# Georgia / Banking

# The Bank of Georgia

## At The Beginning Of A Growth Spurt

CONCORDE CAPITAL

# BUY

**17 Apr 2006** — **USD 4.65**

**12M Target** — **USD 8.50**

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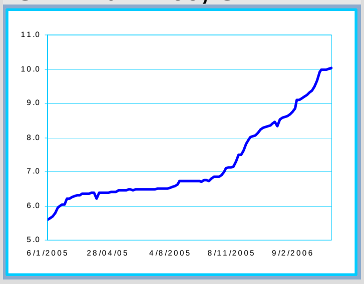
**GEB Bid-Price, GEL**




| Market Information | |
|---|---|
| GES | **GEB** |
| No of Shares, mln | 15.2 |
| Market price, USD | 4.65 |
| **MCap, USD mln** | 70.7 |
| Free Float, % | 19 |

| Stock Ownership | |
|---|---|
| Firebird Fund | 22.0% |
| East Capital | 15.1% |
| Victor Gelovani | 11.9% |
| EBRD | 11.8% |
| Other | 20.3% |

| Ratios 2005 | |
|---|---|
| Net Interest Margin | 8.2% |
| Net Income Margin | 22.0% |
| ROE | 18.8% |
| Cost/Income | 64.6% |

**The only investable Georgian banking stock and the country's second-largest lender, the Bank of Georgia, is going to issue ADRs and is preparing for listing on AIM in London. The bank's strong growth, leading market position and solid fundamentals promise a 80% upside during 12 months. We initiate coverage with a Buy recommendation.**

**Cheap, For Now.** For those embarrassed by demanding valuations of Ukrainian banks we suggest taking a look at The Bank of Georgia's (BoG) sexy P/B ratio. BoG's stock price has grown by 80% over the last 18 months. Despite this growth, BoG remains notably undervalued versus its CEE peers. Comparative valuation, based on 2006E P/E and P/BV multiples from CEE peers reveals a 46% to 69% discount. We believe that the Georgian banking offers a great deal of catch up potential and this combined with BoG's solid fundamentals will bring the bank's stock in line with CEE levels in the near future.

**A Market Leader.** For the past few years, the Bank of Georgia has demonstrated solid growth, outpacing the whole banking system. The bank's total asset growth was 38% CAGR for 2003-2005, above the industry average of 32%. This allowed the bank to expand its market share from 15.8% in 2002 to 18% and preserve its leading position as the second-largest Georgian bank.

**New Team. New Vision.** In September, 2004 a new team took over BoG. Under the new leadership the bank embarked on an aggressive turnaround strategy, focusing on both organic growth and acquisition opportunities with the goal of spearheading banking sector consolidation in Georgia and diversifying its portfolio of financial services.

**Financial Sector Consolidator.** Since October, 2004, the Bank of Georgia has made a number of acquisitions in the Georgian financial sector. The bank as taken control of two mid-sized banks, Georgia's third largest insurance company, the second-largest leasing company and the country's top investment bank.

**Integrated Business Model.** After making its acquisitions, the bank organized their activities into an integrated business model by dividing its operations into five strategic business units: Retail Banking, Corporate & Investment Banking, Insurance, Asset & Wealth Management. The model allows BoG to benefit from shared expertise, cross-sell synergies, shared services and common infrastructure.

**KEY FINANCIAL DATA, USD mln**

| | Assets | Net Loans | Total Revenue | Net Income |
|---|---|---|---|---|
| **2005** | 254.5 | 162.6 | 33.9 | 7.5 |
| **2006** | 357.3 | 234.6 | 35.8 | 8.3 |
| **2007** | 480.8 | 318.8 | 46.7 | 10.5 |
| Spot Exch Rate | 2.16 | | | |

**KEY RATIOS**

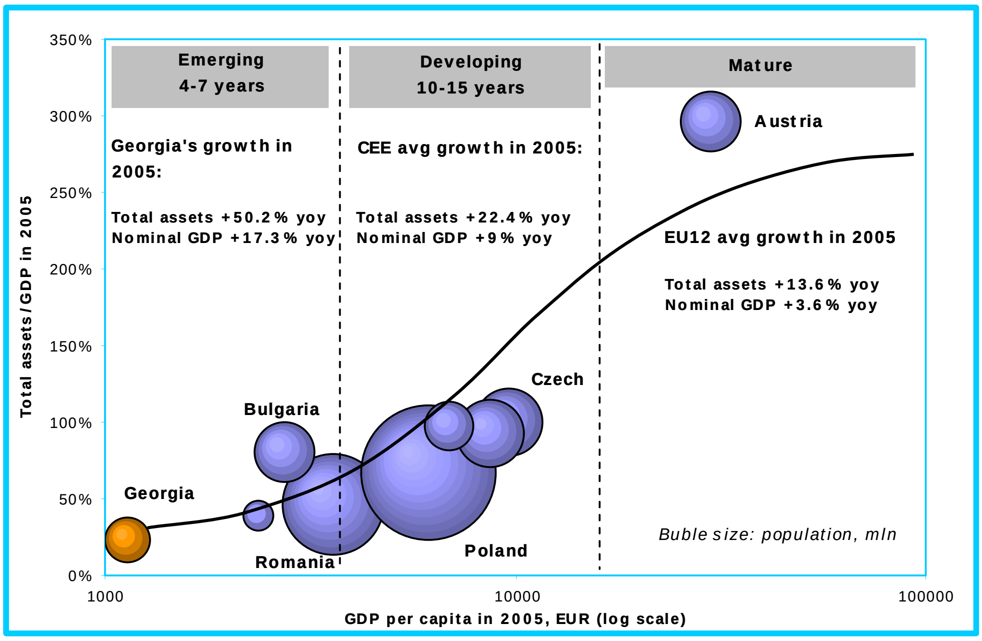
| | P/E | P/BV | P/Loans | P/Deposits |
|---|---|---|---|---|
| **2005** | 10.0 | 1.4 | 0.4 | 0.4 |
| **2006** | 8.8 | 1.0 | 0.3 | 0.3 |
| **2007** | 6.9 | 1.0 | 0.3 | 0.2 |

## Georgian Banking: Growth, Growth & More Growth

The Georgian banking sector gained momentum at the advent of the new millennium, driven by a favorable economic environment, the privatization of all state-owned banks, market consolidation, the cleaning up of loan portfolios, and the entrance of foreign investors.

Over the past few years the banking system in Georgia has enjoyed ample growth, although it is important to remember that it started from quite a low base. The sector has more than doubled in size over the last three years. During 2003-05 Georgian banks increased their assets at 32% CAGR, which blows past the CEE average growth rate of 18% for the same period. Georgia's loan portfolio growth, 40% CAGR in 2003-05, was far above 21% average for the CEE. The difference in deposit dynamics was even more impressive: 36% in Georgia compared to a mere 15% in CEE.

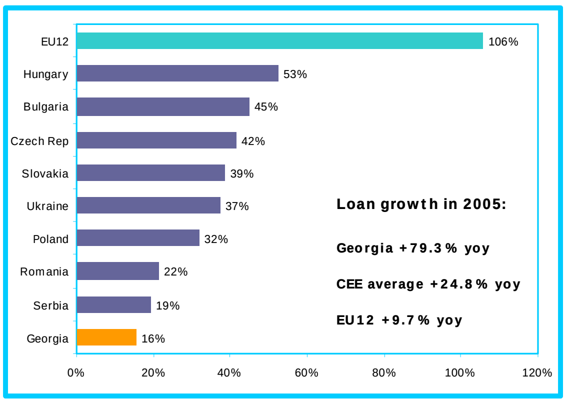
**Georgian Banking: On Its Way**



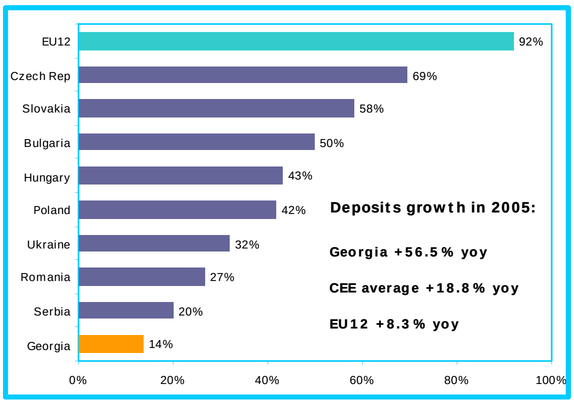

*Source: Concorde Capital, National Bank of Georgia, Erste Bank*

Georgia's lower level of financial intermediation clearly means the Georgian banking segment has a ton of growth room. For example, deposits as a percentage of GDP, in Georgia, 13.8%, are far below the CEE's percentage of 44%. Lending is similar, 15.5%, less than half of what it is in CEE countries - 36%. When looking at total banking assets, the difference is even more noticeable: Georgian banking assets are about 23% of GDP, much less than the in the CEE (75%). **The Georgian banking sector is off to a fast start and has a great deal of catch-up potential. The Bank of Georgia is a good opportunity to get exposure to the market in its early stage, while the segment's biggest growth years are still ahead of it.**

**Loans/GDP In 2005**




**Deposits/GDP In 2005**




*Source: Concorde Capital, National Bank of Georgia, Erste Bank*

## Bank of Georgia: In Touch With Market Trends & Growth Triggers

The new management, which took control of the bank in September, 2004, embarked on an aggressive turnaround strategy, focusing on both organic growth and acquisition opportunities with the goal of spearheading banking sector consolidation in Georgia and diversifying its portfolio of financial services.

### Key Trends & Growth Triggers of Georgian Banking

#### Cards/ATMs, Internet banking, Branch network expansion

To enhance its market position in retail, Bank of Georgia embarked on several steps :

- The acquisition of a controlling stake in Georgian Card (a card processing platform) in October, 2004 enabled the bank to invest aggressively in upgrading its platform, viewed as essential for competitiveness in retail banking;
- Acquisition of Intellect Bank (#9 in Georgia in terms of assets) in February, 2006 gave BoG an additional market share of around 2.5% in deposits, approximately 7,000 cardholders and 25,000 retail clients overall;
- Expansion and modernization of the bank's branch network in 2004-05 brought BoG's number of outlets to 75, the largest in Georgia;
- In 2005 the bank achieved a leading position in plastic card issuance, with 63,097 cards outstanding by the end of 2005 (+90.5% yoy).

#### Mortgages, Consumer loans

The Georgian market is underdeveloped in terms of retail banking products such as consumer loans (4.6% of GDP) and mortgages (1.6% of GDP), which promises ample growth.

Over the past few years BoG carved out a leading position in retail banking and thus is poised to benefit from more growth ahead:

- Bank of Georgia has increased its retail loan portfolio by three times since 2003 and with USD 73 mln had a 26% market share by the end-2005;
- By tripling its mortgage loan portfolio over the last two years to USD 21.1 mln at the end of 2005, the bank has gained a sizeable 21% share of total mortgage loans in the system.

#### Asset management, Pensions/Life insurance

To meet the future increased growth for more sophisticated banking products such as wealth management, the BoG currently is laying the foundations of its undisputed leading position in this area:

- In November, 2004, after the acquisition of TbilUniveraslBank (#9 in asset terms at the time), Bank of Georgia gained control of Galt & Taggart Securities, the country's leading investment bank;
- In November, 2004 BoG acquired one of the largest Georgian insurance companies, British-Caucasian Insurance (BCI). The BCI's acquisition enabled the bank to cross-sell its corporate banking services to the extensive corporate client base of BCI and to enrich its retail banking activities with a variety consumer insurance products;
- In 2005 BoG integrated its Private Banking unit, pension professionals (employed by BCI) and the broker, research, asset management and back-office professionals of Galt & Taggart into a single business model for Asset & Wealth Management.

# *The* Bank In Georgia

## Market position & Growth

For the past few years, the Bank of Georgia's growth rates have outpaced the whole banking system. Total asset growth was 38% CAGR for 2003-05, above the industry average of 32%, which allowed the bank to expand its market share from 15.8% in 2002 to its current 18% and preserve its leading position as the second-largest Georgian bank.

**The Top-6 Georgian Banks***

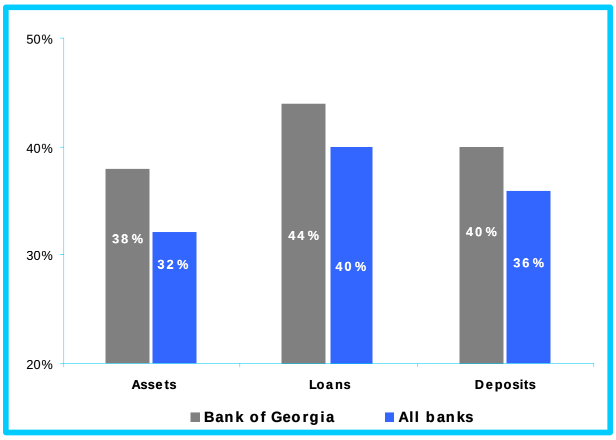
| Rank | Bank | Total Assets | % of all banks | Loan Portfolio | % of all banks | Total Deposits | % of all banks |
|---|---|---|---|---|---|---|---|
| 1 | TBC Bank | 321,672 | 23% | 198,931 | 22% | 210,976 | 29% |
| ***2*** | ***Bank of Georgia*** | ***252,902*** | ***18%*** | ***165,903*** | ***18%*** | ***151,244*** | ***21%*** |
| 3 | United Georgian Bank | 217,609 | 15% | 163,742 | 18% | 73,117 | 10% |
| 4 | ProCredit Bank | 183,923 | 13% | 130,796 | 14% | 73,738 | 10% |
| 5 | Cartu | 139,103 | 10% | 92,948 | 10% | 42,139 | 6% |
| 6 | Bank Republic | 118,328 | 8% | 71,032 | 8% | 85,900 | 12% |

*Source: National Bank of Georgia, Concorde Capital estimates*
** As of December 31, 2005, USD mln*

The growth of the bank's balance sheet was primarily due to the rapid expansion of its loan portfolio. Over the last three years the Bank of Georgia's loan book has tripled in size (44% CARG for 2003-05, above the industry average of 40%) reaching USD 253 mln, representing 18% of the total loans in the banking system.

To support further lending, the Bank of Georgia has maintained the rapid growth of its deposit base. During 2003-05 funds in deposit accounts with the bank grew at 40% CAGR, outpacing the industry average of 36%. Since 2002, the bank has doubled its market share in total deposits in the system to 21% at the end of 2005.

**Bank of Georgia vs Industry, CAGR 2003-05**




*Source: National Bank of Georgia, Company data, Concorde Capital estimates*

## Cleaning Up Its Loan Portfolio

A highly conservative approach to lending, resulting in major restructuring of the credit process and a conservative loan loss provisioning policy are two of the key components of the new management's strategy. As a result, the bank dramatically increased its loan loss provisions (LLP) in 4Q04, resulting in a new total LLP of USD 11.2 mln in 2004. As a result, the Bank's Provision/Total Loan Portfolio ratio increased from 6% in 2003 to 12.1% at the end of 2004, making it one of the most conservatively positioned banks in Georgia. The introduction of this new policy confirms the new management's commitment to building further business on a sound, reliable and transparent basis. In 2005 the bank's loan portfolio started to improve as Adversely Classified Loans decreased from USD 19.6 mln (22% of total loan portfolio) at the end of 2004 to USD 18.4 mln (11% of total loans) by the end of 2005.

**Loan Portfolio Risk By Loan Categories**

| | 2003 | | 2004 | | 2005 | |
|---|---|---|---|---|---|---|
| Standard (2% provision) | 61.4 | 88% | 68.9 | 78% | 155.7 | 89% |
| Watch (10% provision) | 4.2 | 6% | 7.7 | 9% | 7.3 | 4% |
| Substandard (30% provision) | 2.3 | 3% | 2.2 | 2% | 5.0 | 3% |
| Doubtful (50%-70% provision) | 0.6 | 1% | 4.3 | 5% | 3.4 | 2% |
| Loss (100% provision) | 1.6 | 2% | 5.4 | 6% | 2.7 | 2% |
| Total | 70.0 | 100% | 88.5 | 100% | 174.1 | 100% |

**Asset Qualitv**

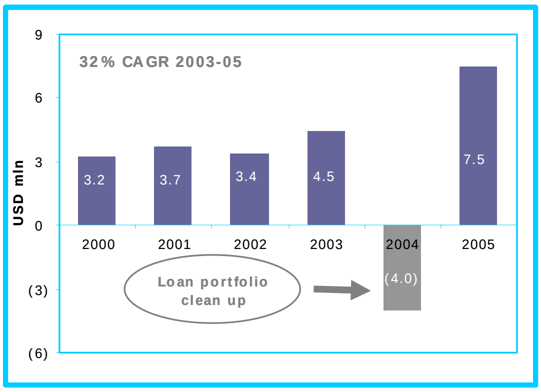
| | Q1 04 | Q3 04 | *Q4 04* | Q1 05 | Q3 05 | Q4 05 |
|---|---|---|---|---|---|---|
| NPLs | 5.2 | 6.6 | 11.9 | 8.5 | 7.0 | 7.0 |
| NPLs/Total loans | 6.4% | 7.5% | *13.4%* | 7.9% | 4.5% | 4.0% |
| Provisions/NPLs | 94.0% | 86.4% | *89.7%* | 145.5% | 117.5% | 139.7% |
| Provisions/Total loans | 6.1% | 6.4% | *12.1%* | 11.7% | 5.3% | 5.6% |

*Source: Company data*

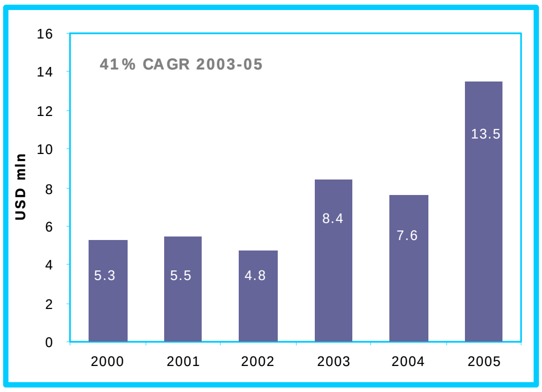
## Profitability

Over the past few years, the Bank of Georgia has maintained its profitability with remarkable net income growth of 32% CAGR in 2003-05 and operating income increasing by 41% on average during the same period. The introduction of a strict LLP policy in 4Q04 dropped the bank's 2004 net income into the red: USD 4.0 mln. However in 2005 BoG quickly restored its sound operating performance, ending the year with NI of USD 7.5 mln, implying end of 2005 ROE at 18.8%.

**Net Income Dynamics**




**Operating Income Dynamics**




*Source: Company data*

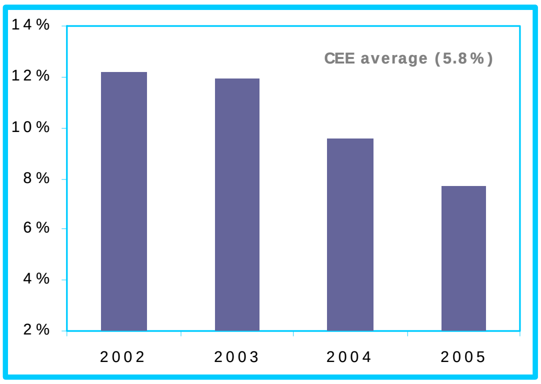
## Large Investments & Capital Increase May Hamper Net Income Growth

The Bank of Georgia is expected to continue to invest heavily in infrastructure, its retail segment and peruse other acquisitions (in February, 2006 the BoG acquired Intellect Bank, #9 by assets in Georgia), which will give it additional distribution channels and access to clients. Consequently, this may slow down the growth of net income in 2006-07. Combined with the anticipated issuance of equity, both through ADRs and listing on AIM in London, Bank of Georgia's ROE in 2006 may not exceed 15%. However we believe this is a reasonable price to pay for the consolidation of its leading market position in Georgia.

## Loan Spreads Falling – Focus Shifts To Non-Interest Income

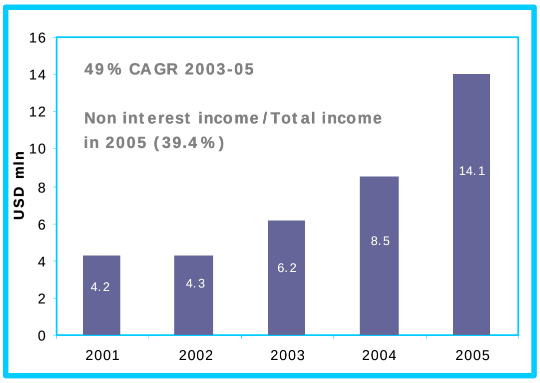
Over the last four years the Georgian banking sector has witnessed a constant decline in interest spreads (average loan interest rate – average deposit interest rate) bringing the system closer to the average CEE level (5.8% in 2005). As spreads steadily decline, the ability to generate sufficient non-interest revenues becomes one of the key competitive advantages for Georgian banks.

**Average interest rate spreads**




*Source: National Bank of Georgia, Raiffeisen Int'l*

**Non-interest income dynamics**




*Source: Company data*

In order to maintain and expand a sustainable base for earnings growth, the Bank of Georgia has put greater emphasis on increasing the non-interest component in the bank's revenues. For the last three years BoG has more than tripled its non-interest revenues, implying a growth rate of 49% CAGR 2003-05, and brought its share of total income to 39.4% by the end-2005. Although BoG's Non-interest income/Total income ratio is near the 45% average for CEE banks, unlike its CEE peers, BoG is not expected to face much stricter competition from Georgian banks in the mid-term in the non-interest environment which should cement this ratio at about this level. Currently the bank generates around 15% of its total non-interest revenues in the system. BoG's share is expected to rise further due to the benefits of cross-sell synergies: the acquisition of a card processing platform ("Georgian Card"), an insurance company (BCI) and control of Georgia's leading investment bank ("Galt & Taggart Securities") will enhance the bank's ability to provide more diversified and sophisticated products.

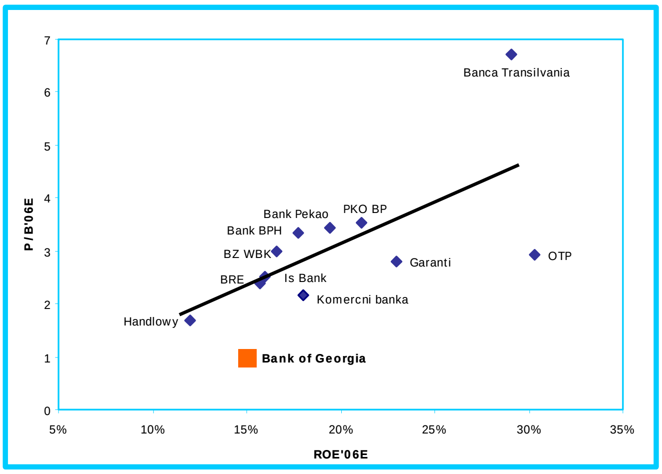
# VALUATION

## Peer Comparison

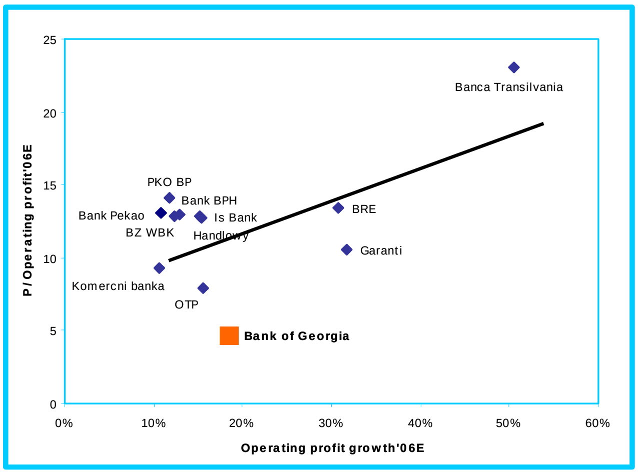
| | Country | Mkt price, USD | MCap, USD mln | P/E | | | P/B | | | P/Operating income | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | 2005 | 2006E | 2007E | 2005 | 2006E | 2007E | 2005 | 2006E | 2007E |
| ***Bank of Georgia*** | ***Georgia*** | ***4.65*** | ***70.7*** | ***10.0*** | ***8.8*** | ***6.9*** | ***1.4*** | ***1.0*** | ***1.0*** | ***5.6*** | ***4.7*** | ***3.5*** |
| Bank Pekao | Poland | 56.0 | 9368 | 19.9 | 18.3 | 17.4 | 3.6 | 3.4 | 3.3 | 14.5 | 13.1 | 12.3 |
| Bank BPH | Poland | 239.6 | 6914 | 22.0 | 19.3 | 17.9 | 3.5 | 3.3 | 3.2 | 14.6 | 12.9 | 12.0 |
| BZ WBK | Poland | 45.1 | 3309 | 21.0 | 18.5 | 17.2 | 3.1 | 3.0 | 2.7 | 14.4 | 12.8 | 11.7 |
| PKO BP | Poland | 10.5 | 10547 | 19.6 | 17.6 | 16.0 | 3.9 | 3.5 | 3.3 | 15.7 | 14.1 | 12.8 |
| Komercni banka | Czech Rep. | 135.7 | 5160 | 13.7 | 12.6 | 11.4 | 2.4 | 2.2 | 1.9 | 10.2 | 9.2 | 8.3 |
| OTP | Hungary | 34.5 | 9089 | 12.7 | 10.8 | 9.0 | 3.7 | 2.9 | 2.4 | 9.1 | 7.9 | 6.7 |
| **Peers' average** | | | | **18.1** | **16.2** | **14.8** | **3.4** | **3.1** | **2.8** | **13.1** | **11.7** | **10.6** |
| **Peers' median** | | | | **19.8** | **17.9** | **16.6** | **3.6** | **3.2** | **2.9** | **14.5** | **12.9** | **11.8** |
| Premium/ (Discount) | | | | -45% | -46% | -53% | -58% | -69% | -66% | -60% | -60% | -67% |
| Implied Price, USD | | | | 8.42 | 8.54 | 9.96 | 11.05 | 10.03 | 13.49 | 11.56 | 11.52 | 14.22 |
| Upside (Downside) | | | | 81% | 84% | 114% | 138% | 116% | 190% | 149% | 148% | 206% |

| | Country | Mkt price, USD | MCap, USD mln | P/Assets | | | P/Loans | | | P/Deposits | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | 2005 | 2006E | 2007E | 2005 | 2006E | 2007E | 2005 | 2006E | 2007E |
| ***Bank of Georgia*** | ***Georgia*** | ***4.65*** | ***70.7*** | ***0.3*** | ***0.3*** | ***0.2*** | ***0.4*** | ***0.3*** | ***0.2*** | ***0.4*** | ***0.3*** | ***0.2*** |
| Bank Pekao | Poland | 56.0 | 9368 | 0.5 | 0.5 | 0.4 | 1.1 | 1.0 | 0.9 | 0.7 | 0.6 | 0.6 |
| Bank BPH | Poland | 239.6 | 6914 | 0.4 | 0.4 | 0.3 | 0.7 | 0.6 | 0.6 | 0.6 | 0.6 | 0.5 |
| BZ WBK | Poland | 45.1 | 3309 | 0.4 | 0.4 | 0.3 | 0.8 | 0.7 | 0.7 | 0.5 | 0.5 | 0.5 |
| PKO BP | Poland | 10.5 | 10547 | 0.4 | 0.4 | 0.3 | 0.7 | 0.7 | 0.6 | 0.5 | 0.4 | 0.4 |
| Komercni banka | Czech Rep. | 135.7 | 5160 | 0.2 | 0.2 | 0.2 | 0.7 | 0.5 | 0.4 | 0.3 | 0.3 | 0.3 |
| OTP | Hungary | 34.5 | 9089 | 0.4 | 0.3 | 0.3 | 0.6 | 0.5 | 0.4 | 0.6 | 0.5 | 0.5 |
| **Peers' average** | | | | **0.4** | **0.4** | **0.3** | **0.8** | **0.7** | **0.6** | **0.5** | **0.5** | **0.5** |
| **Peers' median** | | | | **0.4** | **0.4** | **0.3** | **0.7** | **0.6** | **0.6** | **0.6** | **0.5** | **0.5** |
| Premium/ (Discount) | | | | -40% | -27% | -39% | -58% | -63% | -65% | -36% | -40% | -50% |
| Implied Price, USD | | | | 7.72 | 9.06 | 10.32 | 10.97 | 12.68 | 13.29 | 7.25 | 7.80 | 9.35 |
| Upside (Downside) | | | | 66% | 95% | 122% | 136% | 173% | 186% | 56% | 68% | 101% |

**P/B vs. ROE ('06E)**

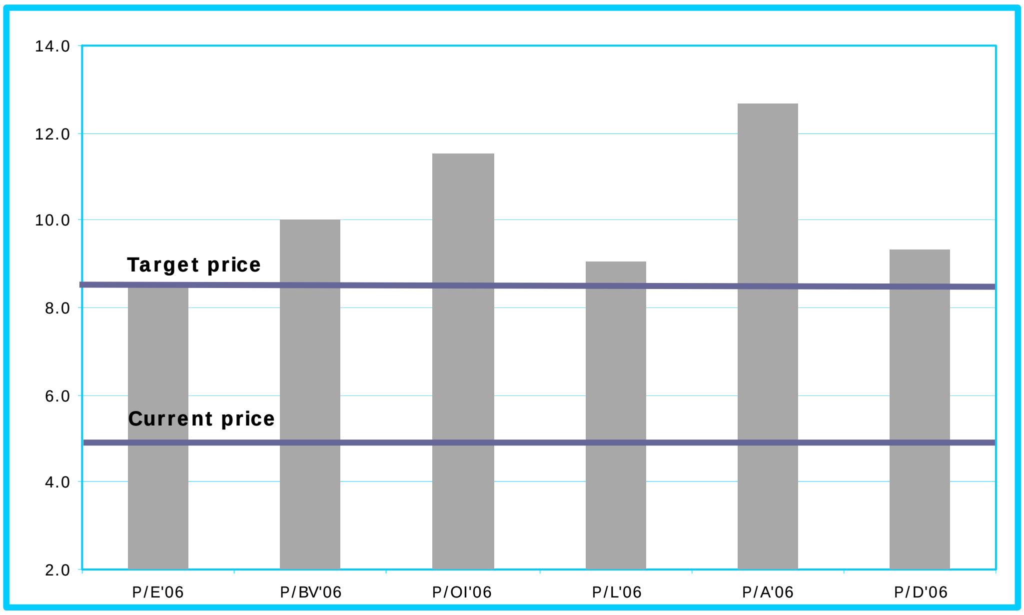



**P/Operating Income vs. Growth ('06E)**




*Source: Concorde Capital, Company data, Erste Bank*

**Valuation Summary**



# IFRS Financial Statements

## Balance Sheet Summary, USD ths

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| Cash | 3,590 | 3,310 | 5,396 | 7,768 | 19,613 | 13,763 |
| Balances with the National Bank of Georgia | 5,593 | 5,630 | 9,737 | 12,091 | 22,972 | 18,370 |
| Due from other banks | 5,810 | 4,860 | 7,230 | 9,284 | 26,263 | 16,633 |
| Loans and advances to customers | 30,916 | 40,263 | 47,063 | 69,161 | 94,103 | 162,580 |
| Securities | 249 | 3,075 | 4,777 | 1,038 | 10,726 | 8,068 |
| Investments | 193 | - | - | 295 | 321 | 2,152 |
| Property and equipment | 6,865 | 8,166 | 8,767 | 10,756 | 18,276 | 25,740 |
| Other assets | 519 | 530 | 1,579 | 1,862 | 6,181 | 7,181 |
| **TOTAL ASSETS** | **53,734** | **65,833** | **84,548** | **112,255** | **198,455** | **254,487** |
| **LIABILITIES** | | | | | | |
| Due to State institutions | - | - | - | 2,324 | - | - |
| Due to the other banks | 8,000.51 | 12,123 | 14,750 | 23,238 | 26,412 | 42,788 |
| Total customer's deposits | 28,828.72 | 33,022 | 46,989 | 59,223 | 137,775 | 148,184 |
| Other liabilities | 325.64 | 639 | 498 | 815 | 3,961 | 12,861 |
| **TOTAL LIABILITIES** | **37,155** | **45,784** | **62,237** | **85,600** | **168,149** | **203,832** |
| **Minority interest** | | | | | **809** | **547** |
| **TOTAL EQUITY** | **16,579** | **20,049** | **22,311** | **26,654** | **29,497** | 50,108 |
| Share capital | 4,413.33 | 4,784 | 4,716 | 4,808 | 6,160 | 8,137 |
| Share premium | 908.21 | 2,199 | 2,167 | 2,210 | 7,309 | - |
| Treasury shares | - | - | - | - | (40) | (45) |
| Retained earnings & Revaluation reserves | 11,257.95 | 13,066 | 15,428 | 19,637 | 16,067 | 42,015 |
| **TOTAL LIABILITIES & EQUITY** | **53,734** | **65,833** | **84,548** | **112,255** | **198,455** | **254,487** |

## Income Statement Summary, USD ths

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|---|---|---|---|---|---|---|
| Interest income | 10,670 | 10,938 | 12,019 | 15,756 | 18,447 | 26,933 |
| Interest expense | (2,518) | (2,873) | (3,437) | (3,844) | (5,420) | (7,087) |
| **Net interest income** | **8,152** | **8,065** | **8,581** | **11,912** | **13,027** | **19,846** |
| Fee & commission income | 3,246 | 4,177 | 4,166 | 5,753 | 7,220 | 9,162 |
| Fee & commission expense | (1,206) | (1,535) | (1,222) | (1,474) | (1,385) | (1,957) |
| Net gains from FX trading | | | | 1,887 | 2,649 | 3,583 |
| Other income | 1,276 | 1,606 | 1,332 | - | - | 3,267 |
| **Net non interest income** | **3,316** | **4,248** | **4,275** | **6,165** | **8,484** | **14,056** |
| **Total income** | **11,468** | **12,313** | **12,856** | **18,077** | **21,511** | **33,902** |
| Salaries & emploee benefits | (2,248) | (3,269) | (3,699) | (4,420) | (7,245) | (11,777) |
| General administrative expenses | (3,596) | (3,276) | (4,199) | (4,187) | (4,550) | (5,459) |
| Depreciation & amortization | | | | (1,088) | (1,426) | (2,074) |
| Other operating expenses | (353) | (276) | (189) | - | (673) | (1,128) |
| **Total Operating Expanses** | **(6,197)** | **(6,821)** | **(8,087)** | **(9,695)** | **(13,893)** | **(20,437)** |
| **Operating profit** | **5,271** | **5,492** | **4,769** | **8,382** | **7,617** | **13,465** |
| Impairment of interest earning assets | (1,666) | (838) | (705) | (2,002) | (11,208) | (5,178) |
| Other provisions | | | | (728) | (852) | |
| **Profit before income tax** | **3,606** | **4,654** | **4,065** | **5,651** | **(4,443)** | **8,287** |
| Income tax expenses | (365) | (931) | (666) | (1,186) | 427 | (888) |
| Minority interest | | | | | | 80 |
| **Net income** | **3,241** | **3,723** | **3,399** | **4,465** | **(4,016)** | **7,479** |

*Source: Company data*

## Key Ratios

| | 2001 | 2002 | 2003 | 2004 | 2005 |
|---|---|---|---|---|---|
| **P&L Growth** | | | | | |
| Net interest income | -1.1% | 6.4% | 38.8% | 9.4% | 52.3% |
| Net commissions income | 28.1% | 0.6% | 44.2% | 37.6% | 65.7% |
| Total income | 7.4% | 4.4% | 40.6% | 19.0% | 57.6% |
| PBT | 29.1% | -12.7% | 39.0% | NM | NM |
| Net profit | 14.9% | -8.7% | 31.4% | NM | NM |
| **B/S Growth** | | | | | |
| Net Loans | 30.2% | 16.9% | 47.0% | 36.1% | 72.8% |
| Average interest earning assets | - | 25.9% | 29.2% | 52.0% | 51.2% |
| Total Assets | 22.5% | 28.4% | 32.8% | 76.8% | 28.2% |
| Customer deposits | 14.5% | 42.3% | 26.0% | 132.6% | 7.6% |
| Average interest bearing liabilities | - | 30.4% | 34.9% | 71.0% | 44.0% |
| Book Value | 20.9% | 11.3% | 19.5% | 10.7% | 69.9% |
| **Key Ratios** | | | | | |
| Non interest income/Total income | 28.9% | 34.5% | 33.3% | 34.1% | 39.4% |
| Net interest income/Total income | 71.1% | 65.5% | 66.7% | 65.9% | 60.6% |
| Net interest margin | 19.1% | 15.0% | 12.4% | 11.3% | 8.2% |
| Cost / Income ratio | 54.0% | 55.4% | 62.9% | 53.6% | 64.6% |
| ROA | 6.2% | 4.5% | 4.5% | NM | 3.3% |
| ROE | 20.3% | 16.0% | 18.2% | NM | 18.8% |

*Source: Company data, Concorde Capital estimates*

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