



Juma Kisaame
CEO, dfcu Bank

Making More Possible

Over the last five decades, **dfcu** has made significant contribution towards the deepening of the financial services sector in Uganda and has also made good progress towards becoming a leading player in the banking industry in this country. I am pleased to share with you some of the key highlights and facts about **dfcu**.

Who owns dfcu Bank?

dfcu Bank is a wholly owned subsidiary of **dfcu** Limited and is the main operating entity of the group. The Bank's Holding Company, **dfcu** Limited, is listed on the Uganda Stock Exchange and has a solid shareholder base as summarised in the table below;

The top 5 shareholders of **dfcu** Limited as at 20th July 2018

Shareholder	Percentage
Arise B.V.	58.70%
CDC Group Plc	9.97%
National Social Security Fund (NSSF)	7.46%
Kimberlite Frontier Africa Master Fund, L.P.-RCKM K	7.35%
SSB Russell Investment Company Plc Fund NAS5	1.71%
Others (over 4,000)	14.81%
Total	100%

Arise B.V

Arise B.V. which is the majority shareholder in **dfcu** Limited owning 58.70% of shares is an investment and development company jointly owned by **FMO**, **Rabobank**, **Norfund** (with NorFinance - a Norfund affiliate), three like-minded investors seeking to contribute to the economic growth in Sub Saharan Africa and currently hold stakes in several banks in Sub-Saharan Africa.

Rabobank is a Dutch Cooperative Bank founded by farmers in the late 19th century and is the leading global Food and Agriculture bank with presence in over 40 countries serving over 8.6million clients. **FMO** is owned by the Dutch Government supporting sustainable private sector growth in developing countries and emerging markets spanning over 85 countries. And **Norfund / Norfinance** is a Norwegian Investment Fund for Developing Countries. NorFinance is owned by Norfund and Private Norwegian investors. It was established by the Norwegian Parliament in 1997 and owned by the Ministry of Foreign Affairs.

dfcu Financial Strength

The strength of any financial institution is normally reflected in the structure of its balance sheet and in particular its; liquidity; earnings potential/quality of assets; shareholder's funds/capital base; and the ability of its management to optimize the potential of its balance sheet. An extract of the published **dfcu** 2017 audited financial results available on the **dfcu** website reflect the following;

Item	UGX millions
Total Balance sheet size	3,057,476
Total liquid assets (Cash, Govt. Securities, Due from Banks)	1,263,302
Loan and Advances to Customers	1,334,611
Other financial assets	239,545
Customer deposits	1,987,118
Shareholders' funds	532,338
Administered deposits/shareholder funds	481,738

The above financials reflect a strong solvency position with over UGX 1.26 trillion in liquid assets which is a very healthy position in comparison to Customer Deposits of UGX 1.98 trillion and regulatory minimum solvency ratio of 20%.

Diversified Funding Sources

dfcu has always adopted a prudent approach to treasury management and actively sources for long term funding from several reputable local and International Financial Institutions to avoid creating a mismatch on its balance sheet. As at December 2017, Administered funds amounted to UGX 482 billion. For over 50 years, **dfcu** has cultivated strong relationships with reputable funding partners including: the International Finance Corporation (IFC), the German Development Bank (DEG), the Dutch Development Bank (FMO), a French Development Financial Institution (PROPARCO), European Investment Bank (EIB), NORFUND, East African Development Bank and CDC to mention but a few. We are also the largest participant in the Agricultural Credit Scheme operated by Bank of Uganda which provides affordable Uganda Shilling financing to Agribusinesses at a fixed rate of 12% pa.



▲ KFW DEG Director, Financial Institutions Africa, Michael Fischer (C) Representative from KFW DEG Nairobi office Laurentia Barasa & CEO Juma Kisaame discuss investment prospects in Kampala recently.

Strong Capital Base

dfcu has a strong capital base, with total shareholder's funds amounting to UGX 532 billion as end of last year. In 2017, the shareholders of **dfcu**, demonstrated their confidence by injecting close to UGX 180 billion in the company through a Rights Issue. This is so far the largest and most successful Rights Issue in the history of the **USE**. The additional capital was eventually injected in the Bank resulting in the Banks Core Capital and Total Capital Adequacy, as at 31st December 2017, standing at 19.42% and 23.05% respectively. These capital positions were far in excess of the regulatory minimum of 8% for core capital and 12% for total capital. The Bank has sufficient capital to support its five year strategic ambitions.

Our Five Year Strategic Ambitions

Following our recent positioning in the Banking industry, we aspire to:

- Be a key player the financial services market in Uganda
- Leverage technology to deliver digital solutions (Bank 4.0)
- Transform from a niche to a Universal bank
- Deliver superior financial performance for our shareholders

We are Committed to Uganda

As **dfcu**, we are proud of our strong heritage as a catalyst for economic development in Uganda. Through our flagship lending products including; Leasing, Term Finance, Trade Finance, Commercial Mortgages, Home loans, Agri-business financing and work place banking, **dfcu** is able to support businesses and individuals in the private sector to achieve their goals. We have also built the capacity in form of funding, partnerships and requisite skills to actively participate in the emerging Oil and Gas industry.

And lastly, we have embarked on digitization in order to; enhance operational efficiency; deliver superior solutions to our clients; increase financial inclusion and lower the cost of intermediation. We continue to make more possible!

dfcu Bank is regulated by the Central Bank of Uganda

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dfcubank

**MAKING
MORE
POSSIBLE**

dfcuBANK
...with pleasure