

Positive Half Year 2010 performance

- . Revenues at US\$ 407m, (GH¢ 579 m)
- . Profit after tax at US\$70m, (GH¢ 100 m)
- . Total assets at US\$ 9,039m, (GH¢ 12,884 m)
- . Total equity at US\$1,240m, (GH¢ 1,767 m)

	Period ended 30 June 2010		Period ended 30 June 2009		% Change	
	US\$'000	GH¢'000	US\$'000	GH¢'000	US\$	GH¢
Revenues	406,803	579,417	405,393	556,882	0%	4%
Profit before income tax	103,268	147,087	116,439	159,950	-11%	-8%
Estimated Income tax expense	(33,021)	(47,032)	(38,817)	(53,322)	-15%	-12%
Profit for the period	70,247	100,055	77,622	106,628	-10%	-6%
Total assets	9,038,634	12,883,670	8,047,957	11,708,973	12%	10%
Total equity	1,239,880	1,767,325	1,214,155	1,766,474	2%	0%

We are pleased to announce Ecobank Group's results for the six months ended 30 June 2010. Overall, our performance in the first six months of 2010 benefited from our strong diversification strategy and was resilient, despite a challenging operating environment.

Although revenues were flat due to slow market conditions in some of our countries, net income for the first six months exceeded the full year 2009, substantially driven by lower credit provisions. Our ongoing strategy to drive efficiency through expense discipline reflected in single-digit growth in operating expenses, while provisions for credit losses declined, due to improvements in credit quality.

Going forward, we remain optimistic about the long-term future of Africa, the markets and the countries in which we operate in. For the remainder of the year, we'd continue to drive efficiency and focus on revenue growth.

Unaudited Consolidated Income Statement

	Period ended 30 June 2010		Period ended 30 June 2009		% Change	
	US\$'000	GH¢'000	US\$'000	GH¢'000	US\$	GH¢
Interest income	353,346	503,277	367,713	505,121	-4%	0%
Interest expense	(120,384)	(171,465)	(158,335)	(217,502)	-24%	-21%
Net interest income	232,962	331,812	209,378	287,619	11%	15%
Fee and commission income	115,866	165,030	115,681	158,909	0%	4%
Fee and commission expense	(2,986)	(4,253)	(4,241)	(5,826)	-30%	-27%
Net fee and commission income	112,880	160,777	111,440	153,083	1%	5%
Lease income	6,219	8,858	8,881	12,200	-30%	-27%
Dividend income	1,132	1,612	591	812	92%	99%
Net trading income	50,124	71,392	73,035	100,327	-31%	-29%
Gains less losses from investment securities	65	93	265	364	-75%	-74%
Other operating income	3,421	4,873	1,803	2,477	90%	97%
Operating income before impairment loss	406,803	579,417	405,393	556,882	0%	4%
Impairment losses for loans	(14,481)	(20,626)	(20,827)	(28,610)	-30%	-28%
Operating income after impairment loss	392,322	558,791	384,566	528,272	2%	6%
Staff expenses	(132,060)	(188,095)	(124,576)	(171,128)	6%	10%
Depreciation and amortisation	(33,488)	(47,698)	(28,274)	(38,840)	18%	23%
Other operating expenses	(123,506)	(175,911)	(115,277)	(158,354)	7%	11%
Total operating expenses	(289,054)	(411,704)	(268,127)	(368,322)	8%	12%
Profit before income tax	103,268	147,087	116,439	159,950	-11%	-8%
Income tax expense	(33,021)	(47,032)	(38,817)	(53,322)	-15%	-12%
Profit for the year	70,247	100,055	77,622	106,628	-10%	-6%
Attributable to:						
Equity holders of the parent company	59,946	85,383	59,739	82,062	0%	4%
Non-controlling interest	10,301	14,672	17,883	24,566	-42%	-40%
	70,247	100,055	77,622	106,628	-10%	-6%

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	0.60	0.86	0.68	0.94	-11%	-8%
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Undaunted Consolidated Statement of Financial Position

Assets	As at 30 June 2010		As at 30 June 2009		% Change	
	US\$'000	GH¢'000	US\$'000	GH¢'000	US\$	GH¢
Cash and balances with central banks	1,110,336	1,582,673	734,051	1,067,971	51%	48%
Treasury bills and other eligible bills	384,325	547,817	377,066	548,593	2%	0%
Loans and advances to banks	1,521,887	2,169,298	1,192,378	1,734,791	28%	25%
Loans & advances to customers	4,348,281	6,198,040	4,220,231	6,140,014	3%	1%
Trading assets	66,306	94,513	90,010	130,956	-26%	-28%
Derivative financial instruments	7,890	11,246	-	-	na	na
Investment securities: available for sale	566,823	807,950	400,992	583,403	41%	38%
Pledged assets	153	218	178	259	-14%	-16%
Intangible assets	31,513	44,919	41,400	60,233	-24%	-25%
Property and equipment	449,655	640,938	367,179	534,209	22%	20%
Investment property	12,292	17,521	12,170	17,706	1%	-1%
Deferred income tax assets	34,296	48,886	13,073	19,020	162%	157%
Others assets	504,877	719,651	599,229	871,818	-16%	-17%
Total Assets	9,038,634	12,883,670	8,047,957	11,708,973	12%	10%
Liabilities						
Deposits from other banks	157,499	224,499	338,701	492,776	-53%	-54%
Deposits from customers	6,857,399	9,774,537	5,464,953	7,950,960	25%	23%
Other deposits	3,011	4,292	22,180	32,270	-86%	-87%
Derivative financial instruments	10,022	14,285	-	-	na	na
Borrowed funds	247,022	352,105	453,049	659,141	-45%	-47%
Other liabilities	458,398	653,401	466,625	678,892	-2%	-4%
Current income tax liabilities	20,171	28,752	38,878	56,564	-48%	-49%
Deferred income tax liabilities	32,898	46,893	31,334	45,588	5%	3%
Retirement benefit obligations	12,334	17,581	18,082	26,308	-32%	-33%
Total Liabilities	7,798,754	11,116,345	6,833,802	9,942,499	14%	12%
Equity						
Capital and reserves attributable to the equity holders of the parent entity						
Share capital	867,714	1,236,840	774,496	1,126,814	12%	10%
Retained earnings	280,551	399,897	266,140	387,207	5%	3%
Others reserves	(21,142)	(30,136)	39,772	57,864	-153%	-152%
Total equity and reserves attributable	1,127,123	1,606,601	1,080,408	1,571,885	4%	2%
Non-controlling interests in equity	112,757	160,724	133,747	194,589	-16%	-17%
Total Equity	1,239,880	1,767,325	1,214,155	1,766,474	2%	0%
Total Liabilities and Equity	9,038,634	12,883,670	8,047,957	11,708,973	12%	10%

Unaudited Consolidated Statement of Cash Flows

	Period ended 30 June 2010		Period ended 30 June 2009	
	US\$'000	GH¢'000	US\$'000	GH¢'000
Cash flows from operating activities				
Interest income received	353,346	503,277	342,467	470,441
Interest paid	(120,384)	(171,465)	(151,403)	(207,980)
Dividends received	1,132	1,612	591	812
Fee and commission receipts	115,866	165,030	113,681	156,162
Fee and commission paid	(2,986)	(4,253)	(4,241)	(5,826)
Net trading and other incomes	59,829	85,215	83,984	115,367
Cash payments to employees and suppliers	(255,566)	(364,007)	(260,680)	(358,092)
Income taxes paid	(49,512)	(70,521)	(37,012)	(50,843)
Changes in operating assets and liabilities				
- net (increase)/ decrease in trading assets	(58,837)	(83,866)	(82,904)	(120,617)
- net (increase)/ decrease in derivative financial assets	2,127	3,032	-	-
- net (increase)/ decrease in loans and advances to banks	7,905	11,268	474,866	690,883
- net (increase)/ decrease in loans and advances to customers	514,559	733,452	(529,312)	(770,096)
- net (increase) in other assets	(146,728)	(209,146)	(237,927)	(346,160)
- net (increase)/ decrease in mandatory reserve deposits with central banks	62,764	89,464	21,670	31,528
- net (decrease)/ increase in other deposits	(82,782)	(117,997)	(71,639)	(104,228)
- net (decrease)/ increase in amounts due to customers	384,940	548,693	(333,942)	(485,852)
- net (decrease)/ increase in other liabilities	(18,603)	(26,517)	(29,200)	(42,483)
Net cash from / (used in) operating activities	767,070	1,093,271	(701,001)	(1,026,984)
Cash flows from investing activities				
(Acquisition of subsidiaries)/net of cash acquired	-	-	4,148	6,035
Purchase of software	(1,259)	(1,795)	(6,712)	(9,765)
Purchase of property and equipment	(65,891)	(93,921)	(69,135)	(100,585)
Sale/(purchase) of investment securities	(60,447)	(86,161)	183,008	266,258
Net cash from / (used in) investing activities	(127,597)	(181,877)	111,309	161,943
Cash flows from financing activities				
Net (payment of) / proceeds from borrowed funds	(6,880)	(9,807)	107,892	156,972
Dividends paid to minority shareholders	(13,469)	(19,199)	(12,363)	(17,987)
Dividends paid	(29,745)	(42,399)	(17,466)	(25,411)
Net cash from / (used in) financing activities	(50,094)	(71,405)	78,063	113,574
Net (decrease) / increase in cash and cash equivalents	589,379	839,989	(511,629)	(751,467)
Cash and cash equivalents at start of year	1,016,726	1,449,239	1,493,804	2,173,333
Effects of exchange differences on cash and cash equivalents	(75,374)	(105,052)	(12,437)	(18,095)
Net effects of changes in exchange rate		(2,273)		7,101
Cash and cash equivalents at end of period	1,530,731	2,181,903	969,738	1,410,872



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\$1.7 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

Signed

Signed

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Laurence do Rego

Arnold Ekpe

Group Executive Director, Finance and Risk

Group Chief Executive Officer