



2011 Year-End Statement of the Founder & Chief Executive Officer, Mr J. Sanpha Koroma

A very good evening and a warm welcome to you all our distinguished guests and valued stakeholders. On behalf of our shareholders, directors, management and staff and on my personal behalf, I wish to express our collective thanks and appreciation for taking time to be with us. In a special way I want to thank Dr Samura Kamara for his presence and continued leadership of the macro-economy.

Most of us gathered here have been attending similar gatherings most of last month. As you will recall, before now, these occasions provided an opportunity when bankers worldwide, the once celebrated and admired *“masters of the universe”* told the world how much they have grown their balance sheets, their profitability and therefore the scale of their bonuses for years under review. Even we in less grandiose circumstances followed that tradition, for what it was worth.

As is now so clearly evident, 2008 changed all that; indeed 2008 changed the global financial system in fundamental ways – its traditions and its practices. In the last three years, banks too big to fail were saved by governments; but for most of 2011 the global system was searching for someone to save the governments in most of Europe and the Western Hemisphere. The ultimate effect on banks, in particular, is that the tradition of boasting of bloated balance sheets, monstrous profits and bonuses has now become an effort in utter embarrassment and public disaffection.

So from the realities of our times, I shall not indulge in profiling balance sheet performance or profitability of UTB for 2011. Rather, I would like to share with you the socio-economic significance and the impact of our **Business Model** and its **strategy** over the last year.

As most of you distinguished guests are aware, UTB's mission is predicated on a felt-need to establish a major indigenous private financial institution that will empower Sierra Leonean commerce on a sustaining basis and transforming lives by building and supporting businesses of all sizes within the national economy.

In growing our business and creating the desired socio-economic impact, we also support government's economic efforts on the back of a sound operating strategy that:

- creates or enters into new customer segments;
- explores new geographical locations that do not give appetite to our competitors; and
- enters into related lines of business that yield functional synergies to promote balanced economic growth.

The effectiveness of our Business Model is clearly evident from the league table data of the industry published at every year-end.

Thus, in addition to the diverse structure of our deposits which we manage as prudentially as practicable, UTB's strategy also provides it access to a range of wholesome funding sources from within the narrow limits of the national capital market and from elsewhere.

We continue to frown on business practices that fail the modern tests of corporate conduct and therefore we wish to assure both the supervising authority and our wider constituency of our solid determination to be a legally compliant and socially responsible corporate citizen.

In support of the Central Bank, we commit ourselves to fighting the cancer of fraud that is spreading in the industry.

Therefore, on the platform of our corporate mission and operating strategy, the Year 2011 has been relatively successful for the bank even against the backdrop of an increasingly fragile global financial environment and difficult domestic structural challenges. Nonetheless, we achieved the following basic landmarks:

- First, we achieved measurable growth in our universal banking franchise and its fundamentals;
- Second, we have consolidated our subsidiary, **Finance Salone Limited** – the microfinance company – by strengthening the management and accessing concessional funding to open new branches and support the informal business sector, giving livelihood to the greater percentage of Sierra Leoneans in the rural areas. With Finance Salone Limited, we remained the only major financial institution in the country with a viable and sustainable subsidiary.
- Third, together with other national institutions, we continued to support the growth of the financial and banking system by promoting the development of other financial institutions such as **Consumer Finance and Leasing Company Limited** which was designed to provide desirable and affordable non-bank financing products and services for the urban working classes.

- Fourth, as our corporate net worth grew, we have matched this with corresponding growth to our employment of Sierra Leonean professions and to our lending portfolio beyond the relative size and abilities of our competitors.
- Fifth, we continued to lead the Western Union Money Transfer franchise and other funds transfer services. Furthermore, our SME portfolio doubled in 2011 while lending to the sector was discontinued by our competitors that ventured into the sector. And,
- Finally, in 2011, we achieved the prescribed minimum capital adequacy; we met all statutory provisions and prudential guidelines and timelines; above all, we were hugely profitable and socially responsible; we pray and hope that with your continued support and patronage we shall remain on that pedestal in this and the years ahead.

I wish you and all of us a very successful and peaceful 2012.

I thank you for your attention.