The Group results have been audited by the Group’s external auditors.

Standards and Interpretations effective for annual reporting periods beginning on or after 1 January 2009. The adoption of the Standard and Interpretations had no impact on the reported results or financial position of the Group.

The Group has results been audited by the Group’s external auditors.

The Group’s performance exceeded expectations despite challenging conditions in the banking environment. Loans and advances to customers grew by 18.8% and total assets by 11.7%. The net asset value per share increased by 22.3% to 9.71 Namibian dollars (N$). The Group remained profitable and recorded an increase in net profit after tax of 35.1% from N$86.2 million in 2008 to N$116.5 million in 2009. This was mainly due to a 53.3% growth in non-interest revenue (25.7% growth excluding life insurance business), which was primarily due to new business initiatives such as the launch of the life insurance business, and effective treasury and fee income management.

Stingent control was exercised over expenses resulting in operating expenses increasing by only 3.5%, whilst the cost-to-income ratio (excluding the transfer to policyholders’ liability) improved from 66% in 2008 to 59.2% in 2009. Through continued effective credit risk management and a dedicated recovery process of debt previously written-off, the Group managed to decrease its impairment of advances charge to the statement of comprehensive income by 5.5%.

EQUITY AND LIABILITIES

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FINANCIAL PERFORMANCE

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