



**PRESS RELEASE**

**PR. No 119/2012**

**ECOBANK TRANSNATIONAL INCORPORATED (ETI) -  
UNAUDITED FINANCIAL STATEMENTS FOR  
THE FIRST QUARTER ENDING MARCH 2012**

ETI has released its un-audited Financial Statements for the first quarter ending 31<sup>st</sup> March, 2012 as per the attached.

Issued at Accra, this 27<sup>th</sup>  
day of April, 2012.

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, ETI
4. SEC
5. GSE Securities Depository
7. GSE Council Members
8. GSE Notice Board

**For enquiries, contact:**

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

\*JEB

## Ecobank delivers positive First Quarter 2012 results

- Revenues up 55% to \$361 million (GHC: up 74% to GHC 611.1 million)
- Profit before tax down by 13% to \$50 million (GHC: down 3% to GHC 84.6million)
- Total assets up 57% to \$17.8 billion (GHC: up 79% to GHC 30.9 billion)
- Total equity up 20% to \$1.6 billion (GHC : up 37% to GHC 2.8 billion)

	Period ended 31 March 2012		Period ended 31 March 2011		% Change	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$	GHC
Revenues	361 246	611 083	233 505	350 905	55%	74%
Profit before income tax	50 035	84 638	57 778	86 828	-13%	-3%
Estimated Income tax expense	(15 011)	(25 393)	(17 619)	(26 477)	-15%	-4%
Profit for the period	35 024	59 245	40 159	60 351	-13%	-2%
Total assets	17 831 188	30 860 437	11 376 042	17 280 208	57%	79%
Total equity	1 603 256	2 774 755	1 330 657	2 021 268	20%	37%


We are pleased to announce a positive first quarter 2012 results.

In the first quarter of the year, our revenues grew significantly. However profit was negatively impacted by Oceanic Bank restructuring costs and adverse currency effects. We will continue to restructure Oceanic Bank to improve efficiency and enhance performance in the coming months.

At nearly US\$18 billion, our balance sheet remains strong with healthy levels of liquidity and capital. Our risk management policies and processes have been strengthened with resultant improvement in asset quality.

For the rest of the year, we will continue to focus on our customer service, widen our product and service distribution channels, and strategically grow the business to maximize shareholder returns and contribute to the growth of our markets.

By Order of the Board of Directors



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**Laurence do Rego**  
Executive Director, Finance and Risk

### Unaudited Consolidated Income Statement

	Period ended 31 March 2012		Period ended 31 March 2011		% Change	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$	GHC
Interest income	328 742	556 100	176 131	264 684	87%	110%
Interest expense	(123 548)	(208 994)	(57 133)	(85 858)	116%	143%
<b>Net interest income</b>	<b>205 194</b>	<b>347 106</b>	<b>118 998</b>	<b>178 826</b>	<b>72%</b>	<b>94%</b>
Insurance premium income	3 285	5 557	-	-	na	na
Insurance premium ceded to reinsurers	(886)	(1 499)	-	-	na	na
<b>Net insurance premium</b>	<b>2 399</b>	<b>4 058</b>	<b>-</b>	<b>-</b>	<b>na</b>	<b>na</b>
Fee and commission income	109 962	186 012	77 733	116 815	41%	59%
Fee and commission expense	(3 975)	(6 724)	(3 342)	(5 022)	19%	34%
<b>Net fee and commission income</b>	<b>105 987</b>	<b>179 288</b>	<b>74 391</b>	<b>111 793</b>	<b>42%</b>	<b>60%</b>
Lease income	2 552	4 317	631	948	304%	355%
Dividend income	52	88	7	11	643%	700%
Net trading income	40 778	68 980	39 054	58 689	4%	18%
Gains less losses from investment securities	(21)	(36)	23	35	-191%	-203%
Other operating income	4 305	7 282	401	603	974%	1108%
<b>Operating income before impairment loss</b>	<b>361 246</b>	<b>611 083</b>	<b>233 505</b>	<b>350 905</b>	<b>55%</b>	<b>74%</b>
Impairment losses for loans	(20 449)	(34 592)	(12 150)	(18 259)	68%	89%
<b>Operating income after impairment loss</b>	<b>340 797</b>	<b>576 491</b>	<b>221 355</b>	<b>332 646</b>	<b>54%</b>	<b>73%</b>
Insurance claims and loss adjustment expenses	538	910	-	-	na	na
Insurance claims and loss adjustment recovered	(13)	(22)	-	-	na	na
Staff expenses	(142 092)	(240 363)	(66 175)	(99 446)	115%	142%
Depreciation and amortisation	(32 341)	(54 708)	(16 632)	(24 994)	94%	119%
Other operating expenses	(116 854)	(197 670)	(80 770)	(121 378)	45%	63%
<b>Total operating expenses</b>	<b>(290 762)</b>	<b>(491 853)</b>	<b>(163 577)</b>	<b>(245 818)</b>	<b>78%</b>	<b>100%</b>
<b>Profit before income tax</b>	<b>50 035</b>	<b>84 638</b>	<b>57 778</b>	<b>86 828</b>	<b>-13%</b>	<b>-3%</b>
Income tax expense	(15 011)	(25 393)	(17 619)	(26 477)	-15%	-4%
<b>Profit for the year</b>	<b>35 024</b>	<b>59 245</b>	<b>40 159</b>	<b>60 351</b>	<b>-13%</b>	<b>-2%</b>
<b>Attributable to:</b>						
Equity holders of the parent company	26 188	44 300	33 772	50 751	-22%	-13%
Non-controlling interest	8 836	14 945	6 387	9 600	38%	56%
	<b>35 024</b>	<b>59 245</b>	<b>40 159</b>	<b>60 351</b>	<b>-13%</b>	<b>-2%</b>

Earnings per share for profit attributable to the equity holders of the parent company during the period (expressed in United States cents/Ghana pesewas per share)

- Basic	0,20	0,34	0,34	0,51	-41%	-34%
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### Unaudited Consolidated Statement of Financial Position

Assets	As at 31 March 2012		As at 31 March 2011		% Change	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$	GHC
Cash and balances with central banks	1 548 597	2 680 157	1 259 104	1 912 579	23%	40%
Treasury bills and other eligible bills	942 873	1 631 830	874 108	1 327 770	8%	23%
Loans and advances to banks	2 129 872	3 686 169	1 751 373	2 660 336	22%	39%
Loans & advances to customers	7 762 646	13 434 811	5 332 916	8 100 699	46%	66%
Trading assets	70 219	121 528	15 130	22 982	364%	429%
Derivative financial instruments	64	111	11 320	17 195	-99%	-99%
Reinsurance assets	3 580	6 196	0	-		
Investment securities: available for sale	3 059 443	5 294 978	1 153 256	1 751 796	165%	202%
Investments in associates	3 436	5 947	0	-		
Pledged assets	97 446	168 650	0	-		
Intangible assets	533 685	923 649	41 406	62 896	1189%	1369%
Property and equipment	828 794	1 434 394	493 219	749 200	68%	91%
Investment property	72 800	125 995	12 497	18 983	483%	564%
Deferred income tax assets	41 540	71 893	46 956	71 326	-12%	1%
Others assets	736 193	1 274 129	384 757	584 446	91%	118%
<b>Total Assets</b>	<b>17 831 188</b>	<b>30 860 437</b>	<b>11 376 042</b>	<b>17 280 208</b>	<b>57%</b>	<b>79%</b>
<b>Liabilities</b>						
Deposits from other banks	539 280	933 332	215 707	327 659	150%	185%
Deposits from customers	12 873 252	22 279 737	8 853 057	13 447 794	45%	66%
Other deposits	187 834	325 084	24 377	37 029	671%	778%
Derivative financial instruments	45	78	9 859	14 976	-100%	-99%
Insurance liabilities	3 580	6 196	-	-		
Borrowed funds	1 241 585	2 148 811	253 033	384 357	391%	459%
Other liabilities	1 325 538	2 294 109	636 316	966 563	108%	137%
Current income tax liabilities	30 965	53 591	21 287	32 335	45%	66%
Deferred income tax liabilities	14 426	24 967	22 980	34 907	-37%	-28%
Retirement benefit obligations	11 427	19 777	8 769	13 320	30%	48%
<b>Total Liabilities</b>	<b>16 227 932</b>	<b>28 085 682</b>	<b>10 045 385</b>	<b>15 258 940</b>	<b>62%</b>	<b>84%</b>
<b>Equity</b>						
<b>Capital and reserves attributable to the equity holders of the parent entity</b>						
Share capital	1 080 186	1 869 478	866 709	1 316 531	25%	42%
Retained earnings and reserves	390 538	675 904	323 134	490 841	21%	38%
<b>Total equity and reserves attributable</b>	<b>1 470 724</b>	<b>2 545 382</b>	<b>1 189 843</b>	<b>1 807 372</b>	<b>24%</b>	<b>41%</b>
<b>Non-controlling interests in equity</b>	<b>132 532</b>	<b>229 373</b>	<b>140 814</b>	<b>213 896</b>	<b>-6%</b>	<b>7%</b>
<b>Total Equity</b>	<b>1 603 256</b>	<b>2 774 755</b>	<b>1 330 657</b>	<b>2 021 268</b>	<b>20%</b>	<b>37%</b>
<b>Total Liabilities and Equity</b>	<b>17 831 188</b>	<b>30 860 437</b>	<b>11 376 042</b>	<b>17 280 208</b>	<b>57%</b>	<b>79%</b>

### Unaudited Consolidated Statement of Cash Flows

	Period ended 31 March 2012		Period ended 31 March 2011	
	US\$'000	GHC'000	US\$'000	GHC'000
<b>Cash flows from operating activities</b>				
Interest income received	328 742	556 100	176 131	264 684
Interest paid	(123 548)	(208 994)	(57 133)	(85 858)
Dividends received	52	88	7	11
Fee and commission receipts	113 247	191 569	77 733	116 815
Fee and commission paid	(4 861)	(8 223)	(3 342)	(5 022)
Net trading and other incomes	47 615	80 546	16 961	25 488
Cash payments to employees and suppliers	(258 421)	(437 145)	(146 945)	(220 824)
Income taxes paid	(27 038)	(45 737)	(32 265)	(48 487)
<b>Changes in operating assets and liabilities</b>				
- net increase in trading assets	(68 649)	(118 811)	(8 327)	(12 649)
- net (increase)/ decrease in derivative financial assets	8 547	14 792	(1 320)	(2 005)
- net decrease in loans and advances to banks	991 751	1 716 423	133 936	203 449
- net (increase)/ decrease in loans and advances to customers	(521 621)	(902 769)	35 034	53 217
- net (increase)/ decrease in other assets	(254 657)	(440 735)	35 216	53 493
- net (increase)/ decrease in mandatory reserve deposits				
- with central banks	73 118	126 545	115 258	175 077
- net increase/ (decrease) in other deposits	17 735	30 694	(26 541)	(40 316)
- net increase in trading liabilities	-	-	-	-
- net increase in amounts due to customers	796 757	1 378 947	928 472	1 410 349
- net (decrease) in derivative liabilities	(10 225)	(17 696)	(54)	(82)
- net increase in other liabilities	288 824	499 868	117 352	178 258
<b>Net cash (used in) operating activities</b>	<b>1 397 368</b>	<b>2 415 462</b>	<b>1 360 173</b>	<b>2 065 598</b>
<b>Cash flows from investing activities</b>				
(Acquisition of subsidiaries)/net of cash acquired	-	-	-	-
Purchase of software	(8 892)	(15 389)	1 352	2 054
Purchase of property and equipment	(31 671)	(54 813)	(22 809)	(34 647)
Sale/(purchase) of investment securities	(361 532)	(625 703)	(260 131)	(395 139)
<b>Net cash from / (used in) investing activities</b>	<b>(402 095)</b>	<b>(695 905)</b>	<b>(281 588)</b>	<b>(427 732)</b>
<b>Cash flows from financing activities</b>				
Net proceeds from /(payment of) borrowed funds	(161 436)	(279 397)	27 058	41 101
<b>Net cash from / (used in) financing activities</b>	<b>(161 436)</b>	<b>(279 397)</b>	<b>27 058</b>	<b>41 101</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>833 837</b>	<b>1 440 160</b>	<b>1 105 643</b>	<b>1 678 967</b>
Cash and cash equivalents at start of year	1 330 596	2 302 862	1 191 824	1 810 381
Effects of exchange differences on cash and cash equivalents	327 037	568 966	(46 416)	(70 506)
Net effects of changes in exchange rate	-	-	-	504
<b>Cash and cash equivalents at end of period</b>	<b>2 491 470</b>	<b>4 311 988</b>	<b>2 251 051</b>	<b>3 419 346</b>



## **DISCLOSURES**

1. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).
2. The accounting policies applied in the preparation of these financial statements were consistent with those applied in the preparation of the annual consolidated financial statements of 31 December 2011.
3. Contingent liabilities in respect of bankers acceptance, guarantees, letters of credits and commitments to extend credit not provided for in the financial statements were US\$ 3.2 billion (GHC 5.6 billion) (31 Dec 2011: US\$ 3.3 billion (GHC 5.3 billion))