dfcu Bank Extract of Financial Statements for the year ended 31 December 2014

I. Report of the Independent Auditor on the Summary Financial Statements to the Members of dfcu Bank Limited

The accompanying summary financial statements. Auditors' Responsibility which comprise the summary statement of Our responsibility is to express an opinion on summary statement of comprehensive income for the year then ended and related notes are derived Bank Limited for the year ended 31 December 2014. We expressed an unmodified audit opinion on those financial statements in our report dated 19 March 2015.

all the disclosures required by International dfcu Bank Limited for the year ended 31 December Financial Reporting Standards, the Financial 2014 are consistent, in all material respects, with Institutions Act 2004 and the Ugandan those audited financial statements in accordance Companies Act. Reading the summary financial with the requirements of the Financial Institutions statements, therefore, is not a substitute for (External Auditors) Regulations 2010 and the reading the audited financial statements of the Financial Institutions Act 2004.

Directors' responsibilty for the summary of financial statements

of the summary of the audited financial 19 March 2015 statements in accordance with the requirements of the Financial Institutions (External Auditors) Regulations 2010 and the Financial Institutions

II. Summary Statement of Financial Position

financial position at 31 December 2014 and the the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) from the audited financial statements of **dfcu** 810, "Engagements to Report on Summary Financial Statements".

In our opinion, the summary financial statements The summary financial statements do not contain derived from the audited financial statements of

hise Sate house Copero The directors are responsible for the preparation Certified Public Accountants, Kampala, Uganda

dfcu Bank

III. Summary Statement of Comprehens	immary Statement of Comprehensive Income		
	2014	2013	
	Shs 'M	Shs 'M	
Income			
Interest on deposits and placements	7,415	3,874	
Interest on loans and advances	119,909	116,760	
Interest on government and other securities	35,906	29,903	
Foreign exchange income	10,713	7,700	
Fee and commission income	20,400	19,887	
Other income	10,517	-	
Total income	204,860	178,124	
Expenditure			
Interest expense on deposits	(37,184)	(35,076)	
Interest expense on borrowings	(23,112)	(19,600)	
Provision for bad and doubtful debts	(10,534)	(13,719)	
Operating expenses	(78,238)	(64,364)	
Total expenditure	(149,068)	(132,759)	
Profit before income tax	55,792	45,365	
Income tax expense	(14,221)	(10,564)	
Profit after tax	41,571	34,801	
Other comprehensive income	-	-	
Total comprehensive income	41 571	34 801	

IV. Other disclosures		dfcu Bank
	2014	2013
	Shs 'M	Shs 'M
Contingent liabilities		
Acceptances and letters of credit	-	1,048
Guarantees and performance bonds	51,305	71,250
Total	51,305	72,298
Commitments		
Undrawn stand-by facilities and other commitments to lend	21,690	23,019
Total	21,690	23,019
Non performing loans and other assets	47,674	25,019
Interest in suspense	4,714	3,292
Bad debts written off	12,248	15,657
Large loans exposures	108,936	165,875
Insider loans exposures	1,720	2,408
Capital Position:		
Core capital	138,809	115,819
Supplementary capital	62,816	58,618
Total qualifying capital	201,625	174,437
Total Risk Weighted Assets (RWA)	841,923	785,233
Core capital to RWA	16%	15%
Total Qualifying capital to RWA	24%	22%

	2014	2013
	Shs 'M	Shs 'M
Assets		
Cash and balances with Bank of Uganda	178,386	223,665
Balances due from other banks	131,970	82,909
Marketable (trading) securities	57,994	16,144
Loans and advances (Net)	680,159	623,138
Amounts due from group companies	7,160	7,302
Investment securities	273,113	193,061
Other assets	22,663	23,419
Deferred income tax asset	256	1,154
Property and equipment	40,385	21,516
Intangible asset	4,163	4,412
Total assets	1,396,249	1,196,720
Liabilities and shareholders' equity		
Customer deposits	822,877	700,285
Balances due to other banks	54,021	56,050
Amounts due to group companies	4,291	3,661
Other liabilities	22,322	16,589
Current income tax payable	4,116	1,285
Borrowed funds	266,029	222,998
Subordinated debt	55,300	52,290
Total liabilities	1,228,956	1,053,158
Share capital	25,000	25,000
Share premium	3,697	3,697
Retained earnings	114,533	92,807
Proposed dividends	12,628	13,840
Reserves	11,435	8,218
Total shareholders' equity	167,293	143,562
Total liabilities and shareholders' equity	1,396,249	1,196,720

V. Message from the Directors

Website: www.dfcugroup.com

The financial statements were approved by the Board of Directors on 11 March 2015 and approved by Bank of Uganda on 12 March 2015.





Agnes Tibayeita Isharaza, Company Secretary

dfcu Bank is regulated by the Central Bank of Uganda Head Office: Plot 26 Kyadondo Road Call Centre: 0414 351000

Toll Free: 0800 222 000 Email: customercare@dfcugroup.com

dfcu Group Extract of Financial Statements for the year ended 31 December 2014

I. Report of the Independent Auditor on the Summary Consolidated Financial Statements to the Members of dfcu Limited

The accompanying summary consolidated financial statements, which Companies Act. Reading the summary financial statements, therefore comprise the summary consolidated statement of financial position is not a substitute for reading the audited financial statements of the In our opinion, the summary financial statements derived from the at 31 December 2014, and the summary consolidated statements of group. comprehensive income, changes in equity and cash flows for the year then ended and related notes are derived from the audited consolidated financial statements of dfcu Limited and its subsidiary dfcu Bank (together "dfcu Group") for the year ended 31 December 2014. We expressed an unmodified audit opinion on those financial statements in our report dated 19 March 2015.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Uganda Securities Exchange (USE) Listing Rules 2003 and USE Listing Rules Amendments 2005 [USE Listing Rules], and the Ugandan

Cash and

Marketabl Loans and

Other asse Deferred i Property a Intangible Total asse

Liabilities Customer Balances Other liabi Current in Borrowed Subordina Total liabi

Share cap Share prer Proposed Total shar

Directors' responsibilty for the summary of financial statements

The directors are responsible for the preparation of the summary of Rules. the audited consolidated financial statements in accordance with the requirements of the Uganda Securities Exchange Listing Rules.

Auditors' Responsibility

Earnings per share

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements"

audited consolidated financial statements of dfcu Limited for the year ended 31 December 2014 are consistent, in all material respects, with those audited financial statements in accordance with the USE Listing



Certified Public Accountants, Kampala, Uganda

19 March 2015

Consolidated Statement nensive Income		dfcu Group	IV. Consolidated statement of Cash Flows	dfcu Group		
	2014	2013		2014	2013	
	Shs 'M	Shs 'M		Shs ' M	Shs ' M	
ts and placements	7,415	3.873	Cashflow from operation activities			
and advances	119,957	116,828	Interest receipts	163.278	150,604	
ment and other	35,906	29,903	Interest payments	(59,989)	(54,441)	
, , , , , , , , , , , , , , , , , , ,	<u> </u>	Net fee and commission receipts	22,766	24,227		
income	10,700	6,528	Net trading and other income received	10,944	7,809	
on income	20,852 11,242	<u>20,116</u> 58	Cash payments to employees and suppliers	(60,061)	(63,540)	
	206,072	177,306	Income tax paid	(10,494)	(12,479)	
			Cashflow from operating activities before changes in operating assets and liabilities	66,444	52,180	
			Changes in operating assets and liabilities	(4,733)	55,519	
n deposits	(36,878)	(34,841)				
n borrowings	(23,111)	(19,600)	Net cashflow from operating activities	61,711	107,699	
and doubtful debts	(10,490)	(13,414)	-			
es	(79,032) (149,511)	(64,381) (132,236)	Net cash used in investing activities	(32,476)	(26,297)	
me tax	56,561	45,070		00.01.		
se	(14,452)	(10,469)	Net cash (used in) / from financing activities	36,215	32,482	
50	42,109	34,601				
	42,103	34,001	Net (decrease) / increase in cash and cash equivalents	65,450	113,884	
sive income	(2,380)	<u>-</u>				
sive income	39,729	34,601	Cash and cash equivalents at 1 January	264,201	150,317	
			The state of the s			

69.59

mmary Consolidated	dfcu Group		III. Summary Consolidated Statement of Comprehensive Income		
	2014	2013		20	
	Shs 'M	Shs 'M		Shs	
	Olio III	0110 111	Income		
balances with Bank of Uganda	178,386	223,665	Interest on deposits and placements	7,4	
with banking instituitions	132,165	83,103	Interest on loans and advances	119,9	
le (trading) securities	57,994	16,143	Interest on government and other		
d advances (Net)	680,679	623,800	securities	35,9	
nt securities	273,113	193,062	Foreign exchange income	10,7	
ets	17,603	24,015			
income tax asset	175	283	Fee and commission income	20,8	
and equipment	68,686	57,116	Other income	11,2	
nt property	11,315		Total income	206,0	
e asset	4,626	4,875			
ets	1,424,742	1,226,062			
and shareholders' equity			Expenditure		
deposits	822,877	700,285		(26.0	
due to banking institutions	54,021	56,050	Interest expense on deposits	(36,8	
pilities	22,275	22,932	Interest expense on borrowings	(23,1	
ncome tax payable	4,026	1,196	Provision for bad and doubtful debts	(10,4	
funds	274,702	232,149	Operating expenses	(79,0	
ated debt	55,300	52,290	Total expenditure	(149,5	
ilities	1,233,201	1,064,902	Profit before income tax	56,5	
			Income tax expense	(14,4	
oital	9,464	4.972	Profit after tax	42,1	
mium	2,878	2,878			
earnings	156,064	128,872	Other comprehensive income	(2,3	
dividends	11,700	13,840	other comprehensive meditic	(2,5	
	11,435	10,598		20.	
reholders' equity	191,541	161,160	Total comprehensive income	39,7	

V. Summary Consolidated Statement of Changes in Equity								
	Share Capital Shs'M	Share Premium Shs ' M	Revaluation Reserves Shs ' M	Distributable Reserves Shs'M	Other Reserves Shs ' M	Regulatory Reserve Shs ' M	Proposed Dividend Shs ' M	Total Shs ' M
At 1 January 2014, as previously reported	4,972	2,878	2,380	116,759	12,113	8,218	13,840	161,160
Profit for the year	_	-	_	42,109	_	-	_	42,109
Reversal of revaluation reserve	_	-	(2,380)	-	_	_	_	(2,380)
Total comprehensive income, net of taxes	_		(2,380)	42,109			_	39,729
Increase in share capital	4,972	-	-	-	-	-	(4,972)	· -
Bonus issue costs	(480)	_	-	-	_	_	_	(480)
Transfer to regulatory reserve	-	-	-	(3,217)	-	3,217	-	_
Dividend Paid	_	_	-	-	_	_	(8,868)	(8,868)
Dividend proposed	_	-	-	(11,700)	-	-	11,700	-
At 31 December 2014	9,464	2,878		143,951	12,113	11,435	11,700	191,541

V. Message from the Directors

Total liabilities and shareholders' equity

The financial statements were approved by the Board of Directors on 19 March 2015.

The Board is recommending a cash dividend of Shs 23.53 per share less withholding tax where applicable (2013: Shs 17.84 per share). The shareholder's register will be closed on 15 May 2015 with respect to entitlement to this dividend which will be paid by 31 July 2015.

The Annual General Meeting will be held on 11 June 2015. The related details shall be availed in a later communication.

Elly Karuhanga, Director, dfcu Limited

Agnes Tibayeita Isharaza, Corporation Secretary

Hanh Kironde Lule, Director, dfcu Limited

Cash and cash equivalents at 31 December 329,651 264,201

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