

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

The accompanying summary financial statements, which comprise the summary statement of financial position at 31 December 2015 and the summary statement of comprehensive income for the year then ended and related notes are derived from the audited financial statements of dfcu Bank Limited for the year ended 31 December 2015. We expressed an unmodified audit opinion on those financial statements in our report dated 23 March 2016.

Regulations 2010 and the Financial Institutions Act 2004.

**Auditors' Responsibility**  
Our responsibility is to express an opinion on the summary 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".

**Opinion**  
In our opinion, the summary financial statements derived from the audited financial statements of dfcu Bank Limited for the year ended 31 December 2015 are consistent, in all material respects, with those audited financial statements in accordance with the requirements of the Financial Institutions (External Auditors) Regulations 2010 and the Financial Institutions Act 2004.

*Rice Satebasulapeo*

**Certified Public Accountants,**  
Kampala, Uganda.  
23 March 2016.

**Directors' responsibility for the summary of financial statements**

The directors are responsible for the preparation of the summary of the audited financial statements in accordance with the requirements of the Financial Institutions (External Auditors)

**III. Summary Statement Of Comprehensive Income dfcu Bank**

	2015 Shs 'M	2014 Shs 'M
<b>Income</b>		
Interest on deposits and placements	2,085	7,415
Interest on loans and advances	139,016	119,909
Interest on government and other securities	43,628	35,906
Foreign exchange income	13,363	10,713
Fee and commission income	24,756	20,400
Other income	1,263	10,517
<b>Total income</b>	<b>224,111</b>	<b>204,860</b>
<b>Expenditure</b>		
Interest expense on deposits	(46,686)	(37,184)
Interest expense on borrowings	(26,943)	(23,112)
Provision for bad and doubtful debts	(11,690)	(10,534)
Operating expenses	(89,529)	(78,238)
<b>Total expenditure</b>	<b>(174,848)</b>	<b>(149,068)</b>
<b>Profit before income tax</b>	<b>49,263</b>	<b>55,792</b>
Income tax expense	(12,253)	(14,221)
<b>Profit after tax</b>	<b>37,010</b>	<b>41,571</b>
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income</b>	<b>37,010</b>	<b>41,571</b>

**IV. Other disclosures dfcu Bank**

	2015 Shs 'M	2014 Shs 'M
<b>Contingent liabilities</b>		
Acceptances and letters of credit	-	-
Guarantees and performance bonds	67,573	51,305
<b>Total</b>	<b>67,573</b>	<b>51,305</b>
<b>Commitments</b>		
Undrawn stand-by facilities and other commitments to lend	20,572	21,690
<b>Total</b>	<b>20,572</b>	<b>21,690</b>
<b>Non performing loans and other assets</b>	<b>71,289</b>	<b>47,674</b>
Interest in suspense	5,390	4,714
Bad debts written off	12,269	12,248
Large loans exposures	182,322	108,936
Insider loans exposures	2,065	1,720
<b>Capital Position:</b>		
Core capital	145,897	138,809
Supplementary capital	68,428	62,816
<b>Total qualifying capital</b>	<b>214,325</b>	<b>201,625</b>
<b>Total Risk Weighted Assets (RWA)</b>	<b>1,014,123</b>	<b>841,923</b>
Core capital to RWA	14.39%	16.49%
Total Qualifying capital to RWA	21.13%	23.95%

**II. Summary Statement of Financial Position dfcu Bank**

	2015 Shs 'M	2014 Shs 'M
<b>Assets</b>		
Cash and balances with Bank of Uganda	194,977	178,386
Balances due from other banks	128,538	131,970
Marketable (trading) securities	72,441	57,994
Loans and advances (Net)	807,579	680,159
Amounts due from group companies	12,507	7,160
Investment securities	335,254	273,113
Other assets	23,623	22,663
Deferred income tax asset	1,111	256
Property and equipment	42,282	40,385
Intangible asset	3,771	4,163
<b>Total assets</b>	<b>1,622,083</b>	<b>1,396,249</b>
<b>Liabilities and shareholders' equity</b>		
Customer deposits	914,951	822,877
Balances due to other banks	98,096	54,021
Amounts due to group companies	839	4,291
Other liabilities	24,021	22,322
Current income tax payable	4,422	4,116
Borrowed funds	320,919	266,029
Subordinated debt	67,160	55,300
<b>Total liabilities</b>	<b>1,430,408</b>	<b>1,228,956</b>
Share capital	25,000	25,000
Share premium	3,697	3,697
Retained earnings	123,970	114,533
Proposed dividends	14,804	12,628
Reserves	24,204	11,435
<b>Total shareholders' equity</b>	<b>191,675</b>	<b>167,293</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,622,083</b>	<b>1,396,249</b>

**V. Message from the Directors**

The financial statements were approved by the Board of Directors on 2 March 2016 and approved by Bank of Uganda on 10 March 2016.

*Jimmy D. Mugerwa*  
Chairman, dfcu Bank

*Juma Kisaame*  
Managing Director, dfcu Bank

*Paul van Apeldoorn*  
Director, dfcu Bank

*Agnes T. Isharaza*  
Corporation Secretary, dfcu Bank

*Elly Karuhanga*  
Chairman, dfcu Limited

*James Mugabi*  
Company Secretary, dfcu Limited

*Kironde Lule*  
Director, dfcu Limited

*Winifred Kiryabwire*  
Director, dfcu Limited

**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 comprise the summary consolidated statement of financial position at 31 December 2015, and the summary consolidated statements of 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 2015. We expressed an unmodified audit opinion on those financial statements in our report dated 23 March 2016.

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 Companies Act. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the group.

**Directors' responsibility for the summary of financial statements**

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

**Auditors' Responsibility**

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".

**Opinion**

In our opinion, the summary financial statements derived from the audited consolidated financial statements of dfcu Limited for the year ended 31 December 2015 are consistent, in all material respects, with those audited financial statements in accordance with the USE Listing Rules.

*Rice Satebasulapeo*

**Certified Public Accountants, Kampala, Uganda. 23 March 2016.**

**II. Summary Consolidated Statement Of Financial Position dfcu Group**

	2015 Shs 'M	2014 Shs 'M
<b>Assets</b>		
Cash and balances with Bank of Uganda	194,977	178,386
Balances with banking institutions	128,733	132,165
Marketable (trading) securities	72,441	57,994
Loans and advances (Net)	808,047	680,679
Investment securities	335,254	273,113
Other assets	20,856	17,603
Deferred income tax asset	2,142	175
Property and equipment	72,858	68,686
Investment property	12,086	11,315
Intangible asset	4,235	4,626
<b>Total assets</b>	<b>1,651,629</b>	<b>1,424,742</b>
<b>Liabilities and shareholders' equity</b>		
Customer deposits	914,951	822,877
Balances due to banking institutions	98,096	54,021
Other liabilities	25,293	22,275
Current income tax payable	4,340	4,026
Borrowed funds	326,658	274,702
Subordinated debt	67,160	55,300
<b>Total liabilities</b>	<b>1,436,498</b>	<b>1,233,201</b>
Share capital	9,464	9,464
Share premium	2,878	2,878
Retained earnings	167,782	156,064
Proposed dividends	10,804	11,700
Reserves	24,203	11,435
<b>Total shareholders' equity</b>	<b>215,131</b>	<b>191,541</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,651,629</b>	<b>1,424,742</b>

**III. Summary Consolidated Statement Of Comprehensive Income dfcu Group**

	2015 Shs 'M	2014 Shs 'M
<b>Income</b>		
Interest on deposits and placements	288	7,415
Interest on loans and advances	139,058	119,957
Interest on government and other securities	43,628	35,906
Foreign exchange income	13,281	10,700
Fee and commission income	25,002	20,852
Other income	1,628	11,242
<b>Total income</b>	<b>222,885</b>	<b>206,072</b>
<b>Expenditure</b>		
Interest expense on deposits	(44,638)	(36,878)
Interest expense on borrowings	(30,104)	(23,111)
Provision for bad and doubtful debts	(11,690)	(10,490)
Operating expenses	(89,531)	(79,032)
<b>Total expenditure</b>	<b>(175,963)</b>	<b>(149,511)</b>
<b>Profit before income tax</b>	<b>46,922</b>	<b>56,561</b>
Income tax expense	(11,632)	(14,452)
<b>Profit after tax</b>	<b>35,290</b>	<b>42,109</b>
<b>Other comprehensive income</b>	-	(2,380)
<b>Total comprehensive income</b>	<b>35,290</b>	<b>39,729</b>
Earnings per share	70.98	84.69

**IV. Summary Consolidated Statement Of Cash Flows dfcu Group**

	2015 Shs 'M	2014 Shs 'M
<b>Cash flow from operation activities</b>		
Interest receipts	182,974	163,278
Interest payments	(74,742)	(59,989)
Net fee and commission receipts	19,656	22,766
Net trading and other income received	15,170	10,944
Cash payments to employees and suppliers	(78,339)	(60,061)
Income tax paid	(13,285)	(10,494)
<b>Cash flow from operating activities before changes in operating assets and liabilities</b>	<b>51,434</b>	<b>66,444</b>
Changes in operating assets and liabilities	(24,276)	(4,733)
<b>Net cash flow from operating activities</b>	<b>27,158</b>	<b>61,711</b>
<b>Net cash used in investing activities</b>	<b>(14,256)</b>	<b>(32,476)</b>
<b>Net cash generated from financing activities</b>	<b>52,116</b>	<b>36,215</b>
<b>Net increase in cash and cash equivalents</b>	<b>65,018</b>	<b>65,450</b>
Cash and cash equivalents at 1 January	329,651	264,201
<b>Cash and cash equivalents at 31 December</b>	<b>394,669</b>	<b>329,651</b>

**V. Summary Consolidated Statement of Changes In Equity**

	Share Capital	Share Premium	Distributable Reserves	Non - Distributable Reserves	Regulatory Reserve	Proposed Dividend	Total
	Shs ' M	Shs ' M	Shs ' M	Shs ' M	Shs ' M	Shs ' M	Shs ' M
<b>At 1 January 2015, as previously reported</b>	<b>9,464</b>	<b>2,878</b>	<b>143,951</b>	<b>12,113</b>	<b>11,435</b>	<b>11,700</b>	<b>191,541</b>
Profit for the year	-	-	35,290	-	-	-	35,290
<b>Total comprehensive income, net of taxes</b>	<b>-</b>	<b>-</b>	<b>35,290</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,290</b>
Increase in regulatory reserve	-	-	(12,768)	-	12,768	-	-
Dividend Paid	-	-	-	-	-	(11,700)	(11,700)
Dividend proposed	-	-	(10,804)	-	-	10,804	-
<b>At 31 December 2015</b>	<b>9,464</b>	<b>2,878</b>	<b>155,669</b>	<b>12,113</b>	<b>24,203</b>	<b>10,804</b>	<b>215,131</b>

**VI. Message from the Directors**

The financial statements were approved by the Board of Directors on 17 March 2016. The Board is recommending a cash dividend of Shs 21.73 per share less withholding tax where applicable (2014: Shs 23.53 per share). The shareholder's register will be closed on 30 May 2016 with respect to entitlement to this dividend which will be paid by 31 July 2016. The Annual General Meeting will be held on 22 June 2016. The related details shall be availed in a later communication.