



Ecobank Uganda Income Hits UGX 100.8 Billion, Profit Climbs to UGX 24.3 Billion in 2025

Ecobank Uganda closed 2025 with a performance that, at first glance, reads like a textbook example of a bank hitting its stride. Profit more than doubled, the balance sheet expanded at an extraordinary pace, and customer deposits surged, underscoring growing confidence in the institution. Yet, behind the impressive headline numbers lies a more complex narrative of aggressive growth, tightening capital buffers, and rising credit risk that will shape how the bank navigates the next phase of its journey. The bank reported a net profit after tax of UGX 24.34 billion for the year ended December 31, 2025, a sharp increase from UGX 10.82 billion recorded in 2024.

This performance was anchored in strong income growth, with total income rising to UGX 100.84 billion from UGX 76.01 billion in the previous year.

Interest income remained the backbone of earnings, with interest on loans and advances contributing UGX 33.14 billion, up from UGX 27.85 billion.

Income from marketable or trading securities also made a significant contribution, climbing to UGX 27.48 billion from UGX 25.28 billion.

The bank's non-interest revenue streams showed

notable strength, with fees and commission income increasing to UGX 15.38 billion from UGX 11.00 billion, while foreign exchange income rose to UGX 7.11 billion from UGX 5.48 billion.

Other income, though smaller in scale, jumped sharply to UGX 431.9 million from just UGX 81.5 million, reflecting broader activity across the bank's operations.

Cost growth, while present, was more contained relative to income expansion. Total expenditure increased to UGX 72.00 billion from UGX 60.50 billion. Interest expense on deposits rose to UGX 13.96 billion from UGX 10.32 billion, while interest expense on borrowings surged to UGX 4.90 billion from UGX 534 million, signaling greater reliance on funding to support growth.

Operating expenses, the largest cost component, stood at UGX 49.07 billion compared to UGX 46.82 billion in 2024, suggesting that the bank managed to scale operations without a proportionate rise in overheads.

The result was a net profit before tax of UGX 28.84 billion, up from UGX 15.50 billion, reinforcing the bank's improved profitability profile.

Balance sheet expansion

The real story of 2025, however, lies in the balance sheet expansion. Total assets nearly doubled to UGX 1.27

trillion from UGX 688.93 billion in 2024, reflecting a year of aggressive growth.

Customer deposits, a key indicator of market confidence and funding capacity, surged to UGX 943.60 billion from UGX 528.18 billion, representing one of the most significant jumps in the bank's recent history.

Loans and advances grew to UGX 275.62 billion from UGX 201.87 billion, indicating a strong push into lending, while balances with banking institutions rose dramatically to UGX 540.72 billion from UGX 125.72 billion.

Cash and balances with the central bank also increased to UGX 206.26 billion from UGX 113.22 billion, pointing to a deliberate effort to maintain liquidity even as the bank expanded.

On the liabilities side, total liabilities climbed to UGX 1.11 trillion from UGX 555.51 billion, largely driven by deposit growth and a notable increase in balances due to parent or group companies, which stood at UGX 138.96 billion compared to zero in 2024.

Shareholders' equity rose to UGX 157.76 billion from UGX 133.42 billion, supported by retained earnings and a regulatory credit risk reserve of UGX 3.01 billion, up from UGX 306.8 million. Accumulated losses narrowed to UGX 63.32 billion from UGX 84.96 billion, reflecting improved profitability.

Despite these gains, the bank's capital position reveals underlying pressure.

Total qualifying capital increased to UGX 151.98 billion from UGX 131.01 billion, while core capital stood at UGX 149.20 billion.

However, risk weighted assets expanded sharply to UGX 656.42 billion from UGX 350.86 billion, effectively diluting capital ratios.

Core capital to risk weighted assets dropped to 22.73 percent from 36.75 percent, while total capital to risk weighted assets declined to 23.15 percent from 37.34 percent.

More critically, auditors highlighted that the bank's paid up capital of UGX 149.2 billion remained below the regulatory minimum requirement of UGX 150 billion, placing it just under the threshold and raising questions about capital adequacy as growth continues.

Asset quality trends add another layer to the story. Non performing loans and other assets rose significantly to UGX 8.01 billion from UGX 940 million, an increase that suggests emerging stress within the loan portfolio.

Interest in suspense grew to UGX 361.64 million from UGX 116.99 million, while bad debts written off declined slightly to UGX 878.08 million from UGX 1.01 billion.

Large loan exposures reduced

to UGX 122.96 billion from UGX 136.66 billion, which may indicate some risk rebalancing, while insider loan exposures increased to UGX 2.39 billion from UGX 2.05 billion.

Although the absolute levels remain manageable relative to total lending, the pace of increase in non performing assets will likely attract closer scrutiny.

Off balance sheet exposures also expanded, reflecting the bank's growing role in trade and corporate finance.

Contingent liabilities rose to UGX 125.46 billion from UGX 76.13 billion, driven largely by guarantees and performance bonds amounting to UGX 120.57 billion, up from UGX 74.65 billion. Letters of credit increased to UGX 4.89 billion from UGX 1.48 billion.

Commitments grew to UGX 62.20 billion from UGX 49.67 billion, with undrawn standby facilities rising to UGX 49.87 billion and undrawn credit lines standing at UGX 12.33 billion.

These exposures, while not immediately reflected on the balance sheet, represent potential future obligations and underline the scale of the bank's involvement in facilitating trade and investment.

Management attributes the year's performance to a combination of digital transformation, regional integration, and targeted

sector financing.

The continued rollout of mobile banking, agency banking, and platforms such as Omni Plus has improved customer engagement and operational efficiency.

At the same time, the bank's positioning as a pan African trade facilitator has strengthened its role in cross border transactions, while initiatives targeting small and medium enterprises, women entrepreneurs, and key economic sectors have broadened its client base.

Looking ahead, the bank signals a continued focus on growth, transformation, and returns in 2026, with ambitions to deepen its role in financing Uganda's development priorities and expanding regional trade.

However, the path forward will require careful balancing. The pace of asset growth, rising non performing loans, and declining capital ratios all point to the need for stronger capital buffers and tighter risk management.

Ecobank Uganda's 2025 results ultimately tell a story of a bank in expansion mode, capturing opportunities in a growing economy while testing the limits of its balance sheet. The coming year will determine whether this momentum can be sustained with discipline, or whether the pressures now emerging will force a recalibration of strategy.