

Financial Communication of BOA GROUP

2016 Fiscal year

BANK OF AFRICA GROUP

BENIN

BURKINA FASO

BURUNDI

COTE D'IVOIRE

DJIBOUTI

DRC

ETHIOPIA

FRANCE

GHANA

KENYA

MADAGASCAR

MALI

NIGER

RWANDA

SENEGAL

TANZANIA

TOGO

UGANDA



BANK OF AFRICA

Groupe BMCE BANK



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2016 has been a rough year in several countries either on the East side or the West side of the African continent. Elections, pre-elections period, Nigeria's crisis, interest rate restriction in Kenya, have been translated into currencies devaluation, credit crunch and economic slowdown and uncertainties.

Thanks to our Group diversification over several countries, and to sound and proactive management, we have been able to achieve significant growth on both asset and profitability sides.

Total Asset

+8.5% to EUR **7,813** Million

Net Banking Income

+6.8% to EUR **470** Million

Net Income Group Share

+20% to EUR **67.4** Million

ROE

13.8%

Thanks to **customer loans growth by nearly 9% to EUR 3,8 Billion**, and **7% rise of customer deposits to EUR 5 Billion**, the Loans-to-deposits ratio stood at 76% in 2016 against 75% in 2015.

The Net Banking Income improved by 6.8% to EUR 470 Million, due to good credits performance and better profitability of investment activities.

Operating Expenses remained at a restrained level of **61.4% of Net Banking Income**.

The cost of risk significantly decreased from 2.17% of customer loans in 2015 to **1.76% in 2016**, thanks to the low progression of provisions.

Therefore, BOA GROUP's Net Income reached EUR 113 Million, a rise of +18.7% compared to last year.

The **Net Income Group Share** grew by **20% to EUR 67,4 Million** as at December 2016. With an average Group share equity of EUR 487 Million, **BOA GROUP's ROE stands at 13.8% at the end of 2016**.

BANK OF AFRICA GROUP thanks its million customers and partners for their trust and fidelity, that allowed to show these good performances, reflect of the financial strengths of the Group.

Consolidated accounts summary as of December 2016

Euro million

	2015	2016	Variation
BANKING STAFF	5,514	5,655	2.5%
BRANCHES	508	553	8.8%
TOTAL ASSET	7,201.09	7,812.56	8.5%
CUSTOMER LOANS	3,504.52	3,815.57	8.9%
CUSTOMER DEPOSIT	4,682.99	5,011.56	7.0%
EQUITY GROUP SHARE	453.65	520.97	14.8%
NET BANKING INCOME	439.96	469.69	6.8%
OF WHICH NET INTEREST MARGIN	200.57	205.60	2.5%
OF WHICH COMMISSIONS	130.35	134.18	2.9%
OF WHICH NET INCOME ON INVESTMENTS	109.04	129.91	19.1%
NON-BANKING NET INCOME	16.87	16.33	-3.2%
OPERATING EXPENSES (*)	271.62	288.43	6.2%
NET INCOME BEFORE PROVISIONS	185.21	197.59	6.7%
NET PROVISIONS FOR RISK	71.93	64.45	-10.4%
GOOD WILL AMORTIZATION	3.62	3.75	3.5%
COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD AND EXCEPTIONAL NET INCOME	8.08	7.15	-11.5%
TAXES	22	23	4.3%
CONSOLIDATED NET INCOME	95.59	113.42	18.7%
NET INCOME GROUP SHARE	56.18	67.41	20.0%
COST TO INCOME RATIO	61.74%	61.41%	
COST OF RISK	2.17%	1.76%	
ROE (NET INCOME GROUP SHARE / AVERAGE EQUITY GROUP SHARE)	13.75%	13.83%	
ROA (NET INCOME GROUP SHARE / AVERAGE ASSET)	0.85%	0.90%	

(*) including amortizations

Consolidated annual accounts
of BANK OF AFRICA Group

Consolidated Balance Sheet

(in Euro)

Assets	2015	2016
CASH	171 769 053	177 032 952
INTERBANK LOANS	881 471 769	885 364 722
DEMAND LOANS	723 904 920	623 301 104
• CENTRAL BANKS	406 185 698	381 269 819
• TREASURY, POST OFFICE BANK	77 611 723	78 531 440
• OTHER CREDIT INSTITUTIONS	240 107 499	163 499 845
TERM LOANS	157 566 849	262 063 618
CUSTOMER LOANS	3 497 683 777	3 806 338 365
PORTFOLIO OF DISCOUNTED BILLS	218 415 079	113 071 866
• SEASONAL CREDIT		
• ORDINARY CREDIT	218 415 079	113 071 866
OVERDRAFTS	522 547 248	478 488 940
OTHER CUSTOMER CREDIT FACILITIES	2 755 080 503	3 213 623 726
• SEASONAL CREDIT	109 997 184	130 421 386
• ORDINARY CREDIT	2 645 083 319	3 083 202 340
FACTORING	1 640 947	1 153 833
LEASING & RELATED OPERATIONS	6 836 839	9 231 777
INVESTMENT SECURITIES	1 804 794 130	1 865 093 014
FINANCIAL ASSETS	289 154 436	394 570 523
FINANCIAL ASSETS AT EQUITY VALUE	10 244 919	10 848 520
INTANGIBLE ASSETS	10 305 147	14 297 906
FIXED ASSETS	225 562 852	243 268 171
SHAREHOLDERS & ASSOCIATES		
OTHER ASSETS	199 417 352	261 810 562
SUNDRY ACCOUNTS	67 251 035	112 316 800
CONSOLIDATED GOODWILL	36 595 096	32 438 983
TOTAL ASSETS	7 201 086 405	7 812 612 295

Off-balance-sheet	2015	2016
COMMITMENTS GIVEN		
CREDIT COMMITMENTS	181 100 269	167 305 370
• TO CREDIT INSTITUTIONS	1 796 180	3 861 518
• TO CUSTOMERS	179 304 089	163 443 852
GUARANTEES GIVEN	753 020 671	1 027 256 897
• ON BEHALF OF CREDIT INSTITUTIONS	17 325 523	23 135 177
• ON BEHALF OF CUSTOMERS	735 695 148	1 004 121 720
COMMITMENTS ON SECURITIES		

(in Euro)

Liabilities	2015	2016
INTERBANK LIABILITIES	1 527 178 792	1 736 822 059
DEMAND DEPOSITS	103 514 723	91 281 536
• TREASURY, POST OFFICE BANK	26 069 201	20 508 495
• OTHER CREDIT INSTITUTIONS	77 445 522	70 773 041
TERM DEPOSITS	1 423 664 069	1 645 540 523
CUSTOMER DEPOSITS	4 682 986 689	5 011 564 746
• SAVINGS DEPOSIT ACCOUNTS	786 375 485	910 556 998
• TERM DEPOSIT ACCOUNTS	16 620 555	20 674 572
• SHORT-TERM BORROWINGS	23 725 764	27 725 508
• OTHER DEMAND DEPOSITS	2 378 677 864	2 613 349 155
• OTHER TERM DEPOSIT ACCOUNTS	1 477 587 021	1 439 258 513
DEBT SECURITIES	12 503 053	5 949 042
OTHER LIABILITIES	108 442 803	115 889 874
SUNDRY ACCOUNTS	109 739 696	115 982 509
CONSOLIDATED GOODWILL	17 756 044	13 734 956
RESERVES FOR CONTINGENCIES & LOSSES	24 262 918	27 617 743
STATUTORY PROVISIONS		
SUBORDINATED LOANS & SECURITIES	21 313 684	9 230 382
INVESTMENT SUBSIDIES		
RESERVES FOR GENERAL BANKING RISKS		
EARMARKED FUNDS	18 782 704	29 069 803
CAPITAL	90 489 465	93 154 535
SHARE PREMIUMS		
CONSOLIDATED RESERVES, CURRENCY TRANSLATION ADJUSTMENT		
DIFFERENCE ON EQUITY ACCOUNTED SECURITIES	492 044 953	540 286 246
• GROUP	306 981 273	360 400 942
• MINORITY SHAREHOLDERS	185 063 680	179 885 304
RETAINED EARNINGS (+/-)		
NET INCOME	95 585 604	113 310 400
• GROUP	56 183 360	67 308 337
• MINORITY SHAREHOLDERS	39 402 244	46 002 063
TOTAL LIABILITIES	7 201 086 405	7 812 612 295

Off-balance-sheet	2015	2016
COMMITMENTS RECEIVED		
CREDIT COMMITMENTS	31 654 256	16 197 411
• RECEIVED FROM CREDIT INSTITUTIONS	31 654 256	16 197 411
GUARANTEES RECEIVED	4 754 332 515	5 809 453 687
• RECEIVED FROM CREDIT INSTITUTIONS	129 106 608	330 590 749
• RECEIVED FROM CUSTOMERS	4 625 225 907	5 478 862 938
COMMITMENTS ON SECURITY	148 558 136	164 526 027

Consolidated Income Statement

(in Euro)

Expenses	2015	2016
INTEREST AND SIMILAR EXPENSES	170 105 742	200 669 238
• ON INTERBANK LIABILITIES	40 072 161	70 973 725
• ON CUSTOMER DEPOSITS	124 625 288	122 103 027
• ON DEBT SECURITIES	936 333	735 935
• OTHER INTEREST AND SIMILAR EXPENSES	4 471 960	6 856 551
EXPENSES ON LEASING AND SIMILAR OPERATIONS	1 812 596	2 803 016
COMMISSION	6 433 890	7 464 706
EXPENSES ON FINANCIAL OPERATIONS	343 406 614	402 146 776
• INVESTMENT EXPENSES	782 159	214 601
• FOREIGN EXCHANGE EXPENSES	342 228 369	400 854 468
• OFF-BALANCE-SHEET TRANSACTION EXPENSES	396 086	1 077 707
OTHER BANK OPERATING EXPENSES	2 892 429	3 172 109
GOODS PURCHASED		
INVENTORY SOLD		
CHANGES IN GOODS IN STOCK		
OPERATING OVERHEADS	242 453 558	259 293 843
• PERSONNEL COSTS	115 535 617	126 036 861
• OTHER OVERHEADS	126 917 941	133 256 982
DEPRECIATION AND PROVISIONS ON FIXED ASSETS	29 398 463	29 181 800
DEFICIT ON VALUE ADJUSTMENTS TO LOANS & OFF-BALANCE-SHEET ITEMS	75 548 583	68 200 479
EXCEPTIONAL EXPENSES	2 307 914	2 082 535
LOSSES FROM PREVIOUS YEARS	6 380 868	4 621 686
SHARE OF INCOME FROM AFFILIATES ACCOUNTED FOR BY THE EQUITY	81 182	28 407
CORPORATE INCOME TAX	22 157 256	23 066 187
PROFIT	95 585 604	113 310 400
• GROUP	56 183 360	67 308 337
• MINORITY SHAREHOLDERS	39 402 244	46 002 063
TOTAL EXPENSES	998 564 699	1 116 041 182

(in Euro)

Income	2015	2016
INTEREST AND SIMILAR INCOME	369 689 349	405 819 178
• ON INTERBANK LOANS	19 293 485	22 771 351
• ON CUSTOMER LOANS	324 555 420	349 175 131
• ON SECURITIES	22 989 465	31 429 811
• OTHER INTEREST AND SIMILAR INCOME	2 850 979	2 442 885
INCOME FROM LEASING AND SIMILAR OPERATIONS	2 799 162	3 249 921
COMMISSION	68 644 542	80 927 449
INCOME FROM FINANCIAL OPERATIONS	502 383 003	586 733 031
• INCOME FROM INVESTMENT SECURITIES	96 824 439	113 660 201
• DIVIDENDS AND SIMILAR INCOME	13 001 222	16 469 331
• INCOME FROM FOREIGN EXCHANGE TRANSACTIONS	379 678 136	441 900 856
• INCOME FROM OFF-BALANCE SHEET TRANSACTIONS	12 879 206	14 702 643
OTHER INCOME FROM BANKING OPERATIONS	21 094 094	8 574 371
PROFIT MARGINS		
SALE OF PRODUCTS		
CHANGES IN GOODS IN STOCK		
GENERAL OPERATING INCOME	16 868 846	16 328 314
WRITE-BACK OF DEPRECIATION AND PROVISIONS ON FIXED ASSETS	233 309	524 304
SURPLUS ON CORRECTIONS TO VALUE OF LOANS AND OFF-BALANCE SHEET ITEMS		
EXCEPTIONAL INCOME	10 555 016	5 820 505
INCOME FROM PREVIOUS YEARS	5 143 177	6 391 402
SHARE OF INCOME FROM AFFILIATES ACCOUNTED FOR BY THE EQUITY	1 154 201	1 672 707
LOSS		
TOTAL INCOME	998 564 699	1 116 041 182

Consolidated Income Statement

(in Euro)

Expenses & Income	2015	2016
INTEREST AND SIMILAR INCOME	369 689 349	405 819 178
• ON INTERBANK LOANS	19 293 485	22 771 351
• ON CUSTOMER LOANS	324 555 420	349 175 131
• ON SECURITIES	22 989 465	31 429 811
• OTHER INTEREST AND SIMILAR INCOME	2 850 979	2 442 885
INCOME FROM LEASING AND SIMILAR OPERATIONS	2 799 162	3 249 921
INTEREST AND SIMILAR EXPENSES	-170 105 742	-200 669 238
• ON INTERBANK LIABILITIES	-40 072 161	-70 973 725
• ON CUSTOMER DEPOSITS	-124 625 288	-122 103 027
• ON DEBT SECURITIES	-936 333	-735 935
• OTHER INTEREST AND SIMILAR EXPENSES	-4 471 960	-6 856 551
EXPENSES ON LEASING AND SIMILAR OPERATIONS	-1 812 596	-2 803 016
INTEREST MARGIN	200 570 173	205 596 845
• COMMISSION INCOME	68 644 542	80 927 449
• COMMISSION EXPENSES	-6 433 890	-7 464 706
NET RESULT FROM COMMISSION	62 210 652	73 462 743
NET RESULTS FROM:		
• INVESTMENT SECURITIES TRANSACTIONS	96 042 280	113 445 600
• DIVIDENDS AND SIMILAR TRANSACTIONS	13 001 222	16 469 331
• FOREIGN EXCHANGE TRANSACTIONS	37 449 767	41 046 388
• OFF-BALANCE-SHEET TRANSACTIONS	12 483 120	13 624 936
NET INCOME FROM FINANCIAL OPERATIONS	158 976 389	184 586 255
OTHER INCOME FROM BANKING OPERATIONS	21 094 094	8 574 371
OTHER BANK OPERATING EXPENSES	-2 892 429	-3 172 109
OTHER INCOME FROM NON-BANKING OPERATIONS	16 868 846	16 328 314
OPERATING OVERHEADS	-242 453 558	
• PERSONNEL COSTS	-115 535 617	-126 036 861
• OTHER OVERHEADS	-126 917 941	-133 256 982
DEPRECIATION & AMORTIZATION AND PROVISIONS ON FIXED ASSETS	-29 398 463	-29 181 800
WRITE-BACK OF DEPRECIATION AND PROVISIONS ON FIXED ASSETS	233 309	524 304
GROSS OPERATING PROFIT	185 209 013	197 425 080
NET INCOME FROM VALUE ADJUSTMENTS	-75 548 583	-68 200 479
EXCESS OF PROVISIONING & WRITE-BACK OF FUNDS FOR GENERAL BANKING RISKS		
PRE-TAX OPERATING INCOME	109 660 430	129 224 601
EXTRAORDINARY ITEMS	8 247 102	3 737 970
RESULT FROM PREVIOUS FINANCIAL PERIODS	-1 237 691	1 769 716
CORPORATE INCOME TAX	-22 157 256	-23 066 187
SHARE OF INCOME FROM AFFILIATES ACCOUNTED FOR BY THE EQUITY METHOD	1 073 019	1 644 300
NET INCOME FOR THIS FINANCIAL PERIOD		
• GROUP	56 183 360	67 308 337
• MINORITY SHAREHOLDERS	39 402 244	46 002 063
CONSOLIDATED NET INCOME	95 585 604	113 310 400