

Access Bank (Ghana) Plc

Facts Behind the Figures

2017 Half Year Results



July 25, 2017

SPEED SERVICE SECURITY

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SECOND HALF OUTLOOK

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OVERVIEW OF ACCESS BANK

Who we are

To be the world's most respected African Bank

Access has become a leading African bank, driven by the conviction that ethical behavior is the only way of building a strong business for the long term. We call this sustainable banking.



Our investors value our commitment to transparency and our relentless focus on performance.



Our people work hard and we have the most highly skilled, disciplined and ethical people in the industry.



Knowing our customers is at the heart of our business model. Working with some of the country's biggest companies to grow their business.



We want to develop the society around us supporting local entrepreneurs and investing in communities.



By being a flag-bearer for responsible business, we're setting new standards for the industry.



Our ambition is to be the most respected African bank, by showing the world that we can lead in business in Africa.

Grown to become one of the Top Banks in Ghana...

We have extended our local footprint across the ten regions of Ghana, in major cities and commercial centres.

Operates
51
Branches

Deployed
84
ATMs

Deployed
310
POS

Has Capital Adequacy Ratio of
10.79%

Increased Shareholders Fund to
GHS 456m

Employs
1,204
Staff

Our growth trajectory has been consistent since inception

Key International Partners

Investors/ Partners



McKinsey&Company

Part of a Global Brand

Our Network



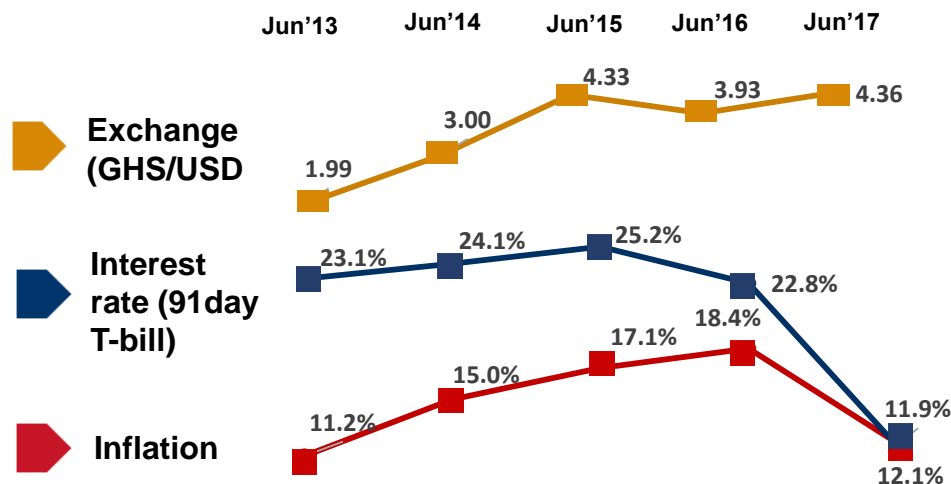
Ownership Structure

#	NAME	%
1	ACCESS BANK PLC	90.54%
2	ACCESS BANK GHANA PLC STAFF RSPP	2.56%
3	NABIL MOUKAZEL	1.27%
4	JOSEPH SIAW AGYEPONG	1.27%
5	DANIEL MC KORLEY	0.53%
6	ANATSUI EMMANUEL KWAME	0.51%
7	SALMA OKWONKWO	0.28%
8	WOODFIELDS ENERGY RESOURCES LTD	0.27%
9	ALBERT MMEGWA	0.25%
10	MAWULI ABABIO	0.23%
11	LYNDHURST CORPORATION	0.23%
12	DEBRAH, JULIUS KWASI SAMUEL	0.21%
13	HERBERT OSEI BAIDOO	0.21%
14	ADOBE GROUP	0.20%
15	WAPIC INSURANCE GHANA LTD	0.19%
16	NANA ASANTE BEDIATUO	0.19%
17	ALLIED INVESTMENTS	0.12%
18	SENTUO STEEL COMPANY LTD	0.08%
19	OKOH GEORGE VICTOR,	0.08%
20	ESTATE OF DR G. K AGAMA	0.04%
21	OTHERS	0.74%
	TOTAL	100.00%

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OPERATING ENVIRONMENT

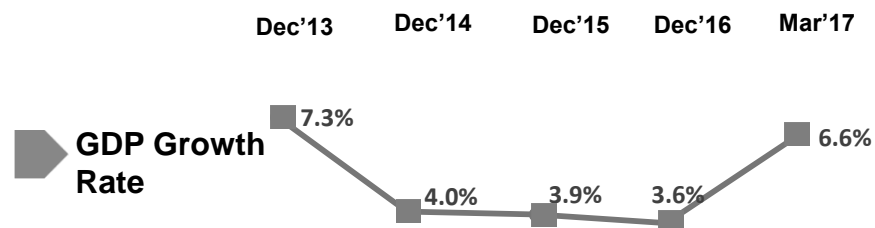
Key Economic Indicators



Comments

The Ghana cedi has depreciated year on year by 11%. Yields however, have reduced significantly by 48% within the same period

Inflation for the first half of the year declined to 12.1% compared to 18.4% in June 2016.



Ghana recorded a GDP growth rate of 6.6% in Q1 of 2017 compare to 3.6% growth recorded at the end of 2016.

Financial

Mar'17

Mar'16

Total
Assets

GHS 84
billion

GHS 65
billion

Total
Deposits

GHS 53
billion

GHS 40
billion

Total loans
and
Advance

GHS 31
billion

GHS 30
billion

Non
Performing
Loans

20.2%

11.4%

Industry Updates

- The number of banks in the industry has increase to 36 as at June 2017 from 33 in 2016. New banks in 2017 include;
 - Construction Bank
 - Beige Bank
 - GHL Bank
- The Bank of Ghana is expected to increase minimum Capital of Commercial banks in the country
- Monetary policy rates was reduced to 21% in July 2017 from 22.5%.
- Implementation of the Treasury Single Account (TSA) by the Government

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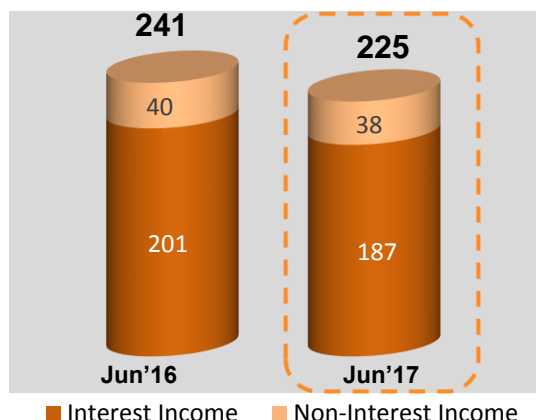
2017 HY FINANCIAL PERFORMANCE

Financial Highlights

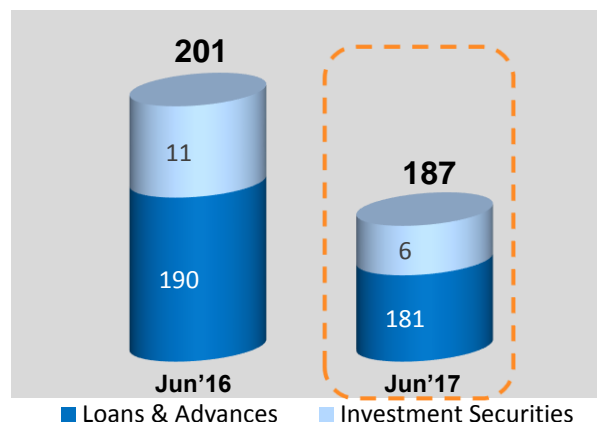
Income Statement Summary				
(GHS'000)	June'17	June'16	▲	
Gross Earnings	224,810	241,304	7%	↓
Net Interest Income	88,173	102,425	14%	↓
Operating Income	31,742	35,263	10%	↓
Impairment Charges	(1,875)	(13,326)	86%	↑
Profit Before Tax	40,262	56,488	29%	↓
Profit After Tax	28,183	39,541	29%	↓
Balance Sheet Summary				
	June'17	Dec'16		
Total Assets	2,817,559	2,679,608	5%	↑
Loans and Advances	1,194,703	1,285,612	7%	↓
Customer and Bank Deposits	2,090,015	2,009,146	4%	↑
Shareholders Funds	456,733	428,548	7%	↑

Revenue

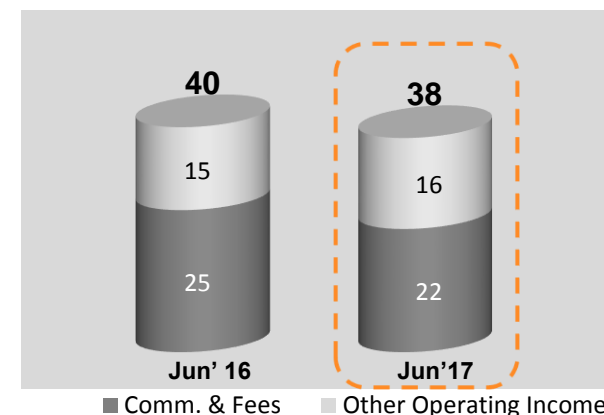
Gross Earnings (GHS'M)



Interest Income (GHS'M)



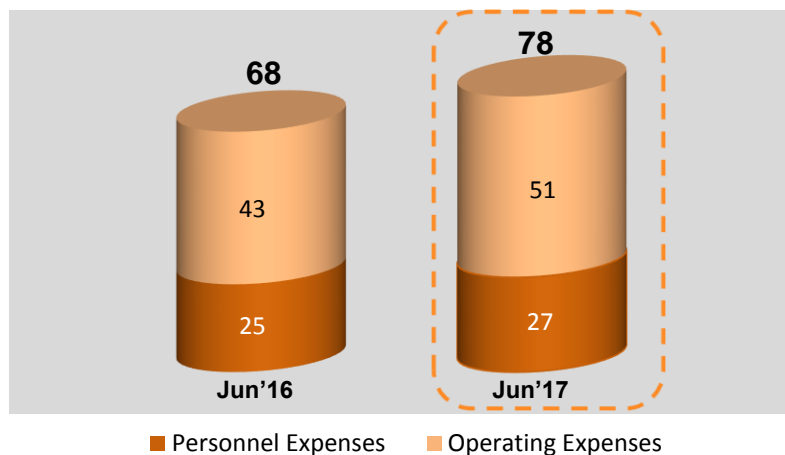
Non-Interest Income (GHS'M)



- Gross earnings dropped by GHS 16million due to;
 - Reduced yields though cost of funds remain high in the industry
 - Frozen interest on GHS 250million exposures relating to the BDCs and Finatrade Group
- Non Interest income remained flat at GHS 38million as at June, 2017 compare to GHS 40million in June 2016
- The bank's revenue generating capacity remains strong despite non reliance on Government deposits due to the implementation of the Treasury Single Account (TSA).

Expenses & Impairment

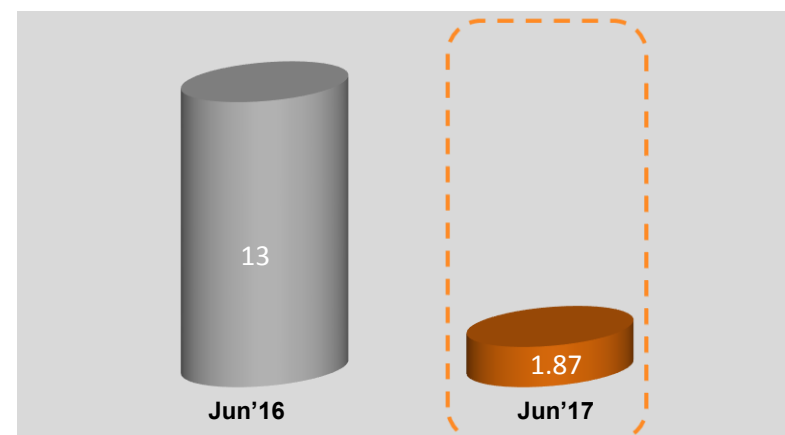
Operating Expenses (GHS'M)



The 15% year on year increase in Operating expenses is in line with our retail strategy of expanding our footprint which comes with initial cost outlay.

The bank is expected to get positive results from this expansion in the second half year.

Impairment Analysis (GHS'M)

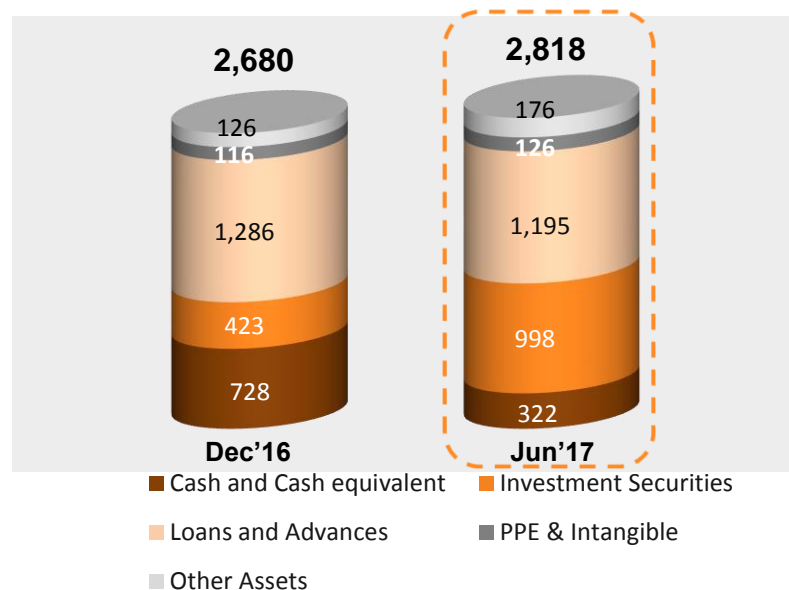


Impairment in 2016 was primarily due to well publicized Finatrade and Energy exposures within the industry.

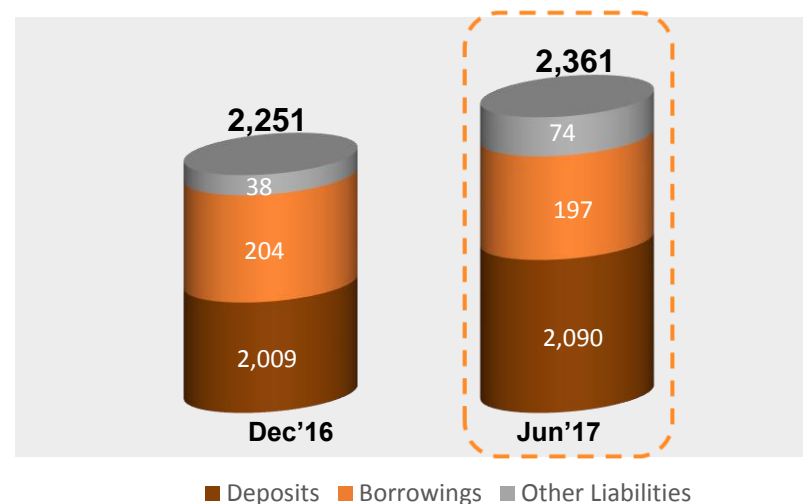
The low impairment (GHS1.87million) in 2017 is mainly provisional and against the backdrop of aggressive remedial actions.

Balance Sheet

Asset Mix (GHS'M)



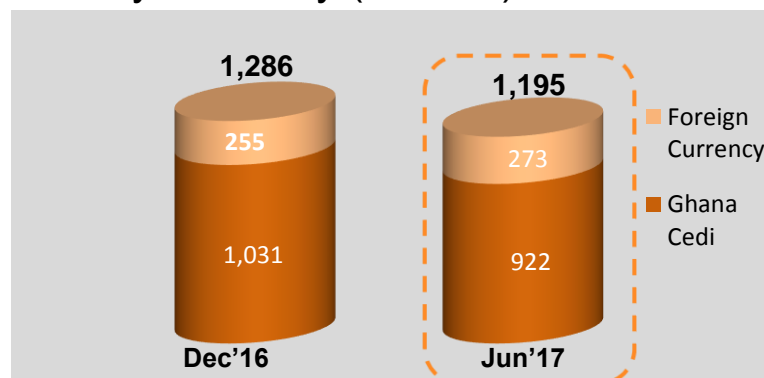
Liabilities (GHS'M)



Total Assets increased by 5% in June 2017. This was mainly supported by a growth in deposits which were invested in relatively high yielding assets.

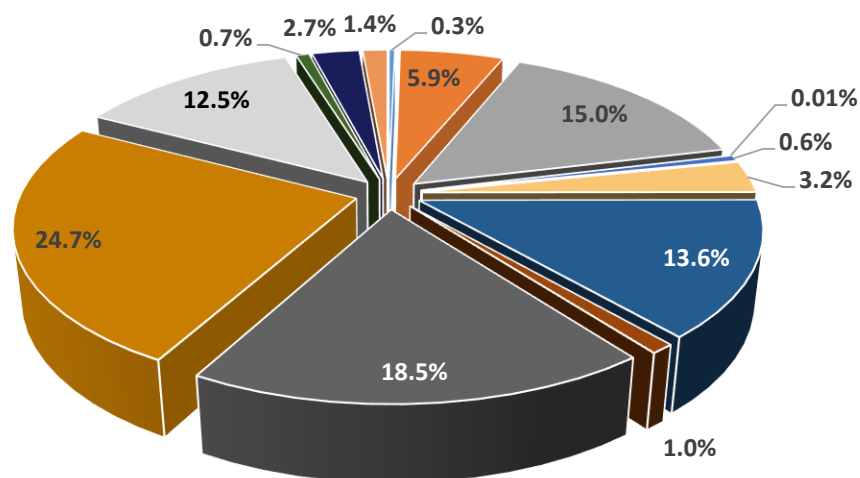
Loan Analysis

Loans by Currency (GHS'M)



Total Loans declined marginally by 7% from GHS 1.29 billion in June 2016 to GHS 1.2 in June 2017 as the Bank was bearish in the first half year.

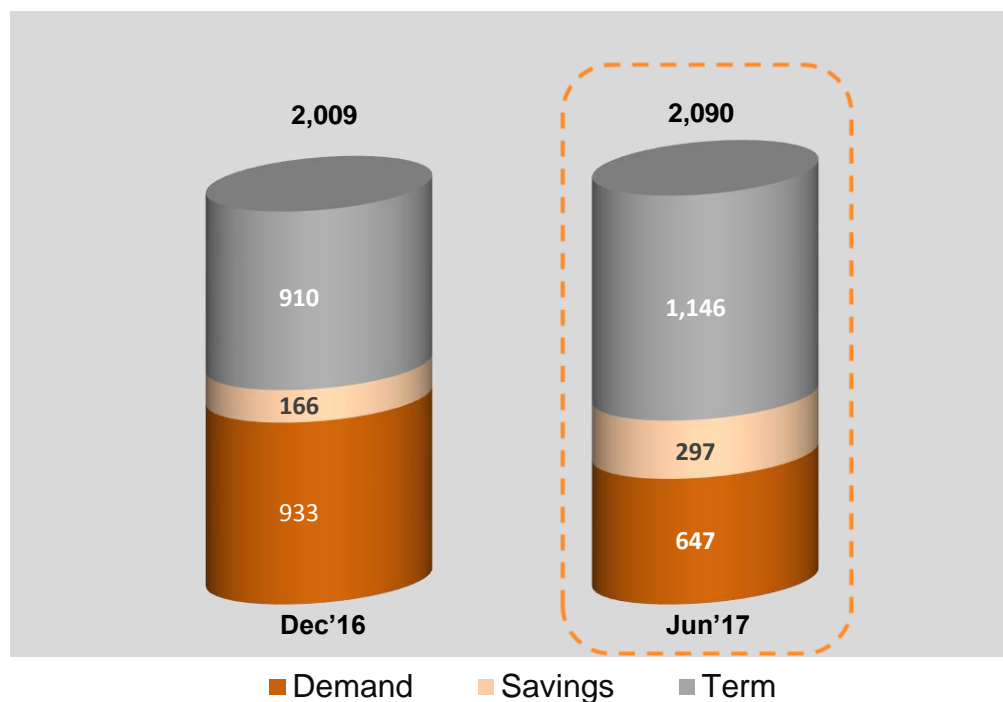
Loans by Sector



Sector	Jun'16	Jun'17
AGRICULTURE	0.4%	0.3%
COCOA TRADING	4.4%	5.9%
CONSTRUCTION & REAL ESTATE	14.0%	15.0%
CONTRACTORS	0.3%	0.01%
EDUCATION	0.0%	0.6%
FINANCIAL INSTITUTION	3.2%	3.2%
GENERAL COMMERCE	9.0%	13.6%
INFORMATION & COMMUNICATION	3.1%	1.0%
MANUFACTURING	18.6%	18.5%
OIL & GAS	27.6%	24.7%
POWER & ENERGY	14.4%	12.5%
RETAIL	1.0%	0.7%
TRANSPORTATION & STORAGE	3.2%	2.7%
OTHERS	0.7%	1.4%

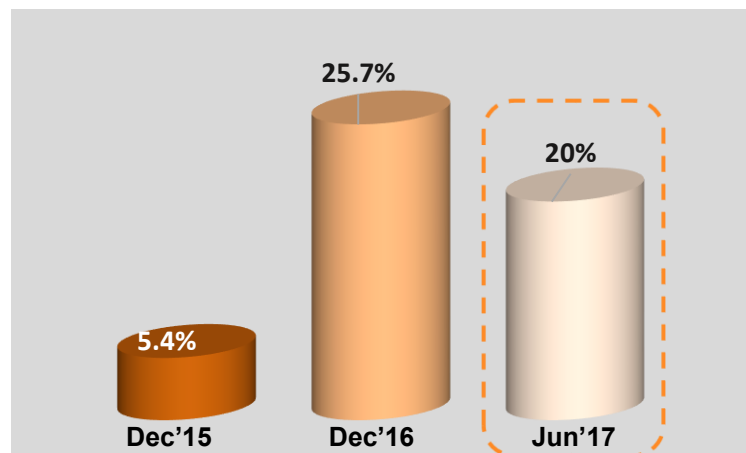
Deposit Analysis

Customer Deposits Type (GHS'M)



The Bank's retail strategy has seen dividend as savings deposits increased by 79% compared to Dec 2016. This is expected to continue as the Bank works at increasing its low cost fund base to improve the balance sheet spread.

NPL Analysis

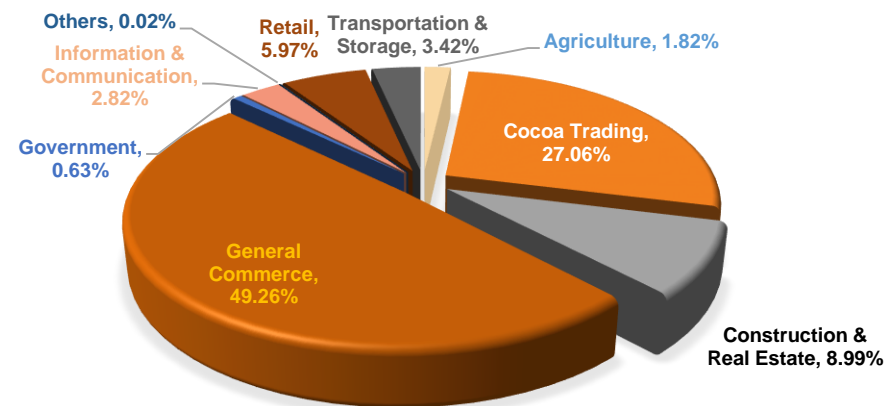


NPL Ratio

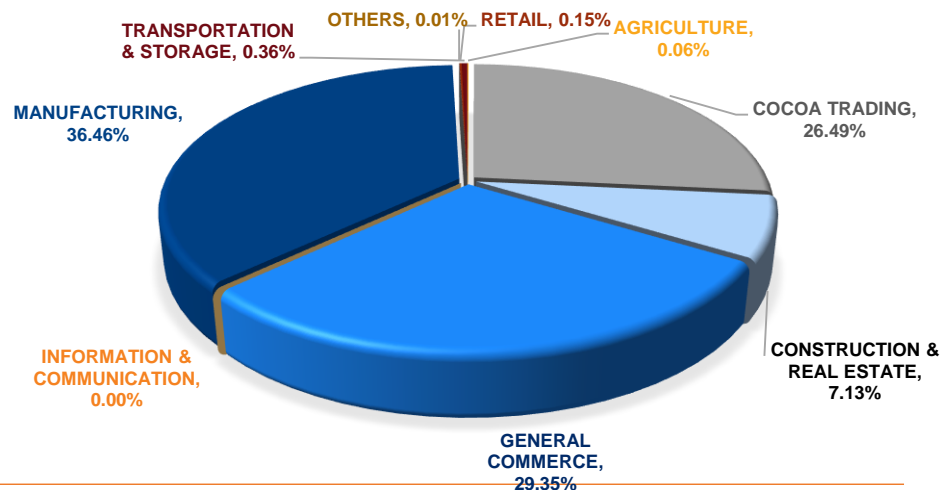
NPL ratio rose significantly in 2016 to 25.7%. However, restructuring and remedial actions being undertaken is yielding significant impact as evidenced in a reduction of NPL ratio to 20% at the end of the first half year of 2017. It is projected to reduce further below 15% by end of the year.

NPL Sector

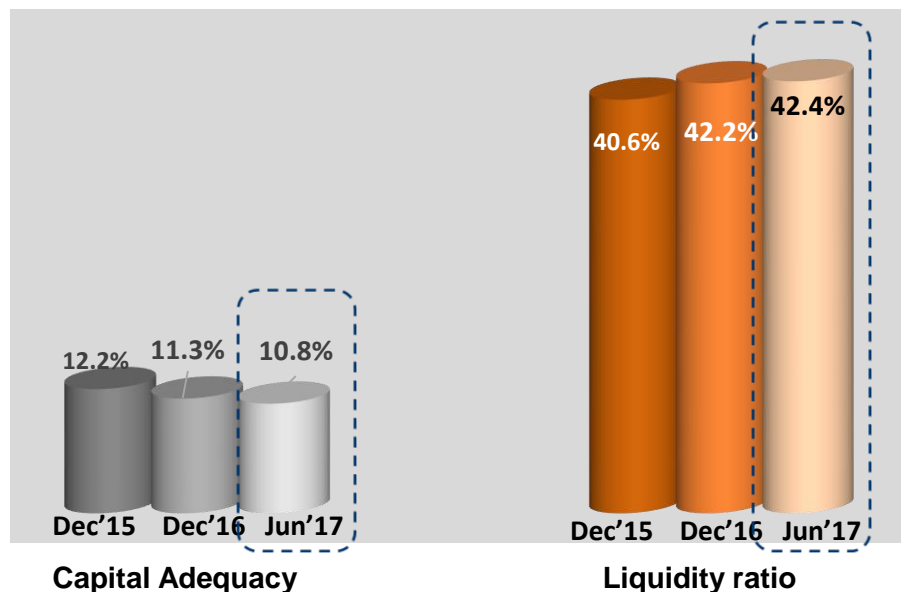
Dec 2016



Jun 2017



Capital and Liquidity



Liquidity ratio in the last three periods show a consistent improvement from 42.2% in Dec 2016 to 42.4% as at June, 2017.

Capital adequacy ratio declined marginally by 0.5% from 11.3% in Dec 2016 to 10.8% in June 2017 and is above the regulatory limit of 10%.

Funding Mix (GHS'M)

	Dec'16	Jun'17	
Customer and Bank Deposits	2,009	2,090	4% ↑
Borrowings	204	197	3% ↓
Equity	429	457	7% ↑
Other liabilities	38	74	94% ↑
Total Equity and Liabilities	2,680	2,818	5% ↑

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SECOND HALF OUTLOOK

Outlook

Asset Quality Management

- Continue with the restructuring and remedial actions to reduce NPL ratio

Retail Market Expansion

- Deploy new branches to increase the Bank's visibility
- Explore opportunities in youth banking through the issuance of SHS cards
- Leverage on new digital solutions (*901#) to boost our retail business

Digital Banking & Innovation

- Provide innovative solutions through the delivery of tailor made products and services
- Enhance customer experience through mobile and other digital technology

Enhance Operating Efficiency

- Adopt effective strategies to achieve reasonable cost reduction

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