

URWEGO BANK LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 31 MARCH 2018 (REVIEWED BY EXTERNAL AUDITORS)

	Notes	31 MARCH 2018 Frw'000	31 MARCH 2017 Frw'000
Interest and similar income	1	761,470	867,351
Interest and similar expense	2	<u>(122,446)</u>	<u>(158,177)</u>
Net interest income		639,024	709,174
Fee and commissions income	3	242,807	274,216
Fee and commissions expense	4	<u>(15,616)</u>	<u>(13,267)</u>
Net fee and commission income		227,191	260,949
Net foreign exchange income		36,405	54,077
Premium income		3,267	3,851
Other operating Income	5	<u>145,945</u>	<u>164,053</u>
Total operating income		1,051,832	1,192,104
Impairment loss on financial assets	6	<u>(97,227)</u>	<u>(766,007)</u>
Operating income after impairment losses		<u>954,605</u>	<u>426,097</u>
Personnel expense	7	(573,914)	(757,539)
Depreciation of property, plant and equipment		(65,256)	(75,939)
Amortization of intangible assets		(19,017)	(24,935)
Gross claims and policyholders benefits' payable		-	-
Other operating expenses	8	<u>(485,750)</u>	<u>(533,540)</u>
Total operating expenses		<u>(1,143,937)</u>	<u>(1,391,953)</u>
Loss before income tax		(189,332)	(965,856)
Income tax for the period		-	-
Net loss for the period		<u>(189,332)</u>	<u>(965,856)</u>

URWEGO BANK LIMITED
 STATEMENT OF FINANCIAL POSITION
 AS AT 31 MARCH 2018 (REVIEWED BY EXTERNAL AUDITORS)

ASSETS	Note	31 MARCH	31 DECEMBER
		2018	2017
		Frw'000	Frw'000
Cash in hand	9	894,222	543,844
Due from the National Bank of Rwanda	10	816,791	331,077
Due from other Banking Institutions	11	4,831,181	4,732,345
Loans and advances to customers	12	9,503,326	10,566,418
Financial Investments	13	1,792,320	2,457,058
Other assets	14	904,123	920,311
Current income tax	15 (a)	229,813	213,780
Deferred income tax assets	15 (b)	404,415	404,415
Non-current assets held for sale		47,268	47,268
Property and equipment	16	947,109	972,443
Intangible assets	17	<u>133,514</u>	<u>152,533</u>
Total assets		<u>20,504,082</u>	<u>21,341,492</u>
LIABILITIES			
Deposits from Customers	18	15,277,043	15,453,114
Other liabilities	19	1,721,852	1,786,747
Borrowings	20	547,768	872,453
Deferred tax liabilities		<u>-</u>	<u>-</u>
Total Liabilities		<u>17,546,663</u>	<u>18,112,314</u>
EQUITY			
Share capital	21	8,136,777	8,136,777
Share premium		(1,394,581)	(1,394,581)
Accumulated losses	22	<u>(3,784,777)</u>	<u>(3,513,018)</u>
Total Shareholders' equity		<u>2,957,419</u>	<u>3,229,178</u>
Total Equity and Liabilities		<u>20,504,082</u>	<u>21,341,492</u>

The statement of financial position and statement of profit or loss were approved by the Board of Directors on2018 and signed on its behalf by

.....
 Chief Executive Officer

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 Chairperson of the Board of Audit Committee

URWEGO BANK LIMITED
AS AT 31 MARCH 2018
APPENDIX 1: OTHER DISCLOSURES (REVIEWED BY EXTERNAL AUDITORS)

	31 MARCH 2018
Item	Amount Frw'000
1. Off balance sheet items	1,000,000
2. Non-performing loan indicators	
(a) Non-performing loans	651,674
(b) NPL Ratio	7%
3. Capital Strength	
a. Core Capital (Tier1)	2,823,905
b. Supplementary Capital (Tier 2)	-
c. Total Capital	2,823,905
d. Total risk weighted assets	11,693,710
e. Core capital/Total risk weighted assets ratio	24%
f. Tier 1 ratio	24%
g. Total capital/total risk weighted assets ratio	24%
h. Tier 2 Ratio	0%
4. Liquidity	
a. Liquidity ratio	43%
5. Insider lending	
a. Loans to directors, shareholders and subsidiaries	-
b. Loans to employees	279,315
6. Management and board composition	
a. Number of Board members	9
b. Number of executive directors	1
c. Number of Non-executive directors	8
d. Number of female directors	3
e. Number of male directors	6
f. Number of executive committee	3
g. Number of females in the Executive committee	1
h. Number of males in the Executive committee	2

Note: These financial statements and other disclosures are also accessible at Urwego website: www.urwegobank.com

Our head office address: KN5, Rukiri Cell, Remera Sector, Gasabo District

Explanatory notes to the financial statements:

- In March 2018, interest income on loans reduced by 12% compared to March 2017 interests due to scale down of lending activities as some lending products were being streamlined by the bank.
- In March 2018, fees and commissions incomes are 11% lower than 2017 commission incomes due to reductions in lending activities
- March 2018, interest expenses are 27% lower than 2017 interest expenses due to slow mobilization of deposits as well as repayment of long term debt in 2017.
- In March 2018, cash and cash equivalents increased by 17% compared to December 2017 balances as the bank slowed down lending activities and excess cash invested in interests bearing accounts and other short term investments.
- In March 2018, loans and advances to customers reduced by 10% compared to December 2017 balances due to scale down of lending activities as the bank is streamlining its loans products.