

FINANCIAL COMMUNICATION OF BOA GROUP S.A.
2018 CONSOLIDATED ACTIVITY



2018 FISCAL YEAR

The year 2018 was marked by regulatory changes of major characterizations by the entry into force of a revised chart of accounts and the implementation of the provisions of the Basel III agreements in the WAEMU country, and by the implementation of IFRS 9 in East African countries where the group is present.

While striving to meet these regulatory requirements, and through a dynamic management of the group's banks, BOA GROUP posted satisfactory results for the 2018 financial year.

Total Asset (MEUR)

7.667 +0.6%

The total balance sheet remained stable (+0.6%) in 2018, as a result of the decline in outstanding investment securities (-13.1%), in favor of **customer loans** that posted an **increase of +4.7% to 4.1 billion euros**.

Customer Loans (MEUR)

4.122 +4.7%

With **customer deposits up +2.9% to EUR 5.4 billion**, the transformation ratio improved to 76.6%.

Net Banking Income (MEUR)

498 -0.4%

Moderate growth in the interest margin (+2.0%) was offset by **strong increase in commissions (+10%)**. However, following the decline in non-banking operating income (-45%) due in particular to reclassifications resulting from the revision of the chart of accounts, **Net Banking Income stood at a stable level (-0.4%) compared to 2017 to 498.3 million euros**.

General operating expenses improved slightly, accounting for **63.4% of Net Banking Income**.

Gross operating profit (MEUR)

152 +15.1%

Due to the significant decrease in net provisions to risks and charges (-41.8%), **the cost of risk continues to improve**, rising from 1.2% of outstanding customer in 2017 to 0.7% in 2018

Net Income Group share (MEUR)

82,6 +10.0%

BOA GROUP's consolidated net income, at 132.8 million euros, shows an annual increase of +7.1%.

Net income Group share stood at 82.6 million euros, an increase of +10.0% compared to 2017. The consolidated ROE amounted to 15.1% of the Group's average equity of 545 million euros at the end of 2018, thus reinforcing the financial strength of the BANK OF AFRICA Group.

ROE (MEUR)

15,1%

CONSOLIDATED KEY FIGURES

The 2017 accounts are prepared according to the revised banking chart of the WAEMU zone, which came into effect on January 1st, 2018, with retroactive effect from January 1st, 2017. Therefore, the figures for the 2017 fiscal year as published last year were been retired. The overall impact of this transition has been postponed to 2017, in accordance with the current regulations.

Network	2017	2018	Variation
Banking staff	5,733	5,973	4%
Branches	566	585	3.4%

	<i>MEUR</i>		
Main asset aggregates	2017	2018	Variation
Total asset	7,620.8	7,667.4	0.6%
Customer loans	3,935.2	4,121.9	4.7%
Investment securities	2,121.5	1,843.8	-13.1%
Customer deposit	5,229.9	5,382.1	2.9%
Equity Group share	524.3	566.8	8.1%
Profit & Loss			
Interest margin	302.8	308.8	2.0%
Commissions margin	99.8	110.3	10.5%
Net income from securities and financial investments	47.8	51.6	7.9%
Other banking income	50.1	27.6	-44.9%
Net Banking Income	500.5	498.3	- 0.4%
Operating expenses	-319.3	-315.8	- 1.1%
Net income before provisions	181.3	182.5	0.7%
Net provisions for risk	-45.3	-26.3	-41.8%
Net provisions for adjustments to goodwill	-4.2	-4.4	5.4%
Operating income	131.8	151.8	15.1%
Income accounted for by the equity method	1.4	1.0	-28.8%
Net gain or loss on fixed assets	8.4	0.8	-90.2%
Income before Tax	141.7	153.6	8.4%
Taxes	-17.7	-20.8	17.7%
Net Consolidated Income	124.0	132.8	7.1%
Net Income Group share	75.1	82.6	10.0%
Ratios			
Cost to income ratio	63.8%	63.4%	
Cost of risk / Average customer loans	1.2%	0.7%	
ROE (Net income Group share / Average Equity Group share)	14.4%	15.1%	
ROA (Net income Group share / Average Asset)	1.0%	1.1%	