UNITED BANK OF INDIA
Head Office
11, Hemanta Basu Sarani
Kolkata - 700001

Board Sec/UFR/PR/286/2019

February 5, 2019

Corporate Relations Cell	**Listing Department**
Bombay Stock Exchange Ltd. P.J.Tower, Dalal Street, Fort Mumbai – 400001	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 Madam / Sir,

Sub: Press Release

The Bank has issued the enclosed Press Release on the occasion of the announcement of its Unaudited Financial Results for the quarter and nine-months period ended on December 31, 2018.

The same is filed in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You,

Bikramjit Shom
Company Secretary & Compliance Officer

Encl: As above

United Bank of India
Financial Results Q3 F.Y. 2018-19

Press Release

The Board of Directors of United Bank of India today approved the Reviewed Financial Results for the quarter ended 31st December, 2018. The highlights are as follows:

Operating Results:

- Total Business of Bank inching towards Rs.2 lac crore closed at Rs.1,97,893 crore as on December 31, 2018.
- CASA deposit (49.49% in Dec'18 vis-à-vis 47.19% in Dec'17) continues to be high at about half of the total deposit of the Bank thereby helping the Bank to keep cost of deposit low at 4.99% down from 5.30% (YoY)
- All along the Bank has been generating Operating Profit. The Bank reported an Operating Profit of Rs.383 crore for the December'18 quarter registering a robust rise of 110% YoY.
- Net Interest Income improved by 9.20%.
- The Bank's NIM grew to 2% vis-à-vis 1.51% (YoY);
- Non-Interest Income increased by 63% YoY.
- The Bank's continued focus on reduction of stressed assets has resulted in consistent reduction of both Gross and Net NPA over the last 3 quarters. GNPA and NNPA percentages have reduced to 21.27% and 12.08% vis-à-vis 24.10% and 16.49% respectively in March'18. The Provision Coverage Ratio of 65.23% as on December 31, 2018 is a testimony of Bank following prudential standards keeping in view overall financial position of the Bank and also the extant Regulatory norms.
- The Retail portfolio has registered an encouraging growth of 13.86% with housing sector growth of 12.50% (YoY).
- The Net Loss for the quarter is Rs.1139 crore mainly attributable to the higher provisioning;

Organisational Developments:

- From the developments on the management and administrative fronts having its positive impact on the overall working and numbers of the Bank in the last couple of months, we are hopeful that the Bank will turn around and report profit in Q4FY19. We will ensure that the same is sustained and consistent.
- The lifting of PCA by the Regulator would be consequential say by Q2FY20. PCA has impacted the Bank in very many ways including taking away the opportunity from the Bank to book profit on trading activity in the light of softening of yield regime, while the entire banking world was booking Trading Profit, lifting of the same would enable the Bank to pursue its business objectives more naturally and spontaneously.
- In order to achieve sustained growth with sound asset base, the Bank has adopted Differentiated Banking with RAM focus (Retail-Agriculture-MSME) which is expected to reach 60% of the Bank's credit portfolio by 2020. The Bank has so far designated 36 Retail and MSME Hubs across the country dedicated to garner quality loan proposals in these segments;
- In order to give fillip to the MSME portfolio, the Bank has been actively encouraging discounting of bills under TReDS (initiated Trades Receivable Discounting System) platform – factoring and reverse factoring operations through RBI approved exchanges. The Bank has tied up with SREI Equipment Finance Ltd. for coorigination of priority sector loans on risk sharing basis. While the

business under TReDs has already taken off, the co-origination is gradually gaining momentum. The Bank is the first in the industry to partner with a NBFC for coorigination of loan proposals.

- In order to conserve capital, the Bank has been concentrating on taking fresh exposures only in higher rated Corporate, and PSU borrowers, ensuring secured exposures to the extent possible, focusing more attention to developing a strong Retail Asset Base. Credit limits are being reviewed from time to time and unutilized limits are cancelled as they also invite capital charge.
- The Bank continues to remain flushed with liquidity. The Bank's High Quality Liquid Asset to total assets is more than 20%. The excess liquidity is gradually being channelized into the MSME and Retail segments and rated Corporate and PSU Companies.
- To increase its non-interest income, the Bank has bestowed renewed attention to its Bancassurance Channel and Mutual Fund business. Under Open Architecture Format, the Bank has taken within its fold new bancassurance partners in the Life, non-Life and Health segments.
- "Stressed Asset Management Vertical" (SAMV) has been created to have a focused approach towards management of Stressed Assets in the Bank. SAMV controls recovery activities of the Bank with 9 dedicated "Stressed Asset Management Branches" (SAMB) spread across the country with full complement of competent officers backed by a team of law officers. The Bank has rolled out a liberal OTS (One Time Settlement Scheme), which is non discriminating and non discretionary, to shore up its recovery from NPA and Written Off Accounts. In order to facilitate the recovery process, the Bank has implemented a client facing online OTS application for end-to-end processing of proposals in a time bound manner.

Award & Recognition:

- The efforts of the Bank in promoting APY (Atal Pension Yojana) Scheme by significant enrolments since inception of the Scheme with substantial APY accounts, aimed to strengthen the foundation for building a pensioned society as envisioned by the Government of India, have been recognized by way of an award at an event "Leadership Capital" organised by the Pension Fund Regulatory and Development Authority.

Product Innovation:

- Innovation in products & services and safety & security is a continuous process in the Bank. We are developing certain products leveraging technology, which are at the final stages of development.
    - We are planning to launch NCMC (National Common Mobility Card) an interoperable contact-less card which can be used for online transaction at merchant establishment for shopping and offline transaction at transit points/terminals for travel.
    - Our ambitious project on "Voice Banking", and Artificial Intelligence (AI) based Alexa skill that enables its customers to conduct financial and non-financial banking transactions on Amazon Echo and other Alexa-enabled devices using voice based commands would redefine banking for our customers.
    - Tokenization is a highly effective data security measure designed to protect sensitive information, which we are developing to apply to financial transactions that would free merchants from having to keep card data within their payment system.

05/02/2019

Kolkata
February 05, 2019

Ashok Kumar Pradhan
Managing Director & CEO