



PRESS RELEASE

PR. No 266/2010

**ECOBANK TRANSNATIONAL INCORPORATED (ETI) -
UN-AUDITED RESULTS FOR THE
THIRD QUARTER ENDING- SEPTEMBER 2010**

ETI has released its un-audited Financial Statements for the third quarter ending September 30, 2010 as per the attached.

Issued in Accra, this 26th
day of October, 2010.

att'd.

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Distribution:

1. All LDMS
2. General Public
3. Company Secretary, ETI
4. GCB Registrars (Registrars for ETI 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

*JEB

Positive Third Quarter 2010 Performance

- . Revenues at US\$ 619m, (GH¢ 884 m)
- . Profit after tax at US\$81m, (GH¢ 116 m)
- . Total assets at US\$ 9,540m, (GH¢ 13,667 m)
- . Total equity at US\$1,259m, (GH¢ 1,804 m)

	Period ended 30 September 2010		Period ended 30 September 2009		% Change	
	US\$'000	GH¢'000	US\$'000	GH¢'000	US\$	GH¢
Revenues	619 261	883 973	615 988	864 469	1%	2%
Profit before income tax	118 000	168 439	94 042	131 976	25%	28%
Estimated Income tax expense	(36 633)	(52 292)	(32 654)	(45 826)	12%	14%
Profit for the period	81 367	116 147	61 388	86 150	33%	35%
Total assets	9 540 240	13 667 348	9 047 002	13 166 101	5%	4%
Total Equity	1 259 176	1 803 895	1 216 726	1 770 702	3%	2%

We are pleased to announce Ecobank Group's results for the nine months ended 30 September 2010. While economic conditions continue to be challenging in some of our markets and the global recovery fragile, our results show the good underlying performance of our businesses.

Our strategic objective to reduce expense growth was achieved. Provisions for credit losses reduced significantly, reflecting stricter risk management measures. These measures resulted in strong growth in net income.

For the rest of the year, we will continue to drive revenues and improve operational efficiencies across the group in line with our ongoing consolidation and optimization strategy. Our focus remains to serve our clients better utilizing our strong balance sheet and our pan-African network.

Unaudited Consolidated Income Statement

	Period ended 30 September 2010		Period ended 30 September 2009		% Change	
	US\$'000	GH¢'000	US\$'000	GH¢'000	US\$	GH¢
Interest income	512 927	732 186	544 085	763 563	-6%	-4%
Interest expense	(169 517)	(241 980)	(228 077)	(320 081)	-26%	-24%
Net interest income	343 410	490 206	316 008	443 482	9%	11%
Fee and commission income	187 105	267 086	178 702	250 788	5%	6%
Fee and commission expense	(5 680)	(8 108)	(6 702)	(9 406)	-15%	-14%
Net fee and commission income	181 425	258 978	172 000	241 382	5%	7%
Lease income	8 762	12 507	12 809	17 976	-32%	-30%
Dividend income	1 326	1 893	787	1 104	68%	71%
Net trading income	79 869	114 010	109 466	153 623	-27%	-26%
Gains less losses from investment securities	77	110	(552)	(775)	-114%	-114%
Other operating income	4 392	6 269	5 470	7 677	-20%	-18%
Operating income before impairment loss	619 261	883 973	615 988	864 469	1%	2%
Impairment losses for loans	(63 471)	(90 603)	(97 425)	(136 725)	-35%	-34%
Operating income after impairment loss	555 790	793 370	518 563	727 744	7%	9%
Staff expenses	(196 144)	(279 989)	(195 462)	(274 309)	0%	2%
Depreciation and amortisation	(50 289)	(71 786)	(44 027)	(61 787)	14%	16%
Other operating expenses	(191 357)	(273 155)	(185 032)	(259 672)	3%	5%
Total operating expenses	(437 790)	(624 931)	(424 521)	(595 768)	3%	5%
Profit before income tax	118 000	168 439	94 042	131 976	25%	28%
Income tax expense	(36 633)	(52 292)	(32 654)	(45 826)	12%	14%
Profit for the year	81 367	116 147	61 388	86 150	33%	35%
Attributable to:						
Equity holders of the parent company	73 465	104 867	50 372	70 690	46%	48%
Non-controlling interest	7 902	11 280	11 016	15 460	-28%	-27%
	81 367	116 147	61 388	86 150	33%	35%

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	0,74	1,06	0,58	0,81	28%	31%
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Undaunted Consolidated Statement of Financial Position

Assets	As at 30 September 2010		As at 30 September 2009		% Change	
	US\$'000	GH¢'000	US\$'000	GH¢'000	US\$	GH¢
Cash and balances with central banks	1 286 323	1 842 786	865 658	1 259 792	49%	46%
Treasury bills and other eligible bills	460 688	659 982	550 035	800 466	-16%	-18%
Loans and advances to banks	1 304 563	1 868 917	1 427 696	2 077 726	-9%	-10%
Loans & advances to customers	4 847 285	6 944 220	4 762 215	6 930 451	2%	0%
Trading assets	64 282	92 090	61 839	89 994	4%	2%
Derivative financial instruments	10 846	15 538	-	-	na	na
Investment securities: available for sale	623 166	892 748	477 055	694 258	31%	29%
Pledged assets	159	228	176	256	-10%	-11%
Intangible assets	31 920	45 729	42 367	61 657	-25%	-26%
Property and equipment	468 274	670 849	393 684	572 928	19%	17%
Investment property	12 422	17 796	12 520	18 220	-1%	-2%
Deferred income tax assets	34 873	49 959	15 044	21 894	132%	128%
Others assets	395 439	566 506	438 713	638 459	-10%	-11%
Total Assets	9 540 240	13 667 348	9 047 002	13 166 101	5%	4%
Liabilities						
Deposits from other banks	184 912	264 905	585 577	852 190	-68%	-69%
Deposits from customers	7 309 509	10 471 603	6 242 868	9 085 246	17%	15%
Other deposits	7 275	10 422	37 251	54 211	-80%	-81%
Derivative financial instruments	9 913	14 201	-	-	na	na
Borrowed funds	280 917	402 442	528 414	769 001	-47%	-48%
Other liabilities	418 139	599 026	357 174	519 794	17%	15%
Current income tax liabilities	25 398	36 385	29 465	42 880	-14%	-15%
Deferred income tax liabilities	32 898	47 130	32 504	47 303	1%	0%
Retirement benefit obligations	12 103	17 339	17 023	24 774	-29%	-30%
Total Liabilities	8 281 064	11 863 453	7 830 276	11 395 399	6%	4%
Equity						
Capital and reserves attributable to the equity holders of the parent entity						
Share capital	867 714	1 243 087	774 496	1 127 124	12%	10%
Retained earnings	264 325	378 672	256 773	373 682	3%	1%
Others reserves	6 473	9 273	46 696	67 957	-86%	-86%
Total equity and reserves attributable	1 138 512	1 631 032	1 077 965	1 568 763	6%	4%
Non-controlling interests in equity	120 664	172 863	138 761	201 939	-13%	-14%
Total Equity	1 259 176	1 803 895	1 216 726	1 770 702	3%	2%
Total Liabilities and Equity	9 540 240	13 667 348	9 047 002	13 166 101	5%	4%

Unaudited Consolidated Statement of Cash Flows

	Period ended 30 September 2010		Period ended 30 September 2009	
	US\$'000	GH¢'000	US\$'000	GH¢'000
Cash flows from operating activities				
Interest income received	512 927	732 186	534 085	749 529
Interest paid	(169 517)	(241 980)	(221 145)	(310 352)
Dividends received	1 326	1 893	787	1 104
Fee and commission receipts	187 105	267 086	176 702	247 982
Fee and commission paid	(5 680)	(8 108)	(6 702)	(9 406)
Net trading and other incomes	92 697	132 322	127 193	178 501
Cash payments to employees and suppliers	(387 501)	(553 145)	(380 494)	(533 981)
Income taxes paid	(47 897)	(68 371)	(40 262)	(56 503)
Changes in operating assets and liabilities				
- net (increase) in trading assets	(56 813)	(81 390)	(54 733)	(79 653)
- net (increase) in derivative financial assets	(829)	(1 188)	-	-
- net decrease in loans and advances to banks	52 796	75 636	279 807	407 203
- net (increase) in loans and advances to customers	(51 249)	(73 419)	(1 130 545)	(1 645 282)
- net (increase) in other assets	(37 290)	(53 422)	(77 411)	(112 656)
- net (increase) in mandatory reserve deposits with central banks	(88 370)	(126 599)	(87 996)	(128 061)
- net (decrease) in other deposits	(78 518)	(112 485)	(56 568)	(82 323)
- net increase in amounts due to customers	837 050	1 199 158	443 973	646 114
- net (decrease) in other liabilities	(58 862)	(84 326)	(138 651)	(201 779)
Net cash from / (used in) operating activities	701 266	1 003 692	(631 960)	(929 563)
Cash flows from investing activities				
(Acquisition of subsidiaries)/net of cash acquired	-	-	4 148	6 037
Purchase of software	(4 287)	(6 142)	(6 714)	(9 771)
Purchase of property and equipment	(86 844)	(124 413)	(104 644)	(152 288)
Sale/(purchase) of investment securities	(116 790)	(167 313)	106 945	155 637
Net cash (used in) investing activities	(207 921)	(297 868)	(265)	(385)
Cash flows from financing activities				
Net proceeds from borrowed funds	27 015	38 702	183 257	266 694
Dividends paid to minority shareholders	(13 469)	(19 296)	(12 363)	(17 992)
Dividends paid	(29 745)	(42 613)	(17 466)	(25 418)
Net cash from / (used in) financing activities	(16 199)	(23 207)	153 428	223 284
Net (decrease) / increase in cash and cash equivalents	477 146	682 617	(478 797)	(706 664)
Cash and cash equivalents at start of year	1 016 726	1 456 560	1 493 804	2 173 931
Effects of exchange differences on cash and cash equivalents	(42 678)	(57 923)	(16 695)	(24 296)
Net effects of changes in exchange rate		(2 273)		9 872
Cash and cash equivalents at end of period	1 451 194	2 078 981	998 312	1 452 843



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 2009.
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\$1.8 billion (GH¢ 2.5 billion) (31 Dec 2009: US\$1.6 billion (GH¢ 2.4 billion))
4. The financial statements do not contain untrue statements, misleading facts or omit material facts, to the best of my knowledge

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Laurence do Rego

Group Executive Director, Finance and Risk

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Arnold Ekpe

Group Chief Executive Officer