

**STATEMENT OF FINANCIAL POSITION AS AT
31ST DECEMBER 2017**

AUDITED BY EXTERNAL AUDITORS
(FIGURES IN FRW'000)

ASSETS	31/12/17	31/12/16
Cash in Hand	3,021,548	5,048,664
Due from the National Bank of Rwanda	22,675,563	14,202,956
Due from other banking institutions	30,804,171	31,844,955
Non-current assets held for sale	2,120,000	1,200,000
Derivative financial instruments	68,510	284,782
Investment securities - held for trading	17,920,975	16,631,698
Investment securities - available for sale	826	826
Investment securities - held to maturity	19,812,580	16,492,504
Loans and advances to customers	146,513,373	111,083,056
Other assets	2,973,118	1,217,924
Property and equipment	12,252,110	7,992,369
Intangible assets	2,011,418	139,126
TOTAL ASSETS	260,174,192	206,138,860
LIABILITIES	31/12/17	31/12/16
Deposits from customers	177,422,108	134,152,364
Deposits from banks and other financial Institutions	31,708,600	26,707,032
Current income tax	1,098,315	978,698
Other payables	6,232,278	5,565,809
Provisions	455,331	803,247
Corporate bond	104,638	313,913
Borrowed funds	6,726,313	5,987,275
Deferred income tax	1,362,083	1,207,397
TOTAL LIABILITIES	225,109,666	175,715,735
EQUITY		
Share capital	5,050,000	5,000,000
Share premium	400,000	-
Retained earnings	24,056,367	20,250,802
Available for sale reserve	693	693
Revaluation reserve	2,140,401	2,140,401
Other reserves	812,065	709,229
Proposed dividend	2,605,000	2,322,000
TOTAL EQUITY	35,064,526	30,423,125
TOTAL LIABILITIES AND EQUITY	260,174,192	206,138,860

**STATEMENT OF COMPREHENSIVE INCOME FOR
THE YEAR ENDED 31ST DECEMBER 2017**

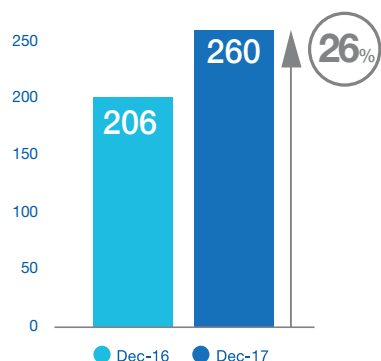
AUDITED BY EXTERNAL AUDITORS
(FIGURES IN FRW'000)

	31/12/17	31/12/16
Interest and similar income	24,483,000	20,441,506
Interest and similar expense	(6,918,428)	(5,836,180)
Net interest income	17,564,572	14,605,326
Fees and commission income	3,187,321	2,795,950
Fees and commission expense	(527,091)	(384,439)
Net fees and commission income	2,660,230	2,411,511
Net foreign exchange income	3,125,829	3,466,676
Net fair value (loss) /gain on financial assets and liabilities designated at fair value through profit or loss	(221,939)	821,898
Other operating income	507,933	90,958
Operating income before impairment	23,636,625	21,396,369
Impairment losses on loans and advances to customers	(598,745)	(554,373)
Operating Income after impairment losses	23,037,880	20,841,996
Employee benefits	(7,132,211)	(6,769,300)
Depreciation of property and equipment	(954,547)	(632,441)
Amortisation of intangible assets	(87,182)	(103,485)
Operating expenses	(5,015,609)	(4,921,565)
Total operating expenses	(13,189,549)	(12,426,791)
Profit before income tax	9,848,331	8,415,205
Income tax expense	(3,334,930)	(2,612,054)
Profit for the year	6,513,401	5,803,151

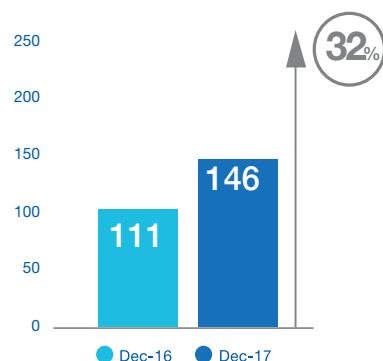
Chairman of the Board of Directors:
Date: 14th March 2018

Managing Director:
Date: 14th March 2018

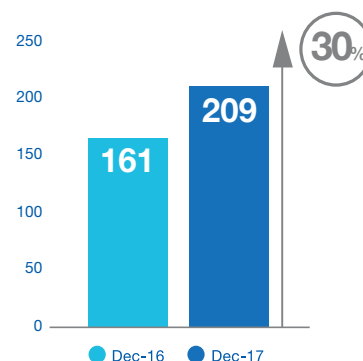
TOTAL ASSETS (FRW BLN)



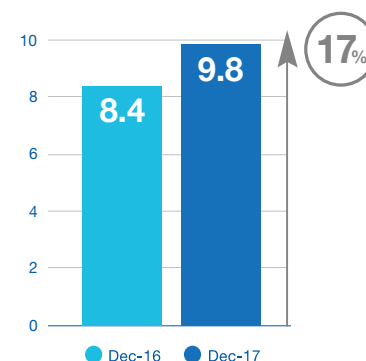
NET LOANS AND ADVANCES (FRW BLN)



TOTAL DEPOSITS (FRW BLN)



PROFIT BEFORE TAX - PBT (FRW BLN)



**STATEMENT OF CASH FLOWS AS AT
31ST DECEMBER 2017**

**AUDITED BY EXTERNAL AUDITORS
(FIGURES IN FRW '000)**

	31/12/17	31/12/16
Cash flows from operating activities:		
Profit before income tax	9,848,331	8,415,205
Adjustments for:		
Depreciation on property and equipment	954,547	632,441
Amortization of intangible assets	87,182	103,485
Interest income earned	(24,483,000)	(21,335,914)
Interest expense incurred	6,918,428	8,413,482
Gain on disposal of PPE	9,886	32,952
Changes in working capital :		
Decrease/(increase) in derivative financial instrument	216,272	(212,755)
Increase in held for trading investment securities	(1,289,277)	(9,034,816)
Increase in loans and advances to customers	(35,240,317)	(17,054,182)
Increase in non-current asset held for sale	(1,200,000)	(1,200,000)
(Increase)/decrease in held to maturity investment securities	(3,625,046)	19,309,384
Increase/(decrease) in other assets	(1,945,194)	236,423
Increase in deposits from customers	43,269,744	12,454,817
Increase in deposits from Banks	5,001,568	9,379,780
Increase in other payables	666,469	2,078,474
Restricted balances with the National Bank of Rwanda	(2,291,915)	(1,242,124)
(Decrease)/increase in provisions	(347,916)	187,081
Cash generated from operations	(3,450,238)	11,163,733
Interest received	22,709,452	20,441,506
Interest paid	(5,134,394)	(5,836,180)
Income tax paid	(2,918,999)	(2,196,705)
Net cash generated from operating activities	11,205,821	23,572,354
Cash flows from investing activities :		
Purchase of property and equipment	(5,231,901)	(1,668,638)
Purchase of intangibles	(1,959,474)	(47,491)
Proceeds from sale of property and equipment	27,500	32,952
Net cash used in investing activities	(7,163,875)	(1,683,177)
Cash flows from financing activities :		
Dividend paid	(2,322,000)	(1,970,000)
Proceeds from long term borrowings	1,548,807	3,348,203
Principle repayment on long term borrowings	(831,087)	(317,488)
Principle repayment on corporate bond	(200,000)	(200,000)
Issue of shares	450,000	-
Net cash (used in)/generated from financing activities	(1,354,280)	860,715
Net increase in cash and cash equivalents	2,687,666	22,749,892
Net foreign exchange difference on foreign currency denominated balances	120,156	(405,327)
Cash and cash equivalents at 1 January	44,700,269	22,355,704
Cash and cash equivalents as at 31 December	47,508,091	44,700,269

OTHER DISCLOSURES

**AUDITED BY EXTERNAL AUDITORS
(FIGURES IN FRW '000)**

FOR THE YEAR ENDED 31ST DECEMBER 2017	
1. Off Balance sheet items	24,679,681
2. Non performing Loans	
a. Non performing Loans	4,447,322
b. Non performing Loans Ratio	2.49%
3. Capital Strength	
a. Core Capital (Tier 1)	29,614,787
b. Supplementary Capital (Tier 2)	535,100
c. Total Capital	30,149,887
d. Total Risk weighted assets	152,194,191
e. Core Capital/Total risk weighted assets ratio	19.5%
f. Tier 1 ratio	19.5%
g. Total Capital/Total risk weighted assets ratio	19.8%
h. Tier 2 Ratio	0.4%
4. Liquidity	
a. Liquidity ratio	47.0%
5. Insider Lending	
a. Loans to Directors, shareholders and subsidiaries	46,752
b. Loans to Employees	3,174,642
6. Management and Board Composition	
a. Number of Board members	10
b. Number of executive directors	2
c. Number of Non- executive directors	8
d. Number of female directors	2
e. Number of male directors	8
f. Number of Executive committee	14
g. Number of female in the Executive committee	3
h. Number of male in the Executive committee	11



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STATEMENT OF CHANGES IN EQUITY AS AT 31ST DECEMBER 2017

AUDITED BY EXTERNAL AUDITORS
(FIGURES IN FRW'000)

	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	AVAILABLE FOR SALE RESERVE	REVALUATION RESERVE	OTHER RESERVES	PROPOSED DIVIDENDS	TOTAL EQUITY
	FRW'000	FRW'000	FRW'000	FRW'000	FRW'000	FRW'000	FRW'000	FRW'000
As at 1 January 2016	5,000,000	-	17,478,880	11,796	-	-	1,970,000	24,460,676
Total comprehensive income:								
Profit for the year	-	-	5,803,151	-	-	-	-	5,803,151
Other comprehensive income	-	-	-	(11,103)	2,140,401	-	-	2,129,298
Transfer to other reserves	-	-	(709,229)	-	-	709,229	-	-
Transaction with owners:								
Dividends:								
Final for 2015 paid	-	-	-	-	-	-	(1,970,000)	(1,970,000)
Proposed for 2016	-	-	(2,322,000)	-	-	-	2,322,000	-
	-	-	(2,322,000)	-	-	-	2,322,000	-
At 31 December 2016	5,000,000	-	20,250,802	693	2,140,401	709,229	2,322,000	30,423,125
As at 1 January 2017	5,000,000	-	20,250,802	693	2,140,401	709,229	2,322,000	30,423,125
Total comprehensive income:								
Profit for the period	-	-	6,513,401	-	-	-	-	6,513,401
Transfer from other reserves	-	-	(102,836)	-	-	102,836	-	-
Transaction with owners:								
Issue of shares	50,000	400,000	-	-	-	-	-	450,000
Dividends:								
Final for 2016 paid	-	-	-	-	-	-	(2,322,000)	(2,322,000)
Proposed for 2017	-	-	(2,605,000)	-	-	-	2,605,000	-
	50,000	400,000	(2,605,000)	-	-	-	283,000	(1,872,000)
At 31 December 2017	5,050,000	400,000	24,056,367	693	2,140,401	812,065	2,605,000	35,064,526


Chairman of the Board of Directors:
Date: 14th March 2018


Managing Director:
Date: 14th March 2018

EXPLANATORY NOTES TO THE FINANCIALS

- Net Loans and Advances increased by 31.8%**
The increase is mainly attributable to new deals booked during the period in line with the market opportunities.
- Exchange Gain and losses decreased by 9.8%**
The decrease is mainly due to competition leading to competitive pricing.
- Interest and similar income increased by 19.7%**
The increase is mainly attributable to the increase in loan portfolio of the bank and investment in government securities of the bank like Treasury bonds, Treasury Bills and interbank placements compared to the same period last year.
- Deposits from customer increased by 32.3%**
The increase in customer deposits is mainly attributable to new clients booked during the year as results of the effort made to increase its customer base.