



**PRESS RELEASE**

**PR. No 211/2013  
CORRECTION**

**ECOBANK TRANSNATIONAL INCORPORATED (ETI) -  
UNAUDITED FINANCIAL STATEMENTS FOR THE  
HALF YEAR ENDED JUNE 30, 2013**

Reference to press release numbered PR-210.

The heading of PR-210 should have read Ecobank Transnational Incorporated (ETI) instead of Ecobank Ghana Ltd.

We therefore re-issue the unaudited financial statements for ETI for the half year ended 30<sup>th</sup> June, 2013 as per the attached.

Issued in Accra, this 30<sup>th</sup>  
day of July, 2013.

**- E N D -**

att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, EBG
4. GCB Registrars, (Registrars for EBG 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**

*\*By*

### Ecobank delivers strong performance for the first six months of 2013

- Net revenue grew by 24% to \$947 million (up 36% to GHC 1,846 million)
- Profit before tax up by 58% to \$200 million (up 74% to GHC 389 million)
- Profit after tax up by 95% to \$169 million (up 115% to GHC 330 million)
- Total assets up 15% to \$20.6 billion (up 21% to GHC 40.9 billion)
- Total equity up 43% to \$2.2 billion (up 50% to GHC 4.5 billion)

Financial Highlights	Period ended 30 June 2013		Period ended 30 June 2012		% Variation June 2013 - Jun 2012	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$	GHC
<b>Income Statement :</b>						
Net revenue	946 863	1 846 382	765 285	1 354 554	24%	36%
Profit before income tax	199 515	389 053	126 323	223 591	58%	74%
Income tax expense	30 221	58 931	39 431	69 793	-23%	-16%
Profit for the period	169 294	330 122	86 892	153 798	95%	115%
<b>Statement of Financial Position :</b>						
Total assets	20 553 432	40 901 329	17 806 549	33 812 856	15%	21%
Loans & advances to customers	9 939 506	19 779 617	7 984 431	15 161 636	24%	30%
Deposits from customers	15 010 479	29 870 853	12 678 394	24 075 002	18%	24%
Total equity	2 243 724	4 465 010	1 570 884	2 982 953	43%	50%

Our strong results for the first half of the year show continued progress and demonstrate the benefits of our diversified business model. The 24% increase in net revenue we achieved is all organic growth and is testament to the hard work of our staff. This growth, combined with better cost control, has more than doubled net income for shareholders year-on-year.

Our businesses in Nigeria and Ghana continue to grow strongly, contributing over half of profit before tax. The Southern and Central Africa clusters have also performed well. In Francophone West Africa, activity in Mali has recovered in the quarter. The East Africa cluster was affected by results in Kenya.

These results reflect the momentum we have across the Group as we strive to improve the efficiency of our operations and deliver greater value for our shareholders. We look forward to further progress in the second half of the year, which is traditionally a seasonally stronger period.

By Order of the Board of Directors



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

### Unaudited Consolidated Income Statement

	Period ended 30 June 2013		Period ended 30 June 2012		% Variation June 2013 - Jun 2012	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$	GHC
Interest income	779 723	1 520 460	670 066	1 186 017	16%	28%
Interest expense	(270 408)	(527 296)	(248 043)	(439 036)	9%	20%
<b>Net interest income</b>	<b>509 315</b>	<b>993 164</b>	<b>422 023</b>	<b>746 981</b>	<b>21%</b>	<b>33%</b>
Fee and commission income	290 369	566 220	249 151	440 997	17%	28%
Fee and commission expense	(11 382)	(22 195)	(11 886)	(21 038)	-4%	5%
<b>Net fee and commission income</b>	<b>278 987</b>	<b>544 025</b>	<b>237 265</b>	<b>419 959</b>	<b>18%</b>	<b>30%</b>
Lease income	877	1 710	1 120	1 982	-22%	-14%
Dividend income	2 974	5 799	866	1 533	243%	278%
Net trading income	141 577	276 075	97 629	172 803	45%	60%
Gains less losses from investment securities	59	115	(3 696)	(6 542)	-102%	-102%
Other operating income	13 074	25 494	10 078	17 838	30%	43%
<b>Operating income before impairment loss</b>	<b>946 863</b>	<b>1 846 382</b>	<b>765 285</b>	<b>1 354 554</b>	<b>24%</b>	<b>36%</b>
Impairment losses for loans	(71 898)	(140 201)	(43 600)	(77 172)	65%	82%
<b>Operating income after impairment loss</b>	<b>874 965</b>	<b>1 706 181</b>	<b>721 685</b>	<b>1 277 382</b>	<b>21%</b>	<b>34%</b>
Staff expenses	(301 655)	(588 227)	(278 801)	(493 478)	8%	19%
Depreciation and amortisation	(62 049)	(120 996)	(65 456)	(115 857)	-5%	4%
Other operating expenses	(311 721)	(607 856)	(251 105)	(444 456)	24%	37%
<b>Total operating expenses</b>	<b>(675 425)</b>	<b>(1 317 079)</b>	<b>(595 362)</b>	<b>(1 053 791)</b>	<b>13%</b>	<b>25%</b>
<b>Operating profit</b>	<b>199 540</b>	<b>389 102</b>	<b>126 323</b>	<b>223 591</b>	<b>58%</b>	<b>74%</b>
Share of loss of associates	(25)	(49)	-	-	na	na
<b>Profit before tax</b>	<b>199 515</b>	<b>389 053</b>	<b>126 323</b>	<b>223 591</b>	<b>58%</b>	<b>74%</b>
Income tax expense	(30 221)	(58 931)	(39 431)	(69 793)	-23%	-16%
<b>Profit for the period</b>	<b>169 294</b>	<b>330 122</b>	<b>86 892</b>	<b>153 798</b>	<b>95%</b>	<b>115%</b>
<b>Attributable to:</b>						
Owners of the parent	148 956	290 463	68 911	121 972	116%	138%
Non-controlling interests	20 338	39 659	17 981	31 826	13%	25%
	<b>169 294</b>	<b>330 122</b>	<b>86 892</b>	<b>153 798</b>	<b>95%</b>	<b>115%</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	0,87	1,70	0,54	0,96	61%	77%
- Diluted	0,71	1,38	0,44	0,78	61%	78%

### Unaudited Consolidated Statement of Comprehensive Income

	Period ended 30 June 2013		Period ended 30 June 2012		% Variation June 2013 - Jun 2012	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$'	GHC
<b>Profit for the period</b>	<b>169 294</b>	<b>330 122</b>	<b>86 892</b>	<b>153 798</b>	<b>95%</b>	<b>115%</b>
Exchange difference on translation of foreign operations	(75 818)	(147 845)	64 513	114 188	-218%	-229%
Available-for-sale investments:						
Net valuation (losses)/gains taken to equity	(26 224)	(51 137)	(45 585)	(80 685)	-42%	-37%
Reclassified to income statement	-	-	-	-	na	na
Property and equipment - net revaluation gain/loss	-	-	-	-	na	na
Taxation relating to components of other comprehensive income	2 905	5 665	(4 511)	(7 984)	-164%	-171%
<b>Other comprehensive income for the period, net of taxation</b>	<b>(99 137)</b>	<b>(193 317)</b>	<b>14 417</b>	<b>25 518</b>	<b>-788%</b>	<b>-858%</b>
<b>Total comprehensive income for the period</b>	<b>70 157</b>	<b>136 805</b>	<b>101 309</b>	<b>179 317</b>	<b>-31%</b>	<b>-24%</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the parent	61 729	120 371	90 249	159 741	-32%	-25%
Non controlling interests	8 428	16 434	11 060	19 576	-24%	-16%
	<b>70 157</b>	<b>136 805</b>	<b>101 309</b>	<b>179 317</b>	<b>-31%</b>	<b>-24%</b>

### Unaudited Consolidated Statement of Financial Position

Assets	As at 30 June 2013		As at 30 June 2012		Variation June 2013 - June 2012	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$	GHC
Cash and balances with central banks	2 073 163	4 125 594	1 637 013	3 108 524	27%	33%
Treasury bills and other eligible bills	1 800 551	3 583 096	882 651	1 676 066	104%	114%
Loans and advances to banks	1 857 127	3 695 683	1 947 386	3 697 891	-5%	0%
Loans & advances to customers	9 939 506	19 779 617	7 984 431	15 161 636	24%	30%
Trading assets	28 465	56 645	571 372	1 084 978	-95%	-95%
Derivative financial instruments	135 174	268 996	256	486	52702%	55235%
Investment securities: available for sale	1 631 639	3 246 962	2 393 242	4 544 527	-32%	-29%
Investments in associates	17 783	35 388	2 906	5 519	512%	541%
Pledged assets	686 818	1 366 768	276 131	524 345	149%	161%
Intangible assets	514 654	1 024 161	526 700	1 000 151	-2%	2%
Property and equipment	842 708	1 676 989	804 230	1 527 152	5%	10%
Investment properties	199 383	396 772	60 420	114 732	230%	246%
Deferred income tax assets	89 250	177 608	68 895	130 825	30%	36%
Others assets	737 211	1 467 050	650 916	1 236 024	13%	19%
<b>Total Assets</b>	<b>20 553 432</b>	<b>40 901 329</b>	<b>17 806 549</b>	<b>33 812 856</b>	<b>15%</b>	<b>21%</b>
<b>Liabilities</b>						
Deposits from other banks	958 442	1 907 300	765 746	1 454 075	25%	31%
Deposits from customers	15 010 479	29 870 853	12 678 394	24 075 002	18%	24%
Other deposits	494 289	983 635	282 184	535 839	75%	84%
Derivative financial instruments	384	764	185	351	108%	117%
Borrowed funds	980 531	1 951 257	1 181 887	2 244 285	-17%	-13%
Other liabilities	757 486	1 507 396	1 243 035	2 360 399	-39%	-36%
Other provisions	32 494	64 663	21 958	41 696	48%	55%
Current income tax liabilities	21 113	42 015	40 111	76 167	-47%	-45%
Deferred income tax liabilities	39 844	79 290	10 834	20 573	268%	285%
Retirement benefit obligations	14 646	29 146	11 331	21 516	29%	35%
<b>Total Liabilities</b>	<b>18 309 708</b>	<b>36 436 319</b>	<b>16 235 665</b>	<b>30 829 903</b>	<b>13%</b>	<b>18%</b>
<b>Equity</b>						
Equity attributable to the owners of the parent						
Share capital and premium	1 411 556	2 808 996	1 080 186	2 051 164	31%	37%
Retained earnings and reserves	666 872	1 327 075	350 175	664 950	90%	100%
<b>Shareholders' equity</b>	<b>2 078 428</b>	<b>4 136 071</b>	<b>1 430 361</b>	<b>2 716 114</b>	<b>45%</b>	<b>52%</b>
<b>Non-controlling interests</b>	<b>165 296</b>	<b>328 939</b>	<b>140 523</b>	<b>266 839</b>	<b>18%</b>	<b>23%</b>
<b>Total Equity</b>	<b>2 243 724</b>	<b>4 465 010</b>	<b>1 570 884</b>	<b>2 982 953</b>	<b>43%</b>	<b>50%</b>
<b>Total Liabilities and Equity</b>	<b>20 553 432</b>	<b>40 901 329</b>	<b>17 806 549</b>	<b>33 812 856</b>	<b>15%</b>	<b>21%</b>

### Unaudited Consolidated Statement of Cash Flows

	Period ended 30 June 2013		Period ended 30 June 2012		% Variation Jun 2013 - Jun 2012	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$	GHC
<b>Cash flows from operating activities</b>						
Profit before tax	199 540	389 103	126 323	223 592	58%	74%
Net trading income - foreign exchange	(92 068)	(179 533)	(94 732)	(167 676)	-3%	7%
Net gain from investment securities	(59)	(114)	2 436	4 313	-102%	-103%
Impairment losses on loans and advances	71 898	140 201	43 600	77 172	65%	82%
Depreciation of property and equipment	52 258	101 903	53 311	94 360	-2%	8%
Amortisation of software and other intangibles	9 791	19 092	12 145	21 497	-19%	-11%
Impairment charges:						
- property and equipment	128	250	349	618	-63%	-60%
- doubtful receivables	501	977	(1 103)	(1 952)	-145%	-150%
Profit on sale of property and equipment	(172)	(335)	(655)	(1 160)	-74%	-71%
Share of loss of associates	25	49	-	-	na	na
Income taxes paid	(26 581)	(51 833)	(42 312)	(74 892)	-37%	-31%
<b>Changes in operating assets and liabilities</b>						
- net decrease/ (increase) in trading assets	64 389	128 134	(569 802)	(1 081 997)	-111%	-112%
- net decrease/(increase) in pledged assets	13 236	26 340	(178 685)	(339 305)	na	na
- net decrease in derivative financial assets	8 243	16 404	8 355	15 865	-1%	3%
- net decrease in loans and advances to banks	65 746	130 834	577 015	1 095 694	-89%	-88%
- net increase in loans and advances to customers	(498 561)	(992 136)	(700 802)	(1 330 753)	-29%	-25%
- net increase in other assets	(146 204)	(290 946)	143 268	272 052	-202%	-207%
- net (increase)/decrease in mandatory reserve deposits with central banks	(81 407)	(162 001)	71 790	136 322	-213%	-219%
- net increase in other deposits	124 929	248 609	112 085	212 838	11%	17%
- net increase in amounts due to customers	390 001	776 102	601 899	1 142 946	-35%	-32%
- net increase/ (decrease) in derivative liabilities	255	507	(10 085)	(19 150)	-103%	-103%
- net increase in other liabilities	24 827	49 406	199 190	378 242	-88%	-87%
- net increase in other provisions	6 454	12 843	21 958	41 696	-71%	-69%
<b>Net cashflow from operating activities</b>	<b>187 170</b>	<b>363 856</b>	<b>375 548</b>	<b>700 322</b>	<b>-50%</b>	<b>-48%</b>
<b>Cash flows from investing activities</b>						
Acquisition/disposal of subsidiaries	72 408	144 092	119 245	226 434	na	na
Purchase of software	(9 928)	(19 758)	(18 118)	(34 404)	-45%	-43%
Net purchase of property and equipment	(58 381)	(116 177)	(75 777)	(143 893)	-23%	-19%
Sale of investment securities	686 614	1 366 362	301 763	573 018	128%	138%
Interest received	63 067	125 503	93 705	177 936	-33%	-29%
<b>Net cashflow from investing activities</b>	<b>753 780</b>	<b>1 500 022</b>	<b>420 818</b>	<b>799 091</b>	<b>79%</b>	<b>88%</b>
<b>Cash flows from financing activities</b>						
Repayment of borrowed funds	(259 152)	(515 712)	(221 134)	(419 911)	17%	23%
<b>Net cash used in financing activities</b>	<b>(259 152)</b>	<b>(515 712)</b>	<b>(221 134)</b>	<b>(419 911)</b>	<b>17%</b>	<b>23%</b>
<b>Net increase in cash and cash equivalents</b>	<b>681 797</b>	<b>1 348 166</b>	<b>575 232</b>	<b>1 079 502</b>	<b>19%</b>	<b>25%</b>
Cash and cash equivalents at start of period	1 813 053	3 416 880	1 330 596	2 526 669	36%	35%
Effects of exchange differences on cash and cash equivalents	181 991	561 868	469 881	905 063	-61%	-38%
<b>Cash and cash equivalents at end of period</b>	<b>2 676 841</b>	<b>5 326 914</b>	<b>2 375 709</b>	<b>4 511 234</b>	<b>13%</b>	<b>18%</b>

**Unaudited Statement of Changes in Equity**

in US '000

	Share Capital and Premium	PPE Revaluation Reserve	Available for Sale Fin. Assets reserves	Currency Translation Reserve	Other Reserves	Retained Earnings	Shareholders Equity	Non-Controlling Interests	Total Equity
<b>At 31 December 2011 / 1 January 2012</b>	<b>1 080 186</b>	<b>64 801</b>	<b>(15 858)</b>	<b>(308 660)</b>	<b>218 527</b>	<b>315 209</b>	<b>1 354 205</b>	<b>105 131</b>	<b>1 459 336</b>
<b>Changes in Equity for 2012:</b>									
Currency translation differences				(33 711)			(33 711)	1 268	(32 443)
Net changes in AFS investments, net of tax			15 515				15 515		15 515
Net gains on revaluation of property		(1 177)					(1 177)		(1 177)
Profit for the year						249 743	249 743	36 989	286 732
<b>Total Comprehensive Income</b>	<b>-</b>	<b>(1 177)</b>	<b>15 515</b>	<b>(33 711)</b>	<b>-</b>	<b>249 743</b>	<b>230 370</b>	<b>38 257</b>	<b>268 627</b>
Dividend relating to 2011						(55 612)	(55 612)	(22 525)	(78 137)
Issued Share Capital	331 370						331 370	15 444	346 814
Share options granted					1 200		1 200		1 200
Adjustments to opening retained earnings						44 715	44 715		44 715
Reclassification of share option reserve							-		-
Transfer and Reclassification					26 358	(26 358)	-		-
Other equity transactions						102 495	102 495	31 422	133 917
<b>At 31 December 2012 / 1 January 2013</b>	<b>1 411 556</b>	<b>63 624</b>	<b>(343)</b>	<b>(342 371)</b>	<b>246 085</b>	<b>630 192</b>	<b>2 008 743</b>	<b>167 729</b>	<b>2 176 472</b>
<b>Changes in Equity for 2013 :</b>									
Currency translation differences				(53 047)			(53 047)	(22 771)	(75 818)
Net changes in AFS investments, net of tax			(26 224)				(26 224)		(26 224)
Net gains on revaluation of property							-		-
Other comprehensive income							-		-
Profit for the year						148 956	148 956	20 338	169 294
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>(26 224)</b>	<b>(53 047)</b>	<b>-</b>	<b>148 956</b>	<b>69 685</b>	<b>(2 433)</b>	<b>67 252</b>
Dividend relating to 2012							-		-
Issued Share Capital							-		-
Share options granted							-		-
Reclassification of share option reserve							-		-
Transfer and Reclassification							-		-
Other equity transactions							-		-
<b>At 30 June 2013</b>	<b>1 411 556</b>	<b>63 624</b>	<b>(26 567)</b>	<b>(395 418)</b>	<b>246 085</b>	<b>779 148</b>	<b>2 078 428</b>	<b>165 296</b>	<b>2 243 724</b>

Unaudited Statement of Changes in Equity

in GHC'000

	Share Capital & Premium	PPE Revaluation Surplus	Available for Sale Fin. Assets reserves	Currency Translation Reserve	Other Reserves	Retained Earnings	Shareholders Equity	Non-Controlling Interests	Total Equity
<b>At 31 December 2011 / 1 January 2012</b>	<b>1 585 075</b>	<b>95 386</b>	<b>(27 345)</b>	<b>(291 083)</b>	<b>322 731</b>	<b>460 431</b>	<b>2 145 196</b>	<b>166 538</b>	<b>2 311 734</b>
Changes in Accounting Policy Restated Balance									
<b>Changes in Equity for 2012:</b>									
Currency translation differences				376 648			376 648	35 768	412 417
Net changes in AFS investments, net of tax			28 492				28 492		28 492
Net gains on revaluation of property		(2 161)					(2 161)		(2 161)
Profit for the year						458 603	458 603	67 923	526 526
<b>Total Comprehensive Income</b>	<b>-</b>	<b>(2 161)</b>	<b>28 492</b>	<b>376 648</b>	<b>-</b>	<b>458 603</b>	<b>861 583</b>	<b>103 691</b>	<b>965 274</b>
Dividend relating to 2011						(102 120)	(102 120)	(42 450)	(144 570)
Issued Share Capital	608 495						608 495	29 106	637 600
Adjustments to opening retained earnings						82 109	82 109		82 109
Reclassification of share option reserve					(332)	332	-		-
Transfer and Reclassification					48 734	(48 734)	-		-
Other equity transactions					2 204	188 212	190 415	59 217	249 632
<b>At 31 December 2012 / 1 January 2013</b>	<b>2 193 570</b>	<b>93 225</b>	<b>1 147</b>	<b>85 565</b>	<b>373 336</b>	<b>1 038 834</b>	<b>3 785 678</b>	<b>316 102</b>	<b>4 101 780</b>
Changes in Accounting Policy Restated Balance									
<b>Changes in Equity for 2013 :</b>									
Currency translation differences				111 066			111 066	(26 822)	84 244
Net changes in AFS investments, net of tax			(51 137)				(51 137)		(51 137)
Net gains on revaluation of property							-		-
Other comprehensive income							-		-
Profit for the year						290 464	290 464	39 659	330 123
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>(51 137)</b>	<b>111 066</b>	<b>-</b>	<b>290 464</b>	<b>350 393</b>	<b>12 837</b>	<b>363 230</b>
Dividend relating to 2012							-		-
Issued Share Capital							-		-
Reclassification of share option reserve							-		-
Transfer and Reclassification							-		-
Other equity transactions							-		-
<b>At 30 June 2013</b>	<b>2 193 570</b>	<b>93 225</b>	<b>(49 990)</b>	<b>196 631</b>	<b>373 336</b>	<b>1 329 298</b>	<b>4 136 071</b>	<b>328 939</b>	<b>4 465 010</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 2012.
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\$ 4.1 billion (GHC 8.1 billion) (30 Jun 2012: US\$ 3.6 billion (GHC 6.6 billion))

### **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.

## ECOBANK GROUP REPORTS FIRST HALF 2013 RESULTS

### Pre-tax profit of \$200 million on Revenue of \$947 million

**LOMÉ, 29 July 2013:** Ecobank Transnational Inc. ("Ecobank" or "the Group"; NSE: ETI, GSE: ETI; BRVM: ETIT), the parent company of the pan-African banking Group present in 34 African countries today reported its unaudited<sup>(1)</sup> financial results for the six months ended 30 June 2013.

#### Financial highlights:

- Net income (attributable to shareholders) of \$149 million, up 116% from the prior year
- Net revenue of \$947 million, up 24%, and pre-tax profit of \$200 million, up 58%, from the prior year
- Basic earnings per share of 0.87 \$ cents compared with 0.54 \$ cents in the prior year
- Cost-to-income ratio of 71.3%, reduced from 77.8%, and return on average equity of 15.3%, increased from 11.5% in the prior year

#### Balance sheet growth:

- Total assets of \$20.6 billion, up \$2.7 billion, or 15% from the prior year
- Customer loans of \$9.9 billion, up \$2.0 billion, or 24% from the prior year
- Customer deposits of \$15.0 billion, up \$2.3 billion, or 18% from the prior year
- Tier 1 capital under Basel 1 increased by \$873 million to \$2.1 billion, with Tier 1 capital ratio of 15.5%

#### Key financial ratios:

	6M13	3M13	FY12	9M12	6M12
Net Interest Margin (NIM)	7.0%	6.7%	6.5%	6.3%	6.5%
Cost-to-Income Ratio (CIR)	71.3%	72.6%	72.0%	76.5%	77.8%
NPL ratio	5.7%	6.4%	5.6%	5.4%	5.6%
Return on Av. Equity (ROAE)	15.3%	14.8%	15.8%	11.9%	11.5%

#### Operational highlights:

- Ecobank continued to support businesses and households across its pan-African footprint. During the three months ended 30 June 2013, we provided additional credit of \$792 million to our Corporate Bank clients, including regional and global corporates and \$87 million to local corporates and consumers across Africa.
- We made further progress in efficiency gains across our businesses. Our cost-to-income ratio improved to 71.3% for the six months ended June 2013 from 77.8% in the prior year. For the second quarter, the cost-to-income ratio was reduced to 70.2% compared to 72.6% in the first quarter.

Commenting on these results, Thierry Tanoh, Group CEO said: "Our strong results for the first half of the year show continued progress and demonstrate the benefits of our diversified business model. The 24% increase in net revenue we achieved is all organic growth and is testament to the hard work of our staff. This growth, combined with better cost control, has more than doubled net income for shareholders year-on-year.

Our businesses in Nigeria and Ghana continue to grow strongly, contributing over half of the Group's profit before tax. The Southern and Central Africa clusters have also performed well. In Francophone West Africa, activity in Mali has recovered in the quarter. The East Africa cluster was affected by results in Kenya.

These results reflect the momentum we have across the Group as we strive to improve the efficiency of our operations and deliver greater value for our shareholders. We look forward to further progress in the second half of the year, which is traditionally a seasonally stronger period."

Note 1. The Group's financial statements for the six months ended 30 June 2013 have been reviewed by PricewaterhouseCoopers Cote d'Ivoire as required by the BRVM for half year results.

## FINANCIAL PERFORMANCE SUMMARY

### • Income statement

**Net revenue** was \$947 million, up \$182 million or 24% from \$765 million in the prior year period. Net revenue increased due to growth in both net interest income and non-interest revenue.

**Net interest income (NII)** increased \$87 million, or 21% to \$509 million from the prior year period driven by growth in earning assets and an expansion in net interest margin. For second quarter 2013, net interest income was \$269 million, up 12% from prior quarter, primarily driven by loan growth and a decrease in the cost of funds, particularly in Nigeria. The net interest margin for the second quarter was 7.3% versus 6.7% in the first quarter.

**Non-interest revenue (NIR)** was \$438 million in the first six months of 2013, up \$94 million, or 27% from the prior year period. The increase was primarily driven by growth in fees and commissions on loans and fees generated on cross-border trade. For the second quarter 2013, non-interest revenue was \$224 million, up 5% from the first quarter, with strong fees and commissions on loans, which reflected the loan growth in the second quarter and increased FX activity, partially offset by lower account servicing fees.

**Operating expenses** increased \$80 million, or 13% year-on-year to \$675 million in the first six months of 2013. The focus on expense discipline continues to remain management's priority in achieving business efficiency. Staff expenses for the period increased 8%, while depreciation and amortisation costs fell 5%. Growth in other operating expenses was in line with revenue growth, and also reflects increases in regulatory charges in Nigeria. For the second quarter 2013, operating expenses grew 5% quarter-on-quarter to \$346 million, which was in line with the overall business growth.

The cost-to-income ratio was 71.3% in the first six months of 2013, showing good progress compared with 77.8% in the prior year period. The efficiency ratio improved to 70.2% in the second quarter 2013, compared with 72.6% in the first quarter 2013.

**Net provision for impairment losses** was \$72 million in the first six months of the year, increasing by \$28 million, or 65%, from the prior year period. Net provisions for impairment losses were \$46 million in the second quarter 2013 compared with \$26 million in the first quarter 2013. The quarterly increase reflected the increase in loan portfolio year on year across geographies and also collective impairment provisions taken in Nigeria and Ghana.

**Profit before tax** was \$200 million, up \$73 million, or 58%, from the prior year period. Pre-tax profit benefited from higher revenue growth (24% year-on-year) relative to operating expenses growth (13% year-on-year). For the second quarter 2013, pre-tax profits were \$101 million, compared with \$99 million pre-tax profit in first quarter 2013.

The **tax expense** for the first six months of 2013 was \$30 million compared with \$39 million for the same period in the prior year. The effective tax rate was 15.1% compared with 31.2% in the first six months of 2012. The effective tax rate for the second quarter 2013 improved to 13.0% from 17.3% in first quarter 2013. These figures reflect the increased pre-tax profit contribution from Nigeria, which has a relatively low effective tax rate given certain types of income are tax exempt.

**Net income** attributable to shareholders was \$149 million in the first six months of 2013, up \$80 million, more than double the prior year period. In second quarter 2013, attributable net income was \$77 million compared with \$72 million in the prior quarter.

We continued to achieve record quarter-on-quarter net income. Our RoAE for the first half of 2013 was 15.3% compared with 11.5% in the same period last year, and 15.7% for the second quarter compared to 14.8% in the first quarter 2013.

**Earnings per share (EPS)** were 0.87 \$ cents (basic) and 0.71 \$ cents (diluted) compared with 0.54 \$ cents (basic) and 0.44 \$ cents (diluted) in the prior year period, respectively. There were no new shares issued during the second quarter, hence the share count used in the calculation of basic EPS remains 17,212.2 million.

### • Balance sheet

**Customer loans** totalled \$9.9 billion at 30 June 2013, up \$2.0 billion, or 24%, from 30 June 2012 and up 10% from 31 March 2013. Customer loans have now increased by 5% for the year to 30 June 2013.

Corporate Bank loans were \$5.2 billion at 30 June 2013, up 25% from the prior year period and 18% from 31 March 2013. The increases were largely driven by strong client engagements among regional corporates, which

continues to illustrate the benefits of our pan-African strategy and our ability to serve our clients as they moved across national borders.

Domestic Bank loans were \$4.7 billion at 30 June 2013, up 24% from the prior year period and 3% from 31 March 2013, driven by growth in consumer and local corporates.

From a regional perspective, customer loan growth was particularly strong in Ghana and Cote d'Ivoire, increasing 18% and 16% to \$865 million and \$854 million, in the second quarter. Our loan book in Nigeria returned to growth, with \$243 million, or 8%, in net loans added during the second quarter to reach \$3.4 billion at 30 June 2013.

**Credit quality** improved during the second quarter, as the percentage of non-performing loans (NPLs) to total loans fell to 5.7% at 30 June 2013 from 6.4% at 31 March 2013. This was due to a combination of loan growth, successful recovery efforts and the write-off of some fully provisioned loans in Nigeria. This has also led to a reduction in our coverage ratio from 70.4% at 31 March 2013 to 66.6% at 30 June 2013. However, we have devoted increased resources to NPL recoveries and to collections on past-due obligations to reduce the rate of new NPL formation, both of which should help restore the coverage ratio.. The annualised cost of risk for the six months to 30 June 2013 was 1.4%, with first and second quarter figures of 1.1% and 1.9% respectively. We continue to focus on prudent underwriting and risk management.

**Total assets** were \$20.6 billion at 30 June 2013, up \$2.7 billion, or 15% from 30 June 2012 and 5% from 31 March 2013. The increase in total assets was primarily due to growth in customer loans and government treasury bills.

**Customer deposits** were \$15.0 billion at 30 June 2013, up \$2.3 billion, or 18%, from 30 June 2012. The year-on-year increase was driven by Corporate Bank deposits, which rose by \$1.3 billion, or 37%, to \$5.0 billion due to increased client engagements. And despite a competitive retail deposit market, Domestic Bank grew customer deposits by \$1.0 billion, or 11%, to \$10.0 billion benefiting from our value-chain strategy.

For the second quarter 2013, total customer deposits grew by 4%, with Corporate Bank and Domestic Bank customer deposits both increasing by 4%. From a regional perspective, Cote d'Ivoire, Ghana, Burkina Faso, Mali and Cameroon saw encouraging levels of deposit growth in the second quarter of 2013. Deposit generation within the Domestic Bank in Nigeria this year, including from the public sector, remains challenging.

**Shareholder's equity** was \$2.1 billion at 30 June 2013, up \$648 million, or 45%, from 30 June 2012. The increase reflects the \$350 million (\$250 million from the PIC/GEPF and \$100 million from IFC funds) in common equity raised during the second half of 2012 and the positive impact of retained profits. Our book value per share stood at 12.1 \$ cents as at 30 June 2013, compared with 11.1 \$ cents at 30 June 2012.

**Tier I capital ratio** was 15.5% and our overall capital adequacy ratio (CAR) was 19.5%. Our Tier 1 capital ratio reflected a 69% increase in Tier 1 capital from growth in retained earnings and share capital additions and a 25% increase to \$13.8 billion in on- and off-balance sheet risk-weighted assets (RWA).

## BUSINESS SEGMENTS FINANCIAL PERFORMANCE

The Bank's operations and activities are organized around two key customer-focused business segments across its subsidiaries and affiliates: Corporate and Investment Bank (CIB) and Domestic Bank (DB).

### Highlights:

- **Corporate and Investment Bank** offers financial solutions to global and regional corporates, public corporates, financial institutions and international organisations, corporate finance, investment banking, securities and asset management, as well as our treasury business.

Corporate and Investment Bank revenue was \$458 million, up \$125 million, or 38% from June 2012. The increase was primarily driven by fees related to FX trading activities on behalf of clients, which grew by 47%, fees and commissions and net interest income. For the second quarter 2013, CIB revenue was \$239 million, up 9% from first quarter 2013.

Operating expenses for CIB were \$229 million, up \$54 million, or 31% from the prior year period. And for the second quarter 2013, operating expenses were \$117 million, up 4% from the prior quarter. The increases partially reflected internal cost allocation policies. However, operating expenses also benefited from the continued focus on cost discipline. The cost-to-income ratio (CIR), as a result, improved to 50.0% from 52.6% in the prior year period and 51.3% for the first quarter of 2013.

CIB provision for impairment losses increased 17% to \$15 million from the prior year period, reflecting the increased loan book. For the second quarter 2013 impairment losses increased by \$4.4 million from the prior quarter to \$9.4 million.

Corporate and Investment Bank reported profit before tax of \$215 million, up \$70 million, or 48% from the prior year period. For the second quarter 2013, CIB profit before tax was \$113 million, up 12% from the prior quarter.

- **Domestic Bank** offers convenient, accessible and reliable financial products and services to retail, local corporates, public sector, and microfinance customers. Domestic Bank leverages an extensive branch and ATM network as well as mobile, internet and remittances banking platforms.

Domestic Bank revenue was \$502 million for the six months ended June 2013, up \$41 million, or 9% from June 2012. The increase was primarily driven by the 12% growth in net interest income, which was supported by a reduction in the cost of funds, with a 3% increase in non-funded income. For the three months ended June 2013, DB revenue was \$261 million, an increase of 8%, from the prior quarter. Again, growth was led by net interest income, which grew 14% quarter-on-quarter, while non-funded income fell 2% for the same period.

Domestic Bank operating expenses were \$445 million in the first six months of 2013, up \$26 million, or 6% compared with the same period in 2012. The year-on-year increase reflected growth in other operating expenses, offset by declines in staff costs and depreciation & amortization expenses. For the three months ended June 2013, operating expenses were \$225 million, up 2% from the prior quarter, driven by growth in other operating expenses (including regulatory fee increases in Nigeria). Additionally, the increases in DB's operating expenses reflect internal cost allocation policies.

Domestic Bank's cost-to-income ratio was 88.6% for the first six months of 2013, compared with 90.8% in the same period of the prior year. Similarly, this efficiency ratio improved in the three months to June 2013 to 86.0% from the prior quarter's efficiency ratio of 91.4%.

Domestic Bank's net provision for impairment losses for the six months ended June 2013 was \$57 million, up 84% from June 2012. The increase in provisions reflected the 24% year-on-year growth in DB gross loans and also the provision charges taken on the local corporate portfolio in Nigeria and the SME portfolio in Ghana. For the three months ended June 2013, DB provision charges were \$36 million, up 74% from the prior quarter.

Domestic bank reported a pre-tax loss of \$0.3 million in the first six months of 2013, compared to a pre-tax profit of \$11 million in the comparable period in 2012.

## GEOGRAPHICAL CLUSTER FINANCIAL PERFORMANCE

Ecobank's operations in Africa are grouped into six geographical clusters according to size and shared attributes such as a common currency or membership of a regional economic community: **Francophone West Africa, Nigeria, Rest of West Africa, Central Africa, East Africa** and **Southern Africa**. **International** <sup>(1)</sup>, our seventh cluster, comprises our Paris affiliate and representative offices in London, Dubai and Beijing.

The table below summarizes the financial performance of each of these clusters for the six months ended 30 June 2013. The results of our corporate finance, investment banking, and securities and asset management businesses, which are managed by Ecobank Development Corporation <sup>(2)</sup> (EDC), are not included under our six geographical clusters, rather separately under EDC Group and also within our business segments- Corporate and Investment Bank. In addition, the amounts in the table below are unadjusted for consolidation eliminations, and do not include eProcess (our technology subsidiary) and ETI (parent company).

\$ million	Francophone West Africa	% y/y	Nigeria	% y/y	Rest of West Africa	% y/y	Central Africa	% y/y	East Africa	% y/y	Southern Africa	% y/y
<b>Revenue</b>	<b>199.9</b>	+14	<b>404.7</b>	+22	<b>178.3</b>	+19	<b>78.2</b>	+15	<b>32.5</b>	+32	<b>34.2</b>	+65
Operating expenses	(133.4)	+17	(318.7)	+9	(92.8)	+15	(54.7)	+19	(33.4)	+11	(25.5)	+22
Net provision for impairment losses	(16.2)	+64	(29.2)	+100	(19.8)	+70	(4.3)	+29	(1.1)	-52	(1.6)	+21
<b>Profit before tax</b>	<b>50.3</b>	-3	<b>56.7</b>	+123	<b>65.9</b>	+15	<b>19.1</b>	+2	<b>(2.0)</b>	+75	<b>7.1</b>	-529
Customer loans	3,336	+28	3,390	+21	1,141	+30	1,208	+26	413	+27	247	+49
Total assets	5,462	+25	9,090	+17	2,679	+13	2,041	+28	808	+18	467	+45
Customer deposits	3,970	+26	6,474	+13	1,976	+11	1,627	+26	548	+21	322	+63

- <sup>(1)</sup> International's revenue is largely derived from corporate and treasury business and was \$13.9 million for first half of 2013 and profit before tax was \$4.2 million.

- <sup>(2)</sup> EDC's revenue for the first half of 2013 was \$21.5 million, with profit before tax of \$14.0 million

### Highlights

- **Francophone West Africa** (comprising affiliates in Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Guinea Bissau, Mali, Niger, Senegal, and Togo)

Francophone West Africa's revenue of \$200 million for the six months ended June 2013 increased \$24 million, or 14% from the prior year period. The increase reflected growth in business volumes in Côte d'Ivoire, Niger and Benin. For the three months ended June 2013, revenues were \$103 million, up \$5.5 million, or 6% from the prior three month period, driven by revenue growth in Senegal, Côte d'Ivoire and Mali, with the latter gradually recovering from the recent political crisis.

Francophone WA operating expenses were \$133 million, up \$19 million, or 17%, from the prior year period. All affiliates recorded increases in operating expenses, except for Mali whose operating expenses fell 2%. For the second quarter 2013, operating expenses of \$67 million were flat compared with the prior quarter, reflecting quarter-on-quarter declines in most of the affiliates including Benin, Burkina Faso and Mali. The cluster's cost-to-income ratio for the first six months of 2013 was 67%, slightly worsening from 65% in the prior year period. The second quarter's CIR of 65%, however, was an improvement on the 68% achieved in the prior quarter, which is an encouraging trend.

Francophone WA provisions for impairment losses were \$16 million in the first six months of 2013, an increase of \$6.3 million, or 64% from the prior year period. The increase was predominately driven by provisions in Mali due to the challenging operating environment which was brought on by the political crisis, and Niger.

Francophone West Africa profit before tax of \$50 million for the six months to June 2013 decreased 3% from the prior year period. However, for the three months ended June 2013, pre-tax profit increased quarter-on-quarter by 13% to \$27 million.

- **Nigeria** (categorized as a cluster in its own right due to its size)

Nigeria revenue was \$405 million for the six months ended June 2013, an increase of \$74 million, or 22% from the prior year period primarily driven by non-funded income growth. Net interest income of \$233 million increased 10%, reflecting a reduction in the cost of funds. Non-interest revenue increased 43% to

\$171 million, primarily driven by client-related trading fees. For the three months ended June 2013, revenues grew 7% to \$209 million from the prior quarter, reflecting strong growth in spread income, partially offset by a decline in net trading income. Two regulatory changes started to impact results in the second quarter, a reduction in Commissions on Turnover (COT) income, which has reduced quarterly fee income by roughly \$6.5 million, and the increase in minimum rates on savings accounts, which has added about \$5 million to interest expense in the second quarter. We also received \$8 million from AMCON in April, recognized in interest income, in respect of interest on the delayed Oceanic Bank settlement reached in the fourth quarter of 2012.

Nigeria operating expenses were \$319 million for the six months ended June 2013, up 9% from the prior year period. The increase was partly due to regulatory charges, with the increase in AMCON levy charges on the amount of total assets, inclusion of interbank ATM fees in expenses and increased NDIC premiums from the growth in deposit balances. For the three months ended June 2013, operating expenses were \$157 million, down 3% from the prior quarter reflecting a marginal decline in other operating expenses and a flat growth in staff expenses. The cost-to-income ratio improved to 79% in the six months ended June 2013, from 88% in the prior year period. And for the second quarter, the efficiency ratio was 75%, a substantial improvement on the 83% achieved in the prior quarter.

Nigeria provision for impairment losses was \$29 million for the six months ended June 2013, compared with \$15 million for the same period in 2012. The increase reflected the increased loan book as well as provisions taken on our local corporate portfolio. For the second quarter 2013, provisions were \$20 million, compared with \$8.9 million in the prior quarter.

Nigeria reported a profit before tax of \$57 million in the six months ended June 2013, up \$31 million, or 123%, from the prior year period. For the second quarter 2013, pre-tax profits were \$32 million, compared with \$25 million in the prior quarter. The effective tax rate for the first half was 6%, resulting in a strong contribution from Nigeria to the overall Group's net income.

In addition, given the recent Central Bank of Nigeria (CBN) changes on cash reserve requirements for public sector deposits, we highlight that the proportion of our deposit balances impacted by this regulation is 12% of the \$6.35 billion total deposits as at 30 June 2013.

- **Rest of West Africa** (*comprising affiliates in Ghana, Guinea, Liberia, Sierra Leone and The Gambia*)

Rest of WA revenue of \$178 million in the first half of 2013 increased \$29 million, or 19% from the prior year period. The increase reflected growth in interest earning assets and higher interest yields, especially in Ghana. Net interest income grew by 27% to \$112 million benefiting from business volume growth, while non-interest revenue increased by 8% to \$67 million, driven by fees and commissions income. For the three months ended June 2013, revenues grew 9% to \$93 million from the prior quarter, reflecting good increases in both NII and NIR. This performance is in spite of the continued depreciation of the Ghana Cedi versus the US Dollar.

Rest of WA operating expenses were \$93 million for the six months ended June 2013 up \$12.2 million, or 15% from the prior year period. The increase was largely driven by staff costs and other operating expenses. For the three months ended June 2013, operating expenses increased 5% to \$48 million from the prior quarter reflecting growth in other operating expenses partially offset by declines in staff costs and depreciation and amortization charges. The cost-to-income ratio was 52% for the half year, down from 54% in the prior year period. And for the quarter it was 51% versus 53% in the prior quarter.

Rest of WA provision for impairment loss was \$20 million, an increase of \$8.2 million, or 70%, from the prior year period, primarily attributable to an increase in provisions on the SME loan portfolio in Ghana.

Rest of West Africa reported profit before tax of \$66 million for the first six months of 2013, an increase of \$8.5 million, or 15%, compared with the same period in 2012. For the second quarter 2013, pre-tax profits were \$35 million, up 13% from the prior quarter. Both increases were driven by solid growth in our Ghana business.

- **Central Africa** (*comprising affiliates in Cameroon, Central African Republic, Chad, Congo-Brazzaville, Equatorial Guinea, Gabon and Sao Tome & Principe*)

Central Africa revenue of \$78 million in the six months ended June 2013 increased \$10 million, or 15%, from the prior year period. The increase reflected a 14% growth in net interest income and a 17% growth in non-interest revenue, with all affiliates, except Central African Republic, contributing heavily. For the three months ended June 2013, revenues were \$41 million, up 8% from the prior quarter, primarily driven

by Chad and Congo Brazzaville.

Central Africa operating expenses were \$55 million, up 19% from the prior year period, driven by growth in other operating expenses. For the three months ended June 2013, operating expenses were flat from the prior quarter at \$27 million. The cost-to-income ratio, as a result, improved to 67% versus 73% in the prior quarter. On a year-to-year basis, the efficiency ratio was impacted by the reduced revenue from Central African Republic, resulting in a 70% cost-to-income ratio for the six months ended June 2013, versus 68% in the prior year period.

Central Africa's provision for impairment losses was \$4.3 million for the six months ended June 2013, up 29% from the prior year period, driven by higher provisions in Gabon and Cameroon. For the three months ended June 2013, provisions were \$3.0 million versus \$1.3 million in the prior quarter.

Central Africa's profit before tax for half year 2013 was \$19 million, up 2% from last year, however a reduction in effective tax rate from 48% in 2012 to 32% this year lead to an increase of 33% in profit after tax. For the three months ended June 2013, profit before tax was \$10 million, up 14% from the prior quarter.

- **East Africa** (*comprising affiliates in Burundi, Kenya, Rwanda, Uganda and Tanzania*)

East Africa revenue grew 32% in the first six months of 2013 to \$33 million, from the prior year, driven by strong growth in spread income and to a lesser extent non-funded income. Additionally, growth was driven by Kenya, Rwanda and Tanzania (the latter increasing revenue by 150% year-on-year). For the second quarter 2013, revenue was \$17 million, up 7% on the first quarter, driven by other income and fees and commissions offset by a decline in FX/trading income.

East Africa operating expenses were \$33 million, up 11% from the prior period reflecting growth in other operating expenses. Operating expenses for the three months ended 30 June 2013 were \$19 million, up 26% from the previous quarter, largely driven by a 49% growth in other operating expenses. The cost-to-income ratio was 103% for the six months ended 30 June 2013, an improvement on the 122% achieved in the same period in 2012. For second quarter 2013, the efficiency ratio deteriorated to 111% from 94% in the first quarter. The quarter-on-quarter deterioration in the efficiency ratio was primarily driven by lower revenue growth impacted by net interest income weakness compared to higher growth in operating expenses.

East Africa provision for impairment loss was \$1.1 million in the first six months of 2013 compared with \$2.4 million in the prior year period. The decrease in the provision charge was primarily driven by Kenya, which recorded a provision benefit versus an impairment loss in the prior year period. In the second quarter 2013, provisions were \$1.6 million compared with a provision benefit of \$0.5 million in first quarter 2013. The higher provisions recorded in the second quarter were largely from Kenya, Burundi and Tanzania.

East Africa reported a pre-tax loss \$2.0 million for the first six months of 2013 compared with a pre-tax loss of \$7.9 million in 2012. However, due to lower revenue growth and higher operating expenses, East Africa reported a pre-tax loss of \$3.4 million for the three months ended 30 June 2013, from a pre-tax profit of \$1.4 million in the first quarter 2013.

- **Southern Africa** (*comprising affiliates in Democratic Republic of Congo, Malawi, Zambia, Zimbabwe and a representative office in Angola*)

Southern Africa revenue of \$34 million in the first half of 2013 increased 65% from the prior year period. The increase reflected net interest income growth of 83% and non-interest revenue growth of 54%, driven by net fees and commissions income. Revenues of \$18 million in the second quarter 2013 increased by 13% from the first quarter 2013, reflecting solid growth in fees and commissions income. All affiliates contributed healthily to revenue growth.

Southern Africa operating expenses increased 22% from June 2012 to \$26 million, largely reflecting increases in staff expenses and other operating expenses. Operating expenses for the second quarter 2013 were \$14 million, an increase of 17% from the first quarter, driven by other operating expenses. The cost-to-income ratio improved sharply to 75% in the first half of 2013 versus 102% in the prior year period. For the second quarter 2013, the cost-to-income ratio was 76%, similar to the 73% achieved in the first quarter.

Southern Africa provision for impairment losses was \$1.6 million in the first half of 2013 compared with \$1.3 million in the prior year period. The increase reflected higher provision charges in DR Congo,



Malawi and Zimbabwe. For the second quarter 2013, provision charges were \$1.2 million versus \$0.3 million in the first quarter, driven by higher charges in the affiliates mentioned above.

Southern Africa profit before tax was \$7.1 million in the first half of 2013 compared with a pre-tax loss of \$1.6 million in the prior year period. For the second quarter 2013, profit before tax of \$3.1 million decreased 22% from the first quarter.

- **International**

Net revenue from the International business was \$13.9 million for the six months ended June, 2013 an increase of 44% from the prior year period. The increase reflected strong growth in fees and commissions related to FX and trade support activities for clients. For the second quarter 2013, net revenues were \$9.0 million, up 83% from the prior quarter.

Operating expenses were \$9.6 million in the first half of 2013 compared with \$5.6 million in the prior year period. The increase was driven by growth in staff, IT and regulatory compliance to support growth in the business. For the second quarter 2013, operating expenses were \$5.7 million versus \$4.0 million in the first quarter 2013.

Profit before tax of \$4.2 million for the first half of 2013 increased 6% from the prior year period. For the second quarter 2013, pre-tax profits increased 255% to \$3.3 million from \$0.9 million in the first quarter 2013.

- **EDC Group (the investment banking subsidiary of ETI)**

EDC Group revenues of \$21.5 million for the six months ended 2013 increased 12% from the prior year period. The increase reflected strong growth in financial advisory and brokerage fees. On a quarter-on-quarter basis, net revenues increased 60% to \$13 million in second quarter 2013 from \$8.4 million in first quarter 2013.

EDC Group operating expenses were \$7.8 million, up 12% from the prior year period, primarily driven by other operating expenses and largely offset by year-on-year declines in staff and depreciation and amortization costs. The cost-to-income ratio for the first half 2013 was 36%, flat compared with a CIR of 36.4% in the prior year. For second quarter 2013, operating expense were \$5.6 million versus \$2.2 million in the previous quarter reflecting growth in staff and other operating expenses.

EDC Group, for the first six months of 2013, reported profit before tax of \$14 million, up 19% from the prior year period. And for second quarter 2013, pre-tax profits for EDC Group were \$7.2 million, up 9% from the previous quarter.

**About Ecobank:** Incorporated in Lomé, Togo, Ecobank Transnational Incorporated (ETI) is the parent company of the leading independent pan-African banking group, Ecobank. It currently has a presence in 34 African countries, namely: Angola, Benin, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Congo (Brazzaville), Congo (Democratic Republic), Côte d'Ivoire, Equatorial Guinea, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Liberia, Malawi, Mali, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, South Africa, South Sudan, Tanzania, Togo, Uganda, Zambia, Zimbabwe.

The Group is also represented in France through its affiliate EBI SA in Paris. ETI also has representative offices in Dubai-United Arab Emirates, London-UK and Beijing-China. ETI is listed on the stock exchanges in Lagos, Accra, and the West African Economic and Monetary Union (UEMOA) – the BRVM. The Group is owned by more than 600,000 local and international institutional and individual shareholders. The Group employs nearly 19,000 people in 38 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 organizations, medium, small and micro businesses and individuals. Additional information may be found at : [www.ecobank.com](http://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.

### **Management Conference Call**

Ecobank will host a conference call for analysts and investors on **Wednesday 31 July 2013 at 12:00 GMT (13:00 London / Lagos time)** during which senior management will present the unaudited financial results for the six months ended 30 June 2013. There will be an opportunity at the end of the call for questions.

The conference call facility can be accessed by dialling:

UK Standard International	+44 1452 555 566
UK Free call	0800 694 0257
USA Free call	1866 966 9439
USA Local call	1631 510 7498
South Africa Free Call	0800 980 759
United Arab Emirates	8000 440 189

Participants will be asked for their full name, company name and conference ID.

Conference ID: 24 666 734

Participants should call at least five minutes before the start of the presentation.

For those who are unable to listen to the live call, an Encore replay facility will be available until **14 August, 2013** with details made available after the call on request.

The presentation will be posted on the Ecobank website prior to the conference call at [www.ecobank.com](http://www.ecobank.com).

### **Investor Relations**

Ecobank is committed to continuous improvement in its investor communications. For further information, and if you have any suggestions on what we can do better, please contact James Etherington and Ato Arku via [ir@ecobank.com](mailto:ir@ecobank.com). Full contact details below:

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**IFRS UNAUDITED CONSOLIDATED INCOME STATEMENT  
FOR THE SIX MONTHS ENDED 30 JUNE 2013**

	<b>For the six months ended 30 June</b>	
	<b>2013</b>	2012
	<b>US\$ '000</b>	US\$ '000
Interest income	779,723	670,066
Interest expense	(270,408)	(248,043)
<b>Net interest income</b>	<b>509,315</b>	422,023
Fee and commission income	290,369	249,151
Fee and commission expense	(11,382)	(11,886)
<b>Net fee and commission income</b>	<b>278,987</b>	237,265
Lease income	877	1,120
Dividend income	2,974	866
Net trading income	141,577	97,629
Gains less losses from investment securities	59	(3,696)
Other operating income	13,074	10,078
<b>Operating income before impairment loss</b>	<b>946,863</b>	765,285
Impairment losses for loans	(71,898)	(43,600)
<b>Operating income after impairment loss</b>	<b>874,965</b>	721,685
Staff expenses	(301,655)	(278,801)
Depreciation and amortisation	(62,049)	(65,456)
Other operating expenses	(311,721)	(251,105)
<b>Total operating expenses</b>	<b>(675,425)</b>	(595,362)
<b>Operating profit</b>	<b>199,540</b>	126,323
Share of loss of associates	(25)	-
<b>Profit before tax</b>	<b>199,515</b>	126,323
Income tax expense	(30,221)	(39,431)
<b>Profit for the period</b>	<b>169,294</b>	86,892
<b>Attributable to:</b>		
- Owners of the parent	148,956	68,911
- Non-controlling interests	20,338	17,981
	<b>169,294</b>	86,892
Earnings per share for profit attributable to the equity holders of the parent company during the period (in US cents)		
• Basic EPS	0.87	0.54
• Diluted EPS	0.71	0.44

**IFRS UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2013**

	<b>As at 30 June</b>	
	<b>2013</b>	<b>2012</b>
	<b><u>USD '000</u></b>	<b><u>USD '000</u></b>
<b>Assets</b>		
Cash and balances with central banks	2,073,163	1,637,013
Treasury bills and other eligible bills	1,800,551	882,651
Loans and advances to banks	1,857,127	1,947,386
Loans and advances to customers	9,939,506	7,984,431
Trading assets	28,465	571,372
Derivative financial instruments	135,174	256
Investment securities: available for sale	1,631,639	2,393,242
Investments in associates	17,783	2,906
Pledged assets	686,818	276,131
Intangible assets	514,654	526,700
Property and equipment	842,708	804,230
Investment properties	199,383	60,420
Deferred income tax assets	89,250	68,895
Other assets	737,211	650,916
<b>Total Assets</b>	<b>20,553,432</b>	<b>17,806,549</b>
<b>Liabilities</b>		
Deposits from other banks	958,442	765,746
Deposits from customers	15,010,479	12,678,394
Other deposits	494,289	282,184
Derivative financial instruments	384	185
Borrowed funds	980,531	1,181,887
Other liabilities	757,486	1,243,035
Other provisions	32,494	21,958
Current income tax liabilities	21,113	40,111
Deferred income tax liabilities	39,844	10,834
Retirement benefit obligations	14,646	11,331
<b>Total Liabilities</b>	<b>18,309,708</b>	<b>16,235,665</b>
<b>Equity</b>		
<b>Equity attributable to the owners of the parent</b>		
Share capital and premium	1,411,556	1,080,186
Retained earnings and reserves	666,872	350,175
<b>Shareholders' equity</b>	<b>2,078,428</b>	<b>1,430,361</b>
Non-controlling interests in equity	165,296	140,523
<b>Total Equity</b>	<b>2,243,724</b>	<b>1,570,884</b>
<b>Total Liabilities and Equity</b>	<b>20,553,432</b>	<b>17,806,549</b>

## IFRS UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR SIX MONTHS ENDED 30 JUNE 2013

	For the six months ended 30 June	
	2013	2012
	<u>USD '000</u>	<u>USD '000</u>
<b>Cash flows from operating activities</b>		
Profit before tax	199,540	126,323
Net trading income – foreign exchange	(92,068)	(94,732)
Net gain from investment securities	(59)	2,436
Impairment losses on loans and advances	71,898	43,600
Depreciation of property and equipment	52,258	53,311
Amortisation of software and other intangibles	9,791	12,145
Impairment charges:		
- property and equipment	128	349
- doubtful receivables	501	(1,103)
Profit on sale of property and equipment	(172)	(655)
Share of loss of associates	25	-
Income taxes paid	(26,581)	(42,312)
<b>Changes in operating assets and liabilities</b>		
- net decrease/(increase) in trading assets	64,389	(569,802)
- net decrease/(increase) in pledged assets	13,236	(178,685)
- net decrease in derivative financial assets	8,243	8,355
- net decrease in loans and advances to banks	65,746	577,015
- net increase in loans and advances to customers	(498,561)	(700,802)
- net increase/(decrease) in other assets	(146,204)	143,268
- net (increase)/decrease in mandatory reserve deposits with central banks	(81,407)	71,790
- net increase in other deposits	124,929	112,085
- net increase in amounts due to customers	390,001	601,899
- net increase/(decrease) in derivative liabilities	255	(10,085)
- net increase in other liabilities	24,827	199,190
- net increase in other provisions	6,454	21,958
<b>Net cash flow from operating activities</b>	187,170	375,548
<b>Cash flow from investing activities</b>		
Acquisition/disposal of subsidiaries	72,408	119,245
Purchase of software	(9,928)	(18,118)
Net purchase of property and equipment	(58,381)	(75,777)
Sale of investment securities	686,614	301,763
Interest received	63,067	93,705
<b>Net cash from investing activities</b>	753,780	420,818
<b>Cash flow from financing activities</b>		
Repayment of borrowed funds	(259,152)	(221,134)
<b>Net cash used in financing activities</b>	(259,152)	(221,134)
<b>Net increase in cash and cash equivalents</b>	681,797	575,232
Cash and cash equivalents at start of period	1,813,053	1,330,596
Effects of exchange differences on cash and cash equivalents	181,991	469,881
<b>Cash and cash equivalents at end of period</b>	2,676,841	2,375,709