

Ecobank Group reports performance for First Quarter 2017

- Revenue down 15% to \$425.4 million (down 1% to GHC1.9 billion)
- Operating profit before impairment losses down 11% to \$150.9 million (up 3% to GHC 677.0 million)
- Profit before tax down by 28% to \$74.7 million (down 16% to GHC 335.2 million)
- Total assets down 12% to \$20.4 billion (down 0.4% to GHC 88.7 billion)
- Total equity down 28% to \$1.8 billion (down 18% to GHC 8.0 billion)

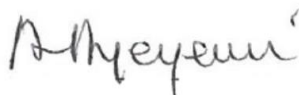
Financial Highlights	Period ended 31 March 2017		Period ended 31 March 2016		% Change	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$	GHC
Income Statement :						
Revenue	425,446	1,908,244	502,436	1,932,738	-15%	-1%
Operating profit before impairment losses	150,938	676,999	170,301	655,103	-11%	3%
Profit before income tax	74,736	335,214	103,660	398,752	-28%	-16%
Taxation	(13,789)	(61,849)	(21,416)	(82,382)	36%	25%
Profit for the period	60,984	273,531	81,433	313,250	-25%	-13%

Financial Highlights	As at 31 March 2017		As at 31 March 2016		% Change	
Statement of Financial Position :						
Total assets	20,441,489	88,683,356	23,236,736	89,005,993	-12%	-0.4%
Loans & advances to customers	9,222,441	40,010,638	11,090,707	42,481,844	-17%	-6%
Deposits from customers	13,535,173	58,720,995	15,889,532	60,863,263	-15%	-4%
Total equity	1,846,721	8,011,814	2,547,911	9,759,520	-28%	-18%

Ade Ayeyemi, Group CEO, commenting on the financial results: "Our performance in the first quarter was encouraging despite continued macroeconomic headwinds. All of our businesses made meaningful progress in executing our strategy by continuing to focus on cost discipline, stringent credit risk practices, and digitisation of processes to enhance the customer experience.

"Our first quarter revenues of \$425 million, increased 3% in constant dollars, while operating expenses were flat, year-on-year. Pre-impairment income increased 10% in constant dollars, reflecting positive operating leverage. The cost-to-income ratio of 64.5% was an improvement on the 66.1% for 2016, reflecting strong efficiency gains. However, pre-tax profits decreased 17% in constant dollars, mainly because impairments remain elevated as we forecast, for which we continue to aggressively address in our ongoing overhaul of credit risk management. We delivered a return on tangible equity of 16%.

"Our diversified business model and pan-African footprint is a competitive advantage for us. It allows us to meet the trade finance, cash management, and online and mobile financial needs of our clients across Middle Africa with unique financial products and services. Together with the more than 17,000 Ecobankers, I am proud of what Ecobank continues to do for its customers."



Ade Ayeyemi
Group Chief Executive Officer



Greg Davis
Group Chief Financial Officer

Unaudited Consolidated Income Statement

	Period ended 31 March 2017		Period ended 31 March 2016		% Change	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$	GHC
Interest income	377,570	1,693,507	431,754	1,660,843	-13%	2%
Interest expense	(143,818)	(645,064)	(146,815)	(564,758)	-2%	14%
Net interest income	233,752	1,048,443	284,939	1,096,085	-18%	-4%
Fee and commission income	109,667	491,887	128,115	492,824	-14%	-0.2%
Fee and commission expense	(13,057)	(58,564)	(10,975)	(42,218)	19%	39%
Net trading income	90,310	405,065	95,219	366,282	-5%	11%
Other operating income	4,774	21,413	5,138	19,765	-7%	8%
Non-interest revenue	191,694	859,801	217,497	836,653	-12%	3%
Operating income	425,446	1,908,244	502,436	1,932,738	-15%	-1%
Staff expenses	(126,818)	(568,814)	(154,318)	(593,620)	-18%	-4%
Depreciation and amortisation	(22,808)	(102,300)	(25,698)	(98,853)	-11%	3%
Other operating expenses	(124,882)	(560,131)	(152,119)	(585,162)	-18%	-4%
Operating expenses	(274,508)	(1,231,245)	(332,135)	(1,277,635)	-17%	-4%
Operating profit before impairment losses and taxation	150,938	676,999	170,301	655,103	-11%	3%
Impairment losses on :						
- loans and advances	(74,639)	(334,775)	(61,777)	(237,640)	21%	41%
- other financial assets	(1,633)	(7,324)	(4,940)	(19,003)	-67%	-61%
Impairment losses on financial assets	(76,272)	(342,099)	(66,717)	(256,643)	14%	33%
Operating profit after impairment losses	74,666	334,900	103,584	398,460	-28%	-16%
Share of profit of associates	70	314	76	292	-8%	8%
Profit before tax	74,736	335,214	103,660	398,752	-28%	-16%
Taxation	(13,789)	(61,849)	(21,416)	(82,382)	-36%	-25%
Profit for the period from continuing operations	60,947	273,365	82,244	316,370	-26%	-14%
(Loss) / Profit for the period from discontinued operations	37	166	(811)	(3,120)	105%	105%
Profit for the period	60,984	273,531	81,433	313,250	-25%	-13%
Attributable to:						
Owners of the parent	50,726	227,521	70,919	272,806	-28%	-17%
- Continuing operations	50,706	227,431	71,357	274,491	-29%	-17%
- Discontinued operations	20	90	(438)	(1,685)	105%	105%
Non-controlling interests	10,258	46,010	10,514	40,444	-2%	14%
- Continuing operations	10,241	45,934	10,887	41,879	-6%	10%
- Discontinued operations	17	76	(373)	(1,435)	105%	105%
	60,984	273,531	81,433	313,250	-25%	-13%
Earnings per share from continuing operations attributable to owners of the parent during the period (expressed in United States cents per share):						
- Basic (cents and pesewas)	0.21	0.92	0.30	1.14	-30%	-19%
- Diluted (cents and pesewas)	0.20	0.89	0.30	1.14	-33%	-22%
Earnings per share from discontinued operations attributable to owners of the parent during the period (expressed in United States cents per share):						
- Basic (cents and pesewas)	0.00	0.00	(0.00)	(0.01)		
- Diluted (cents and pesewas)	0.00	0.00	(0.00)	(0.00)		

Unaudited Consolidated Statement of Comprehensive Income

	Period ended 31 March 2017		Period ended 31 March 2016		% Change	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$	GHC
Profit for the period	60,984	273,531	81,433	313,250	-25%	-13%
Other comprehensive income:						
Items that may be subsequently reclassified to profit or loss:						
Exchange difference on translation of foreign operations	41,891	187,891	(47,407)	(182,361)	188%	203%
Net fair value gain loss on available-for-sale financial assets	(23,929)	(107,329)	(10,860)	(41,774)	120%	157%
Taxation relating to components of other comprehensive income that may be subsequently reclassified to profit or loss	6,111	27,408	3,053	11,743	100%	133%
Other comprehensive (loss) / Profit for the period, net of taxation	24,072	107,970	(55,214)	(212,392)	144%	151%
Total comprehensive income for the period	85,056	381,501	26,219	100,858	224%	278%
Total comprehensive income/(loss) attributable to:						
Owners of the parent	70,764	317,398	22,748	87,507	211%	263%
-Continuing operations	70,744	317,308	23,186	89,192	205%	256%
-Discontinued operations	20	90	(438)	(1,685)	105%	105%
Non-controlling interests	14,292	64,103	3,471	13,351	312%	380%
-Continuing operations	14,275	64,027	3,844	14,786	271%	333%
-Discontinued operations	17	76	(373)	(1,435)	105%	105%
	85,056	381,501	26,219	100,858	224%	278%

Unaudited Consolidated Statement of Financial Position

Assets	As at 31 March 2017		As at 31 March 2016		%Change		As at 31 December 2016	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$	GHC		
Cash and balances with central banks	2,314,926	10,043,075	3,008,926	11,525,390	-23%	-13%	2,462,302	10,295,131
Financial assets held for trading	28,795	124,924	78,583	301,004	-63%	-58%	77,408	323,651
Derivative financial instruments	717	3,111	105,857	405,475	-99%	-99%	68,204	285,168
Loans and advances to banks	1,478,855	6,415,865	1,543,143	5,910,855	-4%	9%	1,413,699	5,910,817
Loans & advances to customers	9,222,441	40,010,638	11,090,707	42,481,844	-17%	-6%	9,259,374	38,714,369
Treasury bills and other eligible bills	1,396,959	6,060,567	1,291,186	4,945,759	8%	23%	1,228,492	5,136,448
Investment securities: available for sale	3,361,660	14,584,226	2,967,736	11,367,616	13%	28%	3,272,824	13,684,004
Pledged assets	491,609	2,132,796	739,674	2,833,247	-34%	-25%	518,205	2,166,667
Others assets	797,300	3,459,006	779,548	2,985,981	2%	16%	850,821	3,557,368
Investments in associates	8,865	38,460	15,666	60,007	-43%	-36%	10,135	42,375
Intangible assets	278,461	1,208,075	385,693	1,477,358	-28%	-18%	280,766	1,173,911
Property and equipment	865,982	3,756,976	903,523	3,460,854	-4%	9%	861,047	3,600,124
Investment properties	35,726	154,994	136,882	524,313	-74%	-70%	35,819	149,763
Deferred income tax assets	87,000	377,441	101,185	387,579	-14%	-3%	102,007	426,501
	20,369,296	88,370,154	23,148,309	88,667,282	-12%	0%	20,441,103	85,466,297
Assets held for sale	72,193	313,202	88,427	338,711	-18%	-8%	69,871	292,137
Total Assets	20,441,489	88,683,356	23,236,736	89,005,993	-12%	0%	20,510,974	85,758,434
Liabilities								
Deposits from other banks	1,900,966	8,247,151	1,393,753	5,338,631	36%	54%	2,022,352	8,455,656
Deposits from customers	13,535,173	58,720,995	15,889,532	60,863,263	-15%	-4%	13,496,720	56,431,136
Derivative financial instruments	-	-	1,957	7,496	-100%	-100%	23,102	96,592
Borrowed funds	1,558,836	6,762,854	1,643,604	6,295,661	-5%	7%	1,608,564	6,725,567
Other liabilities	1,335,619	5,794,449	1,478,735	5,664,147	-10%	2%	1,342,635	5,613,691
Provisions	35,053	152,074	35,935	137,645	-2%	10%	28,782	120,340
Current income tax liabilities	43,061	186,816	47,559	182,170	-9%	3%	54,539	228,033
Deferred income tax liabilities	56,588	245,501	63,518	243,299	-11%	1%	60,169	251,573
Retirement benefit obligations	32,538	141,163	28,095	107,615	16%	31%	15,731	65,773
	18,497,834	80,251,003	20,582,688	78,839,927	-10%	2%	18,652,594	77,988,361
Liabilities held for sale	96,934	420,539	106,137	406,546	-9%	3%	94,302	394,286
Total Liabilities	18,594,768	80,671,542	20,688,825	79,246,473	-10%	2%	18,746,896	78,382,647
Equity								
Capital and reserves attributable to the equity holders of the parent entity								
Share capital	2,114,333	4,538,034	2,029,698	4,203,835	4%	8%	2,114,332	4,538,034
Retained earnings and reserves	-463,399	2,624,378	328,587	4,829,342	-241%	-46%	-536,408	2,059,425
Shareholders Equity	1,650,934	7,162,412	2,358,285	9,033,177	-30%	-21%	1,577,924	6,597,459
Non-controlling interests	195,787	849,402	189,626	726,343	3%	17%	186,154	778,328
Total Equity	1,846,721	8,011,814	2,547,911	9,759,520	-28%	-18%	1,764,078	7,375,787
Total Liabilities and Equity	20,441,489	88,683,356	23,236,736	89,005,993	-12%	-0.4%	20,510,974	85,758,434

Unaudited Consolidated Statement of Cash Flows

	Period ended 31 March 2017		Period ended 31 Mar 2016		% Change	
	US\$'000	GHC'000	US\$'000	GHC'000	US\$	GHC
Cash flows from operating activities						
Profit before tax	74,736	335,214	103,660	398,752	-28%	-16%
Net trading income - foreign exchange	(72,540)	(325,363)	(45,593)	(175,383)	59%	86%
Net loss from investment securities	49	220	25	96	96%	129%
Impairment losses on loans and advances	74,639	334,775	61,777	237,640	21%	41%
Impairment losses on other financial assets	1,633	7,324	4,940	19,003	-67%	-61%
Depreciation of property and equipment	19,476	87,355	21,914	84,297	-11%	4%
Net interest income	(233,752)	(1,048,443)	(284,939)	(1,096,084)	-18%	-4%
Amortisation of software and other intangibles	3,332	14,945	3,784	14,556	-12%	3%
Profit on sale of property and equipment	(200)	(897)	(96)	(371)	107%	142%
Share of loss of associates	(70)	(314)	(76)	(292)	-8%	8%
Income taxes paid	(43,855)	(196,702)	(119,469)	(459,565)	-63%	-57%
Changes in operating assets and liabilities						
Trading assets	48,613	218,043	92,751	356,788	-48%	-39%
Derivative financial assets	67,487	302,698	38,368	147,591	76%	105%
Other treasury bills	(171,262)	(768,157)	145,219	558,619	-218%	-238%
Loans and advances to banks	(202,918)	(910,146)	97,280	374,210	-309%	-343%
Loans and advances to customers	40,898	183,438	5,086	19,563	704%	838%
Pledged assets	26,596	119,290	19,412	74,673	37%	60%
Other assets	53,521	240,057	(265,919)	(1,022,919)	-120%	-123%
Mandatory reserve deposits	14,915	66,898	(171,532)	(659,837)	-109%	-110%
Due to customers	38,453	172,472	(560,229)	(2,155,051)	-107%	-108%
Derivative liabilities	(23,102)	(103,619)	621	2,389	-3820%	-4437%
Other provisions	6,271	28,127	7,241	27,854	-13%	1%
Other liabilities	(7,016)	(31,469)	429,676	1,652,849	-102%	-102%
Interest received	377,570	1,693,507	431,754	1,660,843	-13%	2%
Interest paid	(143,818)	(645,064)	(146,815)	(564,761)	-2%	14%
Net cashflow used in operating activities	(50,345)	(225,811)	(131,160)	(504,540)	-62%	-55%
Cash flows from investing activities						
Purchase of software	(2,368)	(10,621)	(3,744)	(14,402)	-37%	-26%
Purchase of property and equipment	(18,700)	(83,875)	(48,774)	(187,621)	-62%	-55%
Proceeds from sale and redemption of securities	(88,836)	(398,454)	(298,044)	(1,146,496)	-70%	-65%
Net cashflow used in investing activities	(109,904)	(492,950)	(350,562)	(1,348,519)	-69%	-63%
Cash flows from financing activities						
Proceeds from borrowed funds	(49,728)	(223,044)	(135,673)	(521,898)	63%	57%
Dividends paid to non-controlling shareholders	(2,413)	(10,823)	(1,553)	(5,973)	55%	81%
Net cashflow used in financing activities	(52,141)	(233,867)	(137,226)	(527,871)	-62%	-56%
Net decrease in cash and cash equivalents	(212,390)	(952,628)	(618,948)	(2,380,930)	-66%	54%
Cash and cash equivalents at start of period	2,020,838	8,449,325	2,610,050	9,903,574	-23%	-15%
Effects of exchange differences on cash and cash equivalents	64,340	628,207	(608,713)	(2,227,543)	111%	128%
Cash and cash equivalents at end of period	1,872,788	8,124,904	1,382,389	5,295,101	35%	53%

Unaudited Statement of Changes in Equity

in US\$'000

	Share Capital	PPE Revaluation Surplus	Available for Sale Fin. Assets reserves	Currency Translation Reserve	Other Reserves	Retained Earnings	Total equity and reserves attributable	Non-Controlling Interest	Total Equity
At 1 January 2016	2,029,698	137,937	1,977	(1,086,227)	733,197	529,427	2,346,009	177,236	2,523,245
Changes in Equity for 2016:									
Foreign currency translation differences	-	-	-	(621,490)	-	-	(621,490)	(3,307)	(624,797)
Net changes in available for sale investments, net of taxes	-	-	(31,477)	-	-	-	(31,477)	-	(31,477)
Net gains on revaluation of property	-	517	-	-	-	-	517	-	517
Remeasurements of post-employment benefit obligations	-	-	-	-	(6,153)	-	(6,153)	-	(6,153)
Profit for the year	-	-	-	-	-	(249,898)	(249,898)	44,940	(204,958)
Total comprehensive income for the year	-	517	(31,477)	(621,490)	(6,153)	(249,898)	(908,501)	41,633	(866,868)
Dividend relating to 2015	-	-	-	-	-	(48,200)	(48,200)	(32,715)	(80,915)
Transfer to other group reserve	-	-	-	-	104,281	-	104,281	-	104,281
Treasury shares	70	-	-	-	-	-	70	-	70
Transfer to share option reserve	-	-	-	-	(12,037)	12,037	-	-	-
Transfer to general banking reserves	-	-	-	-	(6,827)	6,827	-	-	-
Transfer to statutory reserve	-	-	-	-	19,346	(19,346)	-	-	-
Conversion of preference shares	84,564	-	-	-	-	-	84,564	-	84,564
Convertible loans - equity component	-	-	-	-	(299)	-	(299)	-	(299)
At 31 December 2016 / 1 January 2017	2,114,332	138,453	(29,500)	(1,707,717)	831,508	230,847	1,577,924	186,154	1,764,078
Changes in Equity for 2017 :									
Foreign currency translation differences	-	-	-	40,103	-	-	40,103	1,788	41,891
Net changes in available for sale investments, net of taxes	-	-	(17,818)	-	-	-	(17,818)	-	(17,818)
Profit for the period	-	-	-	-	-	50,726	50,726	10,258	60,984
Total comprehensive income for the period	-	-	(17,818)	40,103	-	50,726	73,010	12,046	85,056
Dividend relating to 2016	-	-	-	-	-	-	-	(2,413)	(2,413)
At 31 March 2017	2,114,332	138,453	(47,318)	(1,667,615)	831,508	281,573	1,650,934	195,787	1,846,721



Unaudited Statement of Changes in Equity

in LCY'000

	Share Capital	PPE Revaluation Surplus	Available for Sale Fin. Assets reserves	Currency Translation Reserve	Other Reserves	Retained Earnings	Total equity and reserves attributable	Non-Controlling Interest	Total Equity
At 1 January 2016	4,203,835	309,899	115,062	1,790,856	1,802,013	680,032	8,901,696	672,504	9,574,200
Changes in Equity for 2016:									
Foreign currency translation differences	-	-	-	(1,725,372)	-	-	(1,725,372)	57,550	(1,667,822)
Net fair value (loss) on available-for-sale financial assets	-	-	(124,295)	-	-	-	(124,295)	-	(124,295)
Property and equipment - net revaluation gain	-	2,040	-	-	-	-	2,040	-	2,040
Remeasurements of post-employment benefit obligations	-	-	-	-	24,296	-	(24,296)	-	(24,296)
Profit for the year	-	-	-	-	-	986,785	(986,785)	177,457	(809,328)
Total comprehensive income for the year	-	2,040	(124,295)	(1,725,372)	(24,296)	(986,785)	(2,858,707)	235,007	(2,623,700)
Dividend relating to 2015	-	-	-	-	-	(190,330)	(190,329.72)	(129,183)	(319,513)
Transfer to other group reserve	-	-	-	-	411,781	-	411,781	-	411,781
Treasury shares	276	-	-	-	-	-	276	-	276
Transfer to share options	-	-	-	-	(47,532)	47,532	-	-	-
Transfer to general banking reserves	-	-	-	-	(26,956)	26,956	-	-	-
Transfer to statutory reserve	-	-	-	-	76,392	(76,392)	-	-	-
Conversion of preference shares	333,922	-	-	-	-	-	333,922.4	-	333,922
Convertible loans - equity component	-	-	-	-	(1,181)	-	(1,181)	-	(1,181)
At 31 December 2016 / 1 January 2017	4,538,034	311,939	(9,233)	65,484	2,190,221	(498,986)	6,597,459	778,328	7,375,787
Changes in Equity for 2017 :									
Foreign currency translation differences	-	-	-	417,354	-	-	417,354	35,887	453,241
Net fair value gain on available-for-sale financial assets	-	-	(79,921)	-	-	-	(79,921)	-	(79,921)
Profit for the period	-	-	-	-	-	227,520	227,520	46,010	273,530
Total comprehensive income for the period	-	-	(79,921)	417,354	-	227,520	564,954	81,897	646,850
Dividend relating to 2016	-	-	-	-	-	-	-	(10,823)	(10,823)
At 31 March 2017	4,538,034	311,939	(89,154)	482,838	2,190,221	(271,466)	7,162,412	849,402	8,011,814



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 2016.
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\$ 4.2 billion (GHC 18.2 billion) (31 Mar 2016: US\$ 4.3 billion (GHC 16.6 billion))