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CUB - PRESS RELEASE

Performance Results – Quarter/Half year ended 30.09.2026

Chennai, 28th October 2026 – City Union Bank Limited announced today its performance results for the 2nd Quarter / half year ended for Financial Year 2026-27. Earlier, during the day, the Board of Directors of City Union Bank approved the working results.

Financial Performance Q2 FY 27 vs Q2 FY 26:

(Rs in Cr)

Particulars	Q2 FY 27	Q2 FY 26	Growth (%)
Interest Income	2,092	1,653	27%
Non-Interest Income	350	259	35%
Total Income	2,442	1,912	28%
Interest Expense	1,219	987	24%
Operating Expense	562	455	24%
Total Expense	1,782	1,442	24%
Net Interest Income	873	667	31%
Operating Profit	661	471	40%
Profit After Tax	416	329	27%

Financial Performance H1 FY 27 vs H1 FY 26:

(Rs in Cr)

Particulars	H1 FY 27	H1 FY 26	Growth (%)
Interest Income	4,077	3,258	25%
Non-Interest Income	594	503	18%
Total Income	4,671	3,761	24%
Interest Expense	2,384	1,967	21%
Operating Expense	1,045	873	20%
Total Expense	3,430	2,840	21%
Net Interest Income	1,693	1,292	31%
Operating Profit	1,241	922	35%
Profit After Tax	798	635	26%

Key Balance sheet Items:

(Rs in Cr)

	Q2 FY 27	Q2 FY 26	Q1 FY 27	FY 2026
Deposits	83,893	69,486	79,342	78,308
Advances	72,442	57,561	67,645	66,699
Total Business	1,56,335	1,27,047	1,46,987	1,45,007
CASA	22,350	19,537	21,094	21,644

Asset Quality:

(Rs. in Cr)

	Q2 FY 27	Q2 FY 26	Q1 FY 27	FY 2026
Gross NPA	1,043	1,393	1,170	1,273
Gross NPA (%)	1.44	2.42	1.73	1.91
Net NPA	344	513	405	449
Net NPA (%)	0.48	0.90	0.61	0.68

Key Financial Ratios:

('in %)

	Q2 FY 27	Q2 FY 26	H1 FY 27	H1 FY 26
Cost of Deposits	5.56	5.71	5.56	5.83
Yield on Advances	9.85	9.66	9.82	9.73
Net Interest Margin	3.87	3.63	3.83	3.59
Return on Assets	1.62	1.59	1.59	1.57
Return on Investments	6.97	6.86	6.71	7.31
Cost to Income Ratio	45.96	49.16	45.71	48.66
Capital Adequacy Ratio	21.26	21.68	21.26	21.68

Financial Performance Q2 FY 27 / H1 FY 27:

1. Net Interest Income

The Bank earned Net Interest Income of Rs.873 cr for Q2 FY27 and Rs.1,693 Cr for H1 FY 27 as against Rs.667 cr and Rs.1,292 Cr respectively in Q2 FY 26 and H1 FY 26. The NII had grown by 31% for both Q2 FY 27 and H1 FY 27.

2. Non Interest Income

Non Interest Income of the Bank for Q2 FY 27 was at Rs.350 Cr as against Rs.259 Cr for Q2 FY 26 with 35% growth. For H1 FY 27, it had grown by 18% and stood at Rs. 594 Cr as against Rs. 503 Cr for the same period last financial year.

3. Operating Expenses

The operating expense is Rs.562 Cr for Q2 FY27 as compared to Rs. 455 Cr in Q2 FY 26 and for H1 FY 27 the same was at Rs. 1,045 Cr as against Rs. 873 Cr for the corresponding period last year.

4. Operating Profit

The Gross Profit for Q2 FY 27 stood at Rs.661 Cr as against Rs.471 Cr in Q2 FY 26 with a growth of 40%. For the half year ended FY 27 the operating profit was at Rs.1,241 Cr compared to Rs.922 Cr in the corresponding period last year.

5. Provisions

The Bank made a provision for bad debts for Rs.120 cr as of 30.09.2026 as against Rs.110 cr in the corresponding period last year. The Bank has provided Rs. 27 Cr towards Standard Assets and a contingent provision of Rs. 50 Cr has been made during this quarter.

6. Net Profit

The PAT had increased by 27% and improved to Rs.416 Cr in the current quarter from Rs.329 Cr in Q2 FY 26. For the half year ended PAT had registered a growth of 26% and stood at Rs.798 Cr as compared to Rs.635 Cr for H1 FY 26.

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7. Deposits

Total Deposits of the Bank had increased by 21% and increased to Rs.83,893 Cr in Q2 FY 27 from Rs. 69,486 Cr in corresponding period last year. CASA portion stood at 27% to total deposits. Cost of Deposits reduced to 5.56% in Q2 FY 27 from 5.71 % in Q2 FY 26. Though we had anticipated higher cost, easing of liquidity by regulatory measures such as FCNR(B) has helped to reduce cost of deposits in this year.

8. Advances

Total Advances increased by 26% for Q2 FY 27 to Rs.72,442 Cr from Rs. 57,561 Cr in Q2 FY 26. Average Credit Deposit ratio stood at 86%. The yield on Advances for H1 FY 27 marginally improved to 9.82% compared to 9.73% for H1 FY 26.

9. Asset Quality

The Gross NPA for Q2 FY 27 was reduced to 1.44% from 2.42% in the corresponding quarter last financial year which is 98 bps reduction. Net NPA was decreased by 42 bps to 0.48% from 0.90% for the same period. The provision coverage ratio (PCR) as of 30.09.2026 is at 82% (including T/W) and 67% (excluding T/W).

10. Net Interest Margin

Net Interest Margin is at 3.87% for Q2 FY 27 as against 3.63% in Q2 FY 26. For H1 FY27 it stood at 3.83% as against 3.59% in the same period last year. Marginal reduction in cost of deposits has helped in maintaining the improved NIM.

11. Return on Assets

Return on assets for Q2 FY 27 is 1.62% as against 1.59% in same quarter last year. 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 14.78 % in H1 FY 27 as compared to 13.15% in H1 FY 26

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13. Cost to Income Ratio (CIR)

Our cost to income ratio for Q2 FY 27 was at 45.96% as compared to 49.16% in Q2 FY 26 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 30.09.2026 as per Reserve Bank of India (RBI) guidelines on Basel III norms is 21.26% and Tier-1 capital adequacy was 20.43%, well above regulatory requirements.

About the Bank:

City Union Bank is an old sector private sector bank with 1002 branches across 19 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 28th October 2026 at 6.30 p.m. IST to discuss our performance for the 2nd quarter ended September 2026. 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.bank.in

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