

**UN-AUDITED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30TH JUNE 2014**

in thousands of Ghana Cedis

	The Bank		The Group	
	2014	2013	2014	2013
Interest Income	152,952	126,758	154,393	126,344
Interest Expense	(75,006)	(57,417)	(74,971)	(57,046)
Net Interest Income	77,946	69,341	79,422	69,298
Fees and Commissions Income	27,952	15,613	27,951	15,613
Fees and Commissions Expense	(1,479)	(882)	(1,479)	(882)
Net Fees and Commissions	26,473	14,731	26,472	14,731
Net Trading Income	26,521	7,733	26,878	8,540
Other Income	5,708	6,312	6,906	7,644
	32,229	14,045	33,784	16,184
Total Income	136,648	98,117	139,678	100,213
Credit Loss Expenses	(6,789)	(8,763)	(6,789)	(8,763)
Net Operating Income	129,859	89,354	132,889	91,450
Staff Costs	(26,951)	(21,164)	(27,667)	(21,777)
Administration and General Expenses	(14,711)	(11,601)	(15,126)	(11,809)
Depreciation and Amortisation	(2,345)	(1,769)	(2,384)	(1,799)
Total Operating Expenses	(44,007)	(34,534)	(45,177)	(35,385)
Profit Before Income Tax	85,852	54,820	87,712	56,065
Income Tax Expense	(21,463)	(13,705)	(21,873)	(13,925)
National Fiscal Stabilization levy	(4,293)	-	(4,356)	-
Profit For The Period	60,096	41,115	61,483	42,140
Basic Earnings Per Share (Ghana Cedis per share)	0.1096	0.0750	0.1121	0.0769
Diluted Earnings Per Share (Ghana Cedis per share)	0.1096	0.0750	0.1121	0.0769

**UN-AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30TH JUNE 2014**

in thousands of Ghana Cedis

	The Bank		The Group	
	2014	2013	2014	2013
Profit for the Period	60,096	41,115	61,483	42,140
Other comprehensive Income				
Available-For-Sale Financial Assets	5	52	5	52
Net Change In Revaluation Surplus	-	-	-	-
Total Comprehensive Income for the Period	60,101	41,167	61,488	42,192

**UN-AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2014**

in thousands of Ghana Cedis

	The Bank		The Group	
	2014	2013	2014	2013
Assets				
Cash and balances with Bank of Ghana	146,455	89,660	146,455	89,660
Items in Course of Collection from Other Banks	15,742	15,651	15,742	15,651
Investment in Government Securities	474,249	190,839	474,476	191,032
Due from Banks and Other Financial Institutions	225,542	50,481	230,525	54,005
Loans and Advances to Customers	1,148,211	873,549	1,148,211	873,549
Investment in Other Securities	-	-	1,756	1,317
Investment in Subsidiaries	2,028	1,128	-	-
Other Assets	24,425	13,814	26,941	14,873
Current Tax Assets	-	-	36	-
Deferred Tax Assets	1,921	4,612	1,921	4,612
Property, Plant and Equipment	54,753	37,916	54,859	38,061
Total Assets	2,093,326	1,277,650	2,100,922	1,282,760
Liabilities				
Customer Deposits	879,509	742,536	879,499	742,526
Due to Banks and Other Financial Institutions	38,226	25,179	38,873	24,425
Borrowings	803,806	206,519	803,806	206,519
Accruals and Other Liabilities	51,853	72,956	52,206	73,847
Current Tax Liabilities	6,707	4,542	6,754	4,481
Total Liabilities	1,780,101	1,051,732	1,781,138	1,051,798
Shareholders' Equity				
Stated Capital	100,000	100,000	100,000	100,000
Statutory Reserve Fund	104,198	63,726	104,198	63,726
Capital Surplus	21,048	15,440	20,651	15,237
Retained Earnings	62,731	30,799	69,688	36,046
Other Reserves	25,248	15,953	25,248	15,953
Total Shareholders' Equity	313,225	225,918	319,785	230,962
Total Liabilities and Shareholders' Equity	2,093,326	1,277,650	2,100,922	1,282,760

**UN-AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30TH JUNE 2014**

in thousands of Ghana Cedis

Bank	Stated Capital	Statutory Reserve	Capital Surplus	Retained Earnings	Fair Value Reserve	Regulatory Credit Risk Reserve	Total
Opening Balance at 1st January	100,000	89,173	21,048	52,177	(3,805)	23,599	282,192
Transfer to/ from Reserves	-	15,025	-	(20,473)	-	5,449	-
Dividends paid to equity holders	-	-	-	(29,069)	-	-	(29,069)
Total Comprehensive Income for the Period	-	-	-	60,096	5	-	60,101
Closing Balance at 30th June	100,000	104,198	21,048	62,731	(3,800)	29,048	313,225
Group	Stated Capital	Statutory Reserve	Capital Surplus	Retained Earnings	Fair Value Reserve	Regulatory Credit Risk Reserve	Total
Opening Balance at 1st January	100,000	89,173	20,651	57,421	(3,805)	23,599	287,039
Transfer to/ from Reserves	-	15,025	-	(20,473)	-	5,449	-
Dividends paid to equity holders	-	-	-	(28,742)	-	-	(28,742)
Total Comprehensive Income for the Period	-	-	-	61,483	5	-	61,488
Closing Balance at 30th June	100,000	104,198	20,651	69,688	(3,800)	29,048	319,785

**UN-AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30TH JUNE 2014**

in thousands of Ghana Cedis

	The Group	
	2014	2013
Profit Before Tax for the Period	87,712	56,065
Adjustments for:		
Depreciation And Amortisation	2,384	1,799
Impairment on Financial Assets	6,789	8,763
Profit on Sale of Property and Equipment	-	(4)
Dividend Received	(21)	(21)
Change in Fair Value of Investment Securities Recognised in Income Statement	61	(805)
Employee Benefit Expenses	135	55
Accretion of Deferred Income	(1,829)	(5)
	95,230	65,847
Change in Investment Portfolio	(197,919)	49,681
Change in Loans and Advances to Customers	(174,079)	(133,888)
Change in Other Assets	(12,849)	(2,308)
Change in Customer Deposits	62,126	16,483
Change in Amounts Due to Banks and Other Financial Institutions	4,274	(63,463)
Change in Accruals and Other Liabilities	27,137	67,241
Income Tax Paid	(19,161)	(10,831)
Net Cash Flows from Operating Activities	(215,241)	(11,238)
Cash Flows From Investing Activities		
Purchase of Property and Equipment	(9,940)	(4,329)
Proceeds from Sale of Equipment	-	4
Change in Treasury Shares	1	106
Net Cash Used in Investing Activities	(9,939)	(4,219)
Cash Flows from Financing Activities		
Dividend Income	21	21
Dividends Paid	(28,742)	(19,162)
Net Changes in Borrowings	404,055	72,212
Net Cash from Financing Activities	375,334	53,071
Net Change in Cash and Cash Equivalents	150,154	37,614
Analysis of Changes in Cash and Cash Equivalents for the Period		
Cash and Cash Equivalents at 1st January	242,568	121,702
Net Change in Cash and Cash Equivalents	150,154	37,614
Cash and Cash Equivalents at 30th June 2014	392,722	159,316
Analysis of Cash and Cash Equivalents for the Period Ended 30th June		
Cash and Balances with Bank of Ghana	146,455	89,660
Due From Other Banks	230,525	54,005
Items in Course of Collection from Other Banks	15,742	15,651
Total Cash and Cash Equivalents at 30th June 2014	392,722	159,316
Operational cash flows from interest		
Interest paid	39,770	34,068
Interest received	145,666	115,466

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed for the period ended 30th June, 2014 are consistent with those followed in the financial statements for the year ended 31st December, 2013.

QUANTITATIVE DISCLOSURES

	2014	2013
(i) Capital Adequacy Ratio	16.2%	17.8%
(ii) Non-Performing Loan Ratio	7.2%	6.0%

QUALITATIVE DISCLOSURES

The Bank's dominant risks are: credit risk, liquidity risk, market risk and operational risk.

(ii) **Risk management framework**

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. There are in place the Risk Management and Audit sub-committees of the Board and an established Asset and Liability committee (ALCO) which are responsible for developing and monitoring risk management policies in their specified areas.

The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The process followed in risk management for the period ended 30th June, 2014 are consistent with those followed for the year ended 31st December, 2013.

	2014	2013
(iii) Default in Statutory Liquidity (Times)	Nil	Nil
Default in Statutory Liquidity Sanction (GH¢'000)	Nil	Nil

"The financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge."

FRANK B. ADU JNR.
Managing Director

PHILIP OWIREDU
Executive Director