



Full Year Unaudited Results FY2011

ACCRA, GHANA - 6 February 2012

CAL Bank, (Ghana Stock Exchange: CAL) the universal bank based in Ghana with a historic focus on manufacturing and export services and expansions into Retail Banking, announces its unaudited results for full year ended December 31st 2011.

Reflecting on the Group's 2011 financial performance, CEO of CAL Bank Frank Adu Jnr. commented *"CAL posted a sterling performance in 2011 driven by broad-based growth in total revenues across all our business segments in general but in non-funded income in particular. Specifically, total income increased by 32% underpinned by 11% growth in core earnings (net interest income) and 58% increase in fees and commissions from increased trade finance. Other income grew by a remarkable 107% from improved profits on active forex trading during the year and from impressive contributions from corporate finance advisory fees resulting from a number of significant mandates executed in 2011. I am particularly proud of our 2011 performance in a year when adverse global economic conditions posed particular challenges to banks in the developing world as far as foreign trading lines and correspondent banking relationships were concerned. Looking forward, we are confidently on track to complete our GHS 75 million private placement in Q2 2012. With our new capital, we are strategically focused on growing CAL into a strong top-tier Ghanaian bank serving the banking needs of the fast expanding domestic corporate sector. On the retail side, our branch expansion over the next 3 years into identified locations will focus on serving a growing middle-market retail clientele with an emphasis on accessible & efficient service."*

On the bank's financial strength, CFO Mr. Philip Owiredu commented: *"CAL's profitability grew by a significant 90% margin in 2011 as we recorded an operating profit of GHS 24.4m. The 61% growth in our advances portfolio resulted from our targeted loan growth in the corporate sector. We recorded the greatest revenues from non-funded income (79.6% increase in 2011) linked to our increased trade finance operations, forex trading and corporate finance advisory fees. Our total asset size increased by 59.9% to GHS 815.2 m in 2011. Through our 17-branch network, we achieved a remarkable 110% increase in overall customer deposits through targeted deposit mobilization focusing on key growth sectors notably telecoms, mining, bulk oil*

distribution and real estate. The modest 23.6% growth in total operating expenses was achieved through prudent control of administrative expenses and increased efficiency achieved through further process automation. Our capital adequacy ratio decreased to a comfortable 11.6% in 2011 from 16.1% in 2010. This reduced ratio is in keeping with our historical norms. In 2011, we also reduced our NPL ratio to 9.6% as compared to 11.4% in 2010 through a concerted recovery process which enabled us recover some impaired corporate loans. I am confident that we will continue to preserve these key financial metrics going forward”.

The Group’s Financial Highlights – December 2011

- Shareholders’ Funds up 34.83% to GHS 87.98 million. (GHS 78.78 million in 2010)
- Capital Adequacy Ratio of 11.6%. (16.1% in 2010)
- Cost/income ratio at 49.2%(52.78% in 2010)
- RoAE at 21.6%(13.8% in 2010)
- RoAA at 2.7%(2.0 % in 2010)

Profit & Loss -continued profitability

- Operating Income of GHS 59.47 million, an increase of 45.1% compared with last year of GHS 40.99 million
- Profit before Tax of GHS 24.44 million an increase of 94.00% (GHS 12.60 million in 2010)
- Profit after Tax of GHS 17.98 million, an increase of 90.00% from last year. (GHS 9.47 million in 2010)

Balance Sheet -growing deposits and controlled growth in risk assets

- Total assets of GHS 815.24 million, an increase of 59.90%. (GHS 509.99 million in 2010)
- Net Loans and Advances of GHS 411.73 million, an increase of 60.40%.(GHS 256.63 million in 2010)
- Customer Deposits up 110.20% to GHS 593.83 million. (GHS 282.56 million in 2010)
- Loan/deposit ratio of 66.6% (90.83% in 2010)

Key Ratios

- Cost/income ratio stable at 49.2%
- NPL ratio 9.6%
- Annualized ROAE of 21.6%
- Risk adjusted capital ratio of 11.6%
- High liquidity ratio of 51.06%

Strategic Business Units – Highlights for the twelve months to 31 December 2011

Corporate & Institutional banking performance as follows:

- *Sustained growth in corporate business acquisitions in targeted growth sectors (telecoms, mining, bulk oil distribution and real estate)*
- *Achievement of increased corporate client's share-of-business by deploying electronic and tailor made products*
- *Securing of significant corporate finance mandates*

Retail Banking performance underpinned by:

- *Achieving lower cost of funds through targeting retail liabilities via innovative retail product promotions drive such as CAL Teens Account, Mortgage Scheme Account and CAL Home Invest Account*
- *Prudent growth of high quality retail assets through asset backed lending*

Treasury and Trading growth:

- *107% growth in other income from improved Forex trading & Corporate finance performance*

Subsidiary performance underpinned by:

- *Brokerage : Continued successful revenue diversification strategy including more proprietary trading and financial advisory*
- *Asset Management : Strong performance due to increased mandates won during the year resulting in doubling of funds under management to GHs 100 million*

(For the detailed Profit and Loss Account, Balance Sheet, Cashflow statement and notes to the accounts, please visit our website – www.calbank.net)

FOR FURTHER INFORMATION:

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Notes to the Editors:

CAL Bank commenced operations in July 1990, and is considered to be one of the most innovative banks in Ghana.

The Bank mobilizes resources in world financial markets, and channels them to the Ghanaian market. In this way, CAL Bank supports the development of the national economy, focusing particularly on the manufacturing and export sectors.

With its highly skilled professional and motivated staff, CAL Bank plays an important role in the Ghanaian financial sector by providing wholesale banking services to corporate clients with sound financial bases and competent management. Much emphasis is placed on the economic viability and technical feasibility of each project, as well as the marketability of the client's products and services.

Having acquired a universal Banking License in 2004, CAL has included a retail-banking arm to its operations with specialized products and services to cater for the retail market. To complement retail banking and in line with its expansion programme, CAL is in the process of opening several branches in major cities and business districts in Ghana.

More information available at www.calbank.net