



PRESS RELEASE

PR. No 061/2014

**ECOBANK GHANA LIMITED (EBG) –
FINANCIAL STATEMENTS FOR THE
YEAR ENDED DECEMBER 31, 2013**

EBG has released its audited Financial Statements for the year ended December 31, 2013 as per the attached.

Issued in Accra, this 27th
day of March, 2014.

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, EBG
4. GCB Registrars, (Registrars for EBG shares)
5. Central Securities Depository
6. SEC
7. GSE Council Members
8. GSE Notice Board

For enquiries, contact:

General Manager/Head of Listings, GSE on 669908, 669914, 669935

*JEB

Ecobank Ghana Limited

Audited Financial Statements For The Year Ended 31 December 2013

Financial highlights

Growth:	
Profit Before Tax	44%
Total Assets	37%
Net Loans	52%
Deposits	32%
Revenue	40%
Key Ratios	
Cost Income Ratio	45.3%
ROAE	37%
ROAA	4.7%

Statement of Comprehensive Income

For the year ended 31 December 2013

(All amounts are in thousands of Ghana cedis unless otherwise stated)

	Group 2013	Group 2012	Bank 2013	Bank 2012
Interest income	473,557	353,354	457,803	344,261
Interest expense	(84,003)	(83,163)	(73,961)	(77,503)
Net interest income	389,554	270,191	383,842	266,758
Fees and commission income	113,697	92,087	114,012	91,996
Fees and commission expense	(1,679)	(1,736)	(1,679)	(1,736)
Net fees and commission income	112,018	90,351	112,333	90,260
Lease income	1,369	1,459	1,359	1,444
Net trading income	79,859	52,759	79,426	52,293
Dividend income	1,373	1,148	1,373	15,422
Other operating income	5,568	6,809	5,368	6,271
Other income	88,169	62,175	87,526	75,430
Total income	589,741	422,717	583,701	432,448
Impairment charge on loans and advances	(55,326)	(25,318)	(55,370)	(25,315)
Operating expenses	(267,061)	(211,466)	(266,489)	(210,948)
Operating profit	267,354	185,933	261,842	196,185
Share of profit of associates	520	293	-	-
Profit before income tax	267,874	186,226	261,842	196,185
Income tax	(70,589)	(53,669)	(69,434)	(53,016)
National fiscal stabilisation levy	(6,652)	-	(6,546)	-
Profit after tax	190,633	132,557	185,862	143,169

Statement of Financial Position

(All amounts are in thousands of Ghana cedis unless otherwise stated)

At 31 December, 2013

	Group 2013	Group 2012	Bank 2013	Bank 2012
Cash and cash equivalents	427,387	324,180	427,387	324,180
Government securities	984,968	691,405	901,066	630,617
Loans & advances to banks	945,729	843,730	946,123	840,525
Loans & advances to customers	2,126,820	1,396,514	2,124,530	1,394,967
Investment securities: available-for-sale	1,522	1,517	1,522	1,517
Investment in subsidiaries	-	-	16,773	2,401
Investment in associates	5,935	5,415	4,841	4,841
Intangible assets	7,311	4,017	7,311	4,017
Income tax	-	2,223	-	2,175
Deferred tax	10	-	-	-
Property and equipment	71,914	57,580	71,863	57,503
Others assets	122,665	101,489	122,989	116,100
Total Assets	4,694,261	3,428,070	4,624,405	3,378,843
Deposits from banks	519,207	276,362	478,362	282,904
Customer deposits	3,246,674	2,464,605	3,220,777	2,407,615
Other liabilities	224,348	94,843	224,359	95,416
Income tax	4,981	-	5,138	-
Deferred tax	-	3,958	541	4,271
Borrowings	138,122	132,090	138,122	132,090
Total liabilities	4,133,332	2,971,858	4,067,299	2,922,296
Stated capital	226,641	226,641	226,641	226,641
Income surplus account	132,976	85,780	127,926	85,449
Revaluation reserve	12,059	12,939	13,707	13,974
Statutory reserve fund	164,001	117,483	163,580	117,114
Regulatory credit risk reserve	25,252	13,369	25,252	13,369
Total equity attributable to equity holders of the bank	560,929	456,212	557,106	456,547
Total liabilities and equity	4,694,261	3,428,070	4,624,405	3,378,843

Statement of Cashflows

(All amounts are in thousands of Ghana cedis unless otherwise stated)

At 31 December, 2013

	Group 2013	Group 2012	Bank 2013	Bank 2012
Cashflow from operating activities				
Interest paid	(77,255)	(84,028)	(70,538)	(77,358)
Interest received	472,939	338,403	457,185	329,267
Net fees and commissions receipts	118,285	84,084	118,600	83,993
Other income received	5,425	5,642	5,225	5,104
Dividend received	1,373	1,148	1,373	1,148
Net trading income	98,199	49,363	97,766	49,521
Lease income	1,369	1,459	1,359	1,444
Payments to employees and suppliers	(228,730)	(173,327)	(228,632)	(172,846)
Corporate tax and national stabilization levy paid	(75,290)	(49,739)	(73,920)	(49,222)
Cashflow from operating activities before changes in operating assets and liabilities	316,315	173,005	308,418	171,051
Changes in operating assets and liabilities				
Loans and advances	(785,014)	(119,503)	(784,315)	(119,388)
Other assets	(27,443)	43,112	(13,156)	38,605
Customer deposits	782,069	522,611	813,162	533,206
Other liabilities	100,540	(68,095)	103,646	(79,189)
Mandatory reserves	(80,532)	(51,928)	(80,532)	(51,928)
Net cash generated from operating activities	305,935	499,202	347,223	492,357
Cashflow from investing activities				
Purchase of property and equipment	(26,697)	(15,241)	(26,697)	(15,141)
Purchase of software	(7,078)	(151)	(7,078)	(151)
Proceeds from sale of equipment	276	2,873	276	2,873
Government securities purchased	(1,320,537)	(1,223,351)	(1,238,856)	(1,226,377)
Proceeds from sale of Government securities	1,115,681	1,171,253	1,042,811	1,174,373
Proceeds from sale of available-for-sale investment	-	9,355	-	9,355
Loans and advances to banks	(422,321)	(85,116)	(422,322)	(85,115)
Investment in associate	-	(882)	-	(882)
Investment in subsidiaries	-	-	(14,372)	-
proceeds from sale of trading assets	-	725	-	725
Net cash used in investing activities	(660,776)	(140,535)	(666,238)	(139,980)
Cashflow from financing activities				
Dividend Paid	(85,036)	(55,230)	(85,036)	(55,230)
Repayment from borrowed funds	(14,398)	(10,336)	(14,398)	(10,336)
Proceeds from borrowed funds	2,090	20,820	2,090	20,820
Net cash in financing activities	(97,344)	(44,746)	(97,344)	(44,746)
Net increase (decrease) in cash and cash equivalents	(452,085)	313,921	(416,359)	307,631
Cash and cash equivalents at beginning of year	678,963	365,402	661,630	353,999
Cash and cash equivalents at end of year	226,878	678,963	245,271	661,630

Ecobank Ghana Limited

Audited Financial Statements For The Year Ended 31 December 2013

Report on the Financial Statements

We have audited the Consolidated and Separate Financial Statements of Ecobank Ghana Limited, which comprise the statements of financial position at 31 December 2013, statements of comprehensive income, changes in equity, and cash flows for the year then ended and notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Bank's Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963, (Act 179) and the Banking Act, 2004 Act 673 as amended by the Banking Amendment Act, 2007, Act 738 and for such internal control as the Directors determine is necessary to enable the preparation of these financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report

The accompanying statements of financial position, comprehensive income and cash flows are derived from the audited Group and Separate financial statements of Ecobank Bank Ghana Limited ("the Bank") and its subsidiary companies (together "the Group") for the year ended 31 December 2013. We expressed an unmodified opinion on the Group and Separate financial statements in our report dated 20 February 2014.

The accompanying statements of financial position, comprehensive income and cash flows do not contain all the disclosures required by International Financial Reporting Standards and in the manner required by the Companies Act 1963, (Act 179) and the Banking Act, 2004, (673) as amended by the Banking Amendment Act, 2007, (Act 738) applied in the preparation of the audited financial statements of the Bank and the Group. Reading the accompanying statements of financial position, comprehensive income and cash flows, therefore, is not a substitute for reading the audited financial statements of the Bank and the Group.

In our opinion, the accompanying statements of financial position, comprehensive income and cash flows are consistent, in all material respects, with the audited Group and Separate financial statements of Ecobank Ghana Limited for the year ended 31 December 2013, from which they were derived.

KPMG

SIGNED BY: ANTHONY KWASI SARPONG (ICAG/P/1057)
FOR AND ON BEHALF OF:
KPMG: (ICAG/F/0036)
CHARTERED ACCOUNTANTS
13 YIWIWA DRIVE, ABELANKPE
P O BOX GP 242
ACCRA

20th February 2014

The financial statements presented in this publication are an extract from the annual financial statements of the Bank for the year ended 31 December 2013. This information has been extracted directly from the annual financial statements which are available for inspection at the Bank's head office at 19 Seventh Avenue, Ridge West, Accra.

The auditors' report was signed on the 20th February 2014 and has been extracted from the annual financial statements of the Bank.

Disclosures

1. General Information

Ecobank Ghana Limited (The Bank) and its subsidiaries (together the Group) provides retail, corporate and investment banking and other financial services in Ghana. Ecobank Transnational Incorporated (ETI), the parent company, holds 68.93% of the issued ordinary shares of the Bank.

The Bank is a limited liability company, incorporated and domiciled in Ghana. The address of its registered office is, 19 Seventh Avenue, Ridge West, Private Mail Bag, General Post Office, Accra.

The Bank is listed on the Ghana Stock Exchange.

The consolidated and separate financial statements were authorised for issue by the Board of Directors on 20th February 2014.

2. Summary Of Significant Accounting Policies

The detailed accounting policies which form part of the annual report and have being consistently applied and can be found in the annual financial statements which are available at the Bank's Head Office at 19,Seventh Avenue, Ridge West.

3. Contingent liabilities

	Group 2013 GHS 000	Group 2012 GHS 000	Bank 2013 GHS 000	Bank 2012 GHS 000
Guarantees and indemnities	448,564	333,252	448,564	333,252
Documentary and commercial letters of credit	775,163	424,029	775,163	424,029

4. Earnings per share (Ghana Pesewas)

	GHS	GHS	GHS	GHS
Basic	65	45	63	49
Diluted	65	45	63	49

5. Quantitative disclosures

i. Capital Adequacy Ratio	2013 13.69%	2012 14.78%	2013 13.04%	2012 14.77%
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6. Non-performing loan Ratio

Non-performing loan Ratio	2013 5.94%	2012 5.1%
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Basis of Presentation: The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. Additional information required by the Companies Act, 1963 (Act 179) and the Banking Act, 2004 Act 673 as amended by the Banking Amendment Act, 2007 Act 738 have been included, where appropriate. The consolidated financial statements have been prepared under the historical cost convention, except for buildings which are carried at revalued amounts and available-for-sale financial assets carried at fair values.

The financial statements comprise the statements of financial position, comprehensive income, changes in equity and cash flows and notes to the financial statements.

The financial statements are presented in Ghana Cedis, which is the Group's functional and presentation currency. Except otherwise indicated, financial information presented in Ghana Cedis has been rounded to the nearest thousand.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period or in the period of revision and future periods, if the revision affects both current and future periods.

7. Qualitative Disclosures

Risk Management Concept and Framework: The bank's Risk Management Concept and Framework is outlined in our Strategy, Policies, Processes and Governance structure and is based on core principles designed to ensure that we achieve our mission and serve our customers efficiently and effectively. Our Risk Appetite is defined within this framework. Policies and Processes are in place to guide our conduct of business within set risk appetite thresholds and guide effective corrective measures to deviations. Our Board of Directors approve this policy annually. The Risk Committee, the Managing Director and Risk Management Department coordinate, facilitate, and oversee the effectiveness and integrity of the risk management framework. The Internal and external audit functions in turn provide timely and objective assurance regarding the continuing appropriateness and adequacy of compliance with this framework, and report to the Audit and Risk sub-committee of the Board.

The principal risks faced by the bank are categorized into three; Credit, Market and Operational Risk.

Credit Risk: Our Credit Risk Management model has four elements: Portfolio Planning and Target Marketing; Credit Origination and Maintenance; Problem Recognition and Remedial Management; and Portfolio Management.

Our credit exposures are within a defined target market and capital constraints. Individual transactions are assessed by an internal credit rating system. The portfolio is managed by respecting concentration limits in industry, currency tenors etc. Credits with signs of delinquency are taken through our various processes of Collections and Remedial Management.

Market Risk: Our market risk management policy is to ensure that all significant market risks are identified, measured, and managed in a consistent and effective manner in order to stabilize earnings and protect capital under a broad range of market conditions. It is also to ensure that we possess adequate sources of liquidity under the supervision of the Asset and Liability Committee (ALCO).

Under Market Risk, the Trading Book is monitored by setting limits on Position Size, Factor Sensitivities, Stop Loss Limits, Management Action Triggers and Value at Risk (VaR). The Banking Book is monitored using Re-pricing Maturity Gap analysis, Currency Mismatch Analysis and Liquidity Gap Analysis.

Operational Risk: We record all loss events. This enables us to learn from such occurrences over time, test and model our exposure to similar loss occurrences and improve ways of preventing such loss events in the future using internal models. In managing operational risk and losses, the bank establishes procedures to be employed in the handling of each situation. These procedures, prior approved by the Board, have been well disseminated and explained to staff. These broad policy directives cover among others areas like internal/external fraud, employment practices and work safety, clients' products and business practices, use of physical assets, business disruptions and system failures etc.

8.	2013	2012
i. Default in statutory liquidity	Nil	Nil
i. Default in statutory liquidity sanction	Nil	Nil

Signed

Signed

Samuel Ashitey Adjei
Managing Director

Lionel Van Lare Dosoo
Board Chairman