

31st March 2017

ATTN: Business Editors

PRESS RELEASE

UNAITAS posts profits amidst difficult economic environment and sets sights on further expansion

Nairobi, March 31st 2017: Unaitas Sacco has defied a tough economic environment to record a Ksh267.8 million profit for the 2016 financial year. Unaitas posted the profits, attributed to a cautious approach to lending and provisioning of loan losses in light of the tough lending environment. Unaitas also announced an increase in its asset base standing at Ksh10.7 billion in assets as at the end of 2016. On the other hand, member's deposits increased by 20 per cent to stand at Ksh6.46 billion from Ksh5.38 billion over the same period. During the same year, the lender invested heavily on a robust ICT infrastructure that is likely to propel it to profits, as it is envisage increasing business efficiency. The Sacco's leadership said that the strategic approach to improve the quality of the loan book resulted in slower disbursement of credit to members as well as providing for higher levels of provisioning, which was done to reflect the state of the general economy that was challenging in 2016. "As a responsible and sustainable business we decided to improve the quality of our loan book and this had an impact on our profitability. Going forward we intend to maintain this strategy that focuses on loan book quality, increasing non-funded income and cost management," said Unaitas Chairman Joseph Kabugu while addressing members at Kenol, Murang'a County at the Sacco's 28th Annual General Meeting (AGM).

Unaitas Sacco Society Limited
Head Office
Cardinal Otunga Plaza
Kaunda street, Nairobi.

Tel: 0721 244 139
Box: 38721 - 00100 Nairobi.

e-mail: info@unaitas.com
website: www.unaitas.com

Mr. Kabugu added that Unaitas plans to marshal more deposits and grow its membership through branch expansion and marketing campaigns that will attract a wider and diverse membership base.

For the 2017 financial year Unaitas plans to open at least 7 new branches across the country and the management has already identified Meru, Kisii, Kisumu, Eldoret and Embu as five towns where the Sacco will set up shop.

These new branches are expected to boost membership and deposit mobilization.

The Board has additionally decided to roll out agency banking as a means of further increasing accessibility of financial services and convenience to our members.

Unaitas will additionally carry out marketing initiatives such as the popular “Top Chama Show” in 2017, which is meant to attract a more diverse and younger membership base.

Mr. Kabugu noted that these initiatives will support Unaitas’ performance in 2017, a year that is expected to be a challenging due to uncertainties in the economic environment.

“We have taken this multi-pronged approach to cushion Unaitas from shocks associated with the General Election, interest rate cap-regime and a severe drought.

These are factors that are expected to have an impact on the general economy and as such the Board is cognizant that Unaitas is not an exception,” said Mr. Kabugu.

On the social front, Unaitas remains committed to supporting the communities where the Sacco operates through assistance in education, poverty eradication and health. In 2017, Unaitas plans to identify an initiative that is meant to impact positively on the society. “We are looking at initiatives that will go along way in touching the lives of not only our members but the communities surrounding us,” said Kabugu.

Unaitas will additionally remain committed to supporting businesses that operate in an environmentally sustainable manner.

Mr. Kabugu added that Unaitas’ board and management are on course with the Sacco’s strategic plan that includes becoming a fully-fledged commercial bank.

Unaitas Sacco Society Limited
Head Office
Cardinal Otunga Plaza
Kaunda street, Nairobi.

Tel: 0721 244 139
Box: 38721 - 00100 Nairobi.

e-mail: info@unaitas.com
website: www.unaitas.com

The Board has recommended a dividend of Ksh192 million for the year which represents 7 per cent of investment shares.

Ends...

For More information Contact:

Samuel Otieno

Head of PR & Communication – Unaitas

Tel: 0720248820

Email: Samuel.otieno@unaitas.com



Unaitas Sacco Society Limited
Head Office
Cardinal Otunga Plaza
Kaunda street, Nairobi.

Tel: 0721 244 139
Box: 38721 - 00100 Nairobi.

e-mail: info@unaitas.com
website: www.unaitas.com