UNITED BANK OF INDIA

Head Office : 11, Hemanta Basu Sarani, Kolkata - 700 001
Tel : 033-22481054; Fax : 033-22485852, Email : co.sec@unitedbank.co.in

Board Sec/BM/PR/ /2016 February 11, 2016

Corporate Relations Cell Bombay Stock Exchange Ltd. P. J. Tower, Dalal Street, Fort Mumbai – 400001.	**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 (533171)	Scrip Code: UNITEDBNK

Dear Sir,

Sub: Press Release

The Bank has issued the attached press release on the occasion of the announcement of its unaudited Financial Results for the quarter and 9 months period ended December 31, 2015.

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

Thanking you,

Bikramjit Bhora

Bikramjit Bhora
Company Secretary & Compliance Officer

United Bank of India Financial Results
Q3 (FY 15-16) and FY 14-15
Feb 11,2016

- **Operating Profit at Rs 470.00 crore (down 22.03% Y-o-Y)**
- **Net Profit at Rs.17.00 crore in Q3FY16 (down 59.31% Y-O-Y)**
- **Net Interest Income (NII) at Rs 608.08 crore (down 2.31% Y-o-Y)**
- **Gross NPA at Rs.6721.53 crore (down 13.93% Y-O-Y)**
- **CASA share** 40.80% as on 31st December 15 vis-à-vis 39.34% as on 31st Dec 2014
- **NIM at 2.16% for Q3 of FY:16**
- **ROAA (annualized) at 0.05% for Q3 of FY:16**
- **ROE (annualized) at 3.36%**
- **CRAR (Basel III) at 9.92% with Tier 1 at 7.12% as on 31st Dec, 2015**

United Bank of India has announced its reviewed financial results for the third quarter (Q3) of FY 2015-16 following the approval of its Board of Directors on Feb 11, 2016.

Results at a Glance

(Rs/Crore)

	Quarterly Results			Yearly
	Q3-FY 16	**Q3-FY 15**	**Change (%)**	**FY 15**
Total Income	2827.91	2934.66	-3.64	11927.39
Interest Income	2470.70	2508.60	-1.51	10180.48
Interest Expenses	1862.61	1886.13	-1.25	7689.82
Net Interest Income	608.10	622.47	-2.31	2490.66
Other Income	357.21	426.06	-16.16	1746.91
Operating Expenses	495.30	445.76	11.11	1809.63
Staff Expenses	282.66	258.52	9.34	1038.29
Total Expenses (Excluding Provisions, Contingency & Taxes)	2357.91	2331.89	1.12	9499.45
Operating Profit	470.00	602.77	-22.03	2427.94
Provisions, Contingencies & Taxes	453.00	560.99	-19.25	2171.95
Net Profit	17.00	41.78	-59.31	255.99

Profits

The Bank's **Operating Profit** stood at **470.00 crore** in Q3, FY16 versus Rs 602.77 crore in Q3, FY15 **(down 22.03%** y-o-y). Bank's **Net Profit** stands at Rs.17.00 Crore against Rs.41.78 crore in Q3 FY 15. Reduction in operating profit as well as net profit reduction is due to reduced interest income and reduction in trading profit. The Bank has reduced it's Base Rate from 10.25% to 9.65% in last one year. The trading profit

reduced by Rs.98 cr in current quarter due to adverse fluctuation in the yields of Bonds.

Income

Bank's **Net Interest Income (NII)** stood at Rs 608.10 crores in Q3 FY 16 against Rs.622.47 crore in the corresponding quarter of the previous year showing a decline of 2.31%.

Expenses

During Q3 FY 16, the Bank's **Interest Expended** (at **Rs 1862.61 crore)** posted a decline of 1.25 **%** (y-o-y) due to the Bank's strict monitoring of funding costs coupled with declining interest rate scenario.

Provisions

"Provisions and Contingencies" of the Bank for the quarter was at Rs.453.00 crore during Q 3 FY16. Provision against non performing loans and advances has gone up from Rs.355.87 crore as on Dec'14 to Rs.393.00 crore as on Dec'15. The AS-15 "Provision for Retirement Benefits of Employees" increased from Rs.112.45 cr to Rs.235.31 cr on y-o-y.

Business Expansion

The total business of the Bank increased by Rs.12714 crore registering a moderate growth of 7.48%.The deposit grew up by Rs.7370 crore (7.01%) . Similarly the advances saw a muted growth of Rs.5344 crore (8.23%).CASA grew from Rs.41353 crore to Rs.45894 crore (10.98%) yoy.

Asset Quality

The Gross NPA has shown a decline of from Rs.7809.38 crore as on Dec'14 to Rs.6721.53 crore in Dec'15. The Net NPA of the Bank has come down from Rs.5240.32 crore to Rs.3965.13 crore (down 24.33 % Y-o-Y) during the same period. In percentage terms also the Gross NPA has come down from 12.03% as on Dec'14 to 9.57% as on Dec'15, and Net NPA has come down from 8.50% to 5.91%.

However, 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 fresh slippage in Q3 FY 16 stood at Rs.1159.84 cr against Rs.1621.77 crore in Q3 FY 15. Slippage Ratio 1.85% in Q3 FY 16.

The **Cash Recovery** from **NPA** during the nine months stood at the level of **Rs.943.49 crore** (including sale of assets of Rs.553.18 cr.).

Provision Coverage Ratio improved from 52.48% as on Dec '14 to 60.89% in Dec'15

Capital Adequacy

The Bank's **Capital Adequacy Ratio** was at **10.53% (as per Basel II)** as of Dec 31, 2015. Its **Tier 1** was maintained at the level of **7.52%.**

Under **Basel III,** the Bank's Capital Adequacy Ratio stood at **9.92%** with the **Tier 1** capital at **7.12%** as on 31st Dec, 2015.

Key Financial Ratios

- The NIM of the Bank is 2.16 %
- The Cost to Income Ratio of the Bank is 51.31%
- In annualized terms, the Bank's **Return on Equity** (%) stood at **3.36%.**
- The **Return on Average Assets** 0.05% for Q3 of FY:2015-16
- The Bank's **Book Value per Share** stood at **Rs.61.95**

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. Participation in Sovereign Gold Bonds 2015, notified by the Reserve Bank of India and launched by the Hon'ble Prime Minister Dtd, the 5th November, 2015
5. Participation by Bank in "Start up India" program launched by Hon'ble Prime Minister of India United Affordable Housing Loan Scheme (UAHLS) under Pradhan Mantri Awas Yojana for Economically Weaker Section (EWS) and Low Income Group (LIG)
6. Launching of Pledge Loan Scheme for implementation under tie up arrangement with the Collateral Managers, M/s National Collateral Management Services Ltd. (NCML) & M/s. Star Agriwarehousing & Collateral Management Ltd. (SACML).
7. One of the first banks to launch Mudra Card (Rupay)
8. 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.
9. 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".
10. eKYC has been activated at the Branch as well as Bank Mitra level.
11. Launched India's first chip based RuPay Platinum Card
12. Internet Banking services enhanced with new products like Flexi Deposit, Cheque Book Request and Card module
13. DTH recharge service introduced in Mobile Banking
14. 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.
15. Bank celebrated its 66th foundation day on 18-12-2015. 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. Apart from West Bengal Commerce, Industry and Finance Minister, Amit Mitra, other senior officials of the bank, including its Managing Director, P Srinvas, was present on the occasion

Kolkata
Feb 11,2016

P.Srinivas
Managing Director & CEO