



## INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 Ushs' 000	2016 Ushs' 000
Interest income	403 527 401	423 855 935
Interest expense	(50 780 273)	(47 500 475)
<b>Net interest income</b>	<b>352 747 128</b>	376 355 460
Fee and commission income	135 830 032	116 447 582
Fee and commission expenses	(4 583 746)	(1 814 906)
<b>Net fees and commission income</b>	<b>131 246 286</b>	114 632 676
Net trading income	144 964 170	151 834 914
Other operating income	7 047 223	623 578
<b>Total income before credit impairment charge</b>	<b>636 004 807</b>	643 446 628
Impairment charge for credit losses	(28 922 014)	(36 640 522)
<b>Total income after credit impairment charge</b>	<b>607 082 793</b>	606 806 106
Employee benefit expenses	(141 491 545)	(136 769 846)
Depreciation and amortisation	(26 311 737)	(22 714 254)
Other operating expenses	(173 613 553)	(193 373 385)
<b>Profit before income tax</b>	<b>265 665 958</b>	253 948 621
Income tax expense	(65 198 169)	(62 796 786)
<b>Profit for the year</b>	<b>200 467 789</b>	191 151 835
<b>Earnings per share for profit attributable to the equity holders of the Bank during the year</b> (expressed in UShs per share):		
Basic & diluted	3.92	3.73

## STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 Ushs' 000	2016 Ushs' 000
<b>Assets</b>		
Cash and balances with Bank of Uganda	856,532,804	709,350,387
Balances with banking institutions	1,100,636,288	758,656,662
Due from parent/group companies	177,449,478	36,147,113
Marketable (trading) securities	392,911,207	250,484,271
Loans and advances (net)	2,133,986,423	1,976,748,072
Investment securities	516,341,492	641,004,751
Interest receivable and other assets	131,608,849	139,096,877
Property and equipment	69,292,586	63,318,002
Tax recoverable	23,748,226	12,496,197
Deferred tax asset	1,651,991	1,307,349
<b>Total assets</b>	<b>5,404,159,344</b>	4,588,609,681
<b>Liabilities and shareholders' equity</b>		
Customers' deposits	3,620,945,573	3,058,504,763
Balances due to banking institutions	342,769,174	293,726,727
Due to parent/group companies	266,614,006	242,805,246
Interest payable and other liabilities	218,975,707	198,514,874
Dividends payable	9,774,067	7,978,692
Subordinated debt	72,801,196	72,137,386
<b>Total liabilities</b>	<b>4,531,879,723</b>	3,873,667,688
Share capital	51,188,670	51,188,670
Share premium	-	-
Retained earnings	692,131,502	577,788,232
Proposed dividend	90,000,000	60,000,000
Reserves	38,959,449	25,965,091
<b>Total shareholders' equity</b>	<b>872,279,621</b>	714,941,993
<b>Total liabilities and shareholders' equity</b>	<b>5,404,159,344</b>	4,588,609,681

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Share capital Ushs' 000	Available for sale revaluation reserve Ushs' 000	Statutory Credit Risk Reserve Ushs' 000	Proposed dividends Ushs' 000	Retained earnings Ushs' 000	Total Ushs' 000
<b>At 1 January 2017</b>	<b>51 188 670</b>	<b>3 071 123</b>	<b>22 893 968</b>	<b>60 000 000</b>	<b>577 788 232</b>	<b>714 941 993</b>
Profit for the year	-	-	-	-	200 467 789	200 467 789
Net change in available for sale investments	-	16 717 213	-	-	-	16 717 213
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>16 717 213</b>	<b>-</b>	<b>-</b>	<b>200 467 789</b>	<b>217 185 002</b>
<b>Transactions with owners recorded directly in equity</b>						
Dividend paid	-	-	-	(60 000 000)	-	(60 000 000)
Statutory credit risk reserve	-	-	(3 722 855)	-	3 722 855	-
Equity-settled share-based payment transactions	-	-	-	-	152 626	152 626
Proposed dividend	-	-	-	90 000 000	(90 000 000)	-
<b>Balance at 31 December 2017</b>	<b>51 188 670</b>	<b>19 788 336</b>	<b>19 171 113</b>	<b>90 000 000</b>	<b>692 131 502</b>	<b>872 279 621</b>

### Year ended 31 December 2016

<b>At 1 January 2016</b>	51 188 670	(15 938 540)	19 901 192	40 000 000	449 606 422	544 757 744
Profit for the year	-	-	-	-	191 151 835	191 151 835
Net change in available for sale investments	-	19 009 663	-	-	-	19 009 663
Total comprehensive income for the period	-	19 009 663	-	-	191 151 835	210 161 498
<b>Transactions with owners recorded directly in equity</b>						
Dividend paid	-	-	-	(40 000 000)	-	(40 000 000)
Statutory credit risk reserve	-	-	2 992 776	-	(2 992 776)	-
Equity-settled share-based payment transactions	-	-	-	-	22 751	22 751
Proposed dividend	-	-	-	60 000 000	(60 000 000)	-
<b>Balance at 31 December 2016</b>	<b>51 188 670</b>	<b>3 071 123</b>	<b>22 893 968</b>	<b>60 000 000</b>	<b>577 788 232</b>	<b>714 941 993</b>



**Stanbic Bank Uganda**  
**ANNUAL RESULTS FOR THE**  
**YEAR ENDED 31 DECEMBER 2017**  
**UGANDA IS OUR HOME – WE DRIVE HER GROWTH**

**STATEMENT OF CASHFLOWS FOR THE YEAR**  
**ENDED 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>Ushs' 000</b>	<b>Ushs' 000</b>
<b>Cash flows from operating activities</b>		
Interest received	<b>397 013 080</b>	458 139 781
Interest paid	<b>(50 366 037)</b>	(48 273 398)
Net fees and commissions received	<b>137 555 397</b>	114 918 322
Net trading and other Income/recoveries	<b>161 244 419</b>	162 552 205
Cash payment to employees & suppliers	<b>(345 757 785)</b>	(351 673 270)
<b>Cash flows from operating activities before changes in operating assets &amp; Liabilities</b>	<b>299 689 074</b>	335 663 640
<b>Changes in operating assets &amp; liabilities</b>		
Income tax paid	<b>(83 959 360)</b>	(55 721 957)
Increase in derivative assets	<b>(2 050 885)</b>	(7 428 544)
Decrease in government securities - available for sale	<b>81 767 514</b>	87 705 289
Increase in government securities - trading	<b>(142 426 936)</b>	(72 674 554)
Increase in cash reserve requirement	<b>(42 540 000)</b>	(48 980 000)
Increase in loans and advances to customers	<b>(188 677 753)</b>	(140 476 308)
Increase/(Decrease) in other assets	<b>(4 481 259)</b>	29 103 910
Increase in customer deposits	<b>562 026 574</b>	620 856 821
Increase/(Decrease) in deposits and balances due to other banks	<b>49 042 447</b>	(71 483 187)
Increase in deposits from group companies	<b>23 808 760</b>	52 397 366
Increase in derivative liabilities	<b>3 619 491</b>	(1 527 387)
<b>Increase in other liabilities</b>	<b>44 667 079</b>	62 510 735
<b>Net cash from operating activities</b>	<b>600 484 746</b>	789 945 824
<b>Cash flows from investing activities</b>		
Purchase of property & equipment	<b>(25 130 425)</b>	(30 390 727)
Purchase of computer software	<b>-</b>	(83 405 154)
Proceeds from sale of property & equipment	<b>334 534</b>	136 571
<b>Net cash used in investing activities</b>	<b>(24 795 891)</b>	(113 659 310)
<b>Cash flows from financing activities</b>		
Dividends paid to shareholders	<b>(60 000 000)</b>	(40 000 000)
Increase in borrowed funds	<b>4 785 289</b>	468 824
Increase in subordinated debt	<b>663 810</b>	48 397 300
<b>Net cash used in/from financing activities</b>	<b>(54 550 901)</b>	8 866 124
<b>Net increase in cash and cash equivalents</b>	<b>521 137 954</b>	685 152 638
<b>Cash and cash equivalents at beginning of the year</b>	<b>1 619 578 977</b>	934 426 339
<b>Cash and cash equivalents at end of the year</b>	<b>2 140 716 931</b>	1 619 578 977

**Message from the Directors**

The above summarised financial statements were audited by KPMG Certified Public Accountants and received an unmodified audit opinion. The financial statements were approved by the Board of Directors and Bank of Uganda on 26 March 2018.

A copy of the full financial statements will be found on our website, [www.stanbicbank.co.ug](http://www.stanbicbank.co.ug) by the 30th April 2018.

**Dividend**

The Directors have resolved to recommend to shareholders at the forthcoming annual general meeting, a final dividend for the year ended 31 December 2017 of Ushs 1.76 per share. The annual general meeting will be held on 31 May 2018. The book closure date will be on 31 May 2018 with respect to entitlement to this dividend which will be paid by 01 July 2018.

**REPORT OF THE INDEPENDENT AUDITORS ON THE**  
**SUMMARY FINANCIAL STATEMENTS TO THE**  
**MEMBERS OF STANBIC BANK UGANDA LIMITED**

**Opinion**

The summary financial statements, which comprise the summary statement of financial position at 31 December 2017, the summary income statement, summary statement of changes in equity and summary statement of cash flows for the year then ended and other disclosures, are derived from the audited financial statements of Stanbic Bank Uganda Limited for the year ended 31 December 2017.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with International Financial Reporting Standards, the Financial Institutions Act and the Companies Act of Uganda.

**Summary Financial Statements**

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Financial Institutions Act and the Companies Act of Uganda. Reading the summary financial statements and the auditors' report thereon, therefore, is not a substitute for reading the audited financial statements and the auditors' report thereon.

**The Audited Financial Statements and Our Report Thereon**

We expressed an unmodified audit opinion on the audited financial statements in our report dated 27 March 2018. The report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the current period.

**Directors' Responsibility for the Summary Financial Statements**

The directors are responsible for the preparation of the summary financial statements in accordance with International Financial Reporting Standards, the Companies Act of Uganda, the Financial Institutions Act and Uganda Securities Exchange Listing Rules.

**Auditors' Responsibility**

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

**KPMG**  
 Certified Public Accountants  
 3rd Floor, Rwenzori courts  
 Plot 2 & 4A, Nakasero Road  
 P O Box 3509  
 Kampala, Uganda  
 27 March 2018

**Mr. Japheth Katto**  
 Chairman

**Dr. Samuel Zimbe**  
 Director

**Mr. Patrick Mweheire**  
 Chief Executive

**Mrs. Candy Okoboi**  
 Company Secretary