2011 Highlights
- Profit for the year up 5.4%
- Cost income ratio 43% (2010: 39%)
- Loans and advances grew 9%
- Earnings per share increased by 5% to 61.79 thebe
- Capital adequacy ratio 19.76%
- Return on equity 37%
- Recognised as "Best Bank 2011" by Euromoney

Profit for the year, on continuing operations, increased by 5.4% on prior year to P527m (2010: P500m). During the period under review, the bank took four deliberate steps as part of the strategy to make customers buy more service:
- cancellation of ATM fees
- cancellation of unexplained stop order charges
- reduction of withdrawal fees on NetSpend Savings product from P198 to P30
- discounted rate on unsecured loans of 9%

These changes in total reduced profit before tax by around P46m. The focus in 2011 was to ensure that customers understand the products offering of Barclays. Access to products and service was made more convenient to ensure that the bank adheres to principles of 'value for money'. Revenues remained resilient, reflecting the strength of our customer franchise and the balanced risk mix of our business. Continued focus on credit risk resulted in a significant improvement in the performance of the retail assets portfolio, evidenced by a decline of 28% in impairment charges to P19m (2010: P26m). The Loan Loss Rate improved to 1.8% (2010-21%).

Operating costs increased by 3% compared to prior year at P94m (2010: P92m), driven by costs associated with the voluntary separation scheme that concluded towards the end of 2011, resulting in a cost in income ratio of 40%.

The Retail Banking business continues to play a significant role on overall performance, contributing 62% (2010: 64%) to the total income whilst Corporate Banking increased its contribution by two percentage points to 17%. Treasury and Cards each contributed 11%.

Capital management Notice is hereby given that a final dividend for the year 31 December 2011 of 17.6023 thebe per share was declared on 28th March 2012. A further special dividend of 34.50 thebe was also declared on the same day. These dividends will be payable in 11th May 2012 to those shareholders registered at the close of business on 28th May 2012. In terms of the Republic of Botswana Income Tax Act (Cap 52:01), as amended, withholding tax will be deducted by the Bank from the gross dividend.

Outlook Economic conditions will continue to remain challenging. We will continue the momentum on our strategy execution which will see us delivering on our commitments to various stakeholders and retain our market leadership position. The investments made in 2011 on infrastructure provides us with a solid foundation to improve our customer value proposition so to ensure the ever changing market demands and position Barclays as the "Go To Bank in Botswana".