29 October 2015

Atlas Mara Limited Unaudited 3rd Quarter Results – Nine Months Ended 30 September 2015

Atlas Mara Limited ("Atlas Mara" or the "Company" including its subsidiaries, the "Group"), the sub-Saharan African financial services group, today releases unaudited summary year-to-date results for the nine months ended 30 September 2015.

Key financial highlights during the period

- Reported profit after tax for the nine months ended 30 September 2015 was $7.1 million compared to a Pro Forma loss of $38.7 million for Q1-Q3 2014.
- Atlas Mara reported net interest income growth of 19.1%, non-interest revenue growth of 22.0% and essentially unchanged operating expenses year-over-year, on a constant currency basis.
- On an adjusted operating profit basis (excluding one-off items and M&A transaction expenses), Atlas Mara reported a profit of $23.7 million (Pro Forma Q1-Q3 2014: $(13.3) million) and a cost to income ratio of 79.9% (Pro Forma Q1-Q3 2014: 88.5%). This reflects the Company's focus on driving cost efficiencies, while continuing to invest in the platform.
- Union Bank of Nigeria Plc ("UBN") contributed income from associates of $15.1 million, reflecting Atlas Mara's 31% shareholding on an equity accounted basis. This represents an increase of 18.3% year-over-year, excluding the impact of Naira depreciation
- Loans and advances grew by 14.4% on a constant currency basis, reflecting Atlas Mara's emphasis on improvements in credit origination processes, and deposits increased by 9.7% on a constant currency basis, underscoring the Company's focus on funding and liability management. Retail deposits now comprise 19% of the total deposit book (compared to 13% at 30 June 2014 and 17% at 31 December 2014). Asset recoveries totaled $17.5 million for the nine month period reflecting the continued focus on this area.
- Reported equity at period end was $605.9 million, a decline from 31 December 2014 of $76.5 million, largely due to $79.9 million of foreign exchange translation losses driven by the strengthening of the U.S. Dollar against most African currencies, particularly the Nigerian Naira, Botswana Pula and Zambian Kwacha. Implied book value per share at 30 September 2015 was $8.73 (compared to $9.13 at 30 June 2015).

Key operational highlights during the period

- Atlas Mara has been implementing a comprehensive program to strengthen its subsidiaries' end-to-end credit processes, which will continue to benefit the group meaningfully going forward in terms of sustained and profitable loan book growth. Recent asset recoveries, a decrease in NPL ratios and increasing coverage ratios are evidence of the early successes of this focused program.
- The Company has continued to focus on centralizing and standardizing processes across the Group in an effort to reduce back office support resources, improve front office focus, and drive efficiencies. Flat expense growth year-over-year, on a constant currency basis, is illustrative of this focus.

- The Company announced a partnership with the U.S. Government's Overseas Private Investment Corporation ("OPIC"), whereby OPIC is committing $200 million for both selected acquisitions and to advance inclusive lending.
- A number of innovative new products have been (or are about to be) launched, notably an "e-voucher" program for small scale farmers in Zambia, supported by the Zambian government, which is aimed at providing enhanced access to agricultural inputs, pre-paid cards for pensioners, also supported by the Zambian government, whereby registered pensioners' monthly disbursements get loaded directly onto their BancABC cards, and a chip-and-pin co-branded fuel card in partnership with Puma Energy in Zambia.
- Additionally, Atlas Mara's BancABC subsidiary has, over the past several months, launched various digital channels, including a mobile wallet, mobile banking and internet banking, specifically aimed at retail customers. Enhanced Visa card services and ATM services are also now available across all BancABC operating banks. A significantly improved online banking offering for corporate customers is currently being tested and will be rolled out across the network during Q4 2015.

Convertible Bonds Issuance

On 1 October 2015, Atlas Mara completed a $63.4 million placement of senior secured convertible notes due 2020 ("Convertible Bonds"). The Convertible Bonds have a coupon of 8.0%, were issued at an issue price of 82.7% of their principal amount, have a maturity date of 31 December 2020 and are convertible into the ordinary shares of Atlas Mara at a price of $11.00 per share. Atlas Mara will use the net proceeds of the issue of the Convertible Bonds to fund near-term acquisition opportunities and for general corporate purposes. This issuance, together with the aforementioned $200 million of financing from OPIC, is demonstrative of the Company's continued access to external financing to execute its strategy.

Agreements Reached on Combination of Banque Populaire du Rwanda and BRD Commercial

Following the announcement on 27 April 2015 that the Company was in exclusive negotiations, Atlas Mara is pleased to announce that it has reached agreements to invest, subject to conditions precedent (including requisite regulatory approvals), approximately $21 million in Banque Populaire du Rwanda Limited ("BPR"). Following completion of this step, Atlas Mara intends to merge BPR and BRD Commercial Bank Limited ("BRD Commercial"), the Rwandan bank Atlas Mara acquired in 2014, which will result in Atlas Mara owning 62% of the combined entity and Rabobank and other existing shareholders retaining a minority stake.

BPR enjoys strong customer loyalty, given its roots as a customer-owned bank, its forty-year operating history, and comprehensive geographic footprint. As of 30 June 2015, BPR had approximately $246 million of assets, $153 million of loans, and $200 million of deposits. It has 191 branch locations and approximately 1,370 employees. The combined institution will be Rwanda's largest bank by branch locations and second largest bank by assets.

The proposed combination represents a unique opportunity to merge BRD Commercial with the second largest bank in Rwanda and accelerate Atlas Mara's strategy in both Rwanda and the East Africa Community, more broadly. The merger will provide Atlas Mara with a powerful platform to meet unmet demand for retail and corporate credit, leverage mobile technology to provide differentiated product offerings and address the under-banked, and to effect economies of scale and scope through integration and resulting cost synergies.

This transaction is consistent with Atlas Mara's strategic objective of being a "scale" participant in its countries of operation. The completion of the transaction is subject to conditions precedent, notably requisite regulatory approvals, and is expected during the fourth quarter of 2015.

Potential Acquisition of Finance Bank of Zambia Plc

Today, 29 October 2015, Atlas Mara is pleased to announce that it is in advanced negotiations with respect to the potential acquisition of 100% of Finance Bank of Zambia Plc ("FBZ"), currently Zambia's 6th largest bank. The potential transaction is subject to the parties entering into definitive documentation and the subsequent satisfaction of selected conditions precedent (including requisite regulatory approvals). The Company expects that definitive documentation will be signed shortly.

During its thirty year history and roots as an independent Zambian financial institution, FBZ has created a formidable retail franchise. As at 30 June 2015, it had approximately $261 million of assets, $127 million of loans, $181 million of deposits and $59 million of equity. It has 63 branch locations and over 800 employees. In addition to corporate and retail banking, FBZ operates leasing finance, micro finance and mortgage finance subsidiaries, which would also form part of the potential transaction.

Subject to agreeing definitive documentation and the subsequent satisfaction of relevant conditions precedent, Atlas Mara anticipates that it would acquire FBZ for approximately $60 million in cash and 2.6 million Atlas Mara shares (this may increase to $61 million and up to 5.7 million Atlas Mara shares, subject to a number of conditions, including the Zambian Kwacha/U.S. Dollar exchange rate at closing and the meeting of specific future profitability targets). Subject to signing definitive documentation, Atlas Mara would expect the transaction to close in Q1 2016. Once completed, the transaction, which would include the merger of FBZ with Atlas Mara's Zambian subsidiary, African Banking Corporation Zambia Limited ("BancABC Zambia"), would result in the creation of Zambia's largest bank by branch network and fifth largest bank by assets with combined assets of approximately $418 million. The enlarged group would be well-positioned to contribute meaningfully to the development of financial services in Zambia and the potential combination would be consistent with Atlas Mara's over-arching strategic objective of being a "scale" player in its countries of operation. The Company will provide further updates to the market as appropriate in relation to the transaction.

Share Repurchase Program and Management/Founder Share Purchases

As was previously communicated, on 11 May 2015, the Board of Directors renewed the granting of authority to repurchase up to 10% of the Company's issued share capital. Given the conclusion of the prohibited period in which the Company was operating due to pending corporate actions and the release of these Q3 results, the Company's Board of Directors has approved the re-initiation of the Company's previously suspended share repurchase program. By way of its nominated brokers, to whom it has granted discretion, Atlas Mara will seek to acquire up to $10 million of its ordinary shares in the market.

Furthermore, following a decision earlier in the year by the Executive Committee to invest a substantial portion of their 2014 after-tax bonuses in Atlas Mara shares and by the Founders, Bob Diamond and Ashish Thakkar, to acquire additional shares, selected management members and the Founders will similarly seek to undertake purchases of the Company's ordinary shares, by way of nominated brokers, to whom they have granted discretion, having previously invested more than $1 million earlier in the year in Atlas Mara ordinary shares.

Commenting on both the results and recent corporate activity, John F. Vitalo, CEO, said: “Our results for the nine months ended 30 September 2015 reflect our continued focus on acquiring the right assets and being astute operators. We place particular emphasis on prudently growing the asset base, reducing funding costs, delivering efficiencies and launching innovative products and services for our customers.

“I am delighted that we have announced the signing of definitive agreements in relation to BPR in Rwanda. Upon completion of the BPR transaction, Atlas Mara will be the largest bank in Rwanda by distribution network and second largest bank in Rwanda by assets, thus providing further evidence of delivery of our stated strategy of being a scale participant in our countries of operation and progress in building sub-Saharan Africa’s premier financial institution. In relation to FBZ, our discussions are ongoing, but similarly speak to our intentions to execute follow-on transactions in attractive sub-Saharan African markets, such as Zambia. Finally, reflecting both the Board’s and management’s confidence in the Company’s prospects, I am pleased to report that the Company will be re-initiating its share repurchase program and management and the Founders will similarly be seeking to acquire Atlas Mara ordinary shares, as we continue to see meaningful value in them.”

Investor Conference Call

Atlas Mara’s senior management will today be holding a market update for investors at 8am EST / 12pm GMT. There will be a presentation available in the Investor Relations section of the Company's website, http://atlasmara.com.

The Company will not be disclosing any new material information.

Dial-in details are as follows:

- Conference ID: 67198761
- US: 1 631 621 5256
- UK: 0844 871 9299
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About Atlas Mara

Atlas Mara was listed on the London Stock Exchange in December 2013. Atlas Mara's vision 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. Its goals are to combine the best of global institutional knowledge with extensive local insights and to support economic growth and financial inclusion in the countries in which the Company operates.

Summary of Results (Unaudited, unless otherwise noted)

Atlas Mara Limited	Reported Results 30.09.15 $'m	Pro-Forma Comparative 30.09.14 $'m	Constant Currency[(1)] Variance %	Audited Year End 31.12.14 $'m
Statement of comprehensive income				
Total income	154.4	139.7	21%	57.4
Impairments	(8.8)	(27.1)	59%	(6.3)
Operating expenses	(147.1)	(159.9)	0.4%	(129.9)
Income from associates	15.1	15.0	18%	20.7
Profit / (loss) before taxation	13.6	(32.3)	>100%	(58.1)
Profit / (loss) attributable to ordinary shareholders	7.1	(38.7)	>100%	(63.1)
Statement of financial position				
Loans and advances	1 184.6	1 206.4	14%	1 236.5
Total Assets	2 421.6	2 593.8	6%	2 621.4
Total Equity	605.9	707.5	(10%)	682.4
Total Liabilities	1 815.7	1 886.3	13%	1 939.0
Total Deposits	1 424.6	1 528.4	10%	1 531.0
Number of Shares Outstanding	70 125 665			70 714 636
Key Performance measures				
Net interest margin	4.3%	3.6%		1.1%
Credit loss ratio	1.0%	3.0%		-
Cost to income ratio	95.3%	>100%		-
Return on equity	1.4%	(7.3%)		-
Return on assets	0.4%	(2.0%)		-
Loan to deposit ratio	83.1%	78.9%		80.8%
Book value per Share	8.73			9.73

(1) Constant currency variances reflect the operational variance (either positive or (negative)) period-on-period excluding the impact of foreign currency translation, due to the U.S. Dollar strengthening against all of the relevant African currencies. By way of example: Total Income for Q1-Q3 2015 would have reflected positive growth of 20.6% compared to the prior period had it not been for the impact of foreign exchange translation.

Basis of Presentation

Overview

The term “Atlas Mara”, “the Company” or “Group” refers to Atlas Mara Limited and its subsidiaries and associates. This release covers the unaudited consolidated results for the Group for the nine months ended 30 September 2015.

Unless otherwise stated, the financial information for the nine month period ended 30 September 2015 is set out in this release on a basis consistent with International Financial Reporting Standards, as adopted by the EU (IFRS) and consistent with the group accounting policies as disclosed in the 2014 annual report.

Pro Forma Comparative Basis

Given that Atlas Mara’s establishing acquisitions were only concluded during Q3 and Q4 of 2014, no meaningful comparative financial information is available. 2014 was the first year of operation for Atlas Mara and 2015 the first full year of operating the banks acquired during the latter part of 2014.

In order to provide some comparison to prior period results, the Q1-Q3 2014 financial results are presented on a Pro Forma (or “PF”) basis. The key assumption underpinning the Pro Forma results is an implied date of acquisition and consolidation of the acquisitions made during 2014 as if they were consummated on 1 January 2014, as opposed to the actual dates of completion. It should be noted, however, that, as BRD Commercial Bank was newly-formed as an independent entity in October 2014, the comparative Q1-Q3 2014 Pro Forma results contained in this release do not include any contribution from BRD Commercial.

Unaudited Results for the Nine Months Ended 30 September 2015

Review of Statement of Comprehensive Income

Net Interest Income

Q1-Q3 2015:	$78.7 million
PF Q1-Q3 2014:	$69.6 million

Net interest income reflects a positive trend with a reported net interest margin on total assets of 4.34% on total assets at 30 September 2015, versus 3.34% reported at December 2014 on a Pro Forma basis. Net interest margin (or “NIM”) on earning assets was approximately 6% for Q1-Q3 2015, an increase from 4.8% for the full year 2014 on the same basis.

Market liquidity pressures, specifically relating to local currency shortages in selected markets, resulted in some pressure on the cost of funding and loan growth across the banking sectors in those markets. Notwithstanding this, Atlas Mara’s banking subsidiaries, excluding Zambia, have all seen a reduction in their cost of funding and hence an improvement in NIMs, albeit somewhat slower than expected. The continued focus on liability growth, in particular, campaigns to increase the Retail deposit base, will, over time, ensure sustainable improved margins across these entities.

Net interest income constituted 51% of total income for the Group, in line with the Pro Forma Q1-Q3 2014 results.

Operating Expenses

Q1-Q3 2015: $147.1 million

PF Q1-Q3 2014: $159.9 million ($148 million on constant currency basis)

Q1-Q3 2015 total operating expenditures of $147.1 million (compared to $159.9 million for the comparable 2014 period, and, on a constant currency basis, $148 million) reflect the continued focus of the Company on driving efficiencies and being cost conscious, even amidst the various investments being made across the platform.

Total M&A transaction and one off expenditures of $23.7 million year-to-date compares well with the reported $36.3 million loss incurred during the same period in 2014. This decline is consistent with previously communicated expectations that these expenses will decrease significantly over time.

Staff costs amounted to $57.1 million for the period and represented 39% of total expenditure for the Group, in line with the Pro Forma 2014 ratio for the comparable period.

Specific technology investment and business improvement expenditure of $11.5 million are further cost items expensed during 2015, which will benefit the Group over the longer term.

For comparative purposes, given the non-recurring nature of selected expenses related to the Company's formative period, Atlas Mara also provides "adjusted" figures, excluding one-off items and M&A transaction expenses. On this basis, Atlas Mara reported a cost to income ratio of 79.9% versus 95.3% on an IFRS-compliant basis and 88.5% for the prior comparable period, on a Pro Forma basis.

Income from Associates

Q1-Q3 2015: $15.1 million
PF Q1-Q3 2014: $15.0 million

Income from associates of $15.1 million represents the equity accounted earnings of Atlas Mara's 31.15% directly and indirectly owned stake in UBN. These results were based on UBN's unaudited Q3 results as published on 27 October 2015.

Although the Naira stabilized against the U.S. Dollar during Q3, the negative impact from the H1 depreciation was still evident in the market and, in parallel with oil and other commodity price declines, has put pressure on growth prospects in the market. The translation of Naira into U.S. Dollar for reporting purposes resulted in a foreign exchange translation loss of approximately $12 million accounted for directly against equity for the Q1-Q3 period.

Credit Impairments

Q1-Q3 2015: $8.8 million
PF Q1-Q3 2014: $27.1 million

The Q1-Q3 2015 credit impairment charge was $8.8 million, driven largely by continued challenging macro-economic conditions in Zimbabwe. However, this still represents a marked improvement from the comparative Pro Forma 2014 position of $27.1 million. The Special Operations Unit continues to deliver positive results with regards to asset restructuring and resolution, with recoveries of non-performing loans remaining a key focus throughout Q3 and further recoveries expected during Q4 2015. Recoveries for the first nine months of 2015 totaled $17.5 million. Fair value adjustments on non-performing loan provisions reported during the nine months ended 30 September as part of post-acquisition closing adjustments of $12.9 million partly offset additional provisions raised during the period.

The Group expects credit quality ratios to continue to improve during 2015, as enhancements to credit origination and monitoring processes are put in place. The arrears book is already showing declines in both volume and value compared to December 2014. The coverage ratio has improved to approximately 55% during Q1-Q3 2015 versus approximately 25% in Q1-Q3 2014, on a Pro Forma basis.

Review of Statement of Financial Position

Total Assets:	$2,422 million
Customer Loans:	$1,185 million
Total Deposits:	$1,425 million

Customer loans and advances contributed approximately 49% of the total asset base, with cash, short term funds and marketable securities representing approximately 16%. Investments held in government securities constituted 7% of the total asset base. The investment in associates (UBN) represented 16% of the current asset base, and, post the business combinations concluded during 2014 and the subsequent valuation of purchased assets in line with IFRS 3: Business Combinations, goodwill and intangible assets represented 6% of the Group's asset base. Property, fixed and other assets made up the remaining 6%.

Credit Quality

In management's view, the customer loan book is adequately provided for, as reflected in the year-to-date 2015 provision coverage ratio of 54.7% (FY 2014: 32.4%). NPLs as a percentage of the loan book of 12.3% are above market averages and management's medium-term guidance, but have been steadily improving from December 2014 levels. The Special Operations Unit, mentioned above, was largely responsible for the positive downward trend in the cost of credit debited against the statement of comprehensive income. The Group remains focused on recovering as much as possible of the legacy or acquired non-performing loan book over the next few years.

Goodwill and Intangibles

Following the acquisitions made during 2014, and in compliance with IFRS 3: Business Combinations, the statement of financial position reflected a goodwill asset of $81.1 million and an intangible asset of $61.1 million. The fair value of said acquisitions was reassessed during H1 2015, resulting in the recognition of an additional $18.5 million of goodwill. Intangible assets are amortized over a 10-year useful life. Combined, these assets represented 6% of the Group's asset base at 30 September 2015, resulting in a tangible book value of $6.73 per share.

Investment in Associate: UBN

The investment in UBN is equity accounted for on the statement of financial position as an Investment in Associate, with a closing balance of $390.8 million. The year-to-date results were estimated using the annualized, published June 2015 results adjusted for a Nigerian average credit risk factor. Atlas Mara holds, both directly and indirectly, an effective 31.15% shareholding in UBN.

Liabilities

Deposits due to Customers:	$1,425 million
Borrowed funds:	$291 million

Assets are funded mainly through corporate depositors, government-backed institutions and interbank funding lines (81% of total deposit base). The Retail liability base of 19% of total deposits represents an improvement from 15% as at Q3 2014, on a Pro Forma basis, and is indicative of efforts to diversify the funding mix so as to support healthier margins in the longer term. The renewed focus on attracting Retail deposits has been coupled with an emphasis on accessing lower cost development finance institution ("DFI") funding through strong partnerships, such as the recently announced partnership with OPIC.

Capital and Liquidity

All operating banks are within prescribed local regulatory requirements for both liquidity ratios and capital adequacy. Atlas Mara remains vigilant in its focus on optimizing for financial stability and attractive, sustainable returns on equity.

Segmental Information

The segmental results and statement of financial position information are representative of Atlas Mara's management of its underlying operations and consistent with the Group's emphasis on alignment of its operations 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.

Segmental Results

Southern Segment

Southern Africa includes the operations of BancABC, excluding Tanzania, i.e. Botswana, Mozambique, Zambia and Zimbabwe and BancABC's holding company, ABC Holdings Limited, incorporated in Botswana, and various affiliated non-bank group entities. The financial performance of the Southern region year-to-date was supported by, among other factors, asset recoveries emanating from continued management efforts, particularly the increased focus on non-performing loans and the establishment of new collections activities.

East Africa

East Africa consists of BRD Commercial Bank and BancABC Tanzania. Our Rwandan business has been profitable year-to-date. The bank is liquid, presenting the opportunity to capitalize on several identified opportunities. The cost base is largely reflective of a start-up business, including integration expenditures incurred in preparation for the pending combination with Banque Populaire du Rwanda.

West Segment

West Africa represents the investment made in UBN, adjusted for attributable equity earnings. Our investment in UBN is continuing to perform in line with expectations. Atlas Mara has reflected its associate income of $15.1 million in its year-to-date 2015 results (2014 Pro Forma: $15.0 million) based on September 2015 published results. The depreciating Naira had around 17% negative impact on associate earnings (in U.S. Dollar terms) recognized for the period.

UBN's impairments and provisions are deemed sufficient for the risk assets included in its portfolio. UBN management and its Board of Directors, with Atlas Mara having three seats on UBN's Board of Directors, continue to monitor the implications of the economic headwinds, and the growth of risk assets within a revised credit risk appetite framework. Positive growth potential for UBN is apparent irrespective of challenges in the macroeconomic environment.

Other

Other includes Atlas Mara Limited, the BVI incorporated holding company, operating through its Dubai management office, and all other intermediate group holding entities acquired in connection with acquisitions of ABCH and ADC in August 2014. The legal entity structure is in the process of being streamlined with the objective of driving further cost efficiencies. Accounting consolidation adjustments are also presented within the Other segment.

Segmental results are presented below:

Atlas Mara Limited Segmental Financial Statements	Reported	BANKING OPERATIONS West	East	Southern	OTHER Atlas Mara Corporate Center	M&A, ADC, Consol
	30.09.15	30.09.15	30.09.15	30.09.15	30.09.15	30.09.15
	$'m	$'m	$'m	$'m	$'m	$'m
Net interest income	78.7	-	17.9	69.4	(0.5)	(8.1)
Non-interest revenue	75.7	-	(0.1)	54.6	(1.0)	22.2
Total income	**154.4**	**-**	**17.8**	**124.0**	**(1.5)**	**14.1**
Impairments	(8.8)	-	0.5	(9.3)	-	
Net income from associates	15.1	15.1	-	-	-	
Total operating income	**160.7**	**15.1**	**18.3**	**114.7**	**(1.5)**	**14.1**
Operating expenses	(139.3)	-	(14.3)	(95.3)	(22.3)	(7.4)
Transaction and integration expenses	(7.8)	-	-	-		(7.8)
Profit/(loss) before taxation	**13.6**	**15.1**	**4.0**	**19.4**	**(23.8)**	**(1.1)**
Taxation	(4.9)	-	(0.3)	(6.0)		1.4
Profit/(loss) after taxation	**8.7**	**15.1**	**3.7**	**13.4**	**(23.8)**	**0.3**
Ordinary shareholders	7.1	15.1	2.1	13.4	(23.8)	0.3
Non-controlling interests	1.6	-	1.6	-	-	-

Atlas Mara Limited Segmental Financial Statements	Reported	BANKING OPERATIONS West	East	Southern	OTHER Atlas Mara Corporate Center	M&A, ADC, Consol
	30.09.15	30.09.15	30.09.15	30.09.15	30.09.15	30.09.15
	$'m	$'m	$'m	$'m	$'m	$'m
Assets	**2 421.6**	**17.9**	**227.7**	**1 636.8**	**704.9**	**(165.8)**
Cash and short term funds	367.1	-	46.9	310.1	5.4	4.7
Trading and other financial assets	209.8	-	36.5	145.1	25.7	2.4
Loans and advances	1 184.6	-	129.4	1 060.5	0	(5.3)
Intangible assets and goodwill	142.2	-	0.8	6.9	591.9	(457.4)
Investment in associates	390.8	17.9	0.2	1.3	0	371.4
Other assets	127.1	-	13.9	112.9	81.9	(81.6)
Liabilities	**1 815.7**	**-**	**195.7**	**1 539.2**	**49.5**	**31.3**
Deposits	1 424.6	-	172.8	1 251.8		-
Borrowed funds	291.0	-	17.9	241.8	20.5	10.8

Disposal groups held for sale	-	-	-	-	-	-
Derivative liabilities	3.5	-	2.2	1.3	-	-
Other liabilities	96.6	-	2.8	44.3	29.0	20.5
Total equity	**605.9**	**17.9**	**32.0**	**97.6**	**655.4**	**(197.1)**
Performance measures						
Net interest margin	4.3%	-	10.5%	6.0%	-	-
NII as % of total income	51.1%	-	100%	56.0%	-	-
Credit loss ratio	1.0%	-	(0.7%)	1.8%	-	-
Loan to deposit ratio	83.1%	-	74.9%	84.7%	-	-
Provision coverage ratio	54.7%	-	57.3%	54.0%	-	-
Impairment as % of gross loans and advances	6.7%	-	11.7%	6.09%	-	-

Full year December 2014 segmental results are presented below:

		BANKING OPERATIONS			OTHER	
Atlas Mara Limited Segmental Financial Statements	**Pro Forma**	**West**	**East**	**Southern**	**Atlas Mara Corporate Center**	**M&A, ADC, Consol**
	31.12.14	**31.12.14**	**31.12.14**	**31.12.14**	**31.12.14**	**31.12.14**
	$'m	**$'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	(1.2)	23.0
Total income	**180.5**	**-**	**8.3**	**162.3**	**(1.2)**	**11.1**
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**	**(1.2)**	**11.1**
Operating expenses	(190.1)	-	(17.4)	(136.2)	(27.3)	(9.2)
Transaction and integration expenses	(38.8)	-	-	-		(38.8)
Profit /(Loss) before taxation	**(45.1)**	**36.0**	**(9.4)**	**(6.3)**	**(28.5)**	**(36.9)**
Taxation	(3.3)	-	(1.1)	(2.0)	-	(0.2)
Profit /(Loss) after taxation	**(48.4)**	**36.0**	**(10.5)**	**(8.3)**	**(28.5)**	**(37.1)**
Ordinary shareholders	(47.8)	36.0	(10.1)	(8.0)	(28.5)	(37.2)
Non-controlling interests	(0.6)	-	(0.4)	(0.3)		0.1

Atlas Mara Limit Segmental Financial Statements	Pro Forma	BANKING OPERATIONS West	East	Southern	OTHER Atlas Mara Corporate Center	M&A, ADC, Consol
	31.12.14	31.12.14	31.12.14	31.12.14	31.12.14	31.12.14
	$'m	$'m	$'m	$'m	$'m	$’m
Assets	**2 637.0**	**23.0**	**222.4**	**1 546.8**	**733.7**	**111.1**
Cash and short term funds	409.8	-	63.1	295.5	40.3	10.9
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)	526.8	(275.9)
Investment in associates	397.0	23.0	-	1.6		372.4
Other assets	286.5	-	20.9	95.3	166.6	3.7
Liabilities	**1 939.0**	**-**	**222.4**	**1 575.1**	**48.8**	**92.7**
Deposits	1 531.0	-	181.0	1 350.0	-	-
Borrowed funds	300.0	-	17.2	195.6		87.2
Disposal groups held for sale	1.3	-	-	-	-	1.3
Derivative liabilities	6.3	-	2.8	3.5	-	-
Other liabilities	100.4	-	21.5	25.9	48.8	4.2
Total equity	**698.0**	**23.0**	**0.1**	**(28.3)**	**684.9**	**18.3**
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	-	

Outlook

With respect to the full year 2015, the Company expects the positive earnings trajectory recorded during the first nine months of the year to continue. The fourth quarter of the year, driven by a combination of anticipated asset growth, operating leverage and further recoveries, is expected to deliver results in excess of those recorded in Q3.

The Company's medium-term guidance, as presented in its 2014 year-end results and Annual Report, remains unchanged, particularly with respect to the intention to achieve loan and deposit growth greater than 1.5x nominal GDP, a 60% to 65% cost to income ratio, a ca. 20% return on equity and a ca. 2% return on assets. Additionally, in-line with its stated strategy, Atlas Mara continues to evaluate acquisition opportunities in order to build scale and expand its geographic presence.

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 Atlas Mara's expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts, including expectations regarding (i) the future operating and financial performance of the Company; (ii) the potential acquisition of FBZ (the “Potential Transaction”); and (iii) the combination of BPR and BRD Commercial. 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, including (i) economic conditions, competition and other risks that may affect the Company's future performance; (ii) the ability and willingness of the parties to agree definitive documents in respect of the Potential Transaction (the “Transaction Agreements”); (iii) the ability and willingness of the parties to the Transaction Agreements, if entered into, to meet the closing conditions therein; (iv) the occurrence of any event, change or other circumstances that could give rise to the termination of the Transaction Agreements, if entered into, (v) unexpected liabilities incurred or arising from the acquisition of the acquired business which are not adequately mitigated in the Transaction Agreements, if entered into; (vi) the risk that securities markets will react negatively to the Potential Transaction or other actions by Atlas Mara; (vii) the risk that the Potential Transaction disrupts current plans and operations as a result of the announcement and consummation of the transactions described herein; (viii) the ability to recognise the anticipated benefits of the combination of BPR and BRD Commercial or the Potential Transaction and otherwise to take advantage of strategic opportunities; (ix) changes in applicable laws or regulations; and (x) the other risks and uncertainties.

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.