GHANA STOCK EXCHANGE

PRESS RELEASE

PR. No 378/2019

ECOBANK TRANSNATIONAL INCORPORATED (ETI) -
CONDENSED UNAUDITED CONSOLIDATED FINANCIAL STATEMENT FOR PERIOD ENDING 30 SEPTEMBER 2019

ETI has released its condensed unaudited Consolidated Financial Statements for the period ending September 30, 2019 as per the attached.

Issued at Accra, this 28th
day of October, 2019.

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att'd.

Distribution:
1. All LDMs
2. General Public
3. Company Secretary, ETI
4. Securities and Exchange Commission
5. Central Securities Depository
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Head Listing, GSE on 0302 669908, 669914, 669935
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ECOBANK TRANSNATIONAL INCORPORATED

Condensed Unaudited Consolidated Financial Statements

For period ended 30 September 2019

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Condensed Unaudited Consolidated financial statements:

Press Release

Ecobank Group reports performance for nine months ended 30th September 2019

- Revenue down 14% to $1,169.0 million (down 7% to GHC 6.0 billion)
- Operating profit before impairment losses down 26% to $393.0 million (down 20% to GHC 2,024.3 million)
- Profit before tax down 4% to $302.9 million (up 4% to GHC 1,559.8 million)
- Profit after tax down 12% to $218.1 million (down 5% to GHC 1,123.2 million)
- Total assets stable at $22.6 billion (up 10% to GHC 120.0 billion)
- Loans and advances to customers down 5% to $8.7 billion (up 5% to GHC 46.2 billion)
- Deposits from customers down 2% to $15.6 billion (up 8% to GHC 82.7 billion)
- Total equity up 1%to $1.8 billion (up 11% to GHC 9.7 billion)

Financial Highlights	Period ended 30 September 2019		Period ended 30 September 2018		% Change	
	US$'000	GHC'000	US$'000	GHC'000	US$	GHC
Income Statement:						
Revenue	1,168,992	6,020,762	1,366,952	6,503,694	-14%	-7%
Operating profit before impairment losses	393,032	2,024,267	531,181	2,527,257	-26%	-20%
Profit before tax	302,852	1,559,805	314,495	1,496,307	-4%	4%
Profit for the period	218,077	1,123,181	247,223	1,176,239	-12%	-5%
Earnings per share from continuing operations attributable to owners of the parent during the period (expressed in United States cents / pesewas per share):						
Basic (cents and pesewas)	0.63	3.24	0.80	3.82	-22%	-15%
Diluted (cents and pesewas)	0.63	3.24	0.80	3.80	-21%	-15%
Earnings per share from discontinued operations attributable to owners of the parent during the period(expressed in United States cents / pesewas per share):						
Basic (cents and pesewas)	0.02	0.08	0.00	0.39		
Diluted (cents and pesewas)	0.02	0.08	0.00	0.39		

Financial Highlights	As at 30 September 2019		As at 31 December 2018		% Change	
	US$'000	GHC'000	US$'000	GHC'000	US$	GHC
Statement of Financial Position:						
Total assets	22,571,902	119,994,488	22,582,196	108,846,186	0%	10%
Loans and advances to customers	8,699,605	46,247,970	9,168,669	44,192,985	-5%	5%
Deposits from customers	15,556,135	82,697,969	15,935,999	76,811,515	-2%	8%
Total equity	1,823,411	9,693,434	1,812,491	8,736,208	1%	11%

The financial statements were approved for issue by the board of directors on 25 October 2019.

Emmanuel Ikazoboh
Group Chairman

Ade Ayeyemi
Group Chief Executive Officer

Ayo Adepoju
Group Chief Financial Officer

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Condensed Unaudited Consolidated Statement of Comprehensive Income - USD

	9 Month Period ended 30 September 2019	9 Month Period ended 30 September 2018	% Change September 2019 vs 2018
	US$'000	US$'000	
Interest Income	1,030,375	1,156,100	-11%
Interest Expense	(489,737)	(453,396)	8%
Net Interest Income	**540,638**	**702,704**	**-23%**
Fee and commission income	342,537	377,630	-9%
Fee and commission expense	(27,262)	(48,528)	-44%
Net trading income	270,860	277,627	-2%
Other operating income	42,219	57,519	27%
Non-interest revenue	**628,354**	**664,248**	**-5.4%**
Operating income	**1,168,992**	**1,366,952**	**-14%**
Staff expenses	(356,727)	(373,573)	-5%
Depreciation and amortisation	(77,531)	(74,439)	4%
Other operating expenses	(341,702)	(387,759)	-12%
Operating expenses	**(775,960)**	**(835,771)**	**-7%**
Operating profit before impairment losses and taxation	**393,032**	**531,181**	**-26%**
Impairment losses on loans and advances	(185,036)	(275,120)	-33%
Recoveries	126,656	72,676	74%
Impairment charge on other financial assets	(31,662)	(14,469)	119%
Impairment losses on financial assets	**(90,042)**	**(216,913)**	**-58%**
Operating profit after impairment losses before taxation	**302,990**	**314,268**	**-4%**
Share of(loss) / profit of associates	(138)	227	-161%
Profit before tax	**302,852**	**314,495**	**-4%**
Taxation	(88,659)	(67,935)	31%
Profit for the period from continuing operations	**214,193**	**246,560**	**-13%**
Profit for the period from discontinued operations	3,884	663	486%
Profit for the period	**218,077**	**247,223**	**-12%**
Attributable to:			
Owners of the parent	**154,686**	**197,373**	**-22%**
- Continuing operations	152,589	197,015	-23%
- Discontinued operations	2,097	358	486%
Non-controlling interests	**63,391**	**49,850**	**27%**
- Continuing operations	61,604	49,545	24%
- Discontinued operations	1,787	305	486%
	218,077	247,223	-12%
Earnings per share from continuing operations attributable to owners of the parent during the period (expressed in United States cents per share):			
Basic (cents)	0.63	0.80	-22%
Diluted (cents)	0.63	0.80	-21%
Earnings per share from discontinued operations attributable to owners of the parent during the period (expressed in United States cents per share):			
Basic (cents)	0.02	0.003	486%
Diluted (cents)	0.02	0.003	490%
Unaudited consolidated statement of other comprehensive income			
Profit for the period	**218,077**	**247,223**	**-12%**
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange difference on translation of foreign operations	(257,309)	(149,778)	72%
Fair value gain / (loss) on debt instruments at FVTOCI	71,540	68,742	4%
Taxation relating to components of other comprehensive income that may be subsequently reclassed to profit or loss	(1,912)	214	-993%
Other comprehensive loss for the period, net of taxation	(187,681)	(80,822)	132%
Total comprehensive income for the period	**30,396**	**166,401**	**-82%**
Total comprehensive (loss) / income attributable to:			
Owners of the parent	**(27,102)**	**146,359**	**-119%**
- Continuing operations	(29,199)	146,001	-120%
- Discontinued operations	2,097	358	486%
Non-controlling interests	**57,498**	**20,042**	**187%**
- Continuing operations	55,711	19,737	182%
- Discontinued operations	1,787	305	486%
	30,396	166,401	-82%

The above condensed unaudited consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Condensed Unaudited Consolidated Statement of Comprehensive Income - GHC

	9 Month Period ended 30 September 2019	9 Month Period ended 30 September 2018	% Change September 2019 vs 2018
	GHC'000	GHC'000	
Interest Income	5,306,831	5,500,501	-4%
Interest Expense	(2,522,335)	(2,157,171)	17%
Net Interest Income	**2,784,496**	**3,343,330**	**-17%**
Fee and commission income	1,764,198	1,796,691	-2%
Fee and commission expense	(140,410)	(230,887)	-39%
Net trading income	1,395,034	1,320,896	6%
Other operating income	217,444	273,664	-21%
Non-interest revenue	**3,236,266**	**3,160,364**	**2%**
Operating income	**6,020,762**	**6,503,694**	**-7%**
Staff expenses	(1,837,282)	(1,777,388)	3%
Depreciation and amortisation	(399,315)	(354,166)	13%
Other operating expenses	(1,759,898)	(1,844,883)	-5%
Operating expenses	**(3,996,495)**	**(3,976,437)**	**1%**
Operating profit before impairment losses and taxation	**2,024,267**	**2,527,257**	**-20%**
Impairment losses on loans and advances	(953,007)	(1,308,968)	-27%
Recoveries	652,328	345,778	89%
Impairment charge on other financial assets	(163,072)	(68,840)	137%
Impairment losses on financial assets	**(463,751)**	**(1,032,030)**	**-55%**
Operating profit after impairment losses before taxation	**1,560,516**	**1,495,227**	**4%**
Share of (loss) / profit of associates	(711)	1,080	-166%
Profit before tax	**1,559,805**	**1,496,307**	**4%**
Taxation	(456,628)	(323,222)	41%
Profit for the period from continuing operations	**1,103,177**	**1,173,085**	**-6%**
Profit for the period from discontinued operations	20,004	3,154	534%
Profit for the period	**1,123,181**	**1,176,239**	**-5%**
Attributable to:			
Owners of the parent	**796,693**	**939,062**	**-15%**
- Continuing operations	785,893	937,359	-16%
- Discontinued operations	10,800	1,703	534%
Non-controlling interests	**326,488**	**237,177**	**38%**
- Continuing operations	317,284	235,726	35%
- Discontinued operations	9,204	1,451	534%
	1,123,181	**1,176,239**	**-5%**
Earnings per share from continuing operations attributable to owners of the parent during the period (expressed in pesewas per share):			
Basic (pesewas)	3.24	3.82	-15%
Diluted (pesewas)	3.24	3.82	-15%
Earnings per share from discontinued operations attributable to owners of the parent during the period (expressed in pesewas per share):			
Basic (pesewas)	0.08	0.39	
Diluted (pesewas)	0.08	0.39	
Unaudited consolidated statement of other comprehensive income			
Profit for the period	**1,123,181**	**1,176,239**	**-5%**
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange difference on translation of foreign operations	(424,257)	(712,616)	-40%
Fair value gain / (loss) on debt instruments at FVTOCI	368,459	327,061	-13%
Taxation relating to components of other comprehensive income that may be subsequently reclassed to profit or loss	(9,848)	1,020	-1065%
Other comprehensive loss for the period, net of taxation	(65,646)	(384,535)	-83%
Total comprehensive income for the period	**1,057,535**	**791,704**	**34%**
Total comprehensive income attributable to:			
Owners of the parent	**607,960**	**696,347**	**-13%**
- Continuing operations	597,160	694,644	-14%
- Discontinued operations	10,800	1,703	534%
Non-controlling interests	**449,575**	**95,357**	**371%**
- Continuing operations	440,371	93,906	369%
- Discontinued operations	9,204	1,451	534%
	1,057,535	**791,704**	**34%**

The above condensed unaudited consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Condensed Unaudited Consolidated Statement of Comprehensive Income - USD

	Quarter ended 30 September 2019	Quarter ended 30 September 2018	% Change
	US$'000	**US$'000**	
Interest Income	347,566	364,209	-5%
Interest Expense	(169,384)	(140,694)	20%
Net Interest Income	**178,182**	**223,515**	**-20%**
Fee and commission income	106,723	125,081	-15%
Fee and commission expense	(4,514)	(15,405)	71%
Net trading income	93,137	85,169	9%
Other operating income	19,780	37,703	-48%
Non-interest revenue	**215,126**	**232,548**	-7%
Operating income	**393,308**	**456,063**	**-14%**
Staff expenses	(113,323)	(126,130)	-10%
Depreciation and amortisation	(24,164)	(24,699)	-2%
Other operating expenses	(123,405)	(121,219)	2%
Operating expenses	**(260,892)**	**(272,048)**	**-4%**
Operating profit before impairment losses and taxation	**132,416**	**184,015**	**-28%**
Impairment losses on loans and advances	(47,577)	(104,340)	-54%
Recoveries	22,524	26,398	-15%
Impairment charge on other financial assets	(7,724)	(4,512)	71%
Impairment losses on financial assets	(32,777)	(82,454)	**-60%**
Operating profit after impairment losses before taxation	**99,639**	**101,561**	**-2%**
Share of (loss) / profit of associates	(144)	100	-244%
Profit before tax	**99,495**	**101,661**	**-2%**
Taxation	(46,734)	(23,123)	102%
Profit for the period from continuing operations	**52,761**	**78,538**	**-33%**
Profit for the period from discontinued operations	569	141	304%
Profit for the period	**53,330**	**78,679**	**-32%**
Attributable to:			
Owners of the parent	**34,453**	**62,679**	**-45%**
- Continuing operations	34,146	62,603	-45%
- Discontinued operations	307	76	304%
Non-controlling interests	**18,877**	**16,000**	**18%**
- Continuing operations	18,615	15,935	17%
- Discontinued operations	262	65	303%
	53,330	**78,679**	**-32%**
Earnings per share from continuing operations attributable to owners of the parent during the period (expressed in United States cents):			
Basic (cents)	0.14	0.25	-45%
Diluted (cents)	0.14	0.26	-45%
Unaudited consolidated statement of other comprehensive income			
Profit for the period	**53,330**	**78,679**	**-32%**
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange difference on translation of foreign operations	(64,083)	(75,327)	15%
Fair value gain on debt instruments at FVTOCI	21,558	100,383	-79%
Taxation relating to components of other comprehensive income that may be subsequently reclassed to profit or loss	5,391	(446)	1309%
Other comprehensive (loss) / profit for the period, net of taxation	(37,134)	24,610	-251%
Total comprehensive income for the period	**16,196**	**103,289**	**-84%**
Total comprehensive (loss) / income attributable to:			
Owners of the parent	**(8,872)**	**98,001**	**-109%**
- Continuing operations	(9,179)	97,925	-109%
- Discontinued operations	307	76	304%
Non-controlling interests	**25,068**	**5,288**	**374%**
- Continuing operations	24,806	5,223	375%
- Discontinued operations	262	65	303%
	16,196	**103,289**	**-84%**

Condensed Unaudited Consolidated Statement of Comprehensive Income - GHC

	Quarter ended 30 September 2019	Quarter ended 30 September 2018	% Change
	GHC'000	GHC'000	
Interest Income	1,833,479	1,967,015	-7%
Interest Expense	(892,745)	(761,868)	17%
Net Interest Income	**940,734**	**1,205,147**	**-22%**
Fee and commission income	564,646	669,796	-16%
Fee and commission expense	(24,694)	(83,089)	70%
Net trading income	490,982	462,132	6%
Other operating income	103,300	185,243	-44%
Non-interest revenue	**1,134,234**	**1,234,082**	**-8%**
Operating income	**2,074,968**	**2,439,229**	**-15%**
Staff expenses	(599,121)	(673,276)	-11%
Depreciation and amortisation	(127,845)	(132,222)	-3%
Other operating expenses	(649,452)	(655,559)	-1%
Operating expenses	**(1,376,418)**	**(1,461,057)**	**-6%**
Operating profit before impairment losses and taxation	**698,550**	**978,172**	**-29%**
Impairment losses on loans and advances	(253,773)	(546,933)	-54%
Recoveries	122,623	139,282	-12%
Impairment charge on other financial assets	(41,303)	(24,411)	69%
Impairment losses on financial assets	(172,453)	(432,062)	-60%
Operating profit after impairment losses	**526,097**	**546,110**	**-4%**
Share of (loss) / profit of associates	(742)	513	-245%
Profit before tax	**525,355**	**546,623**	**-4%**
Taxation	(243,362)	(123,267)	97%
Profit for the period from continuing operations	**281,993**	**423,356**	**-33%**
Profit for the period from discontinued operations	3,141	825	281%
Profit for the period	**285,134**	**424,181**	**-33%**
Attributable to:			
Attributable to:	**185,082**	**338,045**	**-45%**
- Continuing operations	183,387	337,600	-46%
- Discontinued operations	1,695	445	281%
Non-controlling interests	**100,052**	**86,136**	**16%**
- Continuing operations	98,605	85,756	15%
- Discontinued operations	1,447	380	281%
	285,134	424,181	-33%
Earnings per share from continuing operations attributable to owners of the parent during the period (expressed in Naira kobo per share):			
Basic (kobo)	0.75	1.38	-45%
Diluted (kobo)	0.76	1.39	-45%
Unaudited consolidated statement of other comprehensive income			
Profit for the period	**285,134**	**424,181**	**-33%**
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange difference on translation of foreign operations	(236,088)	(595,175)	60%
Fair value gain on debt instruments at FVTOCI	114,208	468,246	-76%
Taxation relating to components of other comprehensive income that may be subsequently reclassed to profit or loss	27,301	(1,926)	1517%
Other comprehensive (loss) / profit for the period, net of taxation	(94,579)	(128,855)	27%
Total comprehensive income for the period	**190,555**	**295,326**	**-35%**
Total comprehensive (loss) / income attributable to:			
Owners of the parent	**34,184**	**296,610**	**-88%**
- Continuing operations	32,489	296,165	-89%
- Discontinued operations	1,695	445	281%
Non-controlling interests	**156,371**	**(1,284)**	**12278%**
- Continuing operations	154,924	(1,664)	9410%
- Discontinued operations	1,447	380	281%
	190,555	295,326	-35%

Condensed Unaudited Consolidated Statement of Financial Position - USD

	As at 30 September 2019	As at 31 December 2018
	US$'000	**US$'000**
Cash and balances with central banks	2,723,099	2,797,417
Trading financial assets	176,451	122,283
Derivative financial instruments	34,023	49,914
Loans and advances to banks	1,903,123	1,717,575
Loans and advances to customers	8,699,605	9,168,669
Treasury bills and other eligible bills	1,456,692	1,828,251
Investment securities	4,650,113	4,568,262
Pledged assets	259,334	240,434
Other assets	1,328,876	739,168
Investment in associates	4,525	6,147
Intangible assets	300,421	278,334
Property and equipment	807,566	827,165
Investment properties	18,707	29,787
Deferred income tax assets	116,921	118,715
	22,479,456	**22,492,121**
Assets held for sale and discontinued operations	92,446	90,075
Total Assets	**22,571,902**	**22,582,196**
Deposits from banks	1,749,337	1,465,646
Deposits from customers	15,556,135	15,935,999
Derivative financial instruments	29,320	29,907
Borrowed funds	2,115,323	2,059,690
Other liabilities	938,287	996,557
Provisions	63,170	52,979
Current income tax liabilities	85,497	52,076
Deferred income tax liabilities	59,221	55,099
Retirement benefit obligations	37,653	3,896
	20,633,943	**20,651,849**
Liabilities held for sale and discontinued operations	114,548	117,856
Total Liabilities	**20,748,491**	**20,769,705**
Equity		
Capital and reserves attributable to the equity holders of the parent entity		
Share capital and premium	2,113,957	2,113,957
Retained earnings and reserves	(667,127)	(577,005)
Shareholders Equity	**1,446,830**	**1,536,952**
Non-controlling interests	376,581	275,539
Total Equity	**1,823,411**	**1,812,491**
Total Liabilities and Equity	**22,571,902**	**22,582,196**

The above condensed unaudited consolidated statement of financial position should be read in conjunction with the accompanying notes

Condensed Unaudited Consolidated Statement of Financial Position - GHC

	As at 30 September 2019	As at 30 September 2018
	GHC'000	GHC'000
Cash and balances with central banks	14,476,267	13,483,550
Trading financial assets	938,031	589,404
Derivative financial instruments	180,870	240,585
Loans and advances to banks	10,117,192	8,278,712
Loans and advances to customers	46,247,970	44,192,985
Treasury bills and other eligible bills	7,743,920	8,812,170
Investment securities	24,720,466	22,019,023
Pledged assets	1,378,645	1,158,892
Other assets	7,064,438	3,562,789
Investment in associates	24,055	29,630
Intangible assets	1,597,068	1,341,570
Property and equipment	4,293,102	3,986,935
Investment properties	99,448	143,573
Deferred income tax assets	621,564	572,206
	119,503,036	**108,412,024**
Assets held for sale and discontinued operations	491,452	434,162
Total Assets	**119,994,488**	**108,846,186**
Deposits from banks	9,299,650	7,064,414
Deposits from customers	82,697,969	76,811,515
Derivative financial instruments	155,868	144,152
Borrowed funds	11,245,269	9,927,706
Other liabilities	4,988,028	4,803,402
Provisions	335,818	255,359
Current income tax liabilities	454,511	251,006
Deferred income tax liabilities	314,825	265,577
Retirement benefit obligations	200,167	18,779
	109,692,105	**99,541,910**
Liabilities held for sale and discontinued operations	608,949	568,068
Total Liabilities	**110,301,054**	**100,109,978**
Equity		
Capital and reserves attributable to the equity holders of the parent entity		
Share capital and premium	4,536,378	4,536,378
Retained earnings and reserves	3,155,114	2,871,731
Shareholders Equity	**7,691,492**	**7,408,109**
Non-controlling interests	2,001,942	1,328,099
Total Equity	**9,693,434**	**8,736,208**
Total Liabilities and Equity	**119,994,488**	**108,846,186**

The above condensed unaudited consolidated statement of financial position should be read in conjunction with the accompanying notes

Condensed Unaudited Consolidated Statement of Changes in Equity - USD

Amounts in US$'000

	Share Capital	Other Reserves	Retained Earnings/ (Accumulated Deficit)	Total equity and reserves attributable	Non-Controlling Interest	Total Equity
At 1 January 2018	**2,113,957**	**(449,355)**	**216,142**	**1,880,744**	**291,339**	**2,172,083**
IFRS 9 day 1 adjustment	-	-	(278,503)	(278,503)	(20,797)	(299,300)
Restated total equity as at 1 January 2018	**2,113,957**	**(449,355)**	**(62,361)**	**1,602,241**	**270,542**	**1,872,783**
Changes in Equity for 1 Jan to 30 Sep 2018:						
Foreign currency translation differences	-	(119,970)	-	(119,970)	(29,808)	(149,778)
Net changes in debt investment securities, net of taxes	-	68,956	-	68,956	-	68,956
Profit for the period	-	-	197,373	197,373	49,850	247,223
Total comprehensive loss for the period	-	**(51,014)**	**197,373**	**146,359**	**20,042**	**166,401**
Dividend relating to 2017	-	-	-	-	(16,522)	(16,522)
At 30 September 2018	**2,113,957**	**(500,369)**	**135,012**	**1,748,600**	**274,062**	**2,022,662**
Changes in Equity for 1 October to 31 December 2018:						
Foreign currency translation differences	-	(138,438)	-	(138,438)	(7,145)	(145,583)
Net changes in equity investment securities, net of taxes	-	348	-	348	-	348
Net changes in debt investment securities, net of taxes		(134,221)	-	(134,221)	(8,002)	(142,223)
Net gains on revaluation of property	-	(4,985)	-	(4,985)	-	(4,985)
Remeasurements of post-employment benefit obligations	-	1,374	-	1,374	-	1,374
Profit for the year	-	-	64,274	64,274	17,152	81,426
Total comprehensive income for the period	-	**(275,922)**	**64,274**	**(211,648)**	**2,005**	**(209,643)**
Dividend relating to 2017	-	-	-	-	(528)	(528)
Change in minority interest		-		-	-	-
Transfer to other group reserve	-	12,591	(12,591)	-		-
Transfer to share option reserve	-	219	(219)	-	-	-
Share option exercised		-	-	-	-	-
Transfer from general banking reserves	-	(124,262)	124,262	-	-	-
Transfer to statutory reserve	-	45,376	(45,376)	-	-	-
At 31 December 2018 /January 2019	**2,113,957**	**(842,367)**	**265,362**	**1,536,952**	**275,539**	**1,812,491**
Changes in Equity for 1 Jan to 30 Sept 2019:						
Foreign currency translation differences	-	(233,313)	-	(233,313)	(23,996)	(257,309)
Net changes in debt investment securities, net of taxes	-	51,525	-	51,525	18,103	69,628
Profit for the period	-	-	154,686	154,686	63,391	218,077
Total comprehensive income for the period	-	**(181,788)**	**154,686**	**(27,102)**	**57,498**	**30,396**
Change in minority ownership	-	(63,020)	-	(63,020)	63,020	-
Dividend relating to 2018	-	-	-	-	(19,476)	(19,476)
At 30 September 2019	**2,113,957**	**(1,087,175)**	**420,048**	**1,446,830**	**376,581**	**1,823,411**

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed Unaudited Consolidated Statement of Changes in Equity - GHC

Amounts in GHC '000

	Share Capital	Other Reserves	Retained Earnings / (Accumulated Deficit)	Total equity and reserves attributable	Non-Controlling Interest	Total Equity
At 1 January 2018	**4,536,378**	**4,329,469**	**(563,867)**	**8,301,980**	**1,286,029**	**9,588,009**
IFRS 9 day 1 adjustment	-	-	(1,325,065)	(1,325,065)	(98,947)	(1,424,012)
Restated total equity as at 1 January 2018	**4,536,378**	**4,329,469**	**(1,888,932)**	**6,976,915**	**1,187,082**	**8,163,997**
Changes in Equity for 1 Jan to 30 Sept 2018:						
Foreign currency translation differences	-	101,001	-	101,001	(37,351)	63,650
Net changes in debt investment securities, net of taxes	-	328,081	-	328,081	-	328,081
Profit for the period	-	-	939,063	939,063	237,177	1,176,240
Total comprehensive loss for the period	-	**429,082**	**939,063**	**1,368,145**	**199,826**	**1,567,971**
Dividend relating to 2017	-	-	-	-	(78,610)	(78,610)
At 30 Sept 2018	**4,536,378**	**4,758,551**	**(949,869)**	**8,345,060**	**1,308,298**	**9,653,358**
Changes in Equity for 1 October to 31 December 2018:						
Foreign currency translation differences	-	(539,625)	-	(539,625)	(8,205)	(547,830)
Net changes in equity investment securities, net of taxes	-	1,680	-	1,680	-	1,680
Net changes in debt investment securities, net of taxes		(642,659)	-	(642,659)	(38,570)	(681,229)
Net gains on revaluation of property	-	(24,028)	-	(24,028)	-	(24,028)
Remeasurements of post-employment benefit obligations	-	6,623	-	6,623	-	6,623
Profit for the year	-	-	261,058	261,058	70,146	331,204
Total comprehensive income for the period	**-**	**(1,198,009)**	**261,058**	**(936,951)**	**23,371**	**(913,580)**
Dividend relating to 2017	-	-	-	-	(3,570)	(3,570)
Change in minority interest		-	-	-	-	-
Transfer to other group reserve	-	60,689	(60,689)	-	-	-
Transfer to share option reserve	-	1,058	(1,058)	-	-	-
Transfer from general banking reserves	-	(598,944)	598,944	-	-	-
Transfer to statutory reserve	-	218,712	(218,712)	-	-	-
At 31 December 2018 /January 2019	**4,536,378**	**3,242,057**	**(370,326)**	**7,408,109**	**1,328,099**	**8,736,208**
Changes in Equity for 1 Jan to 30 Sept 2019:						
Foreign currency translation differences	-	(454,107)	-	(454,107)	29,850	(424,257)
Net changes in debt investment securities, net of taxes	-	265,374	-	265,374	93,237	358,611
Profit for the period	-	-	796,693	796,693	326,488	1,123,181
Total comprehensive income for the period	**-**	**(188,733)**	**796,693**	**607,960**	**449,575**	**1,057,535**
Change in minority ownership	-	(324,577)	-	(324,577)	324,577	-
Dividend relating to 2018	-	-	-	-	(100,309)	(100,309)
At 30 September 2019	**4,536,378**	**2,728,747**	**426,367**	**7,691,492**	**2,001,942**	**9,693,434**

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed Unaudited Consolidated Statement of Cash Flows - USD

	9 Month Period ended 30 September 2019	9 Month Period ended 30 September 2018
	US$'000	**US$'000**
Cash flows from operating activities		
Profit before tax	302,852	314,495
Adjusted for:		
Foreign exchange income	(57,608)	(6,961)
Net profit from investment securities	-	(32)
Impairment losses on loans and advances	58,380	202,444
Impairment losses on other financial assets	31,662	14,469
Depreciation of property and equipment	62,016	59,284
Net interest income	(540,638)	(702,704)
Amortisation of software and other intangibles	15,515	15,155
Profit / (loss) on sale of property and equipment	(396)	(296)
Share of profit of associates	138	(227)
Income taxes paid	(55,257)	(80,161)
Changes in operating assets and liabilities		
Trading financial assets	(54,168)	(101,527)
Derivative financial instruments	15,891	1,629
Treasury bills and other eligible bills	534,613	(36,898)
Loans and advances to banks	(242,432)	162,839
Loans and advances to customers	449,352	476,828
Pledged assets	(18,900)	(15,774)
Other assets	(589,708)	(36,387)
Mandatory reserve deposits with central banks	(74,212)	(102,223)
Deposits from banks	546,238	-
Deposits from customers	(379,864)	317,250
Derivative liabilities	(587)	(1,647)
Other liabilities	(58,270)	(172,457)
Provisions	10,191	(5,326)
Interest received	1,030,375	1,156,100
Interest paid	(489,737)	(453,396)
Net cashflow from operating activities	**495,446**	**1,004,477**
Cash flows from investing activities		
Purchase of software	(12,177)	(24,137)
Purchase of property and equipment	(30,768)	(117,021)
Proceeds from sale of property and equipment	16,811	-
Purchase of investment securities	(777,536)	-
Redemption of investment securities	623,947	88,276
Net cashflow used in investing activities	**(179,723)**	**(52,882)**
Cash flows from financing activities		
Repayment of borrowed funds	(660,679)	(17,038)
Proceeds from borrowed funds	776,405	-
Dividends paid to non-controlling shareholders	(19,476)	(16,522)
Net cashflow from /(used in) financing activities	**96,250**	**(33,560)**
Net increase in cash and cash equivalents	**411,973**	**918,035**
Cash and cash equivalents at beginning of period	2,141,855	1,965,611
Effects of exchange differences on cash and cash equivalents	(191,785)	(139,469)
Cash and cash equivalents at end of the period	**2,362,043**	**2,744,177**

The above condensed unaudited consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Condensed Unaudited Consolidated Statement of Cash Flows - GHC

	9 Month Period ended 30 September 2019	9 Month Period ended 30 September 2018
	GHC'000	GHC'000
Cash flows from operating activities		
Profit before tax	1,559,805	1,496,307
Adjusted for:		
Foreign exchange income	(296,704)	(33,119)
Net profit from investment securities	-	(152)
Impairment losses on loans and advances	300,680	963,190
Impairment losses on other financial assets	163,072	68,841
Depreciation of property and equipment	319,406	282,062
Net interest income	(2,784,495)	(3,343,330)
Amortisation of software and other intangibles	79,909	72,105
Impairment charges on property and equipment	-	-
Profit on sale of property and equipment	(2,039)	(1,408)
Share of loss/(profit) of associates	711	(1,080)
Income taxes paid	(284,595)	(381,391)
Changes in operating assets and liabilities		
Trading financial assets	(278,986)	(483,046)
Derivative financial instruments	81,845	7,750
Treasury bills and other eligible bills	2,753,464	(175,554)
Loans and advances to banks	(1,248,619)	774,757
Loans and advances to customers	2,314,337	2,268,656
Pledged assets	(97,342)	(75,050)
Other assets	(3,037,225)	(173,122)
Mandatory reserve deposits with central banks	(382,221)	(486,357)
Deposits from banks	2,813,338	-
Deposits from customers	(1,956,447)	1,509,414
Derivative liabilities	(3,023)	(7,836)
Other liabilities	(300,113)	(820,517)
Provisions	52,488	(25,340)
Interest received	5,306,831	5,500,501
Interest paid	(2,522,335)	(2,157,171)
Net cashflow from operating activities	**2,551,742**	**4,779,110**
Cash flows from investing activities		
Purchase of software	(62,716)	(114,839)
Purchase of property and equipment	(158,467)	(556,763)
Proceeds from sale of property and equipment	86,583	-
Purchase of investment securities	(4,004,612)	-
Redemption of investment securities	3,213,569	420,000
Net cashflow used in investing activities	**(925,643)**	**(251,602)**
Cash flows from financing activities		
Repayment of borrowed funds	(3,402,753)	(81,064)
Proceeds from borrowed funds	3,998,787	-
Dividends paid to non-controlling shareholders	(100,309)	(78,608)
Net cashflow from /(used in) financing activities	**495,725**	**(159,672)**
Net increase in cash and cash equivalents	**2,121,824**	**4,367,836**
Cash and cash equivalents at beginning of period	10,323,741	8,676,601
Effects of exchange differences on cash and cash equivalents	111,292	52,424
Cash and cash equivalents at end of the period	**12,556,857**	**13,096,861**

The above condensed unaudited consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes

1 General information

Ecobank Transnational Incorporated (ETI) and its subsidiaries (together, 'the Group') provide retail, corporate and investment banking services throughout Sub Saharan Africa outside South Africa. The Group had operations in 40 countries and employed over 14,918 people as at 30 September 2019 (30 September 2018: 16,310).

Ecobank Transnational Incorporated is a limited liability company and is incorporated and domiciled in the Republic of Togo. The address of its registered office is as follows: 2365 Boulevard du Mono, Lomé, Togo. The company has a primary listing on the Ghana Stock Exchange, the Nigerian Stock Exchange and the Bourse Regionale Des Valeurs Mobilieres (Abidjan) Cote D'Ivoire.

The condensed consolidated interim financial statements for the period ended 30 September 2019 have been approved by the Board of Directors on 25 July 2019.

2 Summary of significant accounting policies

This note provides a list of the significant changes in accounting policies adopted in the preparation of these condensed consolidated interim financial statements to the extent they have not already been disclosed elsewhere. These policies have been consistently applied to all the periods presented, unless otherwise stated. The notes also highlight new standards and interpretations issued at the time of preparation of the condensed consolidated interim financial statements and their potential impact on the Group. For a full list of the accounting policies used to prepare the financial statements, we refer the readers to the Group annual financial statements for the year ended 31 December 2018. These have remained unchanged except for as stated below. The financial statements are for the Group consisting of Ecobank Transnational Incorporated and its subsidiaries.

2.1 Basis of presentation

The Group's unaudited condensed consolidated interim financial statements ('Condensed Financial Statements') for the period ended 30 September 2019 have been prepared in accordance with IAS 34 Interim Financial Reporting. These Condensed Financial Statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the audited 31 December 2018 Annual Consolidated Financial Statements and the accompanying notes included on pages 178 to 296 in our 2018 Annual Report. The Condensed Financial Statements have been prepared on a going concern basis.

Except as indicated below, the Condensed Financial Statements have been prepared using the same accounting policies and methods used in preparation of our audited 2018 Annual Consolidated Financial Statements. Our significant accounting policies and future changes in accounting policies and disclosures that are not yet effective for us are described in Note 2.3 of our audited 2018 Annual Consolidated Financial Statements.

New and amended standards adopted by the Group

In the current period, the Group has applied a number of amendments to IFRS issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2019. These include:

(a) IFRS 16: Leases

The International Accounting Standards Board (IASB) published a new accounting standard on leases namely International Financial Reporting Standard (IFRS) 16. IFRS 16 was effective January 1, 2019 and replaced International Accounting Standard (IAS) 17 on Leases. IFRS 16 is envisaged to improve the quality of financial reporting for companies with material off balance sheet leases.

Under IFRS 16, the accounting treatment of leases by lessees has fundamentally changed. IFRS 16 eliminates the previous dual accounting model for lessees, which distinguished between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting. For lessees, the lease becomes an on-balance sheet liability that attracts interest, together with a new asset (right of use (ROU)) on the other side of the balance sheet.

Lessor accounting remains similar to current practice – i.e. lessors continue to classify leases as finance and operating leases.

The Group adopted IFRS 16 effective 1 January 2019. The Group had to change its accounting policies as a result of adopting IFRS 16 Leases. Refer to change in accounting policy below.

(b) Amendment to IAS 19 Employee Benefits

The amendment relates to defined benefit plan changes, such as plan amendment, curtailment and settlement. The standard already required that in each of these changes, the company should remeasure its defined benefit plan liability. However, IAS 19 update prescribes that the company must use the same assumptions for calculating its current service cost and the net interest for the period after the change as it had used for the remeasurement itself (no original assumptions). IAS 19 update also clarified the impact of plan changes (amendment, curtailment or settlement) on asset ceiling. The impact on the group is not significant.

(c) Amendment to IAS 23 Borrowing Costs

The amendment to IAS 23 clarified that if any specific borrowing remains outstanding after the related asset is ready, then this borrowing becomes a part of general borrowings. This means that in calculating the capitalization rate on general borrowings, companies should take into account specific borrowing on completed asset (if outstanding). The impact on the group is not significant.

(d) Amendment to IAS 12 Income Taxes

The amendment to IAS 12 Income Taxes provides clarification on the recognition and measurement of current and deferred taxes on dividends. The impact on the group is not significant.

(e) Amendments to IFRS 3 Business Combinations and IFRS 11 Joint Operations

Both amendments are closely related and deal with the changes in a group composition. More specifically, if an entity obtains control of another entity that was joint operation (i.e. joint operation becomes subsidiary), then the parent is required to remeasure previously held interest in the subsidiary. If an entity obtains joint control of another entity that is a joint operation, then the investor is not required to remeasure previously held interest in the joint operation. The impact on the group is not significant.

Notes

2.2 Change in accounting policies

This note explains the impact of the adoption of IFRS 16 Leases on the Group's financial statements and discloses the new accounting policies that have been applied from 1 January 2019 . The Group has adopted IFRS 16 retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 January 2019.

Adoption of IFRS 16 by the Group

The group adopted IFRS 16 retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the modified retrospective transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 January 2019. The impact to the Group has been a growth in the Group's balance sheet as result of the recognition on balance sheet of the previously unrecognised lease liability as well as the ROU. There has also been a change to both the expense character (rent expenses replaced with depreciation and interest expense) and recognition pattern (acceleration of lease expense relative to the recognition pattern for operating leases today). Both the changes to the balance sheet as well as the ones to the income statement are not material to the group.

For leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases, on adoption, the group recognised a ROU (the present value of the lease payments due) arising from existing leases as at 1 January 2019 at $70.017million (or 0.37% of the group's assets). The Group also recognised lease liability (a financial liability representing its obligation to make future lease) as it is anticipated the contractual lease payments will be made over time. These liabilities were measured at the present value of the remaining lease payments, discounted using the respective affiliate's incremental borrowing rate as of 1 January 2019. The weighted average incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 6.85%.These liabilities amounted to $71.317 million (or 0.4% of the group's liabilities).

On adoption, the Group elected to apply the following key decisions:

There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

For leases previously classified as finance leases the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of IFRS 16 are only applied after that date.

In applying IFRS 16 for the first time, the group has used the following practical expedients and exemptions permitted by the standard:

a) Transition approach: The group elected the modified retrospective approach as provided for in the standard. Under this approach, the right-of-use asset is recognised at the date of initial application (1 January 2019) at an amount equal to the lease liability (determined based on the remaining payments) adjusted for any accrued or prepaid amounts recognised under IAS 17. Comparative figures are not restated and as result no impact on equity was recorded at the date of initial application.

b) Lease definition on transition: The Group applied the practical expedient to 'grandfather' previous assessment of which existing contracts are, or contain, leases. In doing this, IFRS 16 was applied to leases previously identified in accordance with IAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease. Additionally, the IFRS 16 definition of a lease is applied to assess whether contracts entered into after the date of initial application of the new standard are, or contain, leases.

c) Recognition exemptions: On transition and subsequently, the Group has elected to apply the two recognition exemptions provided for under the standard. These are the short-term lease exemption and the low-value items exemptions. The election for short-term leases is made by class of underlying asset, whereas the election for leases of low-value assets is made on a lease-by-lease basis. Additionally, the Group also chose to apply the additional practical expedient for leases with a remaining term of
12 months or less on transition date.

d) *Discount rate:* The use of a single discount rate to a portfolio of leases with reasonably similar characteristics

e) *Onerous Leases:* Reliance on previous assessments on whether leases are onerous

f) *Indirect costs:* The exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
.
g) *Extensions and terminations:* The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The group's leasing activities and how these are accounted for under IFRS 16

The group leases various offices, branches, houses, ATM locations, equipment and cars. Rental contracts are typically made for fixed periods of 1 to 65 years but may have extension options as described in (ii) below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Until the 2018 financial year, leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the affiliate's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.
Right-of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment, copiers and other small items of office furniture.

Extension and termination options are included in a number of property and equipment leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Notes

3 Critical accounting estimates, and judgements in applying accounting policies

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Except as indicated below, the critical accounting estimates, and judgements exercised in applying accounting policies in these Condensed Financial Statements are consistent to those used in preparation of our audited 2018 Annual Consolidated Financial Statements which can be found in note 3 on page 207-208 of our 2018 Annual Report.

a) *Determining the lease term*

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Group.

4 Significant Events and Transactions

Information on events and transactions affecting Group were presented in our annual report for the year ended 31 December 2018. Updates to these events and transactions are contained in the Ecobank 3Q 2019 Results Earnings Release that is available for download on our website through the following link: https://www.ecobank.com/Group/investor-relations.

Losses recognised on impairment of financial assets are disclosed in note 12 to these Condensed Financial Statements.

Details of the Group's principles, methodology, valuation techniques and level of inputs used in the valuation of the Group's financial instruments are contained in the Group's annual financial statements for the year ended 31 December 2018. There have been no significant change to these principles, methodology, valuation techniques and level of inputs used in the valuation of the Group's financial instruments for the period ended 30 September 2019. There have been no changes in the business or economic circumstances that affect the fair value of the entity's financial assets and financial liabilities.

There have no other significant events or transactions in the period that have had a significant impact on the financial position or performance of the Group during the 9 month period ended 30 September 2019 other than as disclosed above.

(All amounts in thousands of US dollar unless otherwise stated)

5 Liquidity risk management

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay depositors and fulfil commitments to lend.

5.1 Liquidity risk management process

The Group's liquidity management process, as carried out within the Group and monitored by a separate team in Group Treasury, includes:
• Day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature or are borrowed by customers;
• Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
• Monitoring statement of financial position liquidity ratios against internal and regulatory requirements; and
• Managing the concentration and profile of debt maturities.

5.2 Non-derivative cash flows

The table below presents the cash flows payable by the Group under non-derivative financial liabilities by remaining contractual maturities at the statement of financial position date. The amounts disclosed in the table are the contractual undiscounted cash flows, whereas the Group manages the inherent liquidity risk based on expected undiscounted cash inflows.

As at 30 September 2019

	Up to 1 month	1 -3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
Assets						
Cash and balances with central banks	1,478,794	153,538	45,747	1,066,326	-	2,744,405
Trading Financial Assets	1,374	39	170,140	11,766	-	183,319
Derivative financial instruments	-	16	27,549	-	-	27,565
Loans and advances to banks	2,054,581	440,186	235,375	180,310	-	2,910,452
Loans and advances to customers	1,367,176	1,059,711	1,735,903	3,964,433	697,815	8,825,038
Treasury bills and other eligible bills	292,135	313,209	788,375	95,648	2,801	1,492,168
Investment securities	233,241	494,392	1,169,808	1,443,217	1,951,006	5,291,664
Pledged assets	-	-	261,635	-	-	261,635
Other assets	449,909	73,845	522,920	102,875	-	1,149,549
Total assets (expected maturity dates)	**5,877,210**	**2,534,936**	**4,957,452**	**6,864,575**	**2,651,622**	**22,885,795**
Liabilities						
Deposits from banks	2,134,350	977,269	181,052	68,453	-	3,361,124
Deposit from customers	10,385,048	3,069,690	1,022,076	835,506	545,150	15,857,470
Other borrowed funds	211,295	97,652	11,046	1,483,665	410,508	2,214,166
Other liabilities	263,819	155,534	190,050	207,338	19,442	836,183
Derivative financial instruments	29,320	-	-	-	-	29,320
Total liabilities (contractual maturity dates)	**13,023,832**	**4,300,145**	**1,404,224**	**2,594,962**	**975,100**	**22,298,263**
Gap analysis	**(7,146,622)**	**(1,765,209)**	**3,553,228**	**4,269,613**	**1,676,522**	**587,532**

As at 31 December 2018

	Up to 1 month	1 -3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
Assets						
Cash and balances with central banks	1,630,386	-	-	-	1,129,181	2,759,567
Trading Financial Assets	3,109	-	25,444	108,490	2,708	139,751
Derivative financial instruments	31,324	9,388	17,888	-	-	58,600
Loans and advances to banks	1,332,720	236,644	428,077	-	-	1,997,441
Loans and advances to customers	2,844,648	1,656,397	1,433,571	3,271,303	986,141	10,192,060
Treasury bills and other eligible bills	273,288	616,385	1,255,971	125,154	11,045	2,281,843
Investment securities	155,666	91,922	1,057,989	2,064,430	2,580,063	5,950,070
Pledged assets	-	-	164,160	76,274	-	240,434
Other assets	285,526	59,961	263,801	120,242	-	729,530
Total assets (expected maturity dates)	**6,556,667**	**2,670,697**	**4,646,901**	**5,765,893**	**4,709,138**	**24,349,296**
Liabilities						
Deposits from banks	1,123,556	427,701	503,241	48,415	-	2,102,913
Deposit from customers	11,529,945	1,369,249	1,537,889	868,209	1,469,385	16,774,677
Other borrowed funds	282,899	64,213	389,601	1,818,516	33,676	2,588,905
Other liabilities	672,659	129,567	876,309	102,847	49,183	1,830,565
Derivative financial instruments	29,907	-	-	-	-	29,907
Total liabilities (contractual maturity dates)	**13,638,966**	**1,990,730**	**3,307,040**	**2,837,987**	**1,552,244**	**23,326,967**
Gap analysis	**(7,082,299)**	**679,967**	**1,339,861**	**2,927,906**	**3,156,894**	**1,022,329**

(All amounts in thousands of US dollar unless otherwise stated)

5 Fair value of financial assets and liabilities

(a) Financial instruments not measured at fair value

The table below summarises the carrying amounts and fair values of those financial assets and liabilities not measured at fair value on the group's consolidated statement of financial position.

	Carrying value		Fair value	
	30 Sept 2019	**31 Dec 2018**	**30 Sept 2019**	**31 Dec 2018**
Financial assets:				
Cash and balances with central banks	2,723,099	2,797,417	2,723,099	2,797,417
Loans and advances to banks	1,903,123	1,717,575	1,888,068	1,691,762
Loans and advances to customers	8,699,605	9,168,669	8,509,283	9,008,813
Other assets (excluding prepayments)	1,149,549	715,178	1,149,549	715,178
Financial liabilities:				
Deposits from banks	1,749,337	1,465,646	1,542,450	2,099,272
Deposit from customers	15,556,135	15,935,999	15,487,339	15,267,906
Other liabilities (excluding deferred income)	836,183	939,403	836,183	939,403
Borrowed funds	2,115,323	2,059,690	1,949,713	2,054,326

(i) Cash

The carrying amount of cash and balances with banks is a reasonable approximation of fair value

(ii) Loans and advances to banks

Loans and advances to banks include inter-bank placements and items in the course of collection. The carrying amount of floating rate placements and overnight deposits is a reasonable approximation of fair value. The estimated fair value of fixed interest bearing deposits is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and remaining maturity.

(iii) Loans and advances to customers

Loans and advances are net of charges for impairment. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

(iv) Deposit from banks, due to customers and other deposits

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand.

The estimated fair value of fixed interest-bearing deposits not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity. For those notes where quoted market prices are not available, a discounted cash flow model is used based on a current yield curve appropriate for the remaining term to maturity.

(v) Other assets

The bulk of these financial assets have short term (less than 12 months) maturities and their amounts are a reasonable approximation of fair value

(vi) Other liabilities

The carrying amount of financial liabilities in other liabilities is a reasonable approximation of fair value as these are short term in nature

(b) Fair value hierarchy

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

i) Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.

ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

iii) Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

	30 September 2019			31 December 2018		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Treasury and other eligible bills	826,884	629,808	-	701,994	1,126,257	-
Trading Financial Assets/ Financial Assets held for trading	136,029	40,422	-	96,500	25,783	-
Derivative financial instruments	-	34,023	-	-	49,914	-
Pledged assets	-	259,334	-	-	240,434	-
Investment securities	2,275,989	2,376,657	90	2,073,032	2,495,140	90
Total financial assets	**3,238,902**	**3,340,244**	**90**	**2,871,526**	**3,937,528**	**90**
Derivative financial instruments	-	29,320	-	-	29,907	-
Total financial liabilities	**-**	**29,320**	**-**	**-**	**29,907**	**-**

(All amounts in thousands of US dollar unless otherwise stated)

There are no movements between Level 1 and Level 2. The following table presents the changes in Level 3 instruments for the available for sale securities:

5 Fair value of financial assets and liabilities (continued)

	30 Sept 2019 Level 3	31 Dec 2018 Level 3
Opening balance	90	60,165
Transfer from level 3 to level 2	-	(60,075)
Gains & losses recognised in other comprehensive income	-	-
Closing balance	90	90
Total gains or losses for the period included in profit or loss for assets held at the end of the reporting period	-	-

Level 3 fair value measurement

The table below sets out information about significant unobservable value inputs used at year end in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Type of financial instrument	Fair value as at 30 September 2019	Valuation technique	Significant unobservable input	Change in unobservable input by 10 basis point	Change in unobservable input by 50 basis point
OCEANIC HEALTH MANAGEMENT	90	Discounted cash flow	Weighted average cost of capital	91	95

(c) Financial instrument classification

At 30 September 2019	**Amortised cost**	**FVTPL**	**FVTOCI - Debt Instruments**	**Equity Instruments at FVTPL**	**FVTOCI - Equity instruments**	**Liabilities at fair value through profit or loss**	**Liabilities at amortized cost**	**Total**
Assets								
Cash and balances with central banks	2,723,099	-	-	-	-	-	-	2,723,099
Trading financial assets	-	176,451	-	-	-	-	-	176,451
Derivative financial instruments	-	34,023	-	-	-	-	-	34,023
Loans and advances to banks	1,903,123	-	-	-	-	-	-	1,903,123
Loans and advances to customers	8,699,605	-	-	-	-	-	-	8,699,605
Treasury bills and other eligible bills	-	-	1,456,692	-	-	-	-	1,456,692
Investment securities - Equity instruments	-	-	-	4,414	90	-	-	4,504
Investment securities - Debt instruments	-	-	4,645,609	-	-	-	-	4,645,609
Pledged assets	259,334	-	-	-	-	-	-	259,334
Other assets, excluding prepayments	1,149,549	-	-	-	-	-	-	1,149,549
Total	**14,734,710**	**210,474**	**6,102,301**	**4,414**	**90**	**-**	**-**	**21,051,989**
Liabilities								
Deposits from banks	-	-	-	-	-	-	1,749,337	1,749,337
Deposit from customers	-	-	-	-	-	-	15,556,135	15,556,135
Derivative financial instruments	-	-	-	-	-	29,320	-	29,320
Borrowed funds	-	-	-	-	-	-	2,115,323	2,115,323
Other liabilities, excluding non-financial liabilities	-	-	-	-	-	-	836,183	836,183
Total	**-**	**-**	**-**	**-**	**-**	**29,320**	**20,256,978**	**20,286,298**

31 December 2018	**Amortised cost**	**FVTPL**	**FVTOCI - Debt Instruments**	**Equity Instruments at FVTPL**	**FVTOCI - Equity instruments**	**Liabilities at fair value through profit or loss**	**Liabilities at amortized cost**	**Total**
Assets								
Cash and balances with central banks	2,797,417	-	-	-	-	-	-	2,797,417
Trading financial assets	-	122,283	-	-	-	-	-	122,283
Derivative financial instruments	-	49,914	-	-	-	-	-	49,914
Loans and advances to banks	1,717,575	-	-	-	-	-	-	1,717,575
Loans and advances to customers	9,168,669	-	-	-	-	-	-	9,168,669
Treasury bills and other eligible bills	-	-	1,828,251	-	-	-	-	1,828,251
Investment securities - Equity instruments	-	-	-	5,518	90	-	-	5,608
Investment securities - Debt instruments	-	-	4,563,603	-	-	-	-	4,563,603
Pledged assets	240,434	-	-	-	-	-	-	240,434
Other assets, excluding prepayments	715,178	-	-	-	-	-	-	715,178
Total	**14,639,273**	**172,197**	**6,391,854**	**5,518**	**90**	**-**	**-**	**21,208,932**
Liabilities								
Deposits from banks	-	-	-	-	-	-	1,465,646	1,465,646
Deposit from customers	-	-	-	-	-	-	15,935,999	15,935,999
Derivative financial instruments	-	-	-	-	-	29,907	-	29,907
Borrowed funds	-	-	-	-	-	-	2,059,690	2,059,690
Other liabilities, excluding non-financial liabilities	-	-	-	-	-	-	939,403	939,403
Total	**-**	**-**	**-**	**-**	**-**	**29,907**	**20,400,738**	**20,430,645**

(All amounts in thousands of US dollar unless otherwise stated)

6 Capital Management

The Group's objectives in managing capital are:

• To comply with the capital requirements set by regulators in the markets where the Group's entities operate and safeguard the Group's ability to continue as a going concern;

• To maintain a strong capital base that supports the development of the business; and
• To sustain a sufficient level of returns for the Group's shareholders.

On a consolidated basis, the Group is required to comply with capital requirements set by the BCEAO for banks headquartered in the UEMOA zone. On a standalone basis, banking subsidiaries are required to maintain minimum capital levels and minimum capital adequacy ratios which are determined by their national or regional regulators.

The Group's capital is divided into two tiers:

- Tier 1 capital share capital (net of treasury shares), retained earnings, reserves created by appropriations of retained earnings, and non-controlling interests allowed as Tier 1 capital by the regulator. Certain intangibles and goodwill are deducted in calculating Tier 1 capital; and

- Tier 2 capital subordinated debt and other loss-absorbing instruments, certain revaluation reserves, and noncontrolling interests allowed as Tier 2 capital by the regulator.

Risk-weighted assets are calculated in accordance with regulatory guidelines. Credit risk-weighted assets are measured by applying a hierarchy of risk weights related to the nature of the risks associated with each of the Group's on- and off-balance sheet asset classes. Operational risk weighted assets are calculated by applying a scaling factor to the Group's average gross income over the last three years. Market risk-weighted assets are calculated by applying factors to the Group's trading exposures to foreign currencies, interest rates, and prices.

Prior to 1 January 2018, the Group's consolidated capital adequacy ratios were calculated voluntarily based on Basel 1 guidelines. Following the adoption of Basel 2/3 regulations in UEMOA in 2018, a parallel calculation as at 31 December 2017 was performed according to Basel 2/3 standardized rules. The change in calculation methodology resulted in substantially lower reported ratios for the Group due primarily to the following changes in the calculation methodology:

• The foreign currency translation reserve which arises on consolidation became an adjustment to Tier 1 capital; and
• Operational risk weighted assets and market risk weighted

The table below summarises the composition of regulatory capital and the ratios of the Group as at 30 June 2019. The Group remained compliant with the minimum regulatory capital adequacy ratio requirements (7.25% Tier 1 CAR and 9.50% Total CAR)

	30 June 2019 Basel II/III	31 Dec 2018 Basel II/III
Tier 1 capital		
Share capital	2,113,957	2,113,957
Retained earnings	385,595	264,364
IFRS 9 transition adjustment	99,767	200,531
Statutory reserve	478,232	478,232
Other reserves	(1,596,540)	(1,420,359)
Non-controlling interests	203,171	182,899
Less: goodwill	(194,313)	(199,105)
Less: intangibles	(74,884)	(79,229)
Less: other deductions	-	-
Total qualifying Tier 1 capital	**1,414,984**	**1,541,290**
Tier 2 capital		
Subordinated debt and other instruments	397,429	398,788
Revaluation reserve	100,223	77,176
Minority interests included in Tier 2 capital	65,819	44,118
Total qualifying Tier 2 capital	**563,472**	**520,082**
Less investments in associates	-	-
Total regulatory capital	**1,978,455**	**2,061,372**
Risk-weighted assets:		
Credit risk weighted assets	12,248,402	12,319,621
Market risk weighted assets	314,920	268,212
Operational risk weighted assets	3,501,410	3,501,410
Total risk-weighted assets	**16,064,732**	**16,089,243**
Tier 1 Capital Adequacy Ratio	**8.8%**	**9.6%**
Total Capital Adequacy Ratio	**12.3%**	**12.8%**
Leverage Ratio	**6.1%**	**6.5%**

(All amounts in thousands of US dollar unless otherwise stated)

		9 Month Period ended 30 September 2019		9 Month Period ended 30 September 2018	
		US$'000	GHC'000	US$'000	GHC'000
7	**Net interest income**				
	Interest income				
	Loans and advances to banks	39,563	203,765	32,332	153,829
	Loans and advances to customers	576,767	2,970,574	695,132	3,307,305
	Treasury bills and other eligible bills	147,665	760,532	171,986	818,276
	Investment securities	260,563	1,342,000	249,023	1,184,803
	Financial assets held for trading measured at FVTPL	4,307	22,183	6,269	29,827
	Others	1,510	7,777	1,358	6,461
		1,030,375	**5,306,831**	**1,156,100**	**5,500,501**
	Interest expense				
	Deposits from banks	64,942	334,476	59,271	282,000
	Due to customers	285,619	1,471,049	282,485	1,344,010
	Other borrowed funds	137,328	707,292	100,229	476,870
	Others	1,848	9,518	11,411	54,291
		489,737	**2,522,335**	**453,396**	**2,157,171**
8	**Net fee and commission income**				
	Fee and commission income:				
	Credit related fees and commissions	102,203	526,386	100,936	480,232
	Portfolio and other management fees	7,151	36,830	6,243	29,704
	Corporate finance fees	11,790	60,723	11,148	53,042
	Cash management and related fees	146,391	753,970	172,026	818,470
	Card management fees	59,210	304,954	68,145	324,219
	Brokerage fees and commissions	5,293	27,261	3,263	15,524
	Other fees	10,499	54,074	15,869	75,500
		342,537	**1,764,198**	**377,630**	**1,796,691**
	Fee and commission expense				
	Brokerage fees paid	1,077	5,547	922	4,387
	Other fees paid	26,185	134,863	47,606	226,500
		27,262	**140,410**	**48,528**	**230,887**
9	**Net trading income**				
	Foreign exchange	222,721	1,147,099	242,733	1,154,877
	Trading income on securities	48,139	247,935	34,894	166,019
		270,860	**1,395,034**	**277,627**	**1,320,896**
10	**Other (expense)/ operating income**				
	Lease income	1,742	8,972	1,629	7,750
	Dividend income	5,129	26,416	2,538	12,075
	Other	35,348	182,056	53,352	253,839
		42,219	**217,444**	**57,519**	**273,664**
11	**Impairment losses on loans and advances and other financial assets**				
	Impairment losses on loans and advances	185,036	953,007	275,120	1,308,968
	Recoveries	(126,656)	(652,328)	(72,676)	(345,779)
	Impairment charge on other financial assets	31,662	163,072	14,469	68,841
		90,042	**463,751**	**216,913**	**1,032,030**
13	**Operating expenses**				
	Staff expenses	356,727	1,837,282	373,573	1,777,388
	Depreciation and amortisation	77,531	399,315	74,439	354,166
	Other operating expenses	341,702	1,759,898	387,759	1,844,883
		775,960	**3,996,495**	**835,771**	**3,976,437**
12	**Taxation**				
	Current income tax	88,678	456,726	72,646	345,636
	Deferred income tax	(19)	(98)	(4,711)	(22,414)
		88,659	**456,628**	**67,935**	**323,222**

(All amounts in thousands of US dollar unless otherwise stated)

		As at 30 September 2019		As at 31 December 2018	
		US$'000	GHC'000	US$'000	GHC'000
14	**Cash and balances with central banks**				
	Cash in hand	595,398	3,165,195	656,785	3,165,704
	Balances with central banks other than mandatory reserve deposits	924,308	4,913,714	1,011,451	4,875,194
	Included in cash and cash equivalents	**1,519,706**	**8,078,909**	**1,668,236**	**8,040,898**
	Mandatory reserve deposits with central banks	1,203,393	6,397,358	1,129,181	5,442,652
		2,723,099	**14,476,267**	**2,797,417**	**13,483,550**
15	**Trading financial assets**				
	Debt securities measured at FVTPL				
	- Government bonds	176,451	938,031	122,283	589,404
	Equity securities measured at FVTPL				
	- Listed	-	-	-	-
	-Unlisted	-	-	-	-
		176,451	**938,031**	**122,283**	**589,404**
16	**Loans and advances to banks**				
	Items in course of collection from other banks	72,210	383,876	46,884	225,981
	Deposits with other banks	1,095,453	5,823,537	1,152,337	5,554,265
	Placements with other banks	735,460	3,909,779	518,354	2,498,466
		1,903,123	**10,117,192**	**1,717,575**	**8,278,712**
17	**Loans and advances to customers**				
	Analysis by type:				
	Overdrafts	1,129,385	6,003,924	1,274,247	6,141,871
	Credit cards	3,081	16,379	3,101	14,947
	Term loans	8,071,764	42,910,304	8,421,947	40,593,785
	Mortgage loans	152,216	809,195	106,260	512,173
	Others	1,411	7,501	1,654	7,972
	Gross loans and advances	**9,357,857**	**49,747,303**	**9,807,209**	**47,270,748**
	Less: allowance for impairment	(658,252)	(3,499,333)	(638,540)	(3,077,763)
		8,699,605	**46,247,970**	**9,168,669**	**44,192,985**
18	**Treasury bills and other eligible bills**				
	Maturing within three months	559,438	2,974,028	396,384	1,910,571
	Maturing after three months	897,254	4,769,892	1,431,867	6,901,599
		1,456,692	**7,743,920**	**1,828,251**	**8,812,170**
19	**Investment securities**				
	Debt securities				
	- At FVTOCI listed	1,887,501	10,034,144	1,677,336	8,084,758
	- At FVTOCI unlisted	2,759,579	14,670,197	2,886,267	13,911,810
	Total	**4,647,080**	**24,704,341**	**4,563,603**	**21,996,568**
	Equity securities				
	- At FVTOCI unlisted	90	478	90	434
	- At FVTPL listed	1,279	6,799	3,131	15,091
	- At FVTPL unlisted	3,135	16,666	2,387	11,504
		4,504	**23,943**	**5,608**	**27,029**
	Total investment securities	**4,651,584**	**24,728,284**	**4,569,211**	**22,023,597**
	Allowance for impairment	(1,471)	(7,818)	(949)	(4,574)
		4,650,113	**24,720,466**	**4,568,262**	**22,019,023**

(All amounts in thousands of US dollar unless otherwise stated)

		As at 30 September 2019		As at 31 December 2018	
		US$'000	**GHC'000**	**US$'000**	**GHC'000**
20	**Other assets**				
	Fees receivable	7,889	41,939	9,850	47,477
	Accounts receivable	381,904	2,030,240	599,818	2,891,121
	Repossessed assets from customers	142,366	756,832		
	Prepayments	257,902	1,371,033	165,124	795,898
	Sundry receivables	617,390	3,282,107	105,510	508,558
		1,407,451	**7,482,151**	**880,302**	**4,243,054**
	Impairment provision on receivables	(78,575)	(417,713)	(141,134)	(680,265)
		1,328,876	**7,064,438**	**739,168**	**3,562,789**
21	**Right-of-use assets**				
	Included in the amount for property and equipment in the statement of financial position are right-of-use assets show below:				
	Land and buildings	62,602	332,798	-	-
	Motor Vehicles	797	4,237	-	-
	Furniture and equipment	3,521	18,718	-	-
	Other equipment	44	234	-	-
		66,964	**355,987**	**-**	**-**
22	**Deposits from banks**				
	Operating accounts with banks	812,555	4,319,624	1,075,102	5,181,992
	Deposits from banks	936,782	4,980,026	390,544	1,882,422
		1,749,337	**9,299,650**	**1,465,646**	**7,064,414**
23	**Deposit from customers**				
	Current accounts	9,361,756	49,768,031	9,910,388	47,768,070
	Term deposits	3,527,368	18,751,841	3,381,078	16,296,796
	Savings deposits	2,667,011	14,178,097	2,644,533	12,746,649
		15,556,135	**82,697,969**	**15,935,999**	**76,811,515**
24	**Other liabilities**				
	Accrued income	102,104	542,795	57,154	275,482
	Unclaimed dividend	3,471	18,452	3,567	17,193
	Accruals	21,120	112,276	380,403	1,833,542
	Obligations under customers' letters of credit	27,876	148,192	28,896	139,279
	Bankers draft	29,473	156,681	61,303	295,480
	Accounts payable	250,381	1,331,050	143,447	691,415
	Other liabilities	503,862	2,678,582	321,787	1,551,011
		938,287	**4,988,028**	**996,557**	**4,803,402**
25	Short term				
	Long term	9,595	51,008	-	-
		58,959	313,432	-	-
		68,554	**364,440**	**-**	**-**

(All amounts in thousands of US dollar unless otherwise stated)

Note 26: GEOGRAPHICAL REGION FINANCIAL PERFORMANCE - USD

Ecobank groups its business in Africa into four geographical regions. These reportable operating segments are Nigeria, Francophone West Africa (UEMOA), Anglophone West Africa (AWA), Central, Eastern and Southern, Africa (CESA).

In 000 of $

	NIGERIA	UEMOA	AWA	CESA	OTHERS AND CONSO ADJUSTMENT(1)	Ecobank Group
Income Statement Highlights for the period ended 30 September 2019						
Net interest income	70,888	212,540	186,662	149,694	(79,146)	540,638
Net fees and commission income	37,012	98,282	70,354	104,115	5,512	315,275
Other income	62,660	55,602	58,160	100,058	36,599	313,079
Operating income	**170,560**	**366,424**	**315,176**	**353,867**	**(37,035)**	**1,168,992**
Impairment losses on financial assets	(3,811)	13,540	33,779	(1,672)	48,206	(90,042)
Total operating expenses	173,803	219,165	149,344	189,132	44,516	(775,960)
Operating profit after impairment losses	**568**	**133,719**	**132,053**	**166,407**	**(129,757)**	**302,990**
Share of profit from associates	**-**	**-**	**3**	**(141)**	**-**	**(138)**
Profit before tax	**568**	**133,719**	**132,056**	**166,266**	**(129,757)**	**302,852**
Balance Sheet Highlights as at 30 September 2019						
Total assets	5,768,818	7,991,003	3,422,202	5,048,905	340,974	**22,571,902**
Total Liabilities	5,223,956	7,351,420	2,985,450	4,556,957	630,708	**20,748,491**

In 000 of $

	NIGERIA	UEMOA	AWA	CESA	OTHERS AND CONSO ADJUSTMENT(1)	Ecobank Group
Income Statement Highlights for the period ended 30 September 2018						
Net interest income	211,323	210,390	169,917	153,246	(42,172)	702,704
Net fees and commission income	41,817	93,444	62,832	109,686	21,323	329,102
Other income	111,068	73,633	49,204	70,216	31,025	335,146
Operating income	**364,208**	**377,467**	**281,953**	**333,148**	**10,176**	**1,366,952**
Impairment losses on financial assets	61,858	48,731	29,563	64,832	11,929	(216,913)
Total operating expenses	215,545	226,027	144,796	196,927	52,476	(835,771)
Operating profit after impairment losses	**86,805**	**102,709**	**107,594**	**71,389**	**(54,229)**	**314,268**
Share of profit from associates	**-**	**-**	**223**	**4**	-	**227**
Profit before tax	**86,805**	**102,709**	**107,817**	**71,393**	**(54,229)**	**314,495**
Balance Sheet Highlights as at 31 December 2018						
Total assets	5,431,151	8,818,980	3,232,902	5,393,881	(294,718)	**22,582,196**
Total Liabilities	4,714,677	8,227,131	2,859,106	4,881,086	87,705	**20,769,705**

ETI & Others comprise ETI, the Holdco, eProcess (the Group's technology service company), the International business in Paris, and also the impact of other affiliates and structured entities of ETI. The impact of consolidation eliminations is also included in 'ETI & Others'.

(All amounts in thousands of US dollar unless otherwise stated)

Note 27: BUSINESS FINANCIAL PERFORMANCE - USD

The group operating segments are described below:

a) **Corporate & Investment Bank:** Focuses on providing one-stop banking services to multinationals, regional companies, government and government agencies, financial institutions and international organizations across the network. This unit provides also Treasury activities.

b) **Commercial banking:** Focuses on serving local corporates, small and medium corporates ,SMEs, Schools, Churches and local NGOs and Public Sector.

c) **Consumer:** Focuses on serving banking customers that are individuals

In 000 of $	CIB	Commercial	Consumer	Others	Consolidation Adjustments	Ecobank Group
Income Statement Highlights for the period ended 30 September 2019						
Net interest income	272,576	116,253	159,565	(8,382)	626	540,638
Net fees and commission income	120,448	80,005	118,243	21,026	(24,447)	315,275
Other income	180,749	78,114	31,911	163,402	(141,097)	313,079
Operating income	**573,773**	**274,372**	**309,719**	**176,046**	**(164,918)**	**1,168,992**
Impairment losses on financial assets	53,904	17,793	7,722	23,238	(12,615)	90,042
Total operating expenses	306,589	198,352	246,042	105,383	(80,406)	775,960
Operating profit after impairment losses	**213,280**	**58,227**	**55,955**	**47,425**	**(71,897)**	**302,990**
Share of profit from associates	**(138)**	-	-	-	-	**(138)**
Profit before tax	**213,142**	**58,227**	**55,955**	**47,425**	**(71,897)**	**302,852**
Balance Sheet Highlights as at 30 September 2019						
Total assets	12,441,368	1,657,411	951,812	8,360	7,512,951	**22,571,902**
Total Liabilities	10,197,427	3,632,240	5,213,251	1,768,620	(63,047)	**20,748,491**

In 000 of $	CIB	Commercial	Consumer	Others	Consolidation Adjustments	Ecobank Group
Income Statement Highlights for the period ended 30 September 2018						
Net interest income	361,885	123,995	168,232	48,592	-	702,704
Net fees and commission income	123,360	72,973	132,046	24,366	(23,643)	329,102
Other income	204,140	72,548	27,349	191,686	(160,577)	335,146
Operating income	**689,385**	**269,516**	**327,627**	**264,644**	**(184,220)**	**1,366,952**
Impairment losses on financial assets	142,725	50,964	11,435	(9,909)	21,698	216,913
Total operating expenses	348,410	195,395	275,999	99,172	(83,205)	835,771
Operating profit after impairment losses	**198,250**	**23,157**	**40,193**	**175,381**	**(122,713)**	**314,268**
Share of profit from associates	**227**	**-**	**-**	**-**	**-**	**227**
Profit before tax	**198,477**	**23,157**	**40,193**	**175,381**	**(122,713)**	**314,495**
Balance Sheet Highlights as at 31 December 2018						
Total assets	13,101,476	1,252,536	889,996	3,340,465	3,997,724	**22,582,196**
Total Liabilities	11,678,343	3,346,639	5,242,265	2,125,486	(1,623,028)	**20,769,705**

(All amounts in thousands of US dollar unless otherwise stated)

Note 28: GEOGRAPHICAL REGION FINANCIAL PERFORMANCE - GHC

Ecobank groups its business in Africa into four geographical regions. These reportable operating segments are Nigeria, Francophone West Africa (UEMOA), Anglophone West Africa (AWA), Central, Eastern and Southern, Africa (CESA).

In 000,000 of GHC

	NIGERIA	UEMOA	AWA	CESA	OTHERS AND CONSO ADJUSTMENT(1)	Ecobank Group
Income Statement Highlights for the period ended 30 September 2019						
Net interest income	365	1,095	961	771	(408)	2,784
Net fees and commission income	191	506	362	536	29	1,624
Other income	323	286	300	515	188	1,612
Operating income	**879**	**1,887**	**1,623**	**1,822**	**(191)**	**6,020**
Impairment losses on financial assets	(20)	70	174	(9)	(679)	(464)
Total operating expenses	895	1,129	769	974	(7,763)	(3,996)
Operating profit after impairment losses	**1,754**	**3,086**	**2,566**	**2,787**	**(8,633)**	**1,560**
Share of profit from associates	**-**	**-**	**-**	**(1)**	**-**	**(1)**
Profit before tax	**1,754**	**3,086**	**2,566**	**2,786**	**(8,633)**	**1,559**
Balance Sheet Highlights as at 30 September 2019						
Total assets	30,668	42,481	18,193	26,840	1,812	**119,994**
Total Liabilities	27,771	39,081	15,871	24,225	3,353	**110,301**

In 000,000 of GHC

	NIGERIA	UEMOA	AWA	CESA	OTHERS AND CONSO ADJUSTMENT(1)	Ecobank Group
Income Statement Highlights for the period ended 30 September 2018						
Net interest income	1,005	1,001	808	729	(200)	3,343
Net fees and commission income	199	445	299	522	101	1,566
Other income	528	350	234	334	149	1,595
Operating income	**1,732**	**1,796**	**1,341**	**1,585**	**50**	**6,504**
Impairment losses on financial assets	294	232	141	308	57	1,032
Total operating expenses	1,026	1,075	689	937	249	3,976
Operating profit after impairment losses	**412**	**489**	**511**	**340**	**(256)**	**1,496**
Share of profit from associates	**-**	**-**	**1**	**-**	**-**	**1**
Profit before tax	**412**	**489**	**512**	**340**	**(256)**	**1,497**
Balance Sheet Highlights as at 31 December 2018						
Total assets	26,178	42,507	15,583	25,999	(1,421)	**108,846**
Total Liabilities	22,725	39,655	13,781	23,527	422	**100,110**

(1) ETI & Others comprise ETI, the Holdco, eProcess (the Group's technology service company), the International business in Paris, and also the impact of other affiliates and structured entities of ETI. The impact of consolidation eliminations is also included in 'ETI & Others'

(All amounts in thousands of US dollar unless otherwise stated)

Note 29: BUSINESS FINANCIAL PERFORMANCE - GHC

The group operating segments are described below:

a) **Corporate & Investment Bank:** Focuses on providing one-stop banking services to multinationals, regional companies, government and government agencies, financial institutions and international organizations across the network. This unit provides also Treasury activities.

b) **Commercial banking:** Focuses on serving local corporates, small and medium corporates ,SMEs, Schools, Churches and local NGOs and Public Sector.

c) **Consumer:** Focuses on serving banking customers that are individuals

In 000,000 of GHC

	CIB	Commercial	Consumer	Others	Consolidation Adjustments	Ecobank Group
Income Statement Highlights for the period ended 30 September 2019						
Net interest income	1,404	599	822	(43)	-	2,784
Net fees and commission income	620	412	609	108	(125)	1,624
Other income	931	402	164	842	(727)	1,612
Operating income	**2,955**	**1,413**	**1,595**	**907**	**(850)**	**6,020**
Impairment losses on financial assets	278	92	40	120	(994)	(464)
Total operating expenses	1,579	1,022	1,267	543	(8,407)	(3,996)
Operating profit after impairment losses	**4,812**	**2,527**	**2,902**	**1,570**	**(10,251)**	**1,560**
Share of profit from associates	**(1)**	**-**	**-**	**-**	**-**	**(1)**
Profit before tax	**4,811**	**2,527**	**2,902**	**1,570**	**(10,251)**	**1,559**
Balance Sheet Highlights as at 30 September 2019						
Total assets	66,140	8,811	5,060	44	39,939	**119,994**
Total Liabilities	54,211	19,309	27,714	9,402	(335)	**110,301**

In 000,000 of GHC

	CIB	Commercial	Consumer	Others	Consolidation Adjustments	Ecobank Group
Income Statement Highlights for the period ended 30 September 2018						
Net interest income	1,722	590	800	231	-	3,343
Net fees and commission income	587	347	628	116	(112)	1,566
Other income	971	345	130	912	(763)	1,595
Operating income	**3,280**	**1,282**	**1,558**	**1,259**	**(875)**	**6,504**
Impairment losses on financial assets	679	242	54	(47)	104	1,032
Total operating expenses	1,658	930	1,313	472	(397)	3,976
Operating profit after impairment losses	**943**	**110**	**191**	**834**	**(582)**	**1,496**
Share of profit from associates	**1**	**-**	**-**	**-**	**-**	**1**
Profit before tax	**944**	**110**	**191**	**834**	**(582)**	**1,497**
Balance Sheet Highlights as at 31 December 2018						
Total assets	63,149	6,037	4,290	16,101	19,269	**108,846**
Total Liabilities	56,290	16,131	25,268	10,245	(7,824)	**100,110**

(All amounts in thousands of US dollar unless otherwise stated)

30 Contingent liabilities and commitments

a) Legal proceedings

The Group is a party to various legal actions arising out of its normal business operations. The Directors believe that, based on currently available information and advice of counsel, none of the outcomes that result from such proceedings will have a material adverse effect on the financial position of the Group, either individually or in the aggregate.

b) Loan commitments, guarantee and other financial facilities

At 30 September 2019 the Group had contractual amounts of the off-statement of financial position financial instruments that commit it to extend credit to customers guarantees and other facilities are as follows:

	30 September 2019	31 Dec 2018
Guaranteed commercial papers and bankers acceptances	455,368	342,181
Documentary and commercial letters of credit	825,857	1,631,689
Performance bond, guarantees and indemnities	1,715,117	2,366,343
Loan commitments	523,534	1,221,440
	3,519,876	**5,561,653**

c) Tax exposures

The income tax expense recognised in the financial statements for an interim period complying with IAS 34 is based on the weighted average annual income tax rate for the full year. The Group is exposed to ongoing tax reviews in some subsidiary entities. The Group considers the impact of tax exposures, including whether additional taxes may be due. This assessment relies on estimates and assumptions and may involve series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities would impact tax expense in the period in which such a determination is made. The total amount of tax exposure as at 30 September 2019 is $132 million (December 2018: $80 million). Based on Group's assessment, the probable liability is not likely to exceed $9 million (December 2018: $7 million) which provisions have been made in the books.

31 Subsequent Events: Financial Reporting in Hyperinflationary Economies in Zimbabwe

The Public Accountants and Auditors Board (PAAB) in their pronouncement dated 11 October 2019 confirmed that Zimbabwe had all the factors and characteristics to apply the Financial Reporting in Hyperinflationary Economies Standard (IAS 29). This pronouncement will impact the results of Ecobank Zimbabwe (a subsidiary of the Group). However, at the time of release of the Ecobank Group results for the period ended 30 September 2019, the impact of applying IAS 29 could not be accurately estimated. This is due to scarcity of reliable locally published official data (e.g. inflation) that would aid in the determination of the identity and level of price index required for this estimation. The standard also recommends the use of the same price index to measure the change in inflation for the whole economy, something that is yet to be established in Zimbabwe. Consequently, the presented consolidated results of the Group (which include the results of Ecobank Zimbabwe) do not yet reflect the impact of application of IAS 29. The associated impact on the Group results will be recognised in the fourth quarter and will be presented in our results for the year ended 31 December 2019 by which time further information and guidance is expected to be issued in the Zimbabwe market by the local accounting and regulatory bodies.

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 15,000 people in 40 different countries in 888 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.

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 Ecobank Investor Relations via ir@ecobank.com. Full contact details below:

- Profit before tax down 8% to $102.5 million (up 5% to GHC 515.6 million)

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