UNITED BANK OF INDIA

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Board Sec/AFR/PR/ /2016 May 17, 2016

Listing Department National Stock Exchange of India Ltd. Exchange Plaza, Plot – C/1, Block – G Bandra Kurla Complex, Bandra (E) Mumbai – 400051 **Scrip Code: UNITEDBNK**	**Corporate Relations Cell** BSE Ltd. P J Tower, Dalal Streer, Fort Mumbai – 400001 **Scrip Code: UNITEDBNK (533171)**

Dear Sir,

Sub: Press Release

The Bank has issued the Press Release enclosed herewith on the occasion of the announcement of audited financial results for the quarter and the financial year ended March 31, 2016.

The same is filed in terms of Regulation 30 of the SEBI Listing Regulations 2015.

Thanking you,

Bikramjit Shom 17/5/16
Company Secretary & Compliance Officer

United Bank of India Financial Results
Q4 (FY 15-16) and FY 15-16
May 17, 2016

- **Total Business of the Bank increased to Rs 187813 Crore as on 31.03.2016.**
- **Total Deposits increased by Rs 7583 Crore.**
- **CASA share improved to 41.92% as on 31st March 16.**
- **Operating Profit at Rs 245.32 crore for Q4 16 and Rs 1811.80 Crore for FY 16.**
- **Net Profit at Rs.(413.04) crore in Q4 FY16 and Rs (281.95) crore for FY 16.**
- **Net Interest Income (NII) at Rs 405.45 crore for Q4 16 and Rs 2280.56 Crore for FY 16.**
- **Gross NPA at Rs.9471.01 crore as on 31.03.2016.**
- **NIM at 2.01% for FY16.**
- **CRAR (Basel III) at 10.08% with Tier 1 at 7.93% as on 31st Mar, 2016**

United Bank of India has announced its reviewed financial results for the fourth quarter (Q4) of FY 2015-16 following the approval of its Board of Directors on May 17, 2016.

Results at a Glance

(Rs/Crore)

	Quarterly		Yearly	
	Q4-FY 16	**Q4-FY 15**	**FY 16**	**FY15**
Total Income	2,752.35	3,153.12	11,404.20	11,927.39
Interest Income	2,378.85	2,571.86	9,936.67	10,180.47
Interest Expenses	1,973.40	1,860.85	7,656.11	7,689.82
Net Interest Income	405.45	711.01	2,280.56	2,490.65
Other Income	373.50	581.26	1,467.53	1,746.91
Operating Expenses	533.63	500.34	1,936.29	1,809.63
Staff Expenses	295.46	267.40	1,097.42	1,038.29
Total Expenses (Excluding Provisions, Contingency & Taxes)	2,507.03	2,361.19	9,592.40	9,499.45
Operating Profit	245.32	791.93	1,811.80	2,427.94
Provisions, Contingencies & Taxes	658.36	687.41	2,093.75	2,171.95
Net Profit	(413.04)	104.52	(281.95)	255.99

Profits

The Bank's **Operating Profit** stood at **245.32 crore** in Q4 and Rs 1811.80 Crore in FY16 .Bank's **Net Profit** stands at Rs.(413.04) Crore in Q4 FY 16 and for the year Rs (281.95) Crore.

Income

Bank's **Net Interest Income (NII)** stood at Rs 405.45 crores in Q4 FY 16 and Rs 2280.56 Crore in FY16.

Expenses

During Q4 FY 16, the Bank's **Interest Expended** was **Rs 1973.40 crore** due to increase of Bank's deposit base by Rs 3925 crore.

Provisions

"Provisions and Contingencies" of the Bank for the quarter was at Rs.658.36 crore during Q4 FY16. Provision against non performing loans and advances has gone up from Rs.100.19 crore as on Mar'15 to Rs.925.15 crore as on Mar'16. The AS-15 "Provision for Retirement Benefits of Employees" increased from Rs.245.70 cr in Q4 2015 to Rs.366.30 cr in Q4 2016 and Rs 451.37 Cr to Rs 1036.49 Cr on year to year basis.

Business Expansion

The total business of the Bank increased by Rs.9926 crore registering a moderate growth of 5.58%.The total deposit grew up by Rs.7584 crore (6.97%) . Similarly the advances saw a muted growth of Rs.2342 crore (3.39%).CASA grew from Rs.45755 crore to Rs.48791 crore (6.64%) y-o-y.

Asset Quality

The Gross NPA was Rs 9471 crore at 13.26% largely on account of impact of AQR. The Net NPA was Rs 6111 Crore as on 31.03.16 at 9.04%

The slippage increased sequentially due to economic slowdown and also during the quarter, as a part of Assets Quality Review (AQR), RBI has advised the Bank to revise asset classification/provision in respect of certain advances over two quarters ending 31.12.2015 and 31.03.2016. The Bank has accordingly classified the advances and made the requisite provisions.

The **Total NPA recovery and upgradation for FY16 was Rs 2093 Crore with Cash Recovery Rs.541.42 crore** and **Reduction of Net NPA Assets** amounted to **Rs 890.35 crore through Cash Recovery and Upgradation.**

Provision Coverage Ratio stands at 53.36% in Mar'16

Capital Adequacy

The Bank's **Capital Adequacy Ratio** was at **10.46% (as per Basel II)** as of Mar 31, 2016. Its **Tier 1** was maintained at the level of **7.23%.**

Under **Basel III,** the Bank's Capital Adequacy Ratio stood at **10.08%** with the **Tier 1** capital at **7.93%** as on 31st Mar, 2016.

Key Financial Ratios

- The NIM of the Bank is 2.01 %
- The Cost to Income Ratio of the Bank is 51.66%

Key Strategic Initiatives and awards

1. Enabling of chip based personalized debit card in Card Inventory Module.
2. Customization of Sukanya Samriddhi Account in GBM.
3. Enabling Mobile Banking based payments at Merchant Outlets
4. One of the first banks to launch Mudra Card (Rupay)
5. The Bank has been awarded with the Certificates of Excellence in October'2015 for maximum coverage of SSAs (Sub Service Area) and Deposit mobilized under PMJDY.
6. Felicitation of Bank by Forum For Inclusive Financial System (FFIFS) as the Best Bank in West Bengal under the category of "Highest Deposit in Account opened under Prime Minister Jan Dhan Yojana".
7. U connect.
8. ADC products
9. Launched India's first chip based RuPay Platinum Card
10. Internet Banking services enhanced with new products like Flexi Deposit, Cheque Book Request and Card module
11. DTH recharge service introduced in Mobile Banking
12. The Bank tied up with Kotak Securities to launch share trading product named Trio under the brand U-Connect.Under this arrangement, willing customers of the Bank are offered a 3-in-1 Accounts – i.e. Saving & Demat Accounts with UBI and trading account by Kotak Securities.
13. A series of technology-driven solutions – mobile wallet services (United Wallet) and IMPS-based cash remittance facility through banking correspondents' handheld devices – were also launched.

Kolkata
May 17,2016

P.Srinivas
Managing Director & CEO