



BLUE APPLE 10027



UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 AUGUST 2012

086000 8322 ubank.co.za

ubank Ltd Reg No. 2000/013541/06. ubank is an authorised financial services (FSP No. 14740) and credit (NCRCP21) provider.

KEY PERFORMANCE INDICATORS

FOR THE SIX MONTHS ENDED 31 AUGUST 2012

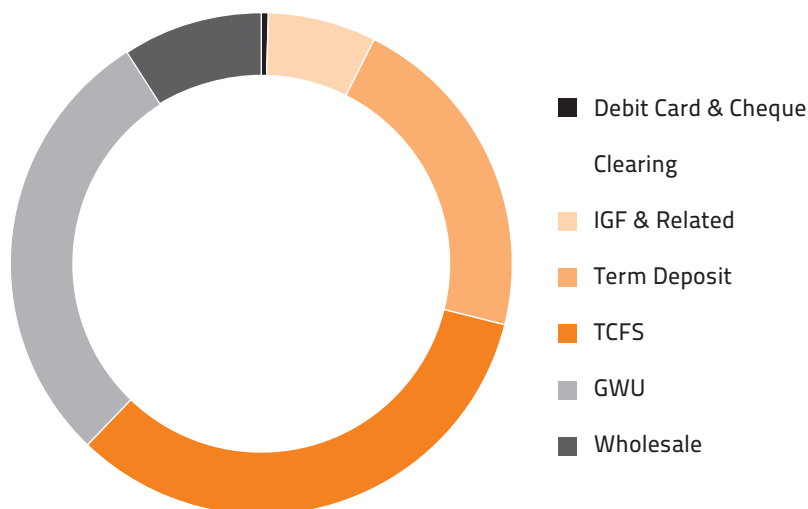
	2012 R'000	2011 R'000
Statement of comprehensive income		
Profitability	14 555	9 326
Statement of financial position		
Total assets	3 749 977	3 465 397
Net loans and advances	990 499	858 128
Total liabilities	3 203 726	2 928 807
Deposits	3 087 472	2 838 581
Loan-to-deposit-ratio	32,1%	30,2%
Financial performance		
ROE	2,7%	1,7%
ROA	0,4%	0,3%
Capital adequacy ratio	18,6%	18,4%
Headline earnings per share (cents)	594,08	380,63
Operating performance		
Net interest income	176 450	153 739
Net interest margin	5,0%	4,8%
Impairment ratio	9,7%	11,6%
Non interest income as % of total income	53,1%	52,3%
Cost-to-income ratio	72,7%	82,1%

COMPOSITION OF SAVINGS AND LOANS

AS AT 31 AUGUST 2012

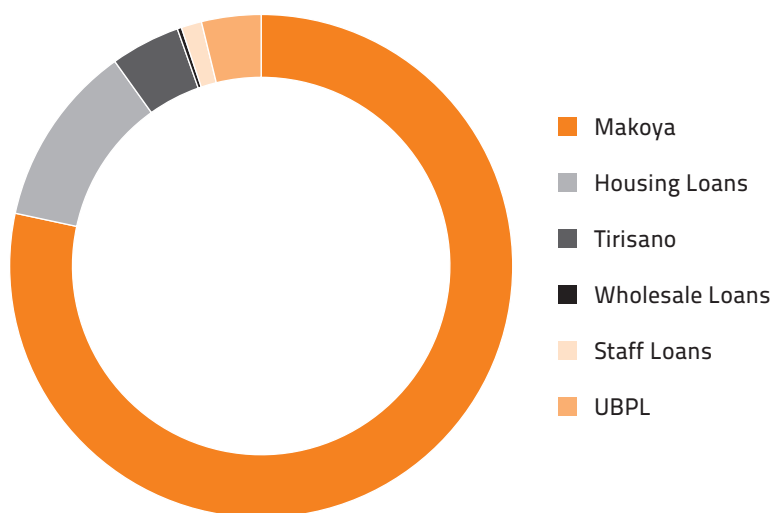
COMPOSITION OF SAVINGS DEPOSITS

	R'000
Debit Card & Cheque Clearing	2 390
IGF & Related	52 540
Term Deposit	663 649
TCFS	1 293 803
GWU	783 173
Wholesale	2 130
Personnel	4 351
Dormant Accounts	238 121
Bundle Transactional Accounts	29 493
32 Day Notice account	7 886



COMPOSITION OF GROSS LOANS & ADVANCES

	R'000
Tirisano	21 892
Wholesale Loans	1 760
Makoya	841 058
UBPL	145 931
SHL	72 625
Staff Loans	13 295



STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2012

	2012 R'000	2011 R'000
ASSETS		
Cash and cash balances	379 025	440 222
Trade receivables and other assets	38 422	45 369
Investments	2 137 336	1 882 320
Loans and advances to customers	990 499	858 128
Current tax asset	13 270	12 315
Property and equipment	60 377	58 990
Intangible assets	69 180	73 199
Deferred taxation	61 868	94 854
TOTAL ASSETS	3 749 977	3 465 397
LIABILITIES		
Deposits and savings due to customers	3 087 472	2 838 581
Trade payables and other liabilities	92 622	63 369
Lease liability	-	3 151
Provisions	19 959	23 706
Post-employment medical benefits liability	3 673	-
TOTAL LIABILITIES	3 203 726	2 928 807
EQUITY		
Share capital and share premium	244 875	244 875
Available-for-sale reserve	1039	(2 131)
Post-employment medical benefits reserve	(2 645)	-
Retained earnings	302 982	293 846
TOTAL EQUITY	546 251	536 590
TOTAL LIABILITIES AND EQUITY	3 749 977	3 465 397

STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 AUGUST 2012

	2012 R'000	2011 R'000
Interest income	195 901	171 092
Interest expense	(19 451)	(17 353)
Net interest income	176 450	153 739
Fees and commission income	152 068	121 859
Fees and commission expense	(28 884)	(28 885)
Net fees and commission income	123 184	92 974
Net gain/(loss) on financial assets designated at fair value through profit or loss	83	(970)
Other operating income	15 035	13 717
Total operating income	314 752	259 460
Impairment charge on loans and advances	(65 527)	(34 109)
Net operating income	249 225	225 350
Personnel expenses	(118 571)	(115 596)
Depreciation of property and equipment	(10 530)	(17 571)
Amortisation of intangible assets	(2 284)	(1 936)
Other operating expenses	(97 523)	(77 915)
Total operating expenses	(228 908)	(213 018)
Profit/(loss) before tax	20 317	12 332
Taxation	(5 762)	(3 007)
Profit/(loss) for the year	14 555	9 326
Other comprehensive income:		
Fair value adjustment on available for sale investments	540	12 604
Amount recycled from other comprehensive income and recognised in profit and loss	-	811
Taxation	(100)	(1 878)
Available for sale reserve movement for the year	440	11 537
Other comprehensive income for the year	440	11 537
Total comprehensive income for the year	14 995	20 863

STATEMENT OF CHANGES IN EQUITY

AS AT 31 AUGUST 2012

	Notes	Share capital	Share premium	Available-for-sale reserve *	Post-employment medical benefits reserve	Retained earnings	Total
		R'000	R'000	R'000		R'000	R'000
Balance at 1 March 2011		24 500	220 375	(13 668)	-	284 520	515 727
Profit for the year		-	-	-	-	(9 326)	(9 326)
Other comprehensive income for the year		-	-	11 537	-	-	11 537
Total comprehensive income for the year		-	-	11 537	-	9 326	20 863
Balance at 31 August 2011		24 500	220 375	(2 131)	-	293 846	536 590
Balance at 1 March 2011		24 500	220 375	599	(2 645)	288 427	531 256
Profit for the year		-	-	-	-	14 555	14 555
Other comprehensive income for the year		-	-	440	-	-	440
Total comprehensive income for the year		-	-	440	-	14 555	14 995
Balance at 31 August 2012		24 500	220 375	1 039	(2 645)	302 982	546 251

Nature and purpose of reserves

Available-for-sale (AFS) reserve

This reserve records fair value changes on available for sale financial assets. Please refer to note 25

* Gains and losses arising from changes in fair value of available for sale investments are included in the available for sale reserve until sale or impairment when the cumulative gain or loss is transferred to the profit and loss section of the statement of comprehensive income.

* Post-employment medical benefits reserve

This reserve records movements on post-employment medical benefit liability.

STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31 AUGUST 2012

	2012 R'000	2011 R'000
OPERATING ACTIVITIES		
Interest and fee (expense) income	347 968	292 951
Interest and fee expense	(48 336)	(46 238)
Net trading and other income	(126 531)	17 667
Dividends received	11 832	11 450
Cash paid to customers and employees	(207 136)	(189 015)
Cash available from operating activities	(22 203)	86 815
Changes in operating funds:		
Increase in income earning assets	(92 093)	(39 167)
Increase in deposits	205 126	28 079
Cash available (utilised) from operating activities after changes in operating activities	90 830	75 727
Tax paid	(31)	(1 685)
Net cash inflow from operating activities	90 799	74 042
INVESTING ACTIVITIES		
Additions to intangible assets	(193)	(410)
Additions to property and equipment (maintaining of operating activities)	(23 293)	(2 824)
Proceeds from disposal of property and equipment	129	88
Net cash used in investing activities	(23 357)	(3 146)
Net decrease in cash and cash equivalents	67 442	70 896
Cash and cash equivalents at beginning of year	311 583	369 326
Cash and cash equivalents at end of year	379 025	440 222
Cash and cash equivalents comprise:		
Coins and bank notes	63 489	68 004
Balances with other banks	315 536	372 218
	379 025	440 222