

25 October 2016

## **Atlas Mara Limited Unaudited 3<sup>rd</sup> Quarter Results – Nine Months Ended 30 September 2016**

Atlas Mara Limited ("Atlas Mara" or the "Company" including its subsidiaries, the "Group"), the sub-Saharan African financial services group, today releases unaudited summary year-to-date results for the nine months ended 30 September 2016.

### **Key financial highlights during the period**

- Total income increased by 15% (31% on a constant currency (ccy) basis) which has largely been driven by an increase of 34% in non-interest income (55% ccy). Net interest income decreased by 4% in US\$ terms but grew by 9% on a ccy basis.
- Reported profit after tax for the nine months ended 30 September 2016 was \$4.0 million, net of an adverse impact of \$5.2 million from currency depreciation year-on-year. This compared to a profit after tax of \$7.1 million for the comparable period in 2015. Improving business momentum demonstrated by the reported profit after tax for the third quarter of \$2.7 million which compares favourably to the \$1.2 million reported for H1 2016.
- Expenses grew by 19% year-on-year with acquisitions the principal reason for this increase. On a constant currency basis, the increase in operating expenses was 33%. Excluding acquisitions, the cost growth was limited to 6.5% ccy, a level below the average rate of inflation ranging between 5% to 15% across our markets of operation. The Company continues to focus on delivering cost efficiencies while investing in growth initiatives such as treasury and digital product and service offerings. Relative to our target of \$8 million of cost savings identified with the Q2 results, we have already delivered annualized run-rate savings of \$6 million in the Shared Service and Centre and a further \$4 million in our operating countries.
- On an adjusted operating profit basis (excluding one-off items and M&A transaction expenses), Atlas Mara reported a profit of \$14.3 million for the nine months ended (2015: \$23.7 million) and an adjusted cost-to-income ratio of 90.7% (2015: 79.9%). The adverse impact of currency depreciation on adjusted operating profit was \$4 million.
- Deposits increased by 32% on a ccy basis, reflecting the company's heightened liability management focus to acquire lower cost deposits that are also behaviourally longer term. This resulted in a reduction in cost of funds from 8.8% in Q3 2015 to 6.3% Q3 2016, amidst continued tightening local monetary policies. Retail deposits now comprise 28% of the total deposit book versus 19% a year ago.
- Loans and advances grew by 23% on a ccy basis. Excluding acquisitions, the rate of growth was muted at 1% on a group consolidated basis, in line with a revised country-specific risk appetite focus and growth opportunities in each market. Some markets have seen positive growth between 14% to 22% in their asset portfolios, whilst others have seen a similar rate of decline as we reposition our balances sheets in line with our diversification risk strategies. Our emphasis on managing down higher risk portfolios in certain countries where we have a cautious credit risk appetite was offset by volume growth in other territories.
- NPLs as a percentage of the loan book at 14.9% (Q3 2015: 15.4%) remain above market averages and have been steadily improving. Our consolidated group NPL ratio is inflated by the level of NPLs currently accounted for in Zimbabwe. The inclusion of FBZ also led to a modest increase in reported NPLs. Asset recoveries totalled \$4 million for the nine-month period reflecting continued focus to deliver shareholder value through managing the asset portfolio end-to-end.

- Union Bank of Nigeria Plc (“UBN”) contributed associate income of \$15.8 million for the period, reflecting Atlas Mara’s 31.15% shareholding on an equity accounted basis. Naira depreciation of 12% during Q3 has moderated this contribution, with the associate contribution growing by 24% on a ccy basis.
- Reported equity at period end was \$559 million, a decline of \$66 million from 31 December 2015, largely due to \$95 million of foreign exchange translation losses principally driven by the strengthening of the US Dollar against the Nigerian Naira and Mozambique Meticals. Book value per share was \$7.77 at 30 September 2016 (compared to \$8.07 at 30 June 2016). Tangible book value per share was \$6.15 at 30 September 2016 (\$6.07 at 30 June 2016).

### **Key operational highlights during the period**

- The build-out of our onshore treasury and markets business continues to make excellent progress with a notable uplift in revenue to \$26.3 million from \$12.4 million a year ago, reflecting the greater scale of our operations, increased client numbers and diversification of revenue streams.
- Atlas Mara has been implementing a cost reduction programme in its Shared Services & Centre operations with the intention of delivering run-rate cost savings of c.\$8 million per annum from 2017. As part of this, the group has taken out a management layer between the Atlas Mara holding company and its directly owned intermediate bank holding company, BancABC Holdings.
- We continue to make strong progress in the development of our digital initiatives. Our corporate transactional internet banking service has gone live in Botswana with positive reception from clients. A similar project is underway in Mozambique. Point-of-sale acquisition is live in Zimbabwe with 86 merchants having signed up in the last two months. We expect Zambia and Mozambique to be live on the system by the end of October. Notably, we also gained license approvals for issuance and acquiring from MasterCard, VISA and Union Pay International in the third quarter which will allow us to accelerate our card strategy.
- In Rwanda, the company’s 62% owned subsidiary, BPR, has announced a restructuring and repositioning programme that was envisaged at the time of acquisition to improve profitability, address historic loss of market share and to move the business from being primarily retail-oriented towards a more balanced retail and corporate customer base. Upon completion of this transformation programme, we expect to have a state-of-the-art infrastructure and unmatched branch banking capability across Rwanda and are excited about the growth opportunity in that market.
- In Zambia, the integration of Finance Bank Zambia is progressing well with the combined executive leadership team from BancABC and FBZ having already been identified. Cost synergies we anticipated ahead of acquisition have been validated and the merger is targeted to complete before year end.
- In Botswana, BancABC gained recognition of their pioneering efforts in the card space with the African Banking Corporation of Botswana Visa Card Warrior Award. This was a result of BancABC being the first prepaid card issuer in Botswana and also as the only bank to have co-brand partnerships (Orange Money and Botswana Life Insurance). The sub-Saharan African (SSA) region has not fully embraced the benefits that co-branded partnerships can bring and we are pleased that BancABC has successfully demonstrated its ability to innovate by attacking this competitive space.

Commenting on the results, John Vitalo, CEO, said:

“I am pleased with the progress we have made in reshaping the business to respond to a more challenging macroeconomic environment. Our strategy of buying, protecting and growing sub-Saharan Africa banks hasn’t changed. What has changed is how we are going about achieving our objective of becoming the region’s premier financial institution. We have been emphasising cost controls, streamlining operations and growing our

digital initiatives and our markets and treasury business as a key focus during Q3 and will continue this focus for the rest of the year and into 2017.

Our Q3 results demonstrate that we are on the right path. Our Markets and Treasury business grew by more than a 100% to contribute \$26 million to revenue this year. Of the projected \$8 million cost savings that were announced in our half year results, \$10 million has been achieved within both the Shared Services and Centre and Country operating level. We expect the improving trend in the profitability of our business attained over the last two quarters to continue as we execute on our focused strategy. We remain enthused and are geared to benefit from the long term growth in sub-Saharan Africa.”

### **Outlook**

Although uncertainty around the economic environment, exchange rates and monetary policies in our markets make near term forecasts difficult, we expect the improving operational momentum in our business that has been a feature of 2016 to continue.

### **Investor Conference Call**

Atlas Mara’s senior management will today be holding a market update for investors at 10am EST / 3pm BST. There will be a presentation available in the Investor Relations section of the Company’s website, <http://atlasmara.com>.

The Company will not be disclosing any new material information.

Dial-in details are as follows:

- Conference ID: 2706696
- US: 1 8669265708 / 1 6316215256
- UK: 08448 719 299
- International: +44 (0) 1452 560304

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### **About Atlas Mara**

Atlas Mara was listed on the London Stock Exchange in December 2013. Atlas Mara’s vision is to create sub-Saharan Africa’s premier financial services institution through a combination of its experience, expertise and access to capital, liquidity and funding. Its goals are to combine the best of global institutional knowledge with extensive local insights and to support economic growth and financial inclusion in the countries in which the Company operates.

**Summary of Results (Unaudited, unless otherwise noted)**

Atlas Mara Limited	Reported Results 30.09.16 \$'m	Reported Comparative 30.09.15 \$'m	Constant Currency <sup>(1)</sup> Variance %	Audited Year End 31.12.15 \$'m
<b>Adjusted operating profit and reconciliation to IFRS profit</b>				
Total income	177.1	154.4	31.4%	205.2
Loan impairment charge	(13.3)	(8.8)	(69.5%)	(12.0)
Operating expenses	(160.6)	(123.4)	(47.9%)	(174.2)
Share of profit of associates	15.6	15.1	24.2%	20.3
Adjusted profit before tax	18.8	37.3	(39.2%)	39.3
<b>Adjusted profit attributable to ordinary shareholders</b>	<b>14.3</b>	<b>23.7</b>	<b>(27.3%)</b>	<b>24.9</b>
M&A transaction costs	(6.8)	(7.8)	12.8%	(11.9)
Reorganisation/Restructuring costs	(7.9)	(15.9)	50.6%	(7.6)
Reported profit before tax	4.1	13.5	(42.5%)	19.2
<b>Reported profit attributable to ordinary shareholders</b>	<b>4.0</b>	<b>7.1</b>	<b>&gt;100%</b>	<b>11.3</b>
<b>Statement of financial position</b>				
Loans and advances	1,402.1	1,184.6	22.6%	1,229.4
Total Assets	2,830.7	2,421.6	20.4%	2,452.1
Total Equity	559.4	605.9	(5.9%)	625.5
Total Liabilities	2,271.3	1,815.7	29.1%	1,826.6
Total Deposits	1,797.0	1,424.6	31.5%	1,436.1
Number of Shares Outstanding	69,441,905	70,125,665		70,472,024
<b>Key Performance measures</b>				
Net interest margin	3.6%	4.3%		4.3%
Credit loss ratio	1.3%	1.0%		1.0%
Adjusted cost to income ratio	90.7%	79.9%		85.2%
Reported cost to income ratio	99.0%	95.3%		94.7%
Adjusted return on equity	3.4%	4.8%		3.8%
Reported return on equity	1.0%	1.4%		1.7%
Adjusted return on assets	0.7%	1.3%		1.0%
Reported return on assets	0.2%	0.4%		0.4%
Loan to deposit ratio	78.0%	83.1%		85.6%
Book value per Share (\$)	7.77	8.73		8.94

- (1) Constant currency variances reflect the operational variance (either positive or (negative)) period-on-period excluding the impact of foreign currency translation, due to the U.S. Dollar strengthening against all of the relevant African currencies. By way of example: Total Income for Q1-Q3 2016 would have reflected positive growth of 31.4% compared to the prior period had it not been for the impact of foreign exchange translation.

Atlas Mara Limited

Consolidated summary statement of financial position

Quarterly				Period ended 30 September		
Q1 2016	Q2 2016	Q3 2016	USD million	2016	2015	CC Var %
345.0	448.3	399.2	Cash and short term funds	399.2	367.1	12.4%
143.5	160.4	163.6	Financial assets held for trading	163.6	175.9	(7.6%)
1,339.4	1,421.0	1,402.1	Loans & advances to customers	1,402.1	1,184.6	22.6%
110.9	181.9	155.3	Investments	155.3	33.3	>100%
422.1	324.3	312.4	Investment in associates	312.4	390.8	1.7%
153.5	166.8	148.2	Intangible assets	148.2	142.2	(37.7%)
163.3	244.1	249.9	Other assets	249.9	127.7	92.9%
<b>2,677.8</b>	<b>2,946.7</b>	<b>2 830.7</b>	<b>Total assets</b>	<b>2 830.7</b>	<b>2 421.6</b>	<b>20.4%</b>
1,628.8	1,814.9	1,797.0	Customer deposits	1,797.0	1,424.6	31.5%
298.3	343.0	329.6	Borrowed funds	329.6	291.0	19.1%
89.1	211.5	144.7	Other liabilities	144.7	100.1	25.4%
661.7	577.3	559.4	Capital and reserves	559.4	605.9	(5.9%)
<b>2,677.8</b>	<b>2,946.7</b>	<b>2,830.7</b>	<b>Total equity and liabilities</b>	<b>2,830.7</b>	<b>2,421.6</b>	<b>20.4%</b>
82.2%	78.3%	78.0%	Loan: Deposit ratio	78.0%	83.1%	

## Basis of Presentation

### Overview

The term “Atlas Mara”, “the Company” or “Group” refers to Atlas Mara Limited and its subsidiaries and associates. This release covers the unaudited consolidated results for the Group for the nine months ended 30 September 2016.

Unless otherwise stated, the financial information for the nine-month period ended 30 September 2016 is set out in this release on a basis consistent with International Financial Reporting Standards, as adopted by the EU (IFRS) and consistent with the group accounting policies as disclosed in the 2015 annual report.

### Unaudited results for the nine months ended 30 September 2016

#### Review of statement of comprehensive income

##### *Net interest income*

Q1-Q3 2016:	\$75.5 million
Q1-Q3 2015:	\$78.7 million

Net interest income grew by 8.8% on a constant currency basis. However, due to the weakening of a number of African currencies against the US Dollar over the last year, reported net interest income in US\$ terms decreased by 4%, resulting in a reported net interest margin (or “NIM”) on total assets of 3.6% at 30 September 2016, versus 4.3% reported at September 2015. Net interest margin on earning assets was approximately 4.7% for Q1-Q3 2016, a decrease from 6.0% for the comparative period on the same basis.

Market liquidity pressures, specifically relating to local currency shortages in selected markets, has continued to result in pressure on the cost of funding and loan growth across certain markets. Notwithstanding this, Atlas Mara’s banking subsidiaries, excluding Tanzania, have all seen a reduction in their cost of funding and hence an improvement in NIMs, albeit with the improvement somewhat slower than expected. The continued focus on liability growth, in particular campaigns to increase the retail deposit base, will over time ensure sustainable improved margins across these entities.

Net interest income constituted 42.6% of total income for the Group, a decrease from the 51% reported for the comparative period, reflecting particularly strong growth in non-interest income which was supported by certain one-off gains.

##### *Non-interest income*

Q1-Q3 2016:	\$101.6 million
Q1-Q3 2015:	\$75.7 million

Non-interest income increased by 55.4% on a constant currency basis to \$101.6 million in 2016 (2015: \$75.7 million) and this is supported by fair value gains of \$25.1 million posted year to date following the devaluation of the Naira in June 2016 and a purchase gain on acquisition of Finance Bank Zambia.

There was a notable uplift in trading revenue to \$26.3 million from \$12.4 million a year ago, reflecting the build out of our onshore treasury capability and diversification of revenue streams.

### Operating expenses

Q1-Q3 2016:	\$175.3 million
Q1-Q3 2015:	\$147.1 million

Cost growth on a constant currency basis was 32.5% (6.5% excluding the impact of the acquisition of BPR and FBZ). The Group continues to focus on driving efficiencies while concurrently investing in various growth initiatives across the platform.

Total M&A transaction and one off expenditures of \$14.7 million year-to-date compares with the \$23.7 million incurred during the same period in 2015. This decline is consistent with previously communicated expectations that these expenses will decrease over time. Included in the above amount is \$7.9 million for restructuring and reorganization. These are associated with the integration of the newly-acquired banks in Rwanda and Zambia amounting to \$6.4 million and a further \$1.5 million of redundancy costs associated with the right sizing of the Shared Services & Centre.

Staff costs amounted to \$79.8 million for the period and represented 45.5% of total expenditure for the Group, in line with the 2015 ratio for the comparable period (39%).

Specific technology investment and business improvement expenditure of \$9.4 million are further cost items expensed during 2016, which will benefit the Group over the longer term but do not meet the criteria to be capitalised.

For comparative purposes, given the non-recurring nature of selected expenses related to the Company's formative period, Atlas Mara also provides "adjusted" figures, excluding one-off items and M&A transaction expenses. On this basis, Atlas Mara reported a cost to income ratio of 90.7% (Q3 2015: 79.9%) versus 99.0% (Q3 2015: 95.3%) on an IFRS-compliant basis.

The table below provides an analysis of the change in our cost base over the year to identify the impact of acquisitions and other one-off costs on our cost base.

	Sep-16 \$m	Sep-15 \$m	FX var \$m	Operational var \$m	Total Var \$m	Constant ccy Var %	Total Var %
<i>Total expenses</i>	175.3	147.1	14.8	(43.0)	(28.2)	(32.5%)	(19.2%)
<b>Less: Acquisitions</b>	(37.0)	(2.7)	(0.2)	34.5	34.3	>(100%)	>(100%)
<i>Rwanda</i>	(27.8)	(2.7)	(0.2)	25.3	25.1	>(100%)	>(100%)
<i>FBZ</i>	(9.2)		0.0	9.2	9.2	(100%)	(100%)
<b>Total expenses (excl. acquisitions)</b>	<b>138.3</b>	<b>144.4</b>	<b>14.6</b>	<b>(8.5)</b>	<b>6.1</b>	<b>(6.5%)</b>	<b>4.2%</b>
<b>Less: Once - off expenditure</b>	(14.9)	(23.7)	0.0	(8.8)	(8.8)	37.3%	37.3%
<i>M&amp;A transaction expenses</i>	(6.8)	(7.8)	0.0	(1.0)	(1.0)	12.8%	12.8%
<i>Reorganising/restructuring costs</i>	(8.1)	(15.9)	0.0	(7.8)	(7.8)	49.3%	49.3%
<b>Total expenses (excl. acq &amp; one - off)</b>	<b>123.4</b>	<b>120.7</b>	<b>14.6</b>	<b>(17.3)</b>	<b>(2.7)</b>	<b>(16.3%)</b>	<b>(2.3%)</b>

### Income from associates



Q1-Q3 2016:	\$15.6 million
Q1-Q3 2015:	\$15.1 million

Income from associates of \$15.6 million represents an estimate of the equity-accounted earnings of Atlas Mara's 31.15% stake in UBN for the period ended (2015: \$15.1 million) and share of losses from other minorities in the group of (\$0.2 million). UBN's Q3 results will be published on 26 October 2016.

#### *Loan impairment charge*

Q1-Q3 2016:	\$13.3 million
Q1-Q3 2015:	\$8.8 million

The nine month 2016 loan impairment charge was \$13.3 million, largely driven by continued challenging macro-economic conditions in Zimbabwe, and the inclusion of FBZ in Zambia in the 3<sup>rd</sup> quarter. This, coupled with subdued asset recoveries during Q3 2016 has resulted in the higher impairment percentage ratio relative to 2015. Towards the end of Q3, a number of additional asset recoveries, expected to realize in Q4, were progressed in Tanzania, Zambia and Zimbabwe. Excluding the NPL book in Zimbabwe, the group consolidated NPL ratio of 14.9% as at Q3 2016 (2015: 15.4%) regularises to 10.7% (2015: 11.7%).

The conclusion of the IFRS 3 Business Combinations fair value of loans and advances is likely to result in a lower reported impairment number for the full-year as losses existing at acquisition are reversed. The Special Operations Unit, focused on recoveries of NPLs that were acquired at acquisition, continues to focus on asset restructuring and resolution, with a good pipeline of such recoveries expected during Q4 2016. Recoveries for the first nine months of 2016 totalled \$4.0 million (Q3 2015: \$17.5 million).

The Group expects credit quality ratios to improve and the arrears book to decline in both volume and value compared to December 2015. The coverage ratio has improved to approximately 50.6% during Q1-Q3 2016 versus 42.8% at December 2015.

#### **Review of statement of financial position**

<i>Total assets:</i>	\$2 830.7 million
<i>Customer loans:</i>	\$1 402.1 million
<i>Total deposits:</i>	\$1 797.0 million

Customer loans and advances contributed approximately 49.5% of the total asset base, with cash, short-term funds and marketable securities representing approximately 25.6%. Goodwill and intangible assets approximately 5.2%. The investment in associates (UBN) represented 11.0% of the asset base. Property and equipment and other assets made up the remaining 8.7%.

#### *Credit Quality*

In management's view, the customer loan book is adequately provided for, as reflected in the year-to-date 2016 provision coverage ratio of 50.6% (Q3 2015: 62.7%, which excludes 2014 IFRS adjustments). NPLs as a percentage of the loan book at 14.9% (Q3 2015: 15.4%) are above market averages and management's medium-term guidance but have been steadily improving. The Special Operations Unit has been responsible for the positive downward trend in the cost of credit debited against the statement of comprehensive income. The Group remains focused on recovering as much as possible of the legacy or acquired non-performing loan book over the next few years.

#### *Goodwill and Intangibles*



Following the acquisitions made during 2014/15 and 2016 and in compliance with IFRS 3: Business Combinations, the statement of financial position reflected a goodwill asset of \$77.3 million and an intangible asset of \$70.9 million. Intangible assets are amortized over a 10-year useful life. In aggregate these assets represented 5.2% of the Group's asset base at 30 September 2016, resulting in a tangible book value of \$6.15 per share.

#### *Investment in associate: UBN*

The investment in UBN is equity accounted for in the statement of financial position as an investment in associate, with a closing balance of \$310.2 million. The year-to-date results were based on the UBN nine month results and using an average Naira exchange rate for the year to date of NGN 237.2. Atlas Mara holds, directly and indirectly, an effective 31.15% shareholding in UBN.

#### *Liabilities*

Deposits due to customers:	\$1 797.0 million
Borrowed funds:	\$329.6 million

Assets are funded mainly through corporate depositors, government-backed institutions and interbank funding lines (52.9% of total deposit base). The retail liability base of 28% of total deposits represents an improvement from 20.8% as at FY 2015 and is indicative of efforts to diversify the funding mix so as to support healthier margins in the longer term. The renewed focus on attracting retail deposits has been coupled with an emphasis on accessing lower cost development finance institution ("DFI") funding through strong partnerships.

#### **Capital and Liquidity**

All operating banks are within prescribed local regulatory requirements for both liquidity ratios and capital adequacy. Atlas Mara remains vigilant in its focus on optimizing financial stability and attractive, sustainable returns on equity.

#### **Segmental Information**

The segmental results and statement of financial position information are representative of Atlas Mara's management of its underlying operations and consistent with the Group's emphasis on alignment of its operations with sub-Saharan Africa's key trading blocs. The business is managed on a geographic basis with an increased focus on underlying business line performance.

#### **Segmental Results**

##### *Southern Segment*

Southern Africa includes the operations of BancABC excluding Tanzania namely Botswana, Mozambique, Zambia and Zimbabwe and BancABC's holding company, ABC Holdings Limited (incorporated in Botswana), Finance Bank Zambia and various affiliated non-bank group entities. The financial performance of the Southern region year-to-date was supported by asset recoveries emanating from continued management efforts, particularly the increased focus on non-performing loans and the establishment of new collections activities.

##### *East Africa*

East Africa consists of Rwanda and Tanzania.

##### *West Segment*

West Africa represents the investment made in UBN, adjusted for attributable equity earnings. Our investment in UBN is continuing to perform in line with expectations. Atlas Mara has reflected its associate income of \$15.8 million in its year-to-date 2016 results (2015: \$15.1 million). The depreciating Naira had a negative impact of around 16.7% on associate earnings (in U.S. Dollar terms) for the period.

UBN's impairments and provisions are deemed sufficient for the risk assets included in its portfolio. UBN management and its Board of Directors continue to monitor the implications of the economic headwinds, and the growth of risk assets within a revised credit risk appetite framework. Atlas Mara is represented through its three seats on UBN's Board of Directors. We remain confident on the long-term positive growth potential for UBN irrespective of the near-term challenges in the macroeconomic environment.

*Shared Services & Centre ("SSC")*

SSC includes Atlas Mara Limited, the BVI incorporated holding company, operating through its Dubai management office, and all other intermediate group holding entities acquired in connection with acquisitions of ABCH and ADC in August 2014. The legal entity structure is in the process of being streamlined with the objective of driving further cost efficiencies.

*M&A, ADC, Consol*

This includes all merger and acquisition and ADC related items. Accounting consolidation adjustments are also presented within this segment.

Segmental results are presented below:

Atlas Mara Limited Segmental Financial statements	BANKING OPERATIONS			OTHER		
	Reported	West	East	Southern	Atlas Mara Shared Services & Centre	M&A, ADC, Consol
Statement of comprehensive income	30.09.16	30.09.16	30.09.16	30.09.16	30.09.16	30.09.16
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Net interest income	75.5	-	30.9	56.7	(3.5)	(8.6)
Non-interest revenue	101.6	-	8.8	58.9	12.7	21.2
<b>Total income</b>	<b>177.1</b>	-	<b>39.7</b>	<b>115.6</b>	<b>9.2</b>	<b>12.6</b>
Loan impairment charge	(13.3)	-	(1.6)	(12.4)	-	0.7
Net income from associates	15.6	15.8	-	(0.2)	-	-
<b>Total operating income</b>	<b>179.4</b>	<b>15.8</b>	<b>38.1</b>	<b>103.0</b>	<b>9.2</b>	<b>13.3</b>
Operating expenses	(168.5)	-	(38.8)	(100.6)	(25.1)	(4.0)
Transaction and integration expenses	(6.8)	-	-	-	(0.5)	(6.3)
<b>Profit/(loss) before taxation</b>	<b>4.1</b>	<b>15.8</b>	<b>(0.7)</b>	<b>2.4</b>	<b>(16.4)</b>	<b>3.0</b>
Taxation	(0.1)	-	(0.2)	(1.0)	-	1.1
<b>Profit/(loss) after taxation</b>	<b>4.0</b>	<b>15.8</b>	<b>(0.9)</b>	<b>1.4</b>	<b>(16.4)</b>	<b>4.1</b>
Ordinary shareholders	4.0	15.8	(1.0)	1.4	(16.4)	4.2
Non-controlling interests	-	-	0.1	-	-	(0.1)

Atlas Mara Limited Segmental Financial statements	BANKING OPERATIONS				OTHER	
	Reported	West	East	Southern	Atlas Mara Shared Services & Centre	M&A, ADC, Consol
Statement of financial position	30.09.16	30.09.16	30.09.16	30.09.16	30.09.16	30.09.16
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
<b>Assets</b>	<b>2 830.7</b>	<b>310.2</b>	<b>471.2</b>	<b>1 887.1</b>	<b>730.1</b>	<b>(567.9)</b>
Cash and short term funds	399.2	-	63.4	325.8	4.6	5.4
Trading and other financial assets	324.4	-	69.6	258.0	-	(3.2)
Loans and advances	1 402.1	-	296.2	1 090.5	-	15.4
Intangible assets and goodwill	148.2	-	5.2	19.4	652.3	(528.7)
Investment in associates	312.4	310.2	1.2	1.0	-	-
Other assets	244.4	-	35.6	192.4	73.2	(56.8)
<b>Liabilities</b>	<b>2 271.3</b>	<b>-</b>	<b>402.1</b>	<b>1 796.5</b>	<b>80.6</b>	<b>(7.9)</b>
Deposits	1 797.0	-	362.6	1 418.7	-	15.7
Borrowed funds	329.6	-	6.2	282.4	59.6	(18.6)
Derivative liabilities	10.0	-	4.5	5.4	-	0.1
Other liabilities	134.7	-	28.8	90.0	21.0	(5.1)
<b>Total equity</b>	<b>559.4</b>	<b>310.2</b>	<b>69.1</b>	<b>90.6</b>	<b>649.5</b>	<b>(560.0)</b>
Net interest margin	3.6%		8.7%	4.0%		
NII as % of total income	42.6%		77.8%	49.1%		
Credit loss ratio	1.3%		0.7%	1.5%		
Loan to deposit ratio	78.0%		81.7%	76.9%		

Atlas Mara Limited Segmental Financial statements	BANKING OPERATIONS				OTHER	
	Reported	West	East	Southern	Atlas Mara Shared Services & Centre	M&A, ADC, Consol
Statement of comprehensive income	30.09.15	30.09.15	30.09.15	30.09.15	30.09.15	30.09.15
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Net interest income	78.7	-	17.9	69.4	(0.5)	(8.1)
Non-interest revenue	75.7	-	(0.1)	54.6	(1.0)	22.2
<b>Total income</b>	<b>154.4</b>	-	<b>17.8</b>	<b>124.0</b>	<b>(1.5)</b>	<b>14.1</b>
Impairments	(8.8)	-	0.5	(9.3)	-	
Net income from associates	15.1	15.1	-	-	-	
<b>Total operating income</b>	<b>160.7</b>	<b>15.1</b>	<b>18.3</b>	<b>114.7</b>	<b>(1.5)</b>	<b>14.1</b>
Operating expenses	(139.3)	-	(14.3)	(95.3)	(22.3)	(7.4)
Transaction and integration expenses	(7.8)	-	-	-		(7.8)
<b>Profit/(loss) before taxation</b>	<b>13.6</b>	<b>15.1</b>	<b>4.0</b>	<b>19.4</b>	<b>(23.8)</b>	<b>(1.1)</b>
Taxation	(4.9)	-	(0.3)	(6.0)		1.4
<b>Profit/(loss) after taxation</b>	<b>8.7</b>	<b>15.1</b>	<b>3.7</b>	<b>13.4</b>	<b>(23.8)</b>	<b>0.3</b>
Ordinary shareholders	7.1	15.1	2.1	13.4	(23.8)	0.3
Non-controlling interests	1.6	-	1.6	-	-	-

**Statement of financial position**

	<b>Reported</b>	<b>West</b>	<b>East</b>	<b>Southern</b>	<b>Shared Services &amp; Centre</b>	<b>M&amp;A, ADC, Consol</b>
	<b>30.09.15</b>	<b>30.09.15</b>	<b>30.09.15</b>	<b>30.09.15</b>	<b>30.09.15</b>	<b>30.09.15</b>
	<b>\$'m</b>	<b>\$'m</b>	<b>\$'m</b>	<b>\$'m</b>	<b>\$'m</b>	<b>\$'m</b>
Assets	2 421.6	17.9	227.7	1 636.8	704.9	-165.7
Cash and short term funds	367.1	-	46.9	310.1	5.4	4.7
Trading and other financial assets	209.8	-	36.5	145.1	25.7	2.5
Loans and advances	1 184.6	-	129.4	1 060.5	-	-5.3
Intangible assets and goodwill	142.2	-	0.8	6.9	591.9	-457.4
Investment in associates	390.8	17.9	0.2	1.3	-	371.4
Other assets	127.1	-	13.9	112.9	81.9	-81.6
Liabilities	1 815.7	-	195.7	1 539.2	49.5	31.3
Deposits	1 424.6	-	172.8	1 251.8	-	-
Borrowed funds	291	-	17.9	241.8	20.5	10.8
Disposal groups held for sale	-	-	-	-	-	-
Derivative liabilities	3.5	-	2.2	1.3	-	-
Other liabilities	96.6	-	2.8	44.3	29	20.5
Total equity	605.9	17.9	32	97.6	655.4	-197
<b>Performance measures</b>						
Net interest margin	4.30%	-	10.50%	6.00%	-	-
Credit loss ratio	1.00%	-	-0.50%	1.20%	-	-
Loan to deposit ratio	83.10%	-	74.90%	84.70%	-	-

## **Forward Looking Statement and Disclaimers**

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