

## H1 2018 Results (unaudited)

### Business results

The six months to 30 June 2018 continued the growth trend achieved in 2017. Unity increased our societal impact; increased customer lending; raised new capital; and signed legally binding Heads of Terms to exit the Co-operative Pace pension scheme to remove our “last man standing” risk and establish our own scheme for Unity employees and pensioners.

On 5 April 2018, Unity raised £11.1 million of capital from new and existing investors. This enabled us to buy back the Co-operative Bank’s shares, support the continued growth of the Bank, and advance our social and environmental goals. The Co-operative Bank is no longer a shareholder. More details can be found here: [www.unity.co.uk/news](http://www.unity.co.uk/news). A dividend of £0.5 million was paid in June, representing 2.4p per share (2017: 2.4p).

Customer originations in the period were £53.5 million, an increase of 27% on the same period in 2017. Case studies showcasing selected customers are available on our website: [www.unity.co.uk/our-case-studies](http://www.unity.co.uk/our-case-studies).

The macro economic environment in which we operate is uncertain. We recognise the impact of this uncertainty on our customers and our focus remains on providing excellent service and support. We continue to acquire new customers through recommendation and are grateful for their trust and confidence in our ability to deliver positive and lasting change.

Unity was ranked number one for customer service in the Charity Finance Survey 2018: [www.unity.co.uk/news](http://www.unity.co.uk/news) and was also shortlisted for Employer of the Year for the Women in Finance awards. We are proud of this recognition and continue to live our brand values: straightforward, inclusive, enabling and collaborative.

### Financial results

Underlying profit before tax increased £0.9 million to £2.8 million (H1 2017: £1.9 million). There were exceptional costs of £0.6 million related to the Pace pension scheme exit and establishment of Unity’s own scheme.

Shareholder’s equity increased to £69.2 million with 22.4 million shares in issue. Net asset value decreased to £3.09 per share (31 December 2017: £3.17) due to the new capital issued.

Loan quality continues to be strong, £0.2 million of gross loans and advances are 90+ days past due (31 December 2017: £0.2 million), representing less than 0.1% of gross customer loans.

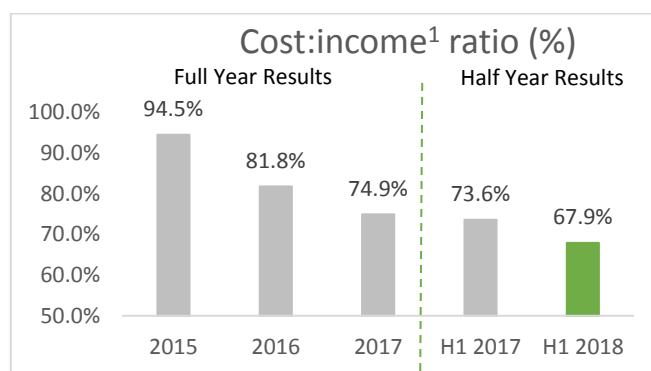
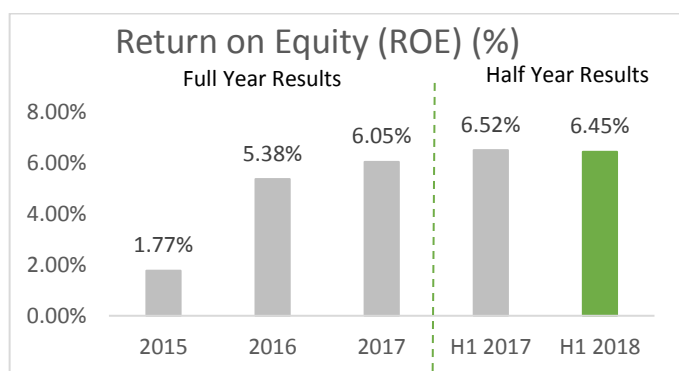
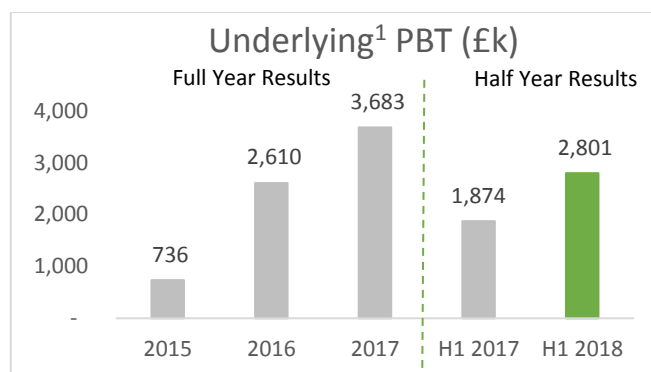
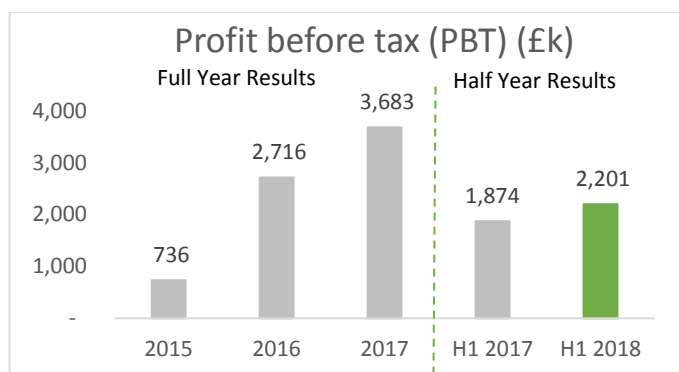
The following commentary should be read in conjunction with the graphs on the next page:

Profit before tax	PBT increased £0.3 million on H1 17 to £2.2 million after pension costs
Return on equity	RoE decreased 7bps on H1 17 to 6.45% after pension costs and the new capital
Cost:income ratio	Improved to 67.9% (H1 17: 73.6%) mainly due to increasing income

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## Key Performance Indicators

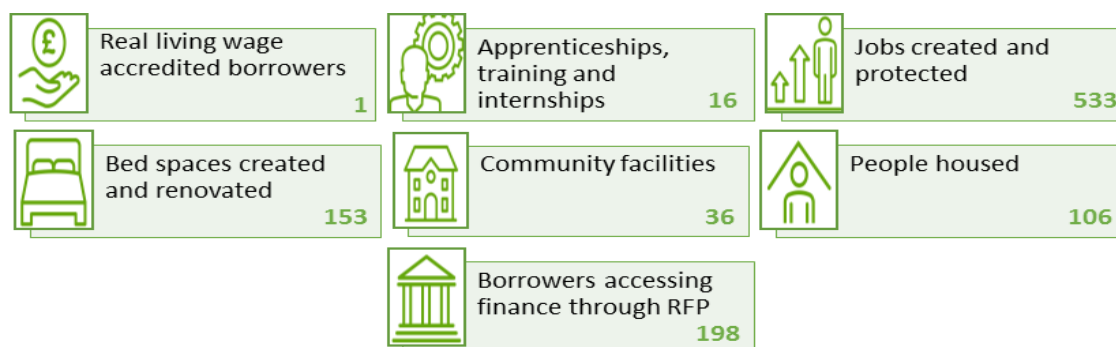
The following KPIs compare the 2018 and 2017 unaudited half year results against full year 2017, 2016 and 2015 audited results. Commentary on these graphs is included on the preceding page.



<sup>1</sup> Underlying results exclude costs related to the Pace pension scheme exit and establishment of Unity's own scheme

## Social impact metrics<sup>2</sup> H1 2018

The metrics reflect the social impact of the new draw downs in the period.



<sup>2</sup> Based on customer submissions