



PRESS RELEASE

PR. No 189/2014

**SOCIETE GENERALE GHANA (SOGEGH) -
UN-AUDITED FINANCIAL STATEMENTS FOR THE
HALF YEAR ENDED JUNE 30, 2014**

SOGEGH has released its un-audited Financial Statements for the half year ended June 30, 2014 as per the attached.

Issued in Accra, this 29th
day of July, 2014.

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, SOGEGH
4. NTHC Registrars, (Registrars for SOGEGH shares)
5. GSE Securities Depository
6. SEC
7. GSE Council Members
8. GSE Notice Board

For enquiries, contact:

General Manager/Head of Listings, GSE on 669908, 669914, 669935

*HBM

SOCIETE GENERALE GHANA
2014 HALF YEAR UNAUDITED
FINANCIAL STATEMENTS

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2014**

	2014 GH¢	2013 GH¢
Revenue	<u>125,908,204</u>	<u>82,051,051</u>
Interest & Similar Revenue	81,123,842	54,392,551
Interest & Similar Sxpense	<u>(18,267,150)</u>	<u>(9,156,165)</u>
Net Interest Income	<u>62,856,692</u>	<u>45,236,386</u>
Fees & Commission Revenue	25,257,875	19,800,414
Fees & Commission Expense	<u>(3,922,148)</u>	<u>(2,883,342)</u>
Net Commission Income	<u>21,335,727</u>	<u>16,917,072</u>
Forex Trading Revenue	8,048,830	5,820,779
Other Operating Income	<u>11,477,658</u>	<u>2,037,306</u>
Total Other Operating Income	<u>19,526,488</u>	<u>7,858,085</u>
Total Operating Income	<u>103,718,907</u>	<u>70,011,543</u>
Credit Loss Expenses	<u>(18,410,146)</u>	<u>(3,443,752)</u>
Net Operating Income	<u>85,308,761</u>	<u>66,567,791</u>
Personnel Expenses	<u>(31,019,343)</u>	<u>(26,144,322)</u>
Depreciation	<u>(3,196,683)</u>	<u>(2,458,406)</u>
Amortisation	<u>(285,374)</u>	<u>(512,927)</u>
Other Operating Expenses	<u>(24,995,014)</u>	<u>(16,075,250)</u>
Total Operating Expenses	<u>(59,496,414)</u>	<u>(45,190,905)</u>
Profit before Tax	<u>25,812,347</u>	<u>21,376,886</u>
Income Tax Expenses	<u>(5,168,611)</u>	<u>(5,846,432)</u>
National Reconstruction Levy	<u>(1,290,617)</u>	<u>-</u>
Profit for the Year	<u>19,353,119</u>	<u>15,530,454</u>
Other Comprehensive Income	<u>(508,482)</u>	<u>433,900</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>18,844,637</u>	<u>15,964,354</u>
Earnings Per Share:		
Equity shareholders of the Bank Basics (GH¢)	GH¢0.1160	GH¢ 0.0930

SOCIETE GENERALE GHANA
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**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2014**

	2014	2013
	GH¢	GH¢
Assets		
Cash and Balances with Bank of Ghana	194,180,555	98,629,425
Due from other banks and financial institutions	108,225,885	145,049,537
Financial Investments	89,623,944	55,403,431
Other Assets	21,346,856	17,342,854
Loans and Advances to Customers	892,659,350	639,856,285
Assets classified as held for sale	3,240,393	-
Investment in Associate	-	3,240,393
Unquoted Equity Investments	406,500	408,223
Current Tax Assets	1,954,305	1,964,799
National Stabilization Levy	-	195,653
Long Term Operating Lease Prepaid	3,707,500	3,855,800
Property, Plant and Equipment	77,675,130	75,461,416
Intangible Assets	1,473,322	509,214
Deferred Tax	1,045,908	152,593
Total Assets	<u>1,395,539,648</u>	<u>1,042,069,623</u>
Liabilities		
Customer Deposits	1,031,477,869	809,361,586
Due to Banks & Other Financial Institutions	87,983,002	8,108,566
Interest Payable and Other Liabilities	83,366,318	52,114,919
National Stabilization Levy	125,082	-
Total Liabilities	<u>1,202,952,271</u>	<u>869,585,071</u>
Shareholders' Fund		
Stated Capital	62,393,558	62,393,558
Share Deals Account	2,943,755	2,943,755
Capital Surplus	23,923,921	31,752,462
General Regulatory Credit Reserve	20,142,588	10,046,928
Income Surplus Account	24,369,784	16,210,662
Statutory Reserve Fund	55,353,272	45,306,558
Other Reserves	3,460,499	3,830,629
Total Shareholders' Fund	<u>192,587,377</u>	<u>172,484,552</u>
Total Liabilities and Shareholders' Fund	<u>1,395,539,648</u>	<u>1,042,069,623</u>

SOCIETE GENERALE GHANA
2014 HALF YEAR UNAUDITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2014

	2014 GH ¢	2013 GH ¢
OPERATING ACTIVITIES		
Operating Profit before Taxation	25,812,348	21,376,886
Adjustments for:		
Depreciation	3,196,683	2,458,406
Amortisation	285,374	512,927
Long term Operating Lease Amortization	74,150	74,150
Provision for Share Option Payment	100,080	100,080
Unrealized Gains/ Losses	(4,423,336)	(845,567)
Profit on Sales of Property, Plant and equipment	(5,661,476)	(103,552)
Other Non Cash Movement	262,369	71,392
Operating Profit before Working Capital Changes	<u>19,646,192</u>	<u>23,644,722</u>
Increase in Other Assets	(7,010,847)	(9,808,340)
Increase in Other Liabilities	22,117,400	12,513,290
Increase / (Decrease) in Customer Deposit	105,348,266	(49,723,619)
Increase in Loans and Advances to customers	(152,256,439)	(119,756,025)
Decrease in Government Securities	49,460,904	65,608,473
Increase / (Decrease) Amount due to Banks and Other Financial Institutions	52,509,633	(12,316,842)
Changes in Working Capital	<u>70,168,917</u>	<u>(113,483,063)</u>
Cash from Operations	<u>89,815,109</u>	<u>(89,838,341)</u>
Income Tax Paid	(3,457,875)	(5,604,867)
National Stabilization Levy Paid	(172,894)	-
Net Cash Flow from Operating Activities	<u>86,184,340</u>	<u>(95,443,208)</u>
INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(5,944,665)	(10,617,592)
Purchase of Intangible Assets	(771,116)	(310,995)
Proceeds from Sale of Property, Plant and Equipment	12,657,847	637,307
Net Cash Used in Investing Activities	<u>5,942,066</u>	<u>(10,291,280)</u>
FINANCING ACTIVITIES		
Dividend Paid	(20,033,634)	(13,355,756)
Net Cash Used in Financing Activities	<u>(20,033,634)</u>	<u>(13,355,756)</u>
Increase in Cash & Cash Equivalents	72,092,772	(119,090,244)
Net Foreign Exchange Difference	4,641,558	854,652
Cash & Cash Equivalents as at 1 January	225,672,111	361,914,554
Cash & cash equivalents as at 30th June 2013	<u>302,406,441</u>	<u>243,678,962</u>

**SOCIETE GENERALE GHANA
2014 HALF YEAR UNAUDITED
FINANCIAL STATEMENTS**

**STATEMENT OF CHANGES IN EQUITY
AS AT 30TH JUNE 2014**

JUNE 2014

	Stated capital GHC	Income surplus GHC	Capital surplus GHC	Share Deals Account GHC	Statutory Reserve Fund GHC	General Regulatory Credit Reserve GHC	Other Reserves GHC	Total Equity holders of the Bank GHC
Balance as at 1st January 2013	62,393,558	35,978,519	30,712,284	2,943,755	50,514,992	7,264,285	3,893,920	193,701,313
Movements during the Period	-	-	-	-	-	-	-	-
Total Comprehensive income	-	19,353,119	-	-	-	-	(508,482)	18,844,637
Revaluation Gain on Assets Disposed	-	6,788,363	(6,788,363)	-	-	-	-	-
Other Movements in Equity	-	-	-	-	-	-	-	-
Share Based Option Payments	-	-	-	-	-	-	75,061	75,062
Dividend paid	-	(20,033,634)	-	-	-	-	-	(20,033,634)
Transfer to Statutory Reserve	-	(4,838,280)	-	-	4,838,280	-	-	-
Transfer to General Regulatory Credit Reserve	-	(12,878,303)	-	-	-	12,878,303	-	-
Balance as at 30th June 2013	62,393,558	24,369,784	23,923,921	2,943,755	55,353,272	20,142,588	3,460,499	192,587,378

JUNE 2013

	Stated capital GHC	Income surplus GHC	Capital surplus GHC	Share Deals Account GHC	Statutory Reserve Fund GHC	General Regulatory Credit Reserve GHC	Other Reserves GHC	Total Equity holders of the Bank GHC
Balance as at 1st January 2013	62,393,558	18,987,445	32,229,381	2,943,755	41,423,944	8,820,873	3,015,349	169,814,305
Prior Year Adjustment	-	(319,731)	-	-	-	-	319,731	-
Movements during the Period	-	-	-	-	-	-	-	-
Total Comprehensive income	-	15,530,454	-	-	-	-	433,900	15,964,354
Revaluation Gain on Assets Disposed	-	476,919	(476,919)	-	-	-	-	-
Other Movements in Equity	-	-	-	-	-	-	-	-
Share Based Option Payments	-	-	-	-	-	-	61,649	61,649
Dividend paid	-	(13,355,756)	-	-	-	-	-	(13,355,756)
Transfer to Statutory Reserve	-	(3,882,614)	-	-	3,882,614	-	-	-
Transfer to General Regulatory Credit Reserve	-	(1,226,055)	-	-	-	1,226,055	-	-
Balance as at 30th June 2013	62,393,558	16,210,662	31,752,462	2,943,755	45,306,558	10,046,928	3,830,629	172,484,552

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



KOFI AMPIM

CHARIMAN



GILBERT HIE

MANAGING DIRECTOR

COMPLIANCE WITH IFRS

The financial statements of the Bank for the year ended 30 June 2014 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year

BASIS OF PREPARATION

The financial statements of the Bank have been prepared on a historical cost basis, except for available for sale investments, other financial assets and financial liabilities held for trading which is at fair value.

QUANTITATIVE DISCLOSURES

		2014	2013
a.	Capital Adequacy Ratio	12.01%	15.65%
b.	Non-Performing Loan Ratio	15.27%	6.78%

QUALITATIVE DISCLOSURES

• RISK MANAGEMENT

1. The Bank is exposed to the following risks: credit, liquidity, interest rate, market and other operational risks.
2. The risks inherent in the Bank's activities are managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities.
3. The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles. In addition, there are Risk Committees that have the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limit.

• REGULATORY BREACHES

		2014	2013
a.	Default in Statutory Liquidity (Times)	Nil	Nil
b.	Default in Statutory Liquidity Sanction (GH¢)	Nil	Nil

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies Code, 1963 (Act 179) requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the profit or loss for that year.

In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and to apply them consistently
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures, disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for ensuring that the Bank. keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Code 1963 (Act 179). They are also responsible for safeguarding the assets of the company and hence for taking steps for the prevention and detection of fraud and other irregularities.