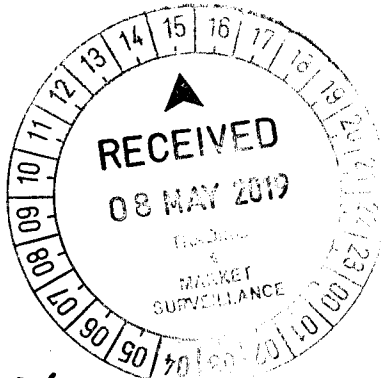


8th May 2019

Original by Hand

Copy by fax-2448925/2445275

The Colombo Stock Exchange,
04-01, West Block,
World Trade Centre,
Echelon Square,
Colombo 1.



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Attn. **Mr. Renuke Wijayawardhane**
Chief Regulatory Officer

Dear Sirs,

OFFER TO REPURCHASE UP TO A MAXIMUM OF 7,875,798 ORDINARY SHARES AT RS 15/- PER SHARE

Further to our letter dated 27th March 2019 on the above matter, the Board has resolved on 7th May 2019 to reduce the number of shares to be repurchased under the Repurchase Offer from 7,875,798 ordinary shares to 7,851,844 ordinary shares, in order to enable the Bank to make the Repurchase Offer in whole numbers.

Accordingly, the proportion in which the Repurchase Offer will be made to the shareholders of the Bank will be, 1 ordinary share for 139 ordinary shares held by each shareholder of the Bank.

Due to the Easter attacks and ensuing slowdown in day to day activities in the country, the Board has also resolved to delay the date on which the Repurchase Offer will be made and has accordingly resolved that the revised date of commencement of the Repurchase Offer will be 27th June 2019 and the revised closing date of the said offer will be 11th July 2019.

Further to the above, Mr. Alexis Indrajit Lovell and Vista Knowledge Pte Ltd., have informed the Bank in writing that they will not accept the offer under reference to be made by the Bank for the repurchase of his/its shares ("Repurchase Offer").

Accordingly, a total of three shareholders, namely, Culture Financial Holdings Limited ("CFHL"), Mr. Alexis Indrajit Lovell and Vista Knowledge Pte Ltd., holding an aggregate number of 853,033,616 shares representing 78.16% of the issued shares in the Bank have informed the Bank that the Repurchase Offer will not be accepted by them.

Contd.2/-

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As stated in our previous announcement, the Board has resolved that where a shareholder does not accept the Repurchase Offer or accepts the Repurchase Offer only in part, the Bank will re-purchase additional shares from any shareholder who tenders additional shares over and above their pro rata entitlement for repurchase by the Bank (on a pro-rata basis) up to the maximum number of shares that the Bank intends to re-purchase.

Therefore, if CFHL, Mr. Alexis Indrajit Lovell and Vista Knowledge Pte Ltd., do not accept the Repurchase Offer, assuming all remaining shareholders accept the offer and in addition thereto, each tender additional shares over and above their pro rata entitlement for repurchase by the Bank, the Bank will be in a position to distribute among the remaining shareholders, the aggregate of Rupees one hundred and seventeen million seven hundred and seventy seven thousand six hundred and sixty (Rs.117,777,660/-) by re-purchasing from each of the remaining shareholders, the number of shares offered to be repurchased by the Bank under the Repurchase Offer and any additional shares tendered by the said remaining shareholders, at the same consideration of Rs.15/- per share, subject to the maximum number of shares the Bank intends to purchase.

Yours faithfully,

UNION BANK OF COLOMBO PLC



INDRAJIT WICKRAMASINGHE
DIRECTOR/CHIEF EXECUTIVE OFFICER