

ECOBANK GHANA LIMITED

FULL PROSPECTUS

**FOR THE SALE OF 8,275,000 ORDINARY SHARES
OF NO PAR VALUE OF
ECOBANK GHANA LIMITED
AT
¢11,000 PER SHARE**

Lead Managers:

ECOBANK STOCKBROKERS LTD

&

 STRATEGIC AFRICAN SECURITIES LTD

The date of this prospectus is May 15, 2006

Responsibility for the accuracy of the information in this prospectus (the “Prospectus”) lies with the Directors of Ecobank Ghana Limited (‘EBG or the ‘Company” or the “Bank”). To the best of the knowledge and belief of the Directors of EBG, having taken all reasonable care, the information in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

A copy of this document has been delivered to the Registrar of Companies in Ghana for registration. The Registrar has not checked and will not check the accuracy of any statement made, and accepts no responsibility therefor or for the financial soundness of the Company or the value of the securities concerned. This document was registered by the Registrar of Companies, Ghana on **•2006**.

Application has been made to the Ghana Stock Exchange (the “GSE”), for the listing of all the fully paid issued shares of the Company on the First Official List of the GSE. The GSE has given approval for the listing of the said shares on the First Official List. The GSE assumes no responsibility for the correctness of any of the statements made, opinions expressed and reports presented in this Prospectus. Admission to the First Official List is not to be taken as an indication of the merits of the Company or of the shares of the Company. The Company has not authorised any person to give any information or to make any representation other than those contained in this document, and if given or made, such information or representation must not be relied upon as having been authorised.

This Prospectus has been reviewed and approved by the Securities and Exchange Commission (SEC) in accordance with Section 9 of the Securities Industry Law (P.N.D.C. Law 333), as amended. In its review, the Commission examined the contents of the Prospectus to ensure that adequate disclosures have been made. To ascertain the financial soundness or value of the securities on offer, investors are advised to consult a dealer, investment adviser, or other professional for appropriate advice.

ECOBANK GHANA LIMITED
Incorporated in Ghana on January 9th, 1989 as a Limited Liability Company under the
Companies Code, 1963, Act 179, Registration No: C-36,572

Public Share Offer
on behalf of ECOBANK GHANA LIMITED
of 8,275,000 ordinary shares of no par value
at ₵11,000 per share

By

ECOBANK STOCKBROKERS LIMITED

&

STRATEGIC AFRICAN SECURITIES LTD

The distribution of this Prospectus and the offering of the shares in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about, and observe, any such restriction. This Prospectus does not constitute an Offer and may not be used for the purpose of an Offer or solicitation by anyone in any jurisdiction or in any circumstances in which such an Offer or solicitation is not authorised or is unlawful.

Before deciding whether to apply for shares, you should consider whether shares are a suitable investment for you. Their values can go down as well as up. Past performance is not necessarily indicative of future performance. If you need advice, you should consult a suitable professional advisor.

Neither the delivery of this document nor any sale hereunder shall under any circumstances, create any impression that there has been no change in the affairs of the Company since the date hereof or that the information contained herein is correct as of anytime subsequent to this date. Any material change, relevant to the Offer, in the affairs of the Company during the floatation period will be communicated to the SEC and the investing public.

Ecobank Stockbrokers Limited and Strategic African Securities Limited are acting as Lead Managers for the Company. The Lead Managers have relied on information provided by the Company and accordingly, they do not provide any assurance of the accuracy of the information contained in this Prospectus and do not accept any responsibility or liability for the inaccuracy of the information contained in the Prospectus. The Lead Managers do however confirm that to best of their knowledge, this Prospectus constitutes a full and fair disclosure of all material facts about the Company and the issue.

The Date of this Prospectus is May 15, 2006

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KEY MILESTONES AND TIMETABLE

Activity	Date	Time
Commencement of Offer	May 15, 2006	09.00 hours
End of Offer	June 2, 2006	17.00 hours
Deadline for Acceptance of Application Forms	June 2, 2006	17.00 hours
Allotment Begins	June 8, 2006	09.00 hours
Allotment Ends, Issue of Share Certificates Commences	June 16, 2006	17.00 hours
Results of the Offer Submitted to SEC	June 16, 2006	17.00 hours
Final Dispatch of Share Certificates	June 30, 2006	17.00 hours
Commencement of Trading in the Shares by	July 7, 2006	10.00 hours

All dates provided are subject to change by the Lead Managers of the Offer in consultation with the Directors of the Company (subject to obtaining the necessary regulatory approvals). Any amendment will be published in a national daily newspaper not later than 72 hours of receipt of regulatory approvals.

LEGAL ADVISOR'S COMPLIANCE CERTIFICATE

April 19, 2006

The Director-General
Securities and Exchange Commission
1st Floor, State Enterprises Commission Building
Ministries, Accra

The Managing Director
The Ghana Stock Exchange
5th Floor, Cedi House
Accra-Ghana

Dear Sirs,

Ecobank Ghana Limited: Initial Public Offering and Listing on the Ghana Stock Exchange

1 Introduction

1.1 Basis of instructions

We have acted as legal advisors to Ecobank Ghana Limited (Ecobank) in connection with Ecobank's proposed initial public offering (IPO) and listing on the Ghana Stock Exchange (GSE Listing).

1.2 Documents examined

1.2.1 For the purpose of giving this opinion we have examined [originals or copies certified to our satisfaction] of the following documents (the Documents and each a Document):

- a. The Regulations of Ecobank adopted by special resolution of members passed at an Extraordinary General Meeting held on February 8, 2006 (the Regulations);
- b. A special resolution of members of Ecobank passed on February 8, 2006 converting Ecobank to a public limited liability company;
- c. An ordinary resolution of the members of Ecobank passed on February 8, 2006 authorising the IPO and the GSE Listing;
- d. A resolution of the directors of Ecobank approving the GSE Listing dated August 25, 2005.
- e. The prospectus (the Prospectus) to be issued by Ecobank in connection with the IPO and the GSE Listing;
- f. A letter from the Bank of Ghana dated March 30, 2006 waiving the restriction imposed on external residents in respect of holding shares in companies listed on the Ghana Stock Exchange (GSE) under Bank of Ghana Notice No. BG/EC/93/1 for the purpose of the IPO;
- g. A letter from the Securities and Exchange Commission dated May 5, 2006 approving the Prospectus;
- h. A letter from the Registrar of Companies dated March 16, 2006 waiving compliance with sections 274 and 275(1)(a) of the Companies Code, 1963 (Act 179) in accordance with section 291A of Act 179; and
- i. A letter from the GSE dated April 21, 2006 approving the GSE Listing.

1.2.2 In addition, we have also examined such other documents and certificates, searches and records as are necessary under the laws of Ghana to enable us to give this opinion.

1.3 Scope and purpose of the opinion

This opinion is limited to matters of the law of Ghana as in force and applied at the date of this opinion. We have not investigated the laws of any country other than Ghana and we express no opinion on the laws of any other jurisdiction.

This opinion is given on the basis of the assumptions set out in the Schedule.

2 Opinion

We are of the opinion that:

2.1 Incorporation

Ecobank is a limited liability company duly incorporated under the Companies Code, 1963 (Act 179).

2.2 Authorisation to do business as a bank

Ecobank is duly licensed as a universal bank by the Bank of Ghana and has complied with all regulatory requirements necessary or advisable for the conduct of its business.

2.3 Corporate authorisations

Ecobank has obtained all the necessary corporate authorisations necessary or advisable in connection with the IPO and GSE Listing.

2.4 Approvals and consents

Ecobank has obtained all the necessary regulatory and statutory approvals, consents, or authorisations of any governmental or other authority that are necessary or advisable in connection with the IPO and GSE Listing.

2.5 The Prospectus

The Prospectus substantially complies with the requirements of the Fifth Schedule of the Securities and Exchange Regulations, 2003 (LI 1728), the Seventh Schedule of Act 179 and Part IV of the Stock Exchange (Ghana Stock Exchange) Listing Regulations, 1990 (LI 1509).

2.6 Material Contracts

All the material contracts of Ecobank necessary for the conduct of its business are in proper legal form for the particular matters to which they are related and are enforceable under the laws of Ghana.

2.7 The Regulations

2.7.1 The Regulations comply with all legal requirements on the contents of the regulations of a public company.

2.7.2 The Regulations comply with the requirements of Part V of the Stock Exchange (Ghana Stock Exchange) Listing Regulations, 1990 (LI 1509).

2.7.3 The proposed IPO and GSE Listing do not contravene any provision of the Regulations.

2.8 Contractual obligations

To the best of our knowledge and upon due enquiry, there are no contractual agreements, obligations or undertakings preventing Ecobank from undertaking the IPO and GSE Listing.

2.9 Registrations and filings

All the statutory or regulatory registration or filing requirements necessary or advisable in relation to or in connection with the IPO and GSE Listing have been complied with.

Yours faithfully,

Bentsi–Enchill & Letsa

**Schedule
Assumptions**

In giving this opinion, we have assumed, and this opinion is given on the basis that:

- 1 All original documents supplied to us are complete, authentic and up to date, and that all copy documents supplied to us are complete and conform to the originals;
- 2 The person or persons who signed the Documents were authorised to do so;
- 3 The authorising resolutions of Ecobank were duly passed at properly convened meetings of Ecobank's shareholders and board of directors and a duly qualified quorum of such shareholders and directors voted in favour of approving the resolutions.

We have found nothing to indicate that the above assumptions are not justified.

SUMMARY OF THE OFFER, SHARES AND CAPITAL

SHARE OFFER

The Offer	8,275,000 ordinary shares at ¢11,000 each
Authorised Shares	200,000,000 ordinary shares of no par value
Issued and Fully Paid Shares As at March 31, 2006	152,950,000 ordinary shares
Commencement Date of Offer	May 15, 2006
Closing Date of Offer	June 2, 2006
Commencement of Trading in the Shares by	July 7, 2006

CAPITAL AND LIABILITIES

Dec 31 st	2005	2004	2003	2002	2001
	¢'m	¢'m	¢'m	¢'m	¢'m
Stated Capital	72,981	70,000	18,200	18,200	18,200
Capital Surplus	13,533	16,514	16,514	16,514	16,514
Income Surplus	94,380	84,882	99,071	62,848	34,222
Reserve Fund	96,182	67,562	47,231	39,490	33,533
Net Assets	277,076	238,958	181,016	137,052	102,489
Total Deposits	2,510,693	1,938,675	1,347,281	1,071,135	1,109,088
Long Term Liabilities	111,409	57,559	43,164	37,527	1,338
Total Liabilities	2,918,598	2,168,554	1,611,229	1,280,918	1,230,027

EARNINGS HISTORY

	2005	2004	2003	2002	2001
Gross Earnings (¢'m)	497,186	366,949	306,224	219,720	207,016
Profit after Tax (¢'m)	119,645	87,702	68,113	53,647	54,435
Issued Shares ('000)	152,950	70,000	18,200	18,200	18,200
Earnings per Share (¢)	782	1,253	3,742	2,948	2,991
Dividend per Share (¢)	495	351	1,327	1,049	1,742
Issued shares for per share data ('000)	152,950	70,000	18,200	18,200	18,200

PRICE EARNINGS RATIO (P/E) (using an offer price of ¢11,000)

Post-IPO total number of issued shares	161,225,000
Post-IPO P/E based on 2005 financials and on new number of shares	14.8 times
Post-IPO P/E based on 2006 projected financials and on new number of shares	11.4 times

DIRECTORS AND CORPORATE INFORMATION

Directors: Tei Mensa Mante (*Chairman*) – *appointed March 23, 2006*
Edward P. L. Gyampoh – *retired March 23, 2006*
Samuel Ashitey Adjei (*Managing Director*)
Albert Kobina Essien
Mariam Gabala Dao (Mrs)
Ignacio Prosper Kokou Seddoh
Frances Adu-Mante(Mrs)
Kofi Ansah

Registered Office/Principal Place of Business: Ecobank Ghana Limited
19 Seventh Avenue
Ridge West
P.O. Box AN 16746
Accra, Ghana
Tel: +233 21 681166/7
Fax: +233 21 680428
Email: ebg@ecobank.com

Company Secretary: Morgan Fianko Asiedu
Ecobank Ghana Limited
19 Seventh Avenue
Ridge West
P.O. Box AN 16746
Accra, Ghana

Auditors: PriceWaterhouseCoopers
Chartered Accountants
4th Floor, Gulf House
Legon Road
PMB CT42
Cantonments
Accra

Share Registrars: GCB Share Registry Department
Ghana Commercial Bank Building
Thorpe Road
P O Box 134
Accra, Ghana

**STOCKBROKERS AND
SPONSORS TO THE LISTING
ON THE GHANA STOCK EXCHANGE**

Ecobank Stockbrokers Limited

19, Seventh Avenue Extension, North Ridge
PO Box AN 16746
Accra, Ghana

Tel/Fax: +233 21 237607, 240448

Email: ebg@ecobank.com

Website: www.ecobank.com

AND

Strategic African Securities Limited

2nd Ridge Link, North Ridge
PO Box KA 16446
Accra, Ghana

Tel: +233 21 251546 – 9 & 7011770

Fax: +233 21 7011774

Email: info@sas-ghana.com

Website: www.sas-ghana.com

ADVISORS TO THE SHARE OFFER

Sponsors to the Listing:

Ecobank Stockbrokers Limited
19, Seventh Avenue Extension
North Ridge- PO Box AN 16746
Accra, Ghana
Tel/Fax: +233 21 7011857, 240448, 240468
Contact: Iddrisu Mahama
Email: middrisu@ecobank.com

Strategic African Securities Limited
2nd Ridge Link, North Ridge
PO Box KA 16446
Accra, Ghana
Tel/Fax: +233 21251546 – 9, 7011774
Contact: Abena Amoah
Email: aamoah@sas-ghana.com

Financial Advisors:

J Kofi Bucknor & Associates
81 Osu Badu Street, West Airport
PMB CCC30
Accra, Ghana
Tel/Fax: +233 21 76 9726, 76 9727
Contact: Samuel Nii Sackey Botchway
Email: jkb@jkba-associates.com

Reporting Accountants:

PriceWaterhouseCoopers
4th Floor, Gulf House
PMB CT 42
Accra, Ghana
Tel/Fax: +233 21 506217
Contact: Charles Egan
Email: charles.a.egan@gh.pwc.com

PR Consultants:

Channel Two
PO Box CT 2522
Accra, Ghana
Tel/Fax: +233 21 666643 / 670272
Contact: David Ampofo
Email: davidampfo@channeltwoghana.com

Ecobank Listing Committee:

Ronke Wilson - Chairperson
Mahama Alhassan Iddrisu
Emelia Atta-Fynn
Frank Darko
Morgan Fianko Asiedu
Abena Asafo-Boakye
Daniel Marfo
Josephine Anan-Ankomah
Rami Baitie

Tel/Fax: +233 21 237607, 240448
Email: ebg@ecobank.com

Legal Advisors:

Bensti-Enchill & Lesta
1st Floor Teachers' Hall
Education Loop
Adabraka, Accra
Tel/Fax: +233 21 221171, 229396, 227187/ 226129
Contact: Seth K. Asante
Email: seth.asante@belonline.org

Registrars:

GCB Share Registry Department
Head Office, Thorpe Road
P O Box 134
Accra, Ghana
Tel/Fax: +233 21 664914 – 7, 662168
Contact: Gladys Wuo-Asare
Email: gcbshares@gcb.com.gh

Fixed Assets Valuers:

Valuation & Investments Associates
P.O Box CT 338
Accra, Ghana
Tel/Fax: +233 21 256853/4
Contact: Grace Djan-Winful
Email: valuation-invest@consultant.com

RECEIVING AGENTS

Receiving Brokers:

Ecobank Stockbrokers Ltd
Strategic African Securities Ltd
CAL Brokers Ltd
Capital Alliance Company Ltd
CDH Securities Ltd
Databank Brokerage Ltd
First Atlantic Brokers Ltd
Gold Coast Securities Ltd
Merban Stockbrokers Ltd
New World Investments Ltd
NTHC Securities Ltd
SDC Brokerage Services Ltd
Worldwide Securities Ltd
HFC Brokerage Services Ltd
Prudential Securities Ltd

Receiving Banks:

Ecobank Main Branch, Accra
Ecobank Ring Road Central Branch, Accra
Ecobank Tudu Branch, Accra
Ecobank Silver Star Tower Branch (Airport), Accra
Ecobank Osu Branch, Accra
A & C Agency, Accra
Ecobank Tema Branch, Tema
Tema Long Room Agency, Tema
Ecobank Takoradi Branch, Takoradi
Takoradi Market Circle Agency, Takoradi
Ecobank Kumasi Branch, Kumasi
Cocobod Jubilee House Agency, Kumasi
Kenyasi Agency, Kenyasi
Ecobank Tarkwa Branch, Tarkwa

GCB Cape Coast Main Branch, Cape Coast
GCB Sunyani Branch, Sunyani
GCB Koforidua Branch, Koforidua
GCB Nkawkaw Branch, Nkawkaw
GCB Ho Branch, Ho
GCB Tamale Branch, Tamale
GCB Wa Branch, Wa
GCB Bolgatanga Branch, Bolgatanga

DISCLAIMER

This Prospectus does not constitute an offer or solicitation to any person to whom it is unlawful to make such an offer or solicitation.

The shares are offered on the basis of the information and representations contained in this Prospectus and other documents referred to herein. Any further information given or representations made by any person may not be relied upon as having been authorised by the sponsors. Neither the delivery of this Prospectus nor the allotment of shares shall under any circumstance create any impression that there has been no change in the affairs of the Company since the date hereof.

Before deciding to apply for shares, you should consider whether shares are a suitable investment for you. Their values can go down and up as well. Past performance is not necessarily indicative of future performance. If you need advice, you should consult an appropriate professional advisor.

Persons interested in acquiring shares should inform themselves as to:

- a) Any foreign exchange restrictions or exchange control requirements, which they might encounter on the acquisition of shares; and
- b) The tax consequences of their acquisition, holding or disposal of shares.

DEFINITIONS

The following definitions apply in this documents and Application Form, unless the context requires otherwise:

“Application Form”	Application Form for Public Offer
“AGM”	Annual General Meeting
“BoG”	Bank of Ghana- the Central Bank of the Republic of Ghana
“CEO”	Chief Executive Officer
“CEMAC”	Communauté Économique et Monétaire de l'Afrique Centrale
“Companies Code” “The Code”	Companies Code of Ghana, 1963 (Act 179) as amended
“Company” “EBG” “Ecobank Ghana”	Ecobank Ghana Limited
“Directors or “Board of Directors” or “Board”	Board of Directors of Ecobank Ghana Ltd
“EBG” or “Ecobank Ghana”	Ecobank Ghana Limited
“Ecobank Ghana Shares”	The issued ordinary shares of no par value in Ecobank Ghana Limited
“ECOWAS”	Economic Community of West Africa States
“EIML”	EBG Investment Managers Limited , a wholly owned subsidiary of Ecobank Ghana
“ELC”	Ecobank Leasing Company Limited, a wholly owned subsidiary of Ecobank Ghana
“ESL”	Ecobank Stockbrokers Limited, a wholly owned subsidiary of Ecobank Ghana
“ ESOP”	Employee Share Ownership Plan
“ETI”	Ecobank Transnational Incorporated, a company incorporated under the laws of the Republic of Togo

“Government”	the Government of the Republic of Ghana
“GSE” or “the Exchange”	Ghana Stock Exchange, Ghana Stock Exchange a stock exchange established in accordance with Section 280 of the Companies Code, 1963, (Act 179) as amended by Section 145 (2) of the Securities Industry Law 1993 (PNDCL 333) and Securities Industry (Amendment) Act 2000, (Act 590).
“JKBA”	J. Kofi Bucknor & Associates
“IPO”	Initial Public Offer
“Lead Managers”	Ecobank Stockbrokers Limited and Strategic African Securities Limited
“Offer”	the offer contained in this Prospectus
“Offer Document” or “Prospectus”	this document
“Offer Period”	the period commencing on May 15, 2006 and ending on June 2, 2006 , subject to any approved changes
“Regulations”	the regulations of EBG
“SEC” or “Securities and Exchange Commission”	the Securities and Exchange Commission of Ghana
“SAS”	Strategic African Securities Limited
“UEMOA”	Union Economique et Monétaire Ouest Africaine
“WAMZ”	West African Monetary Zone of Ecobank

PART 1 – PROSPECTUS SUMMARY

The following summary contains the salient features of the Offer, which are qualified in its entirety by reference to the detailed information and financial statements contained elsewhere in this Prospectus.

1. The Company

Ecobank Ghana was incorporated on January 9, 1989 as a private limited liability company under the Companies Code to engage in the business of banking. EBG was initially licensed to operate as a merchant bank by the Bank of Ghana on November 10, 1989. It commenced business on February 19, 1990. EBG has grown consistently over the years to become one of the leading banks in Ghana and a well-recognised brand in the Ghanaian banking industry. EBG acquired a universal banking license in 2003 and has since expanded its geographical reach and broadened its scope of financial services.

EBG is a subsidiary of Ecobank Transnational Incorporated, a bank holding company which currently has twelve (12) subsidiaries across West and Central Africa. EBG itself currently has three wholly-owned subsidiaries, which offer a variety of non-banking financial services to complement EBG's broad range of banking services. The subsidiaries are Ecobank Investment Managers Ltd, Ecobank Stockbrokers Ltd and Ecobank Leasing Company Ltd.

At an Extraordinary General Meeting held on February 8, 2006, EBG's shareholders adopted a special resolution to convert the Company into a public company limited by shares in furtherance of its plan to undertake a public floatation.

2. The Company's Mission & Vision

EBG's mission is to become a strategic part of a world-class African banking group. The bank's vision is to provide its customers convenient, accessible and reliable banking products and services.

In line with this EBG seeks to create a unique Ghanaian institution through a determined focus on its customers, employees and shareholders and an absolute commitment to the achievement of excellence in the delivery of financial services. The bank therefore seeks to apply the following principles to its business decisions and conduct:

- ❖ Treat each customer as a preferred customer
- ❖ Invest in training and development of its staff
- ❖ Deliver products and services which respond to and exceed customer expectations
- ❖ Develop markets and products to maintain the bank's competitive advantage
- ❖ Deliver superior returns to its shareholders
- ❖ Maintain high standards of ethics and regulatory compliance at all time

3. Authorised Business

EBG is authorised to:

- a. To carry on the business of banking in accordance with the provisions of the Banking Act 2004 (Act 673) (the Banking Act) or any statutory modification or re-enactment thereof for the time being in force, including the following namely, borrowing, raising or taking up money, lending or advancing money, discounting, buying, selling and dealing in foreign currencies, bill of exchange, promissory notes, coupons, drafts, bills of lading, warrants, debentures, certificates, scrip and other financial instruments and securities, whether transferable or negotiable, or not; granting and issuing letters of credit, guarantees, indemnities and circular notes; buying, selling and dealing in bullion and specie; acquiring, holding, issuing on commission, underwriting and dealing with stocks, funds, shares, debentures, debenture stock, bonds, options, obligations, securities and investments of all kinds; the arrangement and syndication of loans and advances; receiving money and valuables on deposits, or for safe custody,

or otherwise; collecting and transmitting money and securities, financing trade, managing property, and transacting all kinds of agency business commonly transacted by bankers.

- b. To undertake export development and financing, intermediation of international transactions, trade development and promotion, particularly within the ECOWAS and African Region, and provision of advisory and financial services for small and medium scale industries including mining, agricultural production and development and other priority areas in the economy.
- c. To undertake and execute any trusts, the undertaking whereof may seem desirable, and also undertake the office of executor, administrator, receiver, treasurer, registrar, and to keep for any company, government authority, or body, any register relating to any stocks, funds, shares or securities, or to undertake any duties in relation to the registration of transfers and the issue of certificates.
- d. To assist in the establishment, promotion, privatization, recapitalization or liquidation of associations, companies, syndicates and undertakings of all kinds, and to secure by underwriting or otherwise the subscription of any part of the capital of any such association, company, syndicate or undertaking, and to pay and receive any commission, brokerage or other remuneration in connection therewith; and undertake general corporate financial services.
- e. Engaging in development financing or acquiring or taking by subscription or by purchase or otherwise and the holding of, shares or stock of, and investing in the securities of any company engaged in development financing or any undertaking in Ghana or elsewhere having similar objects as may be deemed by the company to be likely to advance, either directly or indirectly the interest of the company.
- f. To take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the company, and to obtain and justify public confidence, and to avert or minimize financial disturbances which might affect the Company.

4. Shareholders' Funds Statement

Authorised Number of Ordinary Shares	200,000,000
Number of Ordinary Shares Issued and Fully Paid for as at Dec 31, 2005	152,950,000
Shareholders' Funds as at Dec 31, 2005 (¢'m)	277,076
Stated Capital as at Dec 31, 2005 (¢'m)	72,981
Total Liabilities and Shareholders' Funds as at Dec 31, 2005 (¢'m)	3,195,674

5. The Share Offer

The Offer consists of 8,275,000 ordinary shares and is being made to individuals and institutions in Ghana and to residents, individuals and institutions in a limited number of foreign jurisdictions whose laws allow them to invest under the terms of the Offer. **In the event of an oversubscription, EBG will NOT issue additional shares to partly or fully meet investor demand.**

6. Purpose of the Public Offer and Use of Proceeds

EBG is undertaking this Offer and subsequent listing on the GSE to raise additional capital to support the bank's expansion plans and have the flexibility to finance future expansion and growth. EBG also wishes to open up participation in the company and share its success with the investing public.

The Offer is expected to raise ¢91,025,000,000 through the sale of 8,275,000 ordinary shares at a price of ¢11,000 per share. Proceeds from the offer will be used to expand EBG's capital resources and support the bank's expansion plans in Ghana.

7. Details of the Offer

Authorised Shares	200,000,000
Issued Shares	152,950,000
Ordinary Shares on Offer	8,275,000
Price per Share (¢)	11,000
Expected Proceeds (¢'m)	91,025
Outstanding Shares After Offer	161,225,000
Market Capitalisation after Offer (¢'m)	1,773,475

8. Approval for Listing

An application has been made to the Ghana Stock Exchange (GSE), a stock exchange approved in accordance with Section 280 of the Companies Code, 1963, (Act 179) as amended by Section 145 (2) of the Securities Industry Law 1993 (PNDCL 333) and Securities Industry (Amendment) Act 2000, (Act 590), for listing EBG's shares.

The GSE on April 21, 2006 gave approval for the listing of the currently issued shares of EBG and all shares to be issued under this public floatation.

9. Symbol

On commencement of trading on the GSE, the Company's ticker symbol will be **EBG**.

10. Underwriting of Shares

None of the shares on offer have been underwritten.

11. Important Dates and Times

Offer opens at 09.00 hours GMT on **May 15, 2006** and closes at 17.00 hours GMT on **June 2, 2006**

12. Units of Sale

The minimum units of sale are 200 ordinary shares and in multiples of 100 shares thereafter.

13. Completing the Application Form

Applications must be made on the accompanying Application Form and must be for a minimum of 200 shares and thereafter in multiples of 100. The completed Application Form together with the full amount payable on application must be lodged during normal business hours, while the Offer is open, at the offices of the Lead Managers or of any of the receiving agents indicated. No application will be accepted for consideration by the directors or treated as binding until after the closing of the Offer on **June 2, 2006**.

14. Payment

Payment may be made by cash, cheque, postal and money order, which should be presented at the offices of the receiving agents where the Application Form is to be lodged. All such cheques, postal or money orders should be crossed **ECOBANK GHANA SHARE OFFER** and endorsed **COMMISSION TO DRAWER'S ACCOUNT**. This endorsement must be signed by the drawer. Bank commissions and transfer charges on application monies must be paid by the applicant. Applications, in respect of which cheques are returned unpaid, for any reason whatsoever, will be rejected.

15. Escrow Account

All application monies collected will be deposited into Escrow Account number 0020251231018 at HFC Bank Limited. A copy of the Escrow Account Agreement has been lodged with the Securities & Exchange Commission.

16. Allotment and Dispatch of Certificates

The Directors of EBG reserve the right to accept or reject any Application in whole or in part for reasons given under Part 9. Applications which are received after the Offer has closed will not be considered. **If the total number of shares applied for exceeds the number of shares on offer, the Company will NOT issue additional shares to partly or fully meet investors' demand.**

In the event of an oversubscription, the allotments will first be made to satisfy the minimum application amount to every qualified subscriber, provided however that under no circumstances shall the number of EBG shares allotted exceed the number of shares on offer. Beyond this, the basis of the allotment of shares will be determined by the directors of EBG in consultation with its advisors, with the aim of achieving a broad and equitable distribution of the shares.

The Company has made arrangements for the registration of all the shares offered hereunder in the name of persons entitled thereto, as well as those of the same class already in issue in the names of persons entitled thereto. A share certificate in respect of the number of shares for which an application is accepted will be sent by mail not later than one (1) month after Allotment is completed (excluding holidays).

17. Return of Excess Application Monies

If any Application is not accepted or is accepted for a smaller number of shares than applied for, the balance of the amount paid on Application will be returned to receiving agents not later than June 26, 2006 for onwards distribution to applicants. EBG will announce such refunds through a national daily newspaper with wide circulation within 72 hours of the making of such refunds.

If refunds of excess application monies are not concluded by June 26, 2006, then EBG will pay to investors, interest on the unpaid amounts at the ruling Bank of Ghana prime rate from June 27, 2006

18. Cost of the Offering

Total expenses for the floatation are not expected to exceed 5.79% of the proceeds.

19. Brokerage Fees

Brokerage fees will be paid by EBG. This is not expected to exceed 1.0% on all accepted applications.

20. Where to Obtain Copies of Document

The application for the shares being offered will open at 09.00 hours GMT on May 15, 2006 and close at 17.00 hours GMT on June 2, 2006.

Copies of the Prospectus together with Application Forms may be obtained from the offices of the Lead Managers – Ecobank Stockbrokers Ltd and Strategic African Securities Ltd, EBG branches and agencies and any of the named receiving brokers and banks.

21. Terms of the Offer

The shares hereby offered are subject to the terms of this Share Offer, the Application Form and the Regulations of EBG. The said shares shall be ordinary shares and will rank equally in all respects with all other issued ordinary shares of EBG including voting rights and all other rights attached thereto. The purchase of shares offered herein and subsequent transfers thereof shall only be made subject to applicable laws.

22. Risk Factors

An investment in the securities of a company entails certain risks. In considering a purchase of the EBG ordinary shares being offered, prospective investors should take careful note of financial risks involved in the management of financial assets and liabilities, and the risk that they may not be able to sell their shares at the desired price and at the desired time.

23. Dividend Policy

Based on the company's performance, the directors of EBG may declare such sum out of the company's profit for the year or its income surplus account, for distribution as dividend to shareholders.

Payment of all dividends is at the discretion of the directors and will be determined on the basis of the Company's cash flow, net earnings, operating conditions, legal requirements and any other relevant factors. The directors, however, will ensure that any dividend distribution will not jeopardise the Company's ability to operate effectively.

24. Minimum Subscription

The Company has set a minimum subscription of ₵45,500 million which should be realised from the sale of newly issued EBG shares. In the event that this is not achieved, all application monies will be returned without interest within eight (8) days after the Offer closes. If this condition is not complied with by the Company, then the unpaid amounts will attract interest at an annual interest rate of 5% from the date on which payment should have been made until the date on which payment is made in accordance with Section 284 (4) of the Companies Code. Application monies shall be deemed to have been returned from the date of publication of notices to subscribers that their monies are available for collection. These monies will be paid out of the escrow account set up to receive the proceeds from this Offer. In the event that only the minimum subscription is achieved, applicants will receive full allotment of the shares they applied for.

25. Summary Financials

We present a summary of the audited financials of EBG from 2001 to 2005. The Company's auditors during the period were PricewaterhouseCoopers, who did not qualify any of the accounts during the period.

Audited Profit & Loss Account (₵'m)	2005	2004	2003	2002	2001
Interest Income	348,631	249,703	202,115	138,954	151,724
Interest Expense	(100,733)	(72,573)	(63,686)	(54,714)	(56,104)
Net Interest Income	247,898	177,130	138,429	84,240	95,620
Fee & Other Income	148,555	117,246	104,109	79,813	55,292
Operating Income	396,453	294,376	242,538	165,006	150,912
Operating Exp excl Credit Loss	(193,366)	(139,133)	(109,060)	(70,569)	(54,752)
Charge for Credit Loss	(16,327)	(7,209)	(13,261)	(5,344)	(4,937)
National Recon. Levy	(13,484)	(14,184)	(11,076)	(8,200)	(7,735)
Profit before Tax	173,306	133,850	109,141	80,893	83,488
Tax	(53,661)	(46,148)	(41,208)	(27,246)	(29,053)
Profit after Tax	119,645	87,702	68,113	53,647	54,435

Audited Balance Sheets as at 31 December (¢'m)	2005	2004	2003	2002	2001
Current & Other Assets	3,108,759	2,337,783	1,735,075	1,371,698	1,294,979
Property and Equipment	86,915	69,729	57,170	46,272	37,537
Total Assets	3,195,674	2,407,512	1,792,245	1,417,970	1,332,516
Liabilities					
Current Liabilities	2,807,189	2,110,995	1,568,065	1,243,391	1,228,689
Long Term Debt	111,409	57,559	43,164	37,527	1,338
Total Liabilities	2,918,598	2,168,554	1,611,229	1,280,918	1,230,027
Shareholders' Funds					
Stated Capital	72,981	70,000	18,200	18,200	18,200
Capital Surplus	13,533	16,514	16,514	16,514	16,514
Income Surplus	94,380	84,882	99,071	62,848	34,222
Statutory Reserve Fund	96,182	67,562	47,231	39,490	33,553
	277,076	238,958	181,016	137,052	102,489
Total Liabilities and Shareholders' Fund	3,195,674	2,407,512	1,792,245	1,417,970	1,332,516
Acceptance and Guarantees	485,085	353,616	289,019	351,929	198,303

26. Statutory and General Information

The Company was incorporated in Ghana as a private limited liability company on January 9, 1989 under the Companies Code, 1963 (Act 179). By a shareholders' resolution passed on February 8, 2006, the company amended its regulations and was converted to a public company limited by shares.

As a public limited liability company, one-third of the directors must retire annually, but retiring directors are eligible for re-election. According to its Regulations, EBG can have a minimum of two and a maximum of twelve directors.

27. Significant Issues

Transferability of Shares

As a public company, EBG's shares are fully transferable. No shares are agreed or proposed to be issued for any consideration other than cash.

Issue of Securities

- EBG has not issued any preference shares. All the issued shares of EBG are ordinary shares of no par value.
- EBG has not issued any debt securities.
- There are no outstanding liabilities on any of the issues of EBG.

PART 2 – ECOBANK GHANA LIMITED

A. General Information

1. The Issuer

EBG was incorporated on January 9, 1989 as a private company limited by shares under the Companies Code, to engage in the business of banking. EBG was licensed to operate as a merchant bank by the Bank of Ghana on November 10, 1989 and commenced business on February 19, 1990. EBG was granted a universal banking licence by the Bank of Ghana in 2003. The bank is a subsidiary of ETI, a bank holding company that currently has twelve (12) other subsidiaries across West and Central Africa.

2. Authorised Business

EBG is authorised to:

- a. To carry on the business of banking in accordance with the provisions of the Banking Act 2004 (Act 673) (the Banking Act) or any statutory modification or re-enactment thereof for the time being in force, including the following namely, borrowing, raising or taking up money, lending or advancing money, discounting, buying, selling and dealing in foreign currencies, bill of exchange, promissory notes, coupons, drafts, bills of lading, warrants, debentures, certificates, scrip and other financial instruments and securities, whether transferable or negotiable, or not; granting and issuing letters of credit, guarantees, indemnities and circular notes; buying, selling and dealing in bullion and specie; acquiring, holding, issuing on commission, underwriting and dealing with stocks, funds, shares, debentures, debenture stock, bonds, options, obligations, securities and investments of all kinds; the arrangement and syndication of loans and advances; receiving money and valuables on deposits, or for safe custody, or otherwise; collecting and transmitting money and securities, financing trade, managing property, and transacting all kinds of agency business commonly transacted by bankers.
- b. To undertake export development and financing, intermediation of international transactions, trade development and promotion, particularly within the ECOWAS and African Region, and provision of advisory and financial services for small and medium scale industries including mining, agricultural production and development and other priority areas in the economy.
- c. To undertake and execute any trusts, the undertaking whereof may seem desirable, and also undertake the office of executor, administrator, receiver, treasurer, registrar, and to keep for any company, government authority, or body, any register relating to any stocks, funds, shares or securities, or to undertake any duties in relation to the registration of transfers and the issue of certificates.
- d. To assist in the establishment, promotion, privatization, recapitalization or liquidation of associations, companies, syndicates and undertakings of all kinds, and to secure by underwriting or otherwise the subscription of any part of the capital of any such association, company, syndicate or undertaking, and to pay and receive any

commission, brokerage or other remuneration in connection therewith; and undertake general corporate financial services.

- e. Engaging in development financing or acquiring or taking by subscription or by purchase or otherwise and the holding of, shares or stock of, and investing in the securities of any company engaged in development financing or any undertaking in Ghana or elsewhere having similar objects as may be deemed by the company to be likely to advance, either directly or indirectly the interest of the company.
- f. To take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the company, and to obtain and justify public confidence, and to avert or minimize financial disturbances which might affect the Company.

B. Capital Structure of the Issuer

1. Stated Capital

As at December 31st 2005, EBG had authorised ordinary shares of 200,000,000 of which 152,950,000 had been issued and fully paid for. Details of the Company's stated capital as at December 31, 2005 are shown in the table below:

Issued Shares	Amount (¢' million)
Issued for Cash	900
Capitalisation Issue	72,081
Total	72,981

There were no calls or instalments unpaid on any share and EBG has no shares in treasury.

2. Dividend history

During the past five financial years, EBG has paid dividends ranging from 28% to 58% of the bank's net profits. The table below shows the Company's dividend history for the last five years:

	2005	2004	2003	2002	2001
Dividend paid (¢'m)	75,772	24,580	24,149	19,084	31,710
Amount per share (¢)	495	351	1,327	1,049	1,742
Payout (%)	63.3	28.0	35.5	35.6	58.3

The company has historically paid dividends annually.

3. Share Option Scheme

EBG currently does not operate an employee share option plan.

4. Share Issue History

At incorporation on January 9th 1989, EBG was registered with 5 million ordinary shares of no par value of which 25,000 shares were issued to the founding members for capital of ₵25 million. The bank issued a further 1,275,000 ordinary shares between 1990 and 1993. The authorised shares were increased in 1996 to 50 million ordinary shares of no par value and additional 16.9 million shares issued between 1996 and 1997. To comply with the Bank of Ghana notice directing all universal banks to maintain a minimum stated capital of ₵70 billion, the directors of EBG on August 27, 2004 recommended that a sum of ₵51.8 billion be moved from income surplus to stated capital by way of a capitalisation issue and further proposed an increase in the authorised shares of the bank to 200 million and an issue of additional 51.8 million shares to shareholders to accommodate the capitalisation issue.

On February 8, 2006 shareholders of EBG passed a resolution increasing the bank's authorised shares to 200 million effective October 1 2004, and ratified the transfer of ₵51.8 billion to stated capital and the issuing of 51.8 million shares to all shareholders on the register of members as of October 1, 2004, thereby increasing the bank's issued shares from 18.2 million to 70 million. EBG's shareholders further approved a bonus issue of 82,950,000 shares on March 23, 2006. The table below shows EBG's share issue history as at March 31, 2006:

Financial Year	Description	No of Shares	Cumulative Issued Shares	Shareholders' Funds, (₵'000)
1989	Issue to Founding Members	25,000	25,000	25,000
1990	Additional Issue	575,000	600,000	594,917
1990	Additional Issue	300,000	900,000	985,222
1992	Bonus Issue	200,000	1,100,000	990,251
1993	Bonus Issue	200,000	1,300,000	3,303,832
1996	Bonus Issue	5,200,000	6,500,000	16,948,473
1997	Bonus Issue	11,700,000	18,200,000	33,861,408
2004	Bonus Issue	51,800,000	70,000,000	238,950,000
2005	Bonus Issue	82,950,000	152,950,000	277,076,000

5. Shareholders

The table below shows the shareholders of EBG as at March 31, 2006:

Shareholders	No. of Shares	Holdings (%)
Ecobank Transnational Incorporated (ETI)	141,028,035	92.2
Ghana Reinsurance Company	5,098,412	3.33
Ghana Cocoa Coffee & Sheanut Farmers Ass.	1,201,750	0.78
AGC Provident Fund	1,099,223	0.72
Jude Kofi Bucknor	959,518	0.63
Teachers Fund	924,423	0.60
Unilever Ghana Ltd	849,696	0.56
Ecobank Ghana- Staff Saving Plan	840,401	0.55

Shareholders	No. of Shares	Holdings (%)
Nii Narku Quaynor	393,888	0.26
Oloye Oladotun O. Okubanjo	168,077	0.11
Jean Nelson Aka	142,865	0.09
Edward Patrick L. Gyampoh	84,038	0.06
Edward Kwame O. Gyandoh	42,019	0.03
Frances Adu-Mante	42,019	0.03
Mariam Dao Gabala	25,212	0.02
Albert Kobina Essien	25,212	0.02
Samuel Ashitey Adjei	25,212	0.02
Total Issued Shares	152,950,000	100.00

C. History and Development of EBG

1. Operational History

EBG started operations as a merchant bank in 1990 with one branch located at No. 19 Seventh Avenue, Ridge West Accra. The bank thereafter established four (4) additional branches in Tema, Kumasi, Takoradi and Tarkwa. In 2003, the bank obtained a universal banking licence from the Bank of Ghana and embarked on a branch expansion program to increase its reach. EBG has within a two-year period opened four additional branches in Accra and five agencies at East Legon (Accra), Market Circle (Takoradi), Tema Long Room (Tema), Kenyasi (Brong Ahafo Region) and Cocobod Jubilee House (Kumasi). It plans to further expand its coverage to gain access to low cost retail deposits and a larger client base.

In March 1990, EBG established two (2) wholly-owned private limited liability companies, EBG Stockbrokers Limited and Ecobank Investment Managers Limited (EIML). In May 1993, a third subsidiary, Ecobank Leasing Company (ELC) was incorporated as a wholly-owned private limited liability company.

Since 2000, the bank has won several awards including:

- Corporate Initiative Ghana: Bank of the Year 2004
- Corporate Initiative Ghana: Best Bank in IT 2004
- Chartered Institute of Marketing: Best Bank for 2003
- Chartered Institute of Marketing: Best Bank in IT 2003
- Corporate Initiative Ghana: Bank of the Year Award – 2002
- Corporate Initiative Ghana: Best Bank in Trade Finance – 2002
- Corporate Initiative Ghana: Bank of the Year Award – 2001
- Corporate Initiative Ghana: Best Bank in Customer Care – 2001
- Corporate Initiative Ghana: Best Bank in Advisory Services – 2001

Below is a table showing the key milestones achieved by the bank since incorporation:

DATE	EVENT
1989	EBG Incorporated

DATE	EVENT
1990	EBG commences business and opens first branch in Accra
1990	EBG incorporates 2 subsidiaries: EBG Stockbrokers and EBG Investment Managers
1993	EBG incorporates Ecobank Leasing Company
1997	Takoradi Branch is established
1998	Tema Branch is opened
2000	Kumasi Branch is opened
2001	Tarkwa Branch is opened
2002	EBG is part of a joint venture that establishes GCNET
2003	EBG obtains a universal banking licence
2003	EBG obtains full agent status for Western Union Money Transfer
2003	EBG upgrades Ring Road Central Annex to a full branch
2003	EBG pioneers visa electron cards in Ghana
2004	EBG opens Tudu Branch
2004	EBG establishes agencies in Kumasi and Takoradi
2005	EBG opens two branches at Airport and Osu in Accra
2005	EBG opens three agencies in Accra, Tema and Kenyasi

2. Principal Capital Expenditure

The table below shows EBG's principal capital expenditure over the past three years:

Item	2005	2004	2003
	¢ million	¢ million	¢ million
Furniture & Equipment	11,671	12,812	8,102
Computers	7,752	9,533	3,347
Motor Vehicles	3,495	1,343	3,973
Capital Work-in-Progress	6,857	171	791
Total	29,775	23,859	16,213

3. Takeover Offers or Bids

EBG has neither received any takeover offers from third parties nor made any takeover bid for other companies' shares during the last and current financial year.

D. Business Overview

1. Products and Services

EBG now offers a wide range of products and services. The following constitutes the core services offered by EBG:

Products/Services	Main Features
Retail Banking	Ecobank provides a range of products and services to serve the financial

Products/Services	Main Features
Services	needs of its individual and SME customers. These primarily include current and savings accounts, debit card services, loans and advances, microfinance, funds management and finance leases.
Wholesale Banking Services	These services are provided to multinationals, public sector institutions and local corporate institutions. Ecobank supports such clients with funding, trade finance and advisory services, treasury services, corporate banking, and investment banking services.
Treasury products	Ecobank offers both its retail and wholesale banking clients a wide array of money and foreign exchange market products such as time, call and savings deposits, treasury bills and funds management, spot and forward contracts as well as correspondent banking services.
Trade Finance and Advisory Services	The bank facilitates international trade payments in both Africa and other international markets. Products offered include import/export letters of credit, bills on collection and specialised regional trade services.
Wealth Management	These services cover the following business activities: private banking, investment and financial advisory services and asset management for pension funds and employee savings schemes

2. Ecobank and the Ghanaian Banking Sector

EBG is one of the major players in the formal banking industry, which constitutes the core of the financial sector in Ghana. The sector comprises twenty-one (21) banks, with more than three hundred and thirty eight (338) branches nationwide.

EBG's total assets and deposits have since 2002 grown by 70% and 81% respectively compared to the industry's growth of 64% and 74% respectively. As at December 2004 EBG ranked 6th among Ghanaian banks in terms of total assets and 4th in terms of total deposits. EBG's overall market share of total assets and total deposits for the industry were 7.7% and 9.4% respectively. Considering its 15-year history and its significant market share, EBG has clearly lived up to its market potential.

As at December 31, 2004, (being the last date for which audited industry data is available) the ten (10) largest banks in the industry by asset size were:

Bank	Total Asset (c'm)
Ghana Commercial Bank (GCB)	5,488,275
Barclays Bank Ghana (BBG)	4,789,095
Standard Chartered Bank (SCB)	4,397,876
Agricultural Development Bank (ADB)	3,094,590
SG-SSB Bank (SG-SSB)	2,439,166
Ecobank Ghana (EBG)	2,407,512
National Investment Bank (NIB)	1,473,070
Merchant Bank Ghana (MBG)	1,424,922
The Trust Bank (TTB)	897,945
Prudential Bank Ghana (PBG)	872,478
Total	27,284,929
All Banks in Ghana	31,113,316

3. Impact of Universal Banking on EBG's Business

The Central Bank introduced Universal Banking in Ghana in February 2003 to create a level playing field for the industry. EBG obtained a universal banking licence from Bank of Ghana in the same month of its introduction. The Company has since shown great competence in developing its retail banking business. EBG has increased access to its products and services by expanding its network through the establishment of new branches and agencies, and the installation of ATMs. The Company has rolled out retail banking products such as employee loans, savings accounts and debit cards. EBG's strategy going forward is to transform itself from a predominantly wholesale bank into a retail bank over a span of three years. The Company expects to gain greater access to low cost retail deposits and a larger customer base.

4. Service and Management Contracts

ETI and EBG have entered into a Service Agreement under which ETI provides certain services to EBG to enhance and standardise the quality of products, services and processes across the Ecobank Group. The fee for services provided by ETI under the agreement is 2% of EBG's net profit before tax. The specific services provided by ETI under the agreement are as follows:

- (i) Use of intellectual property rights of the Ecobank Group including the Ecobank Name, Logos, Trademarks, Brand Names, etc. ETI permits EBG to use all these rights for the furtherance of its business. All Ecobank units enjoy the goodwill, network and image of the Ecobank Group, which are constantly nurtured and sustained by ETI;
- (ii) Provision of operational manuals on all aspects of the group's business including Processing, Credit and Foreign Exchange. ETI also provides policy documents for the guidance of all subsidiaries. Such manuals and policies are reviewed regularly by ETI to reflect changing trends in international business as well as experiences of other units within the Group;
- (iii) Regular audits and reviews of the operations of all units. The audits and reviews normally cover operations, business risk, technology, human resources and compliance. Such audits are not only aimed at compliance with Group policies and objectives but also assist the units to improve upon their operational efficiency. They are also aimed at ensuring compliance with national laws and regulations;
- (iv) Recruitment of senior level executives in consultations with employment agencies;
- (v) Ensuring uniformity, minimization of cost and maintaining high group standard in advertising and marketing. ETI arranges, designs, and implements uniform advertisements (both electronic and print) of Ecobank products throughout all countries in which Ecobank operates. ETI prints group brochures and handbills for distribution to all subsidiaries;
- (vi) For general services that are consumed across the Group, ETI signs a preferred service agreement on behalf of the Ecobank Group to ensure that such services are provided to all units at uniform costs and to common standards; and
- (vii) ETI develops strategic plans, products and services and generally provides strategic direction for the Ecobank Group including the establishment of new subsidiaries. ETI ensures that all units within Ecobank operate to a high and common standard.

5. Prospects of Ecobank Ghana Ltd

EBG's objective is to continue to be a strategic contributor to a world-class African banking group. This will be achieved by transforming EBG from a wholesale bank into a retail bank over a period of three years. EBG believes that there is a strong unmet demand for retail banking products, in particular credit cards, consumer credit and home loans. The large unmet market for microfinance and SME financing provides strong justification for a retail banking strategy. The bank will achieve it by aggressively growing its network, customer base and business volumes. A critical aspect of this drive will be the delivery of basic banking products and services that are convenient, well recognised and branded, and accessible through multiple channels. EBG will leverage on its rapidly growing electronic card products in addition to introducing new products geared at creating value for the customers. The bank's retail banking drive will be premised on a passion to offer its customer convenience, reliability and accessibility.

The bank recognises the need to address the banking requirements of the growing numbers of High Net Worth Clients in the industry. The bank plans to tap into this niche market by offering clients the professional guidance to grow and protect their wealth through a comprehensive range of financial services including financial planning, funds management, mortgage financing, retirement planning and debt management.

EBG will continue to grow its business in the wholesale sector, selectively and in a manner that leverages the "one bank" concept. The global and regional reach of businesses in this sector provides EBG the opportunity to offer seamless banking services across the region to the multinationals and regional corporates. Significant opportunities also exist to provide one stop services to companies in areas such as payments, transfers, foreign exchange and trade.

Leveraging on the regional Ecobank Development Corporation (EDC), the investment banking arm of the Ecobank Group, EBG will be in a better position to provide greater support for its wholesale banking corporates.

The board and management of EBG are confident that the bank will continue to deliver excellent quality services to individuals, corporate customers, government and non-governmental organisations. EBG's goal in the coming years will be to grow its top-line in both business volumes and revenue lines, simplify operational procedures to enhance service delivery and also ensure it remains resilient by being flexible and adaptable in order to increase its position on the market.

6. Working Capital

The directors herein confirm, in respect of the working capital of the Bank and having made all reasonable enquiries, that EBG has sufficient working capital to support the bank's operations in the foreseeable future.

E. Organisational Structure

1. Subsidiaries and Investments

EBG consists of a bank and three wholly-owned subsidiary companies: Ecobank Stockbrokers Ltd, Ecobank Investment Managers Ltd and Ecobank Leasing Company Ltd.

Ecobank Stockbrokers Ltd (ESL) was incorporated as a private limited liability company under the Companies Code on March 23, 1990 and received a certificate to commence business on May 18, 1990. At incorporation the name of the company was EBG Stockbrokers Limited but was changed to Ecobank Stockbrokers Limited on November 13, 1999. By its regulations ESL is licensed to subscribe for, underwrite, and deal in securities of all kinds as principal or agents, among others. ESL is licensed as a dealer by the Securities and Exchange Commission and is a dealer member of the Ghana Stock Exchange.

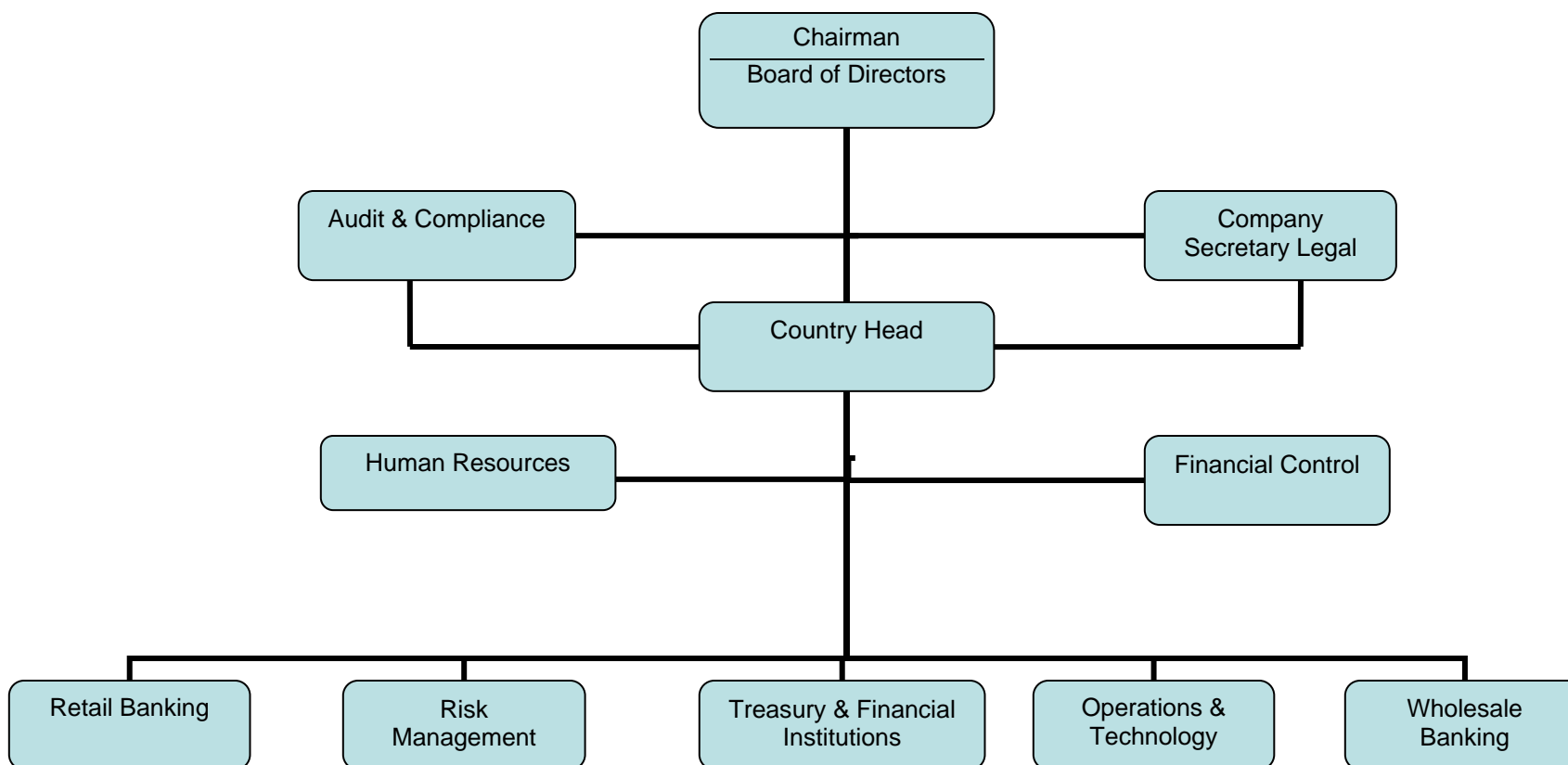
Ecobank Investment Managers Ltd (EIML) was incorporated as a private limited liability company under the Companies Code on March 23, 1990 and received a certificate to commence business on May 18, 1990. At incorporation the name of the company was EBG Investment Managers Limited but was changed to Ecobank Investment Managers Limited on March 2001. By its regulations, EIML is authorised to among others, carry on the business of an investment company and undertake or transact all kinds of trust and agency business, both local and foreign. EIML is licensed by the Securities and Exchange Commission as an investment advisor.

Ecobank Leasing Company Ltd (ELC) was incorporated as a private limited liability company under the Companies Code on May 18, 1993 and was issued with a certificate to commence business on May 20, 1993. By its regulations, ELC is authorized to among others, carry on the business of leasing and also promote or facilitate the growth of business and industrial concerns in Ghana. ELC is licensed to operate by the Bank of Ghana.

In addition, EBG held the following investments as at December 31, 2005:

Company	Holdings (%)
African Export Import Bank	0.02
Aluminium Enterprises Limited	5.0
Ghana Community Network Services Limited	5.0
Leaseafric Limited	23.0
Securities Discount House	2.2

2. Organisational Chart of Ecobank Ghana Ltd



F. Directors and Senior Management

1. The Board of Directors

At the apex of EBG's management is a seven-member Board of Directors. The Board formulates policies and strategies and sets targets for the company's performance. A brief profile of members of the board as at March 23, 2006 follows:

Tei Mensa Mante, [56 years, Ghanaian], Chairman (appointed Chairman on March 23, 2006): is an Investment Banker who during a 25 year career at the World Bank Group covered a variety of assignments including heading International Finance Corporation operations in Africa and its worldwide agribusiness investments. He served on the Boards of financial institutions and the Caribbean Financial Service Corporation. Over the past five years, he has worked as a financial consultant on assignments for the African Development Bank, United Nations Economic Commission for Africa, Government of Ghana and the European Commission, among others. He currently serves as an independent member of the Investment Committee of the Pan-African Investment Partners/Pan-Commonwealth African Partners. He holds a BSc Admin from the University of Ghana and an MBA from Columbia University, US.

Edward Patrick Larbi Gyampoh, [72 years, Ghanaian] (retired as Chairman and board member on March 23, 2006): He holds a Bachelor of Arts (Law) from the University of Southampton, UK and is a member of the Ghana Bar Association. A distinguished Legal Consultant and a fellow of the International Banker Association, Washington DC, Mr Gyampoh has consulted for many institutions and bodies private and public, local and international. He has also served as Chairman of the Board of Directors of various banks including National Investment Bank (where he was also the Managing Director), Merchant Bank and Continental Acceptances Limited (now Cal bank limited), Women's World Banking (Ghana) Limited and Consolidated Discount House Limited. He is currently a director of Mobil Oil Ghana Limited, Maersk Ghana Ltd, Enterprise Fund, Ecobank Inv. Managers Ltd and Ecobank Leasing Co Ltd. He is also a fellow of the Economic Development Institute of the World Bank.

Samuel Ashitey Adjei, [46 years, Ghanaian] Managing Director: Sam is the Managing Director of Ecobank Ghana Limited. Prior to his current appointment he was the Deputy Managing Director (DMD) of the bank. Before his role as the DMD he was the Executive Director with oversight responsibility for the Corporate and Treasury Group of the bank. He is a seasoned banker with over 17 years experience in the industry. Sam served as Ecobank's Country Treasurer for several years, building the bank's Treasury portfolio and gaining a wealth of knowledge in the operations of financial markets in Ghana and the sub-region. He currently serves on the boards of all subsidiaries of Ecobank Ghana, Leaseafric Ghana, Transaction Management Services Ltd and African Concrete Products (ACP). He holds a BSC in Statistics and an MBA (Finance) from the University of Ghana, Legon

Albert Kobina Essien, [50 years, Ghanaian] Executive Director: He is currently the Regional Head of the West African Monetary Zone (WAMZ) of Ecobank and a director of ETI. He started work in EBG in 1990 as a Senior Relationship Officer and rose to become Managing Director in 2002. Albert holds a BA (Hons) in Economics from the University of Ghana. He is currently a member of Ghana Educational Trust Fund, National Partnership for Children's Trust, The Chartered Institute of Banking, Students in Free Enterprise and the Governing Councils of the Ghana Stock Exchange, Private Enterprises Foundation, Kwame Nkrumah University of Science & Technology and the National Banking College. He currently serves on the boards of all subsidiaries of Ecobank Ghana, Transactions Management Services Ltd, Gold Coast Collections Ltd, Ghana Community Network Services Ltd and Ghana Libya Trade Development Board.

Frances Adu-Mante, [51 years, Ghanaian], Director Retail Banking: She is in charge of developing the retail banking portfolio which includes developing and marketing of both consumer and SME products and services, Western Union money transfer services and branch expansion. Frances joined EBG in December 1989. Prior to joining EBG, she worked as a private legal practitioner with Bankole Chambers, Sekondi and Fugar & Company, Accra and as a Senior Legal Officer at the Bank for Housing and Construction. Frances is a lawyer and holds an Executive MBA Degree from the University of Ghana. She currently serves on the boards of all subsidiaries of Ecobank Ghana, Ghana International Airlines and Transaction Management Services Ltd.

Kofi Ansah, [61 years, Ghanaian], Non-Executive Director: An engineer by profession, Kofi currently works as a mining and energy Consultant. He holds a BSc Mechanical Engineering from the Kwame Nkrumah University of Science and Technology, Ghana and MSc Metallurgy from Georgia Institute of Technology, USA. He is currently a member of the boards of Gold Fields International (South Africa), Gold Fields Ghana Ltd, Abosso Gold Fields Ltd, Aluworks Ltd and Metropolitan Insurance.

Mariam Gabala Dao, [46, Ivorian] Non-Executive Director: Mariam has over fifteen years of professional experience in finance within both the private and public sectors in Cote D'Ivoire. She is currently the Regional Representative for the Francophone Africa of the Ecumenical Development Co-operative Society (SCOD). She holds a Diploma (finance/accounting option) from the Higher Commercial School, Abidjan.

Ignacio Prosper Kokou Seddoh, [68 years, Togolese] Non-Executive Director: He holds a Diploma of Academic Business of Paris and a Diploma of Business High School of Paris. A former employee of Banque Nationale de Paris, Ignacio who is a Chartered Accountant, also worked with an accounting firm in Togo and has extensive experience as an auditor having risen to become the Managing Director of the firm. He is also a former Managing Director, Societe Togolaise d'Export-Import, former Executive Secretary, Chamber of Commerce, Agriculture and Industry, Togo, and former Deputy Chairman, Compagnie Togolaise des Mines du Benin. He is currently the Honorary Consular Grande Duché de Luxembourg. He currently serves on the board of SCIA NG in Togo.

2. Senior Management

EBG's senior management team also includes the following:

Emelia Desiree Atta-Fynn [37 years, Ghanaian], Head of Treasury: Emelia is the Country Treasurer responsible for managing the bank's liquid assets and liability, co-ordinating all departments responsible for foreign exchange transaction and managing the bank's interest rate and exchange rate exposure. She has fifteen (15) years of banking experience, having moved from treasury officer to country treasurer. She was recently appointed Treasurer for Ecobank's West African Monetary Zone, made up of Ghana, Liberia, Gambia and Sierra Leone. Emelia holds a BA (Hons) Economics and Sociology and an MBA (Finance) from the University of Ghana Business School.

Adom Adu-Amoah [46 years, Ghanaian] Head of Audit and Compliance: Adom heads Audit and Compliance at EBG. He is a seasoned banker and auditor and has led a number of audit teams in Ecobank and other financial institutions. Prior to joining EBG he worked as a Senior Consultant in Credit Management, Financial Accounting and Auditing at the National Banking College and prior to that with KPMG - Audit, Tax and Advisory Services as Assistant Audit Manager. He is a member of the Institute of Chartered Accountant (ICA) Ghana. He holds a Diploma in Education and Bachelor of Commerce degree from University of Cape Coast and an MBA in Finance from University of Manchester Business School, United Kingdom. In addition to his current responsibilities he has recently been

appointed Regional Head of Audit and Compliance for Ecobank's West African Monetary Zone.

Frank Kwame Darko [42 years, Ghanaian], Financial Controller: Frank is in charge of EBG's financial reporting. He has recently been appointed as the Financial Controller for Ecobank WAMZ region. He joined EBG in August 1995 as Assistant Manager, Financial Control. Prior to this, he worked for Ayew, Agyeman, Turkson and Co. and Agricultural Development Bank. He holds a BSc Administration (Accounting) and an MBA Finance from the University of Ghana Business School. He is also a member of the Association of Certified Chartered Accountants (ACCA) UK and Institute of Chartered Accountants (ICA) Ghana

Joana Adaku Mensah [40 years, Ghanaian], Country Risk Manager: Joana is responsible for managing both the credit risk and operational risk exposures of the bank. She has over 12 years experience in the banking industry with strengths in SME development and corporate banking. She has been appointed Risk Manager for Ecobank's West African Monetary Zone. She holds a BSc degree in Agricultural Economics and an MBA from the University of Ghana Business School.

Enoch Osei- Safo [37 years, Ghanaian], Head Wholesale Banking: Enoch has about 10 years banking experience including 8 years progressive experience in credit analysis and deal structuring and more recently, relationship marketing. He is responsible for the bank's regional and local corporates, multinationals as well as public sector clients. Prior to joining EBG, Enoch worked as a Junior Consultant with Ghanaxim Economic Consultants and as a Project Officer with the National Investment Bank. He holds a BA (Hons) degree in Economics & Statistics from the University of Ghana and obtained an MSc degree in Development Finance from University of Reading, UK, in 1998 as a British Chevening Scholar.

Rolland Djang Jnr [38 years, Ghanaian], Head Human Resources: Rolland has worked with the Human Resource Department since May 2002 and is currently the Acting Head of Department. Prior to his appointment with EBG he worked with Ernst &Young Ghana, PCL Consulting and with Price Waterhouse. Rolland holds a Master of Business Administration (MBA) Degree from the Middlesex University (2000), a Qualifying Certificate in Law from the Ghana School of Law, (1995) and an LLB from the University of London (1991). He has also passed the Solicitors Qualifying Examinations administered by the Law Society of Britain (1994).

Ernest Asare [52 years, Ghanaian], Head Operations and Information Technology: Ernest is in charge of the bank's Operations and Information Technology unit. He has been with the Company since its inception in 1990. He has been involved with Ecobank's expansion programme in Ghana, Mali and Guinea and other newly identified countries. Ernest also coordinates special projects of the Bank and remote operations. He led the GCNET-Customs collection project now in operation at Tema, Accra Airport, Takoradi, Elubo and Aflao.

Morgan Fianko Asiedu [44 years, Ghanaian], Company Secretary: Morgan is EBG's Company Secretary and Head of the Legal Department. Morgan also has oversight responsibility for the Corporate Affairs Department of the Bank. Prior to his appointment at Ecobank he was a Legal officer to the Legal Aid Board and also worked as a Legal Officer at Hencil Chambers. He holds an Executive MBA Degree from the University of Ghana (2004), a Professional Certificate of Law (BL - 1989) from the Ghana Law School and a Bachelor of Arts (Law and Sociology – 1987) from the University of Ghana.

G. Corporate Governance and Board Practices

1. Introduction

EBG, and its subsidiaries (the Group), are committed to the principles of good corporate governance and their implementation. The Group recognises the valuable contribution that this makes to long-term business prosperity and to ensuring accountability to its shareholders. The Group is managed in a way that maximizes long-term shareholder value and taking into account the interests of all of its stakeholders.

The Group believes that full disclosure and transparency in its operations are in the interest of good governance. It adopts standard accounting practices and implements sound internal controls to ensure the reliability of the consolidated financial statements.

2. The Board of Directors and Term of Office of a Director

The Board is responsible for setting the Group's strategic direction, for leading and controlling the Group and for monitoring activities of the executive management. The Board therefore strives for a balanced and objective assessment of the Group's progress and prospects.

The Board consists of one (1) Non-Executive Chairman, three (3) Non-Executive Directors and three (3) Executive Directors. The Non-Executive Directors are independent of management and free from any constraints, which could materially interfere with the exercise of their independent judgment. They have the requisite experience and knowledge to make valuable contributions to EBG's progress. The Managing Director is a separate person from the Chairman and he implements the management strategies and policies adopted by the Board. The Board meets at least four times a year.

The number of directors of EBG should not be less than two (2) or more than twelve (12) and shall be appointed by ordinary resolution of members in a general meeting. At the Annual General Meetings, one third of the directors or if their number is not in multiples of three (3), the nearest one third shall retire from office. Directors who retire every year shall be those who have served longest. A retiring director shall be eligible for re-election.

3. Board Committees

The EBG Board has five (5) committees, namely the Governance and Strategy Committee, Board Credit Committee, Audit and Risk Management Committee, Compensation Sub-Committee and the Building Sub-Committee. Below is a summary of the mandates of the committees:

Governance and Strategy Committee

Governance:

- Handle relationship with regulators and third parties
- Provide answers and solutions to various issues raised by shareholders
- Evaluate periodically the Board and its Committees
- Review all issues relating to good governance
- Follow up the modalities of implementation of major expenditures approved
- Approve major procurement beyond management discretionary powers
- Review and approve major contracts and capital expenditure
- Review actual spending against budget
- Review and approve proposals for extra-budgetary spending

Strategy:

- Review the Strategy of the bank and follow up its implementation
- Approve new business development initiatives

Human Resources:

- Follow the organizational structure of the bank
- Review criteria (in line with Group policies) for recruitment of staff of the bank.
- Review human resources management policy (in line with Group Human capital management policies).
- Review and recommend the employment of management staff (i.e. grade level Q to T) at the affiliates and evaluate their performance.
- Recommend disciplinary actions against erring management staff (i.e. grade level Q to T) at the affiliates.
- Review the succession plan for key positions.

Board Credit Committee

- Approve all credit within limits defined in Group Credit Policy, and within the statutory requirements set by the respective regulatory and supervisory authority.
- Review and endorse credits approved by the executive management.
- Review and recommend to the full Board credit policy changes initiated by executive management.
- Ensure compliance with the bank's credit policies and statutory requirements prescribed by the regulatory and supervisory authorities.
- Approve exceptions, write-offs discounts or non-performing credit facilities.
- Approve legal actions against defaulting customers.

Audit and Risk Management Committee

- Review internal audit function and mandate audit activities.
- Review internal and external audit reports, particularly reports of regulatory and monetary authorities and supervise the implementation of their recommendations.
- Facilitate dialogue between auditors and management regarding outcomes of audit activities.
- To review the scope and effectiveness of the internal audit procedures in consultation with the head of internal audit and compliance, the financial controller and the external auditors.
- Propose external auditors and their remuneration.
- Work with external auditor to finalize annual financial statements before full board approval.
- Review the Dividend Policy and issues relating to the constitution of reserves.
- Review the quarterly, half-yearly and annual financial results and ask for further information from the auditors or management before the full Board's review and approval.
- Set up procedures for selecting suppliers, consultants and other service providers and ensure their compliance by Management.
- Organize periodic discussions with the Departments of Internal Audit and Financial Control.
- Define appropriate measures to safeguard the assets of the Company.
- Ensure compliance with all applicable laws and regulations and operating standards.
- Review the risk asset portfolio of report to assess soundness.
- Review audit reports with respect to compliance with and implementation of Risk Management Policy.
- Review all other risks i.e. technology, market, insurance, reputation, regulations, etc.

- To consider and make recommendations on the conduct of any aspect of the business of the company which the committee of the Stock Exchange believes should be brought to the notice of the board of directors.

Compensation Sub-Committee

- Recommend appropriate levels of remuneration and structure of packages for the specified levels of staff at the affiliate
- Approve any cost of living adjustment necessary.
- Any other responsibilities as may be assigned by the Board.

Building Sub-Committee

- Review all proposals regarding the construction of buildings for the bank including drawings, cost, permits etc.
- Review the tender process for the award of contracts.
- Make recommendations to full board with regard to the award of building contracts.
- Any incidental functions as may be assigned by the Board.

4. The Executive Committee (EXCOM)

The Executive Committee is made up of the Managing Director (Chairman), Director- Retail Banking , Group Executive in charge of Operations/IT and the Head, Legal as Secretary. The Executive Committee is responsible for initiating and driving the strategic direction of the Bank, including:

- managing the strategic objectives of the Bank's operations in line with Group strategy
- defining overall business goals and objectives for the Bank's operations
- making decisions on operating plans and budgets
- reviewing financial reporting and control framework
- monitoring and controlling the performance of the Company

5. The Management Committee (MANCOM)

The Management Committee is made up of the Executive Committee and the Managers of the various Departments and Units. The Committee is responsible for the day-to-day operations of the Bank and meets monthly to review performance of the Bank. The Committee is also the main channel for communicating the Bank's performance and principles in the Code of Conduct to staff members.

6. Systems of Internal Control

The Group has a well-established internal control system for identifying, managing and monitoring risks. These are designed to ensure that the risks facing the Group are being controlled.

The corporate internal audit function of the Group plays a key role in providing an objective view and continuing assessment of the effectiveness of the internal control systems in the business. The systems of internal controls are implemented and monitored by appropriately trained personnel and their duties and reporting lines are clearly defined.

7. Code of Business Ethics

Management has communicated the principles in the Group's Code of Conduct to its employees in the discharge of their duties. This code sets the professionalism and integrity required for the Group's operations which covers compliance with applicable laws, conflicts of interest, environmental issues, reliability of financial reporting, bribery and strict adherence to laid down principles so as to eliminate the potential for illegal practices.

H. Employees

1. Staff Strength

The table below is a breakdown of EBG's staff strength over the past three (3) years:

Category	2005	2004	2003
Executive	3	2	2
Management	28	19	21
Officers	183	170	147
Non-officers	104	93	74
Total Permanent Staff	318	284	244
Contract Staff	63	113	116
Total for the period	381	397	360

The Bank has over the years taken on National Service personnel into its main workforce as a way of giving employment to the youth and attracting talent. Women averaged 45% of the total workforce during the period.

The table below shows the breakdown of EBG's staff by geographic location:

	2005	2004	2003
<u>Accra</u>			
Executive	3	2	2
Management	27	18	20
Officers	146	128	109
Non Officers	88	78	59
Total (A)	264	226	190
<u>Kumasi</u>			
Executive	-	-	-
Management	1	1	1
Officers	18	23	18
Non Officers	8	7	7
Total (B)	27	31	26
<u>Tarkwa</u>			
Executive	-	-	-
Management	-	-	-
Officers	8	8	8
Non Officers	4	4	4
Total (C)	12	12	12
<u>Takoradi</u>			
Executive	-	-	-
Management	-	-	-
Officers	11	11	12
Non Officers	4	4	4
Total (D)	15	15	16
Total (A+B+C+D)	318	284	244

2. Relationship between Management and the Bank's Workforce

EBG has no Collective Bargaining Agreement with its employees. The bank's staff does not belong to any trade union. As at January 27 2006, the National Labour Commission and the Trade Union Congress have indicated that they are not aware of any labour dispute involving EBG or its subsidiaries and any member of their staff.

I. Remuneration and Compensation

Remuneration depends on the job level of each employee. Each job level carries a minimum and maximum salary between which the bank is prepared to pay based on performance, qualifications and experience. The Company has guidelines for the payment of bonuses to its employees, the main criteria being performance and duration of employment.

Benefits for staff include subsidised loans for the acquisition of cars, payment of rent for accommodation and mortgage loans. For management staff, EBG has an additional incentive package which includes the provision of official car. EBG established a Staff Savings Plan in 1991. Contribution to the Plan is open to all permanent employees until they leave the employment of the bank. EBG makes regular monthly contributions of 12.5% of an employee's gross remuneration to the Plan, whilst employees contribute 5%. As at March 31, 2006, the Plan held 840,401 shares in EBG, representing 0.55% of the bank's issued shares. EBG does not operate any employee share option plan or schemes. Employees, including executive directors, of EBG do not receive any pension package from the Bank besides what is due them under the Social Security and National Insurance Trust Scheme (SSNIT) and the Staff Savings Plan.

1. Directors' Remuneration

The remuneration paid to directors is determined by management and approved by shareholders. EBG paid its directors ₵833 million for the 2004 financial year and ₵677 million during the 2005 financial year.

2. Managing Director's Remuneration

Mr Samuel Ashitey Adjei was appointed as Managing Director of EBG on January 1, 2006. He receives a net salary of CFA 42,170,000 per annum (equivalent to ₵695.45 million using the average interbank mid-rate of CFA 16.47 to ₵1 as at January 1, 2006). Mr Adjei is entitled to an official car, furnished accommodation, life insurance, health cover and reimbursement of 60% of his monthly domestic water and electricity bills. The Company also pays 60% of his telephone bills so far as the 60% does not exceed the cedi equivalent of \$500 per month. Mr Adjei is paid a bonus based on a formula determined by the board. The Company also pays for registration and subscription fees of any business related or social clubs that adds value to his professional competency. Mr Adjei is not serving a fixed tenure, the duration of his appointment as managing director would be determined by the Board of directors of EBG in accordance with the company's regulations.

3. Other Executive Directors Remunerations

Albert Kobina Essien: As an executive director of EBG, Mr Essien receives a net salary of CFA 54,450,000 per annum (equivalent to ₵896.80 million using the average interbank mid-rate of CFA 16.47 to ₵1 as at January 1, 2006). He is entitled to the same benefits as the Managing Director of EBG.

Frances Adu-Mante: Mrs Adu- Mante receives a basic salary of ¢611.97 million. In addition, the Company provides the following facilities: car maintenance, a driver, entertainment allowance, utility allowance, and fuel and travel allowance.

J. Share Ownership of Directors and Employees

1. Current Shareholdings by Directors and Employees

The table below lists the share ownership of EBG's directors and employees in the Company as at March 31, 2006:

Name/Position	Shares Held	% Holding
Samuel Ashitey Adjei- <i>Managing Director</i>	25,212	0.02
Albert Kobina Essien- <i>Non Executive Director</i>	25,212	0.02
Mariam Gabala Dao- <i>Non Executive Director</i>	25,212	0.02
Ignacio Prosper Kokou Seddoh- <i>Non Executive Director</i>	0	0.00
Frances Adu-Mante- <i>Executive Director</i>	42,019	0.03
Kofi Ansah- <i>Non Executive Director</i>	0	0.00
Tei Mensa Mante- <i>Non Executive Director</i>	0	0.00
Ecobank Ghana Staff Savings Plan	840,401	0.55
Total	117,655	0.64
Total Issued Shares	152,950,000	100.00

2. Share Ownership Scheme For Employees

EBG currently does not operate an employee share ownership scheme. However as at March 31, 2006, the EBG Staff Savings Plan held 840,401 shares in the Company, which shares it acquired from shareholders who sold their stakes in the Company and through bonus issues.

K. Property & Equipment

1. Major Tangible Assets

The bank's major tangible asset is its head office building situated at 19, Seventh Avenue, Ridge West, Accra. This building and all other places of business have been acquired on lease. The table below shows the breakdown of the book value of the fixed assets of the company as at December 31, 2005:

Fixed Asset	Net Book Value (¢'m)
Leasehold Buildings	36,154
Furniture & Equipment	25,696
Computers	12,429
Motor Vehicles	5,487
Capital Work in Progress	7,149
Total	86,915

Messrs Valuation and Investment Associates conducted a fixed asset valuation of the bank's landed properties in January 2006. The fixed asset valuer places a current open market value of US\$8,309,692 (equivalent to ¢74,787 million) on EBG's landed properties as at January 19, 2006. The net book value of landed properties as at December 31, 2005

was ¢36,154 million. The table below provides a breakdown of EBG's landed properties and the current open market value placed by the valuer:

Property	Nature of Title	Term/Unexpired Portion as at 19/01/06	Open Market Value (US\$m)
Accra Head Office Branch House No. 15A House No. 20	Leasehold Leasehold Leasehold	50 years/ 39 years 50 years/ 45 years 50 years/ 45 years	3,636,570 617,791 595,891
Tema Undeveloped Land	Leasehold	Details being finalised	160,000
Kumasi Branch	Leasehold	50 years/ 46 years	2,327,574
Takoradi Branch Takoradi Guest House	Leasehold Leasehold	50 years/ 14 years 75 years/ 19 years	611,914 359,952
TOTAL			8,309,692

2. Planned Acquisitions

As part of its expansion program, EBG plans to acquire/lease suitable properties to be used for its banking operations in Accra, Kenyasi, Kumasi, Techiman and Tema. No director has any interest in the properties identified for this purpose.

L. The Parent Company, Ecobank Transnational Incorporated (ETI)

ETI is the parent company of EBG and as at December 31, 2005 held 92.21% of the issued shares of the Company. ETI is a public limited liability company incorporated in the Republic of Togo. It was established as a bank holding company in 1985 under a private sector initiative with the support of the Federation of West African Chambers of Commerce and Industry and the Economic Community of West African States (ECOWAS).

ETI's initial paid up capital of US\$32 million was raised from over 1,200 individuals and institutions from 14 West African countries. The largest shareholder was the ECOWAS Fund, the development finance arm of the ECOWAS. ETI executed a Headquarters Agreement with the Government of Togo in 1985, which grants ETI the status of an international organization with the rights and privileges necessary for it to operate as a regional institution, including the status of a non-resident financial institution.

ETI commenced operations with its first subsidiary in Togo in March 1988. Today, the ETI Group is a full-service regional commercial banking institution with over 110 branches and offices in 13 West and Central African countries namely Benin, Burkina Faso, Cape Verde, Cameroon, Côte d'Ivoire, Ghana, Guinea, Liberia, Mali, Niger, Nigeria, Senegal and Togo. The Group's strategic plan envisages the opening of new subsidiaries and branches in other countries in West and Central Africa as well as other African countries to meet the growing and changing needs of its customers and the marketplace.

ETI also has two specialized subsidiaries:

1. Ecobank Development Corporation (EDC), incorporated to develop ETI's capital markets, investment banking and advisory businesses in various countries; and
2. eProcess International (eProcess) was established to harmonize the Group's information technology systems and processes and to centralize the Group's back office operations to improve efficiency and minimize costs.

Ownership Profile

ETI has an authorized share capital of 800,000,000 ordinary shares, of which 454,920,279 shares are outstanding as at December 31, 2005. Some of its key institutional shareholders are:

- a. *ECOWAS Bank for Investment and Development (EBID)* - EBID, previously known as the ECOWAS Fund, is the financing arm of ECOWAS. It is headquartered in Lome, Togo. EBID has always been a firm supporter of the Ecobank Group and its role in the process of regional private sector integration. The Bank is a founding shareholder of ETI.
- b. *Social Security and National Insurance Trust (SSNIT)* - SSNIT is the state pension fund of Ghana. It has been a shareholder of ETI since 1992 and further increased its holding in 2001.
- c. *Kingdom 5 – KR – 67Ltd (Kingdom)* – a financial holding company owned by Prince Alwaleed Bin Talal Bin Abdulaziz Al Saud, a major international investor. Kingdom has been a shareholder of ETI since 1998.
- d. *West Africa Growth Fund (WAGF)* - A private equity fund listed on the Luxembourg Stock Exchange and headquartered in Abidjan. Its shareholders include: the International Finance Corporation (IFC) and PROPARCO. It has been a shareholder since 1999.
- e. *Caisse National de Prévoyance Sociale (CNPS)* - Caisse National de Prévoyance Sociale is the national pension fund of Cote d'Ivoire. CNPS became a shareholder in 2004.

ETI's Board of Directors

ETI has a thirteen member Board of Directors, comprising distinguished West African businessmen and professionals, which oversees and directs the senior team that manages the Group. The current directors are:

Philip C. Asiodu [72 years, Nigerian] Chairman: is an industrialist, businessman and former senior civil servant. He is a former chairman of the Nigerian National Oil Corporation, the National Electric Power Authority and other public sector companies. He served the Nigerian government as minister of petroleum and mineral resources, chief executive officer and Vice Chairman of the National Planning Commission of Nigeria, and as chief economic advisor to the President of Nigeria. He served on the boards of several private sector companies as chairman, including Bendel Feeds and Flour Mills, Summit Furniture Company, Krupp Steel and Engineering. He is a Director of Metal Box ToyoGlass, Smith-Kline-Beecham, Dumez Nigeria, GTE and the West African Milk Company. He was also the first Chairman of the board of directors of Ecobank Nigeria from 1989 to 1992.

Mandé Sidibe [66 years, Malian] Vice Chairman: is a former Prime Minister of the Republic of Mali. Before that, he was special advisor to the President of the Republic of Mali. He is a former Director of Société Malienne de Financement (SOMAFI). He served with the Central Bank of West African States (BCEAO) in various capacities including Director of BCEAO-Mali and special advisor to the governor of BCEAO. He also worked for the International Monetary Fund (IMF) in many capacities including divisional head, Africa Department -IMF and as principal economist, Africa department.

Arnold Ekpe, [53 years, Nigerian] Chief Executive Officer: was appointed the ETI Group Chief Executive Officer in 2005. He was the Group Chief Executive Officer from 1996 to 2001 when he left to join United Bank for Africa, one of the top three banks in Nigeria as Chief Executive Officer from 2002 until 2004. Mr. Ekpe has over 25 years of African and international banking experience having also worked in Europe, South Africa

and West Africa for Citibank and First Chicago. Mr. Ekpe was Vice President and Head of Africa Trade and Corporate Finance for Sub-Sahara Africa for Citibank. He executed landmark trade and corporate finance deals in west and southern Africa. He holds degrees in Mechanical Engineering (1st class honors) and Business Administration from Manchester University and Manchester Business School respectively.

Kolapo A. Lawson [56 years, Nigerian] Non-executive Director: is the chief executive officer of a diversified industrial and trading Group with operations in the United Kingdom and across West Africa. He is the chairman of Polfa Nigeria and Director of two publicly quoted companies: Beta Glass Plc. and Pharma-Deko Plc. He was a Director of Ecobank Nigeria from 1989 to 1997 and of Ecobank Togo from 1990 to 1993. He has a degree in Economics and is a fellow of the Institute of Chartered Accountants in England and Wales and of the Institute of Chartered Accountants of Nigeria.

Ayoola Oba Otudeko [63 years, Nigerian] Non-executive Director: is the Chairman of several companies in Nigeria and abroad including the Honeywell Group Limited, Pivot Engineering Company Limited, Honeywell Flour Mills Limited, Broadview Engineering Company Limited, Fan Milk Plc and Pavillon Technologies Limited. He is also a Director of the First Bank of Nigeria Plc, Guinness Nigeria Plc, British American Tobacco (Nigeria) Plc and several Chambers of Commerce. He is Chairman of the Nigerian-South African Chamber of Commerce. He is a Director of several overseas companies including Delmar Overseas Limited. He is a member, Regional Advisory Board of the London Business School and Chancellor of the Olabisi Onabanjo University, the state university of Ogun State, Nigeria. He is a former board member, Central Bank of Nigeria (1990 to 1997), a former Vice Chairman of Universal Trust Bank Nigeria, a former Chairman of the National Maritime Authority Nigeria, a former member of the Constituent Assembly, Nigeria 1988 to 1989 and member of the National Economic Summit Group. He holds the national merit award of Member Officer of the Federal Republic of Nigeria (Ofr). He is a Chartered Accountant and a Chartered Banker.

Christian C. Adovelande [56 years, Beninois] Non-executive Director: is President of the ECOWAS Bank for Investment and Development (EBID) Group. He was Chairman/Managing Director of Cauris Management SA and Managing Director of Cauris Investissement SA, a regional venture capital company based in Lome, Togo. He was Company Secretary and Acting General Manager for the Africa Private Investment Guarantee Fund (Fonds GARI S.A.) and also held a number of key positions at the West African Development Bank (BOAD). He represents EBID on the Board.

J. Kofi Bucknor [51 years, Ghanaian] Non-executive Director: is a principal of Kingdom Zephyr Africa Management Company and the Chief Executive Officer of JKB & Associates in Ghana. He is the Chairman of the Ghana Stock Exchange and an advisor to the Prince Alwaleed Bin Talal Bin Abdulaziz Al Saud of Saudi Arabia. He served as Managing Director of CAL Bank in Ghana, Executive Director, Corporate Finance, at Lehman Brothers in London, Treasurer of the African Development Bank in Abidjan, Côte d'Ivoire and Vice President of Chemical Bank in New York. He represents Kingdom Holdings on ETI's Board.

Patrick Akinwuntan, [44 years, Nigerian] Head Technology & Operations: Patrick has been with Ecobank since 1996 when he joined Ecobank Nigeria as Head Commercial Banking and Western Zone II. He then held the following positions in the Group: Group Financial Controller, Executive Director (Consumer and Commercial Banking) at Ecobank Nigeria, Managing Director, eProcess. Before Ecobank, Patrick worked for Ernst and Young, Manufacturers Merchant Bank, and Springfountain Management Consultants in Lagos. Patrick holds a Master's Degree in Business Administration (Finance) and is a Fellow of the Institute of Chartered Accountants of Nigeria (FCA) and an associate of the Institute of Taxation (ACTI).

Albert Kobina Essien, [51 years, Ghanaian] Regional Head, WAMZ: Albert started his banking career in 1986 with the National Investment Bank in Accra, Ghana. He joined the Corporate Banking Department of Ecobank Ghana in 1990. In 1997, he became Country Risk Manager. He was appointed Deputy Managing Director in 2001 and became Managing Director in December 2002.

Christophe Jocktane-Lawson, [49 years, Gabonese] Head, Corporate Development: Christophe started his banking career in 1985 with Citibank in Libreville, Gabon; he worked in various capacities as a Management Associate, Relationship Manager, Private Sector Head, Public Sector Head, Branch Manager, Corporate Banking Group Head, Risk Manager, and finally Deputy General Manager. He left Citibank and joined Ecobank Benin as General Manager in 2000. He later became the Deputy Managing Director and then was promoted to the position of Managing Director 2002.

Offong Ambah, [46 years, Nigerian] Regional Head: Offong has over 21years experience in banking at senior management level. Prior to joining Ecobank in 1991, he worked for International Merchant Bank in Nigeria for 4 years and later with City Trust Merchant Bank also in Nigeria for 2 years. His banking career has included key positions in Credit and Marketing, Trade Finance, Treasury and Corporate Finance. He was the Managing Director of Ecobank Liberia Ltd. between 1998 and 2002. He worked for United Bank for Africa in 2002 as Executive Director until 2005 and rejoined Ecobank in 2006 as Managing Director of Ecobank Nigeria Plc. from Allstates Bank Plc. in Nigeria where he was the Chairman of the Interim Board of Directors. Offong holds Masters Degree in Economics and is a Fellow of the Chartered Institute of Stockbrokers, Nigeria.

Evelyne Tall, [48 years, Senegalese] Regional Head UEMOA: Evelyne started her banking career in 1981 with Citibank in Dakar, Senegal where she worked in various areas, including in Credit, Financial Institutions, Liability Management and finally with the Regional Financial Institutions Unit. She left Citibank to join Ecobank Mali as Deputy Managing Director in 1998, and was promoted to the position of Managing Director in 2000. The same year, she was transferred to Ecobank Senegal as Managing Director.

ETI's Business Strategy and Subsidiaries

ETI, after seventeen years of existence and with operations in thirteen countries, believes it has attained the platform to pursue a dual strategy of organic growth and growth by acquisitions. This growth strategy will be supported by a brand-building programme that will seek to position ETI as the leading pan African bank.

ETI's strategy is to create a world-class African banking group providing a broad range of wholesale and retail banking products and services, focused on sub-Saharan Africa. By adapting successful business models of leading international banks, ETI seeks to operate as one banking group, rather than a federation of banks, with a common brand and common standards.

With its base in West Africa, ETI views its target regional market as primarily Sub-Saharan Africa in which it sees considerable growth potential. The list of its subsidiaries and ETI's percentage holding in various subsidiaries as at October 2005 is as follows:

Subsidiary	Begun Operations	% of Equity Held by ETI
Ecobank Benin	1990	78
Ecobank Burkina	1997	78
Ecobank Cameroon	2001	80
Ecobank Cote d'Ivoire	1989	94

Subsidiary	Begun Operations	% of Equity Held by ETI
Ecobank Ghana	1990	92
Ecobank Guinea	1999	83
Ecobank Liberia	1999	100
Ecobank Mali	1998	83
Ecobank Niger	1999	91
Ecobank Nigeria	1989	62
Ecobank Senegal	1999	75
Ecobank Togo	1988	81
Ecobank Dev Corporation	2000	100
eProcess	2002	100
ECV Services	2004	90

ETI Summary of Financial Results

In the last six years the operations of the Group has expanded considerably. Headcount grew from 1,004 in 1999 to 2,033 in 2004 and the number of branches and offices increased from 30 to 109. ETI's results are consolidated with those of its subsidiaries and reported to ETI's shareholders in US dollars. The company's auditors during the period have been PricewaterhouseCoopers Cote d'Ivoire and Nigeria. The auditors did not qualify any of the financial statements during the five-year period (2000-2005).

ETI's total income and profits have recorded consistent growth since 2001. Total income increased by 152% from US\$82 million in 1999 to US\$207 million in 2004, whilst profit after tax increased by 177% from US\$14.6 million to US\$40.4 million during the same period. ETI's Return of Assets has risen from 1.6% in 2000 to 2.4% in 2004 despite the impact of currency volatility in individual countries on the Group's earnings, cost pressures and the weak performance of certain subsidiaries.

ETI's balance sheet has grown significantly during the last six years. Total Assets grew from US\$819 million as at end 1999 to US\$1,910 million as at end 2004, representing a Cumulative Annual Growth Rate "CAGR" of 18.4%. Total Deposits grew from US\$590 million as at end 1999 to US\$1,465 million as at end 2004, representing a CAGR of 20.5% and Total Advances grew by 202% to US\$923.6 million during the same period. The summary below reflects the consolidated results of ETI and the subsidiaries, which were in operation during the period:

Consolidated Profit & Loss	2000	2001	2002	2003	2004
	US \$'000	US \$'000	US \$'000	US \$'000	US \$'000
Interest and Discount Income	81,971	95,983	92,807	112,622	145,216
Interest and Discount Expense	(33,659)	(34,613)	(32,452)	(31,999)	(43,775)
Net Interest Income	48,312	61,370	60,355	80,623	101,441
Other Income	45,955	47,708	56,858	76,067	106,399
Operating Income	94,267	109,078	117,213	156,690	207,840
Operating Expense	65,480	83,720	86,938	108,228	147,525
Profit before Tax	28,787	25,358	30,275	48,462	60,315
Tax	(10,672)	(12,529)	(13,708)	(18,249)	(19,888)
Profit after Tax	18,115	12,829	16,567	30,214	40,427

Consolidated Balance Sheets as at 31 December	2000	2001	2002	2003	2004
	US \$'000	US \$'000	US \$'000	US \$'000	US \$'000
Fixed Assets	27,914	36,926	40,074	45,812	58,948
Currents Assets	867,910	890,255	1,102,837	1,477,279	1,851,485
Total Assets	895,824	927,181	1,142,911	1,523,091	1,910,433
Current Liabilities	815,420	839,678	1,042,606	1,387,238	1,743,847
Total Liabilities	815,420	839,678	1,042,606	1,387,238	1,743,847
Minority Interest	18,283	20,012	23,314	30,351	38,039
Shareholders' Equity					
Share Capital	53,781	55,890	55,920	66,511	70,759
Reserves	8,340	11,601	21,071	38,991	57,788
Shareholders' Equity	62,121	67,491	76,991	105,502	128,847
Liabilities & Owners' Equity	895,824	927,181	1,142,911	121,516	150,117
Accept. and Guarantees	143,813	168,350	312,383	275,558	493,508

Against the background of developments in the economies of the sub-region over the past five years, ETI's balance sheet has grown significantly. In an environment characterised by currency volatility and at times political instability, ETI's balance sheet has remained sound and liquid. Having now established its presence and stature in the sub-region, ETI is set to attain the stability and growth that would allow it to produce consistently attractive returns for its shareholders.

M. Related Party Transactions

As indicated, EBG is controlled by ETI, which holds 92.21% of the issued shares of the Company. A number of banking transactions are entered into with related parties in the normal course of business. These include loans, deposits and foreign currency transactions. ETI also provides consultancy services under a Group Services Agreement. All transactions are carried out on commercial terms and at market rates. The table below shows related party transactions for the past three years:

	2005	2004	2003
	¢ million	¢ million	¢ million
Type of Related Party			
(i) Loan to Directors			
Loans Outstanding at January 1	1,790	1,262	265
Loans issued during the year	402	618	1,032
Loan repayments during the year	(1,027)	(90)	(35)
Loans Outstanding as at Dec 31	1,165	1,790	1,262
Interest income earned	61	46	23

	2005	2004	2003
	¢ million	¢ million	¢ million
(ii) Deposits from ETI Affiliates			
Deposit at January 1	16,521	236	165
Deposit received during the year	-	16,285	71
Deposit repaid during the year	(15,251)	-	-
Deposit as at Dec 31	1,270	16,521	236
(iii) Placement with ETI Affiliates			
Placement at January 1	(32,484)	(25,190)	(15,283)
Placement during the year	54,529	(7,294)	(10,007)
Maturities during the year	32,484	-	-
Placement as at Dec 31	54,529	(32,484)	(25,190)
(iv) Consultancy Services			
Management Fee	(4,561)	(3,139)	(1,045)

N. Other Disclosures

- I. Relationships Among Directors – There are no family relationships among the Directors.
- II. Bankruptcy Petitions – No petition under any bankruptcy law has been filed against any director, or persons nominated to become directors, or any partnerships of which such persons were partners, or of any company in which such persons were directors.
- III. Criminal Proceedings or Convictions for Fraud or Dishonesty – No person who is a director or has been nominated to become a director has been convicted in a criminal proceeding or is a named subject of any pending criminal proceeding relating to an offence involving fraud or dishonesty.
- IV. Prohibition against Financial Advisory or Capacity to Hold Office – No person who is a director or has been nominated to become a director has been subject of any judgement or ruling of any court of competent jurisdiction, tribunal or government body permanently or temporarily enjoining him from acting as an investment advisor, dealer in securities, director or employee of a corporate body or engaging in any type of business practice or activity or profession.
- V. Materiality of Directors' Interests in the Company's Business and Affairs – Mr. Kofi Ansah is a director and shareholder of Aluworks Ghana Limited whilst Mr. E.P.L. Gyampoh (who resigned as director and chairman of EBG on March 23, 2006) is a director and shareholder of Mobil Oil Ghana Limited. Aluworks Limited and Mobil Oil Ghana Limited are major customers of EBG. These facts have however been known to the directors and any approvals by the Board relating to lending to these companies have been without their participation.

- VI. Materiality of Management Interest in the Company's Business and Affairs – No member of management or any other persons related to them have any material interest in the company either directly or indirectly.
- VII. Directors Powers to Borrow and Charge the Company's Assets – The directors may exercise all the powers of the company to borrow money and to mortgage or charge its property and undertaking or on any part thereof, and to issue debentures. Such powers can be varied by amending the Company's Regulations.
- VIII. Affiliations and Affiliated Companies and Businesses – EBG has affiliations with ETI. ETI currently holds 92.21% of EBG's issued shares. It is the responsibility of ETI to recruit and appoint the senior level executives of the bank, among others.
- IX. Service Agreement with ETI - The Agreement is to provide specific services to EBG which will enhance and standardise the quality of products, services and processes across the Ecobank Group of companies. Under the agreement ETI will received 2% of EBG's net profit before tax as fees for various services provided, among them, the following: use of intellectual property rights of the Ecobank Group; provision of operational manuals on all aspects of the group's business; recruitment of senior level executives and development of strategic plans, products and services.

PART 3 – DESCRIPTION OF THE PUBLIC OFFER

A. Reasons for the Offer

EBG is undertaking this Offer and subsequent listing on the GSE to raise additional capital to support the bank's expansion plans and have the flexibility to finance future expansion and growth. EBG also wishes to open up participation in the company and share its success with the investing public.

1. Use of Funds

The Offer is expected to raise ₵91,025 million through the issue of 8,275,000 ordinary shares at a price of ₵11,000 per share. Proceeds from the offer will be used as follows:

Use	Amount, ₵'m
Branch Network Expansion (Branches, Agencies and ATMs)	45,500
Technology Upgrade & Business Automation	31,850
Other Infrastructure Investment	13,680
Total	91,030

Under the Branch Network Expansion programme, EBG plans to open at least five (5) new branches, ten (10) agencies and install fifteen (15) ATMs to serve its customers. The Bank will also upgrade its banking application, technology and communications systems by investing in the following: electronic payment systems for online banking, SMS and telephone banking; videoconferencing for group wide and client communication and upgrade data communication for off-site transaction initiation and processing.

2. Minimum Subscription

EBG has set a minimum subscription of ₵45,500 million, which should be realised from the company's Initial Public Offer. In the event that this is not achieved, all application monies will be returned without interest within eight (8) days after the Offer closes. If this condition is not complied with by the Company, then the unpaid amounts will attract interest at an annual interest rate of 5% from the date on which payment should have been made until the date on which payment is made in accordance with Sec 284 (4) of the Companies Code. Application monies shall be deemed to have been returned from the date of publication of notices to subscribers that their monies are available for collection. These monies will be paid out of the escrow account set up to receive the proceeds from this Offer. In the event that only the minimum subscription is achieved, applicants will receive full allotment of shares they applied for.

B. Details of the Securities on Offer

The Offer consists of 8,275,000 ordinary shares and is being made to individuals and institutions in Ghana and to residents, individuals and institutions in a limited number of foreign jurisdictions whose laws allow them to invest under the terms of the Offer.

1. Application

Each application must be for a minimum of 200 shares (that is ¢2,200,000 worth), and in multiples of 100 (¢1,100,000) thereafter. The latest time for receipt of application forms is 17:00 hrs GMT on June 2, 2006.

If your application is successful in whole or in part, a share certificate in respect of the shares for which your application has been accepted will be sent to you. If there is an excess demand under this Offer, you may receive fewer shares than you might have expected to receive on the basis of the maximum amount you had expressed a willingness to invest in the Share Offer.

2. Payment

Payment should be made in full on application.

Cheques, Postal and Money Orders, which will be presented for payment, should be paid at the offices of the receiving agents where the Application Form is to be lodged and should be crossed ECOBANK GHANA SHARE OFFER and endorsed COMMISSION TO DRAWERS ACCOUNT. This endorsement must be signed by the drawer. Bank commissions and transfer charges on application monies must be paid by the applicant. Applications, in respect of which cheques are returned unpaid, for any reason whatsoever, will be rejected.

The right is reserved to present for payment all cheques, banker's drafts and money/postal orders on receipt. It is a condition of the Offer that all cheques or other remittances must be honoured on first presentation. No interest will be paid to applicants on any monies held on behalf of applicants or on behalf of the Company.

3. Allotment and Dispatch of Certificates

The Directors of EBG reserve the right to accept or reject any Application in whole or in part for reasons given under Part 9. Applications which are received after the Offer has closed will not be considered.

In the event of an oversubscription, the Company will NOT issue additional shares to partly or fully meet investors' demand. Allotments will first be made to satisfy the minimum application amount to every qualified subscriber, provided however that under no circumstances shall the number of EBG shares allotted exceed the number of shares on offer. Beyond this, the basis of the allotment of shares will be determined by the directors of EBG in consultation with its advisors, with the aim of achieving a broad and equitable distribution of the shares.

Arrangements have been made for the registration by the Company of all the shares now being offered in the name of persons entitled thereto, as well as those of the same class already in issue in the names of persons entitled thereto. A share certificate in respect of the number of shares for which the Application is accepted will be sent by mail not later than one (1) month after Allocation is completed (excluding holidays).

4. Return of Excess Application Money

If any Application is not accepted or is accepted for a smaller number of shares than applied for, EBG will return the balance of the amount paid on Application to receiving agents not later than June 26, 2006 for onwards distribution to applicants. EBG will announce such refunds through a national daily newspaper with wide circulation within 72 hours of the making of such refunds.

If refunds of excess application monies are not returned to receiving agents by June 26, 2006, then EBG will pay to investors, interest on the unpaid amounts at the ruling Bank of Ghana prime rate from June 27, 2006 to the date on which the refund is made.

5. Terms of the Offer

The shares hereby offered are subject to the terms of this Share Offer, the Application Form and the Regulations of EBG. The said shares shall be ordinary shares and will rank equally in all respects with all other issued ordinary shares of the Company. Purchase of shares offered herein and subsequent transfers thereof shall only be made subject to applicable laws.

6. Rights and Obligations in Relation to the Securities on Offer

i. Voting Rights

Subject to any rights or restrictions for the time being attached to any class of preference shares on show of hands each member and each proxy lawfully presents at the Meeting shall have one vote, and on a poll each Member present or by proxy shall have one vote for each Share held.

ii. Right to Share in EBG's Profits

Other than the entitlement to dividends declared, there are no rights to share in the profits of EBG.

iii. Right to Share in any Surplus in the Event of Liquidation

If EBG is wound up, the liquidator may, with the approval of a special resolution and any other sanctions, required by the Code, divide amongst the members in specie or kind, the whole or part of the assets of the company and may determine how such divisions shall be carried out as between the members or different classes of members.

iv. Appointment of Directors

The holding of any number of shares does not automatically entitle a shareholder to appoint a director to the board of directors of EBG. All directors are, by the regulations of EBG, appointed by ordinary resolution of shareholders in general meeting.

7. Underwriting

None of the shares on offer will be underwritten.

8. Floatation Expenses

The total cost of expenses for the floatation of EBG is not anticipated to exceed 5.79% of the amount to be raised. Below are the summarised details of the floatation expenses:

Item	Amount c'm	% of Amt to be Raised
Direct Advisory Cost (legal & financial due diligence, valuations, reviews, certifications, prospectus, media strategy, floatation management etc.)	3,175	3.49
Other Direct Cost (GSE, SEC & Registrar General Fees)	455	0.50
Indirect Cost (Media publicity, marketing, printing, logistics etc)	732	0.80

Item	Amount ¢'m	% of Amt to be Raised
Commission to brokers	911	1.00
Total Estimated Cost	5,273	5.79

9. Brokerage Fees

Brokerage fees will be paid by EBG. This is not expected to exceed 1.0% on all accepted applications.

C. Offer Statistics and Timetable

1. Details of the Offer

Key details of the Offer are:

Authorised Shares	200,000,000
Ordinary Shares on Offer	8,275,000
Price per Share (¢)	11,000
Expected Proceeds from the Offer (¢'m)	91,025
Outstanding Shares After Offer	161,225,000
Market Capitalisation after Offer (¢'m)	1,773,475

2. Offer Timetable

Activity	Date	Time
Commencement of Offer	May 15, 2006	09.00 hours
End of Offer	June 2, 2006	17.00 hours
Deadline for Acceptance of Application Forms	June 2, 2006	17.00 hours
Allotment Begins	June 8, 2006	09.00 hours
Allotment Ends, Issue of Share Certificates Commences	June 16, 2006	17.00 hours
Results of the Offer Submitted to SEC	June 16, 2006	17.00 hours
Final Dispatch of Share Certificates	June 30, 2006	17.00 hours
Commencement of Trading in the Shares by	July 7, 2006	10.00 hours

All dates provided are subject to change by the Lead Managers of the Offer in consultation with the directors of the Company (subject to obtaining the necessary regulatory approvals). Any amendment will be published in a national daily newspaper not later than 72 hours of receipt of regulatory approvals.

3. Where to Obtain Copies of Document

The application for the shares being offered will open at 09.00 hours GMT on May 15, 2006 and close at 17.00 hours GMT on June 2, 2006.

Copies of the Prospectus together with Application Forms may be obtained from the offices of the Lead Managers or any of the named receiving brokers and banks.

D. Plan of Distribution

- i. To the best knowledge of EBG, ETI, the majority shareholder of EBG will not buy shares under this offer. However, some employees and directors of EBG will partake in offer.
- ii. The Prospectus and Application Forms will be distributed by the named receiving agents.
- iii. No known person has declared his intention to subscribe for more than 5% of the offering.
- iv. EBG has not reserved any of the shares on offer for allocation to any targeted group of investors, employees, its subsidiaries or existing shareholders.
- v. This offer is not being made simultaneously in the Ghanaian market and any other market.

E. Pricing and Trading of the Securities on Offer

1. Valuation Analysis

In order to place a fair value on EBG, the financial advisors, J. Kofi Bucknor & Associates (JKBA), analysed the Company's financial statements and other relevant documentation. Of prime importance were all EBG's assets, tangible as well as intangible. JKBA's analysis also took into account the macroeconomic and investment environment, EBG's past operational performance, forecasts of EBG's operating performance and a review of the GSE and other comparable data. JKBA focused on two methodologies in valuing EBG, namely, the Discounted Cashflow and Public Multiples valuation methods.

Based on their valuation, JKBA arrived at a range of values of ¢1,403.9 billion to ¢1,763.2 billion for EBG. JKBA recommended a final valuation of ¢1,619.5 for the Bank, representing a post-IPO price/earnings multiple of 13.5 times based on EBG's 2005 net profit after tax.

The company adopted a final post-IPO valuation of ¢1,773.5 billion, which translates to a price/earnings multiple of 14.8 times based on EBG's 2005 net profit after tax.

2. Transferability of Shares

As a public company, EBG shares are fully transferable. No shares are agreed or proposed to be issued for any consideration other than cash under this offer.

F. Markets

1. Approval

a. Ghana Stock Exchange Approval

Application has been made to the GSE for all of the 152,950,000 ordinary shares currently outstanding and the 8,275,000 new shares being issued pursuant to the Offer to be admitted to the GSE's First Official List. The Offer and this document have been examined and approved by the GSE. The approval was obtained April 21, 2006. The GSE's approval further granted a request from EBG for a waiver for the minimum float of 25% for listed companies. Upon a successful offer, 161,225,000 shares of EBG will be listed on the GSE.

b. Securities and Exchange Commissions Approval

This document has been examined and approved by the Securities and Exchange Commission in accordance with section (9) of the PNDCL 333, as amended. The Securities and Exchange Commission's Approval was obtained on May 5 2006. In its review, the SEC examined the contents of this document to ensure that adequate disclosures have been made.

c. Bank of Ghana

Bank of Ghana Notice BG/EC/93/1 dated June 22, 1993 provides that total non-resident foreign holdings in any listed company cannot exceed 74% of the issued shares of that company. EBG sought derogation from this rule from Bank of Ghana and the Bank of Ghana's waiver was obtained on March 30, 2006.

2. Dealings

All the outstanding shares after the Offer will be listed on the Ghana Stock Exchange (GSE) therefore secondary trading in the shares will be undertaken on the GSE. It is expected that dealings in EBG shares will commence on an unconditional basis on the GSE (the Exchange) and can only take place through a Licensed Dealing Member of the Exchange. The shares will be traded on the GSE in cedis.

3. Commencement of Trading

Trading of the securities of Ecobank Ghana is expected to commence by July 7, 2006. The Company's ticker symbol will be EBG.

G. Selling Shareholders

To the best of the advisors' and the company's knowledge, no shareholder is selling part or all of their shares through this offer.

H. Dilution

Below is a summary of the effective cash cost to directors, senior management or affiliated persons of EBG for shares acquired by them within the past five years preceding this Offer:

Date Acquired	Name	No of Shares	Price per Share (¢)	Price Adjusted for Bonus (¢)
Feb 25,2002	Jean Nelson Aka	12,000	18,000	2,141.84

Date Acquired	Name	No of Shares	Price per Share (¢)	Price Adjusted for Bonus (¢)
Feb 25,2002	Mariam G. Dao	3,000	18,000	2,141.84
Feb 25,2002	Albert K. Essien	3,000	18,000	2,141.84
Feb 25,2002	Frances Adu-Mante	5,000	18,000	2,141.84
Feb 25,2002	Samuel A Adjei	3,000	18,000	2,141.84
Feb 25,2002	EBG Staff Savings Plan	24,276	18,000	2,141.84
Dec 8,2002	Jean Nelson Aka	5,000	20,375	2,424.44
Dec 8,2002	EBG Staff Savings Plan	75,762	20,375	2,424.44

An investor's holdings in EBG may be diluted if that investor does not participate fully in a rights issue or if the Company issues new shares that are not offered to that investor.

PART 4 – REVIEW OF GHANAIAN BANKING SECTOR

A. Introduction and History of Commercial Banking in Ghana

The banking sector is the largest contributor to Ghana's financial sector. Commercial banking in Ghana dates back to 1894 when Bank of British West Africa (now Standard Chartered Bank Ghana) was established. It was followed with Barclays Bank in 1917 and in 1952, the Bank of Gold Coast, now Ghana Commercial Bank. After independence in 1957, the government established various commercial and development banks to meet the country's financing needs.

Reflecting the general economic trends over several years, most Ghanaian banks had become weak, financially distressed and insolvent by the mid 1980's, with significant non-performing loan books. To address this problem and with the assistance of the World Bank, the Government in the late 1980's launched the Financial Sector Adjustment Program (FINSAP) to restructure distressed banks, clean up nonperforming assets, restore banks to profitability, reform legislation and the banking supervisory system, allow the entry of new banks and financial institutions and develop the money and capital markets. These efforts led to the establishment of new private banks such as EBG.

B. Market Participants

The Ghanaian banking sector comprises the Bank of Ghana (Central Bank), commercial banks, development banks, merchant banks, universal banks and rural/ community banks. Five of the banks namely: Ghana Commercial Bank, Standard Chartered Bank, SG-SSB Bank, HFC Bank and the Cal Bank are listed on the Ghana Stock Exchange.

C. Regulatory Environment

The banking industry is regulated by three key laws namely:

- The Companies Code 1963 (Act 179) as amended which governs the operations of all companies in Ghana.
- The Bank of Ghana Act 2002 (Act 612)
- The new Banking Act 2004 (Act 673)
- The Exchange Control Act, 1961 (Act 71)

D. Role of the Central Bank

The Bank of Ghana regulates and licenses institutions undertaking banking operations and as part of its regular activities, examines the operations of banks at least once a year, to ensure compliance with statutory requirements such as capital adequacy, solvency, asset quality and sound management practices. The Central Bank from time to time, issues directives to regulate the industry. These typically cover:

- Minimum capital requirements.
- Minimum capital adequacy ratios to ensure compliance with international best practices.
- Primary reserve ratios
- Secondary reserve ratios

The Bank of Ghana's additional roles include the following:

- Issuance of legal tender currency
- Management of the country's external reserves
- Monetary Policy
- Banker and Financial Adviser to the Government

E. Key Regulatory and Market Developments

The international banking community is expected to fully adopt the Basle II Accord in 2006. Although the new accord is expected to immediately cover only internationally active banks, convergence of global financial standards is forcing regulators to conform with Basle II which:

- Provides banks and supervisors multiple options to calculate minimum capital requirements.
- Systematically, accounts for credit risk for various assets, and
- Introduces a capital requirement for operational risks.

Consequently, the Bank of Ghana spearheaded the passing of the new Banking Act 2004, Act 673 to replace the Banking Law, 1989 (P.N.D.C.L. 225) in 2004 to strengthen the independence of the Bank of Ghana, introduce greater transparency in the regulatory framework and strengthen banking supervision. The Act therefore:

- Spells out the criteria for granting or withdrawing banking licenses;
- Empowers the Bank of Ghana to suspend the operations of a bank for persistent failure to comply with standards, subject to an appeal to the Minister of Finance;
- Increases the Capital Adequacy Requirement for banks from 6% to 10%;
- Empowers the Bank of Ghana to vary or review the Capital Adequacy Requirement for banks;
- Empowers the Bank of Ghana to facilitate mergers of distressed banks with healthy banks;
- Strengthens Bank of Ghana's power to enforce its decisions;
- Authorizes the Bank of Ghana to review or reject any proposals to transfer a significant ownership or controlling interest in existing banks to other parties; and
- Empowers the Bank of Ghana to intervene in the appointment of directors of banks to ensure that only persons of honesty, integrity and competence are appointed.

F. Performance of the Banking Sector (2000 – 2004)

1. Introduction

The Ghanaian banking sector has remained one of the best performing sectors in the economy. Despite increasing competition and declining margins, the sector has continued to record significant growth and increased profitability over the years. In the last year, two new Nigerian banks have been licensed to operate in Ghana and other new entrants are expected in the near future.

2. Market Share Analysis

The banking industry is dominated by six banks namely: Ghana Commercial Bank (GCB), Standard Chartered Bank (SCB), Barclays Bank Ghana (BBG), SG-SSB Bank (SG-SSB) Agricultural Development Bank (ADB), and EBG. While in 2000 these banks controlled 85.5% and 85.1%% of the industry's Total Assets and Total Deposits respectively, they

accounted for 73.1% and 76.8% respectively in December 2004 due to increasing competition from other banks. In line with this trend, Ecobank's market share of Total Assets declined from 8.4% in 2000 to 7.7% in 2004, while its share of Total Deposits fell 11.1% in 2000 to 9.4% in 2004.

3. Income and Expenses

Total Income for the industry rose from ₵2,012 billion in 2000 to ₵4,336 billion in 2004. The largest 6 banks contributed 75% of the industry's Net Interest Income in 2004 compared to 84% in 2000, or a reduction of 9% from 2000. Ecobank's market share of Total Income however rose from 6.2% in 2000 to 6.8% in 2004. Total Expenses for the industry rose from ₵683 billion in 2000 to ₵2,202 billion in 2004, with the Cost to Income ratio (i.e. the Operating Expenses to Total Income Ratio) declining from 62.5% in 2000 to 50.6% in 2004. Although EBG's cost to Income Ratio rose from 35% in 2000 to 46.4% in 2004, the bank's ratios have been consistently below the industry averages.

4. Loan Loss Provisioning

Ghanaian banks have improved their credit management systems since 2000 as indicated by the substantial reduction in the Charge to Bad and Doubtful Debts to Average Total Assets ratio for banks from 2.5% in 2000 to 1.5% in 2004. EBG's ratios which have consistently been below the industry average also fell from 0.5% in 2000 to 0.34% in 2004.

5. Profitability

Profit after Tax for the industry rose by 67% from ₵707 billion in 2000 to ₵1,183 billion in 2004. The contribution of the 6 largest banks to the industry's profits however fell from 86% in 2000 to 78% in 2004. Ecobank's profit growth of 76% during the period was well above the industry's 67% growth rate. EBG's Return of Average Equity ratio however declined from 76.2% in 2000 to 41.8% in 2004, in line with declining margins in the banking sector, but remained above the industry averages of 48.4% and 35.6% for 2000 and 2004 respectively.

G. Outlook for the Banking Sector

Competition within the industry is expected to intensify as banks introduce new products and services to capture low cost deposits and increase their market shares. Margins are also expected to come under increased pressure due to lower inflation and government borrowing. New banks are also expected to enter a consolidating Ghanaian banking industry, while existing banks are expected to scale up their operations and even merge. Pressure on banks to reduce the cost of their services is expected to continue, in turn forcing banks to increase their efficiency in order to maintain profitability. Overall, industry profitability is expected to decline as margins come under pressure.

PART 5 - FINANCIAL OVERVIEW

A. Reporting Accountants' Note

[ON ACCOUNTANT'S LETTERHEAD]

April 19, 2006

The Directors
Ecobank Ghana Limited and its Subsidiaries
19, Seventh Avenue
Ridge West
PMB, GPO
Accra

Dear Sirs,

INDEPENDENT ACCOUNTANT'S REPORT ON THE SUMMARISED FINANCIAL INFORMATION DERIVED FROM THE AUDITED FINANCIAL STATEMENTS OF ECOBANK GHANA LIMITED AND ITS SUBSIDIARIES FOR THE FIVE YEARS ENDED 31 DECEMBER 2005

We have examined the audited consolidated financial statements of Ecobank Ghana Limited and its Subsidiaries (the group) for the five years ended 31 December 2005 from which the accompanying summarised financial information was derived. We have been the auditors of the group throughout this period.

We audited the financial statements of the group for the five years ended 31 December 2005 in accordance with the International Standards on Auditing. The audit opinions expressed on the five years financial statements, from which the summarised financial information was derived, were unqualified.

In our opinion, the accompanying summarised financial statements are consistent, in all material respects, with the financial statements from which they were derived.

For a better understanding of the group's financial position as at 31 December 2005, the results of the operations for the five years then ended and the scope of our audit, the summarised financial statements should be read in conjunction with the audited financial statements, from which the summarised financial statements were derived, and the respective audit reports thereon.

Yours faithfully,

PricewaterhouseCoopers
Accra

B. Five-Year Financial Summary

(All amounts are expressed in millions of cedis unless otherwise stated)

PROFIT & LOSS STATEMENT	2001	2002	2003	2004	2005
Revenue	207,016	219,720	306,224	366,949	497,186
Profit before tax and NRL	83,488	89,093	120,217	148,034	186,790
Profit after tax	54,435	53,647	68,113	87,702	119,645
 Total Assets	 1,332,516	 1,417,970	 1,792,245	 2,407,512	 3,195,674
Long term Debt	1,338	37,527	43,164	57,559	111,409
Total Liabilities	1,230,027	1,280,918	1,611,229	2,168,554	2,918,598
 Net Profit per share (see Note 24)	 2,991	 2,948	 3,742	 1,253	 782
Net Assets per share	4,510	5,631	9,946	3,412	1,849
Dividend per share (see Note 24)	1,742	1,049	1,327	351	495
Issued shares for per share data ('000)	18,200	18,200	18,200	70,000	152,950

C. Historical Financial Statements

The tables below capture EBG's audited financial statements from 2001 to 2005:

HISTORICAL BALANCE SHEETS AS AT 31 DECEMBER (¢'m)						
	Notes	2001	2002	2003	2004	2005
Assets						
Cash and Balances with BoG	1	74,642	62,620	145,580	144,327	207,775
Government Securities	2	189,058	181,713	396,590	595,428	858,100
Due from Other Banks & Fin. Inst.	3	705,190	621,734	520,149	847,231	816,604
Investment in Other Securities	4	8,723	10,355	11,472	11,472	2,745
Loans and Advances to Customers	5	267,927	463,189	626,999	701,318	1,175,251
Investment in Subsidiaries	6	0	0	0	0	0
Other Assets	7	49,439	32,087	34,285	38,007	48,284
Property and Equipment	8	37,537	46,272	57,170	69,729	86,915
Total Assets		1,332,516	1,417,970	1,792,245	2,407,512	3,195,674
Liabilities						
Customer Deposits	9	1,109,088	1,071,135	1,347,282	1,938,675	2,510,693
Due to other Banks and Fin. Inst	10	16,771	34,278	83,078	21,014	51,999
Tax	11	6,928	8,925	14,924	10,631	15,110
Interest Payable & Other Liab	12	91,104	125,964	117,734	134,586	221,938
Long Term Debt	13	1,338	37,527	43,164	57,559	111,409
Deferred Tax	11	4,798	3,089	5,047	6,089	7,449
Total Liabilities		1,230,027	1,280,918	1,611,229	2,168,554	2,918,598
Shareholders Funds						
Stated Capital	14	18,200	18,200	18,200	70,000	72,981
Capital Surplus Account	15	16,514	16,514	16,514	16,514	13,533
Income Surplus Account	15	34,222	62,848	99,071	84,882	94,380
Statutory Reserve Fund	15	33,533	39,490	47,231	67,562	96,182
		102,489	137,052	181,016	238,958	277,076

HISTORICAL BALANCE SHEETS AS AT 31 DECEMBER (¢'m)						
	Notes	2001	2002	2003	2004	2005
Total Liabilities and Shareholders' Fund		1,332,516	1,417,970	1,792,245	2,407,512	3,195,674
Acceptance and Guarantees	27	198,303	351,929	289,019	353,616	485,085

HISTORICAL PROFIT & LOSS STATEMENTS FOR THE YEAR ENDED DEC 31 (¢'m)						
	Notes	2001	2002	2003	2004	2005
Interest Income	16	151,724	138,954	202,115	249,703	348,631
Interest Expense	17	(56,104)	(54,714)	(63,686)	(72,573)	(100,733)
Net Interest Income		95,620	84,240	138,429	177,130	247,898
Fee & Commission Income	18	55,139	79,813	103,604	115,607	146,036
Other Income	19	153	953	505	1,639	2,519
Operating Income		150,912	165,006	242,538	294,376	396,453
Operating Expenses	20	(32,078)	(69,550)	(102,639)	(136,587)	(190,899)
Charge for Credit Loss	5	(4,937)	(5,344)	(13,261)	(7,209)	(16,327)
Operating Profit		113,897	90,112	126,638	150,580	189,227
Other Expenses		(22,674)	(1,019)	(6,421)	(2,546)	(2,437)
National Recon. Levy	21	(7,735)	(8,200)	(11,076)	(14,184)	(13,484)
Profit before Tax		83,488	80,893	109,141	133,850	173,306
Tax	11	(29,053)	(27,246)	(41,208)	(46,148)	(53,661)
Profit after Tax Transferred to Income Surplus Account		54,435	53,647	68,113	87,702	119,645
Income Surplus						
Balance at 1 ST January		17,635	34,222	62,848	99,071	84,882
Net Profit for the year		54,435	53,647	68,113	87,702	119,645
		72,070	87,869	130,961	186,773	204,527
Transfer to Stated Capital and Related Expenses		-	-	-	(56,980)	(5,755)
Transfer to Stat Res Fund	15	(6,138)	(5,937)	(7,741)	(20,331)	(28,620)
Dividend Proposed	23	(31,710)	(19,084)	(24,149)	(24,580)	(75,772)
Balance at 31 December		34,222	62,848	99,071	84,882	94,380

HISTORICAL CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER (¢'m)					
	2001	2002	2003	2004	2005
Cash Flow from Operating Activities					
Interest Receipts	150,288	130,547	210,032	246,439	340,618
Interest Payments	(59,608)	(51,918)	(63,025)	(77,928)	(88,464)
Fee & Commission Receipts	55,139	79,813	103,604	115,607	146,036
Cash Payment to Employees & Suppliers	(59,421)	(72,415)	(112,288)	(140,134)	(189,105)
Income Tax Paid	(31,354)	(26,958)	(33,071)	(49,399)	(47,822)
Cash Flows from Operating Activities before Changes in operating Assets and Liabilities	55,044	59,069	105,252	94,585	161,263

HISTORICAL CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER (¢'m)						
		2001	2002	2003	2004	2005
Change in Operating Assets and Liabilities						
Loans and Advances		13,060	(200,606)	(177,071)	(87,009)	(490,259)
Other Assets		(23,483)	(7,745)	(10,115)	(458)	(2,264)
Customer Deposits		240,540	(37,953)	276,147	591,393	(572,018)
Other Liabilities		25,070	44,690	(13,956)	21,777	18,135
Net Cash Generated from Operating Activities		255,187	(201,614)	75,005	525,703	97,630
Cash flow from Investing Activities						
Proceeds from Sale of Investment Securities		-	-	-	30,965	42,056
Purchase of Investment Securities		(40,008)	(1,271)	(41,968)	-	-
Purchase of Property & Equipment	8	(13,024)	(14,515)	(18,540)	(24,167)	(32,543)
Proceed from Sale of Property & Equipment	8	155	380	299	365	161
Investment In Subsidiary		-	-	-	-	-
Net Cash (used in)/ generated from Investing Activities		(52,877)	(12,864)	(60,209)	7,163	9,674
Cash Flow from Financing Activities						
Dividend Paid	23	(29,279)	(31,710)	(19,084)	(24,149)	(24,580)
Long Term Debt	13	-	36,189	5,637	14,395	53,850
Net Cash (used in)/generated from Financing Activities		(29,279)	4,479	(13,447)	(9,754)	29,270
Effects of Exchange Rates on Cash and Cash Equivalents		3	-	-	-	-
Net Change in Cash & Cash Equivalents		228,078	(150,930)	106,601	617,697	297,837
Cash & Cash Equivalents at 1 January		684,641	912,719	761,789	868,390	1,486,087
Cash & Cash Equivalent at 31 Dec	29	912,719	761,789	868,390	1,486,087	1,783,924

D. Significant Changes

The following significant changes have been made to the 2004 audited financial statements of EBG and its Subsidiaries:

1. At an emergency meeting of the shareholders of EBG on 8 February 2006, the shareholders resolved to ratify the increase in the authorised share capital of EBG to 200 million ordinary shares. On that same date, the shareholders also resolved to ratify the transfer of ¢ 51.8 billion from income surplus accounts to stated capital and to issue and credited as fully paid 51,800,000 ordinary shares to shareholders in the proportion of their holdings in the bank as at October 1 2004. The resolutions were deemed to be effective from October 1st 2004.
2. Following the ratification by the shareholders of the increase in stated capital, which became effective on October 1 2004, an additional transfer of 12.5% of the net profit after tax for that year was made from income surplus account into capital surplus account to ensure compliance with section 29 of the Banking Act, 2004 (Act 673).

The adjusted statutory reserves as at 31 December 2004 are as follows:

Amounts in millions of cedis

	2004		2003	
	The Bank	The Group	The Bank	The Group
Balance at 1 January	46,979	47,231	39,490	39,490
Transfer from income surplus account	<u>20,066</u>	<u>20,331</u>	<u>7,489</u>	<u>7,741</u>
Balance at 31 December	<u>67,045</u>	<u>67,562</u>	<u>46,979</u>	<u>47,231</u>

The adjusted income surplus account as at 31 December 2004 is as follows:

Amounts in millions of cedis

	2004		2003	
	The Bank	The Group	The Bank	The Group
Balance at 1 January	69,482	99,071	41,203	62,848
Net profit for the year	<u>80,262</u>	<u>87,702</u>	<u>59,917</u>	<u>68,113</u>
	149,744	186,773	101,120	130,961
Transfer to stated capital	(56,980)	(56,980)	-	-
Transfer to statutory reserves	(20,066)	(20,331)	(7,489)	(7,741)
Dividend proposed	<u>(24,580)</u>	<u>(24,580)</u>	<u>(24,149)</u>	<u>(24,149)</u>
Balance at 31 December	<u>48,118</u>	<u>84,882</u>	<u>69,482</u>	<u>99,071</u>

The transfer includes a 10% dividend tax payable on the ₵51.8 million transferred to stated capital.

E. Accounting Policies & Notes to Financial Statements

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below:

a) Basis of accounting

The consolidated financial statements are prepared under the historical cost convention as modified by the revaluation of certain property and equipment, and in accordance with Ghana Accounting Standards.

b) Consolidation

Subsidiary undertakings, which are those companies in which the Group directly or indirectly has power to exercise control over financial and operating policies have been consolidated. Subsidiary undertakings are consolidated from the date on which effective control is transferred to the Group. All inter-company transactions, balances and unrealised surpluses and deficits on transactions between Group companies have been eliminated. The accounting policies for the subsidiaries are consistent with the policies adopted by the Bank.

c) Income recognition

Income is recognised in the period in which it is earned except for dividends from trade investments which are recognised when declared. Interest income on loans that are considered doubtful is suspended and excluded from income until it is received.

d) Government securities

Government securities comprise Treasury Bills and Bonds, which are debt securities issued by the Government of Ghana. These bills are stated at cost.

e) Investments

In the financial statements of the Bank, Investments in subsidiary companies are stated at directors' valuation based on the net asset value of each subsidiary company at the balance sheet date. The corresponding revaluation surplus is credited to the capital surplus account.

Unquoted trade investments are stated at cost less provision for any permanent diminution in value.

f) Property and equipment

All property and equipment are initially recorded at cost. Leasehold buildings are subsequently shown at market value based on valuation by external independent valuers less subsequent depreciation. An increase in the carrying amount arising on revaluation is credited to a capital surplus account. Decreases that offset previous increases of the same asset are charged against the capital surplus account; all other decreases are charged to the profit and loss account.

Depreciation is calculated on the straight-line method to write off the cost of property and equipment to their residual values over their estimated useful lives as follows:

Leasehold properties are depreciated on the straight-line basis over the remaining period of the lease.

Furniture and equipment	20%
Computers	33.33%
Motor vehicle	25%

g) Trading securities

Trading securities are securities which were either acquired for generating a profit from short-term fluctuations in price or dealer's margin, or are securities included in a portfolio in which a pattern of short-term profit taking exists. Trading securities are initially recognised at cost (which includes transaction costs) and subsequently re-measured at fair value based on quoted bid prices. All related realised and unrealised gains and losses are included in net trading income. Interest earned whilst holding trading securities is reported as interest income. Dividends received are included in dividend income.

All purchases and sales of trading securities that require delivery within the time frame established by regulation or market convention ('regular way' purchases and sales) are recognised at trade date, which is the date that the Group commits to purchase or sell the asset.

h) Originated loans and provisions for loan impairment

Loans originated by the Group by providing money directly to the borrower or to a sub-participation agent at draw down are categorised as loans originated by the Group and are carried at amortised cost. Third party expenses, such as legal fees, incurred in securing a

loan are treated as part of the cost of the transaction. All loans and advances are recognised when cash is advanced to borrowers.

A credit risk provision for loan impairment is established if there is objective evidence that the Group will not be able to collect all amounts due. The amount of the provision is the difference between the carrying amount and the recoverable amount.

The loan loss provision also covers losses where there is objective evidence that probable losses are present in components of the loan portfolio at the balance sheet date. These have been estimated based upon historical patterns of losses in each component. When a loan is uncollectible, it is written off against the related provision for impairments; subsequent recoveries are credited to the bad and doubtful debt expense in the income statement.

If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is credited to the bad and doubtful debt expense.

i) Deferred income tax

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax.

Deferred tax assets are recognised only to the extent that realisation of the related tax benefit is probable.

j) Foreign currencies

Transactions in foreign currencies during the year are converted into cedis at prevailing rates at the time of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into cedis at the rates of exchange ruling at the balance sheet date. The resulting gains and losses are dealt with in the consolidated profit and loss account.

k) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise short term investment securities with less than 90 days maturity from the date of acquisition; cash, balances with Bank of Ghana, treasury bills and other eligible bills, amounts due from and to other banks and dealing securities.

l) Leases

Finance lease agreements are accounted for on the basis of gross receivables less related unearned income and are included in loans and advances. Profit on finance lease agreement is recognised over the period in which receivables are due using the actuarial method after allowing for a portion of initial cost.

m) Investment securities

The Group classifies its investment securities and purchased loans and receivables into the following two categories: held-to-maturity and available-for-sale assets. Investment securities with fixed maturity where management has both the intent and the ability to hold to maturity are classified as held-to-maturity. Investment securities intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices are classified as available-for-sale. Management determines the appropriate classification of its investments at the time of the purchase. Investment securities are initially recognised at cost (which includes transaction costs).

Held-to-maturity investments are carried at amortised cost using the effective yield method, less any provision for impairment.

Available-for-sale financial assets after the initial recognition at cost are subsequently re-measured at fair value based on quoted bid prices or amounts derived from cash flow models.

Interest earned whilst holding investment securities is reported as interest income. Dividends receivable are included separately in dividend income when a dividend is declared.

n) Fee and commission income

Fees and commissions are generally recognised on an accrual basis. Commissions and fees arising from negotiating, or participating in the negotiation of a transaction for a third party, such as the acquisition of loans, shares or other securities or the purchase or sale of businesses, are recognised on completion of the underlying transaction.

Ecobank Ghana Ltd
Notes Forming Part of the Consolidated Financial Statements
For the Five Years Ended December 31

	<u>2001</u> ¢'m	<u>2002</u> ¢'m	<u>2003</u> ¢'m	<u>2004</u> ¢'m	<u>2005</u> ¢'m
1 CASH AND BALANCES WITH BANK OF GHANA					
Cash on Hand	19,640	29,897	50,544	44,717	75,723
Due from Bank of Ghana	55,002	32,723	95,036	99,610	132,052
	74,642	62,620	145,580	144,327	207,775
2 GOVERNMENT SECURITIES					
Treasury Bills	149,658	111,713	285,739	515,543	811,544
Ghana Government Index Linked Bonds	39,400	70,000	110,851	79,885	46,556
	189,058	181,713	396,590	595,428	858,100
Analysis by Maturity					
Due within 1 Month	-	-	-	258,854	331,315
Due within 1 Year	189,058	111,713	340,990	296,002	461,785
Due after 1 but within 5 Years	-	70,000	55,600	40,572	65,000
Due after 5 Years	-	-	-	-	-
	189,058	181,713	396,590	595,428	858,100
3 DUE FROM OTHER BANKS AND FINANCIAL INSTITUTIONS					
Nostro Account Balances	66,682	45,130	74,043	188,793	190,536
Items in Course Collection	2,543	33,504	64,664	103,758	95,459
Placement with other Banks	635,965	543,100	381,442	554,680	530,609
	705,190	621,734	520,149	847,231	816,604
4 INVESTMENT IN OTHER SECURITIES					
Debt	6,831	7,434	9,251	8,459	-
Unquoted Equity	1,942	2,971	2,971	3,778	3,510
	8,773	10,405	12,222	12,237	3,510
Less: Provisions	(50)	(50)	(750)	(765)	(765)
	8,723	10,355	11,472	11,472	2,745
Analysis by Maturity					
Due within 1 Month	-	-	-	-	-
Due after 1 but within 5 Years	6,831	7,434	9,251	8,459	-
Due after 5 years	1,942	2,971	2,971	3,778	3,510
	8,773	10,405	12,222	12,237	3,510
5 LOANS AND ADVANCES TO CUSTOMERS					
Analysis by Maturity					
Due within 1 Month	203,836	178,892	329,916	174,492	395,457
Due after 1 Month but within 3 Months	27,762	80,845	100,619	249,949	254,893
Due after 3 Months but within 6 Months	24,443	79,790	115,891	113,051	104,160
Due after 6 Months but within 12 Months	3,739	34,389	51,212	73,548	54,479
Due after 12 months but within 5 Years	19,527	106,798	66,188	85,983	430,277
Due after 5 years	-	-	-	53,812	-
	279,307	480,714	663,826	750,835	1,239,266

	<u>2001</u> ¢'m	<u>2002</u> ¢'m	<u>2003</u> ¢'m	<u>2004</u> ¢'m	<u>2005</u> ¢'m
5 <u>LOANS AND ADVANCES TO CUSTOMERS (Cont)</u>					
Less: Provisions for Bad and Doubtful Debts	(11,380)	(17,525)	(36,827)	(49,517)	(64,015)
	267,927	463,189	626,999	701,318	1,175,251
Analysis by Type					
Commercial	104,040	380,982	353,684	385,533	752,891
Other	175,267	99,732	310,142	365,302	486,375
	279,307	480,714	663,826	750,835	1,239,266
Analysis by Security					
Secured	258,980	446,798	608,863	720,467	960,873
Unsecured	20,327	33,916	54,963	30,368	278,393
	279,307	480,714	663,826	750,835	1,239,266
Analysis by Performance					
Performing	271,214	464,238	636,223	721,418	1,212,555
Non-Performing	8,093	16,476	27,603	29,417	26,711
	279,307	480,714	663,826	750,835	1,239,266
Analysis of Non-Performing					
Substandard	3,998	9,485	14,113	10,228	7,523
Doubtful	-	2,782	7,168	1,914	1,914
Loss	4,095	4,209	6,322	17,275	17,274
	8,093	16,476	27,603	29,417	26,711
Analysis by Type of Customers					
Private Enterprises	196,448	370,458	516,009	630,777	1,093,790
Public Enterprises	73,008	99,028	129,658	105,632	121,590
Staff	9,851	11,228	18,159	14,426	23,886
	279,307	480,714	663,826	750,835	1,239,266
Provision for Bad and Doubtful Debts	(11,380)	(17,525)	(36,827)	(49,517)	(64,015)
	267,927	463,189	626,999	701,318	1,175,251
Analysis by Business Segment					
Construction	30,227	69,705	67,606	79,905	67,251
Agriculture, Forestry and Fishing	9,871	8,146	15,543	11,161	33
Mining and Quarrying	4,383	19,873	18,144	2,706	106,524
Manufacturing	60,296	100,213	151,332	254,464	312,566
Commerce and Finance	104,040	169,891	202,680	147,240	364,302
Electricity, Gas and Water	20,563	50,535	72,317	17,067	0
Transport, Storage and Communication	21,026	4,873	28,908	67,176	133,906
Services	28,901	57,478	107,296	171,116	254,684
	279,307	480,714	663,826	750,835	1,239,266
Provision for Bad and Doubtful Debts	(11,380)	(17,525)	(36,827)	(49,517)	(64,015)
	267,927	463,189	626,999	701,318	1,175,251
Classified by Type					
Loans	180,675	345,239	499,699	521,102	797,081
Finance Leases	0	703	3,868	10,220	46,728
Overdrafts	98,632	134,772	160,259	219,513	395,457
	279,307	480,714	663,826	750,835	1,239,266
Provision for Credit Losses	(11,380)	(17,525)	(36,827)	(49,517)	(64,015)
	267,927	463,189	626,999	701,318	1,175,251
Loan Loss Provision Ratio	4.1%	3.6%	4.5%	5.9%	5.0%
Gross Non-Performing Loans Ratio	2.9%	3.4%	4.2%	3.9%	2.2%
50 Largest Exposure to Total Exposure	84.0%	75.0%	52.0%	74.0%	56.0%

	<u>2001</u> ¢'m	<u>2002</u> ¢'m	<u>2003</u> ¢'m	<u>2004</u> ¢'m	<u>2005</u> ¢'m
5	<u>LOANS AND ADVANCES TO CUSTOMERS (Cont'd)</u>				
	Provision for Credit Losses				
	The Bank				
At 1 January	6,826	11,380	17,525	36,827	49,413
Provisions During the Year	4,937	5,344	13,261	7,105	15,936
Write Off	-	(47)	-	-	(4,388)
Recoveries	(383)	-	-	-	-
At 31 December	11,380	16,677	30,786	43,932	60,961
Interest in Suspense	-	848	6,041	5,481	2,559
	11,380	17,525	36,827	49,413	63,520
	The Group				
At 1 January	6,826	11,380	17,525	36,827	49,517
Provisions During the Year	4,937	5,344	13,261	7,209	16,327
Write Off	-	(47)	-	-	(4,388)
Recoveries	(383)	-	-	-	-
At 31 December	11,380	16,677	30,786	44,036	61,456
Interest Expense	-	848	6,041	5,481	2,559
	11,380	17,525	36,827	49,517	64,105
6	<u>INVESTMENTS IN SUBSIDIARIES</u>				
	Please refer to Part 2 E				
7	<u>OTHER ASSETS</u>				
Interest and Fees Receivable	6,172	14,579	6,662	9,926	17,939
Prepayments	10,755	6,750	5,343	10,762	12,884
Sundry Receivables	32,512	10,758	22,280	17,319	17,461
	49,439	32,087	34,285	38,007	48,284
8a	<u>PROPERTY AND EQUIPMENT</u>				
	Cost/valuation				
Leasehold buildings	21,457	35,173	37,500	37,808	40,576
Furniture and equipment	9,710	12,851	20,398	33,803	44,680
Computers	5,971	7,712	10,990	20,364	28,048
Motor vehicle	5,589	6,894	10,026	9,983	12,674
Capital work in progress	6,545	-	792	292	7,149
Total	49,272	62,630	79,706	102,250	133,127
	Accumulated Depreciation				
Leasehold buildings	1,248	1,814	2,704	3,541	4,422
Furniture and equipment	4,803	6,435	8,686	13,262	19,323
Computers	3,214	4,826	6,594	10,230	15,673
Motor vehicle	2,470	3,283	4,552	5,488	7,228
Capital work in progress	-	-	-	-	-
Total	11,735	16,358	22,536	32,521	46,646
	Net book value				
Leasehold buildings	20,209	33,359	34,796	34,267	36,154
Furniture and equipment	4,907	6,416	11,712	20,541	25,357
Computers	2,757	2,886	4,396	10,134	12,375
Motor vehicle	3,119	3,611	5,474	4,495	5,446
Capital work in progress	6,545	-	792	292	7,149
Total	37,537	46,272	57,170	69,729	86,481

	<u>2001</u> ¢'m	<u>2002</u> ¢'m	<u>2003</u> ¢'m	<u>2004</u> ¢'m	<u>2005</u> ¢'m
8 b HISTORICAL COST BASIS					
Cost	9,343	23,059	23,509	21,728	19,854
Accumulated Depreciation	(492)	(755)	(1,331)	(1,874)	(2,371)
Net Book Value	8,851	22,304	22,178	19,854	17,483
Gain on Disposal of Property and Equipment					
The Bank/The Group					
Gross Book Value	252	1,157	1,464	1,623	700
Accumulated Depreciation	(250)	(998)	(1,175)	(1,418)	(684)
Net Book Value	2	159	289	205	16
Sales Proceeds	(155)	(380)	(299)	(365)	(161)
Gains on Disposal of property and equip.	(153)	(221)	(10)	(160)	(145)
9 CUSTOMER DEPOSITS					
Current Accounts	466,267	518,876	820,435	1,192,520	1,620,434
Cash Collateral	91,262	137,434	93,751	117,659	181,540
Time Deposits	551,559	414,825	433,096	628,496	708,719
	1,109,088	1,071,135	1,347,282	1,938,675	2,510,693
Analysis by Type of Depositor					
Financial Institutions	41,205	94,367	116,759	146,031	288,231
Individuals and Other Private Enterprises	608,720	674,421	1,035,381	1,572,536	2,163,845
Government Department and Agencies	101,310	37,335	-	-	-
Public Enterprises	357,853	265,012	195,142	220,108	58,617
	1,109,088	1,071,135	1,347,282	1,938,675	2,510,693
Analysis by Maturity					
Due within 1 Month	773,218	525,196	624,179	477,376	767,487
Due After 1 Month but Within 3 Months	298,766	244,415	116,126	954,753	900,964
Due After 3 Months but Within 6 Months	18,965	62,921	310,742	268,664	420,212
Due After 6 Months but Within 12 Months	-	50,374	230,455	20,405	422,030
Due After 12 Months but Within 5 Years	18,139	188,229	65,780	217,477	-
	1,109,088	1,071,135	1,347,282	1,938,675	2,510,693
10 DUE TO OTHER BANKS AND FINANCIAL INSTITUTIONS					
Due to Local Banks	5,089	2,868	40,598	4,468	22,939
Due to Foreign Banks	11,682	31,410	42,480	16,546	29,060
	16,771	34,278	83,078	21,014	51,999
11 a TAX					
Charge for the Year					
Current Tax	27,785	28,955	39,070	45,106	52,301
Deferred Tax	1,268	(1,709)	1,958	1,042	1,360
	29,053	27,246	41,028	46,148	53,661
11 b					
Corporate tax	6,928	8,925	14,924	10,631	15,110
Deferred tax	4,798	3,089	5,047	6,089	7,449
	11,726	12,014	19,971	16,720	22,559

	<u>2001</u> ¢'m	<u>2002</u> ¢'m	<u>2003</u> ¢'m	<u>2004</u> ¢'m	<u>2005</u> ¢'m
12 OTHER LIABILITIES					
Accrued Interest and Commission	9,940	12,736	13,397	8,042	20,311
Proposed Dividend	31,710	19,084	24,149	24,580	75,772
Provisions and Accruals	5,906	6,404	10,904	16,689	22,933
Other Liabilities	43,548	87,740	69,284	85,275	102,922
	91,104	125,964	117,734	134,586	221,938
13 LONG TERM DEBT					
Export Development Investment Fund	-	2,240	4,794	14,551	8,839
Ashanti Goldfields Corporation	-	30,000	30,000	30,000	30,000
European Investment Bank	1,338	5,287	8,370	6,063	5,745
Social Security & National Investment Trust Fund	-	-	-	-	37,575
BHF – Bank	-	-	-	6,945	29,250
	1,338	37,527	43,164	57,559	111,409

Social Security and National Insurance Trust (SSNIT)

SSNIT agreed to make available to the Bank a loan of US\$4.15 million for on-lending to a customer of the bank, over a 10 years period from 9 June 2005 to 9 June 2015. Interest on the loan is based on the Bank of Ghana prime rate applicable on the date of the drawdown, provided that the rate will be adjusted from time to time in accordance with any changes in the Bank of Ghana prime rate. Interest on the loan may be capitalized semi-annually counting from date of the drawdown in the event that the Bank fails to honor interest repayments.

Anglo Gold Ashanti Limited

By an agreement dated 20 March 2002, between Ecobank Ghana Limited and the Trustees of the Employees Provident fund of Ashanti Goldfields Limited now Anglo Gold Ashanti, Ecobank Ghana Limited obtained from the Anglo Gold Ashanti Employees Provident Fund, by way of an investment in Tier 11 capital of the bank, a five year subordinated non redeemable deposit in the sum of ¢30 billion.

Interest on the facility, is payable yearly from the value date at a rate which shall be equal to the one year treasury bill rate or 3 year GGILB rates, which ever is higher, plus a margin of 4%.

EDIF, EIB and BHF Bank

The facilities provided by Export Development Investment Fund (EDIF), European Investment bank (EIB) and BHF-Bank are considered as managed funds. The purpose of these funds is to provide financial resources for the development and promotion of export trade and small medium enterprises by improving access to credit, export insurance re-financing and credit guarantee for on-lending to specified customers. The bank bears the credit risk on the facilities.

14 STATED CAPITAL

Authorised

Ordinary Shares of No Par Value (Number, '000)	50,000	50,000	50,000	200,000	200,000
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Issued and Fully Paid

Ordinary Shares of No Par Value (Number, '000)	18,200	18,200	18,200	70,000	152,950
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Issued Shares

Issued for Cash	900	900	900	900	900
Transfer from Surplus in accordance	-	-	-	51,800	0
Capitalisation Issue	17,300	17,300	17,300	17,300	72,081
	18,200	18,200	18,200	70,000	72,981

	<u>2001</u> ¢'m	<u>2002</u> ¢'m	<u>2003</u> ¢'m	<u>2004</u> ¢'m	<u>2005</u> ¢'m
15 RESERVES					
Income Surplus Account					
Balance at 1 January	17,635	34,222	62,848	99,071	84,882
Profit /Loss After Tax and Appropriation	16,587	28,626	36,223	(14,189)	9,498
Balance at 31 December	34,222	62,848	99,071	84,882	94,380
Statutory Reserve Fund					
Balance at 1 January	27,415	33,553	39,490	47,231	67,562
Transfer from Income Surplus Account	6,138	5,937	7,741	20,331	28,620
Balance at 31 December	33,553	39,490	47,231	67,562	96,182
Capital Surplus Account (see Note 26)					
Balance at 1 January and 31 December	13,533	13,533	13,533	13,533	13,533
Other Reserves					
Balance at 1 January and 31 December	2,981	2,981	2,981	2,981	2,981
Total	84,289	118,852	162,816	168,958	254,927
16 INTEREST INCOME					
Placement and Short Term Funds	28,504	15,812	18,457	24,960	49,545
Treasury Bills and Government Securities	49,385	49,464	84,303	97,541	136,555
Loans and Advances	73,835	73,678	99,355	127,202	162,531
	151,724	138,954	202,115	249,703	348,631
17 INTEREST EXPENSE					
Demand Deposits	15,847	2,662	970	7,527	14,959
Time Deposits	39,780	44,223	50,463	56,755	73,358
Borrowed Funds	477	7,829	12,253	8,291	12,416
	56,104	54,714	63,686	72,573	100,733
18 FEE AND COMMISSION INCOME					
Foreign Exchange Income	17,903	25,395	32,605	30,320	32,877
Current Account Servicing	1,530	1,404	2,269	3,730	6,323
Import and Document Credits	19,601	13,907	26,988	23,280	32,396
Funds Transfer Charges	3,646	7,597	10,134	14,754	19,571
Other Fees and Commission	12,459	31,510	31,608	43,523	54,869
	55,139	79,813	103,604	115,607	146,036
19 OTHER OPERATING INCOME					
Profit on Sale of Property and Equipment	153	221	10	160	145
Other Income	-	732	495	1,479	2,374
	153	953	505	1,639	2,519
20 OPERATING EXPENSES					
Depreciation	4,863	5,621	7,353	11,403	15,341
Staff Expenses (see Note 22)	21,871	37,608	53,868	62,433	88,882
Training	974	944	2,081	2,254	3,992

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
	¢'m	¢'m	¢'m	¢'m	¢'m
Administrative Expenses	1,374	15,593	25,359	30,040	41,457
Advertising and Business Promotion	1,637	1,298	3,596	7,480	7,870
Auditors' Remuneration	216	270	330	352	368
Directors' Emoluments	810	655	590	833	677
Donations	333	258	648	1,267	1,648
Others	-	7,303	8,814	20,525	30,664
	32,078	69,550	102,639	136,587	190,899

21 NATIONAL RECONSTRUCTION LEVY

The National Reconstruction Levy is assessed under the National Reconstruction Levy 201 (Act 597) as amended at 7.5% and 1.5% on accounting profit before tax on the bank and subsidiaries respectively.

22 STAFF EXPENSES

Wages and Salaries	18,839	31,944	46,051	53,465	75,441
Social Security Cost	3,032	4,086	5,172	6,904	8,732
Others (Medical etc)	-	1,578	2,645	2,064	4,709
	21,871	37,608	53,868	62,433	88,882

23 DIVIDEND PROPOSED

Proposed Dividend	31,710	19,084	24,149	24,580	75,772
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24 EARNINGS AND DIVIDEND PER SHARE

Earnings and dividend per share are computed respectively from the result of the group after deducting tax and profit attributable to minority interest.

25 STATUTORY RESERVE FUND

Statutory reserve represents the cumulative amount set aside from annual net profit after tax as required by Section 29 (1) of the Banking Act, 2004 (Act 673) for the bank and Non-Bank Financial Institutions Business (BoG) Rule 5, for the Ecobank Leasing Company Limited. The proportion of net profits transferred to reserve ranges from 12.5% to 50% of net profit after tax, depending on the ratio of existing statutory reserve fund to paid up capital.

26 CAPITAL SURPLUS

Capital surplus represents surplus arising from the revaluation of the Group's property and equipment.

27 CONTINGENT LIABILITIES AND COMMITMENTS

Guarantees and Indemnities	26,044	81,388	106,239	229,273	236,714
Documentary and Commercial Letters of Credit	172,259	270,541	182,780	124,343	248,371
	198,303	351,929	289,019	353,616	485,085

28 PARENT COMPANY

The Bank is a subsidiary of Ecobank Transnational Inc., a company incorporated in the Republic of Togo

29 CASH AND CASH EQUIVALENTS

Cash on Hand	19,640	29,897	50,544	44,717	75,723
Due from Bank of Ghana	55,002	32,723	95,036	99,610	132,052
Due from Other Banks	705,190	621,734	520,149	847,231	816,604
	779,832	684,354	665,729	991,558	1,024,379
Treasury Bills	149,658	111,713	285,739	515,543	811,544
Due to Other Banks	(16,771)	(34,278)	(83,078)	(21,014)	(51,999)
	912,719	761,789	868,390	1,486,087	1,783,924

PART 6 – FINANCIAL FORECAST AND VALUATION

A. Recent Developments & Prospects of Ecobank Ghana Limited

EBG's objective is to continue to be a strategic contributor to a world-class African banking group. This will be achieved by transforming EBG from a wholesale bank into a retail bank over a period of three years. EBG believes that there is a strong unmet demand for retail banking products, in particular credit cards, consumer credit and home loans. The large unmet market for microfinance and SME financing provides strong justification for a retail banking strategy. The bank will achieve it by aggressively growing its network, customer base and business volumes. A critical aspect of this drive will be the delivery of basic banking products and services that are convenient, well recognised and branded, and accessible through multiple channels. EBG will leverage on its rapidly growing electronic card products in addition to introducing new products geared at creating value for the customers. The bank's retail banking drive will be premised on a passion to offer its customer convenience, reliability and accessibility.

The bank recognises the need to address the banking requirements of the growing numbers of High Net Worth Clients in the industry. The bank plans to tap into this niche market by offering clients the professional guidance to grow and protect their wealth through a comprehensive range of financial services including financial planning, funds management, mortgage financing, retirement planning and debt management.

EBG will continue to grow its business in the wholesale sector, selectively and in a manner that leverages the "one bank" concept. The global and regional reach of businesses in this sector provides EBG the opportunity to offer seamless banking services across the region to the multinationals and regional corporates. Significant opportunities also exist to provide one stop services to companies in areas such as payments, transfers, foreign exchange and trade.

Leveraging on the regional Ecobank Development Corporation (EDC), the investment banking arm of the Ecobank Group, EBG will be in a better position to provide greater support for its wholesale banking corporates.

The board and management of EBG are confident that the bank will continue to deliver excellent quality services to individuals, corporate customers, government and non-governmental organisations. EBG's goal in the coming years will be to grow its top-line in both business volumes and revenue lines, simplify operational procedures to enhance service delivery and also ensure it remains resilient by being flexible and adaptable in order to increase its position on the market.

The board and management are confident that EBG will continue to post strong financial results in the face of increasing competition and in the process continue to pay shareholders with attractive returns and dividends.

B. Reporting Accountants' Note

[ON ACCOUNTANT'S LETTERHEAD]

April 19, 2006

The Directors
Ecobank Ghana Limited and its Subsidiaries
19, Seventh Avenue
Ridge West
PMB, GPO
Accra

Dear Sirs,

INDEPENDENT ACCOUNTANT'S REPORT ON THE PROJECTIONS OF ECOBANK GHANA LTD AND ITS SUBSIDIARIES FOR THE THREE YEAR PERIOD ENDED 31 DECEMBER 2008

We have reviewed the condensed consolidated projected balance sheets of Ecobank Ghana Limited and its Subsidiaries (the group) as at 31 December 2006, 2007 and 2008 and the related condensed consolidated projected statements of income and cash flows (financial projections) for each of the three years ending 31 December 2006, 2007 and 2008. These financial projections are the responsibility of the group's management.

We conducted our review in accordance with International Standards on Auditing applicable to the examination of prospective financial information. We emphasise that the financial projections, for which the directors of the group are solely responsible relate to future events and are based on assumptions which may not remain valid for the whole of the period.

We have reviewed the bases and assumptions underlying the profit and cash flow projections and found them to be sound and reasonable.

So far as the accounting policies adopted and calculations are concerned, the accompanying financial projections have been properly prepared on the basis of the assumptions made by the directors of the group as set out on page 63 to 66 of this document.

Yours faithfully,

PricewaterhouseCoopers
Accra

1. Projected Financial Statements

FORECAST BALANCE SHEETS AS AT DEC 31 (¢'m)			
	2006	2007	2008
Assets			
Cash and balances with BoG	359,942	363,129	417,060
Government Securities	1,170,622	1,276,990	1,216,183
Due from other banks and financial Institutions	1,098,155	1,217,131	1,373,837
Loans and advances to customers	1,510,771	1,885,673	2,498,725
Other assets	90,855	73,150	78,947
Property and equipment	174,140	225,792	246,953
Total Assets	4,404,485	5,041,865	5,831,705
Liabilities			
Due to banks and other fin Inst	2,512	3,007	3,472
Customer deposits	3,535,410	3,990,594	4,504,383
Tax	8,427	12,120	15,761
Other liabilities	223,766	296,506	431,786
Other borrowed funds	127,784	134,173	140,882
Deferred tax	17,414	22,579	29,861
Total Liabilities	3,915,313	4,458,979	5,126,145
Shareholders' Funds			
Stated capital	160,000	160,000	160,000
Income surplus account	196,938	265,990	356,382
Reserves	132,234	156,896	189,178
Total Shareholders' Funds	489,172	582,886	705,560
Total Liabilities and Shareholders' Fund	4,404,485	5,041,865	5,831,705

FORECAST PROFIT & LOSS STATEMENTS FOR THE YEAR ENDED DEC 31 (¢'m)			
	2006	2007	2008
Interest Income	388,508	464,541	575,566
Interest Expense	(109,559)	(131,001)	(161,159)
Net interest income	278,949	333,540	414,407
Fee, and commission income	192,256	253,021	335,002
Operating income	471,205	586,561	749,409
Operating expense	(231,243)	(285,275)	(354,828)
Charge for bad and doubtful debts	(17,110)	(19,899)	(26,368)
Operating profit	222,852	281,387	368,213
Other expenses	(2,316)	(3,018)	(3,824)
Profit before tax & National Reconstruction Levy	220,536	278,369	364,389
National Reconstruction levy	(12,129)	(15,310)	(20,041)
Profit before tax	208,407	263,059	344,348
Income Tax	(52,102)	(65,765)	(86,087)
Profit after tax transferred to Income Surplus Account	156,305	197,294	258,261

FORECAST PROFIT & LOSS STATEMENTS FOR THE YEAR ENDED DEC 31 (¢'m)			
	2006	2007	2008
INCOME SURPLUS ACCOUNT (¢'m)			
Balance at 1 January	142,231	196,938	265,990
Net Profit for the year	156,305	197,294	258,261
	298,536	394,232	524,251
Transfer to statutory reserve fund	(19,538)	(24,662)	(32,283)
Dividend Proposed	(82,060)	(103,580)	(135,586)
Balance at December 31st	196,938	265,990	356,382

FORECAST CASH FLOW STATEMENTS FOR THE YEAR ENDED DEC 31 (¢'m)			
	2006	2007	2008
<u>Cash flows from operating activities</u>			
Interest and commission receipts	406,447	464,541	575,566
Interest payments	(129,870)	(131,001)	(161,159)
Fee and commission receipts	192,256	253,021	335,002
Tax	(48,820)	(56,907)	(75,163)
cash payments to employees and suppliers	(211,102)	(267,549)	(334,628)
	208,911	262,105	339,618
<u>Changes in operating assets and liabilities</u>			
Loans & Advances	(352,630)	(394,801)	(639,420)
Other assets	(60,510)	17,705	(5,797)
Deposits & Other accounts	1,024,717	455,184	513,789
Other Liabilities	21,607	51,221	103,270
	633,184	129,309	(28,158)
<u>Cash flows from investing activities</u>			
Purchase of investment securities	49,301	-	-
Purchase of Fixed Assets	(121,810)	(87,708)	(65,225)
Proceeds from sale of Fixed Assets			
	(72,509)	(87,708)	(65,225)
<u>Cash flow from financing activities</u>			
Dividend paid	(33,676)	(82,060)	(103,579)
Proceeds from issuance of share capital	90,000	-	-
Long term debt	16,375	6,389	6,709
	72,699	(75,671)	(96,870)
Net change in cash and cash equivalents	842,285	228,035	149,365
Cash and cash equivalents at Jan 1	1,783,924	2,626,209	2,854,244
Cash and cash equivalents at Dec 31	2,626,209	2,854,244	3,003,609

2. Assumptions Underlying Projections

EBG's corporate plan and financial projections have been developed on the premise that Government's monetary and fiscal policy will continue to be geared towards debt reduction, increased revenue generation, increased government expenditure and GDP growth. Government has also stated that it will continue to strengthen the financial sector by encouraging competition in the banking industry through the pursuit of liberal policies such as licensing of more banks and strengthening the financial base of the banks. We present below the key assumptions underlying EBG's financial projections for the planned period:

Projected Macro-Economic Performance (2006 -2008):

	2006	2007	2008
Economic Growth (GDP) (%)	6	6	6
Exchange Rate (¢/US\$)	9,542	10,020	11,047
Depreciation of Cedi against US\$ (%)	5	5	5
Inflation Rate (%)	9	9	9
Treasury Bill Rate (%)	11.5	11.5	10.0
BoG Prime Rate	13.5	12.5	11.5
EBG's Base Rate	19.5	17.5	15.5

Economic growth: The Ghanaian economy is forecast to grow at an average of 6% per annum for 2006-2008 based on the growth rate of the past four years of an average of 5.25%.

Depreciation of the cedi: The Cedi is expected to depreciate against the US Dollar by 5% during the projection period.

The year-on-year inflation: Inflation is expected to decrease to 9% by year 2006 and remain a single digit thereafter.

Treasury bill (t-bill) rates: T- bills rates as at January 2006 was 11.5% and is expected not to exceed 10% by the end of 2008.

Bank of Ghana Prime rate and the Bank's base rate: The BOG Prime rate is envisaged to reduce by a minimum of 1% per annum. As at the second week of February 2006, the prime rate was reduced from 15.5% to 14.5% and it is expected to drop by at least one percent by the end of 2006. The bank expects to respond to the reduction at the minimum by an equal margin. The Bank's base rate of 22.25% as of January 2006 is not expected to exceed 15.5% by the end of the plan period.

Company Specific Assumptions

I. Deposits

EBG's share of total industry deposits is expected to average 13.25% by the end of the planned period compared to 9.4% over the past five (5) years. The bank's deposit mobilization strategy is targeted at ensuring that the bank is always self funding at the cheapest possible cost. The bank, therefore, wishes to maintain a its ratio of Non interest bearing deposits (NIBS) to total deposit and short term borrowing at an average of 53% during the period. Deposits are projected to grow at 13% per annum over the 3-year period to 2008. This growth is reasonable given the group's proven ability to mobilise deposits in the past. In the past year, management maintained NIBS of at 65% of total deposits.

II. Long-term Debts

Borrowings are expected to remain fairly constant during the plan period. This is expected to grow at 5% during the plan period principally due to the revaluation of the dollar component loans.

III. Loans and Advances

The bank's objectives will be to grow the loan portfolio and improve the target loans/deposit ratio of 48% whilst ensuring that loan loss provisions are kept within the projected limits. Loans and advances are projected to grow as follows:

Loans and Advances (2006 – 2008)			
	2006	2007	2008
Performing Loans (¢'m)	1,515,853	1,895,149	2,511,281
<i>Growth Rate (%)</i>	<i>37.0</i>	<i>25.0</i>	<i>33.0</i>
Non-performing Loan (¢'m)	63,316	66,330	87,895
<i>Growth Rate (%)</i>	<i>44.0</i>	<i>5.0</i>	<i>33.0</i>
Loan/Deposit Ratio (%)	42.9	47.5	55.7
Loan Loss Ratio (%)	4.3	3.9	3.9

With declining margins and increasing competition, the bank will pursue a strategy of changing the composition of its asset portfolio by progressively increasing good quality term exposures. This will be targeted at Small and Medium Enterprises (SMEs) who need to build on their production and delivery capacities in order to grow.

IV. Projected Investments

Investments are projected as a percentage of Deposits as shown in the table below:

Investments (2006 – 2008)			
	2006	2007	2008
Short-term investments (%)	33	32	27
Statutory investments (%)	9	9	9
Total (¢'m)	1,170,622	1,276,990	1,216,183

V. Capital Expenditure

EBG expects to open eight (8) new branches/agencies by the end of the planned period. The group projects that it will make the following acquisition both for expansion and for sustaining the current operations:

Capital Expenditure (2006-2008)			
	2006	2007	2008
	¢'m	¢'m	¢'m
Land and Building (¢'m)	2,960	7,000	2,004
Furniture, Fixtures and Fittings(¢'m)	32,278	41,843	23,023
Computers (¢'m)	45,866	30,348	26,040
Motor Vehicles (¢'m)	6,143	5,000	7,515
Capital Work-In –Progress (¢'m)	34,563	3,517	6,643
Total	121,810	87,708	65,225

The group expects to finance its capital expenditure from its capital and reserves. Part of the ₵90 billion expected to be raised from the listing in 2006 will be used to finance the bank's capital expenditure.

VI. Operating Expenses

Operating expenses are projected at the rates indicated below using 2005 levels as a base. The rates are generally calculated based on projected inflation growth trends.

Operating Expenses (2006-2008)			
	2006	2007	2008
Staff Expenses (%)	30	23	23
Contractual Expenses (%)	1	25	25
Other Expenses (%)	12	24	26
Fidelity Losses (%)	-3	33	28
Expenses as % of Revenue	24	24	24
Staff costs as a % of Revenue	25	25	24
Cost to income Ratio (%)	51	50	49
Operating Expenses (¢'m)	231,243	285,275	354,828

The growth in operating expenses is expected to average 24% over the planned period.

VII. Interest Income

The table below summarises the projected interest income during the planned period:

Interest Income (2006-2008)			
	2006	2007	2008
Interest Income (¢'m)	383,508	464,541	575,566
Growth Rate (%)	11	20	24
Net Interest Margin (%)	17	17	16

With the expected reduction in interest rates on treasury bills and increasing competition, the bank will pursue a strategy of changing the composition of its asset portfolio by progressively increasing the volumes of good quality loans. The projected rate of net interest margin of 17% is in line with historical trends.

VIII. Interest Expense

As a result of a change in the composition of deposits (with increased reliance on cheaper deposits) the overall average cost of deposits as a ratio of interest income is projected to average 28% over the plan period. The table below summarises the projected interest expenses:

Interest Expense (2006-2008)			
	2006	2007	2008
Interest Expense (¢'m)	109,599	131,001	161,159
Growth Rate (%)	9	20	24
Interest Cost as a percentage of Interest Income	28	28	28

IX. Commissions and Fees

Management projects that its fees and commission income will grow at a yearly average of 30%. With declining margins on investments, management expects to grow its fees and

commission income through products such as cash management, cash mobilization, and ATM Cards. The table below details planned fees and commission income:

	2006	2007	2008
Commission and Fees (¢'m)	192,256	253,021	335,002
%age of Total Income	28	31	34

X. Taxation

The corporate tax rate has been reduced from the current level of 28.0% of taxable profits to 25.0% in 2006. The national reconstruction levy currently at 7.5% of profit before tax has been reduced to 5.5% in 2006 for the bank. For the bank's subsidiaries this has been reduced from 2.5% to 1.5%. These rates are expected to remain constant during the plan period.

Management projects that corporate tax rate will be 25% over the planned period. The Group's effective tax rate is expected to be approximately 3% above the corporate tax rate and thereafter decline substantially. This is mainly due to the increase in capital expenditure resulting in deductible temporary differences in respect of accelerated tax allowances.

XI. Dividend Pay-out Ratio

The dividend payout ratio is projected at 60% of net profit after tax and statutory reserves.

3. Valuation Analysis

Introduction

In January 2006, Ecobank Ghana Limited (EBG) mandated J. Kofi Bucknor and Associates (JKBA) to advise it on its planned floatation and listing on the Ghana Stock Exchange. As part of this assignment, JKBA was required to undertake a comparative analysis of EBG and to provide a valuation of the bank to assist it in formulating a listing strategy and determining an offer price for its shares.

Approach

The financial valuation analysis covered the following:

- Analysis of the macroeconomic and investment environment
- Analysis of EBG's operating performance
- Analysis of EBG's financial position
- Forecast of EBG's operating performance
- Review of Ghana Stock Exchange and comparable data

Valuation Methodology

JKBA valued EBG using two accepted valuation methodologies, namely Discounted Cash Flow Valuation and the Public Market Multiples methodologies. The valuation is for the EBG group and is in Ghanaian cedis, EBG's reporting currency.

Discounted Cash Flow Valuation

The Discounted Cash flow Method (DCF), is a cash flow-based valuation method, which produces a stand-alone value of a company and is most able to reflect its long term, upside potential, relative to other valuation methodologies. It attempts to capture the future

expected cash flows and discount them at a rate that reflects the risk associated with those cash flows. The DCF approach typically:

- Captures the long-term growth potential of the firm.
- Recognises cash requirements of the capital expenditure programme.
- Focuses on the future cash flow generation potential.
- Allows for valuation of companies in different stages of development, markets and cost of capital.

In applying the Discounted Cash Flow, JKBA:

- considered EBG's projected operating performance over the period 2006 to 2010,
- deducted projected capital expenditure, tax and other cash outflows required to generate those cash flows in order to obtain the free cash flows, and
- discounted the free cash flows to their present values at the opportunity cost of capital, which reflects the risks associated with the projected cash flows.

The DCF valuation makes the following additional assumptions:

- Real Cost of Equity of 25% (Yield on the 2 year Treasury Bill Note plus an equity premium of 8%).
- EBITDA multiples of 5.3 and 5.8 (the minimum and average of computed EBITDA multiples of the selected banks), to estimate the terminal (or residual) value of the Group.

Public Market Multiples

Public Market Multiples method calculates the relative value by applying multiples of accepted valuation comparatives such as the Price Earnings Ratio (PER), Price to EBITDA and Price to Book Value (P/BV) ratios, based on the level of activity of similar publicly traded companies. Below is a summary of the multiples used in determining the value of EBG:

- The Price/Total Income (P/I) ratio measures how much investors are willing to pay for the EBG's revenue potential.
- The Price/Total Assets (P/TA) ratio measures how much investors are willing to pay for EBG in relation to the EBG's Total Assets.
- The Price/Net Book Value (P/BV) ratio measures how much investors are willing to pay for the EBG's Net Book Value.
- The Price/Earnings (P/E) ratio calculates how much investors are willing to pay for the EBG's earning power.

The use of this method also provides an additional tool for valuing companies from the perspective of equity investors and reflects the amounts investors are willing to pay under the prevailing market conditions.

This valuation is based on an analysis of EBG's 2005 results in relation to the annualized September 2005 results of the five Ghanaian banks listed on the Ghana Stock Exchange namely, Ghana Commercial Bank, Standard Chartered Bank and SG-SSB Bank, Cal Bank and HFC Bank. Where necessary, JKBA, made adjustments to correct for distortions in the market valuations of certain banks due to such factors as the liquidity of the shares traded.

Valuation Results

The table below shows a summary of JKBA's valuation results:

	Billions of cedis	Price/ Share (cedis)	Price to 2005 Earnings	Price to 2006 Earnings	Price to 2005 Net Assets
Discounted Cash Flow Valuation					
Low End	1,716.0	23,228	13.59	10.40	5.00
Average	1,763.2	23,903	13.98	10.70	5.15
High End	1,810.5	24,578	14.38	11.01	5.29
Public Multiples					
Low End	1,082.4	14,177	8.29	6.35	3.05
Average	1,301.1	17,302	10.12	7.75	3.73
High End	1,506.7	20,238	11.84	9.06	4.36

JKBA applied a 60% weighting to the mid-point of the Discounted Cash Flow valuation and a 40% weight to the mid-point between the Average and the High End of the valuations using the Public Market Multiples method to arrive at a final valuation of ₵1,619.5 billion (or US\$179.9 million) for EBG. This translates into implied post IPO PEs of 13.5 times 2005 Earnings or 10.4 times projected 2006 Earnings. JKBA estimated the pre-IPO price per share of EBG to be ₵21,850 (or US\$2.43).

VALUATION METHODOLOGY	VALUATION (₵Bill)	WEIGHTING (%)	FINAL VALUATION (₵Bill)
Discounted Cash Flow	1,763.2	60%	1,057.9
Public Multiples	1,403.9	40%	561.6
Weighted Average			1,619.5
US\$ EQUIVALENT	VALUATION (\$Mill)	WEIGHTING (%)	FINAL VALUATION (\$Mill)
Discounted Cash Flow	195.9	60%	117.5
Public Multiples	156.0	40%	62.4
Weighted Average			179.9

Although somewhat aggressive, JKBA believes that this valuation will be well received by investors.

Adopted Valuation

The company adopted a final post-IPO valuation of ₵1,773.5 billion, which translates to a price/earnings multiple of 14.8 times based on EBG's 2005 net profit after tax.

C. Risk Factors

Investing in the securities of any company entails some investment risks. In considering a purchase of EBG's ordinary shares, prospective investors should carefully consider the following potential risks of an investment in the Company, including any relevant information contained in this prospectus:

i. Financial Risk

EBG is involved in the management of financial assets and liabilities and is therefore principally exposed to financial risks. These include credit risks, liquidity risks, interest rate risks and foreign exchange risks. EBG has been managing these risks through its well-tested methodologies and procedures over the years. The company's policies and its well motivated staff will enable the bank to address these perceived risks.

ii. Liquidity

EBG shares will be listed on the GSE to facilitate trading in the Company's shares. It is however possible that there could be inadequate liquidity in the Company's shares on the GSE, meaning that investors may not be able to sell shares in EBG whenever they want to and at their desired price.

iii. Dilution

An investor's holdings in EBG may be diluted if that investor does not participate fully in a rights issue or if the company issues new shares that are not offered to that investor.

iv. Competition

EBG operates in an increasing competitive financial services industry which is evolving and broadening. The Company therefore faces challenges in all aspects of its business which can affect its financial performance. Over the past years, EBG has responded well to these market challenges.

v. Risks of Fraudulent Practices

Fraudulent practices by employees and customers can adversely affect the operations of the Bank. The Bank is mitigating this risk through efficient reporting systems and the implementation of an effective know-your-client policy. The Bank also has in place bankers' blanket insurance policy to partly cover these risks.

vi. Risks of Computer System Failure

The use of computer systems and other information technologies pose a risk to the bank. EBG however employs a comprehensive computer control and monitoring system to enable it to mitigate these risks.

vii. Political Risk

Political upheavals pose a risk to the smooth operation of the bank. Ghana has been operating a democracy as a means of governance since 1992. The peaceful democratic process prevailing in the country as well as the support by the international community Ghana's political system gives the assurance the current political stability will continue.

viii. Group Risk

EBG is part of the ETI group, which currently operates in 13 countries. It is conceivable that adverse developments in other jurisdictions where ETI operates could present exogenous shocks to ETI's overall financial strength, which could in turn impact negatively on EBG's operations. The Group's experience to date however has demonstrated that the risks are manageable.

PART 7 – ADDITIONAL INFORMATION

A. Regulations and Constitution of Ecobank Ghana Limited

EBG adopted new Regulations by special resolution dated February 8, 2006 to convert it from a private limited liability company to a public limited liability company.

1. Authorised Business

EBG is authorised to:

- a. To carry on the business of banking in accordance with the provisions of the Banking Act or any statutory modification or re-enactment thereof for the time being in force, including the following namely, borrowing, raising or taking up money, lending or advancing money, discounting, buying, selling and dealing in foreign currencies, bill of exchange, promissory notes, coupons, drafts, bills of lading, warrants, debentures, certificates, scrip and other financial instruments and securities, whether transferable or negotiable, or not; granting and issuing letters of credit, guarantees, indemnities and circular notes; buying, selling and dealing in bullion and specie; acquiring, holding, issuing on commission, underwriting and dealing with stocks, funds, shares, debentures, debenture stock, bonds, options, obligations, securities and investments of all kinds; the arrangement and syndication of loans and advances; receiving money and valuables on deposits, or for safe custody, or otherwise; collecting and transmitting money and securities, financing trade, managing property, and transacting all kinds of agency business commonly transacted by bankers.
- b. To undertake export development and financing, intermediation of international transactions, trade development and promotion, particularly within the ECOWAS and African Region, and provision of advisory and financial services for small and medium scale industries including mining, agricultural production and development and other priority areas in the economy.
- c. To undertake and execute any trusts, the undertaking whereof may seem desirable, and also undertake the office of executor, administrator, receiver, treasurer, registrar, and to keep for any company, government authority, or body, any register relating to any stocks, funds, shares or securities, or to undertake any duties in relation to the registration of transfers and the issue of certificates.
- d. To assist in the establishment, promotion, privatization, recapitalization or liquidation of associations, companies, syndicates and undertakings of all kinds, and to secure by underwriting or otherwise the subscription of any part of the capital of any such association, company, syndicate or undertaking, and to pay and receive any commission, brokerage or other remuneration in connection therewith; and undertake general corporate financial services.
- e. Engaging in development financing or acquiring or taking by subscription or by purchase or otherwise and the holding of, shares or stock of, and investing in the securities of any company engaged in development financing or any undertaking in Ghana or elsewhere having similar objects as may be deemed by the company to be likely to advance, either directly or indirectly the interest of the company.

- f. To take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the company, and to obtain and justify public confidence, and to avert or minimize financial disturbances which might affect the Company.

2. Directors

i. Appointment and Number of Directors

The appointment of a director shall be regulated by Section 181, 298 and 299 of the Code and the Banking Act. The number of directors shall not be less than two (2) or more than twelve (12).

ii. Contracts in which Directors are materially interested

Any contract, proposal or arrangement in which directors are interested can only be entered into upon compliance with the provisions of sections 205 to 207 of the Companies Code, 1963 (Act 179).

iii. Directors Power to Borrow for EBG's Business

The power of the directors to borrow and charge EBG's assets is not limited by section 202(5) of the Companies Code but can be varied by amendment of EBG's Regulations.

iv. Retirement of a Director

The Office of a Director shall be vacated in accordance with Section 184 of the Code and any Director may be removed from Office in accordance with Section 185 of the Code.

At the first Annual General Meeting (AGM) of the company, all Directors shall retire from office and in subsequent years, one-third of directors for the time being. The director to retire in every year shall be those who have been longest in office since the last election. A retiring director shall be eligible for re-election.

v. Number of Qualifying Shares to be held by a Director

Directors of EBG are not required to take up any shares as a condition of being a director of the company.

3. Description of EBG Shares

i. Dividend Rights

The company may by ordinary resolution, declare dividend in respect of any year or other period but no dividend shall exceed the amount recommended by the Board of Directors. No dividend shall be paid unless:

- a. the company will, after such payment, be able to pay its debts as they fall due
- b. the amount of such payment does not exceed the amount the company's income surplus immediately prior to making of such payment
- c. the provision of section 29 and 39 and any other applicable provisions of the Banking Act relating to the declaration and payment of dividend shall have been complied with.

ii. Voting Rights

Subject to any rights or restrictions for the time being attached to any class of preference shares on show of hands each member and each proxy lawfully presents at the Meeting shall have one vote, and on a poll each Member present or by proxy shall have one vote for each Share held

iii. Rights to Share in EBG's Profits

Other than the entitlement to dividends declared, there are no rights to share in the profits of EBG

iv. Rights to Share in any Surplus in the Event of Liquidation

If EBG is wound up, the liquidator may, with the approval of a special resolution and any other sanctions, required by the Code, divided amongst the members in specie or kind, the whole or part of the assets of the company and may determine how such divisions shall be carried out as between the members or different classes of members.

v. Acquisition and Forfeiture of Shares

EBG may exercise the powers conferred on the company to

- a. purchase its own shares
- b. acquire its own shares by voluntary transfer to it or nominees for it
- c. forfeit any shares issued with an unpaid liability for non-payment of calls or other sums payable

vi. Liability of Shareholders to further Capital calls by EBG

The board may from time to time make calls upon the shareholders in respect of any money's unpaid on their shares

4. Change of Rights of Shareholders

The rights conferred upon holders of shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by terms of issue of that class, be deemed to be varied by the creation or issue of further shares.

5. Convening of Annual General Meeting and Extraordinary General Meetings

Annual General Meetings shall be convened by at least 21 days' notice in writing to each shareholder, director and auditor of the company. The notice must specify the place, date and time of the meeting and the general nature of the business to be conducted at the meeting. If the notice states that the meeting is to transact the ordinary business of an annual general meeting, that is sufficient indication that the business will be to declare a dividend, consider the accounts and reports of directors and auditors, election of directors to replace those who retire, fixing the remuneration of the auditors and, if required, the removal and election of auditors.

A member may attend and vote in person or by proxy. The proxy need not be a member of the company. Unless all calls and other sums payable on a member's shares are paid, that member is not entitled to attend the meeting.

Extraordinary General Meetings may be convened by the directors of the Bank on the requisition of members holding not less than 5% of the shares of the company. If the directors do not within 28 days of receipt of a requisition proceed to convene a meeting for a date not later than 28 days thereafter, those members requesting the meeting may themselves convene the meeting.

6. Non-Resident Shareholdings

Save for exchange control restrictions relating to the acquisition by non-resident or foreign shareholders in Ghana resident companies, there are no limitations imposed by law or by the Regulations of EBG on the right of non-resident or foreign shareholders to hold or exercise voting rights in the shares.

7. Change in Control Provision

EBG shall not issue shares to transfer a controlling interest without the prior approval of members in general meeting. A person is to be treated as having controlling interest in the Bank if, but only if, he is entitled to exercise more than fifty (50) per cent of the voting power at any general meeting of the company.

8. Changes in Capital

EBG may by special resolution passed by its members altering its Regulations; increase the number of its shares by creating new shares and it may by special resolution reduce its stated capital.

B. Material Contracts

1. Group Services Agreement

The purpose of this agreement between ETI and EBG is to provide certain services to EBG to enhance and standardise the quality of products, services and process across the Ecobank Group. The fee for services provided by ETI under the agreement is 2% of EBG's net profit before tax. The scope of services provided by ETI under the agreement is:

- i. Use of intellectual property rights of the Ecobank Group including the Ecobank name, Logos Trademarks and brand names;
- ii. Provision of operational manuals on all aspects of the group's business including processing, credit and foreign exchange;
- iii. Regular audits and reviews of the operations of all units. The audits and reviews normally cover operations business risk, technology, human resource and compliance;
- iv. Recruitment of senior level executives through consultation with employment agencies;
- v. Ensuring uniformity, minimization of cost and maintaining high group standard in advertising and marketing;
- vi. For general services that are consumed across the Group; and
- vii. ETI develops strategic plans, products and services and generally provides strategic direction for the Ecobank Group including the establishment of new subsidiaries.

2. Maintenance Contracts

EBG has entered into maintenance contracts with several information technology service providers for the maintenance of EBG's IT systems and software. Existing service providers include Giant Metro Company Ltd, Blue Orchid Associates Ltd, Equant Network Services Ltd, Comsys (Gh) Ltd and Clydestone (Ghana) Ltd. Under the terms of these agreements EBG pays the service providers maintenance fees, faults fixing fees, etc in exchange for systems support and fault-rectification services from the providers.

3. Cash Management Agreements (CMAs)

These are standard agreements EBG enters into with its customers under which EBG collects cash from the customer's office(s) into specifically designated accounts and disburses cash to pre-selected accounts for payment of invoices as directed by the customer. Under the directions of the customer, EBG may also provide investment services such as the purchase of treasury bills and other securities.

The CMAs set out the manner for delivery and collection of cash. EBG is under obligation to provide account balance and transaction information in respect of the services rendered. The parties are not liable to each other for delays in performance obligations or loss of

profits, business contracts, revenues and anticipated savings if such delays, failures or loss results from events or circumstances outside reasonable control of the parties. EBG carries a banker's blanket insurance policy which covers its exposure to risks under the CMAs.

Some companies EBG has entered into CMAs with are Shell Ghana Ltd, Route Basic Ltd, Interplast Limited, Parry & Co Ltd, Dabsona Ventures Limited and Ghana Post.

4. Finance Lease Agreements (FLAs)

EBG enters into FLAs, through its leasing subsidiary, to finance the purchase of movable assets for some its customers and employees. ELC has over 90 FLAs with the bank's customers and 26 FLAs with the group's employees.

Many of the FLAs are to finance the acquisition of vehicles. Under these FLAs, ELC as the lessor, owns the vehicles and the lessees have no proprietary rights in the title or interest in the vehicle other than mere bailees.

5. Other Material Agreements

These include Money Transfer Agreement entered into with Western Union Financial Services Inc. dated August 7, 2003 which authorises EBG to provide Western Union Money Transfer services in Ghana. EBG is further authorised to enter into Agent Partnership Agreements (APA) with other financial institutions as Agent Partners to provide Western Union Money Transfer services in Ghana. EBG has entered into APAs with National Investment Bank and Prudential Bank Limited.

EBG has also entered into a Visa Sponsorship Agreement (VSA) with Visa International Service Association under which EBG as a principal member of Visa International sponsors banks/institutions to become associate members of Visa International. EBG has entered into VSAs with Cal Bank Limited and Standard Trust Bank.

C. Litigation and Legal Proceedings

The following summarises pending litigation in matters with a minimum claim value of US\$50,000.

1. Legal Proceedings EBG has Filed Against Third Parties

(a) EBG v. Erdmac Company Limited, Suit No. AB 4/2005

This suit is for recovery of an amount of One Billion Four and Thirty Three million, Three Hundred and Ninety Three Thousand Two Hundred and Forty Seven Cedis, Fifteen Pesewas (¢1,433,393,247.15) together with interest in respect of a loan facility granted to the defendant which he has failed to repay. The defendant filed a defence disputing the debt but on commencement of hearing proposed to settle the debt out of court. The action was thus suspended and the defendant has paid Four hundred Million Cedis (¢400,000,000) and proposed to pay up to One Billion Cedis (¢1,000,000,000) by the end of December 2005 but has failed.

(b) EBG v. Eel-Carre Industrial Chemical Supplies and Services Limited Suit No. AB 13/2003

This is an action by EBG to recover the sum of ¢3,387,201,249.00 from the defendant together with interest from October 27, 2003 to date of final judgment. Defendant submitted to judgment on the 16th January 2003 but failed to meet the

terms of the judgment. EBG levied execution against the defendant's trucks and other vehicles and has so far recovered ₵1.6 Billion. EBG has informed the floatation lawyers that the Defendant is pursuing a judgment it has against Prestea and Bogoso Mines and has undertaken to defray its indebtedness with the proceeds from the execution of those judgments.

(c) EBG v. Aluminium Enterprise Limited (Suit no. C882/2000)

EBG is claiming an amount of €165,000.00 or its cedi equivalent together with interest in respect of a loan facility advanced to the defendant at his request in conjunction with the European Investment Bank (EIB).

2. Legal Proceeding Filed Against EBG or its Subsidiaries

The floatation lawyers were not aware of any suits filed against EBG its subsidiaries with a claim exceeding US\$50,000 as at February 15, 2006.

D. Exchange Controls

1. Exchange Control Act 1961, Act 71

Exchange control is currently governed by the Exchange Control Act 1961, Act 71, as amended, (ECA) which imposes restrictive measures on the dealings in, and transfers of foreign currency, as well as the issue of securities to external residents.

2. Restriction on Foreign Share Ownership of Listed Securities

External residents are required to obtain the consent of the Minister for Finance for shares to be issued to them in a Ghana resident company. Further, the consent of the Bank of Ghana is required for the transfer of shares if either the transferee or the transferor is an external resident. However, general consent was granted by a notice BG/EC/93/1 dated July 22, 1993 ("the Notice") by the Minister of Finance and Economic Affairs and the Bank of Ghana for securities listed on the Ghana Stock Exchange to be issued to, and dealt in by, external residents through the Exchange.

Under the Notice, the holdings of a single external resident portfolio investor are limited to 10% of the shares of a listed company. The consent of the Minister of Finance is therefore required for any issue of more than 10% of the shares of a listed company to an external resident and in the case of a transfer to or from an external resident of over 10%, the consent of the Bank of Ghana is required. The total holdings of external residents (both individuals and institutions) in a listed security shall not exceed 74%. External resident Ghanaians and non-Ghanaians resident in Ghana may freely purchase and transfer listed shares without regulatory consent.

The Notice provides that the following may be fully and freely remitted by external residents in relation to listed securities:

- i. Original capital or principal amounts
- ii. Any capital gains
- iii. Dividend or interest payments
- iv. Related earnings and refunds

E. Taxation

i. Withholding Tax on Dividend

Under current Ghanaian tax law, all dividend payments are subject to a dividend withholding tax of 10%. No further tax is payable on dividends received.

ii. Capital Gains

The securities of a company listed on the GSE are currently exempt from capital gains tax in Ghana until 2010. No capital gains tax would therefore be payable on any realisation of capital gain from the sale of shares in EBG until 2011.

iii. Gift Tax

Liability to gift tax may arise by gift of shares in the Company if the open market value of the shares at the time of the gift exceeds ₵500,000.00 (subject to certain exemptions). The tax is payable by the recipient of the gift.

The applicable statutory rate varies as follows:

- a. Not exceeding ₵500,000.00 – Nil
- b. Exceeding ₵500,000.00 – 10% of excess over ₵500,000.00

iv. Stamp Duty

Under the Stamp Duty Act, 2005 (Act 689), transfer of shares is exempt from stamp duty.

v. Corporate Tax

The Internal Revenue Act 2000, Act 592, prescribes a corporate tax of 25% for all listed companies.

F. Dividends and Payment Agents

Dividends are payable at the discretion of the Board of Directors. Dividends are paid only to the extent of available profits which can lawfully be distributed. The payment of dividends would be made by the registrars, GCB Share Registry Services. All payments in respect of dividends will be made net of withholding taxes imposed under Ghanaian tax laws in force at the time of the payment of the dividend. As at the date of this Prospectus, the applicable withholding tax rate is 10%.

G. Declaration of Interests by Advisers

As at the date of this Prospectus neither Strategic African Securities (Sponsoring Broker) nor its subsidiaries, Strategic Initiatives Ltd and SAS Investment Management Ltd, held any EBG shares. No employee or principal of any of the firms held or had interest in any EBG shares.

As at the date of this Prospectus, Ecobank Stockbrokers Limited (Sponsoring Broker) did not hold any EBG shares and employees of ESL held or had no direct interest in EBG shares. However, employees of ESL contribute to the Staff Savings Plan which held 384,623 shares in EBG.

As at the date of this Prospectus, the sole shareholder of J. Kofi Bucknor & Associates (Financial Advisors), Jude Kofi Bucknor owns 959,518 shares in EBG, which was purchased at the time the Company was established. Jude Kofi Bucknor also represents Kingdom Zephyr Africa Management on the board of ETI, EBG's parent company. Save this disclosure, JKBA, its employees and associated persons did not hold or have any interest in any EBG shares.

As at the date of this Prospectus, Bentsi-Enchill & Letsa (Legal Advisors) did not hold any EBG shares. No employee or principal of the firm or any of its associated persons held or had interest in any EBG shares.

As at the date of this Prospectus, PricewaterhouseCoopers (Reporting Accountants) did not hold any EBG shares. No employee or principal of the firm or any of its associated persons held or had interest in any EBG shares.

As at the date of this Prospectus, Channel Two (PR Consultants) did not hold any EBG shares. No employee or principal of the firm or any of its associated persons held or had interest in any EBG shares.

As at the date of this Prospectus, Messrs Valuation and Investment Associates (Fixed Asset Valuers) did not hold any EBG shares. No employee or principal of the firm or any of its associated persons held or had interest in any EBG shares.

H. Mandatory Declarations

1. The directors herein, in respect of the information relating to EBG and the Offer and, having made all reasonable enquiries, confirm that:
 - i. this Prospectus contains all information with regard to the Issuer and the Offer which is material in the context of the issue of the shares;
 - ii. the information contained in this Prospectus is true and accurate in all material respects and is not misleading;
 - iii. the Company's profit forecast has been stated after due and careful consideration;
 - iv. the opinions and intentions expressed herein are honestly held; and
 - v. there are no other facts, the omission of which makes the Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading.
2. The promoter, directors and members of management of EBG may realise or transfer part of their interests in the issue within a period of two years of the date of this Prospectus.
3. To the best knowledge of the Lead Managers, this Prospectus constitutes a full and fair disclosure of all material facts about EBG and the issue, but the Lead Managers will not be held responsible for any inaccuracies or omissions of material facts as all information given herein was obtained from EBG.
4. This Prospectus has been seen and approved by us the directors of EBG and we collectively and individually accept full responsibility for the accuracy of the information given and that after making all reasonable enquiries and to the best of our knowledge

and belief there are no facts the omission of which would make any statement in the document referred to above misleading.

I. Inspections

Copies of the following documents in respect of the business and affairs of EBG and the share offer may be inspected at the registered office of EBG during normal business hours of any working day during the Offer period:

1. Regulations of EBG
2. EBG's Certificate of Incorporation
3. EBG's Certificate to Commence Business
4. EBG's Audited Financial Statements from 2001 to 2005
5. Audited Accounts of EBG's subsidiaries, ESL, EIML and ELC from 2001 to 2005
6. EBG's Undertaking in support of its Application to the GSE Official List
7. EBG's Tax Clearance Certificate
8. EBG's Social Security and National Insurance Clearance Certificate
9. EBG's Share Valuation Report
10. EBG's Fixed Asset Valuation Report
11. A copy of EBG's Share Offer Prospectus

PART 8 – OVERVIEW OF THE GHANA STOCK EXCHANGE

1. Overview

The Ghana Stock Exchange (GSE) was incorporated in July 1989 as a company limited by guarantee. It is a non-governmental organisation, governed by a thirteen (13) member council. Members of the GSE include sixteen (16) Licensed Dealing Members (brokerage firms) and forty-one (41) Associate Members. The Exchange is regulated by the Securities and Exchange Commission (SEC) under the Securities Industry Law, PNDCL 333 of 1993, as amended by the Securities Industry (Amendment) Act, 2000, Act 590.

2. Development & Trends

Trading on the GSE began on November 12, 1990 with eleven (11) listed companies. As at March 31, 2006 there were 29 equities and 3 corporate bonds listed on the GSE. To deepen the growth and broaden the base of the Exchange, the GSE encouraging SMEs to list on the stock market through a provisional listing approach.

The GSE's current manual but centralised clearing and settlement arrangement will be upgraded in the ongoing modernisation programme to automate the settlement of trades with a depository, the Central Securities Depository. It is expected that equities, including those listed on the GSE, would be traded through the CSD by the end of 2006. The GSE is also seeking to automate its trading platform by the end of 2006.

3. Performance

After a bullish run in 2004, where the GSE All-Share Index gained 91.33%, the Index in 2005 fell from 6,798.60 points to 4,769.02 points (a loss of 29.85%). The bearish trend of 2005 persists in 2006, although a few of the listed equities are showing signs of recovery. As at March 31, 2006, the GSE All-Share Index had recorded a slight downturn of 0.10% despite year-to-date gains in five listed equities. Some of the major transactions on the GSE over the past 12 months include:

- a. Total Outre Mer S. A. completing a takeover offer for Mobil Oil Ghana Ltd
- b. The listing of preference shares in Standard Chartered Bank Ltd, and ordinary shares of Golden Web Company Ltd (IPO) and SG-SSB Bank Ltd (bonus issue)
- c. One (1) Provisional Listing - Ayrton Drug manufacturing Ltd
- d. Two (2) de-listings - Ghana Breweries Ltd and Metalloplastica Ghana Ltd

Total market capitalisation fell from ₵97,614 billion on December 31, 2004 to ₵91,857 billion on December 31, 2005. It had further decreased to ₵91,843 billion as at March 31, 2006 (excluding preference shares).

4. Trading Volumes and Values

A total of 81.47 million shares valued at approximately ₵453.12 billion were traded in 2005. The most actively traded stocks by volume in 2005 were PBC, CAL, CPC, CFAO and SPL. MOGL accounted for 33% of the value traded in 2005, followed by PBC, which accounted for 21% of traded value.

By March 31, 2006, a total of 13.71 million shares had been traded at a total value of approximately ₵62.77 billion. GWEB, GCB and CAL were the most actively traded equities by volume traded during this period.

5. Statistics on Listed Companies

The following is a summary on the listed equities detailing their issued number of shares, market capitalisation and price/earning ratios as at March 30, 2006:

SUMMARY OF LISTED SECURITIES ON THE GHANA STOCK EXCHANGE AS AT MARCH 30, 2006

Company	Ticker	Sector	Issued Shares (m)	Mkt Cap (¢'b)	Price ¢	% of Tot Mkt Cap	P/E
Accra Brewery Ltd	ABL	Brewery	249.45	286.86	1,150	0.31	n.m
AngloGold Ashanti Ltd	AGA	Mining	263.64	79,092.03	300,000	86.12	89
AngloGold Ashanti Ghanaian Dep.Shares	AADs	Mining	0.98	293.66	3,000	0.32	89
Aluworks Ltd	ALW	Aluminium	41.68	255.07	6,120	0.28	14
British American Tobacco Ghana Ltd	BAT	Tobacco	69.13	210.71	3,048	0.23	8
Benso Oil Palm Plantation	BOPP	Processing	34.80	191.40	5,500	0.21	693
CAL Bank Ltd	CAL	Banking	155.09	297.78	1,920	0.32	8
CFAO Ghana Ltd	CFAO	Trading	224.00	89.38	399	0.10	13
Clydestone Ghana Ltd	CLYD	IT Solutions	34.00	34.00	1,000	0.04	28
Camelot Ghana Ltd	CMLT	Printing	6.54	11.12	1,700	0.01	214
Cocoa Processing Company	CPC	Processing	861.48	516.89	600	0.56	70
Enterprise Insurance Company Ltd	EIC	Insurance	25.57	175.64	6,870	0.19	8
Fan Milk Ltd	FML	Dairy Products	19.78	312.52	15,800	0.34	12
Ghana Commercial Bank Ltd	GCB	Banking	165.00	1,014.75	6,150	1.10	8
Guinness Ghana Breweries Ltd	GGBL	Brewery	164.67	1,410.41	8,565	1.54	21
Golden Web Ltd	GWEB	Manufacturing	29.97	16.48	550	0.02	19
HFC Bank Ghana Ltd	HFC	Banking	100.16	600.95	6,000	0.65	45
Mechanical Lloyd Company Ltd	MLC	Automobile	50.10	125.24	2,500	0.14	15
Mobil Oil Ghana Ltd	MOGL	Petroleum	4.73	255.15	54,000	0.28	14
Pioneer Kitchenware Ltd	PKL	Aluminium	16.49	13.19	800	0.01	n.m
Produce Buying Company Ltd	PBC	Produce Buying	480.00	1,344.00	2,800	1.46	n.m
PZ Cussons Ghana Ltd	PZ	Conglomerate	28.00	182.03	6,501	0.20	14
Standard Chartered Bank Ghana Ltd	SCB	Banking	17.60	2,287.49	130,000	2.49	11
Starwin Products Ltd	SPL	Pharmaceuticals	74.08	42.22	570	0.05	16
Super Paper Products Company Ltd	SPPC	Paper Products	19.44	7.58	390	0.01	n.m
SG-SSB Bank Ltd	SG-SSB	Banking	142.50	997.50	7,000	1.09	10
Sam-Woode Limited	SWL	Publishing	21.83	6.33	290	0.01	3
Trust Bank Limited (The Gambia)	TBL	Banking	30.00	810.00	27,000	0.88	29
Unilever Ghana Ltd	UNIL	Conglomerate	62.50	962.50	15,400	1.05	11
Total			3,393.18	91,842.89			
SCB Preference Shares	SCB-Pref	Banking	17.48	90.90	5,200	-	-
TOTAL			3,410.66	91,933.79			

n.m - not meaningful

6. Other Information

Trading Days:	Monday-Friday; starting at 09.00 to 12.00 GMT
Trading Method:	Carried on the floor under the Continuous Auction Trading system. Trading is done in lots of 100 shares.
Settlement Period:	Trading day plus 3 business days (T +3)
Receipt of Certificate:	Within two (2) months according to Section 53(1) of the Companies Code 1963 Act 179 (as amended)
Access to Trade and General Information on the GSE	Through Reuters, internet, official trading results, local newspapers, SAS and Ecobank Newsletters, GSE handbook, SAS website - www.sas-ghana.com , etc

PART 9 – TERMS AND CONDITIONS OF THE OFFER

1. General Conditions

If you receive a copy of this document and/or application form in any territory other than Ghana, you should NOT treat it as constituting an offer or an invitation to offer, nor should you use such application form, UNLESS you are in a territory, where such an offer or invitation may lawfully be made to you without compliance with any securities registration or other legal requirements by the Company.

If you are in a territory outside Ghana in which this offer may lawfully be made, It is your responsibility, if you wish to make an application, to satisfy yourself as to the full observance of the laws of the relevant territory in connection with your application, including obtaining any governmental or other consents and compliance with other necessary formalities, and paying transfer or other taxes or duties required to be paid in such territory in respect of the offer of shares acquired by you under this Offer.

2. Offer to Purchase Shares

- i. You offer to purchase such number of EBG shares which when multiplied by the offer price, is nearest but not more than the amount indicated in your Application Form, on these terms and conditions and subject to the Regulations of the Company.
- ii. **You agree to provide a clear photocopy of a valid ID in support of your application to your receiving agent. For the purposes of this Offer, a valid ID shall be a passport, driver's license or a voter's ID card for individuals, and a clear photocopy of registration documents or other acceptable identification for institutions, clubs and other bodies.**

If you are applying for a minor you must submit a clear photocopy of a valid ID for both the minor and yourself. A valid ID for a minor may be a passport or a birth or baptism certificate. Where you are applying for a person other than a minor, you agree to submit all required identification of yourself and the person on whose behalf you are applying for shares, and a duly executed power(s) of attorney authorising you to apply for shares under this Offer on their behalf.

- iii. You agree that your application to acquire shares cannot be revoked after June 2, 2006 or such later date as the Directors and Advisors may agree, and promise that any cheque, bankers draft or money or postal order will be honoured on first presentation and that this paragraph constitutes an agreement between you and EBG. It becomes binding when your application is posted or in the case of delivery by hand as received by the Company or any of its receiving agents. However, the Company will not be held liable if you use a wrong address in posting. You must pay all bank commissions, transfers and other bank charges related to your application.
- iv. A thumb print on an application form will be accepted instead of a signature thereon only if it is duly certified in accordance with the Laws of Ghana.
- v. If your Application Form is not completed correctly or is amended, or you do not include the required identification as spelt out in 2(ii) above, or if any cheque, bankers draft, money or postal order is found to be less than the amount stated on your application form, it may still be treated as valid. In such cases, the Advisors' decision as to whether to treat the application as valid, and how to construe, amend or complete it shall be final. You will not, however, be treated as having applied to purchase a number of shares which, when multiplied by the offer price, is more than the amount of remittance upon allotment of shares.

- vi. **An application may be rejected in whole or in part at the discretion of the Advisors and Management of EBG if the application is incomplete or illegible, if it is determined that the applicant has submitted multiple applications or if it is determined that the applicant is not eligible to participate in this public offer.**

3. Acceptance of Offer

- i. Acceptance of your offer will be made (if your application is received, valid, processed and not rejected) by notifying the SEC and GSE of the basis of allocation or by notifying acceptance to the receiving agents.
- ii. The acceptance may be of the whole or any part thereof and in the latter event, the number of shares you offer to purchase may be scaled down.
- iii. If your application to purchase shares is accepted (in whole or in part), there will be a binding contract under which you will be required to purchase the shares in respect of which your application has been accepted and has not been terminated.

4. Payment for Shares

- i. You undertake to pay the purchase price for the shares in respect of which your application is accepted. The cheque or bankers' draft or other remittances may be presented for payment before acceptance of your application, but this will not constitute acceptance of your application, either in whole or in part.
- ii. If the application is invalid, rejected or not accepted in full, or if the amount of the application divided by the offer price does not result in a whole number of shares or if the circumstances described in paragraph 2 (iii) on the previous page do not occur prior to the dates respectively specified therein, the proceeds of the cheque or other remittances or the unused balance of those proceeds (as the case may be) will be refunded to you without interest.
- iii. If the remittances are not honoured on first presentation, then at any time until the Company has received cleared funds in respect of the share offer, the Advisors, on behalf of EBG may terminate the agreement to purchase that share. The termination will be effected by notice being dispatched to you.
- iv. Receiving Agents will convert payment received in a currency other than the cedi at the prevailing inter-bank or such other negotiated rate between the Receiving Agent and their bankers at the time value is given to it.

5. Warranties

You warrant that:

- i. You are qualified to apply;
- ii. The applicant on whose behalf you are applying is qualified to apply;
- iii. You will not make any other application or multiple applications through various Receiving Agents and that to the best of your knowledge there is no other application for EBG shares being made to your benefit;
- iv. You will submit a complete application including all supporting documents required under the terms of this offer;

- v. In making your application you are not relying on any information or representation concerning the Company and/or other offers or any of them not contained in this document. You agree that no person responsible for this document or any part of it will have liability for any such other information or representation;
- vi. If any person signing, or making a thumb print on the application form is not the applicant, that person warrants that he/she has authority to do so on behalf of the applicant and that this authority is vested in him or her by virtue of a power of attorney which (or a copy of which certified by a solicitor) accompanies the application;
- vii. If the applicant is other than a natural person, the person signing the application form warrants that he/she has authority to do so on behalf of the applicant.

6. Supply and Disclosure of Information

The Company, Directors, Advisors and their agents shall have full access to all information relating to, or deriving from, the cheque or banker's draft or other remittance accompanying your application and its processing. If the Directors or their agents request any information about your application you must promptly disclose it to them.

7. Miscellaneous

- i) The rights and remedies of the Company and Advisors, under these terms and conditions are in addition to any rights and remedies, which would otherwise be available to each of them, and the exercise or partial exercise of one will not prevent the exercise of others.
- ii) If you deliver your Application Form to a receiving agent, you authorise the Company to send money returnable to you in the same manner and a share certificate for the number of shares for which your application is accepted posted to the address provided on the application form. If your application was sent by post, you authorise the Company to send a share certificate for the number of shares for which your application is accepted and/or cheque for any money returnable by mail to your address (or, in the case of joint applicant, the address of the first-named person) as set out on the Application Form.
- iii) All documents and monies sent or delivered to or by you will be sent or delivered at your own risk. Any cheque will be made payable to you (or first person named in any joint application).
- iv) You agree to be bound by the Regulations of EBG once the shares you have agreed to purchase have been transferred to you.
- v) Your application and the acceptance of that application and the contract resulting therefrom will be governed by, and construed in accordance with the Laws of Ghana. You irrevocably submit to the jurisdiction of the Ghanaian courts in respect of the matters relating to this transaction. This does not prevent an action being taken against you in any other jurisdiction.
- vi) Words defined in the Prospectus and not defined in these terms and conditions have the same meaning in these terms and conditions and in your Application Form and in the guide to the Application Form as in the Prospectus. In the case of joint applicants, references to an applicant in these terms and conditions are to each of the joint applicants and their liability is joint and several.

PART 10 – COMPLETION GUIDE AND RETURN INSTRUCTIONS

A. General Instructions for Completing the Application Form

Please read the instructions carefully before completing the relevant Application Form.

- i) There are two Application Forms for this Offer, one for individual investors and the other for corporate investors. Please ensure you complete the appropriate Application Form and return the completed Form together with supporting documentation (photocopy of valid ID, and duly executed power(s) of attorney where applicable) and your cheque for the application to a receiving agent.
- ii) Use block capital letters in completing the Application Form and return the completed Application Form together with payment for your subscription to a receiving agent by 17 hours GMT on June 2, 2006.
- iii) Only people over 18 years of age can buy shares in their own name. Shares may be bought for a child by a parent, grandparent or guardian of the child who may complete another application to buy shares in his/her own name.
- iv) Power(s) of attorney must be enclosed if anyone is signing on behalf of an applicant other than a minor.
- v) For the purposes of this Offer, a valid ID constitutes a national passport, driver's license and voter's ID card for individuals, and registration documents, Registrar General's Form A or Form 3 or a duly executed resolution from organisation for institutions, clubs and other bodies. Persons applying on behalf of minors must submit valid IDs for the minor, and for this purpose a valid ID constitutes a passports, birth or baptismal certificates of the minor.
- vi) Photocopies of Application Forms will be accepted if only when they are clear and legible. The submission of a photocopied Application Form presumes that the applicant understands and accepts the terms and conditions of this offer.

B. Guide to Completing the Application Form for Individuals

1. Personal Details

Insert in Box 1 your surname (i.e. family name), all your forenames (i.e. first/other names) and the title for which you are addressed. A photocopy of a valid ID must also be submitted with your application. If you are applying for a minor, you must submit photocopies of valid ID for yourself and for the minor.

If you are applying for a person other than a minor, you must submit a valid ID for that person and a power of attorney authorising you to make this Application on their behalf.

2. Number & Cost of Shares Applied For

Complete Box 2 with the number of shares (minimum is 200) and the amount payable (in cedis) that you are applying for. Please use figures. Your payment must be in a form which will realise cleared funds for the full amount payable by 5 pm on June 2, 2006.

Cheques, Money/Postal Orders and Bankers Drafts should be payable to **ECOBANK GHANA LIMITED SHARE OFFER** and endorsed “**COMMISSION TO DRAWER’S ACCOUNT**”. All bank commissions and transfer charges must be paid by the applicant.

MINIMUM APPLICATION IS FOR 200 SHARES, THEN IN MULTIPLES OF 100 THEREAFTER SUBJECT TO CONDITIONS.

When the basis of allocation under the ECOBANK GHANA LIMITED SHARE OFFER is determined, successful applicants will be allocated a number of shares. Any cash balance owing will be refunded.

3. Address of Applicant

Insert in Box 3 your full residential (*if applicable*) and postal address. The address must be current and reliable and in case of any change in address you should immediately inform your broker or the registrar, whichever is the case.

4. Dividend Payment Details

THIS SECTION SHOULD BE COMPLETED ONLY BY APPLICANTS WHO WANT THEIR DIVIDENDS PAID DIRECTLY INTO THEIR BANK ACCOUNT.

Please provide the information for your bank. Applicants who leave this blank will have their dividend payments warrant mailed to them.

5. Email, Telephone, Nationality and Status of Residency

Include your email or telephone number to facilitate us contacting you quickly. Also state your citizenship and whether or not you are resident in Ghana.

6. Declaration

Multiple applications are not permitted. Please read the declaration carefully before you sign (or, if unable to sign, make your thumb print) above the line provided and date the form in the box provided.

7. Date/Signature or Thumbprint

By signing or thumb printing in Box 5 of the Application Form, you will be applying for the shares on offer on the terms and conditions set out in this Prospectus and in the Application Form. Proceedings may be instituted against anyone who knowingly makes a false statement in his application. This applies whether an application is made solely or jointly with other persons.

The Application Form may be signed by someone else on your behalf if he/she is duly authorised to do so. An agent must enclose the original power of attorney appointing him/her (or copy certified by a notary public) unless he/she is a selling agent or financial intermediary and states the capacity in which he/she signs.

If applying for someone under the age of 18 years, you (rather than that person) must sign the Application Form, and put the minor’s name in the relevant section provided in box (1).

8. Joint Applications

You may apply jointly with another person, provided each applicant is an adult over 18 years of age. Each applicant should complete their names and sign the appropriate places by their names.

C. Guide to Completing the Application Form for Companies / Organisations

Insert in Box 1 the company or organisation's name and registration number as quoted on its certificate of incorporation or to commencement of business (if applicable). Applications from corporations and partnerships must bear the institution's common seal/stamp (if applicable) and be completed under the hand of a duly authorised official who should also state his/her designation/title.

Complete and/or take note of Boxes 2 to 6 in accordance with the Guide to Completing the Application Form for Individuals.

The company's duly authorised officer(s) must complete and sign Box 7 and affix the company's seal/stamp in Box 8. By completing Box 7 and 8 of the Application Form, you will be applying for the shares on offer on the terms and conditions set out in this Prospectus and on the Application Form.

The company should then complete the remainder of the Application Form in accordance with the instructions for individuals set out above.