

Financial Communication of BOA GROUP S.A. 2017 consolidated activity

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Highlights

Bank of Africa Group environment was characterized by important regulatory changes and difficult economic developments, with high levels of currency depreciation in East Africa and liquidity crisis in WAEMU.

Despite these disturbances, and thanks to special efforts made on risk management by all the banks, 2017 BOA GROUP consolidated results confirm financial strength and soundness of the Group.

Total Asset (MEUR)

7,659

Total Asset slightly declined (-1.9%), mainly due to investment securities decrease (-10%).

However, customer loans have increased by 3% to EUR 3.9 Billion. With 3,4% rise of customer loans to EUR 5.2 Billion, the Loans-to-deposits ratio stood at 76%, same level as 2016.

Customer Loans (MEUR)

3,930 +3%

The strong growth of commissions (+11%) allowed to compensate interest revenues decrease, consequence of outstanding investment securities diminution. Therefore, the net banking remained almost stable (+1%) at EUR 473 Million.

Net Banking Income (MEUR)

473 +1%

Operating Expenses increased because of important structuring IT projects launch and represent 64.9% of Net Banking Income.

Thanks to important reduction of provisions, the cost of risk significantly decreased from 1.76% of customer loans in 2016 to 1.16% in 2017.

Net Income Group Share (MEUR)

76.0 +13%

Consequently, BOA GROUP's Net Income reached EUR 125 Million, a rise of +11% compared to last year.

ROE

14.4%

The Net Income Group Share grew by 13% to EUR 76 Million as at December 2017. With an average Group share equity of EUR 528 Million, BOA GROUP's ROE stands at 14.4% at the end of 2017.

These results show one more time BANK OF AFRICA Group capacity of adaptation, both in terms of strategy, more banking-activity oriented, and in terms human, technological and financial investments, for a controlled digital transformation.

BANK OF AFRICA Group thanks its million customers and partners for their trust and fidelity.

Consolidated key figures

Network	2017	2016	Variation
Banking staff	5.733	5.655	+1,4% ▲
Branches	566	553	+2,4% ▲

MEUR

Main asset aggregates	2017	2016	Variation
Total Asset	7.659	7.813	-2,0% ▼
Customer loans	3.930	3.816	3,0% ▲
Investment securities*	1.989	2.223	-10,5% ▼
Customer deposit	5.180	5.012	3,4% ▲
Equity Group share	536	521	2,9% ▲

Profit & Loss

Net Banking Income	473,3	469,0	0,9% ▲
of which net interest margin	206,3	205,6	0,3% ▲
of which commissions	148,0	133,5	10,8% ▲
of which net income on investments	119,0	129,9	-8,4% ▼
Non-banking net income	23,1	16,3	41,4% ▲
Operating expenses**	307,2	288,0	6,7% ▲
Net income before provisions	189,2	197,4	-4,2% ▼
Net provisions for risk	45,0	64,5	-30,2% ▼
Good will amortization	4,0	3,7	6,2% ▲
Companies accounted for by the equity method and Exceptional net income	2,4	7,2	-66,2% ▼
Taxes	17,3	23,1	-24,8% ▼
Consolidated Net income	125,3	113,3	10,6% ▲
Net Income Group share	76,0	67,3	12,9% ▲

Ratios

Cost to income ratio	64,91%	61,39%
Cost of Risk	1,16%	1,76%
ROE (Net income Group share / Average Equity Group share)	14,38%	13,81%
ROA (Net income Group share / Average Asset)	0,98%	0,90%

* Retreated accounting data, including investments of BOA-BENIN

** Including amortizations