



10 April 2018

Dear Shareholder,

**Annual Report and Accounts Issued, Dividend Proposed.**

Unity's 2017 financial results are now available on our Investor Relations website <https://www.unity.co.uk/investor-relations/>. The 2017 Social Impact Report is there too.

These are good results, they mark valuable progress and strengthening of Unity. We will recommend payment of a dividend, 2.4p per share at the 2018 AGM, accordingly.

Profit after tax increased by 23% to £3.55m. Return on shareholders' equity was 6.1% (up from 5.4% in 2016). In 2017 we supported our customers with £96million of new loans (a record), all for projects that will deliver community, economic, social or environmental benefit. This supported over 700 jobs directly and 30 community facilities.

**New capital**

I'm pleased to report that an investment transaction was completed on 5 April 2018. This additional capital supports our growth plans. Our emphasis on social benefit is compelling - we will serve more customers and increase our social impact.

The transaction raised over £11million of new capital, from existing shareholders and one new investor: "Sustainability, Finance, Real Economies" ('SFRE'). SFRE is an investment fund initiated by the Global Alliance for Banking on Values. We warmly welcome SFRE as it shares so closely Unity's vision and our 'double bottom-line' of commercial success with social benefit.

This transaction has also allowed Unity to buy-back some shares from shareholders wishing to sell. These include The Co-operative Bank which is now no longer a shareholder in Unity.

**Save the Date: AGM 7 June 2018 (new date)**

The date for Unity's AGM has changed to 7 June 2018 (from 17 May). We very much hope you can join us on the 7<sup>th</sup>. We are appreciative of your support. Together we can and will build on 2017's success.

Yours sincerely,

Alan Hughes  
**Chairman**