A visit to musée du quai Branly

This year, the 2006 annual reports of the BANK OF AFRICA Group pay tribute to an event that took place in Paris on June 23, 2006: the opening of the musée du quai Branly.

Dedicated to the arts and civilisations of Africa, Asia, Oceania and the Americas, this museum aims to showcase and preserve the collections for which it was designed by the architect Jean Nouvel.

Viewed by visitors from all over the world, the collections include pure masterpieces as well as simple objects from everyday life, each item reflecting an extraordinary cultural diversity.

Cover pages
The emblem of the BANK OF AFRICA represents a stylized Ashanti "fertility doll". Since fertility is a universal symbol of prosperity, home pages of the reports are illustrated with a variety of different and varied objects linked to this theme.

Thanks
The BANK OF AFRICA would like to thank Mr Stéphane Martin, Chairman of the musée du quai Branly, the Department of Cultural Development and in particular Hélène Cerutti, Céline Martin-Raget and Agathe Moroval, for the loan of the photos shown in these reports and the exceptional transfer of usage rights.

Pair of Lobi statuettes
Lobi. Gbakpoulona. Gaoua. South-west region of Burkina Faso. 20th century. Wood with polished finish. 22.3 x 5.7 x 5.5 cm. 221g. 23.6 x 5.4 x 5 cm. 204g. Sculptures from the home altar in the house of sculptor-soothsayer Lobi Tiohèpté Palé, who lives in the village of Gbakpoulona.

The Lobi refer to statuettes as "bouthiba" or "thilbuu", meaning remedies (thi) which murmur obscure words (bour). They are considered as living beings who act as intermediaries between the earthly world and the world above.

The couple of figurines, a standing man and woman, are used in the ancestor cult and are a guarantee of lineage. The female's protruding navel symbolises fertility.

Inventory No.: 70.2003.7.22 & 21
© musée du quai Branly, photo Patrick Gries

Managing Director's Message

Fiscal year 2006 closed with BANK OF AFRICA -BURKINA FASO (BOA-BURKINA FASO) showing a 23% growth in direct client commitments and a substantial 86% increase in commitments by signature, whilst the Bank improved its deposit collection position by 17%.

The growth of the credit portfolio was spread throughout the year and affected every credit category - seasonal credits, short-term loans, and medium and long-term loans - designed for different types of customer. Meanwhile, portfolio quality continued to improve.

Fiscal year 2006 closed with BANK OF AFRICA -BURKINA FASO (BOA-

The progress recorded in deposits collected from customers was due to growth in all components, including current, savings and term deposit accounts. The cost of BANK OF AFRICA - BURKINA FASO funding was reduced over the year.

The activity of the Bank grew substantially in the year under review: at the end of 2006, its net banking income had risen by 23% to F CFA 6,750 million, while the gross operating profit was up 35% to F CFA 3,466 million, at year-end.

BOA-BURKINA FASO's profitability improved considerably compared with 2005, with a 68% increase in pre-tax income, up to F CFA 1,677 million at end 2006, whilst provisions for impaired loans net of recovery remained constant at F CFA 1,472 million, but an additional F CFA 405 million were recorded as a losses on irrecoverable debt, compared with zero for the previous year.

The net income after tax stood at F CFA 1,015 million in 2006, a substantial increase of 67% compared to 2005.

At 31 December 2006, BOA-BURKINA FASO ranked fourth among the country's eleven banks and held a market share of 12.85% in terms of customer deposits.

The level of customer loans reached at year-end gave BOA-BURKINA FASO an 11.2% market share in this field, with the Bank ranking sixth nationally.

The introduction of new systems to process interbank transactions - including the SICA UEMOA automated payment systems - and the success of staff training demonstrated employees' ability to adapt to new technologies and professional demands in the banking sector.

Continued improvement in the quality of the portfolio, increased marketing activity, expansion of the product offering and identification of highly profitable operations will be priorities for the Bank's executives over the forthcoming year. To achieve this objective, a new increase in share capital is scheduled in 2007.

None of these achievements would have been possible without the efforts and commitment of the Bank's employees, the confidence of its customers, and the support of its Board of Directors and shareholders.
Sincere thanks to them all for their hard work, advice and support.

Michel F. KAHN
Managing Director

Key facts 2006

February

- Launch of B-Web, the online banking service.

May

- Opening of a new branch in the Gounghin district of Ouagadougou.
- BANK OF AFRICA 2006 Meeting held in Nairobi for senior officers of the branch network.

June

- Deposit collection campaign by launching of two new products: the CLASSIC savings account and ELITE savings account.
- Launch of the Cash Collect product, collecting cash from homes, with deferred recognition.

October

- Decision to increase share capital, from F CFA 2 billion to F CFA 2.5 billion.

November

- Participation in the "Journées de l'entreprenariat burkinabé" enterprise event.
- Became member of the Western Union network as General Agent.

December

- Participation in the "Journées de promotion minière" mining promotion event.
- Bond issue of F CFA 2 billion through a public offering.

Key Figures 2006

Activity	
Deposits *	77,482
Loans *	61,145

Income	
Operating income *	6,750
Operating expenses *	2,932
Profit before income tax *	3,467
Net income *	1,015
Operating ratio (%)	48.6

Structure	
Total Assets *	91,463
Shareholders' equity after distribution *	4,351
Shareholders' equity/Total assets (%)	6.2
Average number of employees	106

On 31/12/2006
(*) In F CFA millions

Board of Directors

The Board of Directors is at present made up of the following 9 members:

- Lassiné DIAWARA, Chairman
- Delchan OUEDRAOGO
- Paul DERREUMAUX
- Amadou Mamadou AW
- CAURIS INVESTISSEMENT, represented by Yawo Noël EKLO
- René FORMEY de SAINT LOUVENT
- UNION DES ASSURANCES DU BURKINA-VIE, represented by Soumaïla SORGHO
- BANK OF AFRICA - NIGER, represented by Boureima WANKOYE
- Abdourahmane DIOUF

Capital

At 31 December 2006, the bank's capital was held as follows:

AFRICAN FINANCIAL HOLDING (AFH)	48.4 %
OTHER BANK OF AFRICA	8.0 %
ATTICA S.A.	5.0 %
NATIONAL SHAREHOLDERS	28.2 %
CAURIS INVESTISSEMENT	10.0 %
OTHER SHAREHOLDERS	0.4 %

Report by the Board of Directors

To the Annual General Meeting held on 14 June 2007 for fiscal year 2006 to the Annual General Meeting held on 14 June.

Economic & financial trends during fiscal year 2006

The international environment in 2006 was characterised by a positive trend in the economies of the main industrialised countries. The rate of world economic growth slightly increased, reaching 5.1% compared with 4.9% in 2005.

This performance is related to the combined effects of domestic demand and demand on markets for oil products and non-agricultural raw materials in the euro zone and in emerging Asian countries.

In the euro zone, the growth rate is estimated at 2.4% for 2006, the highest for the past six years. This is due to the improved business climate in France and Germany, which has encouraged investment, consumption and employment.

The economic environment was also marked by a tightening of monetary policy in the main industrialised countries. The key rates were raised by the Federal Reserve and the European Central Bank (ECB). On the money markets, investors' preference for assets in the European currency led to the euro rising in value against the dollar.

In sub-Saharan Africa, GDP fell, with a growth rate of 5.2% compared to 5.8% in 2005. This is related to the slowdown in growth in South Africa and to the oil market's impact on other economies.

In the West African Economic and Monetary Union (WAEMU), although a slowdown was registered during the process of normalising the socio-political situation in some member States, the economic environment meant that economic activity was relatively positive in 2006. The growth in GDP in the WAEMU is estimated at 3.4% for 2006, compared to 4.4% in 2005.

Inflationary pressures have eased relatively since the beginning of the year because of the decline in cereal prices on most markets in the WAEMU. Over the year, the annual inflation rate averaged 2.3% compared to 4.3% in 2005.

Public finances registered a higher deficit due to the massive growth in spending, particularly for transfers and subsidies.

Prices of raw materials, oil and cotton, showed contrasting trends. For petrol, the rise in prices accelerated during the first half of 2006. After approaching the $80 mark at the beginning of August, the price per barrel fell by $25 in the last two months of 2006, subsiding to levels similar to those of December 2005. As for cotton, world prices were at an average of $1.30 per kilo in 2006, compared to $1.20 in 2005.

Economic activity in Burkina Faso grew by 6.1% in 2006, compared to 7.1% in 2005. However, compared to the objective set in the 2006-2008 programme, growth was 0.5% higher, with better performances than expected in the primary sector.

As a result, growth in the primary sector reached 4.1% in 2006, compared to an estimated 3.9%. This improvement is due to the better than anticipated prospects for 2006 in terms of agricultural production, after satisfactory weather conditions and despite the difficult start to the agricultural season. The rains came late, with a few small pockets of drought and flooding in some regions. However, the rains lasted until October, making up for the effects of the low rainfall on production.

Cereal production was up 5.7%, while cotton production rose by 8.5% to 814,900 tonnes. This speculation benefited from the expansion of cultivated land as well as the continued guidance and support for producers.

In addition to these performances, the fruit and vegetable sector also registered growth.

The secondary sector posted growth of 6.9%, compared to 7.4% in 2005. This level of performance is due to the expansion of manufacturing, driven by seed cotton processing and the brewing industry. The construction and public works sector (CPW) benefited from the implementation of the public investment programme, notably the construction of roads, the construction and repair of country tracks and administrative buildings, and the creation of irrigation systems.

The tertiary sector saw growth of 5.5%, compared to 4.1% in 2005, driven by both retail and non-retail services. The growth of retail services was linked to the robust tourism and hotel business, which benefited from the many national and international events held in Burkina Faso. In addition, the transport sector benefited from the transport of goods, notably cotton merchandise. Retail activity was also boosted by the effect of the sale of building materials and household goods, reflecting the increase in revenues distributed to producers.

In total, the contribution to growth by the primary, secondary and tertiary sectors was 1.2 points, 1.6 points and 3.3 points, respectively.

In terms of demand, growth was led by private consumption, which rose by 9.3%. This element was linked to the rise in household consumption, relating to the 2005-2006 agricultural season. Gross fixed capital formation was up by 7.1%, driven by the growth in its increased component.

In nominal terms, the gross domestic savings rate stood at 9.6% in 2006, compared to 6.4% a year earlier. The rate of investment reached 19.3% compared to 19.5% in 2005.

In 2006, growth was achieved in a context of a moderate rise in consumer prices, with an average annual rate of 2.4%, compared to 6.4% in 2005. This is due to the low rate of increase in food product prices, following an insufficient and irregular supply of food products to the markets. Added to this was the decline in hydrocarbon prices due to the drop in the oil market.

The realisation of financial operations by the State resulted in a global deficit, which rose from 4.9% of GDP in 2005 to 5.2% in 2006. Budgetary revenues grew by 11.6% to reach 13% of GDP, driven by an 11.8% rise in fiscal revenues. The result was a 12% rate of fiscal pressure.

Public debt at the end of 2006 reached F CFA 538.4 billion, compared to F CFA 1,270.6 billion at the end of 2005. This substantial decline is mainly due to the benefits of the Multilateral Debt Relief Initiative (IADM). The effective implementation of this measure meant that the remaining debt due to the IMF, around F CFA 708 billion, was cancelled.

The balance of current transactions improved by F CFA 70.1 billion. This is due to the reduction in the trade deficit and to the improvement in both the services and income balance and the net flow of current transfers. The reduction in the trade deficit was essentially due to the increase in cotton exports. The effects of this increase were offset by the rise in imports, due to the growth in economic activity and the rise in oil product prices. Excluding official contributions, the current balance fell to 11.3% of GDP.

In terms of the monetary situation, the net external assets of monetary institutions rose by F CFA 51.1 billion to F CFA 221.3 billion at the end of December 2006. This growth was partly due to the multilateral debt relief initiative.

Domestic credit was up F CFA 27.2 billion, a jump of 5.6%, to F CFA 511.5 billion at the end of December 2006. The government's net position improved by F CFA 38.8 billion, ending the year 2006 at F CFA -29.8 billion. This change is largely due to the F CFA 38.7 billion decline in commitments vis-à-vis the banking system.

Loans to the economy totalled F CFA 541.3 billion, a rise of 13.9% compared to December 2005, following a F CFA 53.1 billion increase in ordinary loans, including F CFA 9.4 billion in medium- and long-term loans, and F CFA 12.9 billion, or 20.6%, in seasonal loans. The increase in ordinary loans stemmed from loans to cotton companies as well as to businesses in the energy, oil, telecommunications for construction and civil engineering, agro-industry, general trade and service sectors. The change in seasonal loans reflects the slowness of the settlement of loans for the 2005/2006 agricultural season, due to the slow rate of dispatch of cotton fibre production for export.

The money supply increased by 10.1% to F CFA 661.5 billion, reflecting the 16.4% rise in bank deposits, whose impact was lessened by the 8.2% decline in currency circulation.

For year 2007, the objective for growth has been set at 6.6%, generated across all sectors. The rate of growth in the primary, secondary and tertiary sectors is expected to be 3.6%, 10.9% and 6.7%, respectively.

In terms of price control, the standard rate of 3% inflation is expected to be maintained.

Financial statements and balance sheet analysis for fiscal year 2006

Total assets for the ninth year of operation for BANK OF AFRICA - BURKINA FASO (BOA-BURKINA FASO) were F CFA 91,463 million, a rise of F CFA 15,112 million, up 19.8 % compared to 2005. This increase illustrates the major growth in direct client commitments and the increase in customer deposits.

Total customer deposits increased by 17% in volume terms. Totalling F CFA 66,015 million at the end of 2005, they reached F CFA 77,482 million at 31 December 2006. The Bank's market share stood at 12.85% at the end of 2006, compared to 12.44% a year earlier. BOA-BURKINA FASO ranked fourth out of eleven banks.

The number of accounts held rose by 3,487 units in 2006, after the regular closure of inactive accounts, giving a rise of 7.25% compared with end 2005.

The number of individual current accounts rose by 2.7 %, while total balances in this category grew by F CFA 506 million, a rise of 10%. The average balance was F CFA 205,112 at the end of December 2006, up 1.4%.

In terms of savings accounts, total funds grew by 22%, or F CFA 1,494 million, at the end of 2006. They totalled F CFA 8,025 million and 10% of customer investments.

Term accounts totalled F CFA 35,014 million, an increase of 21%.

Other deposits received as guarantees, deposits and various, totalled 460, one more than at the end of 2005. Their total rose from F CFA 1,808 million to F CFA 2,051 million, a rise of 13% over the period under review. This fluctuation is not significant, as it relates to deposits forming guarantees for the opening of documentary credits or the issue of guarantees.

From F CFA 49,580 million in total customer credit portfolio at the end of the previous year, 2006 saw a growth of 23.3% to F CFA 61,145 million, gener-ated by all categories of credit. This growth is a result of marketing efforts in accordance with the 2004-2006 Three-Year Development Plan.

The Bank's market share stood at 11.21%, compared to 10.28% at the end of 2005.

Seasonal loans for coton amounted to F CFA 10,840 million at the end of December 2006, compared to F CFA 9,352 million at the end of 2005. A tail end of the 2005-2006 campaign amounting to F CFA 8,790 million for the industry's traditional operator explains this high figure. The remainder of this growth is due to the greater volumes of cotton produced and the partnership agreed with a new ginner.

Overdrafts were up from F CFA 7,247 million at the end of 2005 to F CFA 10,545 million at the end of 2006, a substantial increase of 45%.

Discounts amounted to F CFA 4,731 million, an increase of 107%.

Short-term loans grew from F CFA 11,185 million at the end of December 2005 to F CFA 14,350 million at the end of December 2006, a rise of 28% in a year.

Medium-term loans were up 8%. The total at the end of December 2006 amounted to F CFA 17,523 million, compared to F CFA 16,129 million at the end of 2005.

Off-balance sheet commitments improved by 86% compared to the end of 2005. Total documentary credits rose by 27%, from F CFA 1,238 million to F CFA 1,582 million, year on year. In addition, guarantees granted to customers totalled F CFA 16,351 million, compared to F CFA 3,735 million for the previous year. Other guarantees, essentially for markets, totalled F CFA 14,585 million, compared to F CFA 12,508 million for the previous year, a rise of 16%.

Operating income amounted to F CFA 9,058 million at the end of 2005, up more than 19.3% compared to 2004 excluding exceptional income, which totalled nearly F CFA 1,422 million, mostly recoveries of provisions for doubtful and litigious debts.

Treasury income at the end of 2006 amounted to F CFA 302 million, a decrease of 24% compared to the previous year. The more systematic employment of surpluses following exchange rate hedging intervals ensures the regular growth of this item.

Customer income was up 21% compared with the end of December 2005. It totalled F CFA 8,756 million as opposed to F CFA 7,191 million a year earlier.

A portion of this income came from the total commission collected by the Bank, which reached F CFA 2,737 million at the end of 2006, compared to F CFA 2,130 million in 2005, a growth of 28%.

This change is due to the positive effect of updating the Bank's conditions, which will be pursued in 2007, and the drive to sell a wider range of services through the Bank. In 2006, commission represented 31.3% of customer products, compared to 29.6% in 2005.

Other products amounted to F CFA 1,422 million, which included reversals of provisions for unpaid loans, amounting to F CFA 1,402 million, compared to F CFA 479 million at the end of 2005.

The substantial increase in recoveries of provisions for doubtful loans is due to the effort made in the collection and restructuration of downgraded loans, but also for the recording of F CFA 405 million as losses on irrecoverable debt. Recoveries of provisions amounted to F CFA 997 million in 2006, compared to F CFA 479 million in 2005.

Operating expenses totalled F CFA 5,591 million at 31 December 2006, compared to F CFA 5,032 million in 2005, a rise of 11.1%, or F CFA 559 million.

Bank expenses totalled F CFA 2,308 million, an increase of 9% from the previous year.

This change is largely due to expenses on customer operations. These rose from F CFA 1,966 million in 2005 to F CFA 2,152 million in 2006, up 6.9%. This item includes F CFA 1,903 million in interest on customers' term deposit accounts. The average amount held in term deposit accounts in 2006 grew by 7.9%.

Personnel costs, which stood at F CFA 841 million at the end of 2005, rose to F CFA 896 million, below the budgetary projections for the year, which were F CFA 1,016 million. The growth in personnel costs is due to the setting aside of a sum of F CFA 32 million as a provision for retiring employees, which up until now was an uncovered liability. The Bank will probably need 5 years to reabsorb this potential liability.

The increase in the item supplies and printing is due to the "printing" part, which grew from F CFA 35.1 million in 2005 to F CFA 72.8 million. This is due to the production of leaflets for customers explaining our new fee structure and of Western Union communications material, after the Bank became a General Agent of the network.

Advertising and representation fees rose by F CFA 46 million, due notably to promotional campaigns for products, Savings and B-Web. This item also covers BOA-BURKINA FASO's particip-ation in fairs such as PROMIN, SIAO and Le Salon de l'Entreprise.

Travel, programmes and receptions accounted for F CFA 102 million at the end of 2006, more or less the same as the previous year's figure.

Two elements of the postage and telecommun-ications item explain the F CFA 59 million increase in expenses for 2006 compared to the previous year:

- F CFA 36 million due to higher postage costs, following the management's decision to send private customers their bank statements on a monthly, rather than a quarterly, basis, in order to improve customer communications and to ensure tighter control over third-party accounts.
- The installation of B-Web accounted for F CFA 30 million.
- General administration expenses amounted to F CFA 501 million, an increase of 22% compared to 2005.AISSA and AFH-SERVICES fees grew by F CFA 26.3 million over the year.
- The remuneration of external personnel rose by F CFA 27 million, due to the hiring of outside sorters and cashiers.
- Contributions were up by F CFA 31 million, mostly because of BOA-BURKINA FASO's participation in the Forum des Entreprises, for which the BOA Group, in liaison with the World Bank, subsidized US$ 50,000, or F CFA 25 million.

Taxes increased from F CFA 76 million at the end of 2005 to F CFA 124 million, exceeding the projected amount of F CFA 97 million.
With an operating income of F CFA 9,058 million, a rise of 19% year-on-year and after banking expenses of F CFA 2,286 million, the net banking income grew by 23% to the end of 2006, totalling F CFA 6,750 million.

After the deduction of F CFA 2,933 million in operating expenses, the gross operating profit amounted to F CFA 3,467 million, an increase of 35% compared to 2005.

The income for the year before tax totalled F CFA 1,677 million, an improvement of 68% in relation to 2005.

After corporate income tax of F CFA 663 million, net income amounted to F CFA 1,015 million, 67% higher than in the previous year.

The profit will, for the fifth year running, provide a dividend for shareholders of 25% of the share capital, pending approval from the regulatory authorities.

The results achieved in a still favourable context have enabled the Bank to boost its share capital. However, this must be further increased in order to sustain and drive our development.

These results have been achieved through the hard work of all employees. On your behalf, the Board of Directors wish to thank employees sincerely and encourage them in their future efforts.

Once again, our shareholders deserve our particular thanks for the support shown to BANK OF AFRICA -BURKINA FASO throughout the year.

For 2007, the strategies defined in the 2007-2009 Three-Year Development Plan will be pursued. The network, boosted by two new branches, will make sustained efforts in deposit collection. We will seek to improve the quality of our credit portfolio at every opportunity, through vigorous recovery actions and the restriction of loans to reliable counterparties only. Finally, a cost-cutting policy will be put in place in order to improve the Bank's productivity.

Auditor's Report

This report is only available in french.

Balance Sheet

For the last two financial periods (in F CFA)

Assets

Assets	Fiscal year 2005	Fiscal year 2006
CASH	2 571 940 711	2 320 695 887
INTERBANK PLACEMENTS	15 980 403 690	19 888 226 212
• demand deposits	12 063 033 950	14 790 505 811
· central banks	7 260 036 967	10 527 311 652
· treasury, post office bank	133 569 238	356 513 153
· other credit institutions	4 669 427 745	3 906 681 006
• term deposits	3 917 369 740	5 097 720 401
CUSTOMERS' LOANS	49 580 346 674	61 144 645 903
• portfolio of discounted bills	2 278 986 635	4 730 558 792
· seasonal credit		
· ordinary credit	2 278 986 635	4 730 558 792
• other customer credit facilities	36 904 369 746	43 228 479 927
· seasonal credit	9 351 500 000	10 840 110 008
· ordinary credit	27 552 869 746	32 388 369 919
• ordinary debtor accounts	10 396 990 293	13 185 607 184
• factoring		
CURRENT SECURITIES	3 402 800 000	2 174 585 000
INVESTMENTS IN ASSOCIATES	632 290 500	958 535 534
LEASING & RELATED OPERATIONS		
FINANCIAL INVESTMENTS AT EQUITY VALUE		

INTANGIBLE ASSETS	92 061 887	75 812 748
FIXED ASSETS	1 874 718 967	1 990 138 114
SHAREHOLDERS & ASSOCIATES		
OTHER ASSETS	321 841 838	2 591 674 432
SUNDRY ACCOUNTS	1 894 730 669	318 708 601
CONSOLIDATED GOODWILL		
TOTAL ASSETS	76 351 134 936	91 463 022 431

Off-Balance-Sheet	Fiscal Year 2005	Fiscal Year 2006
COMMITMENTS GIVEN	17 481 463 134	32 518 414 603
• credit commitments	1 228 523 122	1 527 482 142
· in favour to credit institutions		
· in favour to customers	1 228 523 122	1 527 482 142
• guarantees given	16 252 940 012	30 990 932 461
· on behalf of credit institutions	10 000 000	54 345 000
· on behalf of customers	16 242 940 012	30 936 587 461
• Commitments on security		

Liabilities

Liabilities	Fiscal Year 2005	Fiscal Year 2006
INTERBANK LIABILITIES	3 309 984 758	3 703 996 948
• at sight	797 168 004	2 541 037 684
· treasury, post office bank	68 717 906	1 603 890 476
· other credit institutions	728 450 098	937 147 208

• long-term	2 512 816 754	1 162 959 264
CUSTOMERS' DEPOSITS	66 014 708 834	77 481 964 029
• savings deposit accounts	6 531 373 126	8 025 281 554
• time deposit accounts		
• short-term borrowings		
• other demand deposits	29 035 414 309	32 391 768 999
• other time deposit accounts	30 447 921 399	37 064 913 476
DEBTS EVIDENCED BY SECURITIES		1 350 000 000
OTHER LIABILITIES	2 134 332 230	2 826 016 797
SUNDRY ACCOUNTS	271 785 464	443 741 149
CONSOLIDATED GOODWILL		
RESERVES FOR CONTINGENCIES & LOSSES		
STATUTORY PROVISIONS		
EARMARKED FUNDS	278 000 000	0
SUBORDINATED LOANS & SECURITIES		
INVESTMENT SUBSIDIES		
RESERVES FOR GENERAL BANKING RISKS	1 124 784 349	1 424 339 968
CAPITAL	2 000 000 000	2 000 000 000
SHARE PREMIUMS		
RESERVES	222 746 987	313 894 130
REVALUATION DIFFERENCES		
RETAINED EARNINGS (+/-)	387 144 695	903 645 171
NET INCOME	607 647 619	1 015 424 239
TOTAL LIABILITIES	76 351 134 936	91 463 022 431

Off-Balance-Sheet	Fiscal Year 2005	Fiscal Year 2006
COMMITMENTS RECEIVED	44 890 111 224	84 506 850 236
• credit commitments		
· received from credit institutions		
· received from customers		
• guarantees received	44 890 111 224	84 506 850 236
· received from credit institutions		
· received from customers	44 890 111 224	84 506 850 236
• commitments on security		

Income Statement

For the last two financial periods (in F CFA)

Expenses

Expenses	Fiscal year 2005	Fiscal year 2006
INTEREST & RELATED EXPENSES	2 063 895 040	2 273 656 503
• on interbank debts	97 809 709	121 625 258
• on customers' debts	1 966 085 331	2 152 031 245
• on securities		
• other interest and related expenses		
EXPENSES ON LEASING AND RELATED OPERATIONS		
COMMISSION	15 130 269	31 081 083
EXPENSES ON FINANCIAL OPERATIONS	30 268 799	3 605 558
• investment expenses	650 000	3 605 556
• foreign exchange expenses	29 618 799	2
• off-balance-sheet transaction expenses		
OTHER BANK OPERATING EXPENSES		
GENERAL OPERATING EXPENSES	2 589 454 072	2 932 363 736
• personnel costs	841 482 138	895 440 943
• other general expenses	1 747 971 934	2 036 922 793
DEPRECIATION AND PROVISIONS ON FIXED ASSETS	333 558 154	351 378 414
DEFICIT ON CORRECTIONS TO SECURITIES, LOANS AND OFF-BALANCE-SHEET	1 380 534 752	1 472 407 238
EXCESS OF PROVISIONS OVER FUNDS RECOVERED FOR GENERAL BANKING RISKS	0	299 555 619
EXCEPTIONAL EXPENSES	16 505 888	7 817 390

LOSSES FROM PREVIOUS YEARS	182 869 401	28 213 241
CORPORATE INCOME TAX	388 216 711	662 533 311
RESULT	607 647 619	1 015 424 239
TOTAL EXPENSES	7 608 080 705	9 078 036 332

Income

Income	Fiscal Year 2005	Fiscal Year 2006
INTEREST AND RELATED INCOME	5 357 805 353	6 185 384 930
• on interbank loans	400 958 060	301 815 590
• on customers’ loans	4 956 847 293	5 883 569 340
• on securities		
• other interest & related income		
INCOME FROM LEASING & RELATED OPERATIONS		
COMMISSION	265 200 528	324 640 332
INCOME FROM FINANCIAL TRANSACTIONS	835 749 930	1 295 448 135
• income from current securities	104 090 822	135 411 845
• dividends and related income	17 217 000	74 117 000
• income from foreign exchange transactions	391 394 947	638 283 199
• income from off-balance-sheet transactions	323 047 161	447 636 091
OTHER INCOME FROM BANKING OPERATIONS	9 803 482	7 312 171
GENERAL OPERATING INCOME	1 123 867 532	1 245 375 004
RECOVERY OF DEPRECIATION & 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	15 653 877	6 487 303
RESULTS FROM PREVIOUS FINANCIAL PERIODS	3	13 388 457
LOSS		
TOTAL INCOME	7 608 080 705	9 078 036 332

Income & Expenses	Fiscal year 2005	Fiscal year 2006
INTEREST AND RELATED INCOME	5 357 805 353	6 185 384 930
• on interbank loans	400 958 060	301 815 590
• on customers' loans	4 956 847 293	5 883 569 340
• on securities		
• other interest and related income		
INCOME FROM LEASING AND RELATED OPERATIONS		
INTEREST AND RELATED EXPENSES	-2 063 895 040	-2 273 656 503
• on interbank debts	-97 809 709	-121 625 258
• on customers' debts	-1 966 085 331	-2 152 031 245
• on securities		
• other interest and related expenses		
EXPENSES ON LEASING AND RELATED OPERATIONS		
INTEREST MARGIN	3 293 910 313	3 911 728 427
COMMISSION INCOME	265 200 528	324 640 332
COMMISSION EXPENSES	-15 130 269	-31 081 083
NET RESULT FROM COMMISSION	250 070 259	293 559 249
NET RESULT FROM:		

• current securities transactions	103 440 822	131 806 289
• dividends and related transaction	17 217 000	74 117 000
• foreign exchange transactions	361 776 148	638 283 197
• off-balance-sheet transactions	323 047 161	447 636 091
NET INCOME FROM FINANCIAL OPERATIONS	805 481 131	1 291 842 577
OTHER INCOME FROM BANKING OPERATIONS	1 133 671 014	1 252 687 175
OTHER BANK OPERATING EXPENSES		
OTHER INCOME FROM NON-BANKING OPERATIONS		
OTHER NON-BANKING OPERATING EXPENSES		
GENERAL OPERATING EXPENSES	-2 589 454 072	-2 932 363 736
• personnel costs	-841 482 138	-895 440 943
• other general expenses	-1 747 971 934	-2 036 922 793
DEPRECIATION & AMORTIZATION AND PROVISIONS ON FIXED ASSETS	-333 558 154	-351 378 414
RECOVERY OF DEPRECIATION & AMORTIZATION AND PROVISIONS ON FIXED ASSETS		
GROSS OPERATING PROFIT	2 560 120 491	3 466 075 278
NET RESULT FROM VALUE ADJUSTMENTS	-1 380 534 752	-1 472 407 238
NET SURPLUS FROM ALLOCATIONS AND REVERSALS ON RESERVES FOR GBR	0	-299 555 619
PRE-TAX OPERATING INCOME	1 179 585 739	1 694 112 421
EXTRAORDINARY ITEMS	-852 011	-1 330 087
RESULT FROM PREVIOUS FINANCIAL PERIODS	-182 869 398	-14 824 784
CORPORATE INCOME TAX	-388 216 711	-662 533 311
NET INCOME FROM THIS FINANCIAL PERIOD	607 647 619	1 015 424 239

Resolutions

First Resolution

Having heard the Board of Directors' report and the external auditors' report on fiscal year 2006, the Annual General Meeting approved all parts of the reports as well as the results and financial statements as presented. The Meeting also approved the transactions reflected in these statements and summarised in these reports.

Fiscal year 2006 closed with a profit of F CFA 1,015,424,239 after amortizations of F CFA 351,378,414 and corporate income tax of F CFA 662,533,311.In addition, after hearing the external auditors' special report on agreements covered by law 023/96/ADP of 11 July 1996 and by the banking law of 2 May 1996, 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 the year ended 31 December 2006. 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
NET PROFITS FOR THE PERIOD	1,015,424,239
PREVIOUS BALANCE BROUGHT FORWARD	553,645,171
TOTAL FOR DISTRIBUTION	1,569,069,410
LEGAL RESERVE (15% of income)	152,313,636
DIVIDEND (25 % of capital)	500,000,000
2006 BALANCE BROUGHT FORWARD	916,755,774
TOTAL DISTRIBUTION	1,569,069,410

Third Resolution

In application of the previous resolution, the Annual General Meeting decided that, after payment to the State of tax on income from investments, at 15% of the gross dividend of F CFA 2,500 per share, shareholders will be effectively paid a net dividend corresponding to a remuneration of F CFA 2,125 per share of F CFA 10,000.

The dividend will be paid at the Bank's headquarters as of 1 July 2007, on stamping of coupon 5 of the share certificate held by each shareholder.

Fourth Resolution

Following deliberation, the Annual General Meeting ratified the nomination of Abdourahamane DIOUF as Director, who had been nominated by the Board of Directors during the meeting of 10 January 2007 as a temporary replacement for FMO, following their resignation.

Fifth Resolution

Following deliberation, the Annual General Meeting appointed the following new directors for a period of three years, as from the present Meeting and until the 2012 Annual General Meeting held to review the accounts for fiscal year 2009:

- Abdourahame DIOUF,
- Amadou Mamadou AW,
- BANK OF AFRICA - NIGER, represented by Boureima WANKOYE,
- Delchan OUEDRAOGO,
- Lassiné DIAWARA,
- Paul DERREUMAUX,
- René FORMEY de SAINT LOUVENT,
- UAB, represented by Soumaïla SORGHO,
- CAURIS INVESTISSMENT, represented by Yawo Noël EKLO.

Sixth Resolution

Following deliberation, the Annual General Meeting set the total annual post allowances for all members of the Board at F CFA 24 million for 2007.

Seventh Resolution

Following deliberation, the Annual General Meeting decided to renew Rosette NACO's tenure as additional auditor for a period of six years.

Her term of office will expire during the Annual General Meeting held to review the accounts for fiscal year 2012.

In compliance with current banking regulations, the renewal of this tenure will be proposed to the UEMOA Banking Commission for approval.

Eighth 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

This part is only available in french.