# BANK OF AFRICA - COTE D'IVOIRE



The 2005 Annual Reports of the Banks in the BANK OF AFRICA Group are illustrated with satellite images of the different countries where they are present.

ABIDJAN: the economic capital of Ivory Coast. ± 3.7 million inhabitants. Abidjan is located on the Atlantic coast, in the Ebrié lagoon. Its ten constituent districts are connected by bridges and motorways, shown clearly on this picture. The airport can be seen at the bottom, to the right of Port-Bouet.





BANK OF AFRICA
CÔTE D'IVOIRE
GROUPE BANK OF AFRICA

# Message from the Managing Director

More than any other year, 2005 brought a great sense of hope: of reunification following an end to hostilities, and of a strong economic recovery.

Alas, it was not to be.

Even so, driven by good performances in the primary sector, and despite mounting tensions, the Ivory Coast economy proved astonishingly resistant.

In this context, marked particularly by the negative consequences of the events of November 2004, BANK OF AFRICA - COTE D'IVOIRE (BOA-COTE D'IVOIRE) nonetheless registered a further modest increase in its balance sheet total, which reached F CFA 110.5 billion at 31 December 2005, compared to F CFA 106 billion for the previous year.

The Bank's share of the investment market for all Ivory Coast banks grew slightly to 6%, despite the increase in the number of banks and the tougher competition due to the stagnation in liquidities and the low level of customer re-investments.

The Bank's lending business remained dynamic, up 17.5% compared to the previous year. This active contribution to the financing of the economy was possible due to the increased syndication of loans by banks in the BANK OF AFRICA Group in profitable sectors such as telephony. The operating income rose sharply by 7% to F CFA 11,617 million, due to an increase in commissions of more than 25%.

This strong performance drove the net banking income up by 4% to F CFA 6,596 million.

Operating expenses grew moderately in a context marked by the rising cost of investments.

Despite allocating further considerable provisions for doubtful loans, resulting in a coverage of such loans of over 90%, net income after tax rose 14%.

So for the second year running, in spite of the unfavourable environment, BANK OF AFRICA - COTE D'IVOIRE succeeded in increasing its profitability by drawing on all its resources.

There is therefore much reason to hope that should the social and political situation stabilise this performance would pave the way for future long-term prosperity.

**René Formey de Saint Louvent**
Managing Director

# Highlights

During year 2005

### March

- The number of customers rose above the 15,000 mark.

### April

- The BANK OF AFRICA 2005 Meeting was held in Niamey for senior officers of the branch network.

### May

- The VRIDI branch opened.

### August

- The first provincial ATM was introduced, in San Pedro.

### September

- A major loan of F CFA 10 billion was arranged with a consortium of other companies in the BANK OF AFRICA Group.

### December

- Purchase of the premises for the BOA-CÔTE D'IVOIRE headquarters.
- The BANK OF AFRICA 2005 Meeting was held in Ouagadougou for directors of the branch network.
- Customer deposits rose above F CFA 75 billion and 6% of investments across the Ivory Coast banking system.
- The number of agents reached 100.

# Key Figures 2005

| On | 31/12/2005 |
|---|---|

| **Activity** | |
|---|---|
| Deposits * | 76 622 |
| Loans * | 69 864 |

| **Income** | |
|---|---|
| Operating income * | 6 596 |
| Operating expenses * | 3 207 |
| Profit before income tax * | 3 118 |
| Net income * | 729 |
| Operating ratio (%) | 52,74 |

| **Structure** | |
|---|---|
| Total Assets * | 110 479 |
| Shareholders' equity after distribution * | 4 897 |
| Shareholders' equity/Total assets (%) | 5,3 |
| Average number of employees | 101 |

(*) In F CFA millions

# Report by the Board of Directors

To the Annual General Meeting held on April 19th, 2006 for fiscal year 2005.

## Economic & financial trends during fiscal year 2005

The world economy continued to move in a good direction in 2005. Despite the terrorist attacks, natural catastrophes, further hikes in oil prices and monetary tightening, the world's GDP increased by around 4%, compared to 4.5% in 2004. This performance was generated not only by the driving forces behind the world economy, the United States and China, but also by the euro zone and, to an even greater extent, Japan, in the second half of the year.

In the United States, economic growth remained quite strong in 2005, despite the surge in energy costs and the summer hurricane. The country's GDP grew by an estimated 3.5%, compared to 4.4% in 2004. This slowdown was largely caused by a decline in household demand, due to the rise in inflation and the gradual climb in interest rates.

China was the second biggest force behind the world economy, with growth of 9.6% in 2005. The rise of the Asian giant on the international stage is explained notably by the lifting of the textiles quota system, which until then had governed world trade, freeing up China to become a powerful exporter in the sector.

In 2005, Japan experienced its sixth consecutive year of economic growth. Its GDP grew by 2.8% compared to 2004, reflecting the sharp upturn in exports and domestic consumption.

In the euro zone, the weak demand directed at the whole of the region by the rest of the world, and the decline in consumption within the zone, prevented any real recovery in economic activity. As a result, growth in GDP was an estimated 1.3% for 2005, compared to 1.8% for the previous year.

In Africa, with average growth of 5%, the economic performance for 2005 reflected a return to stability in many Sub-Saharan countries such as Liberia, Burundi and Sudan. This result is particularly remarkable as it was achieved in a context of sharply rising energy prices. For the year 2006, Africa is expected to register economic growth of 5.4%.

In the West African Economic and Monetary Union (UEMOA), the growth rate of GDP in 2005 was estimated at 3.3%, slightly higher than in 2004. In the first three quarters of 2005, economic activity was marked by satisfactory agricultural results for 2005/2006, due to favourable levels of rainfall. However, the Union's economic performance continued to suffer from the effects of tightening on the oil markets and the crisis situations in some countries, such as Ivory Coast.

In Ivory Coast, the social and political context is determined by disarmament, which has still not effectively begun. In addition, the impact of November's events on the country's economy, which was comparatively limited in 2004, was felt from the start of 2005. Despite this, the economy did not collapse. Ivory Coast remained the biggest producer of cocoa, providing 40% of the world supply. The growth in national GDP in real terms was 1.6%, as in the previous year.

An analysis of performance by sector shows that the primary sector seems to have withstood the crisis better than other sectors did. This sector registered growth of 4.1% in 2005, compared to +3.7% and -0.8%, respectively, for the secondary and tertiary sectors.

The primary sector registered 4.1% growth, compared to 3.% for 2004, despite the fall in production of the main export crops, notably coffee and cocoa. This noteworthy progress was linked to the increase in mining extraction and in the production of subsistence crops, up 22.9% and 2.6% respectively.

For the secondary sector, the index for industrial production excluding mining was up 3.7% at the end of 2005, compared to a year earlier.

The tertiary sector continued its decline that began in 2002. It fell by 0.8% in 2005, despite the performance of the telecommunications industry. This drop was due to the persistent gloom pervading the business world and the problems involved in moving around the country, both for people and for goods.

End-consumption grew by 3.7% in real terms in 2005, driven by the rise in household consumption and public consumption, at 4.2% and 1.5% respectively.

In 2005, investments declined by 12.7% in real terms. This fall was not only due to the uncertain situation, which did not favour private investments, but also to the non-achievement of major construction projects underway, and the transfer of capital, leading to public investments declining by 36.1%.

In terms of foreign trade, the 5.1% growth in imports was greater than that of exports, which was estimated at 4.3% for year 2005.

The inflationist trend observed in the first half continued in the second half 2005, due above all to the increase in prices at the pump in July 2005, following the sharp rise in oil prices on the international market. On average, the annual inflation rate is estimated at 3.9% in 2005, compared to 1.5% in the previous year. Year-on-year, inflation reached 2.5%.

In 2005, public finances registered an overall budget deficit, including donations, of F CFA 10.2 billion, compared to a deficit of F CFA 150 billion in 2004, a reduction of 93%. Domestic commitments to the banking sector declined by F CFA 65 billion, which was below the objective set. At 30 September 2005, the monetary situation was marked by a 5% improvement in net foreign assets compared to the same period in the previous year. The volume of loans for financing the economy and of the money supply were estimated at F CFA 1,158.2 billion and F CFA 1966.8 billion, respectively, at 30 November 2005.

The stock market ended year 2005 at a higher level. The BRVM (regional stock exchange) composite index went from 87.61 points in 2004 to 112.68 points in 2005, a rise of 28.62%, while the BRVM 10 gained 45.93% to end at 149.87 points, compared to 102.70 points the year before. These performances were the result of the rise in the following sector indexes: BRVM Public Services (+73.46%), BRVM Finance (+8.46%), BRVM Transport (+16.41%), BRVM Agriculture (+0.22%), and BRVM Distribution (+1.81%). These changes reflect the optimism of business operators with regard to the outcome of the Ivory Coast crisis. However, due to the difficult social and economic situation, there was a significant drop of 56% in shares traded, falling from 3,025,032 shares in 2004 to 1, 330,416 in 2005.

The macro-economic outlook for 2006 promises a number of improvements in terms of the normalisation of the social and political context. Disarmament, redeployment of the administration and the organisation expected with the general elections should give the economy a boost. The signing and implementation of a post-conflict programme and the return of foreign aid should stimulate growth. However, the problem of paying debt arrears to the international community will need to be overcome. On the domestic front, growth will be sustained by the acceleration in oil production, the relaunching of major State construction projects and the start-up of reconstruction. The primary sector should see an increased rate of growth of 8%, still driven by mining. For the secondary and tertiary sectors, a deceleration of 0.8% and 0.7%, respectively, is expected in 2006. As a result, Ivory Coast's GDP is expected to grow by 1.7% in 2006.

## *Financial statements and balance sheet analysis for fiscal year 2005*

In 2005, the Bank's level of activity could have decreased with the repercussions of events that marked the end of 2004 in the country. While the Bank's performance, in terms of increasing its balance sheet total, was not as good as at the end of the previous year, the balance sheet total of BANK OF AFRICA - COTE D'IVOIRE (BOA-COTE D'IVOIRE) still increased from F CFA 105,912,377,234 to F CFA 110,479,299,450, a rise of 4.3%.

In May 2005, BANK OF AFRICA - COTE D'IVOIRE opened an additional branch in the industrial zone of VRIDI, specially aimed at businesses. The first results were encouraging, and the positive response to this new branch shows the pressing need for the Bank's presence in the main districts of Abidjan.

Total deposits collected from customers reached F CFA 76.6 billion, in a context of stagnating deposits collected across the whole banking system, resulting in a 6% share of the market for the first time. This result is in line with the forecast of the 2004-2006 Three-Year Development Plan, on a comparable basis; Banque Nationale d'Investissement (BNI), formerly Caisse Autonome d'Amortissement (CAA), has since been added to the list of commercial banks.

Non-commercial banks registered 30% growth at year-end, going from F CFA 9,481 million at the end of 2004 to F CFA 13,571 million at the end of the year under review. This rise is due to the deposits collected from non-commercial organisations, in particular, institutions.

The increase in deposits by retailers and commercial companies, up 1.9% to F CFA 63 billion, did not fully meet expectations expressed prior to the events of November 2004. Moreover, the cocoa harvest, which was expected to cause a major inflow of funds at this time of year, contributed very little to meeting the ambitious objectives, due to the late start of sales.

The volume of direct loans at 31 December 2005 totalled F CFA 66.7 billion, up F CFA 9.5 billion in the year under review. This growth is higher than forecast, but is less than that of the previous year.

The strategy introduced two years ago of offering loans to more affluent customers operating in the business sectors that are the most resistant to the crisis, was pursued, as was the policy of grouping together the biggest commitments within the BANK OF AFRICA Group.

The volume of commitments by signature represented F CFA 15 billion, slightly down, by 9.5%, on objectives.

The Bank's total operating income increased by 7%, totalling F CFA 11.6 billion, compared to F CFA 10.8 billion for the previous year. This figure is extremely close to the projected budget, outperforming it by 3%.

The cash income, made up of interest on interbank loans and on correspondent accounts, as well as income from investment securities and shareholdings, amounted to F CFA 968 million, a significant rise of 32%.

This category of product contributed 9.3% of operating income. This major change is a result of the Bank's large-scale investment in Ivory Coast government bonds, which offer considerable advantages, notably fiscal.

The interest generated by loans to customers only increased slightly, from F CFA 7.2 billion to F CFA 7.3 billion. This result, in line with forecasts, is the result of two main factors: a lack of growth in investments during the first half of the year, which was not sufficiently compensated for in the second half, and a fall in the average rate of interest, following the consolidation of doubtful loans.

Income from commission reached a historically high level, for the first time going above F CFA 2 billion, up 25% on the previous year and contributing 19% to total operating income.

This performance reflects the Bank's excellent level of activity in a context of exacerbated crisis and competition.

Operating expenses totalled F CFA 10.6 billion, compared to F CFA 9.8 billion at 31 December 2004, an increase of 8.1%.

Personnel costs and overheads, at F CFA 3.2 billion, only accounted for 30% of overall expenses. The remainder was made up of a provision for problem loans, still high at F CFA 2,115 million, similar to the previous year, and by the cost of investments and other cash expenses, which amounted to F CFA 3,726 million, compared to F CFA 3,223 million at 31 December 2004.

The Net Banking Income grew slightly from F CFA 6,330 million to F CFA 6,596 million.

While the gross operating profit fell by F CFA 176 million, from F CFA 3,299 million to F CFA 3,118 million, the profit after payment of corporate income tax of F CFA 205,634,818 was up by 13.9%, due to tax-exempt investment income, which amounted to F CFA 729,420,147, the highest ever achieved by the Bank.

Amortizations totalled F CFA 271,572,881.

The lack of a resolution to the crisis in Ivory Coast led to a worsening in the country's economic situation and had a negative impact on customers' funds, business-related or not, and therefore on the quality of portfolio risks.

The provision for problem loans remained very high, at F CFA 2,115 million, added to the provision of F CFA 150 million to cover problem loans relating to the disposal of the former Banafrique. These are already fully covered by a subordinated loan granted by some shareholders.

In the light of the profit of F CFA 729,420,147, the Board proposes to pay shareholders a dividend of 17.5%, amounting to F CFA 437,500,000, and to transfer the remainder to the reserve.

Despite the highly unfavourable environment, the BOA-COTE D'IVOIRE has withstood the crisis extremely well, as demonstrated by the rise in the main parameters.

These good results are proof of the aptness of strategies adapted to the context, and also of the quality and volume of work undertaken by our competent, motivated employees, who deserve our thanks and support.

Thank you for your interest.

# *Auditor's Report*

This report is only available in french.

## Balance Sheet

Compared financial statement for the last two financial years

## Assets

| Assets | Fiscal Year 2004 | Fiscal Year 2005 |
|---|---|---|
| Cash | 1 568 659 003 | 1 157 910 002 |
| Interbank placements | 34 368 410 638 | 22 281 991 690 |
| Demand deposits | 27 734 476 197 | 14 542 252 547 |
| Central banks | 25 253 562 568 | 12 814 823 193 |
| Treasury, post office bank | | |
| Other credit institutions | 2 480 913 629 | 1 727 429 354 |
| Term deposits | 6 633 934 441 | 7 739 739 143 |
| Customer loans | 59 771 156 026 | 69 863 589 076 |
| Portfolio of discounted bills | 4 676 153 285 | 6 749 799 086 |
| Seasonal credit | | |
| Ordinary credit | 4 676 153 285 | 6 749 799 086 |
| Other customer credit facilities | 30 370 366 750 | 24 763 018 772 |
| Seasonal credit | 1 711 082 578 | 1 049 822 527 |
| Ordinary credit | 28 659 284 172 | 23 713 196 245 |
| Ordinary debtor accounts | 24 724 635 991 | 38 350 771 218 |
| Factoring | | |
| Current securities | 3 867 280 000 | 7 787 224 000 |
| Investment in associates | 482 021 951 | 733 785 556 |
| Leasing and related operations | | |
| Intangible assets | 77 850 414 | 197 551 941 |
| Fixed assets | 2 261 083 283 | 2 960 918 768 |
| Shareholders associates | | |
| Other assets | 2 749 690 309 | 4 974 092 572 |
| Sundry accounts | 766 225 610 | 522 235 845 |
| Consolidated goodwill | | |
| | | |
| Total assets | 105 912 377 234 | 110 479 299 450 |

| Off-Balance-Sheet | Fiscal Year 2004 | Fiscal Year 2005 |
|---|---|---|
| Commitments given | 17 815 081 096 | 18 976 889 634 |
| Financing commitments | 2 158 741 286 | 3 254 131 539 |
| On behalf of credit institutions | | |

| | | |
|---|---|---|
| In favour of customers | 2 158 741 286 | 3 254 131 539 |
| Guarantees given | 15 656 339 810 | 15 722 758 095 |
| On behalf of credit institutions | 1 965 599 970 | 3 968 047 270 |
| On behalf of customers | 13 690 739 840 | 11 754 710 825 |
| Commitments on security | | |

## *Liabilities*

| Liabilities | Fiscal Year 2004 | Fiscal Year 2005 |
|---|---|---|
| Interbank liabilities | 22 274 787 327 | 22 369 436 521 |
| At sight | 10 018 424 621 | 4 415 143 841 |
| Treasury, post office bank | | |
| Other credit institutions | 10 018 424 621 | 4 415 143 841 |
| Long-term | 12 256 362 706 | 17 954 292 680 |
| Customers' deposits | 72 683 542 703 | 76 621 802 439 |
| Savings deposit accounts | 1 607 351 802 | 2 160 676 568 |
| Time deposit accounts | | |
| Short-term borrowings | 3 927 727 600 | 2 769 766 166 |
| Other demand deposits | 36 949 698 278 | 43 178 717 030 |
| Other time deposit accounts | 30 198 765 023 | 28 512 642 675 |
| Debts evidenced by securities | | |
| Other liabilities | 1 175 992 550 | 1 035 421 485 |
| Sundry accounts | 2 678 625 242 | 3 022 739 578 |
| Consolidated goodwill | | |
| Reserves for contingencies | 311 381 | 311 381 |
| Statuory provisions | | |
| | | |
| Investment subsidies | | |
| Reserves for general banking risks | 396 873 502 | 435 423 370 |
| Capital | 2 500 000 000 | 2 500 000 000 |
| Share premiums | | |
| Reserves | 868 824 266 | 1 155 286 098 |
| Revaluation differences | | |
| Retained earnings (+/-) | 90 341 140 | 9 458 186 |
| Net income | 643 078 878 | 729 420 147 |
| | | |
| Total liabilities | 105 912 377 234 | 110 479 299 450 |

| Off-Balance-Sheet | Fiscal Year 2004 | Fiscal Year 2005 |
|---|---|---|
| Commitments received | 60 255 592 960 | 64 744 624 995 |
| Financial commitments | | |
| Received from credit institutions | | |
| Received from customers | | |
| Guarantees received | 60 255 592 960 | 64 744 624 995 |
| Received from credit institutions | 8 405 497 010 | 7 604 502 485 |
| Received from customers | 51 850 095 950 | 57 140 122 510 |
| Commitments on security | | |

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# *Income Statement*

Income statement for the last two financial periods (in F CFA)

## *Expenses*

| Expenses | Fiscal Year 2004 | Fiscal Year 2005 |
|---|---|---|
| Interest and related expenses | 3 223 242 401 | 3 726 983 317 |
| On interbank debts | 976 637 302 | 1 161 371 857 |
| On customers' debts | 2 246 605 099 | 2 565 611 460 |
| On securities | | |
| Other interest and related expenses | | |
| Expenses on leasing and related operations | | |
| Commission | 9 593 411 | 25 718 912 |
| Expenses on financial operations | 172 460 859 | 104 370 030 |
| Investment expenses | | |
| Foreign exchange expenses | 172 460 859 | 104 370 030 |
| Off-balance-sheet transaction expenses | | |
| Other bank operating expenses | 112 000 | 80 500 |
| General operating expenses | 2 784 369 009 | 3 206 580 862 |
| Personnel costs | 905 859 179 | 1 034 440 174 |
| Other general expenses | 1 878 509 830 | 2 172 140 688 |
| Depreciation and provisions charged against assets | 246 951 869 | 271 572 881 |
| Deficit on corrections to securities, loans and off-balance-sheet | 2 122 167 637 | 2 115 303 546 |
| Excess of provisions over funds recovered for general banking risks | | |
| Exceptional expenses | 3 855 718 | 6 423 943 |
| Losses from previous years | 316 645 553 | 184 998 277 |
| Corporate income tax | 318 341 088 | 205 634 818 |
| Result | 643 078 878 | 729 420 147 |
| | | |
| Total expenses | 9 840 818 423 | 10 577 087 233 |

## *Income*

| Income | Fiscal Year 2004 | Fiscal Year 2005 |
|---|---|---|
| Interest and related income | 6 918 377 440 | 6 960 589 967 |
| On interbank loans | 315 504 653 | 376 303 078 |
| On customers' loans | 6 602 872 787 | 6 584 286 889 |
| On securities | | |
| Other interest and related income | | |
| Income from leasing and related operations | | |
| Commission | 1 535 626 477 | 2 001 258 667 |
| Income from financial transactions | 1 132 804 873 | 1 349 273 224 |
| Income from current securities | 276 812 410 | 477 306 642 |
| Dividends and related income | 139 362 690 | 115 429 509 |
| Income from foreign exchange transactions | 384 981 741 | 364 485 363 |
| Income from of-balance-sheet transactions | 331 648 032 | 392 051 710 |
| Other income from banking operations | | |
| General operating income | 148 819 310 | 141 761 935 |
| Recovery of depreciation and provisions on fixed assets | | |
| Surplus on corrections to value of loans and off-balance-sheet items | | |
| Surplus recovered on provision of funds for general banking risks | | |
| Exceptional income | 20 876 177 | 554 355 |
| Results from previous financial periods | 84 314 146 | 123 649 085 |
| Loss | | |
| | | |
| Total income | 9 840 818 423 | 10 577 087 233 |

| Income & Expenses | Exercice 2004 | Exercice 2005 |
|---|---|---|
| Interest and related income | 6 918 377 440 | 6 960 589 967 |
| On interbank loans | 315 504 653 | 376 303 078 |
| On customers' loans | 6 602 872 787 | 6 584 286 889 |
| Other interest and related income | | |
| Income from leasing and related operations | | |
| Interest and related expenses | -3 223 242 401 | -3 726 983 317 |
| On interbank debts | -976 637 302 | -1 161 371 857 |

| | | |
|---|---|---|
| On customers' debts | -2 246 605 099 | -2 565 611 460 |
| Other interest and related expenses | | |
| Expenses on leasing and related operations | | |
| Interest margin | 3 695 135 039 | 3 233 606 650 |
| Commission income | 1 535 626 477 | 2 001 258 667 |
| Commission expenses | -9 593 411 | -25 718 912 |
| Net result from commission | 1 526 033 066 | 1 975 539 755 |
| Net result from | | |
| Current securities transactions | 276 812 410 | 477 306 642 |
| Dividends and related transaction | 139 362 690 | 115 429 509 |
| Foreign exchange transactions | 212 520 882 | 260 115 333 |
| Off-balance-sheet transactions | 331 648 032 | 392 051 710 |
| Net income from financial operations | 960 344 014 | 1 244 903 194 |
| Other income from banking operations | 148 819 310 | 141 761 935 |
| Other bank operating expenses | -112 000 | -80 500 |
| Other income from non-banking operations | | |
| Other non-banking operating expenses | | |
| General operating expenses | -2 784 369 009 | -3 206 580 862 |
| Personnel costs | -905 859 179 | -1 034 440 174 |
| Other general expenses | -1 878 509 830 | -2 172 140 688 |
| Depreciation & amortization and provisions on fixed assets | -246 951 869 | -271 572 881 |
| Recaptures on depreciation | | |
| Amortization and provisions on fixed assets | | |
| Gross operating profit | 3 298 898 551 | 3 117 577 291 |
| Net result from value adjustments | -2 122 167 637 | -2 115 303 546 |
| Net surplus from allocations and reversals on reserves for gbr | | |
| Pre-tax operating income | 1 176 730 914 | 1 002 273 745 |
| Extraordinary items | 17 020 459 | -5 869 588 |
| Result from previous financial periods | -232 331 407 | -61 349 192 |
| Corporate income tax | -318 341 088 | -205 634 818 |
| | | |
| Net income from this financial period | 643 078 878 | 729 420 147 |

## Resolutions

Annual General Meeting held on April 19th, 2006

### First resolution

Having heard the Board of Directors' report and the external auditors' general report on year 2005, the Annual General Meeting approved all parts of the reports as well as the financial statements and results for the year as presented. The Meeting also approved the transactions reflected in these statements and summarised in these reports.

The year 2005 closed with a profit of F CFA 729,420,147 after amortizations of F CFA 266,930,157, a provision of F CFA 38,549,868 for general risks, and payment of F CFA 205,634,818 in corporate income tax.

In addition, after hearing the external auditors' special report on agreements covered by article 440 of the Uniform Act of OHADA (Organisation for the Harmonisation of Business Law in Africa ), the Meeting unreservedly approved this report.

Consequently, the Annual General Meeting ratified the management and the actions of all members of the Board of Directors during year 2005.

The Meeting also ratified the execution of the external auditors' mission in the same period.

### Second resolution

Following deliberation, the Annual General Meeting approved the Board of Directors' proposal to allocate all net profits for the year and the previous balance brought forward as follows:

| | In F CFA |
|---|---|
| Previous balance brought forward | 9 458 186 |
| Income for the period | 729 420 147 |
| Legal reserve (15% of income) | 109 413 022 |
| Optional reserve | 190 000 000 |
| Dividend (17.5 % of capital) | 437 500 000 |
| New balance brought forward | 1 965 311 |

### Third resolution

In application of the previous resolution, the Annual General Meeting decided that, after payment to the State of tax on income from securities at 12% of the gross dividend, shareholders will effectively be paid a dividend net of tax corresponding to a remuneration of F CFA 1,540 per share of F CFA 10,000. The dividend will be paid as of 1 July 2006 at the head office by stamping of coupon 7 of the share certificate held by each shareholder.

### Forth resolution

Having noted that the term of office of the following directors:

- Mr Paul Derreumaux, Chairman
- BANK OF AFRICA - BENIN (BOA-BENIN), represented by Mr Benoît Maffon
- CAURIS INVESTISSEMENT, represented by Mr Yawo Noël Eklo
- SIDAM, represented by Mr Tiémoko Koffi
- STAMVIE, represented by Mr Guy Adama Camara

- Mr Ousmane Daou, (AFRICAN FINANCIAL HOLDING - AFH)
- Mr Léon Naka
- Mr Francis Sueur

ended on that day, the Annual General Meeting appointed the following new directors for a period of six years, until the Annual General Meeting held to review the accounts for the year to 31 December 2011:

- Mr Paul Derreumaux, Chairman
- BANK OF AFRICA - BENIN (BOA-BENIN), represented by Mr Benoît Maffon
- CAURIS INVESTISSEMENT, represented by Mr Yawo Noël Eklo
- SIDAM, represented by Mr Tiémoko Koffi
- STAMVIE, represented by Mr Guy Adama Camara
- Mr Ousmane Daou, (AFRICAN FINANCIAL HOLDING - AFH)
- Mr Léon Naka
- Mr Francis Sueur

### *Fith resolution*
Having noted that the contracts of the regular and substitute auditors had expired or were due to expire on that day, the Annual General Meeting appointed the following auditors for a period of six (06) years: the firms MAZARS and ERNST & YOUNG as regular auditors, and the firm Auditeurs Associés en Afrique and Mr Marmignon as substitute auditors.

Their contracts will terminate at the end of the Annual General Meeting held to review the accounts for the year to 31 December 2011.

### *Sixth resolution*
The Annual General Meeting approved the Board of Directors' proposal to set the total annual post allowances for all members of the Board at F CFA 20 million, starting on 1 January 2006.

### *Seventh resolution*

The Annual General Meeting conferred on all holders of an extract or a copy of the minutes of the present Meeting, all powers to execute the formalities of legal publication.

## *Notes*

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