



PRESS RELEASE

PR. No 116/2016

**ECOBANK TRANSNATIONAL INCORPORATED (ETI) -
PROFIT BEFORE TAX OF \$104 MILLION ON REVENUE OF \$502 MILLION
FOR THE THREE MONTHS ENDING 31 MARCH, 2016**

ETI has released the attached announcement for the information of the general investing public.

Issued at Accra, this 14th
day of April, 2016.

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, ETI
4. SEC
5. Central Securities Depository
7. GSE Council Members
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ECOBANK GROUP REPORTS PROFIT BEFORE TAX OF \$104 MILLION ON REVENUE OF \$502 MILLION FOR THE THREE MONTHS ENDED 31 MARCH 2016

Lomé, 14 April 2016 – The Ecobank Group today reported profit before tax of \$104 million on revenue of \$502 million for the three months ended 31 March 2015. This compared to \$155 million and \$534 million for the first quarter of 2015 respectively.

Financial highlights:

- Attributable profit to ETI shareholders of \$71 million, compared to a loss of \$200 million on a linked-quarter (LQ¹) basis
- Diluted earnings per share of 0.30 US cents compared to 0.46² US cents in March 2015
- Revenue of \$502 million, down 6% year-on-year and 1% on a linked-quarter basis (constant dollars revenue of \$531 million)
- Profit before tax and impairment losses of \$170 million, down 14% year-on-year; up 3% on a linked-quarter basis (constant dollars of \$181 million)
- Profit before tax of \$104 million, down 33% year-on-year; compared to a loss of \$193 on a linked-quarter basis (constant dollars of \$112 million)
- Cost-income ratio of 66.1% (62.7% in 2014)
- Return on average total assets (ROAA) of 1.4% and return on average equity (ROAE) of 12.9%
- Net customer loans of \$11.1 billion, down \$505 million, or 4%, (down 4% in constant dollars to \$11.2 billion)
- Customer deposits of \$15.9 billion, up \$245 million, or 2%, (up 2% in constant dollars to \$16.0 billion)
- Basel I Tier 1 capital ratio of 20.6% and total capital adequacy ratio (CAR) of 23.9%

Group CEO Ade Ayeyemi said: “Our results for the first quarter was a reasonable performance in light of the very difficult and tough operating market conditions.

“Despite the challenges our clients continue to face, our diversified business model, which is a source of competitive strength and stability, allows us to continue to serve and support them in many ways in and across regions in Middle Africa. With our revised strategy and a simplified operating model we aim to be more efficient in running our businesses and serving our customers.

“Cost discipline remains a priority, especially in a revenue challenged environment. Despite a slight deterioration in our cost-income ratio to 66.1%, we remain focused on reducing cost, while simultaneously investing in people, processes and systems, for the future.”

Mr. Ayeyemi concluded: “We remain vigilant as we continue to navigate the company through this challenging period. We are confident in our strategic plan aimed at ensuring we generate sustainable long-term performance.”

¹ Linked-quarter is comparing the three months ended 31 March 2016 (1Q16) to the three months ended Dec. 2015 (4Q15)

² Earnings per share for 2015 has been adjusted to reflect the 1-for-15 bonus issue of July 2015 as required by International Accounting Standard 33 –Earnings per share (IAS 33)

ECOBANK GROUP FINANCIAL PERFORMANCE SUMMARY

Three months ended 31 March (in millions of USD)	2016	2015	YoY	In Constant \$
				2016
Net interest income	285	276	3%	299
Non-interest revenue	217	258	(16%)	232
Net revenue	502	534	(6%)	531
Operating expenses	332	335	(1%)	350
Profit before tax and impairment losses	170	199	(14%)	181
Impairment losses	67	44	53%	69
Profit before tax	104	155	(33%)	112
Profit after tax	82	126	(35%)	88
Basic EPS (US cents)	0.30	0.46		
Diluted EPS (US cents)	0.30	0.44		
Basel I Tier 1 capital ratio	20.6%	17.2%		
Total capital adequacy ratio (CAR)	23.9%	19.4%		
Return on average total assets (ROAA) ¹	1.4%	2.1%		
Return on average total equity (ROAE) ²	12.9%	19.3%		
Net interest margin (NIM)	7.1%	7.0%		
Cost-income ratio (CIR)	66.1%	62.7%		

Note : Selected income statement lines only and totals may not sum up. (1) ROAA is calculated as the Group's profit for the year divided by average end-of-period total assets (2) ROAE calculated as the Group's profit for the year divided by average end-of-period total equity

Profit after tax was \$82 million, a decrease of \$44 million, or 35%, from the prior year period. In constant dollars, profit decreased 28%. Profit attributable to owners of ETI was \$71 million, a decrease of \$40 million, or 36% from the prior year period.

Net revenue was \$502 million, a decrease of \$32 million, or 6%. In constant dollars, revenue was down 1% to \$531 million. Revenue growth was impacted by a challenging business operating environment brought on by continued fiscal and monetary challenges in most Middle African economies.

Net interest income was \$285 million, an increase of \$9 million, or 3%, reflecting an efficient mix of earning assets on favourable yields. In constant dollars, net interest income was \$299 million, up 8%.

Non-interest revenue was \$217 million, a decrease of \$40 million, or 16%. In constant dollars, noninterest revenue decreased 10% to \$232 million, a reflection of the adverse impact of fiscal and macroeconomic challenges on households and businesses.

Operating expenses were \$332 million, a decrease of \$3 million, or 1%, reflecting continuing efforts to reduce costs.

Impairment losses for the quarter were \$67 million, compared to \$44 million in the prior year quarter. Impairment charges on loans and advances were \$62 million, compared to \$42 million in March 2015. The current quarter's impairments reflect the elevated credit risk environment. The annualised cost-of-risk was 2.1% compared to 1.4% in the prior year period.

Selected Balance Sheet Information

Period As At: (in billions of USD)	31 Mar 2016	31 Dec 2015	31 Mar 2015
Gross loans	11.85	11.86	11.94
Less: allowance for impairments	0.76	0.66	0.34
Net loans	11.09	11.20	11.60
Customer deposits	15.89	16.43	15.64
Total assets	23.24	23.55	22.67
Shareholders' equity	2.36	2.35	2.45
Total equity	2.55	2.52	2.66
Risk weighted assets (RWA)	15.04	15.13	16.58
Loans-to-deposits ratio	74.6%	72.2%	76.3%

Customer loans (net) were \$11.1 billion at 31 March 2016, compared to \$11.2 billion, and \$11.6 billion, at 31 December 2015 and 31 March 2015, respectively. Customer loans decreased by \$505 million, or 4%, year-on-year, and 1% year-to-date. In constant dollars, loans decreased 4% to \$11.2 billion year-on-year, primarily driven by our cautious and selective approach to underwriting in the current market conditions.

Customer deposits were \$15.9 billion at 31 March 2016, compared to \$16.4 billion, and \$15.6 billion, at 31 December and 31 March 2015, respectively. Deposits increased \$247 million, or 2%, year-on-year, but down 3% year-to-date. In constant dollars, deposits were up 2% year-on-year, to \$16.0 billion.

Capital levels remained healthy, with Basel I Tier 1 Capital of \$3.1 billion and Tier 1 capital ratio of 20.6%. Risk-weighted assets (RWA) were \$15.1 billion flat compared to \$15.1 billion at December 2015 and down from \$16.2 billion at March 2015.

Asset Quality

In millions of USD

	31 Mar 2016	31 Dec 2015	31 Mar 2015
For the three months ended:			
Impairment losses:			
On loans & advances	62	277	42
On other assets	5	79	2
Impairment losses on financial assets	67	357	44
<i>Cost-of-risk⁽¹⁾</i>	2.08%	3.48%	1.40%
As at:	31 Mar 2016	31 Dec 2015	31 Mar 2015
Non-performing loans (NPLs)	1,069	967	542
Allowance for impairment losses	762	657	340
NPL ratio	9.0%	8.2%	4.5%
NPL coverage ratio	71.3%	67.9%	62.7%

Net impairment losses on loans were \$62 million compared to \$42 million in the prior year period. The higher impairments in the quarter reflect an increase in non-performing loans and, generally, a heightened credit risk environment.

Non-performing loans were \$1.1 billion, up \$527 million a year ago and \$102 million from the preceding quarter. The non-performing loans coverage ratio was 71.3% compared with 62.7% in March 2015.

GEOGRAPHICAL CLUSTER FINANCIAL PERFORMANCE

Ecobank's operations in Africa are grouped into four geographical clusters. These are **Nigeria, UEMOA, WAMZ, CESA (Central Africa, Eastern Africa and Southern Africa)**.

The financial results presented for each Cluster have **not been adjusted for consolidation eliminations**, and do not include **eProcess** (the Group's shared services centre subsidiary) or parent company ETI.

NIGERIA				
Three months ended 31 March (in millions of USD)	2016	2015	YoY	In Constant \$
				2016
Net revenue	202	228	(11%)	205
Operating expenses	124	136	(8.6%)	126
Profit before tax and impairment losses	78	92	(15%)	79
Impairment losses	37	25	46%	37
Profit after tax	40	65	(39%)	42
Customer loans (net)	4,047	4,585	(12%)	4,033
Total assets	8,913	9,414	(5.3%)	8,882
Customer deposits	5,495	5,833	(5.8%)	5,476

Highlights

Nigeria¹ profit after tax was \$40 million, down \$25 million, or 39%, from the prior year.

Net revenue was \$202 million, down \$26 million, or 11%. In constant dollars, net revenue was \$205 million, down 10% from the prior year period. Net interest income was up 6% on higher yields. Non-interest revenue decreased 31%, reflecting the tough operating environment brought on by lower oil prices.

Operating expenses were \$124 million, down \$12 million, or 9%. In constant dollars, operating expenses were down 7% to \$126 million, reflecting cost reduction gains. The cost-income ratio was 61.5%, compared to 59.7% in the prior year quarter, reflecting, weak revenue generation.

Impairment losses on loans were \$37 million, up 46%, reflecting an elevated credit risk environment. The non-performing loans ratio was 11.8% in the quarter compared to 3.7% in the prior year.

UEMOA				
Three months ended 31 March (in millions of USD)	2016	2015	YoY	In Constant \$
				2016
Net revenue	108	106	1.8%	108
Operating expenses	69	65	6.1%	69
Profit before tax and impairment losses	39	41	(4.8%)	39
Impairment losses	13	9	50%	13
Profit after tax	24	28	(13%)	24
Customer loans (net)	3,488	3,357	3.9%	3,296
Total assets	6,729	5,697	18%	6,359
Customer deposits	5,141	4,419	16%	4,859

Highlights

UEMOA² profit after tax was \$24 million, a decrease of \$3.9 million, or 14%, from the prior year period.

Net revenue was \$108 million, up \$1.7 million, or 2%. In constant dollars, revenue was \$108 million, up \$2.2 million, or 2%. Net interest income increased 3% on marginal volume growth and non-interest revenue was flat compared to prior year period.

Operating expenses increased \$3.9 million, or 6%, to \$69 million. In constant dollars it was up \$3.9 million, or 6% to \$69 million, reflecting higher staff-related expenses.

Impairment losses were \$13 million in the quarter, compared to \$9 million in the prior year quarter. The impairments in the current quarter were driven by loan portfolio reviews. The non-performing loan ratio was 9%, compared with 5.1% in the prior year period.

WAMZ				
Three months ended 31 March (in millions of USD)	2016	2015	YoY	In Constant \$
				2016
Net revenue	90	92	(2.1%)	100
Operating expenses	47	46	3.7%	53
Profit before tax and impairment losses	43	46	(7.9%)	48
Impairment losses	7.5	2.5	199%	8
Profit after tax	24	30	(20%)	27
Customer loans (net)	1,136	1,157	(1.9%)	1,206
Total assets	2,697	2,634	2.4%	2,849
Customer deposits	1,876	1,960	(4.3%)	1,994

Highlights

WAMZ profit after tax was \$24 million, a decrease of \$6 million, or 20%, from the prior year.

Net revenue was \$90 million, down \$2.0 million, or 2%. In constant dollars, net revenue increased \$8 million, or 9%, to \$100 million. Net interest income was down marginal, but up 10% in constant dollars, driven by volume growth. Non-interest revenue was down 4%, up 7% in constant dollars, driven by fees and commissions.

Operating expenses were \$47 million, an increase of \$1.7 million, or 4%, primarily driven by inflation. In constant dollars, operating expenses were up \$7 million, or 15%. The cost-income ratio was 52.5%, compared to 49.5%, a year ago.

Impairment losses were \$7.5 million in the quarter, compared to \$2.5 million in the prior year period. The non-performing loan ratio increased to 4.3% from 3.5% a year ago.

CESA				
Three months ended 31 March (in millions of USD)	2016	2015	YoY	In Constant \$
				2016
Net revenue	92	95	(3.9%)	109
Operating expenses	68	68	1.1%	80
Profit before tax and impairment losses	23	28	(16%)	29
Impairment losses	6	7	(14%)	6
Profit after tax	12	13	(6.4%)	15
Customer loans (net)	2,204	2,197	0.3%	2,460
Total assets	4,203	4,070	3.3%	4,798
Customer deposits	3,159	3,159	0.0%	3,469

Highlights

CESA profit after tax was \$12 million, down \$0.8 million, or 6%, from the prior year period.

Net revenue was \$92 million, down \$4 million, or 4%. In constant dollars, net revenue was up \$14 million, or 14%. Net interest income was increased 5% to \$48 million, and in constant dollars was up 19% to \$54 million, primarily driven by growth in interest earning assets. Non-interest revenue, decreased \$6 million, or 12%, but was up \$5 million, or 10%, in constant dollars.

Operating expenses were \$68 million, flat on prior year period. In constant dollars, operating expenses increased \$13 million, or 19% to \$80 million.

Impairment losses for the quarter were \$6 million, down \$1.0 million, or 14%. The non-performing loan ratio was 7.1% at the end of the quarter, compared to 6.5% in the prior year quarter.

About Ecobank: Incorporated in Lomé, Togo, Ecobank Transnational Incorporated (ETI) is the parent company of the leading independent pan-African banking Group, Ecobank, present in 36 African countries. The Ecobank Group is also represented in France through its subsidiary EBI SA in Paris. ETI also has representative offices in Dubai-United Arab Emirates, London-UK, Beijing-China, Johannesburg-South Africa, and Addis Ababa-Ethiopia. ETI is listed on the stock exchanges in Lagos, Accra, and the West African Economic and Monetary Union (UEMOA) – the BRVM – in Abidjan. The Group is owned by more than 600,000 local and international institutional and individual shareholders. It employs over 19,000 people in 40 different countries in over 1,200 branches and offices. Ecobank is a full-service bank, providing wholesale, retail, investment and transaction banking services and products to governments, financial institutions, multinationals, international organisations, medium, small and micro businesses and individuals. Additional information may be found on the Group's corporate website at: www.ecobank.com.

Cautionary note regarding forward-looking statements

Certain statements in this document are “forward-looking statements”. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from those included in these statements.

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SEE NEXT PAGE FOR INVESTOR CONFERENCE CALL DETAILS

Management Conference Call

Ecobank will host a live conference call on **Friday 15 April 2016 at 13:00 GMT (14:00 Lagos time)** to present the unaudited financial results for the three months ended 31 March 2016 and the audited financial results for the year ended 31 December 2015. There will be a Q&A session at the end of the call.

Please note financial results for the year ended 31 December 2015 were published on Wednesday 13 April 2016. The results are available on Ecobank's website at www.ecobank.com

The conference call facility can be accessed via online registration using the link provided below:

Online Registration: <http://emea.directeventreg.com/registration/91007726>

Please note the key steps in the registration process outlined below:

Upon registering each participant will be provided with Participant Dial-in Numbers, Direct Event Passcode and unique Registrant ID.

Registered Participants will also receive a call reminder via email the day prior to the event.

In the 10 minutes prior to call start time, Participants will need to use the conference access information provided in the email received at the point of registering.

Note: Due to regional restrictions some participants may receive Operator assistance when joining this conference call and will not be automatically connected.

If you should encounter any problems with the online registration, please dial the following number for assistance: **+44 145 256 9034** (you will also need to provide the **Conference ID: 91007726**).

For those who are unable to listen to the live call, a replay of the conference will be available from 16:30 GMT on 15 April to 16:30 GMT on 21 April. **You may participate by dialling +44 145 255 000, UK freeCall: 08009531533, or USA: 1 (866) 247-4222 and the Conference ID: 91007726**

The earnings presentation will be posted on our website prior to the conference call at www.ecobank.com.

Investor Relations

Ecobank is committed to continuous improvement in its investor communications. For further information, including any suggestions as to how we can communicate more effectively, please contact Ato Arku via ir@ecobank.com. Full contact details below:

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**IFRS UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE
THREE MONTHS ENDED 31 MARCH 2016**

In thousands of US dollars, except per share amounts

2016

2015

Revenue		
Interest income	431,754	428,224
Interest expense	(146,815)	(151,884)
Net interest income	284,939	276,340
Fee and commission income	128,115	153,955
Fee and commission expense	(10,975)	(8,254)
Net trading income	95,219	104,275
Net (losses) / gains from investment securities	5,041	7,581
Other operating income	217,400	257,557
Non-interest revenue	434,800	515,114
Total net revenue	719,739	791,454
Operating expenses		
Staff expenses	(25,698)	(27,955)
Depreciation and amortisation	(152,022)	(156,501)
Other operating expenses	(332,038)	(334,722)
Total operating expenses	(509,758)	(519,178)
Operating profit before impairment losses and taxation	209,981	272,276
Impairment losses on:		
- loans and advances	(4,940)	(2,112)
- other financial assets	(66,717)	(43,744)
Impairment losses on financial assets	(71,657)	(45,856)
Operating profit after impairment losses and operating expenses	138,324	226,420
Share of loss of associates	-	-
Profit before tax	138,324	226,420
Taxation	-	-
Profit for the year from continuing operations	138,324	226,420
Loss for the year from discontinued operations	-	-
Profit for the year	138,324	226,420
Attributable to:		
Owners of the parent (total)	(438)	(738)
Continuing operations	(438)	(738)
Discontinued operations	-	-
Non-controlling interest (total)	(373)	(629)
Continuing operations	(373)	(629)
Discontinued operations	-	-
	(811)	(1,367)
Earnings per share from continuing operations attributable to owners of the parent during the year (expressed in United States cents per share)		
Basic	0.30	0.46
Diluted	0.30	0.44
Earnings per share from discontinuing operations attributable to non-controlling interest during the year (expressed in United States cents per share)		
Basic	(0.00)	(0.01)
Diluted	(0.00)	(0.01)
Weighted-average ordinary shares (in thousands)	23,967,098	23,956,178
Weighted-average diluted ordinary shares (in thousands)	24,388,242	25,722,882
Cash dividends declared per ordinary share (US\$ cents)	-	-

Ecobank Group
**IFRS UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS AT 31 MARCH 2016**

In thousands of US dollars	2016	2015
Assets		
Cash and balances with central banks	3,008,926	2,714,132
Financial assets held for trading	78,583	90,541
Derivative financial instruments	105,857	117,242
Loans and advances to banks	1,543,143	1,812,293
Loans and advances to customers	11,090,707	11,595,605
Treasury bills and other eligible bills	1,291,186	1,159,236
Investment securities: available-for-sale	2,967,736	1,826,808
Pledged assets	739,674	952,830
Other assets	779,548	785,754
Investments in associates	15,666	21,607
Intangible assets	385,693	380,919
Property and equipment	903,523	856,867
Investment properties	136,882	167,799
Deferred income tax assets	101,185	90,325
Assets held for sale	88,427	99,382
Total assets	23,236,736	22,671,340
Liabilities		
Deposits from other banks	1,393,753	1,437,988
Deposits from customers	15,889,532	15,642,964
Derivative financial instruments	1,957	2,265
Borrowed funds	1,643,604	1,654,949
Other liabilities	1,478,735	1,141,597
Provisions	35,935	21,989
Current income tax liabilities	47,559	43,210
Deferred income tax liabilities	63,518	57,085
Retirement benefit obligations	28,095	35,738
Liabilities held for sale	106,137	112,021
Total liabilities	20,688,825	20,149,806
Equity		
Capital and reserves attributable to the equity holders of the parent company		
Share capital	2,029,698	1,979,523
Retained earnings and reserves	328,587	353,549
Shareholders' equity	2,358,285	2,333,072
Non-controlling interests	189,626	188,462
Total equity	2,547,911	2,521,534
Total liabilities and equity	23,236,736	22,671,340

**IFRS UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2016**

In thousands of US dollars	2016	2015
Cash flow from operating activities		
Profit before tax	103,660	155,492
Net trading income - foreign exchange	(45,593)	979
Net (gain)/loss from investment securities	25	-
Fair value (gain)/loss on investment properties		
Gain on bargain purchase		
Impairment losses on loans and advances	61,777	41,632
Impairment losses on other financial assets	4,940	2,112
Depreciation of property and equipment	21,914	21,611
Net interest income	(284,939)	(276,340)
Amortisation of software and other intangibles	3,784	6,344
Impairment charges on property and equipment	-	-
Loss on sale of property and equipment	96	51
Share of loss of associates	(76)	(61)
Income taxes paid	(119,469)	(59,296)
Changes in operating assets and liabilities		
Trading assets	92,751	188,893
Derivative financial assets	38,368	130,422
Other treasury bills	145,219	116,884
Loans and advances to banks	97,280	(21,728)
Loans and advances to customers	5,086	761,233
Pledged assets	19,412	79,316
Other assets	(265,919)	(299,436)
Mandatory reserve deposits	(171,532)	451,595
Due to customers	(538,021)	(2,007,222)
Derivative liabilities	621	(18,213)
Other provisions	7,241	(4,379)
Other liabilities	429,676	340,025
Interest received	431,754	428,224
Interest paid	(146,815)	(151,884)
Net cash flow from operating activities	(108,759)	(113,746)
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired		
Purchase of software	(3,744)	(5,903)
Purchase of property and equipment	(48,774)	(36,373)
Proceeds from sale of property and equipment		
Purchase of investment securities		
Purchase of investment properties		
Proceeds from sale and redemption of securities	(298,044)	(391,228)
Net cashflow (used in) /from investing activities	(350,562)	(433,504)
Cash flows from financing activities		
Repayment of borrowed funds	(135,673)	114,686
Proceeds from borrowed funds		
Proceeds of subscription of ordinary shares		
Proceeds from sale of treasury shares		
Dividends paid to non-controlling shareholders	(1,553)	-
Dividends paid to owners of the parent		
Net cashflow from financing activities	(137,226)	114,686
Net increase in cash and cash equivalents	(596,547)	(432,564)
Cash and cash equivalents at start of year	2,610,050	2,373,090
Effects of exchange differences on cash and cash equivalents	(631,566)	(205,251)
Cash and cash equivalents at end of the year	1,381,936	1,735,275