

Financial Communication of BOA GROUP 2020 consolidated activity



BENIN	KENYA
BURKINA FASO	MADAGASCAR
BURUNDI	MALI
COTE D'IVOIRE	NIGER
DJIBOUTI	RWANDA
DRC	SENEGAL
ETHIOPIA	TANZANIA
FRANCE	TOGO
GHANA	UGANDA



BANK OF AFRICA

BMCE GROUP



Financial Communication of BOA GROUP 2020

consolidated activity

2020 was a year marked by the COVID-19 pandemic and restrictions on movements globally. In countries where the Group is present, the impacts of the crisis were characterised by:

- general deterioration in macroeconomic indicators,
- decline in commodities exports, in terms of both volumes and prices,
- and sharp currency depreciation, excluding CFA franc, against the euro

2020 also saw presidential elections held in Togo, Côte d'Ivoire, Tanzania, Burkina Faso, Ghana and Niger.

Against this backdrop, BOA GROUP posted an increase of 15.8% in gross operating income, partly offsetting the significant rise in the cost of risk due to the global crisis. The Group showed resilience with a Net Income down 4.6% to close to 66 million, representing an ROE of 11%.

Total Asset	Customer Loans	Net Operating Income	Net Income Group Share	ROE
+2,0% to 8 722 MEUR	-3,9% to 4 166 MEUR	+5,7% to 573,6 MEUR	-4,6% to 65,7 MEUR	11,1%

Total assets grew by +2.0% at end-2020, driven by investment securities (+8.5%) in a context of crisis calling for prudent lending. **Customer loans thus declined by 3.9% to 4.2 billion.**

Customer deposits stood at 6.2 billion, up 6.1%, reducing the transformation rate to 66.7% (vs. 73.7% in 2019).

Net Banking Income (NBI) grew by 5.7% to 573.6 million, driven by the 15.0% rise in interest margin following the subscription for investment securities, offsetting the decline in **commissions and income from banking operations (-7.5%)**.

Through rigorous control of operating expenses (-0.6%), operating ratio improved to 57.9% of NBI (against 61.5% in 2019).

Gross operating income thus saw an increase of 15.8% to 241.7 million.

Net provisions for contingencies and losses significantly increased: the cost of risk rose from 1.5% of average customer loans in 2019 to 2.8% in 2020. This exceptional growth is due to the deterioration in the loan portfolio due to the COVID-19 crisis and the Group's prudential policy.

The consolidated net income of BOA GROUP thus came to 102.7 million, a decline of 8.6% between 2019 and 2020.

Net income Group share stood at 65.7 million at the end of 2020, down 4.6%. With an average Equity Group share of 590 million, the Group's **ROE stood at 11.1% at the end of 2020.**

In euro million	2019	2020	Variation
Banking Staff	6,069	6,014	-0,9%
Number of branches	577	556	-3,6%
Main asset aggregates			
Total Assets	8,547	8,722	2.0%
Customer loans	4,336	4,166	-3.9%
Investment Securities*	2,316	2,509	8.3%
Customer deposits	5,885	6,246	6.1%
Equity Group share	594	585	-1.5%
Profit and loss			
Net Operating Income	542.6	573.6	5.7%
Interest Margin	313.6	360.7	15.0%
Margin on commissions and income from banking operations	170.6	157.9	-7.5%
Net income from financial assets (**)	58.3	55.0	-5.7%
General Operating Expenses	-333.9	-331.9	-0.6%
Gross Operating Income	208.7	241.7	15.8%
Net provisions for contingencies and losses	-70.1	-119.0	69.8%
Net provisions for adjustments to goodwill	-4.3	-3.3	-24.5%
Operating Income	134.2	119.4	-11.1%
Income from subsidiaries accounted for by the equity method	2.2	2.2	-2.0%
Net gains or losses on fixed assets	1.2	5,4	364.2%
Income before tax	137.6	126.9	-7.8%
Corporate Income tax	-25.3	-24.2	-4,1%
Consolidated Net Income	112.4	102.7	-8.6%
Net Income Group Share	68.9	65.7	-4.6%
Key financial ratios			
Cost to income ratio	61.5%	57.9%	
Cost of risk / Average outstanding customer loans	1.5%	2.8%	
ROE (Net income Group share / Average Equity Group share)	11.9%	11.1%	
ROA (Net income Group share / Average Assets)	0.9%	0.8%	

* Bonds and other fixed income securities + Shares and other variable income securities.

** Income from variable income securities + Gains or losses on portfolio transactions.