



# CITY UNION BANK



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

## CUB - PRESS RELEASE

### Performance Results – Quarter/Half year ended 30.09.2025

**Chennai, 3<sup>rd</sup> November 2025 – City Union Bank Limited** announced today its performance results for the 2<sup>nd</sup> Quarter / half year ended for Financial Year 2025-26. Earlier, during the day, the Board of Directors of City Union Bank approved the working results.

#### **Financial Performance Q2 FY 26 vs Q2 FY 25:**

(Rs in Cr)

<b>Particulars</b>	<b>Q2 FY 26</b>	<b>Q2 FY 25</b>	<b>Growth (%)</b>
Interest Income	1,653	1,434	15%
Non-Interest Income	259	226	14%
Total Income	1,912	1,660	15%
Interest Expense	987	851	16%
Operating Expense	455	381	20%
Total Expense	1,442	1,232	17%
Net Interest Income	667	582	14%
Operating Profit	471	428	10%
Profit After Tax	329	285	15%

#### **Financial Performance H1 FY 26 vs H1 FY 25:**

(Rs in Cr)

<b>Particulars</b>	<b>H1 FY 26</b>	<b>H1 FY 25</b>	<b>Growth (%)</b>
Interest Income	3,258	2,823	15%
Non-Interest Income	503	418	20%
Total Income	3,761	3,241	16%
Interest Expense	1,967	1,695	16%
Operating Expense	873	744	17%
Total Expense	2,840	2,439	16%
Net Interest Income	1,292	1,128	15%
Operating Profit	922	802	15%
Profit After Tax	635	550	15%

**Key Balance sheet Items:**

(Rs in Cr)

Particulars	Q2 FY 26	Q2 FY 25	Q1 FY 26	FY 2025
Deposits	69,486	57,369	65,734	63,526
Advances	57,561	48,722	54,020	53,066
Total Business	1,27,047	1,06,091	1,19,755	1,16,592
CASA	19,537	16,893	17,951	18,119

**Asset Quality:**

(Rs. in Cr)

Particulars	Q2 FY 26	Q2 FY 25	Q1 FY 26	FY 2025
Gross NPA	1,393	1,726	1,617	1,638
Gross NPA (%)	2.42	3.54	2.99	3.09
Net NPA	513	775	635	653
Net NPA (%)	0.90	1.62	1.20	1.25

**Key Financial Ratios:**

Particulars	Q2 FY 26	Q2 FY 25	H1 FY 26	H1 FY 25
Cost of Deposits	5.71%	5.75%	5.83%	5.73%
Yield on Advances	9.66%	9.81%	9.73%	9.70%
Net Interest Margin	3.63%	3.67%	3.59%	3.60%
Return on Assets	1.59%	1.59%	1.57%	1.55%
Return on Investments	6.86%	6.92%	7.31%	6.76%
Cost to Income Ratio	49.16%	47.06%	48.66%	48.15%
Capital Adequacy Ratio	21.68%	22.98%	21.68%	22.98%

**Financial Performance Q2 FY 26 / H1 FY 26:****1. Net Interest Income**

The Bank earned Net Interest Income of Rs.667 cr for Q2 FY26 and Rs.1,292 Cr for H1 FY 26 as against Rs.582 cr and Rs.1,128 Cr respectively in Q2 FY 25 and H1 FY 25. The NII had grown by 14% for Q2 FY 26 and 15% for H1 FY 26.

## **2. Non Interest Income**

Non Interest Income of the Bank for Q2 FY 26 was at Rs.259 Cr as against Rs.226 Cr for Q2 FY 25 with 14% growth. For H1 FY 26, it had grown by 20% and stood at Rs. 503 Cr as against Rs. 418 Cr for the same period last financial year. Loan processing charges, suit recoveries, treasury profit and insurance income had contributed for this growth.

## **3. Operating Expenses**

The operating expense is Rs.455 Cr for Q2 FY26 as compared to Rs. 381 Cr in Q2 FY 25 and for H1 FY 26 the same was at Rs. 873 Cr as against Rs. 744 Cr for the corresponding period last year.

## **4. Operating Profit**

The Gross Profit for Q2 FY 26 stood at Rs.471 Cr as against Rs.428 Cr in Q2 FY 25 with a growth of 10%. For the half year ended FY 26 the operating profit was at Rs.922 Cr compared to Rs. 802 Cr in the corresponding period last year.

## **5. Provisions**

The Bank made a provision for bad debts for Rs.110 cr as of 30.09.2025 as against Rs.102 cr in the corresponding period last year. Recoveries over and above slippages had reduced our provision requirements in this financial year.

## **6. Net Profit**

The PAT had increased by 15% and improved to Rs.329 Cr in the current quarter from Rs.285 Cr in Q2 FY 25. For the half year ended PAT had registered a growth of 15% and stood at Rs.635 Cr as compared to Rs.550 Cr for H1 FY 25.

## **7. Deposits**

Total Deposits of the Bank had increased by 21% and increased to Rs.69,486 Cr in Q2 FY 26 from Rs. 57,369 Cr in corresponding period last year. CASA portion stood at 27% to total deposits. Cost of Deposits marginally reduced to 5.71% in Q2 FY 26 from 5.75 % in Q2 FY 25.

## **8. Advances**

Total Advances increased by 18% for Q2 FY 26 to Rs.57,561 cr from Rs. 48,722 cr in Q2 FY 25. For the past six quarters, we are achieving double-digit credit growth. Average Credit Deposit ratio stood at 83%. The yield on Advances for H1 FY 26 marginally improved to 9.73% compared to 9.70% for H1 FY 25.

## **9. Asset Quality**

The Gross NPA for Q2 FY 26 was reduced to 2.42% from 3.54% in the corresponding quarter last financial year which is 112 bps reduction. Net NPA was decreased by 72 bps to 0.90% from 1.62% for the same period. The provision coverage ratio (PCR) as of 30.09.2025 is at 82% (including T/W) and 63% (excluding T/W).

## **10. Net Interest Margin**

Net Interest Margin is at 3.63% for Q2 FY 26 showing sequential increase from Q1 FY 26 where it stood at 3.54%. Faster repricing of deposits and gold loan migration to fixed rates contributed this improvement in NIM

## **11. Return on Assets**

Return on assets for Q2 FY 26 is 1.59% as against 1.55% in last quarter. ROA is over and above our long term level of 1.50 since Q1 FY 25.

## **12. Return on Equity**

Return on Equity was at 13.15% in H1 FY 26 as compared to 12.74% in H1 FY 25

## **13. Cost to Income Ratio (CIR)**

Our cost to income ratio for Q2 FY 26 was at 49.16% as compared to 47.06% in Q2 FY 25 and we expect CIR in the range of 48% to 50% for the current financial year.

## **14. Capital Adequacy**

The Bank's capital adequacy as on 30.09.2025 as per Reserve Bank of India (RBI) guidelines on Basel III norms is 21.68% and Tier-1 capital adequacy was 20.71%, well above regulatory requirements.

## **About the Bank:**

City Union Bank is an old sector private sector bank with 889 branches across 18 states and 4 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 3<sup>rd</sup> November 2025 at 6.00 p.m. IST to discuss our performance for the 2<sup>nd</sup> quarter ended September 2025. 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](http://www.cityunionbank.com)

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