



Industry	Financial
Bloomberg	UNBK IN
BSE CODE	532477

Assets Quality set to improve

RATING	BUY
CMP	70
Price Target	85
Potential Upside	22%

Rating Change	
Estimate Change	
Target Change	

Stock Info

52wk Range H/L	192/61
Mkt Capital (Rs Cr)	8,151
Free float (%)	32%
Avg. Vol 1M (000)	10,054
No. of Shares (Cr)	117
Promoters Pledged %	0%

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Key Highlights -

- ❑ In the assets quality clean up exercise, GNPA touched to 16% for Union bank in 1Q FY19. We believe GNPA to peaked out as most of the stressed as been recognized. Increase in the pace of NCLT resolution process will improve assets quality significantly. Management targets to reach GNPA/NNPA below 12%/6% at the end of FY19.
- ❑ Due to ageing related GNPA, credit cost is expected to remain elevated in FY19, however with specific PCR at 51%, we expect credit cost to be significantly lower in FY20.
- ❑ Earnings of UNBK are expected to improve gradually with improvement in assets quality. Loan book growth has been muted and will pick-up once growth capital is infused.
- ❑ CET 1 ratio is low at 7.54% and management is planning to raise Rs 7400 Cr of capital during FY19. At current valuation we see huge dilution risk to EPS and lower BVPS growth.

2Q FY19 Results

UNBK reported positive PAT number of Rs 139 Cr on account of lower provisioning. NII grew at slower run rate of 7% YoY due to muted advances growth and lower NIM. Operating profit declined by 9% YoY mainly due to lower other income. Other income declined by 26% YoY due to lower treasury gain. Opex moderated during the quarter at 1% YoY growth, but fall in net income by 4% YoY has led the C/I ratio to increase at 47.8% from 45.2% a year back. Provisions has shown a sharp dip of 53% YoY to Rs 1656 Cr. Slippages declined by 43% sequentially to Rs 2667 Cr. PCR stood at 58% as against 56% in Q1FY19.

View and Valuation

We believe NPA cycle has peaked out and will reverse as recovery & up-gradation is expected to be more than the slippages going ahead. Specific PCR has also improved for UNBK to 51% level but credit cost will remain elevated in near term due to ageing related NPA. Increase in pace of NCLT cases resolutions will provide much support assets quality improvement as well as extra provisions will also be written back. Business growth has been subdued for Union Bank but it is expected to pick up. CET 1 capital is at 7.54% and management expects Rs 7400 Cr capital infusion in near term. This capital infusion will be crucial for growth enhancement but on the other hand at current valuation it will create huge dilution risk giving pressure in return ratios. Currently we are not factoring the dilution in our estimates. We expect worst performance in terms of profitability is behind and will see gradual improvement in earnings going ahead but will remain volatile. We increase our PAT estimate by 14%/7% for FY19/20 and maintain BUY with the target price of Rs 85 at 0.35x P/BVS FY20e.

Key Risks to our rating and target

- ❑ Lower Delay in resolution process under NCLT
- ❑ Further deterioration in assets quality.

KEY FINANCIAL/VALUATIONS	FY16	FY17	FY18	FY19E	FY20E
NII	8313	8903	9305	10336	10859
PPP	5722	7430	7540	7407	7574
PAT	1352	555	-5247	1097	2445
NIM %	2.3	2.2	2.1	2.3	2.2
EPS (Rs)	20	8	-45	9	21
EPS growth (%)	-30	-59	-656	-121	123
ROE (%)	6.3	2.4	-21.6	4.3	9.0
ROA (%)	0.3	0.1	-1.1	0.2	0.5
BV	333	341	215	223	244
P/B (X)	0.4	0.5	0.4	0.3	0.3
P/E (x)	6.7	19.3	-2.1	7.4	3.3

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2Q FY19 Results Beats our expectation

Growth remained muted

Financials	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	YoY %	QoQ%	FY17	FY18	YoY %
Interest Inc.	8,222	8,260	8,112	8,701	8,539	3.8%	-1.9%	32,660	32,748	0.3%
Interest Exp.	5,902	5,712	5,919	6,075	6,046	2.4%	-0.5%	23,757	23,443	-1.3%
NII	2,321	2,548	2,193	2,626	2,493	7.4%	-5.1%	8,903	9,305	4.5%
Other Income	1,217	873	1,485	1,208	899	-26.1%	-25.5%	4,965	4,990	0.5%
Total Income	3,538	3,421	3,678	3,834	3,393	-4.1%	-11.5%	13,868	14,295	3.1%
Ope Exp.	1,599	1,767	1,788	1,745	1,621	1.3%	-7.1%	6,438	6,755	4.9%
PPP	1,939	1,655	1,889	2,089	1,772	-8.6%	-15.2%	7,430	7,540	1.5%
Provisions	3,555	3,254	5,668	2,229	1,656	-53.4%	-25.7%	7,088	14,181	100.1%
PBT	(1,616)	(1,600)	(3,779)	(141)	116	107.2%	182.6%	343	(6,641)	-2038%
Tax	(85)	(350)	(1,195)	(270)	(23)	73%	91.6%	(213)	(1,394)	-556%
Net Profit	(1,531)	(1,250)	(2,583)	130	139	109.1%	-7.3%	555	(5,247)	-1045%

NIM declined.

NIM declined by 8 bps sequentially, but improved by 10 bps YoY. This was due to lower advances growth and interest reversal of Rs 240 Cr during the quarter. Yield on advances declined by 19 bps/20 bps on QoQ/YoY. On the other hand overall yield on total asset declined by 2 bps QoQ and improved by 7 bps on YoY basis. Cost of deposits declined by 19 bps YoY due to improvement in the CASA ratio, but increased marginally by 2 bps QoQ. Overall cost of funds increased by 6 bps and declined marginally by 2 bps YoY. Going forward management expects NIM to be at 2.25% level for FY19. Opex moderated during the quarter at 1% YoY growth, but fall in net income by 4% YoY has led the C/I ratio to increase at 47.8% from 45.2% a year back. Employee expenses de-grew by 4% YoY, whereas other expenses grew at only 7% YoY which is lowest over the last 12 quarters.

Advances growth moderated.

Advances grew modest at 1% YoY, due to continuous decline in the overseas advances. Domestic advances grew at 9% YoY driven by retail and agriculture segment, while overseas book declined sharply by 50% YoY. Retail/Agriculture book grew by 15%/8% YoY and SME book grew by 6% YoY. Corporate book declined by 3% YoY. Growth in retail book was driven by the increase in demand for the mortgage and auto loan, which grew by 31% and 12% respectively. Exposure in NBFCs and HFCs increased by 27% YoY. The bank has sanctioned Rs 2500 Cr to HFC (Housing finance company) for portfolio buyout and the plan is to go up to Rs 5000 Cr. The bank has slowed down direct credit to NBFC due to asset liability mismatch and riskier asset which they hold in their book. Going forward advances growth of 7-8% is expected with the capital raise plan. Deposit growth has also moderated at 3% YoY, but more than the advances growth. CASA grew by 7% YoY, which is the highest in the last four quarters. This led CASA ratio to increase to 35.3% as against 33.6% a year back. Term deposit moderated at only 1% YoY growth as against 10% growth a quarter back. Management expects deposits to grow in the range of 8-10% for FY19.

Asset quality improved.

Slippages during the quarter declined at Rs 2667 Cr as against Rs 4652 Cr a quarter back. GNPA/NNPA ratio declined by 26 bps/28 bps on sequential basis and stood at 15.74%/8.42%. Gross NPA percentage in agriculture/MSME stood at 7.62%/12.21%, while retail segment GNPA% is 2.49%. During the quarter Standard restructured advances increased to Rs 1306 Cr, mainly on account of Kerala flood. Standard restructured assets moved to 41 bps against 34 bps QoQ. Under S4A total exposure is Rs 122 Cr, having 3 accounts and in 5/25 total amount of exposure is Rs 3452 Cr and have 12 accounts. In corporate SMA 2 has increased to Rs 2500 Cr from Rs 1500 Cr sequentially. Total SMA 2 is at Rs 10000 Cr. Credit cost declined by 13 bps QoQ to 2.15%. Recovery and up gradation was stood at Rs 1615 Cr. The bank expects Rs 3500-4000 Cr recovery from NCLT in the H2FY19. Management believe that Rs 1000-1500 Cr of recovery & up-gradation would be new normal going ahead.

Other highlights:

Fee income grew slower at 17% YoY led by slow down in LC business. Overall other income declined by 26% YoY, due to MTM loss and lower treasury income. CRAR ratio during the quarter stood at 11.6%. Tier-1 ratio increased to 9.02% from 8.99% a quarter back.

Concall Highlights

- ❑ Management commentary on Macro-
- ❑ GDP growth number signals recovery in whole sector with consumption and investment both gaining momentum in 2Q. Financial market saw sharp reversal prospects with reassessment of assets liability mismatches, rising concerns over liquidity around NBFCs. Banking sector noted smart uptick, though sectoral deployment of credit remained uneven. Resolution of stressed assets took some definitive advance it is few big tickets exposure leading to conclusion.
- ❑ Commentary on Bank- Bank made recovery in assets quality due to lower slippages and increased recovery & up-gradation. NPA declined both in ratios as well as in absolute terms. Out of the total recovery & up-gradation of Rs 1615 Cr, Rs 111 Cr came from NCLT resolutions. Slippages were mainly from construction, real estate and EPC. Highest exposure is Rs 150.
- ❑ Agriculture NPA increased due to election and loan waiver impact in Maharashtra, UP, Karnataka and Rajasthan. These are mostly small loan.
- ❑ On the outstanding amount on ESSAR steel, 50% provisions are made. On the provisions write back management said that they expect Rs 1000-1200 Cr of provisions write back on ESSAR steel and Uttam Galva account. Bank has received full recovery in Uttam Galva in October and will reflect in 3Q.
- ❑ Management believe that Rs 1000-1500 Cr of recovery & up-gradation would be new normal going ahead. Management stated that recovery is happening in the entire sector. Bank is able to now repossess the assets or property as the Government has been very helpful.
- ❑ Management expects Rs 3500-4000 Cr recovery from NCLT in the 2nd half for Union Bank.
- ❑ Management sold two accounts to ARC amounting to Rs 400 Cr during the quarter.
- ❑ During the quarter Standard restructured advances increased mainly on account of Kerala flood. Standard restructured assets moved to 41 bps against 34 bps QoQ.
- ❑ IL&FS exposure- Union bank has Rs 1093 Cr of exposure and out of this Rs 817 Cr is to SPV (Power subsidiary) which is standard.
- ❑ In corporate SMA 2 has increased to Rs 2500 Cr from Rs 1500 Cr sequentially. Management stated that this number includes Punjab FCI exposure and these accounts are not stressed but there is technical issue. Total SMA 2 is at Rs 10000 Cr.
- ❑ No single power case was resolved during the quarter.
- ❑ Management said business growth was as per earlier guidance. Gross credit grew by 2.8%, while deposits grew by 3.4% YoY. Management sees credit demand improving in the economy going ahead.
- ❑ Management is targeting 80% of the credit processing to be centralized through selected 200 centers especially for corporate, emerging corporate, SME, retail and agriculture credit.
- ❑ During the quarter Rs 2500 Cr of portfolio was bought from NBFCs at good spread and management expects this to reach to Rs 5000 Cr going ahead. The bank has slowed down direct credit to NBFC due to asset liability mismatch in their book and riskier asset which they hold in their book.
- ❑ Total exposure in real estate is Rs 6700 Cr mainly on LRD (40%).
- ❑ Bank has Rs 7400 Cr capital raising plan this financial year. Out of these Rs 6800 Cr would be raised for CET 1 capital requirement.
- ❑ Bank added 16 lakhs new customer in the liability side during the quarter.
- ❑ Other income declined mainly on account of MTM loss during the quarter.
- ❑ Fee income growth was also slower due to slow down in LC business.
- ❑ Interest reversal was Rs 240 Cr during the quarter.

Profitability Matrix

	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	YoY (+/-)	QoQ (+/-)
C/I Ratio %	44.3	43.8	45.2	51.6	48.6	45.5	47.8	2.57	2.25
Empl. Cost/ Tot. Exp. %	49.2	51.3	50.4	46.0	45.6	44.1	47.9	-2.54	3.72
Other Exp/Tot. Exp. %	50.8	48.7	49.6	54.0	54.4	55.9	52.1	2.54	-3.72
Provision/PPP %	114.5	82.8	183.3	196.7	300.0	106.7	93.4	-89.89	-13.28
Tax Rate %	134.9	67.0	5.3	21.9	31.6	192.3	(19.5)	-24.77	-211.85
Int Exp./Int Inc. (%)	71.3	72.5	71.8	69.2	73.0	69.8	70.8	-0.97	0.99
Other Inc./Net Inc. %	37.7	38.7	34.4	25.5	40.4	31.5	26.5	-7.89	-4.99
PAT/ Net Income %	2.8	3.2	(43.3)	(36.5)	(70.2)	3.4	4.1	47.36	0.72
PAT Growth %	12.6	29.9	(966.4)	(1,302)	(2,487)	11.1	109.1	1,076	97.96
NII Growth % (YoY)	14.5	6.7	1.9	19.3	(8.1)	17.1	7.4	5.53	-9.67
Op. Profit Growth YoY %	51.4	26.6	6.6	(10.6)	(11.5)	1.6	(8.6)	-15.17	-10.18

Margin Performance

Margin %	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	YoY (+/-)	QoQ (+/-)
Yield on Advances	8.41	8.1	7.9	7.5	7.3	7.9	7.7	-0.20	-0.19
Yield on Total Assets	7.35	6.9	6.8	6.7	6.4	6.9	6.9	0.07	-0.02
Cost Of Funds	5.91	5.8	5.7	5.6	5.5	5.5	5.5	-0.19	0.02
Cost of Deposits	5.24	5.0	4.9	4.6	4.7	4.8	4.9	-0.02	0.06
NIM	2.27	2.1	2.1	2.2	1.9	2.3	2.2	0.10	-0.08

Exhibit: Yield and Cost

Yield on earning assets declined.

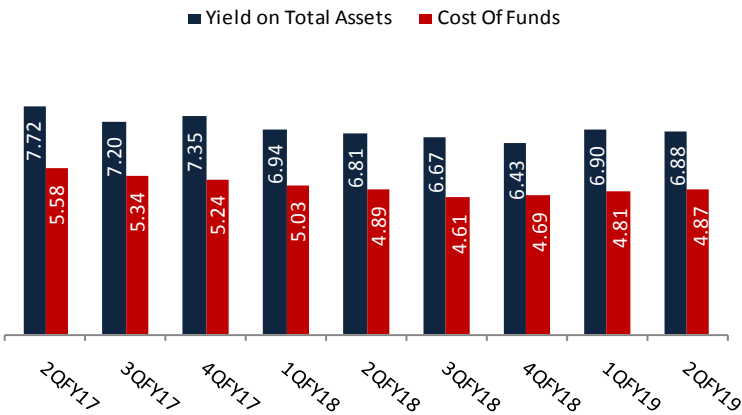
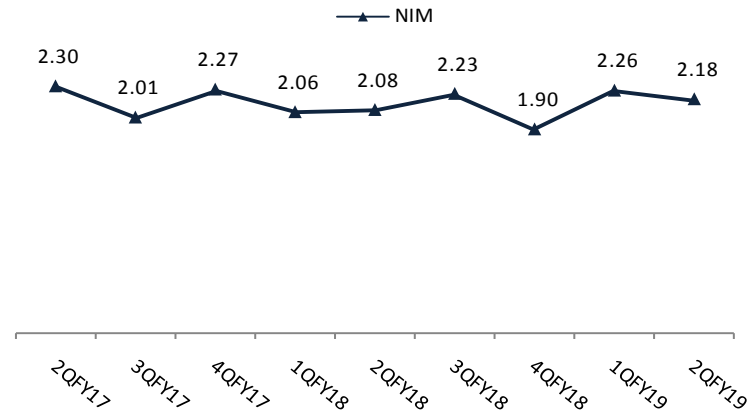


Exhibit: Net Interest Margin

NIM declined.



Other Income Break Up-

	2QFY17	3QFY17	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19
Fee income	498	472	641	606	549	597	1127	707	641
Growth YoY %	6.2	8.0	16.3	32.6	10.2	26.5	75.8	16.7	16.8
Treasury income	598	822	728	789	613	155	277	288	153
>>Profit on Sale	466	694	582	652	477	6	132	194	82
>>Exchange	132	128	146	137	136	150	145	95	71
Total Other Income	1139	1339	1446	1415	1217	873	1485	1207	899
Growth YoY %	18.8	50.1	45.0	36.1	6.8	(34.8)	2.7	(14.7)	(26.1)

Exhibit: Fee Income/Advances %

Fee income growth slowed down.

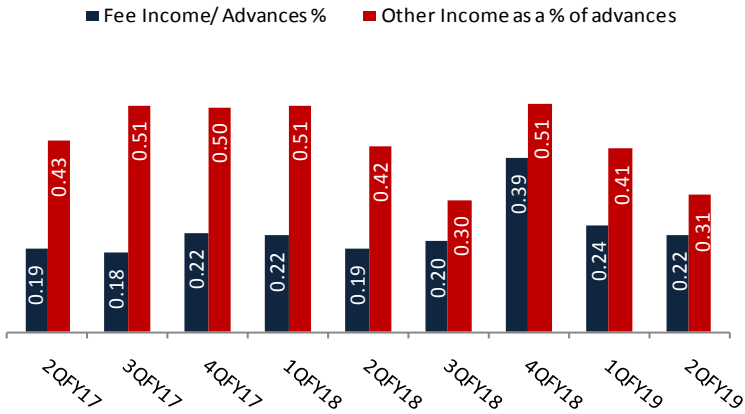
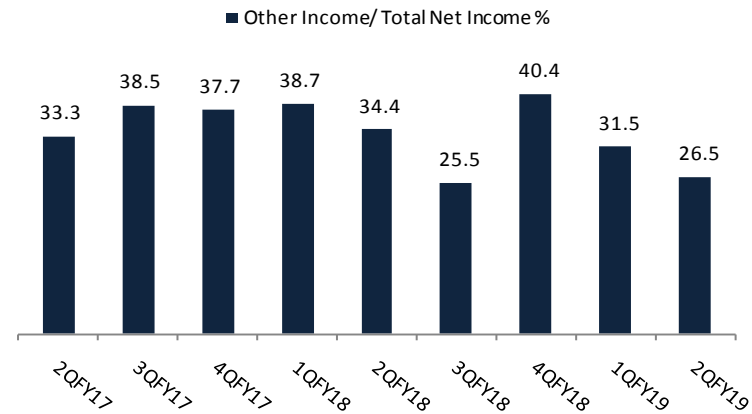


Exhibit: Other Income/ Total Income %



Asset Quality

	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18	1QFY19	2QFY19	YoY (+/-)	QoQ (+/-)
GNPA (Rs in Cr)	33,712	37,286	38,286	40,988	49,369	50,973	50,157	31%	-2%
GNPA %	11.2	12.6	12.4	13.0	15.7	16.0	15.7	3.39	-0.26
NNPA (Rs in Cr)	18,833	20,785	19,479	20,428	24,326	25,508	24,657	27%	-3%
NNPA %	6.6	7.5	6.7	7.0	8.4	8.7	8.4	1.72	-0.28
Slippages (Rs in Cr)	2,951	4,453	2,686	4,187	10,043	4,652	2,667	-1%	-43%
PCR %	51.4	51.1	56.1	57.1	57.2	56.5	57.7	1.60	1.17

Exhibit: Asset Quality

Assets quality improved.

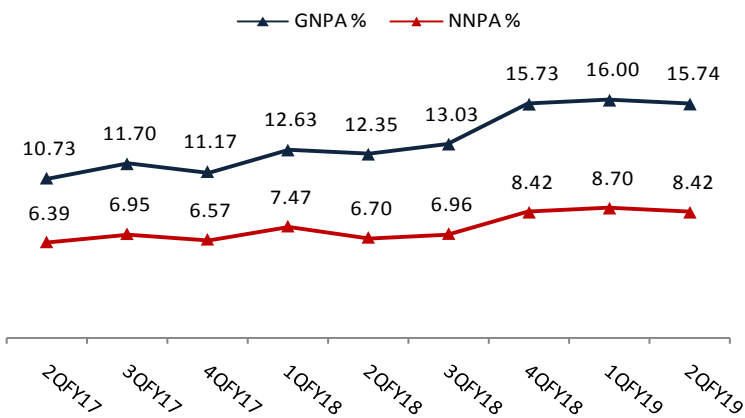


Exhibit: Provisions

PCR increased.

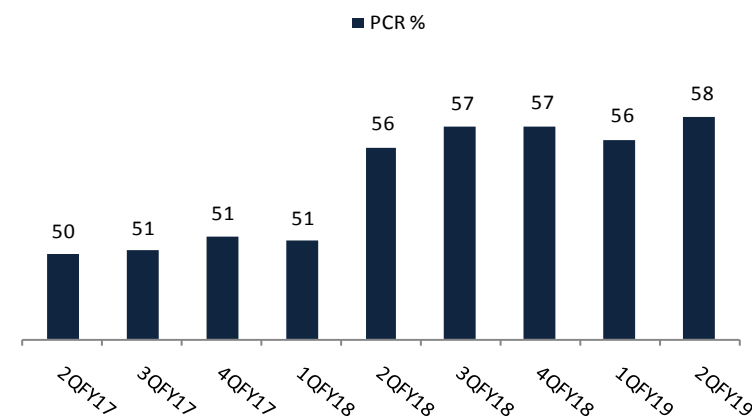


Exhibit: Advances Performance

Advances growth moderated.

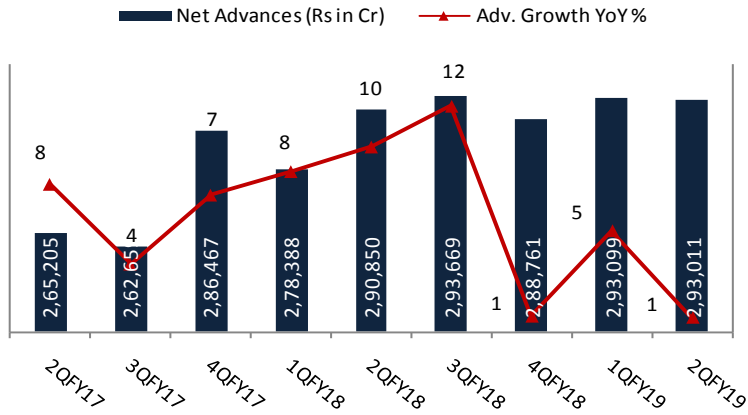


Exhibit: Advances Breakup%

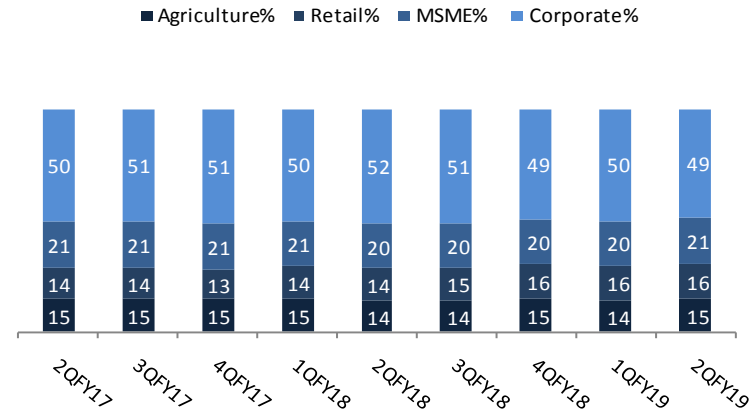


Exhibit: Deposits Performance

Deposits growth declined.

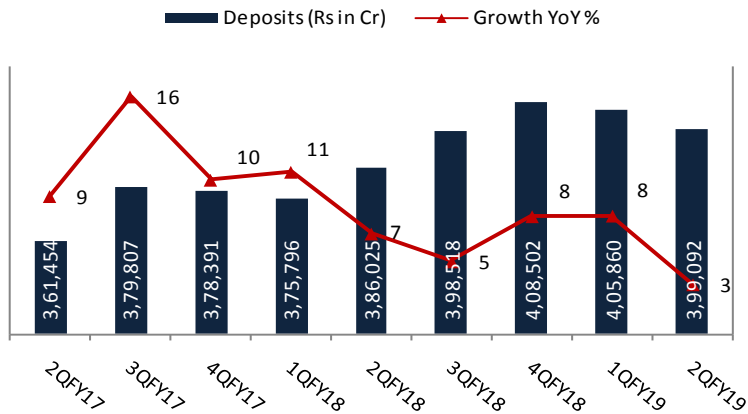


Exhibit: CASA Performance

CASA growth increased.

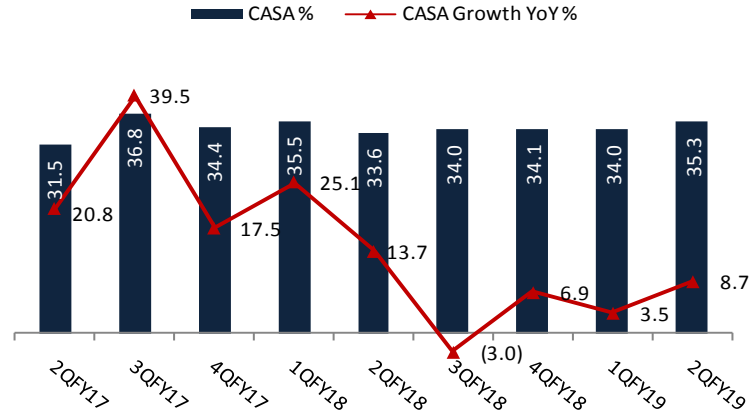


Exhibit: Credit Deposit Ratio

CD ratio moved up.

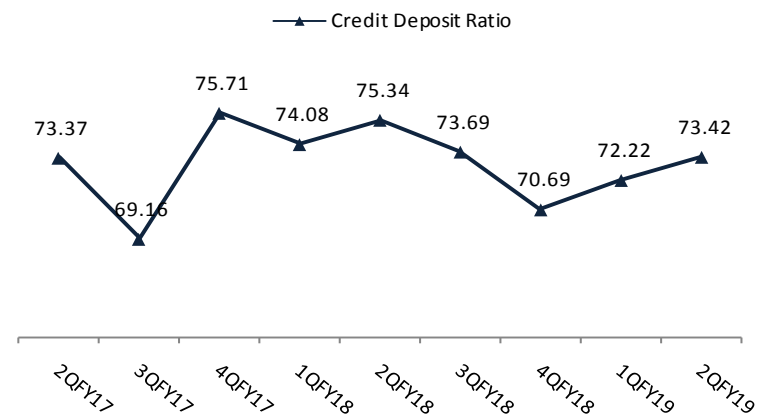
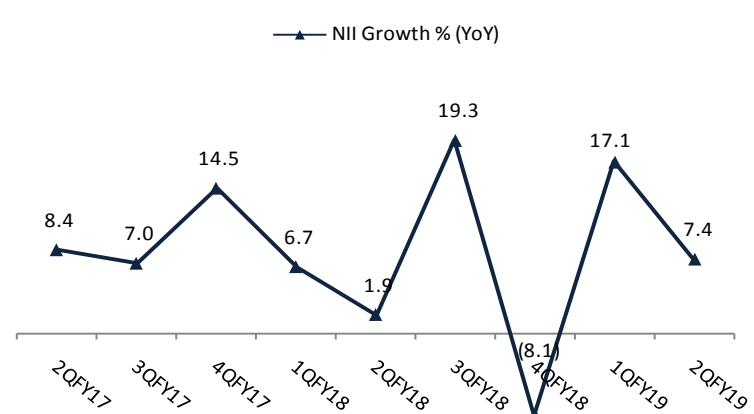


Exhibit: NII Growth

NII growth declined.



Financial Details

Balance Sheet

Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
Share Capital	708	741	636	687	687	1169	1169	1169
>> Equity Capital	708	741	636	687	687	1169	1169	1169
>> Preference Capital	0	0	0	0	0	0	0	0
Reserves & Surplus	16588	17734	19125	22204	23289	23928	24887	27332
Networth	17296	18475	19761	22891	23435	25097	26056	28500
Deposits	263762	297676	316870	342720	378391	408501	419297	454994
Change (%)	18.3	12.9	6.4	8.2	10.4	8.0	2.6	8.5
>> CASA Deposits	81635	87801	92650	110876	130308	139241	146754	159248
Change (%)	17.1	7.6	5.5	19.7	17.5	6.9	5.4	8.5
Borrowings	23797	29317	35360	30958	41226	45681	45347	47319
Other Liabilities & Prov.	7006	8313	9625	8127	9111	8127	8985	9750
Total Liabilities	311861	353781	381616	404696	452704	487406	499684	540563
Cash & Bank	16210	23073	22378	29277	32822	49441	42866	42187
Investments	80830	93723	94093	89208	112149	123780	125789	136498
Change (%)	29.6	16.0	0.4	-5.2	25.7	10.4	1.6	8.5
Advances	208102	229104	255655	267354	286467	288761	306087	336695
Change (%)	17.0	10.1	11.6	4.6	7.1	0.8	6.0	10.0
Fixed Assets	2479	2608	2682	3940	3894	3833	3795	3757
Other Assets	4239	5272	6808	14917	17372	21591	21148	21426
Total Assets	311861	353781	381616	404696	452704	487406	499684	540563

Income Statement

Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
Interest income	25125	29349	32084	32199	32660	32748	34866	38134
Interest expended	17582	21470	23640	23886	23757	23443	24530	27275
Net Interest Income	7543	7879	8444	8313	8903	9305	10336	10859
Change (%)	11.0	4.5	7.2	-1.5	7.1	4.5	11.1	5.1
Other Income	2552	2822	3523	3632	4965	4990	4055	4177
Change (%)	4.2	10.6	24.9	3.1	36.7	0.5	-18.7	3.0
>> Core Fee Income	1423	1634	1872	1879	2068	2879	2717	2937
>> Treasury Income	805	922	1333	1567	2695	1834	920	1040
>> Others	324	266	318	186	202	277	417	200
Total Net Income	10095	10701	11967	11945	13868	14295	14391	15036
Operating Expenses	4512	5483	6143	6223	6438	6755	6984	7462
Change (%)	13.2	21.5	12.0	1.3	3.5	4.9	3.4	6.8
>> Employee Expenses	2755	3308	3786	3620	3434	3255	3193	3572
Pre-provisioning Profit	5583	5218	5823	5722	7430	7540	7407	7574
Change (%)	6.3	-6.5	11.6	-1.7	29.9	1.5	-1.8	2.3
Provisions	2518	3149	3040	3877	7088	14181	6175	3870
Change (%)	-0.9	25.0	-3.5	27.5	82.8	100.1	-56.5	-37.3
PBT	3064	2069	2783	1765	343	-6641	1232	3704
Tax	906	373	1002	414	-213	-1394	134	1259
Profit After Tax	2158	1696	1782	1352	555	-5247	1097	2445
Change (%)	20.7	-21.4	5.0	-24.1	58.9	-1045.1	120.9	122.8

Financial Details

Key Ratios

Y/E March	FY13	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
Balance Sheet Metrics								
Loan Growth (%)	17	10	12	5	7	1	6	10
Deposit Growth (%)	18	13	6	8	10	8	3	9
C/D Ratio (%)	78.9	77.0	80.7	78.0	75.7	70.7	73.0	74.0
CASA (%)	31.0	29.5	29.2	32.4	34.4	34.1	35.0	35.0
Investment/Deposit (%)	30.6	31.5	29.7	26.0	29.6	30.3	30.0	30.0
CRAR (%)	10.1	10.8	10.2	10.6	11.8	11.5	11.6	12.4
>> Tier 1 (%)	6.8	7.5	7.5	8.1	9.0	9.1	9.1	10.0
>> Tier 2 (%)	3.4	3.3	2.7	2.4	2.8	2.4	2.5	2.4

Assets Quality Metrics

Gross NPA (Rs)	5,380	9,564	13,031	24,171	33,712	49,369	47,448	44,177
Gross NPA (%)	3.0	4.1	5.0	8.7	11.2	15.7	14.3	12.1
Net NPA(Rs)	3,353	5,340	6,919	14,026	18,833	24,326	21,352	18,555
Net NPA (%)	1.6	2.3	2.7	5.3	6.6	8.4	7.0	5.5
Slippages (%)	2	3	3	5	5	8	5	3
Provision Coverage (%)	65	60	59	51	51	57	61	64
Provision/Average Advances (%)	1.3	1.4	1.3	1.5	2.6	4.9	2.1	1.2

Margin Metrics

Yield On Advances (%)	9.9	9.9	9.9	9.0	8.3	7.9	8.1	8.3
Yield On Investment (%)	7.9	8.3	7.6	8.2	8.6	7.4	7.6	7.7
Yield on Earning Assets (%)	9.2	9.4	9.4	8.8	8.1	7.5	7.6	7.8
Cost Of Deposits (%)	6.8	7.1	7.0	6.7	6.1	5.5	5.4	5.7
Cost Of Funds (%)	6.5	6.9	6.8	6.5	5.9	5.3	5.3	5.6
Spread (%)	2.7	2.5	2.6	2.3	2.2	2.2	2.3	2.3
NIM (%)	2.8	2.5	2.5	2.3	2.2	2.1	2.3	2.2

Profitability & Efficiency Metrics

Int. Expense/Int.Income (%)	70.0	73.2	73.7	74.2	72.7	71.6	70.4	71.5
Fee Income/NII (%)	18.9	20.7	22.2	22.6	23.2	30.9	26.3	27.0
Cost to Income (%)	44.7	51.2	51.3	52.1	46.4	47.3	48.5	49.6
Cost on Average Assets (%)	1.6	1.6	1.7	1.6	1.5	1.4	1.4	1.4
Tax Rate (%)	29.6	18.0	36.0	23.4	(62.1)	21.0	10.9	34.0

Valuation Ratio Metrics

EPS (Rs)	36.2	26.9	28.0	19.7	8.1	(44.9)	9.4	20.9
Change (%)	11.4	(25.7)	4.3	(29.9)	(58.9)	(656)	120.9	(122.8)
ROAE (%)	13.5	9.5	9.3	6.3	2.4	(21.6)	4.3	9.0
ROAA (%)	0.8	0.5	0.5	0.3	0.1	(1.1)	0.2	0.5
Dividend Payout (%)	22.1	14.9	21.4	9.9	-	-	-	-
Dividend yield (%)	3.7	2.9	3.8	1.5	-	-	-	-
Book Value (Rs)	289.9	292.9	311.0	333.0	341.1	214.8	223.0	243.9
Change (%)	9	1	6	7	2	(37)	4	9
P/B (X)	0.8	0.5	0.5	0.4	0.5	0.4	0.3	0.3
P/E (X)	6.0	5.1	5.6	6.7	19.3	(2.1)	7.4	3.3

Financial Details

Exhibit: DuPont Analysis

	FY14	FY15	FY16	FY17	FY18	FY19E	FY20E
<i>Interest Income</i>	8.8	8.7	8.2	7.6	7.0	7.1	7.3
<i>Interest expended</i>	6.5	6.4	6.1	5.5	5.0	5.0	5.2
<i>Net Interest Income</i>	2.4	2.3	2.1	2.1	2.0	2.1	2.1
<i>Non-Fund Based Income</i>	0.8	1.0	0.9	1.2	1.1	0.8	0.8
>> <i>Core Fee Income</i>	0.5	0.5	0.5	0.5	0.6	0.6	0.6
>> <i>Trading and Other Income</i>	0.4	0.4	0.4	0.7	0.4	0.3	0.2
<i>Core Operating Income</i>	2.9	2.8	2.6	2.6	2.6	2.6	2.7
<i>Total Income</i>	3.2	3.3	3.0	3.2	3.0	2.9	2.9
<i>Total Operating Expenses</i>	1.6	1.7	1.6	1.5	1.4	1.4	1.4
>> <i>Employee Expenses</i>	1.0	1.0	0.9	0.8	0.7	0.6	0.7
>> <i>Other Expenses</i>	0.7	0.6	0.7	0.7	0.7	0.8	0.7
<i>Operating Profit</i>	1.6	1.6	1.5	1.7	1.6	1.5	1.5
<i>Provisions</i>	0.9	0.8	1.0	1.7	3.0	1.3	0.7
<i>Others</i>	-	-	(0.0)	-	-	-	-
<i>PBT</i>	0.6	0.8	0.4	0.1	(1.4)	0.2	0.7
<i>Tax</i>	0.1	0.3	0.1	(0.0)	(0.3)	0.0	0.2
<i>PAT/RoAA</i>	0.5	0.5	0.3	0.1	(1.1)	0.2	0.5
<i>Equity Multiplier (x)</i>	18.6	19.2	18.4	18.5	19.4	19.3	19.1
<i>ROAE</i>	9.5	9.3	6.3	2.4	(21.6)	4.3	9.0

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