

Bank to list shares on USE next year

By [Walter Wafula](#)

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Crane Bank Limited one of Uganda's most successful indigenous commercial banks is set to list its shares on the Uganda Securities Exchange, according to the company's MD, A.R Kalan.



A.R Kalan, MD of Crane Bank, and one of his team accept the Bracken Award.

Kampala - Kalan said, "We are going to list our shares next year so I encourage all of you to save to make money out of Crane Bank shares." He was speaking at a press briefing about the company's success at The Banker Awards 2007, in Kampala, on December 7.

The bank is still undergoing screening by the Capital Markets Authority through the due diligence process before it issues its Initial Public Offering, but if it is listed earlier than any other, it will be the 7th local company to list on lucrative Uganda's stock market and bring the number of listed companies to 10.

The market also consists of three cross-listed companies: insurer Jubilee Holding Limited, East African Breweries Limited and Kenya Airways. Uganda Telecom, National Insurance Company and Kinyara Sugar Works have also expressed an interest in offering their shares to the public through Uganda's stock market.

Over the past two months, share prices of the locally listed companies have skyrocketed to record highs riding high on predicted better company results, high share demand, share value corrections and increased capital market awareness among investors.

Trading at the USE has also been predicted to soar further before the Christmas season, as traders will want to invest before the inactive trading season arrives. If listed soon enough, Crane bank shareholders could equally benefit from the rising cash bonanza.

Bank wins Bracken Award

At the press conference, Kalan also told journalists that Crane Bank had bagged the 2007 Bank of the Year Award, at The Banker Awards 2007 in Bahrain. The Banker is a trademark of the *Financial Times Limited*. As one of the best performers at the awards, Crane Bank received the prestigious Bracken Award.

Kalan said the bank received the award for scoring successes on many fronts last year with an improved performance across the board and engaged in numerous initiatives that led to a positive performance that enhanced shareholder value this year.

He said the award also confirms the bank's dedication to enhance the growth of the economy though bringing the un-banked segment into the banking stream.

The bank's net profits rose by 71.51% and ROE was up sharply to 45.43% from 28.68% in the previous year. Cost income ratio was cut to 61.49% from 71.06% and the NPL ratio reduced to 2.16% from 4.38% of the loan book.

“On the forex side we launched an aggressive campaign in the forex market to provide customers with innovative foreign exchange products, yielding a 37.66% net gain in forex dealings,” Kalan continued. He said this was also boosted by the bank's acquisition of non-bank financial institution Stanhope Finance.

The bank has grown to seven branches from three last year and from 35 ATM's to 41 ATM's this year and it plans to open four more branches in Arua, Hoima, Kabale and Mbarara districts next year.

In 2007 bank also introduced the Visa Electron debit card and an executive banking service called Crane Royale.

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