25 March 2015

Atlas Mara Limited Announces 2014 Year-End Results

Atlas Mara Limited ("**Atlas Mara**" or the "**Company**"), the sub-Saharan African financial services group, today publishes its unaudited financial results for the thirteen months ended 31 December 2014.

Key highlights:

- Raised $625 million in equity capital by way of the Company's IPO and a subsequent private placement. Closed four acquisitions (ADC, BancABC, BRD Commercial and, directly and indirectly a 30.2% shareholding in Union Bank of Nigeria) establishing a presence in seven sub-Saharan African countries and three of Africa's leading economic trade blocs (SADC, EAC, and ECOWAS).
- Established, and now executing, the Company's "Buy, Protect, Grow" business model.
- Hired an executive team, with significant regional and industry experience, to drive the Company's strategy.
- Identified meaningful opportunities for operational enhancement. Integration and development progressing well across the network of banks.
- Obtained more than $125 million of development finance institution funding to facilitate asset growth at operating subsidiaries whilst reducing cost of funding.
- Reported a loss of $63.1 million on an unaudited statutory accounting basis. Excluding non-recurring transaction and integration expenses and including the acquisitions on a full-year basis, reported an adjusted pro forma net profit of $7.2 million.
- Book value per share as at 31 December 2014 was $9.73. Tangible book value per share was $7.54.
- Long-term outlook for sub-Saharan financial services and, in particular, the Atlas Mara platform remains positive, with GDP growth rates in the countries of operation expected to markedly exceed developed markets economic growth forecasts.

"2014 was an extraordinary year for Atlas Mara. We have achieved a number of important milestones since our IPO in December 2013. We closed several of our 'establishing acquisitions', we made substantial progress in hiring a talented executive team, we immersed ourselves in enhancing our operations, and we are currently evaluating a number of additional acquisition opportunities. It has been a strong start and the way forward is clear. Our portfolio is far from steady state as we continue to effect changes in our existing operations and evaluate further acquisitions.

"We are excited about realizing the growth opportunities existing in the sub-Saharan African markets in which we are operating and or investing and are focused on delivering improved financial performance across the group. Although forecasting is challenging in the current environment, we expect to demonstrate marked improvements in organic growth and profitability and will continue to pursue acquisition-related growth where consistent with our strategic objectives."

John F. Vitalo
Chief Executive Officer

Investor Conference Call

Atlas Mara will be hosting an investor conference call today, 25 March 2015, at **8am EST / 12pm GMT**. There will be a presentation available in the Investor Center of our website, www.atlasmara.com.

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About Atlas Mara

Atlas Mara was formed by Bob Diamond, CEO and Founder of Atlas Merchant Capital LLC and Ashish J. Thakkar, Founder of Mara Group Holdings Limited, and listed on the main market of the London Stock Exchange in December 2013.

Atlas Mara's strategy is to create Sub-Saharan Africa's premier financial services institution through a combination of its experience, expertise and access to capital, liquidity and funding. The goals are to combine the best of global institutional knowledge with extensive local insights and experience and to support economic growth and financial inclusion in the countries in which the Company operates.

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Basis of Presentation

The term "Atlas Mara", "the Company" or "Group" refers to Atlas Mara Limited and its subsidiaries and associates. This release covers the unaudited results of the Group for the thirteen month financial period ended 31 December 2014.

Unless otherwise stated, the financial information set out as an annexure to this news release is presented on a statutory basis in accordance with International Financial Reporting Statements, as adopted by the EU (IFRS), with results from subsidiaries and investments included from the effective date of acquisition, as follows:

ABC Holdings Limited ("BancABC")	21 August 2014
ADC African Development Corporation AG ("ADC")	21 August 2014
BRD Commercial Limited ("BRD Commercial")	15 October 2014
Union Bank of Nigeria Plc ("UBN")(30.21%)	21 August 2014 (9.05%) 19 December 2014 (21.16%)

No comparative information is available, as 2014 was the first year of operation. The unaudited statutory accounts reflect the establishing year of the Group's business operations and consolidates all acquisitions completed during the period under review, and presents the results of those acquisitions from the completion date to the year end, in accordance with IFRS3: Business Combinations. The accounts also reflect all "start-up" and transaction-specific expenditures, including amounts that are non-recurring or one-off in nature. The unaudited consolidated Atlas Mara accounts therefore reflect minimal annual financial metrics. Furthermore, no year-on-year analyses could be provided.

Pro Forma Basis

In order to present the financial results of the Group for the whole of the year, and to enable a more meaningful comparable twelve month period of business operations as a basis for future reference and measurement of performance, the 2014 financial results are also presented on a Pro Forma basis. The key assumption in restating the statutory IFRS set of accounts is an implied date of consolidation of all the acquisitions made during 2014 as at 1 January 2014, as opposed to the actual date of completion. Note that BRD Commercial is a newly-formed entity, thus, the financial results for its 3 months of operation remain unchanged as far as its inclusion in such restated pro forma accounts for the Group are concerned. The treatment of UBN on a pro forma basis is set out below.

Segment Information

Atlas Mara analyses its business operations across sub-Saharan Africa on a segmental basis as described below. This is in-line with the execution of the Group's strategy of capitalizing on the strengths of three of the leading economic trade blocs in Africa namely, the South African Development Community ("SADC"), the East Africa Community ("EAC") and the Economic Community of West African States ("ECOWAS"). Unless otherwise stated, segment results are presented, per geography, on a pro forma basis. The Group is also focused on operations through two key business lines centred around clients and related products and services, comprising retail and wholesale (corporate) business operations. Going forward, additional information will be provided with regard to the financial performance of these two key business lines within each of the geographic segments.

UBN

Atlas Mara's unaudited consolidated statutory results include its 30.2% equity accounted shareholding in UBN, held both directly and indirectly. The effective 9.05% investment, held thru ADC, was accounted for on a fair value accounting method from 1 September 2014. 21.16% further acquisition of UBN shares have been accounted for on an equity method basis with effect from the closing of the previously announced purchase on 19 December 2014. The pro forma Atlas Mara accounts, in turn, account for the 30.2% associate investment in UBN on a full equity-accounted basis. In both instances, due to the fact that UBN has not yet released its results for the year ended 31 December 2014, UBN's 30 September 2014 financial results, as published to the market, have been annualized to form the base for inclusion in Atlas Mara's pro-forma accounts. It should be noted that the audited financial results of UBN, to be released soon, will likely differ from the annualized September results included in these Atlas Mara unaudited accounts, but any such differences are not expected to materially impact the figures presented in this release.

2014 Results for the 13-month Period Ended 31 December 2014 (Unaudited)

Atlas Mara's unaudited statutory financial statements show a group consolidated accounting loss of $63.1 million after taxation for the period under review. As was reported to the market in November 2014, certain pre-acquisition provisions and fair value adjustments were reflected in Atlas Mara's opening, post-acquisition balance sheet resulting in lower asset values and contributing to the reported net loss position during this formative year. Furthermore, with the US Dollar as the Group's reporting currency, the US Dollar's strength against local African currencies across our network of banks lowered both earnings and asset values in the reported results. Challenging macroeconomic conditions and liquidity constraints in selected markets in which the Group operates also depressed earnings.

Post accounting for the pre-acquisition additional impairments and fair value adjustments, and including the acquisitions as if they had been completed on 1 January 2014, the Group would have reported a net loss of $47.8 million. Excluding various transaction and integration expenses and other non-recurring expenses, the Group would have reported an adjusted pro forma net profit of $7.2 million.

Atlas Mara Limited
Consolidated Summary Statement of Comprehensive Income

	Unaudited Statutory 31.12.14 $'m	Pro-Forma 31.12.14 $'m
Net interest income	28.6	87.9
Non-interest revenue	28.8	92.6
Total income	**57.4**	**180.5**
Impairments	(6.3)	(32.7)
Net income from associates	20.7	36.0
Total operating income	**71.8**	**183.8**
Operating expenses	(129.9)	(228.9)
Loss before taxation	**(58.1)**	**(45.1)**
Taxation	(5.4)	(3.3)
Loss after taxation	**(63.5)**	**(48.4)**
Non-controlling interests	0.3	0.6
Loss attributable to ordinary shareholders	**(63.1)**	**(47.8)**
Adjusting for one off items:		
IPO, transaction expenses non-recurring		18.1
Contractual termination payments made		25.0
Swap close-outs		10.0
Foreign Exchange translation loss		2.0
Adjusted pro forma profit, after tax and minorities		**7.2**
Performance measures		
Net interest margin	1.1%	3.3%
Credit loss ratio		2.6%
Asset quality ratio	0.6%	4.3%
Provision coverage ratio	6.3%	32.4%
Loan:deposit ratio	80.8%	80.8%
Book value per share	9.73	9.95

The statutory IFRS summary statement of financial position as at 31 December 2014 reflects total assets of $2.6 billion and equity of $682 million. The book value per share was $9.73.

Atlas Mara Limited Summary Statement of Financial Position	**Unaudited Statutory**	**Pro-Forma**
	31.12.14 $'m	**31.12.14 $'m**
Assets		
Cash and short term funds	409.8	409.8
Trading and other financial assets	144.9	144.9
Loans and advances	1 236.5	1 236.5
Other Intangible assets and goodwill	162.3	162.3
Investments in associates	375.1	397.1
Other assets	292.8	286.6
Total assets	**2 621.4**	**2 637.0**
Liabilities and Equity	**2 621.4**	**2 637.0**
Deposits	1 531.0	1 531.0
Borrowed funds	300.0	300.0
Disposal groups held for sale	1.3	1.3
Derivative liabilities	6.3	6.3
Other liabilities	100.4	100.4
Total liabilities	**1 939.0**	**1 939.0**
Founder Preference Shares	12.5	12.5
Shareholders' Equity	772.2	772.2
Reserves	(96.8)	(81.2)
Non-controlling interest	(5.5)	(5.5)
Total equity	**682.4**	**698.0**

Chief Executive Officer's Review

Introduction

Atlas Mara's strategy is to create sub-Saharan Africa's premier financial institution through a combination of its experience, expertise and access to capital, liquidity and funding. We combine the best of global institutional knowledge with extensive local insights and experience. We support economic growth and strengthen financial systems in the sub-Saharan African countries in which it operates. A key element of our strategy is to be a "positive disruptive force" in sub-Saharan African financial services. Ensuring that risk management and corporate governance across our operations meet our high standards are also core to our corporate values and pivotal to our business model.

Review of Results

The thirteen months ended 31 December 2014 were a formative period for Atlas Mara – effectively, our "start-up" year. We made excellent progress in creating a platform from which to execute our strategy. However as expected, financial performance was negatively impacted by various transaction costs (our initial public offer ("IPO"), private placement, the acquisitions of BancABC, ADC, BRD Commercial and UBN stake), impairments and some margin compression due to liquidity constraints in selected markets at BancABC, and various other non-recurring costs detailed later in this release, leading to an unaudited statutory net loss after tax of $63.1 million. On an adjusted pro forma basis (accounting for the acquisitions as if they had been effected at the beginning of the year and excluding non-recurring items and pre-acquisition adjustments that had previously been communicated to the market), the result for the year would have been a net profit of $7.2 million.

The Chief Financial Officer's report provides more colour with respect to the performance of underlying operations and investments, as well as the adjustments discussed above.

Selected Corporate Milestones

Atlas Mara has executed an ambitious series of capital raisings and acquisitions consistent with its stated strategy since the Company's listing on the London Stock Exchange on 17 December 2013, when it raised $325 million.

- On 31 March 2014, the Company announced that it had reached agreements to acquire a majority of BancABC from selected BancABC shareholders. It had also entered into an agreement with ADC, to make a voluntary public offer by way of a share-for-share exchange to ADC shareholders for all outstanding ADC shares.

- On 13 May 2014, the Company commenced a conditional private placement of new ordinary shares at an issue price of $11.00 per new ordinary share. Initial allocation preference was given to holders of existing ordinary shares and thereafter to certain qualified investors. The Company received subscriptions for approximately $300 million from holders of existing ordinary shares and certain other qualified investors.

- On 23 May 2014, the Company announced that it had entered into an agreement with the Government of Rwanda, the National Export Development Board and the Rwanda Social Security

Board to facilitate the acquisition of BRD Commercial in Rwanda via an internal reorganization of the Development Bank of Rwanda (“BRD”).

- Following the completion of its acquisitions of BancABC and ADC and commensurate with the closing of the equity private placement, the Company’s shares were re-admitted to the London Stock Exchange's Official List by way of a Standard Listing and to trading on the main market on 27 August 2014.
- On 5 September 2014, Atlas Mara announced that it had exercised an option agreement to acquire approximately 21% in UBN from Asset Management Corporation of Nigeria ("AMCON").
- Subsequently, Atlas Mara closed the acquisition of BRD Commercial on 15 October 2014 and completed the purchase of the UBN equity stake from AMCON on 19 December 2014. The Company’s combined interests in UBN both held directly and indirectly stand at 30.2%, consisting of the acquisition of the shares from AMCON and the existing UBN shares indirectly held by Atlas Mara through its subsidiary ADC.

As a result of the transactions described above, Atlas Mara now has operations and/or investments in seven sub-Saharan African countries: Botswana, Mozambique, Nigeria, Rwanda, Tanzania, Zambia and Zimbabwe, thus establishing a presence in the important SADC, EAC and ECOWAS trade blocs.

Executive Management Appointments

Throughout the course of 2014, the Company has demonstrated its ability to attract high calibre talent across the organization. Whether at the group level, or among the subsidiary operating companies, we have been able to hire excellent people, with exceptional regional and sector experience. Selected hires include:

- John F. Vitalo joined as Chief Executive Officer effective as of 4 July 2014. John joined the Company from Barclays where he held a number of senior managerial positions, including, Chief Executive Officer, Middle East and North Africa, a position he had held since May 2009. In the four years prior to that, based in Johannesburg, he was responsible for building and leading Absa Capital, the pan-African investment bank.
- Bradford M. Gibbs joined as a Member of the Executive Committee effective as of 1 August 2014. Brad had previously been at Morgan Stanley for nearly fourteen years, where he held various roles including Head of South Africa Investment Banking.
- Arina McDonald joined as Chief Financial Officer effective as of 1 November 2014. Arina joined Atlas Mara from The Standard Bank Group of South Africa, where she was Head of Group Central Finance. She had been with Standard Bank since 2002 and held roles including Chief Financial Officer for Rest of Africa.
- Richard Muller joined as Head of Integration effective 4 January 2015. Richard was previously with Barclays Plc and Absa Group Ltd where he served as Chief Operating Officer of Middle East and North Africa and Chief Operating Officer of Absa Wealth, respectively.

At our operating subsidiaries, the following appointments were made:

- Ronald Pfende, Makhosi Boyede, Amelia Reynecke and Christine Bronkhorst joined the senior ranks of BancABC on 8 December 2015. Each of them has directly relevant experience, having worked in senior management positions at Standard Bank, Absa, Nedbank and KPMG. Additionally, they are complementary to the existing executive team in place at BancABC.
- Konde Bugingo joined BRD Commercial as CEO effective 1 July 2014. Konde joined from RSwitch, Rwanda's national payments switch, where he was CEO. Prior to that, he was COO of Banque Populaire du Rwanda, Rwanda's second largest bank.

Subsequent to 31 December 2014, the Company announced the following additions to the team:

- Beatrice Hamza joined Atlas Mara effective 16 February 2015 as General Counsel from the New York office of Hughes Hubbard & Reed LLP, where she was a member of the firm's Executive Committee and was Chairperson of its Africa Practice Group.
- Tarek Rouchdy joined the Company as its Internal Auditor effective 15 February 2015. Tarek was previously Auditor General at the African Development Bank.

Expansion of the Board of Directors

On 21 January 2015, the Company announced the appointment of Funke Opeke, Amadou Raimi and Eduardo Chivambo Mondlane, Jr. as Independent Non-Executive Directors to the Board of Directors.

- Ms. Opeke is the founder and CEO of Main One Cable Company, a Nigeria-based telecommunications solutions provider that built West Africa's first privately-owned, submarine cable system providing connectivity with the rest of the world. Prior to Main One Cable, she was Chief Operating Officer of Nitel in Nigeria and Chief Technology Officer of MTN (Nigeria).
- Mr. Raimi is President of Croissance sud Conseils, an advisory firm focused on assisting African companies as they grow. He spent the majority of his career as a Chartered Accountant at Deloitte in France (1976 - 2011). Most recently, he was Vice Chairman of the global Deloitte Board and, prior to that, served as Chairman of Deloitte in France and contributed to the development and growth of Deloitte France's offices in Africa, including in Morocco, Algeria, Senegal, Ivory Coast, Gabon, Equatorial Guinea, and Congo, as well as his native Benin. He serves as Chairman of Atlas Mara's Audit Committee.
- Mr. Mondlane, Jr.'s experience is in providing strategic advice to Africa-focused, multi-national corporations across the aviation, energy, and financial services industries. He is currently a senior strategic advisor to Anadarko Petroleum Corporation in connection with their $30 billion liquid natural gas project in Mozambique. His previous roles have included serving as a Director of ABSA Financial Services, Barclays Bank Mozambique, and Banco Comercial Angolano. He also served for many years as a Non-Executive Director of ABSA Group, during which time that board oversaw the merger between Barclays Africa and ABSA Group.

These additions strengthen an already experienced, highly-engaged Board focused on guiding the Company and serving Atlas Mara's shareholders.

Strategic Focus

Atlas Mara has an acquisition-led business model focused on creating an innovative, customer-centric financial institution that provides wholesale and retail finance services to corporations, small- and medium- sized businesses ("SMEs"), and individuals. By concentrating on customer needs and operating sustainably and responsibly, we believe we can support economic growth and strengthen the financial systems in the countries in which we operate and create value for our shareholders.

The Company has established a three-pillar model for executing our strategy.

- **Buy:** We are continually evaluating expansion through acquisitions of selected sub-Saharan African financial services assets. These will range in scale from multi-national operations to smaller "bolt-on" acquisitions. When screening opportunities, we are looking for: (i) countries exhibiting relative political stability, (ii) the rule of law and institutional frameworks where we can operate to our standards of ethics and governance; (iii) markets with strong prospects for sustainable growth; (iv) fragmented markets that could benefit from consolidation; (v) institutions where we believe we can add value; (vi) potential synergies and the cost savings from achieving them; and, (vii) consistency with our overall strategy. Acquisitions need to add shareholder value and deliver returns in excess of our cost of capital.
- **Protect:** Our acquired businesses need to be "fit for growth". The first part of this process is implementing an operating strategy with a view to generating value for our shareholders through operational improvements. Before deploying "growth" capital, we: (i) enhance corporate governance and compliance; (ii) improve credit processes; (iii) drive operational efficiencies; (iv) identify and strengthen key relationships with customers, partners and regulators; (v) revitalise and optimise branch networks; (vi) provide liquidity support to safeguard the platform; and, (vii) provide capital support to buttress the platform.
- **Grow:** Once the platform has been strengthened, we focus on driving growth. This includes encouraging innovation across the value chain – most notably with respect to enhancing the customer experience at the point of contact (for example, enhanced services and product offerings, such as internet and mobile banking) and driving efficiencies/enhancing automation in the back-office. It also includes: (i) extracting identified synergies and efficiencies, (ii) seeking opportunities to enhance liquidity and funding costs by leveraging relationships with development finance institutions; (iii) injecting capital to support growth; (iv) pursuing further "bolt-on" acquisitions to enhance market penetration or diversify product offerings; and (v) encouraging innovation and experimentation.

The three pillars described above run in parallel across the asset base. We are continually seeking to optimise our resources across the group, particularly the allocation of human and financial capital.

BancABC and BRD Commercial Initiatives

With respect to BancABC and BRD Commercial, we are in the "protect" phase. In addition to the on-boarding of new members of the BancABC senior team, Atlas Mara is working closely with the BancABC management team on a series of initiatives. These include a detailed review of all elements of the credit process lifecycle to ensure a platform for sustainable growth and the identification and implementation of numerous revenue enhancement initiatives, particularly in relation to cross-selling and account management, pricing strategy, NPL recovery and deposit mobilisation. The opportunities that have been identified are significant and will driveing enhanced profitability at BancABC going forward. The Company will provide further updates in relation to these measures at its half-year results.

In connection with commitments made and communicated at the time of announcement of the transaction, Atlas Mara injected $27 million of funds into BancABC in December 2014 and, subsequent to year-end, deployed an additional $73 million, taking the total funds injected into BancABC to $100 million, as previously communicated.

At BRD Commercial, Atlas Mara is working closely with Konde Bugingo, BRD Commercial's CEO, to round out the executive team, as well as support the execution of the agreed plan to build a leading corporate and retail bank in Rwanda. As in the case of BancABC, we will provide further information on the status of BRD Commercial's roll-out at mid-year.

Digital Banking Strategy

Delivering innovative products and services to our customers through the use of technology is an important facet of our strategy. Effective front- and back-office technology creates the ability to more efficiently service existing customers, as well as meaningfully increase financial inclusion, serving customers for whom financial institutions have been previously uninterested or unable to serve. We expect to continue to invest meaningfully (both in terms of financial and human capital) in technology and are always actively seeking partnerships and alliances in order to leverage complementary competencies.

With the assistance of proven, local technology partners, our banks in Rwanda and Southern Africa have embarked on a 6-month program to launch and or enhance their current mobile and internet offerings, as well as test new products. Our goal is to create an interoperable cross-border platform and we are exploring various partnerships and alliances as a means to creating innovative value propositions for our customers.

Relationships with Development Finance Institutions

Atlas Mara recognizes the valuable role that development finance institutions ("DFIs") can play on the continent, in terms of facilitating and accelerating investment in sub-Saharan Africa. Financial services represents an effective conduit for DFIs, given the multiplier effect associated with their funding. Importantly, DFI funding enhances the ability of banks to compete effectively and extend credit, particularly to SMEs, as a result of the positive impact on the costs of funds. The Company is focused on being a "partner of choice" with respect to designing programs and ensuring monitoring and evaluation mechanisms consistent with DFIs' mandates.

Atlas Mara provided assistance to BancABC in obtaining a new Euro 65 million facility with the European Investment Bank (EIB), which was announced on 3 December 2014. More recently, on 16 February 2015, a $7.5 million, 7 year tenor, line of credit with WorldBusiness Capital, backed by OPIC, was signed for on-lending to SMEs and, on 11 March 2015, African Development Bank Group (AfDB) and BancABC signed a $50 million multi-currency line of credit (LoC) with a seven-year tenor to BancABC and its subsidiaries in Botswana, Mozambique and Zimbabwe. Transactions such as these, which total more than $125 million of long-term funding, will enhance BancABC's competitiveness and reach.

Due diligence and the negotiation of documentation amongst Atlas Mara, BancABC, BRD Commercial and several DFIs in relation to further facilities is ongoing.

Dividend

As a result of both the statutory loss referenced above and our well-elaborated growth strategy, the Board does not recommend the payment of a dividend in respect of the period ended 31 December 2014.

Outlook

Since the Company's listing, we have delivered on our stated objectives. We have confidence in our strategy and remain focused on the execution of our business model. We remain optimistic on the prospects of financial services in sub-Saharan Africa and our ability to establish an institution that can become a leader in the countries and regions in which it operates.

In 2015, Atlas Mara will continue to execute its plans for safeguarding, integrating and growing its operating businesses and investments while also continuing to evaluate acquisition opportunities in its existing, as well as other, attractive sub-Saharan African markets.

In connection with our acquisition-oriented strategy, we may seek external financing during the course of 2015, remaining, at all times, cognizant of our cost of capital and desire to deliver strong returns to shareholders.

While it is difficult to forecast the near-term economic outlook in Nigeria, and growth in Zimbabwe is expected to be lackluster, Atlas Mara's other countries of operation are expected to achieve GDP growth of 4% to 8% (IMF forecasts for Botswana and Mozambique, respectively). Against this backdrop, credit and deposit growth is expected to be stronger than 2014 and Atlas Mara's operations and investments should benefit concurrently. Additionally, the Company is expected to profit from a normalization in provisions, as well as the revenue enhancement initiatives cited above, leading to a forecasted net profit for 2015.

In the longer term, it is our objective to grow assets and deposits at more than 1.5x GDP in the countries in which we operate. In the medium-term, Atlas Mara aims to achieve a cost-to-income ratio of 60-65%, a return on equity of ca. 20% and a return on assets of ca. 2%.

Chief Financial Officer's Review of Financial Performance

Overview

The 2014 financial year under review represents an important foundational period for Atlas Mara. While positive momentum is evident following the completion of the various acquisitions announced to-date and the related investments made towards building a platform for sustainable growth, there are two sets of factors that negatively impacted the 2014 results described below: macroeconomic challenges and liquidity constraints in selected countries of operation and various non-recurring expenses, many of which represent an investment in the future.

The consolidated statutory loss after tax and minorities was $63.1 million. Pro forma for the inclusion of the acquisitions as if they had been consolidated since the beginning of the year, the loss would have been $47.8 million. The delta reflects impairment adjustments and the write-off of deferred tax balances in BancABC totaling $39.7 million, as highlighted to the market in July and November 2014, consolidation adjustments totaling $(7.8) million and the inclusion of the acquisitions for the full year totaling $(16.6) million.

As referenced earlier, Atlas Mara incurred a number of costs associated with its first year of operation, which, in aggregate, equate to approximately $55 million. Non-recurring IPO, transaction and other expenses totaled approximately $18 million. Termination payments to the former BancABC and ADC executive team (including accounting for options that were granted as part of the settlement agreements) were approximately $25 million. Higher costs of funding due to one-off swap transactions amounted to approximately $10 million. Foreign exchange adjustments totaled approximately $2 million.

Post adjustments for these non-recurring items and including the pro forma adjustments referenced above, profit after taxation would have been $7.2 million.

The following table provides a summary of such adjusted pro forma results for the first year of operations.

Atlas Mara Limited Consolidated Results Reconciliation	Unaudited Statutory 31.12.14 $'m	Pro Forma 31.12.14 $'m	Adjusted Pro Forma 31.12.14 $'m
Group loss after tax and minorities	(63.1)		
Acquisitions on a full year basis		(16.6)	
Balance sheet adjustments (on net basis)		31.9	
- additional impairments, fair value adjustments			
Pro forma loss after tax and minority interests		(47.8)	
Adjusting for one off items:			
IPO, transaction expenses non-recurring			18.1
Contractual termination payments made			25.0
Swap close-outs			10.0
Foreign Exchange translation loss			2.0
Adjusted pro forma profit, after tax and minorities			7.2

Income Statement Review

Net Interest Income

Statutory results: $28.6 million
Pro Forma: $87.9 million

Net interest income reflects declining margins particularly in selected countries mainly due to higher costs of funding in 2014. Liquidity pressures in some of the African countries in which the Group operates have resulted in subsidiaries sourcing the majority of their funding from interbank lines and more expensive wholesale lenders, leading to a downwards pressure on margin income. The capping of interest rates and fees by local regulators have also changed the competitive landscape for banks in selected markets. Key remediating actions being taken across the Group include a focus on accessing cheaper sources of liabilities, specifically retail deposits, and longer tenor DFI loan facilities with improved pricing terms. Net interest income constitutes 49% of total income for the Group on each reporting basis.

Operating Expenses

Statutory results: $129.9 million
Pro Forma: $228.9 million

As with all start-up businesses, costs tend to precede earnings recognition. In Atlas Mara's case, there is a further timing mismatch with respect to recognizing income from new acquisitions on a pro rata basis versus the full year of expenses incurred.

Included in 2014 total operating expenses are 13 months of Atlas Mara's corporate center totaling $27.3 million. This amount includes $2.5 million of executive share rewards for the buy-out of senior hires' existing share awards, as well as a further $1.2 million of share options relating to the recruitment of experienced executive staff to deliver on the Atlas Mara strategy (i.e. non-cash expenditure, fair valued in the income statement).

Total transaction and integration expenses of $25 million relate to the IPO, private placement and acquisitions of BancABC, ADC, BRD Commercial, as well as the UBN stake. While some level of transaction and integration expenses is expected in the future as Atlas Mara expands its footprint, it will not be to the extent incurred during 2014. Also included in these numbers is a $14.2 million non-recurring fair value charge representing termination payments (contractual share options settlement agreements) entered into with the previous BancABC and ADC executive management. At the subsidiary level, the gross cash settlement agreements with the previous BancABC management team amounted to $7.8m – again, a non-recurring expense that increased the normalized cost run rate for the group during 2014.

Staff costs amounted to $43 million, representing 33.6% of total expenditure for the Group on a statutory accounting basis and $80 million or 35.1% of total operating expenses on a pro forma basis.

Technology spend and related expenses were $5.3 million on a statutory basis and $11.3 million on a pro forma basis, and are expected to increase in the short-term as future acquisitions are integrated into the Group. Additional investments in technology are also required to retain and attract customers and enhance back office systems.

Income from Associates

Statutory results: $20.7 million
Pro Forma: $36.0 million

Income from associates represents the equity accounting of the 30.2% stake in UBN estimated based on 30 September 2014 annualized published results. The impact of goodwill and associated intangibles as per IFRS3 Business Combinations are also included in this line item. Any potential change following the completion of the UBN financials from this annualized basis (using the published September 2014 accounts as reference) are not expected to be material to the published results. Upon accounting for UBN's results into Atlas Mara, the translation of Naira into US Dollar for reporting purposes resulted in a foreign exchange loss which was accounted for directly against equity, namely a charge of approximately $13 million.

Credit Impairments

Statutory results: $6.3 million
Pro Forma: $32.7 million

The statutory credit impairment charge of $6.3 million largely reflects the expense for the fourth quarter of 2014 only, following the effective date of the BancABC acquisition. The quarterly charge is more reflective of an expected annual normalized credit impairment level. The increased impairments mostly relate to corporate clients and are reflective of the more challenging economic environment, particularly in Zimbabwe, where the majority of such impairments were reported. On a pro forma basis, the credit impairment charge would have been $32.7 million. The pro-forma credit loss ratio of 2.64% is well within medium term targets of less than 4%. Pro forma provision adequacy would stand at 32.4%, with total impairments as a percentage of gross loans and advances at 4.3%, broadly in-line with industry averages and reflecting adequate provisioning for non-performing loan assets in the balance sheet.

The Group expects credit quality ratios to improve during 2015 as enhancements around the credit origination and monitoring processes are being put in place and the arrears book reduced through ongoing recovery processes.

Loss after Tax

On a statutory accounting basis, we reported a net loss of $63.1 million. On a pro forma basis, based on the adjustments discussed above, the net loss would have been $47.8 million. Adjusting for the various non-recurring items referenced earlier, the Group would have reported an adjusted pro forma net profit of $7.2 million.

Balance Sheet

	Statutory:	Pro Forma:
Total Assets:	$2,621 million	$2,637 million
Customer Loans:	$1,236 million	$1,236 million
Total Deposits:	$1,531 million	$1,531 million

Customer loans and advances make up around 47% of the total asset base, with cash, short term funds and marketable securities at 20%. Investments held in government securities make up 6% of the total asset base. The investment in associate (UBN) constitutes 15% of the asset base, and post the business combinations concluded during the period under review, goodwill and intangible assets represents 6% of the Group's asset base. Property and fixed assets /other assets makes up the remaining 7%.

Credit Quality

In management's view, these loans are adequately provided for, as reflected in the pro forma provision adequacy ratio of 32.4%, which is broadly in line with market averages. Non-performing loans as a percentage of the loan book of 13.4% is above-market, but in-line with management's expectation following the due diligence process undertaken and as communicated previously. The group's pro forma credit loss ratio of 2.64% represents a somewhat more normalized level of impairments, with good headway made in improving the credit monitoring, restructuring and recovery activities across the Group to continue lowering the cost of credit, while focusing on recovering non-performing loans, not written off.

Goodwill and Intangibles

Post the acquisitions made during 2014, and in compliance with IFRS3: Business Combinations rules, the balance sheet reflects a goodwill asset of $90.9 million and an intangible asset of $71.4 million. The intangible assets will be amortized over a 10-year useful life period, in accordance with IFRS. Combined, these assets represents 6% of the Group's asset base, resulting in a tangible book value of $7.54 per share.

Investment in Associate: UBN

The investment in UBN is equity accounted for in the balance sheet as an Investment in Associate, with a closing balance of $375.1 million. The value of the equity accounted earnings is an estimate based on UBN's annualized results for the nine months ending 30 September 2014, pending the finalization and approval of the UBN audited results by the Central Bank of Nigeria. Any differences between the final UBN financial results and the estimated position are not expected to constitute a material change to the Group's financial results.

Well-publicized macroeconomic headwinds and regulatory changes in Nigeria might put pressure on deposit raising activities for the bank during 2014, which in turn might lower expectations of asset growth. Access to lower cost deposits remains a priority for UBN to ensure that the costs of funds are at acceptable levels enabling improved asset margins.

The devaluation of the Naira against the US Dollar further negatively impacted the capital position of the banking sector in Nigeria. Recently, the Central Bank of Nigeria has delayed the implementation of Basel II, which had been putting pressure on the Nigerian banking sector to raise additional capital to meet higher capital adequacy target ratios. The one year extension will enable banks to restructure their capital bases over a longer period of time to better prepare for the increased capital requirements.

Liabilities

Deposits due to Customers:	$1,531 million
Borrowed funds:	$300 million

Customer deposits comprise 79% of the liability base and 57% of book value, with the loan to deposit ratio at 80% on average across both results sets.

Assets are being funded mainly through corporate depositors, government-backed institutions and interbank funding lines (82% of total deposit base). The lower priced retail liability base of only 18% of total deposits reflects the basis for the increased focus to diversify the funding mix so as to support healthier margins in the longer term. The renewed focus on attracting lower cost retail liabilities is coupled with an emphasis on accessing lower cost DFI funding through strong partnerships. The focus on diversification for 2015 cuts across both assets and liabilities as new customers are being pursued and products offered.

Segment Information

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

The seven countries of operation and investment have been divided as follows:

Southern Africa:	Botswana, Mozambique, Zambia, Zimbabwe
East Africa:	Rwanda, Tanzania
West Africa:	Nigeria
Corporate center and other entities:	British Virgin Islands (BVI), Germany, Mauritius, and others

Southern Africa

Southern Africa includes the operations of BancABC, excluding Tanzania, i.e. Botswana, Mozambique, Zambia and Zimbabwe, as well as BancABC's holding company, ABC Holdings Limited, incorporated in Botswana, and various affiliated non-bank group entities. Current economic conditions in Botswana and Zimbabwe, which represent the main revenue generating countries of BancABC, are experiencing liquidity pressures in their markets leading to higher cost of funds driven by reliance on expensive institutional and corporate investor deposits. Access to lower cost retail deposits is limited due to significant market competition for a limited pool of funds. In this regard, the Southern African entities will benefit significantly from DFI funding sources going forward. The loan book in the Southern Africa markets consist mainly of high yielding unsecured personal lending products through various payroll deduction schemes with government agencies and unions, a common practice in these markets.

East Africa

East Africa consists of BRD Commercial Bank and BancABC Tanzania. Provision adequacy ratios includes pre-acquisition impairments on various corporate loans in line with de-risking the balance sheet in BancABC Tanzania. The Tanzania business was recapitalized subsequent to the 2014 year-end and a new management team has been put in place to deliver the revised Tanzania business strategy to capitalize on the GDP growth forecast for Tanzania of 7%.

West Africa

West Africa represents the investment made in UBN, adjusted for attributable equity earnings (annualized based on UBN's September 2014 published results). Atlas Mara remains a committed long term investor in Nigeria as the biggest market on the African continent.

Corporate

Corporate includes Atlas Mara Limited, the BVI holding company, and all other intermediate holding entities. The legal entity structure will be reviewed during 2015 with the aim of simplifying the corporate layers acquired as part of the ADC acquisition, together with the objective to drive cost efficiencies.

Segmental results are presented below:

Atlas Mara Limited Segmental Financial Statements	**Pro Forma**	**West**	**East**	**Southern**	**Corporate**
	31.12.14	**31.12.14**	**31.12.14**	**31.12.14**	**31.12.14**
	$'m	**$'m**	**$'m**	**$'m**	**$'m**
Net interest income	87.9	-	3.2	96.6	(11.9)
Non-interest revenue	92.6	-	5.1	65.7	21.8
Total income	**180.5**	**-**	**8.3**	**162.3**	**9.9**
Impairments	(32.7)	-	(0.3)	(32.4)	-
Net income from associates	36.0	36.0	-	-	-
Total operating income	**183.8**	**36.0**	**8.0**	**129.9**	**9.9**
Operating expenses	(190.1)	-	(17.4)	(136.2)	(36.5)
Transaction and integration expenses	(38.8)	-	-	-	(38.8)
Loss before taxation	**(45.1)**	**36.0**	**(9.4)**	**(6.3)**	**(65.4)**
Taxation	(3.3)	-	(1.1)	(2.0)	(0.2)
Loss after taxation	**(48.4)**	**36.0**	**(10.5)**	**(8.4)**	**(65.6)**
Ordinary shareholders	(47.8)	36.0	(10.1)	(8.1)	(65.7)
Non-controlling interests	(0.6)	-	(0.4)	(0.3)	0.1

Atlas Mara Limited Segmental Financial Statements	Pro Forma	West	East	Southern	Corporate
	31.12.14	31.12.14	31.12.14	31.12.14	31.12.14
	$'m	$'m	$'m	$'m	$'m
Assets	**2 637.0**	**23.0**	**222.5**	**1 546.7**	**844.8**
Cash and short term funds	409.8	-	63.1	295.5	51.2
Trading and other financial assets	144.8	-	19.7	125.1	-
Derivative financial instruments	0.1	-	(0.7)	0.8	-
Loans and advances	1 236.5	-	135.5	1 101.0	-
Intangible assets and goodwill	162.3	-	(16.1)	(72.5)	250.9
Investment in associates	397.1	23.0	-	1.6	372.3
Other assets	286.6	-	20.9	95.3	170.3
Liabilities	**1 939.0**	**-**	**222.4**	**1 575.1**	**141.5**
Deposits	1 531.0	-	180.0	1 350.0	-
Borrowed funds	300.0	-	17.2	195.6	87.3
Disposal groups held for sale	1.3	-	-	-	1.3
Derivative liabilities	6.3	-	2.8	3.5	-
Other liabilities	100.4	-	21.4	25.9	53.9
Total equity	**698.0**	**23.0**	**0.6**	**(18.4)**	**693.4**
Performance measures					
Net interest margin	3.3	-	1.4	6.1	-
NII as % of total income	48.7	-	38.9	59.5	-
Credit loss ratio	2.6	-	0.2	2.9	-
Loan to deposit ratio	80.8	-	74.9	81.6	-
Provision adequacy ratio (NPL)	32.4	-	54.3	26.3	-
Impairment as % of gross loans and advances	4.3	-	13.1	3.1	-

Principal Risks and Uncertainties

Managing risk effectively is critical to the success of any financial services group and fundamental to Atlas Mara's strategy. The Company's approach to risk is focused on creating an effective control framework and a strong risk management culture, which will guide employee decision-making and ensure accountability.

The most significant risks faced by Atlas Mara which could impact the Company's ability to meet its strategic objectives are highlighted below, together with key mitigating actions.

Market Risk

Principal Risks

Atlas Mara may be adversely impacted by global markets and economic conditions (as well as regional or local conditions, particularly political instability) that can lead to fluctuations in interest and exchange rates, as well as equity and commodity prices. It may also be adversely impacted by significant holdings of financial assets, or significant loans or commitments to extend loans.

Mitigating Actions

- Vigilant monitoring of macroeconomic and geopolitical conditions
- Hedging programs, both with respect to interest rates and foreign exchange
- Frequent stress and scenario testing

Credit Risk

Principal Risks

Atlas Mara may be adversely impacted by an increase in its credit exposure related to trading, lending and other business activities. Potential credit related losses can result from an individual, counterparty or issuer being unable or unwilling to honour their contractual obligations.

Mitigating Actions

- Well-considered credit policies incorporating prudent lending criteria
- Well-defined authorities with appropriate separation between origination and sanctioning
- Effective credit processes and controls, including credit monitoring and collections activities

Funding and Liquidity Risk

Principal Risks

The financial condition of Atlas Mara may be adversely impacted by an inability to raise capital, borrow funds or sell assets to meet its obligations. Additionally, at this juncture in its evolution, the parent company does not generate cash flow, due to the fact that the underlying operations and investments are not paying dividends to Atlas Mara.

- Maintenance of prudent levels of liquid assets to meet cash and collateral outflows

- Appropriate "emergency" liquidity plans
- Active dialogues with development finance institutions ("DFIs") to provide funding at the subsidiary level
- Frequent stress and scenario testing

Capital Risk

Principal Risks

Atlas Mara is dependent upon access to the debt and equity capital markets to support its expansion and the capitalisation of its operating subsidiaries, in particular in the face of increasing regulatory capital requirements in many of the countries in which Atlas Mara operates.

Mitigating Actions

- Close monitoring of current and projected capital needs and appropriate stress-testing
- Ongoing development of relationships with capital providers across the capital structure, including, notably, our ordinary shareholders

Acquisition Risk

Principal Risks

Atlas Mara may not be successful in its strategic objectives and specifically may not be able to find enough acquisition opportunities meeting the Company's criteria to achieve its strategy of building sub-Saharan Africa's premier financial institution.

Mitigating Actions

- Dedicated team focused on originating and evaluating opportunities
- Multiple prospective transactions under consideration

Operational Risk

Principal Risks

Atlas Mara may incur losses due to the failure of its people, internal processes or systems, or as a result of external events. Selected jurisdictions in which Atlas Mara operates (or may operate in the future) have higher levels of corruption than more mature markets. Atlas Mara may incur losses due to the failure of its people, internal processes or systems, which would also have negative repercussions across other risk dimensions.

Atlas Mara may not be able to deliver efficiencies, synergies or governance enhancements at its acquired operations leading to disappointing performance and or control failures.

Mitigating Actions

- Appropriate skills training across the group
- Continual review of IT systems architecture and systems resilience, including with respect to business continuity planning

- Active focus from senior management on the execution of integration and performance enhancement programs
- Comprehensive (and strict adherence to) anti-money laundering, “know your client”, and anti-bribery regulations and policies
- Monitoring of staffing levels and appropriate competencies

Legal Risk

Principal Risks

Legal proceedings against Atlas Mara or insufficient legal protection could adversely affect its operating results for a particular period and impact its credit ratings.

Mitigating Actions

- Vigilant monitoring of pending and ongoing litigation
- Appropriate staffing and training of the legal function across the group

Regulatory and Legislative Risks

Principal Risks

Many of Atlas Mara’s businesses are highly regulated and are subject to, and could be adversely impacted by, regulatory and legislative initiatives.

Mitigating Actions

- Frequent interactions with regulators across the group’s countries of operations
- Active dialogues with relevant government officials and monitoring of events potentially impacting our business

Reputation Risk

Principal Risks

Atlas Mara’s strategy is to become sub-Saharan Africa’s premier financial institution. Damage to Atlas Mara’s brand arising from any association, action or inaction which is perceived by customers, regulators, shareholders or other stakeholders as inappropriate or unethical would impact the Company’s ability to achieve its strategic goals.

Mitigating Actions

- Creation of a culture of excellence in which preservation and enhancement of our reputation is sacrosanct
- Creation of a robust internal audit function to ensure compliance with standards, policies and procedures across the group

Forward Looking Statement and Disclaimers

This announcement does not constitute or form part of any offer or invitation to purchase, otherwise acquire, issue, subscribe for, sell or otherwise dispose of any securities, nor any solicitation of any offer to purchase, otherwise acquire, issue, subscribe for, sell, or otherwise dispose of any securities.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this announcement is released, published or distributed should inform themselves about and observe such restrictions.

Certain statements in this announcement are forward-looking statements which are based on the Atlas Mara's expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements and the actual events or consequences may differ materially from those contained in or expressed by such forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law or regulation, Atlas Mara expressly disclaims any obligation or undertaking to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Annexure – Atlas Mara Limited 2014 Financial Results (unaudited)

CONSOLIDATED BALANCE SHEET 31 DECEMBER 2014

ASSETS	**31 December 2014**
Cash and short term funds	409 785
Financial assets held for trading	144 767
Financial assets designated at fair value	11 826
Derivative financial assets	62
Loans and advances	1 236 518
Investment securities	146 051
Prepayments and other receivables	30 019
Current tax assets	8 215
Investment in associates	375 112
Property and equipment	82 709
Investment property	2 696
Intangible assets	71 367
Goodwill on acquisition	90 941
Non-current assets and disposal groups held for sale	11 365
Total assets	**2 621 433**
EQUITY AND LIABILITIES	
Deposits	1 530 981
Derivative financial liabilities	6 280
Creditors and accruals	82 119
Current tax liabilities	5 020
Deferred tax liability	13 326
Borrowed funds	300 018
Non-current liabilities and disposal groups held for sale	1 263
Preference Share liability	-
Total liabilities	**1 939 007**
Founder Preference Shares	12 500
Shareholders' Equity	772 204
Capital Reserves	-12 211
Retained earnings	-63 119
Available for sale reserves	13
Foreign Currency translation reserve	-1 483
Treasury Shares	-19 967
Equity attributable to ordinary shareholders	**687 937**
Non-controlling interest	-5 511
Total equity	**682 426**
Total equity and liabilities	**2 621 433**

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME FOR THE 13 MONTHS ENDED 31 DECEMBER 2014

	28 November 2013 - 31 December 2014
Interest and similar income	80 372
Interest and similar expense	(51 735)
Net interest income	**28 637**
Provision for credit losses	(6 288)
Net interest income after provision for credit losses	**22 349**
Non-interest income	28 774
Net income from equity method instruments	20 740
Total Operating Income	**71 863**
Operating expenses	(91 146)
Transaction and integration expenses	(38 761)
Result before tax	**(58 044)**
Income tax expense	(5 408)
Result for the period	**(63 452)**
Attributable to:	
Ordinary shareholders	(63 119)
Non-controlling interests	(333)
	(63 452)

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME FOR THE 13 MONTHS ENDED 31 DECEMBER 2014

		28 November 2013-31 December 2014
Result for the year		**(63 452)**
Other comprehensive income, net of tax		**(1 470)**
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		**(1 470)**
Exchange differences on translating foreign operations	(1 483)	(1 483)
Available-for-sale financial assets - net change in fair value	13	13
Total comprehensive income for the year, net of tax		**(64 922)**
Total comprehensive income attributable to:		
Ordinary shareholders		(64 589)
Non-controlling interests		(333)
		(64 922)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 13 MONTHS ENDED 31 DECEMBER 2014

	Founder Preference Shares	Shareholders' Equity	Capital Reserves	Available for sale reserves	Foreign Currency translation reserve	Treasury Shares	Distributable Reserves	Equity Attributable to ordinary Shareholders	Non-controlling interests (Income Statement)	Non-controlling Interests	Non-controlling interest TOTAL	Total Equity
Opening balance as at 28 November 2013								-			-	-
Results for the period		-	-	-	-	-	**(63 119)**	**(63 119)**	**(333)**	**-**	**(333)**	**(63 452)**
Other comprehensive income:	-											
Exchange differences on translating foreign operations		-	-	-	(1483)	-	-	(1483)	-	-	-	(1483)
Movement in available for sale reserves		-	-	13	-	-	-	13	-	-	-	**13**
Total comprehensive income	**-**	**-**	**-**	**13**	**(1483)**	**-**	**-**	**(1470)**	**-**	**-**	**-**	**(1470)**
	-											
Issue of Founder Preferred Shares	12 500							12 500	-	-	-	**12 500**
Ordinary Shares issued during IPO	-	312 500						312 500	-	-	-	**312 500**
IPO Share Issue Expenses			(10 134)					(10 134)	-	-	-	**(10 134)**
Issue of Ordinary shares to Directors		295						295	-	-	-	**295**
Issue of Ordinary shares on private placements		300 050						300 050	-	-	-	**300 050**
Issue of shares on business combinations		154 519	-					154 519	-	-	-	**154 519**
Employee share awards		4 840	1 295			(2 528)		3 607	-	-	-	**3 607**
Other movements in Capital Reserve			379					379	-	-	-	**379**
Private Placement Share Issue Expenses			(3 751)	-				(3 751)			-	(3 751)
Shares bought back to treasury						(17 439)		(17 439)	-	-	-	**(17 439)**
Non-controlling interests attributable on Business Combination								-	-	(5 178)	(5 178)	**(5 178)**
Closing balance as at 31 December 2014	**12 500**	**772 204**	**(12 211)**	**13**	**(1 483)**	**(19 967)**	**(63 119)**	**687 937**	**(333)**	**(5 178)**	**(5 511)**	**682 426**

ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

This section describes Atlas Mara's significant accounting policies and critical accounting estimates that relate to the financial statements and notes as a whole. If an accounting policy or a critical accounting estimate relates to a specific note, the applicable accounting policy and/or critical accounting estimate is contained within the relevant note.

i. Reporting entity

These financial statements have been prepared for Atlas Mara (the "Company"), a company domiciled in the British Virgin Islands, and its subsidiaries (the "Group").

The group is a financial services provider in sub-Saharan Africa, focused on becoming the premier financial services institution in Africa and aims to support economic growth and strengthen financial systems in the countries in which it operates.

ii. Comparatives

2014 represents the Group's first set of financial statements, accordingly no comparatives are provided.

iii. Compliance with IFRS

The consolidated financial statements of the group and the separate financial statements of the company (the "financial statements") have been prepared in accordance with International Financial Reporting Standards ('IFRS') and IFRS Interpretations Committee (IFRIC) interpretations as issued by the International Accounting Standards Board ('IASB') and as endorsed by the European Union ('EU').

IFRS as endorsed by the EU may differ from IFRIC as issued by the IASB if, at any point in time, new or amended IFRSs have not to be endorsed by the EU.

As at 31 December 2014, there were no unendorsed standards effective for the year ended 31 December 2014 that affects these consolidated and separate financial statements and there was no difference between IFRSs endorsed by the EU and IFRSs issued by the IASB in terms of their application to Atlas Mara.

iv. Basis of Preparation

The consolidated financial statements have been prepared under the historical cost convention modified to include the fair valuation of investment property, and particular financial instruments, to the extent required or permitted under IFRS.

The financial statements are prepared in United States Dollars (USD), the functional currency of the group and company, and rounded to the nearest thousands ($000s) unless otherwise stated.

The financial information set out above does not constitute the company's statutory accounts for the period ended 31 December 2014. The statutory accounts for 2014 will be finalized on the basis of the financial information presented by the directors in this announcement.