Segment Results						
a) Treasury	8774	11993	8872	28999	26783	36736
b) Corporate / wholesale banking	6156	6234	8759	21962	19224	26182
c) Retail Banking	14468	13574	9546	39848	28343	35739
d) Other Banking Operations	247	205	181	539	260	717
Total	29645	32006	27358	91348	74610	99374
Operating Profit	29645	32006	27358	91348	74610	99374
Other Provisions & Contingencies	8566	12930	9196	33161	22971	30097
Profit Before Tax	21079	19076	18162	58187	51639	69277
Taxes including Deferred Tax	5600	4600	5500	14200	14250	19000
Net Profit	15479	14476	12662	43987	37389	50277
Segmental Assets:						
a) Treasury	922302	902788	1059043	922302	1059043	901236
b) Corporate / wholesale banking	903204	879522	763901	903204	763901	869256
c) Retail Banking	1821808	1772677	1539739	1821808	1539739	1663921
d) Unallocated	114326	105487	105407	114326	105407	92665
Total Assets	3761640	3660474	3468090	3761640	3468090	3527078
Segmental Liabilities:						
a) Treasury	897682	853549	950813	897682	950813	843376
b) Corporate / wholesale banking	791059	778786	698376	791059	698376	777523
c) Retail Banking	1595521	1569646	1407547	1595521	1407547	1488322
d) Unallocated	77246	73840	67221	77246	67221	60837
Total	3361508	3275821	3123957	3361508	3123957	3170058
Capital Employed:						
Segment Assets - Segment Liabilities						
a) Treasury	24620	49239	108230	24620	108230	57860
b) Corporate / wholesale banking	112145	100736	65525	112145	65525	91733
c) Retail Banking	226287	203031	132192	226287	132192	175599
d) Unallocated	37080	31647	38186	37080	38186	31828
Total	400132	384653	344133	400132	344133	357020

There are no significant residual operations carried on by the bank.

PART B : GEOGRAPHIC SEGMENTS:

The bank operates only in India