

## Ecobank delivers strong results for first nine months of 2011

Revenues up 30% to \$804.3 million (GHS: up 37% to GHS 1,215 million)

Profit before tax up 51% to \$177.7 million (GHS: up 59% to GHS 268 million)

Profit after tax up 52% to \$123.6 million (GHS: up 61% to GHS 186.6 million)

Total assets up 25% to \$11.9 billion (GHS: up 34% to GHS 18.3 billion)

	Period ended 30 September 2011		Period ended 30 September 2010		% Change	
	US\$'000	GHS'000	US\$'000	GHS'000	US\$	GHS
Revenues	804 293	1 214 501	619 261	883 973	30%	37%
Profit before income tax	177 687	268 312	118 000	168 439	51%	59%
Estimated Income tax expense	(54 121)	(81 724)	(36 633)	(52 292)	48%	56%
Profit for the period	123 566	186 588	81 367	116 147	52%	61%
Total assets	11 927 711	18 294 723	9 540 240	13 667 348	25%	34%
Total equity	1 332 921	2 044 434	1 259 176	1 803 895	6%	13%

We are pleased to announce strong results for the first nine months of 2011 driven by our diversified business model.

Profit before tax increased by 51% to \$178 million and revenues 30% to \$804 million supported by solid results from all our businesses and growth in international and regional trade. We contained costs and improved efficiency during the period on the back of a strong balance sheet and healthy levels of liquidity.

The outlook for the final quarter of 2011 is promising. Subject to the necessary regulatory and shareholder approvals, we hope to conclude the acquisitions of Oceanic Bank in Nigeria and the Trust Bank in Ghana. We expect these to have a positive impact on our future performance.

By Order of the Board of Directors

Signed

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**Arnold Ekpe**  
Group Chief Executive Officer

### Unaudited Consolidated Income Statement

	Period ended 30 September 2011		Period ended 30 September 2010		% Change	
	US\$'000	GHS'000	US\$'000	GHS'000	US\$	GHS
Interest income	587 149	886 608	512 927	732 186	14%	21%
Interest expense	(188 244)	(284 253)	(169 517)	(241 980)	11%	17%
<b>Net interest income</b>	<b>398 905</b>	<b>602 355</b>	<b>343 410</b>	<b>490 206</b>	<b>16%</b>	<b>23%</b>
Fee and commission income	278 896	421 139	187 105	267 086	49%	58%
Fee and commission expense	(15 547)	(23 476)	(5 680)	(8 108)	174%	190%
<b>Net fee and commission income</b>	<b>263 349</b>	<b>397 663</b>	<b>181 425</b>	<b>258 978</b>	<b>45%</b>	<b>54%</b>
Lease income	6 088	9 193	8 762	12 507	-31%	-26%
Dividend income	1 201	1 814	1 326	1 893	-9%	-4%
Net trading income	131 615	198 742	79 869	114 010	65%	74%
Gains less losses from investment securities	10	15	77	110	-87%	-86%
Other operating income	3 125	4 719	4 392	6 269	-29%	-25%
<b>Operating income before impairment loss</b>	<b>804 293</b>	<b>1 214 501</b>	<b>619 261</b>	<b>883 973</b>	<b>30%</b>	<b>37%</b>
Impairment losses for loans	(80 435)	(121 459)	(63 471)	(90 603)	27%	34%
<b>Operating income after impairment loss</b>	<b>723 858</b>	<b>1 093 042</b>	<b>555 790</b>	<b>793 370</b>	<b>30%</b>	<b>38%</b>
Staff expenses	(251 434)	(379 671)	(204 803)	(292 349)	23%	30%
Depreciation and amortisation	(54 193)	(81 833)	(50 289)	(71 786)	8%	14%
Other operating expenses	(240 544)	(363 226)	(182 698)	(260 795)	32%	39%
<b>Total operating expenses</b>	<b>(546 171)</b>	<b>(824 730)</b>	<b>(437 790)</b>	<b>(624 931)</b>	<b>25%</b>	<b>32%</b>
<b>Profit before income tax</b>	<b>177 687</b>	<b>268 312</b>	<b>118 000</b>	<b>168 439</b>	<b>51%</b>	<b>59%</b>
Income tax expense	(54 121)	(81 724)	(36 633)	(52 292)	48%	56%
<b>Profit for the period</b>	<b>123 566</b>	<b>186 588</b>	<b>81 367</b>	<b>116 147</b>	<b>52%</b>	<b>61%</b>
<b>Attributable to:</b>						
Equity holders of the parent company	106 641	161 031	70 222	100 240	52%	61%
Non-controlling interest	16 925	25 557	11 145	15 907	52%	61%
	<b>123 566</b>	<b>186 588</b>	<b>81 367</b>	<b>116 147</b>	<b>52%</b>	<b>61%</b>

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

- Basic	1,08	1,62	0,71	1,01	52%	60%
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### Unaudited Consolidated Statement of Financial Position

Assets	As at 30 September 2011		As at 31 December 2010		As at 30 September 2010		Y-on-Y % Change	
	US\$'000	GHS'000	US\$'000	GHS'000	US\$'000	GHS'000	US\$	GHS
Cash and balances with central banks	1 247 567	1 913 518	1 126 222	1 636 626	1 286 323	1 842 786	-3%	4%
Treasury bills and other eligible bills	650 209	997 291	588 922	855 821	460 688	659 982	41%	51%
Loans and advances to banks	1 597 574	2 450 359	1 613 322	2 344 480	1 304 563	1 868 917	22%	31%
Loans & advances to customers	5 722 974	8 777 898	5 264 184	7 649 912	4 847 285	6 944 220	18%	26%
Trading assets	9 816	15 056	6 803	9 886	64 282	92 090	-85%	-84%
Derivative financial instruments	13 340	20 461	10 000	14 532	10 846	15 538	23%	32%
Investment securities: available for sale	1 565 960	2 401 869	893 125	1 297 889	619 985	888 191	153%	170%
Investments in associates	3 154	4 838	3 181	4 623	3 181	4 557	-1%	6%
Pledged assets	0	0	-	0	159	228	-100%	-100%
Intangible assets	58 239	89 327	28 168	40 934	31 920	45 729	82%	95%
Property and equipment	490 827	752 830	464 289	674 705	468 274	670 849	5%	12%
Investment property	10 426	15 991	12 948	18 816	12 422	17 796	-16%	-10%
Deferred income tax assets	34 888	53 511	35 734	51 929	34 873	49 959	0%	7%
Others assets	522 737	801 774	419 973	610 305	395 439	566 506	32%	42%
<b>Total Assets</b>	<b>11 927 711</b>	<b>18 294 723</b>	<b>10 466 871</b>	<b>15 210 458</b>	<b>9 540 240</b>	<b>13 667 348</b>	<b>25%</b>	<b>34%</b>
<b>Liabilities</b>								
Deposits from other banks	497 359	762 849	372 384	541 148	184 912	264 905	169%	188%
Deposits from customers	8 910 796	13 667 379	7 924 585	11 516 007	7 309 509	10 471 603	22%	31%
Other deposits	7 583	11 631	50 918	73 994	7 275	10 422	4%	12%
Derivative financial instruments	9 859	15 122	9 913	14 406	9 913	14 201	-1%	6%
Borrowed funds	409 525	628 129	225 975	328 387	280 917	402 442	46%	56%
Other liabilities	697 516	1 069 850	518 964	754 158	418 139	599 026	67%	79%
Current income tax liabilities	18 144	27 829	35 933	52 218	25 398	36 385	-29%	-24%
Deferred income tax liabilities	33 261	51 016	27 442	39 879	32 898	47 130	1%	8%
Retirement benefit obligations	10 747	16 484	8 147	11 839	12 103	17 339	-11%	-5%
<b>Total Liabilities</b>	<b>10 594 790</b>	<b>16 250 289</b>	<b>9 174 261</b>	<b>13 332 036</b>	<b>8 281 064</b>	<b>11 863 453</b>	<b>28%</b>	<b>37%</b>
<b>Equity</b>								
<b>Capital and reserves attributable to the equity holders of the parent entity</b>								
Share capital	866 709	1 329 358	866 709	1 259 502	866 709	1 241 647	0%	7%
Retained earnings	349 232	535 652	282 250	410 166	265 330	380 112	32%	41%
Others reserves	-19 987	-30 656	6 388	9 283	6 473	9 273	409%	431%
<b>Total equity and reserves attributable</b>	<b>1 195 954</b>	<b>1 834 354</b>	<b>1 155 347</b>	<b>1 678 951</b>	<b>1 138 512</b>	<b>1 631 032</b>	<b>5%</b>	<b>12%</b>
<b>Non-controlling interests in equity</b>	<b>136 967</b>	<b>210 080</b>	<b>137 263</b>	<b>199 471</b>	<b>120 664</b>	<b>172 863</b>	<b>14%</b>	<b>22%</b>
<b>Total Equity</b>	<b>1 332 921</b>	<b>2 044 434</b>	<b>1 292 610</b>	<b>1 878 422</b>	<b>1 259 176</b>	<b>1 803 895</b>	<b>6%</b>	<b>13%</b>
<b>Total Liabilities and Equity</b>	<b>11 927 711</b>	<b>18 294 723</b>	<b>10 466 871</b>	<b>15 210 458</b>	<b>9 540 240</b>	<b>13 667 348</b>	<b>25%</b>	<b>34%</b>

### Unaudited Consolidated Statement of Cash Flows

	Period ended 30 September 2011		Period ended 30 September 2010	
	US\$'000	GHS'000	US\$'000	GHS'000
<b>Cash flows from operating activities</b>				
Interest income received	587 149	886 608	512 927	732 186
Interest paid	(188 244)	(284 253)	(169 517)	(241 980)
Dividends received	1 201	1 814	1 326	1 893
Fee and commission receipts	278 896	421 139	187 105	267 086
Fee and commission paid	(15 547)	(23 476)	(5 680)	(8 108)
Net trading and other incomes	140 837	212 667	92 697	132 322
Cash payments to employees and suppliers	(491 978)	(742 898)	(387 501)	(553 145)
Income taxes paid	(71 910)	(108 586)	(47 897)	(68 371)
<b>Changes in operating assets and liabilities</b>				
- net (increase) in trading assets	(3 013)	(4 621)	(56 813)	(81 390)
- net decrease / (increase) in derivative financial assets	(3 340)	(5 123)	(829)	(1 188)
- net decrease in loans and advances to banks	115 659	177 398	52 796	75 636
- net decrease in loans and advances to customers	(217 879)	(334 183)	(51 249)	(73 419)
- net (increase) in other assets	(102 764)	(157 619)	(37 290)	(53 422)
- net (increase) in mandatory reserve deposits with central banks	77 685	119 153	(88 370)	(126 599)
- net (decrease) in other deposits	(43 335)	(66 467)	(78 518)	(112 485)
- net increase in amounts due to customers	986 211	1 512 650	837 050	1 199 158
- net (decrease)/ increase in derivative liabilities	(54)	(83)	(109)	(156)
- net (decrease)/increase in other liabilities	178 552	273 863	(58 862)	(84 326)
<b>Net cash (used in) operating activities</b>	<b>1 228 126</b>	<b>1 877 983</b>	<b>701 266</b>	<b>1 003 692</b>
<b>Cash flows from investing activities</b>				
Purchase of software	(31 445)	(48 230)	(4 287)	(6 142)
Purchase of property and equipment	(72 963)	(111 911)	(86 844)	(124 413)
Sale/(purchase) of investment securities	(675 989)	(1 036 832)	(116 790)	(167 313)
<b>Net cash from / (used in) investing activities</b>	<b>(780 397)</b>	<b>(1 196 973)</b>	<b>(207 921)</b>	<b>(297 868)</b>
<b>Cash flows from financing activities</b>				
Net proceeds from borrowed funds	183 550	281 529	27 015	38 702
Dividends paid to minority shareholders	(15 319)	(23 496)	(13 469)	(19 296)
Dividends paid	(39 660)	(60 831)	(29 745)	(42 612)
<b>Net cash from / (used in) financing activities</b>	<b>128 571</b>	<b>197 202</b>	<b>(16 199)</b>	<b>(23 206)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>576 300</b>	<b>878 212</b>	<b>477 146</b>	<b>682 618</b>
Cash and cash equivalents at start of year	1 191 824	1 828 020	1 016 726	1 456 560
Effects of exchange differences on cash and cash equivalents	25 395	44 667	(42 678)	(57 923)
Net effects of changes in exchange rate				(2 275)
<b>Cash and cash equivalents at end of period</b>	<b>1 793 519</b>	<b>2 750 899</b>	<b>1 451 194</b>	<b>2 078 980</b>



**DISCLOSURES**

1. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).
2. The accounting policies applied in the preparation of these financial statements were consistent with those applied in the preparation of the annual consolidated financial statements of 31 December 2010.
3. Contingent liabilities in respect of bankers acceptance, guarantees, letters of credits and commitments to extend credit not provided for in the financial statements were US\$ 3.1 billion (GHS 4.7 billion) (31 Dec 2010: US\$ 2.3 billion (GHS 3.3 billion)).
4. The financial statements do not contain untrue statements, misleading facts or omit material facts, to the best of my knowledge.

Signed

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**Laurence do Rego**

**Executive Director, Finance and Risk**

Signed

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**Arnold Ekpe**

**Group Chief Executive Officer**