

# Ecobank Ghana Limited

Consolidated Financial Statements (un-audited) for the period ended 30th June, 2016

(All amounts are in thousands of Ghana cedis unless otherwise stated)

## Key ratios

|                                   |        |
|-----------------------------------|--------|
| Cost to Income                    | 44.21% |
| Return on Average Assets          | 6.24%  |
| Non Funded Income to Total Income | 25.13% |

## Statements of comprehensive income

(All amounts are in thousands of Ghana cedis unless otherwise stated)

|   | Group<br>2016  | Group<br>2015  | Bank<br>2016   | Bank<br>2015   |
|---|----------------|----------------|----------------|----------------|
| Interest income   | 533,312        | 398,735        | 506,033        | 384,964        |
| Interest expense  | (92,077)       | (64,461)       | (75,064)       | (58,105)       |
| <b>Net interest income</b>  | <b>441,235</b> | <b>334,274</b> | <b>430,969</b> | <b>326,859</b> |
| Fee and commission income   | 81,787         | 106,750        | 81,386         | 100,449        |
| Fee and commission expense  | (1,742)        | (2,119)        | (1,742)        | (2,119)        |
| <b>Net fees and commission income</b>                                 | <b>80,045</b>  | <b>104,631</b> | <b>79,644</b>  | <b>98,330</b>  |
| Lease income  | 2,643          | 1,456          | 2,643          | 1,456          |
| Net trading income  | 58,858         | 59,619         | 58,823         | 56,173         |
| Other Revenue   | 4,285          | 548            | 4,281          | 308            |
| <b>Revenue</b>  | <b>589,366</b> | <b>500,537</b> | <b>578,660</b> | <b>483,135</b> |
| Impairment charge on loans and advances                               | (27,509)       | (15,255)       | (27,509)       | (15,255)       |
| Operating expenses  | (260,532)      | (203,894)      | (260,317)      | (198,829)      |
| <b>Operating profit</b>   | <b>301,325</b> | <b>281,388</b> | <b>290,834</b> | <b>269,051</b> |
| Share of profit of associates (net of tax)                            | 415            | 435            | -              | -              |
| <b>Profit before income tax</b>                                       | <b>301,740</b> | <b>281,823</b> | <b>290,834</b> | <b>269,051</b> |
| Income tax  | (75,056)       | (71,774)       | (71,681)       | (65,988)       |
| National fiscal stabilisation levy                                    | (15,087)       | (14,091)       | (14,542)       | (13,453)       |
| <b>Profits after tax</b>  | <b>211,597</b> | <b>195,958</b> | <b>204,611</b> | <b>189,610</b> |
| <b>Other Comprehensive Income</b>                                     |                |                |                |                |
| <i>Items that may be reclassified subsequently to profit or loss:</i> |                |                |                |                |
| Change in value of available for sale investment securities           | 839            | (693)          | 760            | (598)          |
| Income tax relating to components of other comprehensive income       | (210)          | 173            | (190)          | 150            |
| <b>Other comprehensive income for the year, net of tax</b>            | <b>629</b>     | <b>(520)</b>   | <b>570</b>     | <b>(449)</b>   |
| <b>Total comprehensive income for the year</b>                        | <b>212,226</b> | <b>195,438</b> | <b>205,181</b> | <b>189,162</b> |
| <b>Profit for the year attributable to:</b>                           |                |                |                |                |
| Equity holders of the Bank  | 211,597        | 195,958        | 204,611        | 189,610        |
| <b>Comprehensive income for the year attributable to:</b>             |                |                |                |                |
| Equity holders of the Bank  | 212,226        | 195,438        | 205,181        | 189,162        |
| <b>Earnings per share</b>   |                |                |                |                |
| Earnings per share (annualised) Basic and Undiluted                   | 1.44           | 1.34           | 1.40           | 1.29           |

## Statements of financial position

(All amounts are in thousands of Ghana cedis unless otherwise stated)

|  | Group<br>2016    | Group<br>2015    | Bank<br>2016     | Bank<br>2015     |
|--|------------------|------------------|------------------|------------------|
| <b>At 30th June</b>  |                  |                  |                  |                  |
| Cash and balances with Bank of Ghana                           | 726,685          | 911,366          | 725,623          | 911,366          |
| Government Securities  | 496,879          | 386,284          | 550,626          | 343,852          |
| Loans & advances to banks                                      | 1,135,608        | 1,261,008        | 1,120,792        | 1,342,902        |
| Loans & advances to customers                                  | 3,575,155        | 3,571,735        | 3,575,957        | 3,578,908        |
| Investment securities: available for sale                      | 238,392          | 290,860          | 216,392          | 290,860          |
| Investment in subsidiaries                                     | -                | -                | 16,673           | 16,673           |
| Investment in associates                                       | 7,802            | 5,175            | 4,841            | 4,841            |
| Intangible assets  | 6,915            | 10,362           | 6,915            | 10,362           |
| Deferred tax   | 986              | 3,669            | 986              | 3,669            |
| Property and equipment   | 343,955          | 202,880          | 343,957          | 202,880          |
| Other assets   | 199,439          | 199,073          | 98,493           | 112,231          |
| <b>Total Assets</b>  | <b>6,731,816</b> | <b>6,842,412</b> | <b>6,661,255</b> | <b>6,818,544</b> |
| Deposits from banks  | 351,596          | 174,474          | 408,083          | 546,875          |
| Customer deposits  | 4,677,059        | 5,257,648        | 4,536,997        | 4,842,562        |
| Other liabilities  | 531,253          | 325,350          | 564,664          | 371,099          |
| Income tax   | 2,666            | 8,720            | 2,666            | 8,720            |
| Borrowings   | 314,203          | 313,489          | 309,517          | 307,486          |
| <b>Total liabilities</b>                                       | <b>5,876,777</b> | <b>6,079,681</b> | <b>5,821,927</b> | <b>6,076,742</b> |
| <b>Equity and reserves</b>                                     |                  |                  |                  |                  |
| Stated capital   | 226,641          | 226,641          | 226,641          | 226,641          |
| Income surplus account   | 263,239          | 228,107          | 247,176          | 206,367          |
| Revaluation reserve  | 57,390           | 55,676           | 58,231           | 56,947           |
| Statutory reserve fund   | 282,412          | 241,443          | 281,923          | 240,983          |
| Regulatory credit risk reserve                                 | 25,357           | 10,864           | 25,357           | 10,864           |
| <b>Total equity attributable to equity holders of the Bank</b> | <b>855,039</b>   | <b>762,731</b>   | <b>839,328</b>   | <b>741,802</b>   |
| <b>Total liabilities and equity</b>                            | <b>6,731,816</b> | <b>6,842,412</b> | <b>6,661,255</b> | <b>6,818,544</b> |

## Statements of Cashflows

(All amounts are in thousands of Ghana cedis unless otherwise stated)

|  | Group<br>2016    | Group<br>2015    | Bank<br>2016     | Bank<br>2015     |
|--|------------------|------------------|------------------|------------------|
| <b>For the period ended 30th June</b>  |                  |                  |                  |                  |
| <b>Cashflow from operating activities</b>  |                  |                  |                  |                  |
| Interest paid  | (90,512)         | (66,997)         | (74,484)         | (57,886)         |
| Interest received  | 548,615          | 372,733          | 456,102          | 303,851          |
| Net fees and commissions   | 82,869           | 104,631          | 82,467           | 98,330           |
| Other income received  | 4,285            | 548              | 4,281            | 308              |
| Net trading income   | 55,594           | 53,067           | 55,608           | 50,056           |
| Lease income   | 2,643            | 1,456            | 2,643            | 1,456            |
| Payments to employees and suppliers  | (238,993)        | (192,484)        | (227,814)        | (180,853)        |
| Corporate tax and national stabilisation levy paid   | (70,118)         | (77,862)         | (68,302)         | (76,149)         |
| <b>Cashflow from operating activities before changes in operating assets and liabilities</b> | <b>296,683</b>   | <b>195,101</b>   | <b>232,800</b>   | <b>139,122</b>   |
| <b>Changes in operating assets and liabilities</b>   |                  |                  |                  |                  |
| Loans and advances   | (501,116)        | (657,586)        | (491,767)        | (756,304)        |
| Other assets   | (185,808)        | 28,002           | (68,830)         | 24,730           |
| Customer deposits  | (162,457)        | 1,023,214        | (128,096)        | 814,438          |
| Other liabilities  | (154,657)        | (91,190)         | (109,505)        | 47,502           |
| Mandatory Reserves   | 21,006           | (2,532)          | 21,006           | (2,532)          |
| <b>Net cash generated from operating activities</b>  | <b>(983,032)</b> | <b>299,908</b>   | <b>(777,192)</b> | <b>127,834</b>   |
| <b>Cash flow from investing activities</b>   |                  |                  |                  |                  |
| Purchase of property and equipment   | (91,122)         | (68,949)         | (91,122)         | (68,949)         |
| Purchase of software   | (669)            | (6,520)          | (669)            | (6,520)          |
| Proceeds from sale of equipment  | 146              | 86               | 146              | 86               |
| Purchase of government securities  | (3,470,782)      | (729,358)        | (3,372,491)      | (729,358)        |
| Proceeds from the sale of government securities  | 4,001,255        | 759,616          | 3,861,156        | 759,616          |
| <b>Net cash from investing activities</b>  | <b>438,828</b>   | <b>(45,125)</b>  | <b>397,020</b>   | <b>(45,125)</b>  |
| <b>Cash flow from financing activities</b>   |                  |                  |                  |                  |
| Repayment of borrowed funds  | (17,840)         | (13,085)         | (17,840)         | (23,419)         |
| <b>Net cash generated from/(used in) financing activities</b>                                | <b>(264,152)</b> | <b>(158,352)</b> | <b>(264,152)</b> | <b>(149,684)</b> |
| <b>Net gain on exchange rate changes on cash and cash equivalents</b>                        |                  |                  |                  |                  |
| <b>Net increase (decrease) in cash and cash equivalents</b>                                  | <b>(511,673)</b> | <b>291,532</b>   | <b>(411,525)</b> | <b>72,147</b>    |
| Cash and cash equivalents at beginning of year   | 1,511,559        | 1,371,189        | 1,322,256        | 1,172,575        |
| Effect of exchange rate fluctuations on cash and cash equivalents                            | (3,719)          | (83,219)         | (3,719)          | (83,219)         |
| <b>Cash and cash equivalents at end of the period</b>  | <b>996,167</b>   | <b>1,579,502</b> | <b>907,012</b>   | <b>1,161,503</b> |

## Disclosures

- The consolidated financial statements have been prepared in accordance with International Financial Reporting standards.
- The accounting policies applied in the preparation of these financial statements were consistent with those applied in the preparation of the annual consolidated statements of 31 December 2015.

### 3. Contingent liabilities

|   | Group<br>2016<br>GHS 000 | Group<br>2015<br>GHS 000 | Bank<br>2016<br>GHS 000 | Bank<br>2015<br>GHS 000 |
|---|--------------------------|--------------------------|-------------------------|-------------------------|
| Guarantees, indemnities and letters of credit | 715,775                  | 1,303,593                | 715,775                 | 1,303,593               |

### 4. Quantitative disclosures

- Capital Adequacy ratio: 13.61% (2016) / 13.10% (2015)
- Non-performing loan ratio: 17.50% (2016) / 1.54% (2015)

### 5. Qualitative Disclosures

- Default in statutory liquidity (times): Nil (2016) / Nil (2015)
- Default in statutory liquidity sanction (GHC'000): Nil (2016) / Nil (2015)

The financial statements do not contain any untrue statement, misleading facts or omit material facts, to the best of my knowledge.

Signed

Morgan Fianko Asiedu  
Executive Director

Signed

George Mensah-Asante  
Executive Director