



Mozambican Banks

Resilient results despite tougher business backdrop

Research

June 2016

Economic activity slowed in 2015

Mozambique witnessed a deceleration in economic activity last year, with real GDP growth standing at 6.3%. This is below the 7.4% in 2014, which is also the average annual growth recorded in the last decade. A continued decline in global commodity prices, weak growth amongst the country's main trading partners, a regional drought and the need for fiscal consolidation all contributed to this slowdown. Meanwhile, Banco de Moçambique, the central bank, kept an accommodative monetary policy to support economic activity. This meant that interest rates remained at historical lows throughout most of the year. However, in an effort to contain the depreciation of the metical and manage inflation, the central bank intervened by selling foreign reserves and tightening monetary policy in the last quarter of the year.

Banking

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Banking sector landscape

There were 18 banks registered at Banco de Moçambique at the end of 2015. A new bank, Banco BIG (controlled by Portuguese investors), started its operations this March, lifting the total number of banks to the current 19. Nearly 90% of the total assets, loans and deposits of the banking sector are held by the six largest players. These banks are foreign-owned (mostly by Portuguese and South African investors). We believe the performance of these six banks provides us with a fairly accurate picture of how the sector as a whole has behaved in a certain period of time.

Balance sheet continued to expand rapidly

Our analysis of the 2015 results of these banks leads us to several conclusions. First, the key balance sheet figures continued to expand at impressive growth rates. Assets, loans and deposits all continued to increase at nearly 20% from the previous year. Second, about 70% of the total loans and deposits of these banks were denominated in meticais. Third, more than 60% of the deposits were sight deposits, a level that has remained stable in recent years. Fourth, asset quality ratios remained relatively unchanged from 2014 and at a comfortable level. And fifth, the banking sector is well capitalized, with all of the six players recording a solvency ratio that is above the regulatory requirement of 8%.

Strong operating results lift bottom-line

The combined net profit of the six banks increased once again last year, as a robust operating performance continued to offset higher loan provisions and taxes. Despite a continued low interest rates and a more competitive business environment in 2015, these banks were able to deliver higher net interest income than in 2014, benefiting from substantial volume growth once again. Banking income was also boosted by abnormally strong trading and FX gains, which in 2015 accounted for a third of total revenues. Costs continued to reflect the branch expansion strategy of the sector as well as the higher wages from a more competitive labor market. However, they were also impacted by the depreciation of the metical in 2015, as some costs are linked to foreign currency. Meanwhile, loan provisions increased significantly again, owing to the strong expansion of the loan portfolio and also the precautionary measures for potential future risks taken by some banks. In a nutshell, the sector saw a modest improvement in efficiency ratios, but its overall profitability levels in 2015 remained rather unchanged from the previous year.

MOZAMBICAN BANKING SECTOR

The Mozambican banking sector has expanded rapidly in the last few years, with 19 banks currently registered at the Banco de Moçambique, the country's central bank. None of the banks are listed while the largest players are owned by Portuguese and South African investors. We highlight the recent start of operations of Portugal's Banco BIG this year while some banks recently changed their names, as described in the table below.

The Mozambican banking sector consists of 19 banks

MOZAMBICAN BANKING SYSTEM		
	Start of Operations	Majority Shareholder
Standard Bank Moçambique	1967	Standard Bank (South Africa)
Millennium bim	1995	Millenniumpcp (Portugal)
BCI - Fomento	1996	CGD Group (Portugal)
Socremo - Banca de Microfinanças	1998	AfriCap Microfinance Investment Company (Mauritius)
Société Générale Moçambique (1)	1999	Société Générale (France)
African Banking Corporation (Moçambique)	1999	BancABC (Bots wana)
Ecobank (2)	2000	Ecobank Group (Togo)
Nosso Banco (3)	2001	INSS (Mozambique)
Banco Oportunidade de Moçambique	2005	Opportunity Transformation Investments Inc. (USA)
Barclays Bank Moçambique	2005	Absa Group (South Africa)
FNB Mozambique	2007	First Rand Group (South Africa)
Moza Banco	2008	Moçambique Capitais (Mozambique)
Banco Terra	2008	Rabobank (Netherlands)
United Bank for Africa Mozambique	2010	UBA (Nigeria)
Banco Nacional de Investimento	2011	IGEPE (Mozambique)
Banco Único	2011	Cort. Amorim/ VisaBeira (Portugal) and Nedbank (S. Africa)
Capital Bank	2013	FMB Group (Malawi)
Banco Mais (4)	2014	Geocapital (Portugal / Macau)
BIG - Banco de Investimento Global	2016	Banco BIG (Portugal)

(1) Previously denominated Mauritius Commercial Bank (Moçambique); (2) Ecobank bought Banco ProCredit in June 2014;

(3) Previously denominated Banco Mercantil e de Investimentos; (4) Previously denominated Banco Tchuma.

Sources: Annual Reports and Eaglestone Securities.

The six largest banks represent nearly 90% of the sector's total assets, loans and deposits and so we believe they provide a fairly accurate picture of the performance of the local banking sector. These banks are: Millennium bim; Banco Comercial e de Investimento (BCI); Standard Bank; Moza Banco; Barclays Bank Mozambique; and Banco Único.

In our analysis, we look at the financial accounts of the six largest banks operating in Mozambique

SIX MAJOR BANKS - 2015	Assets	Loans	Deposits	Net Profit	Branches	Employees
	(US\$ mn)	(US\$ mn)	(US\$ mn)	(US\$ mn)		
Millennium bim	2,624	1,445	1,943	81.4	169	2,351
BCI - Fomento	2,729	1,512	2,002	37.0	191	3,009
Standard Bank Moçambique	1,459	585	1,087	51.4	43	1,153
Moza Banco	683	391	539	1.8	59	800
Barclays Bank Moçambique	512	249	369	6.7	51	833
Banco Único	370	200	312	2.5	18	444

Source: Annual Reports and Eaglestone Securities.

There continued to be reports in 2015 (and this year as well) suggesting the potential for M&A transactions involving some of the local banks, namely (1) Moza Banco due to the current sales process of Portugal's Novo Banco and (2) BCI potentially as a result of the outcome of the ongoing take over process of Spain's CaixaBank on Portugal's BPI or even the restructuring plan scheduled to take place in the near future at Portugal's Caixa Geral de Depósitos. Moreover, we believe that the deteriorating conditions in the foreign exchange market this year could have an impact on Mozambique's banking landscape over the medium-term and is also something to monitor closely going forward.

The potential for M&A transactions involving Moza Banco and BCI is something to continue to monitor closely

OVERVIEW OF 2015 RESULTS

In this report, we look at the 2015 figures of the six largest banks operating in Mozambique and extrapolate these figures in order to try to analyze the main trends recently seen for the sector. We break this report into two sections. First, we look at the main balance sheet and profit and loss account numbers on a combined basis. We also present the key ratios for both financial statements. Second, we look at each bank individually in more detail and analyze its 2015 results. In the annex, we provide several graphs and tables comparing the key figures and indicators for these banks.

First, we look at the six banks on a combined basis and, second, we look at each bank individually

BALANCE SHEET

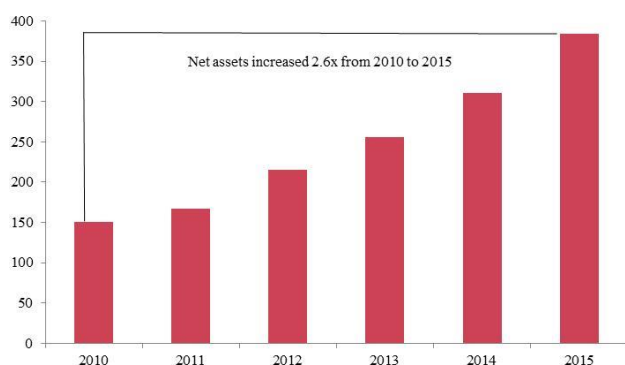
The combined net assets of these six banks reached MZM 384,508 million (US\$ 8,377 million) in 2015. This represents an impressive growth rate of 23.7% that surpassed an already robust 21.6% increase in the previous year. Net assets also advanced 2.6 times during the period 2010-15. This performance has been largely supported by a strong evolution in net loans in recent years, which continued to represent over half of the combined total assets of these banks.

Total assets of the six largest banks continued to advance at a strong pace in 2015

Total net loans advanced 18.9% to MZM 201,122 million (US\$ 4,382 million) last year. This growth rate was slower than the 26.6% seen in 2014 and resulted from much softer growth in local currency loans (19.2% vs. 32.4% in 2014). Nevertheless, loans denominated in meticaís continued to represent nearly three-fourths (73.5%) of the total loan portfolio of these banks.

Growth in net loans slowed due to a much softer expansion in local currency loans

NET ASSETS (2010-15) – BILLION MZM



Sources: Annual Reports and Eaglestone Securities.

LOANS BY TYPE OF CURRENCY (2010-15)

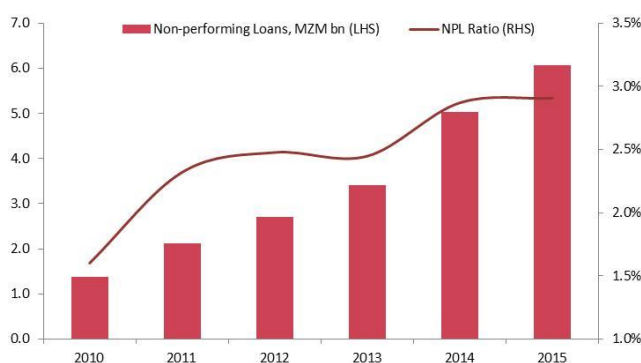


Sources: Annual Reports and Eaglestone Securities.

The banking sector continued to increase its provisioning efforts, with provisions in the balance sheet advancing at a robust rate of 22% YoY and representing 3.72% of total gross loans (vs. 3.63% in 2014). The increase in balance sheet provisions is largely due to the strong loan growth witnessed in recent years (CAGR of 19.3% in the period 2010-15). However, it also reflects the deterioration in asset quality, as non-performing loans were up 20.5% YoY after an already quite strong 48.1% yearly increase in 2014. Specifically, non-performing loans stood at MZM 6,072 million (US\$ 132 million). This means that the NPL ratio advanced slightly to 2.91% from 2.87% in 2014 while the NPL coverage ratio stood at 128% (vs. 126.4% in 2014).

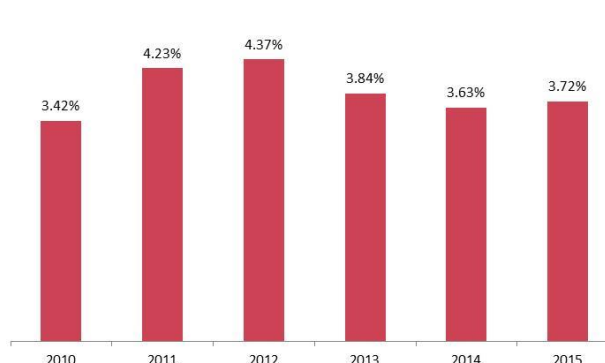
Strong volume growth and some deterioration in asset quality has led to the increase in balance sheet provisions

ASSET QUALITY INDICATORS (2010-15)



Sources: Annual Reports and Eaglestone Securities.

BAL. SHEET PROVISIONS (% OF GROSS LOANS) (2010-15)

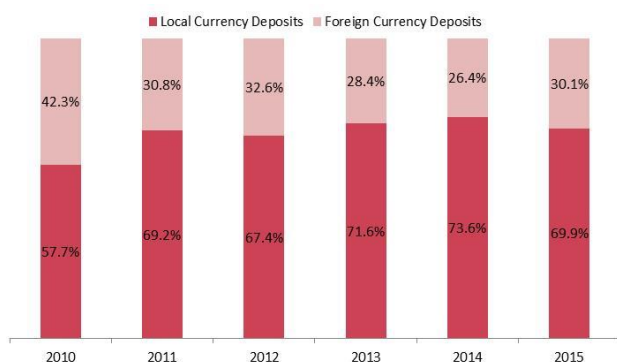


Sources: Annual Reports and Eaglestone Securities.

Meanwhile, the total deposits of these six banks continued to advance at an impressive 24.8% YoY, reaching MZM 286,966 million (US\$ 6,252 million) in 2015. Deposits clearly remain the key source of funding of the sector as they represented 85.6% of total liabilities. Local currency deposits accounted for 70% of the total deposit base and were up 18.5% YoY while foreign currency denominated deposits advanced at a very strong rate of 42.3%. On the other hand, sight deposits accounted for just over 60% of total deposits, a figure that has not changed much over the last six years.

Deposits remain the main source of funding for the banking sector

DEPOSITS BY TYPE OF CURRENCY (2010-15)



Sources: Annual Reports and Eaglestone Securities.

DEPOSITS BY MATURITY (2010-15)

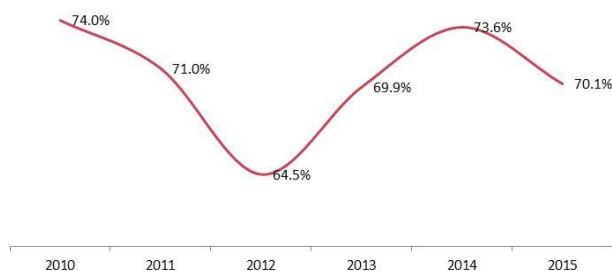


Sources: Annual Reports and Eaglestone Securities.

All in all, the loans-to-deposits ratio declined to 70.1% last year from 73.6% in 2014 (and 74% in 2010). Also, according to our estimates, the combined solvency ratio of the six banks rose to 16.2% from 13.9% in 2014, remaining well ahead of the regulatory requirement of 8%.

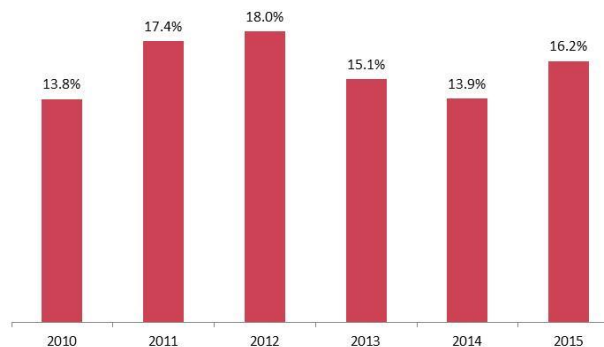
Solvency ratios remained well above the 8% regulatory requirement

LOANS TO DEPOSITS RATIO (2010-15)



Sources: Annual Reports and Eaglestone Securities.

SOLVENCY RATIO (2010-15)



Sources: Annual Reports and Eaglestone Securities.

SIX MAJOR BANKS	Million MZM				Million US\$				% Change (MZM)			
	Year				Year				Year			
	2012	2013	2014	2015	2012	2013	2014	2015	13/12	14/13	15/14	
BALANCESHEET												
Net Assets	215,422	255,696	310,879	384,508	7,253	8,518	9,252	8,377	18.7%	21.6%	23.7%	
Customer Loans (net)	104,417	133,654	169,212	201,122	3,516	4,452	5,036	4,382	28.0%	26.6%	18.9%	
Local Currency Loans	72,804	94,016	124,510	148,468	2,451	3,132	3,706	3,235	29.1%	32.4%	19.2%	
Foreign Currency Loans	31,612	39,637	44,702	52,654	1,064	1,320	1,330	1,147	25.4%	12.8%	17.8%	
Loan Loss Provisions	4,773	5,343	6,370	7,770	161	178	190	169	11.9%	19.2%	22.0%	
Non-Performing Loans	2,705	3,403	5,040	6,072	91	113	150	132	25.8%	48.1%	20.5%	
Customer Deposits	161,979	191,259	229,913	286,966	5,454	6,371	6,843	6,252	18.1%	20.2%	24.8%	
Local Currency Deposits	109,125	136,958	169,161	200,512	3,674	4,562	5,035	4,368	25.5%	23.5%	18.5%	
Foreign Currency Deposits	52,855	54,301	60,753	86,453	1,780	1,809	1,808	1,884	2.7%	11.9%	42.3%	
Sight Deposits	100,927	117,067	144,567	175,862	3,398	3,900	4,303	3,831	16.0%	23.5%	21.6%	
Term Deposits	61,052	74,192	85,346	111,104	2,056	2,471	2,540	2,421	21.5%	15.0%	30.2%	
MAIN RATIOS												
Loans/Deposits	64.5%	69.9%	73.6%	70.1%	64.5%	69.9%	73.6%	70.1%	5.4%	3.7%	-3.5%	
Loans/Assets	48.5%	52.3%	54.4%	52.3%	48.5%	52.3%	54.4%	52.3%	3.8%	2.2%	-2.1%	
Deposits/Liabilities	87.1%	85.6%	85.0%	85.6%	87.1%	85.6%	85.0%	85.6%	-1.4%	-0.7%	0.6%	
Loans in Local Currency (% of Total)	69.2%	70.0%	73.2%	73.5%	69.2%	70.0%	73.2%	73.5%	0.7%	3.3%	0.3%	
Deposits in Local Currency (% of Total)	67.4%	71.6%	73.6%	69.9%	67.4%	71.6%	73.6%	69.9%	4.2%	2.0%	-3.7%	
Sight Deposits (% of Total)	62.3%	61.2%	62.9%	61.3%	62.3%	61.2%	62.9%	61.3%	-1.1%	1.7%	-1.6%	
Loans per Branch ('000 MZM/US\$)	258,457	314,480	349,612	378,761	8,702	10,476	10,405	8,252	21.7%	11.2%	8.3%	
Deposits per Branch ('000 MZM/US\$)	400,939	450,021	475,028	540,425	13,500	14,991	14,138	11,774	12.2%	5.6%	13.8%	
NPL Ratio	2.48%	2.45%	2.87%	2.91%	2.48%	2.45%	2.87%	2.91%	-0.03%	0.42%	0.04%	
NPL Coverage	176.5%	157.0%	126.4%	128.0%	176.5%	157.0%	126.4%	128.0%	-19.5%	-30.6%	1.6%	
BS Provisions/Loans (gross)	4.37%	3.84%	3.63%	3.72%	4.37%	3.84%	3.63%	3.72%	-0.53%	-0.22%	0.09%	
Solvency Ratio	18.0%	15.1%	13.9%	16.2%	18.0%	15.1%	13.9%	16.2%	-3.0%	-1.2%	2.3%	

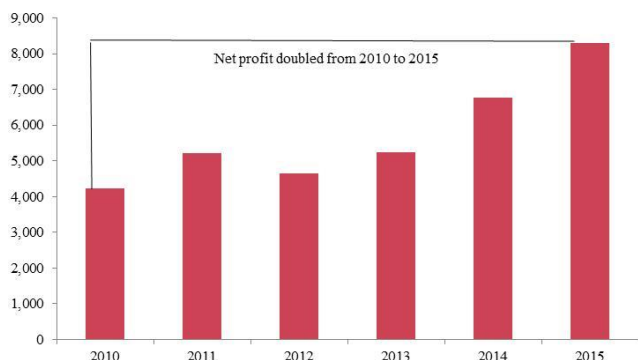
Sources: Annual Reports and Eaglestone Securities.

PROFIT AND LOSS ACCOUNT

The combined profit and loss account of the six banks showed that net profit improved 22.6% YoY to MZM 8,299 million (US\$ 181 million) last year. This followed an already impressive 29.2% yearly increase in 2014. The bottom-line improvement was attributable to a continued healthy operating performance, which more than offset higher loan loss provisions and taxes in the period. Nevertheless, we highlight that both ROE and ROA stood pretty much at the same levels as in the previous year, namely at 16.8% and 2.16%, respectively.

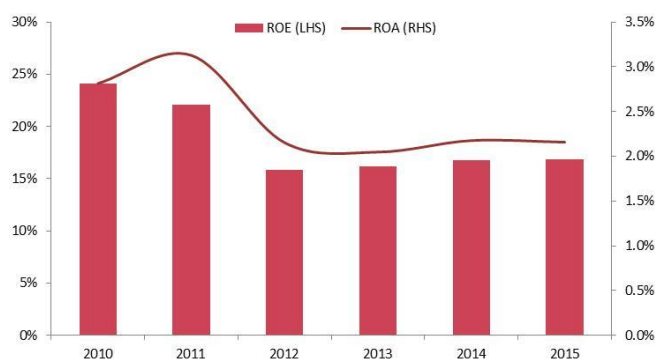
The combined net profit of the six banks advanced 22.6% YoY in 2015 after an already impressive 29.2% yearly improvement in the previous year

NET PROFIT (2010-15) – MILLION MZM



Sources: Annual Reports and Eaglestone Securities.

RETURN ON EQUITY AND RETURN ON ASSETS (2010-15)



Sources: Annual Reports and Eaglestone Securities.

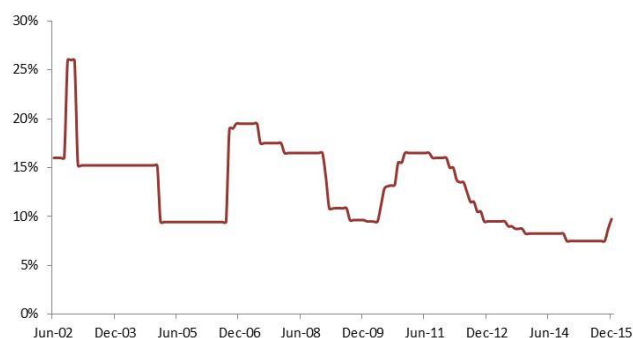
On the revenue front, we note the significant increase in other banking income (66.7% YoY), with most banks stating that they saw a stronger contribution from trading and FX gains last year. Indeed, figures showed that other banking income accounted for a third of total revenues. This is higher than the contribution recorded in recent years. Net interest income and fees also posted double-digit increases, despite a slowdown from the growth rates seen in 2014.

The bottom-line increase was boosted by a healthy operating performance, namely in terms of revenues

Net interest income was aided by strong volume growth, which more than offset the impact of tighter margins. Some banks stated that the low interest rate environment felt for most of the year (the central bank only raised interest rates in Q4 by a total of 225bps) had an impact on loan spreads while the increased competition in the sector clearly affected funding costs.

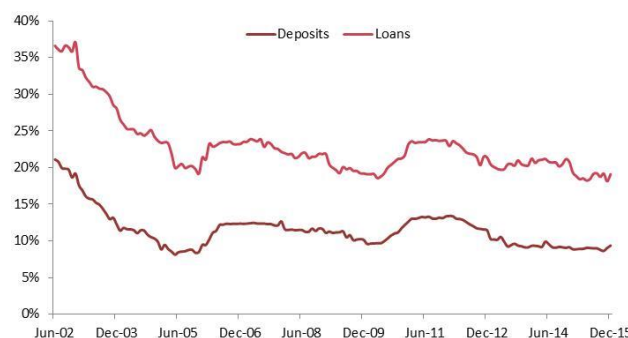
Strong volume growth boosted net interest income and offset the impact of tighter margins

STANDING LENDING FACILITY – CENTRAL BANK



Sources: Central Bank and Eaglestone Securities.

AVERAGE INTEREST RATES (ONE YEAR)

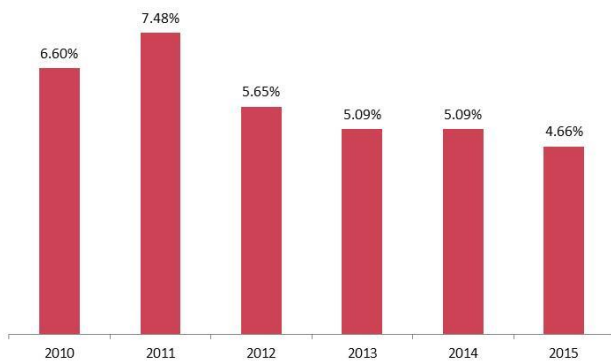


Sources: Central Bank and Eaglestone Securities.

Overall, the combined net interest income of these six banks accounted for 48.7% of their total banking income, which is significantly lower than the contribution recorded in recent years. On the other hand, the evolution of income from fees and commissions reflected for the most part the higher business activity of the banking sector.

Still, the contribution of net interest income to total revenues was lower than in recent years

NET INTEREST MARGIN (NII/ATA) (2010-15)



Sources: Annual Reports and Eaglestone Securities.

REVENUE BREAKDOWN (2010-15)

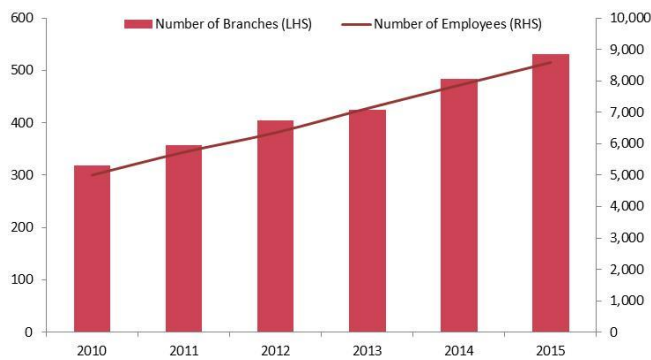


Sources: Annual Reports and Eaglestone Securities.

The combined cost performance of the six banks continued to reflect the expansion strategy of most players in recent years. However, in 2015, it also reflected the depreciation of the metical against other currencies like the dollar as some of the expenses are indexed to foreign currency. The total number of employees and branches of these banks increased by 726 to 8,590 people (9.2% YoY) and by 47 to 531 branches (9.7% YoY) in 2015.

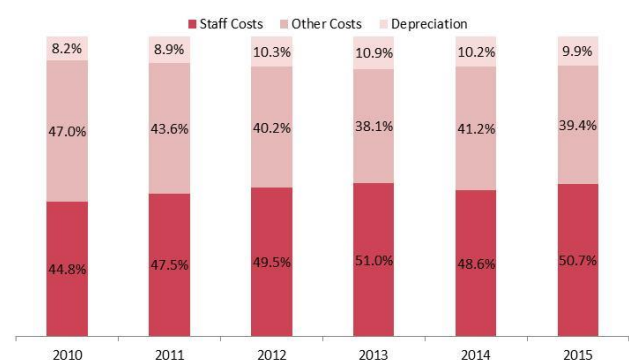
The cost performance continued to reflect the expansion strategy of most banks in recent years

NUMBER OF BRANCHES AND EMPLOYEES (2010-15)



Sources: Annual Reports and Eaglestone Securities.

COST BREAKDOWN (2010-15)

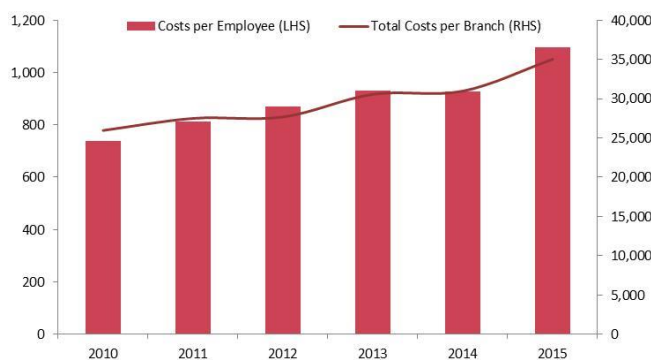


Sources: Annual Reports and Eaglestone Securities.

We highlight that the total costs per employee and total costs per branch significantly increased last year, namely 18.5% and 13.1%, respectively. Still, despite the higher expenses, the robust revenue performance allowed for a continued improvement in efficiency levels, with the cost-to-income ratio declining slightly to 55.9% from 57.1% in 2014.

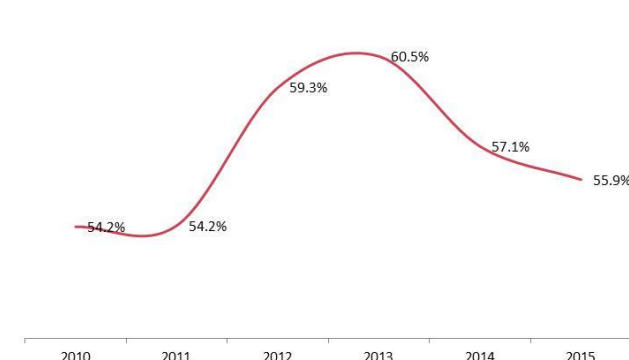
Despite these higher cost, the robust revenue performance allowed for a continued improvement in efficiency levels

COSTS PER EMPLOYEE AND PER BRANCH (2010-15)



Sources: Annual Reports and Eaglestone Securities.

COST-TO-INCOME RATIO (2010-15)

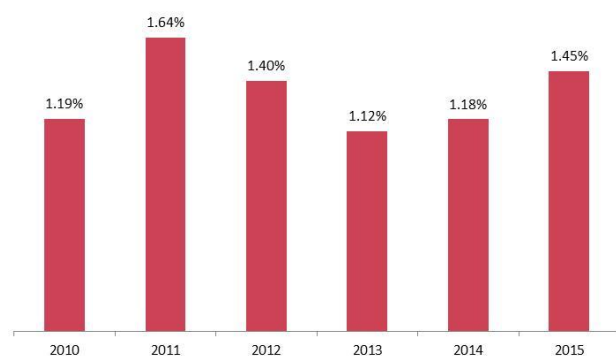


Sources: Annual Reports and Eaglestone Securities.

Below the operating income line, net loan loss provisions surged 45.9% YoY as a result of the strong expansion of the loan portfolio in recent years. Cost of risk stood at 145bp, an increase of 27bp from the previous year. Most banks that they decided to raise their provisioning levels in order to be more conservative. This also suggests that the sector remains somewhat cautious about potential future risks. In addition, net profit was also impacted by higher taxes last year, with the effective tax rate increasing to 24.2% from 22.7% previously.

Banks increased their provisioning levels due to strong loan growth and for precautionary measures for potential future risks

NET LOAN LOSS PROVISIONS (% OF LOANS) (2010-15)



Sources: Annual Reports and Eaglestone Securities.

TAX RATE (2010-15)



Sources: Annual Reports and Eaglestone Securities.

SIX MAJOR BANKS	Million MZM				Million US\$				% Change (MZM)			
	2012	2013	2014	2015	2012	2013	2014	2015	13/12	14/13	15/14	
P&L ACCOUNT												
Net Interest Income	10,786	11,981	14,411	16,204	363	399	429	353	11.1%	20.3%	12.4%	
Fees & Commissions	3,551	4,445	5,137	5,918	120	148	153	129	25.2%	15.6%	15.2%	
Other Banking Income	4,509	5,042	6,685	11,141	152	168	199	243	11.8%	32.6%	66.7%	
Banking Income	18,846	21,469	26,233	33,263	635	715	781	725	13.9%	22.2%	26.8%	
Staff Costs	5,538	6,624	7,284	9,425	186	221	217	205	19.6%	10.0%	29.4%	
Other Costs	4,493	4,950	6,173	7,325	151	165	184	160	10.2%	24.7%	18.7%	
Depreciation	1,151	1,414	1,534	1,847	39	47	46	40	22.9%	8.5%	20.3%	
Total Costs	11,182	12,989	14,992	18,597	376	433	446	405	16.2%	15.4%	24.0%	
Operating Income	7,664	8,480	11,241	14,666	258	282	335	320	10.6%	32.6%	30.5%	
Net Loan Loss Provisions (LLP)	1,462	1,495	2,002	2,921	49	50	60	64	2.3%	34.0%	45.9%	
Other	-304	-359	-482	-800	-10	-12	-14	-17	18.1%	34.4%	65.9%	
Pre-Tax Profits	5,899	6,627	8,757	10,945	199	221	261	238	12.3%	32.1%	25.0%	
Taxes	1,261	1,390	1,989	2,647	42	46	59	58	10.2%	43.1%	33.0%	
Net Profit	4,638	5,236	6,767	8,299	156	174	201	181	12.9%	29.2%	22.6%	
MAIN RATIOS												
Net Interest Margin (NII/ATA)	5.65%	5.09%	5.09%	4.66%	5.65%	5.09%	5.09%	4.66%	-0.56%	0.00%	-0.43%	
Net Interest Income (% of Revenues)	57.2%	55.8%	54.9%	48.7%	57.2%	55.8%	54.9%	48.7%	-1.4%	-0.9%	-6.2%	
Fees (% of Banking Income)	18.8%	20.7%	19.6%	17.8%	18.8%	20.7%	19.6%	17.8%	1.9%	-1.1%	-1.8%	
Staff Costs (% of Total Costs)	49.5%	51.0%	48.6%	50.7%	49.5%	51.0%	48.6%	50.7%	1.5%	-2.4%	2.1%	
Costs per Employee ('000 MZM/US\$)	871.4	929.4	926.3	1,097.2	29.3	31.0	27.6	23.9	6.7%	-0.3%	18.5%	
Total Costs per Branch ('000 MZM/US\$)	27,678	30,562	30,975	35,023	932	1,018	922	763	10.4%	1.4%	13.1%	
Cost-to-Income (incl. Depreciation)	59.3%	60.5%	57.1%	55.9%	59.3%	60.5%	57.1%	55.9%	1.2%	-3.4%	-1.2%	
Net LLP (% of Loans)	1.40%	1.12%	1.18%	1.45%	1.40%	1.12%	1.18%	1.45%	-0.28%	0.06%	0.27%	
Tax Rate	21.4%	21.0%	22.7%	24.2%	21.4%	21.0%	22.7%	24.2%	-0.4%	1.7%	1.5%	
ROE	15.8%	16.2%	16.8%	16.8%	15.8%	16.2%	16.8%	16.8%	0.4%	0.6%	0.1%	
ROA	2.15%	2.05%	2.18%	2.16%	2.15%	2.05%	2.18%	2.16%	-0.10%	0.13%	-0.02%	

Sources: Annual Reports and Eaglestone Securities.

MILLENNIUM BIM (BIM)

Millennium bim (BIM) reported a net profit of MZM 3,737 million (US\$ 81.4 million) in 2015, remaining flat from the previous year. This represents a ROE and a ROA of 18.3% and 3.1%, respectively. The bank saw another healthy operating performance, but bottom-line was clearly impacted by much higher provisioning charges. Banking income advanced 14.9% YoY and was largely boosted by much higher FX gains. These gains were due to a higher number of FX transactions as well as better margins from higher exchange rate volatility. Net interest income slowed to 5.3% from 15.6% in 2014, but still accounted for over half of total revenues.

Meanwhile, the increase in total costs was largely influenced by higher admin expenses namely rents, judicial fees and security costs due to the expansion of the branch network. BIM had 169 branches at the end of 2015 after opening three new branches, but the number of its employees declined by 16 to 2,351. The cost-to-income ratio (including depreciation) improved slightly to 42.1% (from 42.9% in 2014). Below the operating income line, loan loss provisions more than doubled, with cost of risk standing at 165 bps (vs. 88 bps in 2014). BIM stated that this resulted from higher impairments in its consumer credit book and a significant increase in provisions for some of its corporate clients.

Growth in both net loans and deposits slowed last year from the previous year, placing the loans-to-deposits ratio at 74.4% (vs. 73.6% in 2014). Loans and deposits in the local currency continued to account for more than 3/4 of the total. It is also worth noting that the amount of NPLs doubled mostly as a result of higher NPLs in corporate clients. This led the NPL ratio to deteriorate to 4.31% from 2.47% in 2014 while the coverage ratio fell significantly to 137% from 212%. Finally, the solvency ratio rose to 19.8%, well above the required level of 8%.

BIM's net profit remained flat in 2015 as higher loan impairments offset a healthy operating performance

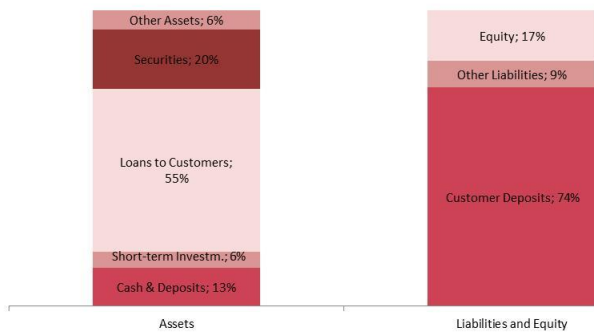
Loan loss provisions more than doubled as a result from higher impairments in consumer credit and some corporate clients

The NPL ratio deteriorated to 4.31% while coverage fell to 137%

MILLENNIUM BIM (BIM) Year	MZM Million				US\$ Million				% Change (MZM)		
	2012	2013	2014	2015	2012	2013	2014	2015	13/12	14/13	15/14
BALANCE SHEET											
Net Assets	73,144	87,886	104,217	120,428	2,463	2,928	3,102	2,624	20.2%	18.6%	15.6%
Customer Loans (net)	38,230	47,921	56,795	66,331	1,287	1,596	1,690	1,445	25.3%	18.5%	16.8%
Local Currency Loans	28,593	36,445	44,849	52,081	963	1,214	1,335	1,135	27.5%	23.1%	16.1%
Loan Loss Provisions	2,845	2,969	3,137	4,177	96	99	93	91	4.4%	5.6%	33.2%
Non-Performing Loans	870	940	1,477	3,039	29	31	44	66	8.1%	57.1%	105.7%
Customer Deposits	53,918	64,574	77,144	89,205	1,815	2,151	2,296	1,943	19.8%	19.5%	15.6%
Local Currency Deposits	39,821	49,801	60,992	66,913	1,341	1,659	1,815	1,458	25.1%	22.5%	9.7%
Sight Deposits	30,595	36,408	45,400	50,659	1,030	1,213	1,351	1,104	19.0%	24.7%	11.6%
Equity	13,114	15,512	18,026	20,471	442	517	536	446	18.3%	16.2%	13.6%
P&L ACCOUNT											
Net Interest Income	4,887	5,060	5,848	6,159	164.5	168.6	174.0	134.2	3.5%	15.6%	5.3%
Fees & Commissions	1,418	1,725	1,882	1,973	47.7	57.5	56.0	43.0	21.6%	9.1%	4.8%
Other Banking Income	1,649	1,804	1,861	2,889	55.5	60.1	55.4	62.9	9.4%	3.1%	55.2%
Banking Income	7,954	8,589	9,591	11,021	267.8	286.1	285.4	240.1	8.0%	11.7%	14.9%
Staff Costs	1,677	1,781	1,935	2,096	56.4	59.3	57.6	45.7	6.2%	8.7%	8.3%
Other Costs	1,487	1,587	1,728	2,043	50.1	52.9	51.4	44.5	6.7%	8.9%	18.2%
Depreciation	334	374	450	501	11.2	12.5	13.4	10.9	12.1%	20.2%	11.5%
Total Costs	3,497	3,741	4,112	4,640	117.7	124.6	122.4	101.1	7.0%	9.9%	12.8%
Operating Income	4,457	4,848	5,479	6,381	150.1	161.5	163.1	139.0	8.8%	13.0%	16.5%
Net Loan Loss Provisions (LLP)	465	446	501	1,093	15.6	14.9	14.9	23.8	-4.0%	12.2%	118.3%
Other	-148	-209	-407	-654	-5.0	-7.0	-12.1	-14.3	40.9%	94.6%	60.9%
Pre-Tax Profits	3,844	4,193	4,571	4,634	129.4	139.7	136.1	100.9	9.1%	9.0%	1.4%
Taxes	665	731	848	896	22.4	24.4	25.2	19.5	9.9%	16.0%	5.7%
Net Profit	3,179	3,462	3,724	3,737	107.0	115.3	110.8	81.4	8.9%	7.6%	0.4%
RATIOS											
Net Interest Margin (NII/ATA)	7.23%	6.28%	6.09%	5.48%	7.23%	6.28%	6.09%	5.48%	-0.94%	-0.20%	-0.60%
Net Interest Income (% of Banking Revenue)	61.4%	58.9%	61.0%	55.9%	61.4%	58.9%	61.0%	55.9%	-2.5%	2.1%	-5.1%
Fees (% of Banking Income)	17.8%	20.1%	19.6%	17.9%	17.8%	20.1%	19.6%	17.9%	2.3%	-0.5%	-1.7%
Staff Costs (% of Total Costs)	47.9%	47.6%	47.1%	45.2%	47.9%	47.6%	47.1%	45.2%	-0.4%	-0.5%	-1.9%
Costs per Employee ('000)	730	765	817	892	24.6	25.5	24.3	19.4	4.8%	6.9%	9.1%
Cost-to-Income (incl. Depreciation)	44.0%	43.6%	42.9%	42.1%	44.0%	43.6%	42.9%	42.1%	-0.4%	-0.7%	-0.8%
Net LLP (% of Loans)	1.22%	0.93%	0.88%	1.65%	1.22%	0.93%	0.88%	1.65%	-0.28%	-0.05%	0.77%
Tax Rate	17.3%	17.4%	18.5%	19.3%	17.3%	17.4%	18.5%	19.3%	0.1%	1.1%	0.8%
ROE	24.2%	22.3%	20.7%	18.3%	24.2%	22.3%	20.7%	18.3%	-1.9%	-1.7%	-2.4%
ROA	4.35%	3.94%	3.57%	3.10%	4.35%	3.94%	3.57%	3.10%	-0.41%	-0.37%	-0.47%
Loans/Deposits	70.9%	74.2%	73.6%	74.4%	70.9%	74.2%	73.6%	74.4%	3.3%	-0.6%	0.7%
Loans/Assets	52.3%	54.5%	54.5%	55.1%	52.3%	54.5%	54.5%	55.1%	2.3%	0.0%	0.6%
Deposits/Liabilities	89.8%	89.2%	89.5%	89.2%	89.8%	89.2%	89.5%	89.2%	-0.6%	0.3%	-0.3%
Loans in Local Currency (% of Total)	74.8%	76.1%	79.0%	78.5%	74.8%	76.1%	79.0%	78.5%	1.3%	2.9%	-0.4%
Deposits in Local Currency (% of Total)	73.9%	77.1%	79.1%	75.0%	73.9%	77.1%	79.1%	75.0%	3.3%	1.9%	-4.1%
Loans per Branch ('000)	253,181	305,227	342,137	392,491	8,525	10,167	10,183	8,551	20.6%	12.1%	14.7%
Deposits per Branch ('000)	357,074	411,298	464,721	527,838	12,023	13,701	13,831	11,500	15.2%	13.0%	13.6%
Solvency Ratio	21.7%	21.4%	19.0%	19.8%	21.7%	21.4%	19.0%	19.8%	-0.3%	-2.4%	0.8%
NPL Ratio	2.12%	1.85%	2.47%	4.31%	2.12%	1.85%	2.47%	4.31%	-0.27%	0.62%	1.85%
NPL Coverage	326.9%	315.7%	212.3%	137.5%	326.9%	315.7%	212.3%	137.5%	-11.2%	-103.4%	-74.9%
BS Provisions/Loans (gross)	6.93%	5.83%	5.23%	5.92%	6.93%	5.83%	5.23%	5.92%	-1.09%	-0.60%	0.69%

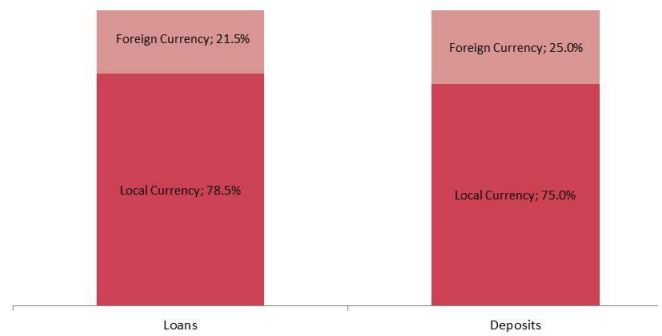
Source: Annual Reports and Eaglestone Securities.

BALANCE SHEET STRUCTURE - 2015



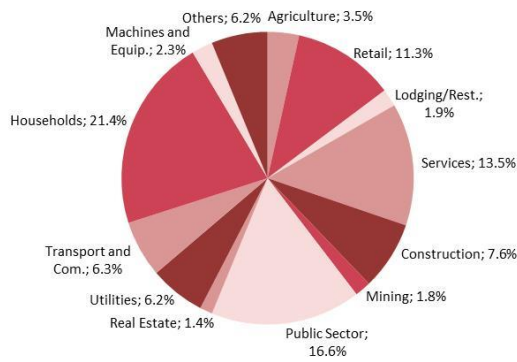
Sources: Annual Reports and Eaglestone Securities.

LOANS AND DEPOSITS BY CURRENCY - 2015



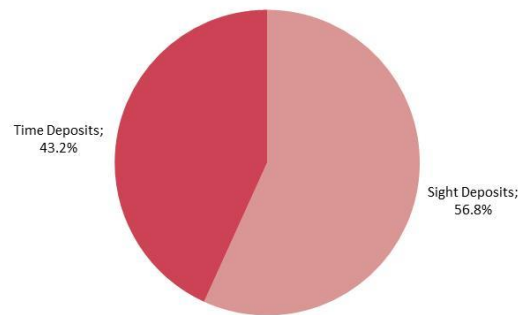
Sources: Annual Reports and Eaglestone Securities.

LOAN BREAKDOWN - 2015



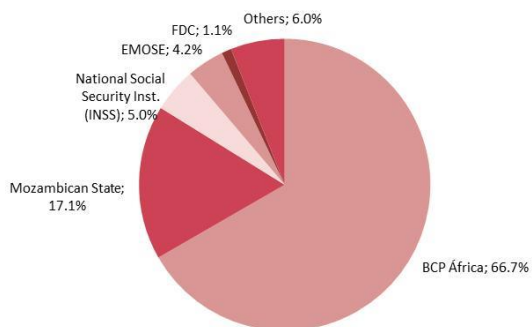
Sources: Annual Reports and Eaglestone Securities.

DEPOSIT BREAKDOWN - 2015



Sources: Annual Reports and Eaglestone Securities.

SHAREHOLDER STRUCTURE - 2015



Sources: Annual Reports and Eaglestone Securities.

BANCO COMERCIAL E DE INVESTIMENTO (BCI)

BCI disclosed a net profit of MZM 1,698 million (US\$ 37 million) in 2015, a significant yearly improvement of 29.6% that came mostly from a robust operating performance. Revenues were up across the board, but most notable was the evolution of other income (57% YoY). The bank stated that this was due to good FX results, namely in FX trading and portfolio management. Other banking income accounted for over 30% of total revenues (vs. 25% in 2014). Net interest income growth slowed markedly to 11% from 31% in 2014, as the boost from continued strong volumes suffered the headwinds from tighter competition in the banking sector that led to lower margins. The increase in costs reflects the bank's continued branch expansion (23 new branches were open and 553 new employees were hired last year, bringing the total number of branches to 191 and employees to 3,009). Costs were also impacted by the depreciation of the Metical, as part of the cost structure is indexed to foreign currencies. All in all, the cost-to-income ratio stood relatively unchanged at 61.9%.

Below the operating income line, we note that net loan loss provisions fell slightly, lowering cost of risk to 105bps (from 130bps in 2014). Still, the bottom-line was impacted by provisions for other risks as well as higher tax charges (effective tax rate at 28.7% vs. 25.2% in 2014).

Meanwhile, the loans-to-deposits ratio fell to 75.5% after a softer growth in loans relatively to deposits. BCI held 65% and 75% of its loans and deposits in local currency, respectively. Also worth noting is the decline in the NPL ratio to 0.99% (from 1.93% in 2014). It stood more in line with the levels recorded in 2012-13 after the bank increased its efforts to recover past-due loans. The coverage ratio stood at a comfortable 192%. Finally, BCI reported a solvency ratio of 12.7%, up from the 8.6% in 2014.

BCI recorded a strong improvement in net profit in 2015

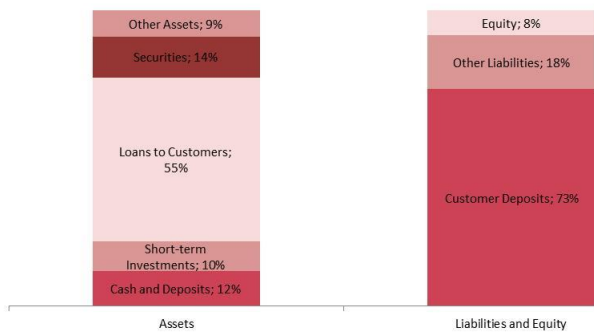
Despite a strong operating performance, bottom-line was impacted by higher other provisions and taxes

The NPL ratio improved after the bank increased its efforts to recover past-due loans

B. COM. E DE INVESTIM. (BCI)	MZM Million				US\$ Million				% Change (MZM)			
	2012	2013	2014	2015	2012	2013	2014	2015	13/12	14/13	15/14	
BALANCESHEET												
Net Assets	68,193	82,796	98,907	125,264	2,296	2,758	2,944	2,729	21.4%	19.5%	26.6%	
Customer Loans (net)	36,804	45,255	58,415	69,382	1,239	1,508	1,739	1,512	23.0%	29.1%	18.8%	
Local Currency Loans	21,278	26,053	37,033	45,066	716	868	1,102	982	22.4%	42.1%	21.7%	
Loan Loss Provisions	711	849	1,416	1,337	24	28	42	29	19.4%	66.7%	-5.6%	
Non-Performing Loans	359	448	1,153	697	12	15	34	15	24.9%	157.5%	-39.6%	
Customer Deposits	50,157	60,025	73,005	91,900	1,689	1,999	2,173	2,002	19.7%	21.6%	25.9%	
Local Currency Deposits	37,720	46,536	56,270	69,144	1,270	1,550	1,675	1,506	23.4%	20.9%	22.9%	
Sight Deposits	29,035	35,182	45,081	52,784	978	1,172	1,342	1,150	21.2%	28.1%	17.1%	
Equity	5,292	6,100	7,427	10,300	178	203	221	224	15.3%	21.8%	38.7%	
P&L ACCOUNT												
Net Interest Income	2,331	2,788	3,648	4,067	78.5	92.9	108.6	88.6	19.6%	30.8%	11.5%	
Fees & Commissions	911	1,110	1,449	1,737	30.7	37.0	43.1	37.9	21.7%	30.6%	19.9%	
Other Banking Income	1,182	1,374	1,689	2,661	39.8	45.8	50.3	58.0	16.3%	22.9%	57.5%	
Banking Income	4,424	5,272	6,786	8,465	149.0	175.6	202.0	184.4	19.2%	28.7%	24.8%	
Staff Costs	1,360	1,701	1,984	2,658	45.8	56.7	59.0	57.9	25.0%	16.6%	34.0%	
Other Costs	1,108	1,260	1,798	2,026	37.3	42.0	53.5	44.1	13.7%	42.8%	12.7%	
Depreciation	316	458	439	552	10.6	15.2	13.1	12.0	44.9%	-4.0%	25.7%	
Total Costs	2,784	3,418	4,222	5,237	93.7	113.9	125.6	114.1	22.8%	23.5%	24.1%	
Operating Income	1,640	1,854	2,564	3,228	55.2	61.8	76.3	70.3	13.1%	38.3%	25.9%	
Net Loan Loss Provisions (LLP)	66	383	762	729	2.2	12.8	22.7	15.9	481.8%	98.8%	-4.3%	
Other	-49	-94	-49	-117	-1.6	-3.1	-1.5	-2.5	93.4%	-47.7%	138.5%	
Pre-Tax Profits	1,526	1,377	1,753	2,382	51.4	45.9	52.2	51.9	-9.7%	27.3%	35.9%	
Taxes	230	167	443	684	7.8	5.6	13.2	14.9	-27.3%	164.4%	54.5%	
Net Profit	1,295	1,210	1,310	1,698	43.6	40.3	39.0	37.0	-6.6%	8.3%	29.6%	
RATIOS												
Net Interest Margin (NII/ATA)	3.92%	3.69%	4.02%	3.63%	3.92%	3.69%	4.02%	3.63%	-0.22%	0.32%	-0.39%	
Net Interest Income (% of Banking Revenue)	52.7%	52.9%	53.8%	48.0%	52.7%	52.9%	53.8%	48.0%	0.2%	0.9%	-5.7%	
Fees (% of Banking Income)	20.6%	21.0%	21.3%	20.5%	20.6%	21.0%	21.3%	20.5%	0.4%	0.3%	-0.8%	
Staff Costs (% of Total Costs)	48.9%	49.8%	47.0%	50.8%	48.9%	49.8%	47.0%	50.8%	0.9%	-2.8%	3.8%	
Costs per Employee ('000)	714	802	808	883	24.0	26.7	24.0	19.2	12.3%	0.7%	9.4%	
Cost-to-Income (incl. Depreciation)	62.9%	64.8%	62.2%	61.9%	62.9%	64.8%	62.2%	61.9%	1.9%	-2.6%	-0.3%	
Net LLP (% of Loans)	0.18%	0.85%	1.30%	1.05%	0.18%	0.85%	1.30%	1.05%	0.67%	0.46%	-0.25%	
Tax Rate	15.1%	12.2%	25.2%	28.7%	15.1%	12.2%	25.2%	28.7%	-2.9%	13.1%	3.5%	
ROE	24.5%	19.8%	17.6%	16.5%	24.5%	19.8%	17.6%	16.5%	-4.6%	-2.2%	-1.2%	
ROA	1.90%	1.46%	1.32%	1.36%	1.90%	1.46%	1.32%	1.36%	-0.4%	-0.1%	0.0%	
Loans/Deposits	73.4%	75.4%	80.0%	75.5%	73.4%	75.4%	80.0%	75.5%	2.0%	4.6%	-4.5%	
Loans/Assets	54.0%	54.7%	59.1%	55.4%	54.0%	54.7%	59.1%	55.4%	0.7%	4.4%	-3.7%	
Deposits/Liabilities	79.7%	78.3%	79.8%	79.9%	79.7%	78.3%	79.8%	79.9%	-1.5%	1.5%	0.1%	
Loans in Local Currency (% of Total)	57.8%	57.6%	63.4%	65.0%	57.8%	57.6%	63.4%	65.0%	-0.2%	5.8%	1.6%	
Deposits in Local Currency (% of Total)	75.2%	77.5%	77.1%	75.2%	75.2%	77.5%	77.1%	75.2%	2.3%	-0.5%	-1.8%	
Loans per Branch ('000)	287,531	340,266	347,709	363,257	9,681	11,335	10,348	7,914	18.3%	2.2%	4.5%	
Deposits per Branch ('000)	391,848	451,314	434,556	481,154	13,194	15,034	12,933	10,483	15.2%	-3.7%	10.7%	
Solvency Ratio	10.9%	9.2%	8.6%	12.7%	10.9%	9.2%	8.6%	12.7%	-1.7%	-0.6%	4.1%	
NPL Ratio	0.96%	0.97%	1.93%	0.99%	0.96%	0.97%	1.93%	0.99%	0.02%	0.96%	-0.94%	
NPL Coverage	198.3%	189.6%	122.7%	191.7%	198.3%	189.6%	122.7%	191.7%	-8.7%	-66.9%	69.0%	
BS Provisions/Loans (gross)	1.90%	1.84%	2.37%	1.89%	1.90%	1.84%	2.37%	1.89%	-0.05%	0.52%	-0.48%	

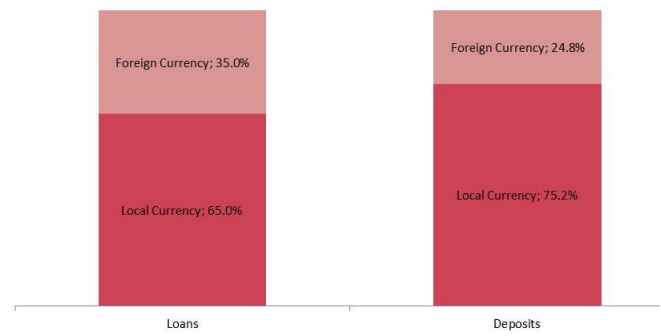
Source: Annual Reports and Eaglestone Securities.

BALANCE SHEET STRUCTURE - 2015



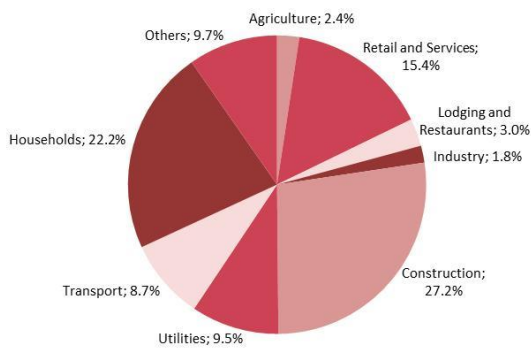
Sources: Annual Reports and Eaglestone Securities.

LOANS AND DEPOSITS BY CURRENCY - 2015



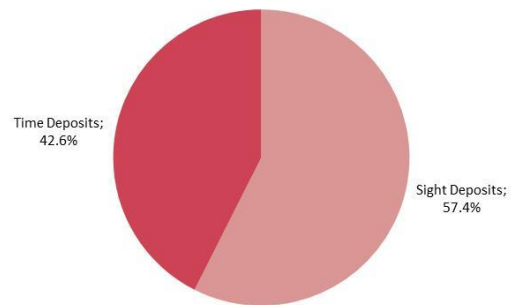
Sources: Annual Reports and Eaglestone Securities.

LOAN BREAKDOWN - 2015



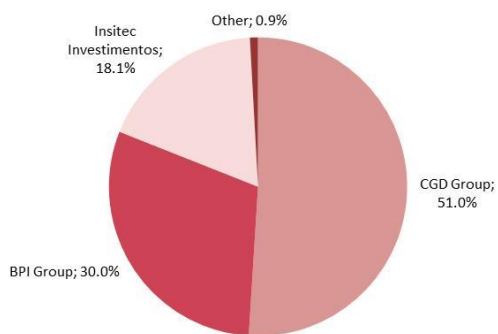
Sources: Annual Reports and Eaglestone Securities.

DEPOSIT BREAKDOWN - 2015



Sources: Annual Reports and Eaglestone Securities.

SHAREHOLDER STRUCTURE - 2015



Sources: Annual Reports and Eaglestone Securities.

STANDARD BANK MOZAMBIQUE

Standard Bank Mozambique reported a net profit of MZM 2,358 million (US\$ 51 million) last year, posting a 49.4% yearly increase. The robust improvement in the bottom-line was due to a healthy operating performance (+52.5% YoY). On the revenue side, we highlight the strong increase in other banking income (76.8% YoY), which is mostly related with much higher gains in FX operations (+54% YoY). Net interest income and fees also saw significant growth in the period, with the former aided by the bank's ongoing strategy to increase its loan portfolio which offset the impact of higher funding costs and a low interest rate environment still present during most of the year. Deposits surged nearly 30%, lowering the loans-to-deposits ratio to 53.9% (from 59.6% in 2014), which is well below the average of 70.8% for the other 5 players.

Standard Bank recorded an significant improvement in net profit due to a strong operating performance

Total costs were up 23.1% YoY and reflect the bank's branch expansion plans, which in 2015 saw the opening of two additional branches and the hiring of 72 new employees, bringing the total to 43 branches and 1,153 employees at the end of 2015. Nevertheless, the cost-to-income ratio fell to an impressive 49.3% from 54.6% in 2014.

The efficiency ratio stood at an impressive 49.3%

Meanwhile, general provisions for loan losses increased significantly (68.4% YoY), but reflect for the most part the continued expansion of the loan portfolio. Cost of risk stood at 121bp, up from 84bps in 2014. The bank mentioned that its increased efforts in credit recoveries led to the fall in non-performing loans and, as a result, to lower specific loan provisions in the period. Overall, the NPL ratio declined to 1.63% while the coverage ratio stood at 125% (vs. 2.03% and 89%, respectively, in 2014).

The marked increase in loan loss provisions reflects the expansion of the loan book

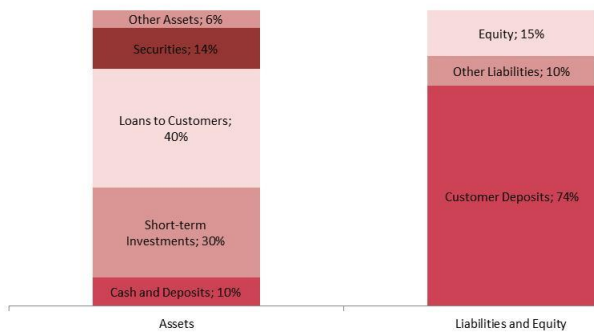
The bank's solvency ratio improved to 15.31% from 9.75% in the previous year, standing well ahead of the regulatory required 8%.

Solvency ratio stood well above the required level

STANDARD BANK MOÇAMBIQUE	MZM Million				US\$ Million				% Change (MZM)			
	2012	2013	2014	2015	2012	2013	2014	2015	13/12	14/13	15/14	
BALANCESHEET												
Net Assets	42,361	44,063	49,319	66,948	1,426	1,468	1,468	1,459	4.0%	11.9%	35.7%	
Customer Loans (net)	14,932	18,921	22,911	26,873	503	630	682	585	26.7%	21.1%	17.3%	
Local Currency Loans	9,712	11,992	15,268	17,433	327	399	454	380	23.5%	27.3%	14.2%	
Loan Loss Provisions	317	434	421	562	11	14	13	12	37.0%	-3.0%	33.6%	
Non-Performing Loans	422	506	474	448	14	17	14	10	19.9%	-6.3%	-5.5%	
Customer Deposits	35,119	35,717	38,424	49,871	1,182	1,190	1,144	1,087	1.7%	7.6%	29.8%	
Local Currency Deposits	14,789	16,999	19,139	22,466	498	566	570	489	14.9%	12.6%	17.4%	
Sight Deposits	31,378	32,236	34,999	46,061	1,056	1,074	1,042	1,004	2.7%	8.6%	31.6%	
Equity	6,056	6,780	7,959	10,266	204	226	237	224	11.9%	17.4%	29.0%	
P&L ACCOUNT												
Net Interest Income	2,346	2,365	2,572	2,881	79.0	78.8	76.5	62.8	0.8%	8.8%	12.0%	
Fees & Commissions	661	826	883	1,070	22.3	27.5	26.3	23.3	25.0%	6.9%	21.1%	
Other Banking Income	1,319	1,394	1,893	3,347	44.4	46.4	56.3	72.9	5.6%	35.8%	76.8%	
Banking Income	4,326	4,584	5,348	7,298	145.7	152.7	159.2	159.0	6.0%	16.7%	36.5%	
Staff Costs	1,236	1,455	1,610	1,997	41.6	48.5	47.9	43.5	17.7%	10.7%	24.0%	
Other Costs	904	925	1,179	1,410	30.4	30.8	35.1	30.7	2.3%	27.4%	19.6%	
Depreciation	102	113	130	188	3.4	3.8	3.9	4.1	10.6%	15.0%	44.2%	
Total Costs	2,243	2,493	2,919	3,594	75.5	83.0	86.9	78.3	11.2%	17.1%	23.1%	
Operating Income	2,083	2,091	2,429	3,703	70.1	69.7	72.3	80.7	0.4%	16.1%	52.5%	
Net Loan Loss Provisions (LLP)	325	326	193	325	10.9	10.9	5.7	7.1	0.5%	-40.9%	68.4%	
Pre-Tax Profits	1,758	1,765	2,236	3,379	59.2	58.8	66.5	73.6	0.4%	26.7%	51.1%	
Taxes	515	518	658	1,021	17.3	17.3	19.6	22.2	0.7%	27.0%	55.1%	
Net Profit	1,244	1,246	1,578	2,358	41.9	41.5	47.0	51.4	0.2%	26.6%	49.4%	
RATIOS												
Net Interest Margin (NII/ATA)	6.09%	5.47%	5.51%	4.96%	6.09%	5.47%	5.51%	4.96%	-0.61%	0.04%	-0.55%	
Net Interest Income (% of Banking Revenue)	54.2%	51.6%	48.1%	39.5%	54.2%	51.6%	48.1%	39.5%	-2.6%	-3.5%	-8.6%	
Fees (% of Banking Income)	15.3%	18.0%	16.5%	14.7%	15.3%	18.0%	16.5%	14.7%	2.7%	-1.5%	-1.9%	
Staff Costs (% of Total Costs)	55.1%	58.4%	55.2%	55.5%	55.1%	58.4%	55.2%	55.5%	3.2%	-3.2%	0.4%	
Costs per Employee ('000)	1,276	1,398	1,490	1,732	43.0	46.6	44.3	37.7	9.5%	6.6%	16.3%	
Cost-to-Income (incl. Depreciation)	51.8%	54.4%	54.6%	49.3%	51.8%	54.4%	54.6%	49.3%	2.5%	0.2%	-5.3%	
Net LLP (% of Loans)	2.18%	1.72%	0.84%	1.21%	2.18%	1.72%	0.84%	1.21%	-0.45%	-0.88%	0.37%	
Tax Rate	29.3%	29.4%	29.4%	30.2%	29.3%	29.4%	29.4%	30.2%	0.1%	0.1%	0.8%	
ROE	20.5%	18.4%	19.8%	23.0%	20.5%	18.4%	19.8%	23.0%	-2.1%	1.4%	3.1%	
ROA	2.94%	2.83%	3.20%	3.52%	2.94%	2.83%	3.20%	3.52%	-0.1%	0.4%	0.3%	
Loans/Deposits	42.5%	53.0%	59.6%	53.9%	42.5%	53.0%	59.6%	53.9%	10.5%	6.7%	-5.7%	
Loans/Assets	35.3%	42.9%	46.5%	40.1%	35.3%	42.9%	46.5%	40.1%	7.7%	3.5%	-6.3%	
Deposits/Liabilities	96.7%	95.8%	92.9%	88.0%	96.7%	95.8%	92.9%	88.0%	-0.9%	-2.9%	-4.9%	
Loans in Local Currency (% of Total)	65.0%	63.4%	66.6%	64.9%	65.0%	63.4%	66.6%	64.9%	-1.7%	3.3%	-1.8%	
Deposits in Local Currency (% of Total)	42.1%	47.6%	49.8%	45.0%	42.1%	47.6%	49.8%	45.0%	5.5%	2.2%	-4.8%	
Loans per Branch ('000)	439,188	511,382	558,809	624,959	14,787	17,035	16,631	13,616	16.4%	9.3%	11.8%	
Deposits per Branch ('000)	1,032,899	965,314	937,161	1,159,796	34,778	32,156	27,892	25,268	-6.5%	-2.9%	23.8%	
Solvency Ratio	17.7%	13.3%	9.7%	15.3%	17.7%	13.3%	9.7%	15.3%	-4.4%	-3.5%	5.6%	
NPL Ratio	2.77%	2.61%	2.03%	1.63%	2.77%	2.61%	2.03%	1.63%	-0.15%	-0.58%	-0.40%	
NPL Coverage	75.0%	85.8%	88.8%	125.5%	75.0%	85.8%	88.8%	125.5%	10.7%	3.0%	36.7%	
BS Provisions/Loans (gross)	2.08%	2.24%	1.80%	2.05%	2.08%	2.24%	1.80%	2.05%	0.16%	-0.44%	0.25%	

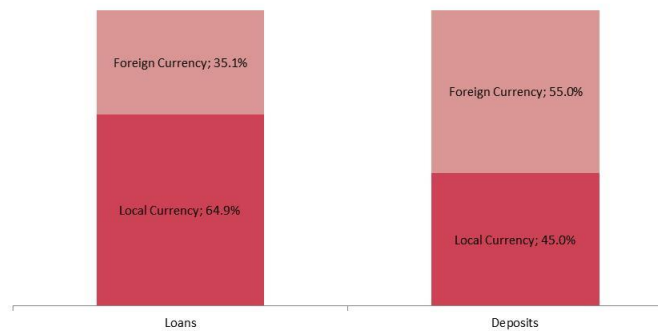
Source: Annual Reports and Eaglestone Securities.

BALANCE SHEET STRUCTURE - 2015



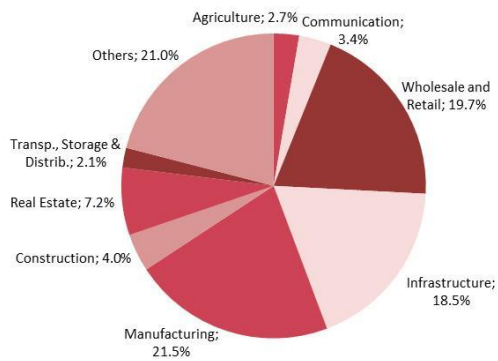
Sources: Annual Reports and Eaglestone Securities.

LOANS AND DEPOSITS BY CURRENCY - 2015



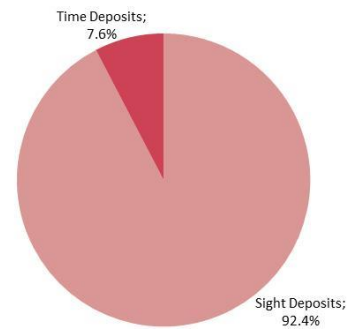
Sources: Annual Reports and Eaglestone Securities.

LOAN BREAKDOWN - 2015



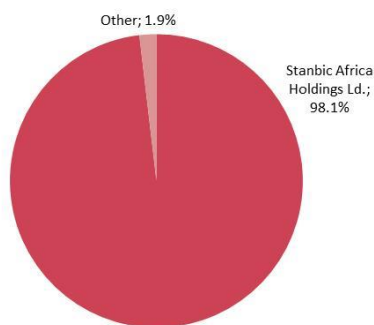
Sources: Annual Reports and Eaglestone Securities.

DEPOSIT BREAKDOWN - 2015



Sources: Annual Reports and Eaglestone Securities.

SHAREHOLDER STRUCTURE - 2015



Sources: Annual Reports and Eaglestone Securities.

MOZA BANCO

Moza Banco disclosed a net profit of MZM 82 million (US\$ 1.8 million) in 2015, a drop of 46.6% from a year earlier. Despite the 13% improvement in operating income, the bottom-line was severely impacted by the strong increase in net loan loss provisions (89.9% YoY) in the year. This placed cost of risk at 154 bps, or 47bps higher than in 2014. According to the bank, this follows in line with Moza Banco's more conservative risk management policy, but it also reflects the continued strong volume growth witnessed in recent years.

Net profit declined last year mainly on the back of significantly higher net loan loss provisions

Net loans and deposits were up an impressive 31.4% and 46.2% YoY, respectively, after the already strong growth rates recorded in recent years. This allowed Moza Banco to increase its market share to 7.5%-8% in terms of loans and deposits and helped consolidate its position as the fourth largest financial institution in Mozambique. Meanwhile, NPLs increased 35% YoY, which bearing in mind the strong increase in lending it meant that the NPL ratio rose to 2.27% from 2.22% in 2014, with the coverage ratio standing at 123% (vs. 119% in 2014).

The bank continued to gain market share and consolidate its position as the fourth largest bank in the country

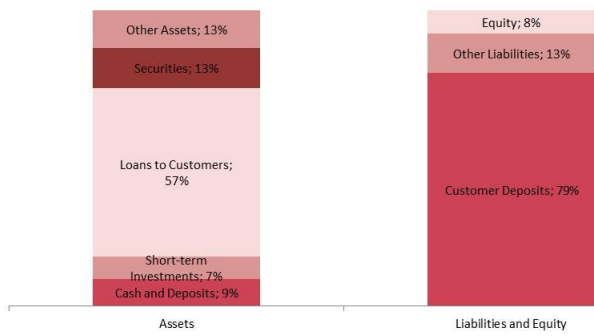
In terms of the P/L account, revenues were up 40% YoY on the back of better fee income and significantly higher other income, which more than doubled in the period. The latter reflects the impact of non-recurrent items from capital gains in the reevaluation of assets held in the AFS portfolio and the recognition of the market value of FX instruments and swaps held in the trading portfolio. On the other hand, net interest income fell in the period (despite the strong volumes) due to a squeeze in credit spreads and higher funding costs related to the increasingly tougher competition in the sector. Meanwhile, costs rose 46.1% YoY and reflect the expansion of the branch network (14 new business units open, implying 164 new employees). Overall, the cost-to-income increased to 85.4% from 81.8% in 2014. Finally, the solvency ratio declined to 9.9% (vs. 10.5% in 2014), which is clearly below the ratio of its peers.

The bank's solvency ratio remains above the regulatory requirement of 8%, but it stands below its peers

MOZA BANCO Year	MZM Million				US\$ Million				% Change (MZM)		
	2012	2013	2014	2015	2012	2013	2014	2015	13/12	14/13	15/14
BALANCESHEET											
Net Assets	8,689	14,820	23,100	31,369	293	494	688	683	70.6%	55.9%	35.8%
Customer Loans (net)	4,968	8,249	13,650	17,937	167	275	406	391	66.0%	65.5%	31.4%
Local Currency Loans	4,673	7,987	12,114	15,932	157	266	361	347	70.9%	51.7%	31.5%
Loan Loss Provisions	122	230	369	515	4	8	11	11	87.7%	60.5%	39.5%
Non-Performing Loans	79	278	311	420	3	9	9	9	254.4%	11.8%	35.0%
Customer Deposits	6,218	11,602	16,914	24,735	209	386	503	539	86.6%	45.8%	46.2%
Local Currency Deposits	5,348	10,026	14,976	20,361	180	334	446	444	87.5%	49.4%	36.0%
Sight Deposits	2,648	4,681	6,268	9,519	89	156	187	207	76.8%	33.9%	51.9%
Equity	1,323	1,351	2,098	2,441	45	45	62	53	2.2%	55.3%	16.3%
P&L ACCOUNT											
Net Interest Income	354	652	779	725	11.9	21.7	23.2	15.8	84.2%	19.5%	-6.9%
Fees & Commissions	121	236	341	432	4.1	7.9	10.2	9.4	94.9%	44.6%	26.5%
Other Banking Income	125	310	669	1,350	4.2	10.3	19.9	29.4	147.8%	116.1%	101.8%
Banking Income	600	1,197	1,790	2,507	20.2	39.9	53.3	54.6	99.6%	49.5%	40.1%
Staff Costs	282	467	622	887	9.5	15.5	18.5	19.3	65.5%	33.2%	42.7%
Other Costs	261	435	648	932	8.8	14.5	19.3	20.3	67.0%	49.0%	43.7%
Depreciation	68	150	195	322	2.3	5.0	5.8	7.0	120.8%	30.0%	65.3%
Total Costs	610	1,052	1,465	2,140	20.6	35.0	43.6	46.6	72.3%	39.3%	46.1%
Operating Income	-11	146	325	367	-0.4	4.8	9.7	8.0	n.m.	123.2%	13.0%
Net Loan Loss Provisions (LLP)	71	109	145	276	2.4	3.6	4.3	6.0	52.5%	33.6%	89.9%
Pre-Tax Profits	-82	37	179	91	-2.8	1.2	5.3	2.0	n.m.	389.1%	-49.4%
Taxes	-15	14	26	9	-0.5	0.5	0.8	0.2	n.m.	83.2%	-66.2%
Net Profit	-67	22	153	82	-2.3	0.7	4.6	1.8	n.m.	587.3%	-46.6%
RATIOS											
Net Interest Margin (NII/ATA)	5.89%	5.54%	4.11%	2.66%	5.89%	5.54%	4.11%	2.66%	-0.35%	-1.44%	-1.45%
Net Interest Income (% of Banking Revenue)	59.0%	54.4%	43.5%	28.9%	59.0%	54.4%	43.5%	28.9%	-4.6%	-10.9%	-14.6%
Fees (% of Banking Income)	20.2%	19.7%	19.1%	17.2%	20.2%	19.7%	19.1%	17.2%	-0.5%	-0.6%	-1.9%
Staff Costs (% of Total Costs)	46.2%	44.4%	42.4%	41.4%	46.2%	44.4%	42.4%	41.4%	-1.8%	-1.9%	-1.0%
Costs per Employee ('000)	868	1,068	977	1,109	29.2	35.6	29.1	24.2	23.1%	-8.5%	13.4%
Cost-to-Income (incl. Depreciation)	101.8%	87.8%	81.8%	85.4%	101.8%	87.8%	81.8%	85.4%	-13.9%	-6.0%	3.5%
Net LLP (% of Loans)	1.44%	1.32%	1.07%	1.54%	1.44%	1.32%	1.07%	1.54%	-0.12%	-0.25%	0.47%
Tax Rate	17.9%	39.3%	14.7%	9.9%	17.9%	39.3%	14.7%	9.9%	21.4%	-24.6%	-4.9%
ROE	-5.1%	1.6%	7.3%	3.3%	-5.1%	1.6%	7.3%	3.3%	6.7%	5.6%	-3.9%
ROA	-0.78%	0.15%	0.66%	0.26%	-0.78%	0.15%	0.66%	0.26%	0.9%	0.5%	-0.4%
Loans/Deposits	79.9%	71.1%	80.7%	72.5%	79.9%	71.1%	80.7%	72.5%	-8.8%	9.6%	-8.2%
Loans/Assets	57.2%	55.7%	59.1%	57.2%	57.2%	55.7%	59.1%	57.2%	-1.5%	3.4%	-1.9%
Deposits/Liabilities	84.4%	86.1%	80.5%	85.5%	84.4%	86.1%	80.5%	85.5%	1.7%	-5.6%	5.0%
Loans in Local Currency (% of Total)	94.1%	96.8%	88.7%	88.8%	94.1%	96.8%	88.7%	88.8%	2.8%	-8.1%	0.1%
Deposits in Local Currency (% of Total)	86.0%	86.4%	88.5%	82.3%	86.0%	86.4%	88.5%	82.3%	0.4%	2.1%	-6.2%
Loans per Branch ('000)	155,261	229,135	303,330	304,025	5,228	7,633	9,028	6,624	47.6%	32.4%	0.2%
Deposits per Branch ('000)	194,304	322,276	375,877	419,232	6,542	10,735	11,187	9,134	65.9%	16.6%	11.5%
Solvency Ratio	17.6%	13.5%	10.5%	9.9%	17.6%	13.5%	10.5%	9.9%	-4.1%	-3.0%	-0.5%
NPL Ratio	1.54%	3.28%	2.22%	2.27%	1.54%	3.28%	2.22%	2.27%	1.74%	-1.06%	0.06%
NPL Coverage	156.0%	82.6%	118.6%	122.6%	156.0%	82.6%	118.6%	122.6%	-73.4%	36.0%	4.0%
BS Provisions/Loans (gross)	2.41%	2.71%	2.63%	2.79%	2.41%	2.71%	2.63%	2.79%	0.31%	-0.08%	0.16%

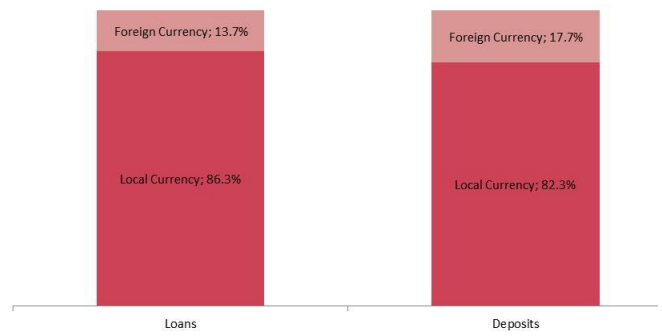
Source: Annual Reports and Eaglestone Securities.

BALANCE SHEET STRUCTURE - 2015



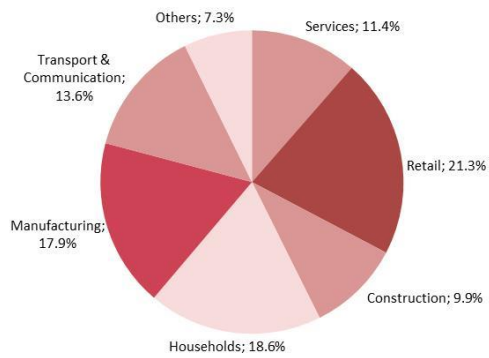
Sources: Annual Reports and Eaglestone Securities.

LOANS AND DEPOSITS BY CURRENCY - 2015



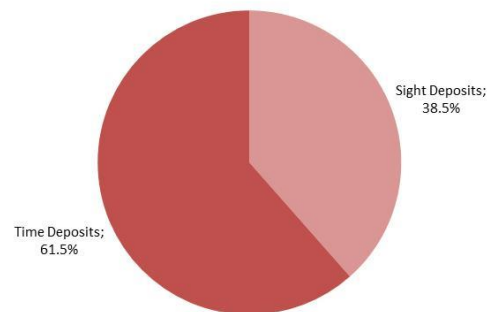
Sources: Annual Reports and Eaglestone Securities.

LOAN BREAKDOWN - 2015



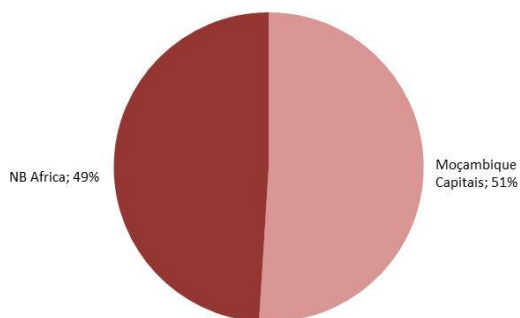
Sources: Annual Reports and Eaglestone Securities.

DEPOSIT BREAKDOWN - 2015



Sources: Annual Reports and Eaglestone Securities.

SHAREHOLDER STRUCTURE - 2015



Sources: Annual Reports and Eaglestone Securities.

BARCLAYS BANK MOZAMBIQUE

Barclays Bank Mozambique disclosed a net profit of MZM 308 million (US\$ 6.7 million) last year after reporting successive yearly losses since 2011. This turnaround in the bottom-line was mostly due to a significant improvement in banking income (50.5% YoY). Net interest income rose nearly 60% as a result of continued volume growth (loans up 15.5% YoY), higher interest rates in the latter stages of the year (the central bank raised its reference rate by 225bp in Q4) and the 96% increase in the bond portfolio of the bank. Fees, namely those related to credit and ATM, POS and card transactions, were up strong while other banking income (related to gains in FX transactions) also saw a healthy performance.

Total costs increased 40.1% YoY, but include “one offs” and restructuring costs related to the bank’s pension fund. Costs would be up 20% in the year if excluding this impact. Nevertheless, the cost-to-income ratio improved to 80.8% (vs. 86.8% in 2014) or 78.5% if excluding the “one offs” (from 98.3% in 2014).

Meanwhile, net loan loss provisions fell 22.1% YoY, despite the increase in the loan portfolio. Cost of risk stood at 162bps, which is lower than the 240bps recorded in 2014. This was due to the decline in non-performing loans (22.7% YoY) in the period, the implementation of new credit risk measures and the improvement in impairment calculations in corporate banking. All in all, the NPL ratio stood at 9.44%, which despite the decline from 13.93% in the previous year, still remains well above peers. Finally, the solvency ratio stood at a comfortable 24.7%.

Barclays saw a turnaround in profitability after recording yearly losses since 2011

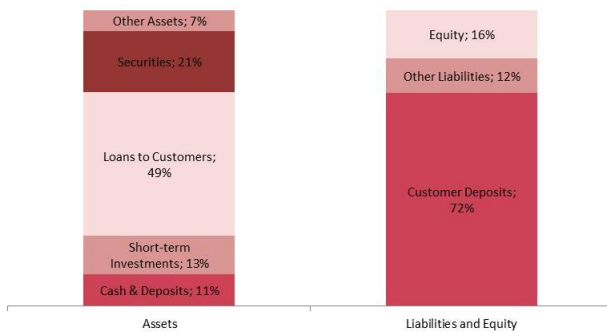
A strong performance in terms of revenues helped offset higher costs

Asset quality ratios improved, but remain well above peer average

BARCLAYS BANK MOZAMBIQUE	MZM Million				US\$ Million				% Change (MZM)		
	2012	2013	2014	2015	2012	2013	2014	2015	13/12	14/13	15/14
BALANCESHEET											
Net Assets	16,157	17,172	22,751	23,501	544	572	677	512	6.3%	32.5%	3.3%
Customer Loans (net)	6,471	7,909	9,878	11,413	218	263	294	249	22.2%	24.9%	15.5%
Local Currency Loans	6,056	7,029	8,679	9,839	204	234	258	214	16.1%	23.5%	13.4%
Loan Loss Provisions	716	731	783	744	24	24	23	16	2.1%	7.1%	-5.0%
Non-Performing Loans	971	1,154	1,485	1,148	33	38	44	25	18.9%	28.7%	-22.7%
Customer Deposits	11,025	11,974	14,041	16,953	371	399	418	369	8.6%	17.3%	20.7%
Local Currency Deposits	7,899	8,112	9,975	11,923	266	270	297	260	2.7%	23.0%	19.5%
Sight Deposits	4,637	4,726	6,612	8,582	156	157	197	187	1.9%	39.9%	29.8%
Equity	2,537	1,691	3,638	3,793	85	56	108	83	-33.3%	115.1%	4.2%
P&L ACCOUNT											
Net Interest Income	812	735	953	1,522	27.3	24.5	28.4	33.2	-9.5%	29.7%	59.7%
Fees & Commissions	379	441	393	488	12.8	14.7	11.7	10.6	16.3%	-10.8%	24.3%
Other Banking Income	104	19	377	582	3.5	0.6	11.2	12.7	-81.7%	1885.0%	54.3%
Banking Income	1,295	1,194	1,723	2,592	43.6	39.8	51.3	56.5	-7.8%	44.3%	50.5%
Staff Costs	658	857	691	1,229	22.2	28.5	20.6	26.8	30.2%	-19.3%	77.8%
Other Costs	597	558	613	657	20.1	18.6	18.2	14.3	-6.5%	9.8%	7.3%
Depreciation	216	185	192	209	7.3	6.2	5.7	4.6	-14.4%	3.9%	8.9%
Total Costs	1,470	1,599	1,496	2,095	49.5	53.3	44.5	45.7	8.8%	-6.5%	40.1%
Operating Income	-176	-405	227	497	-5.9	-13.5	6.8	10.8	130.4%	n.m.	n.m.
Net Loan Loss Provisions (LLP)	476	162	237	185	16.0	5.4	7.1	4.0	-66.0%	46.4%	-22.1%
Other	-80	-36	-6	-4	-2.7	-1.2	-0.2	-0.1	-55.0%	-82.1%	-34.4%
Pre-Tax Profits	-732	-603	-17	308	-24.7	-20.1	-0.5	6.7	-17.6%	-97.2%	n.m.
Taxes	0	0	0	0	0.0	0.0	0.0	0.0	n.m.	n.m.	n.m.
Net Profit	-732	-603	-17	308	-24.7	-20.1	-0.5	6.7	-17.6%	-97.2%	n.m.
RATIOS											
Net Interest Margin (NII/ATA)	5.48%	4.41%	4.77%	6.58%	5.48%	4.41%	4.77%	6.58%	-1.07%	0.37%	1.81%
Net Interest Income (% of Banking Revenue)	62.7%	61.5%	55.3%	58.7%	62.7%	61.5%	55.3%	58.7%	-1.2%	-6.2%	3.4%
Fees (% of Banking Income)	29.3%	36.9%	22.8%	18.8%	29.3%	36.9%	22.8%	18.8%	7.6%	-14.1%	-4.0%
Staff Costs (% of Total Costs)	44.7%	53.6%	46.2%	58.6%	44.7%	53.6%	46.2%	58.6%	8.8%	-7.4%	12.4%
Costs per Employee ('000)	1,080	990	740	1,475	36.4	33.0	22.0	32.1	-8.3%	-25.3%	99.4%
Cost-to-Income (incl. Depreciation)	113.6%	133.9%	86.8%	80.8%	113.6%	133.9%	86.8%	80.8%	20.3%	-47.1%	-6.0%
Net LLP (% of Loans)	7.36%	2.05%	2.40%	1.62%	7.36%	2.05%	2.40%	1.62%	-5.31%	0.35%	-0.78%
Tax Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ROE	-28.9%	-35.7%	-0.5%	8.1%	-28.9%	-35.7%	-0.5%	8.1%	-6.8%	35.2%	8.6%
ROA	-4.53%	-3.51%	-0.07%	1.31%	-4.53%	-3.51%	-0.07%	1.31%	1.0%	3.4%	1.4%
Loans/Deposits	58.7%	66.1%	70.3%	67.3%	58.7%	66.1%	70.3%	67.3%	7.4%	4.3%	-3.0%
Loans/Assets	40.1%	46.1%	43.4%	48.6%	40.1%	46.1%	43.4%	48.6%	6.0%	-2.6%	5.1%
Deposits/Liabilities	80.9%	77.3%	73.5%	86.0%	80.9%	77.3%	73.5%	86.0%	-3.6%	-3.9%	12.6%
Loans in Local Currency (% of Total)	84.3%	81.4%	81.4%	80.9%	84.3%	81.4%	81.4%	80.9%	-2.9%	0.1%	-0.5%
Deposits in Local Currency (% of Total)	71.6%	67.8%	71.0%	70.3%	71.6%	67.8%	71.0%	70.3%	-3.9%	3.3%	-0.7%
Loans per Branch ('000)	140,679	171,944	210,167	223,784	4,737	5,728	6,255	4,875	22.2%	22.2%	6.5%
Deposits per Branch ('000)	239,669	260,303	298,754	332,412	8,070	8,671	8,892	7,242	8.6%	14.8%	11.3%
Solvency Ratio	30.5%	8.2%	27.4%	24.7%	30.5%	8.2%	27.4%	24.7%	-22.3%	19.1%	-2.6%
NPL Ratio	13.51%	13.36%	13.93%	9.44%	13.51%	13.36%	13.93%	9.44%	-0.15%	0.57%	-4.48%
NPL Coverage	73.8%	63.4%	52.8%	64.8%	73.8%	63.4%	52.8%	64.8%	-10.4%	-10.6%	12.0%
BS Provisions/Loans (gross)	9.96%	8.46%	7.35%	6.12%	9.96%	8.46%	7.35%	6.12%	-1.50%	-1.11%	-1.23%

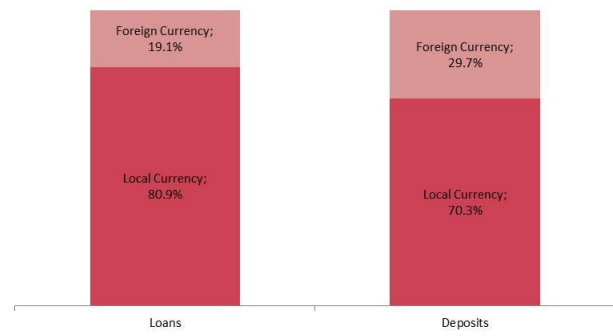
Source: Annual Reports and Eaglestone Securities.

BALANCE SHEET STRUCTURE - 2015



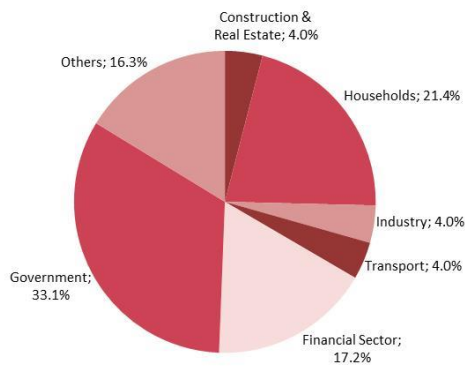
Sources: Annual Reports and Eaglestone Securities.

LOANS AND DEPOSITS BY CURRENCY - 2015



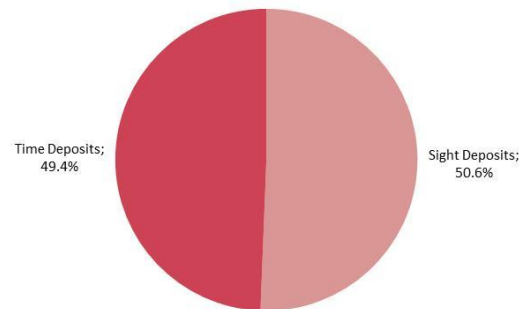
Sources: Annual Reports and Eaglestone Securities.

LOAN BREAKDOWN - 2015



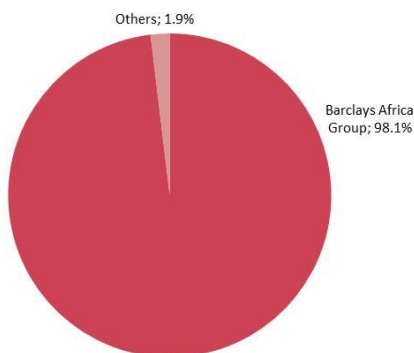
Sources: Annual Reports and Eaglestone Securities.

DEPOSIT BREAKDOWN - 2015



Sources: Annual Reports and Eaglestone Securities.

SHAREHOLDER STRUCTURE - 2015



Sources: Annual Reports and Eaglestone Securities.

BANCO ÚNICO

Banco Único reached a net profit of MZM 117 million (US\$ 2.5 million) in 2015, a significant improvement from the MZM 20 million recorded in the preceding year. The surge in bottom-line was mostly due to the 38.5% YoY growth in revenues, which clearly outpaced the 14.3% increase in costs. This allowed the cost-to-income (including depreciation) ratio to significantly improve to 64.5% from 78.2% in 2014.

On the revenue front, the 39% yearly advance in net interest income and the 15% rise in fees reflected the persistently strong volume growth recorded again in 2015 while the near 60% YoY increase in other banking income came on the back of higher trading gains. On the other hand, the higher costs of the bank reflect the expansion of its branch network, with one more branch added to the 17 existing branches at the end of 2014 while the hiring of 54 employees in 2015 took the total number of staff to 444 at the end of last year.

Below the operating income line, loan loss provisions rose 90.9% YoY after the strong increase in the loan portfolio. As a result, cost of risk stood at 340bps (vs. 217bps in 2014). Moreover, the NPL ratio increased from 1.78% to 3.33% in 2015 while NPL coverage stood at 136% (vs. 176% in 2014).

Finally, Banco Único reported a solvency ratio of 16.4%, which is well above the 10% rate of the previous year.

Banco Único recorded a significant improvement in net profit that came mostly from a much stronger revenue performance

Revenues saw a much higher contribution from other banking income, namely trading gains

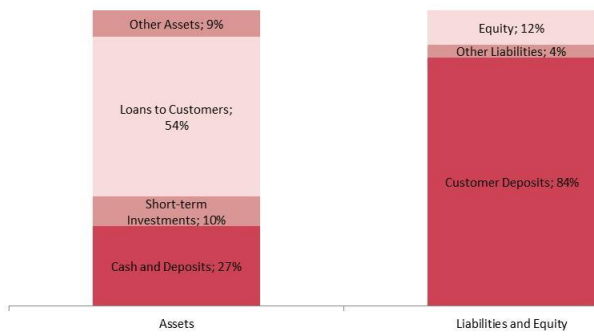
Loan loss provisions nearly doubled and reflected the continued increase in volumes

The solvency ratio improved to 16.4%

BANCO ÚNICO Year	MZM Million				US\$ Million				% Change (MZM)			
	2012	2013	2014	2015	2012	2013	2014	2015	13/12	14/13	15/14	
BALANCESHEET												
Net Assets	6,879	8,958	12,584	16,998	231.6	298.4	374.5	370.3	30.2%	40.5%	35.1%	
Customer Loans (net)	3,011	5,398	7,564	9,185	101.4	179.8	225.1	200.1	79.3%	40.1%	21.4%	
Local Currency Loans	2,493	4,512	6,567	8,118	83.9	150.3	195.4	176.9	81.0%	45.6%	23.6%	
Loan Loss Provisions	61	129	245	435	2.1	4.3	7.3	9.5	110.5%	89.2%	77.7%	
Non-Performing Loans	4	76	139	320	0.2	2.5	4.1	7.0	1610.5%	82.5%	130.2%	
Customer Deposits	5,543	7,368	10,385	14,302	186.6	245.4	309.1	311.6	32.9%	40.9%	37.7%	
Local Currency Deposits	3,547	5,482	7,809	9,705	119.4	182.6	232.4	211.4	54.6%	42.4%	24.3%	
Sight Deposits	2,635	3,832	6,208	8,257	88.7	127.7	184.7	179.9	45.4%	62.0%	33.0%	
Equity	1,034	936	1,205	1,986	34.8	31.2	35.9	43.3	-9.5%	28.8%	64.8%	
P&L ACCOUNT												
Net Interest Income	57	382	611	850	1.9	12.7	18.2	18.5	571.6%	60.0%	39.0%	
Fees & Commissions	60	108	189	218	2.0	3.6	5.6	4.8	79.3%	75.8%	15.1%	
Other Banking Income	131	141	195	312	4.4	4.7	5.8	6.8	8.2%	38.3%	59.8%	
Banking Income	248	631	996	1,380	8.3	21.0	29.6	30.1	155.0%	57.8%	38.5%	
Staff Costs	324	364	443	558	10.9	12.1	13.2	12.2	12.3%	21.5%	26.1%	
Other Costs	137	186	207	257	4.6	6.2	6.2	5.6	35.4%	11.5%	24.0%	
Depreciation	115	135	129	74	3.9	4.5	3.8	1.6	17.2%	-5.0%	-42.1%	
Total Costs	577	685	779	890	19.4	22.8	23.2	19.4	18.7%	13.6%	14.3%	
Operating Income	-330	-54	218	490	-11.1	-1.8	6.5	10.7	-83.6%	n.m.	125.2%	
Net Loan Loss Provisions (LLP)	58	68	164	313	2.0	2.3	4.9	6.8	16.6%	141.1%	90.9%	
Other	-27	-20	-20	-24	-0.9	-0.7	-0.6	-0.5	-26.0%	0.5%	21.5%	
Pre-Tax Profits	-142	-142	34	153	-14.0	-4.7	1.0	3.3	-65.8%	n.m.	351.9%	
Taxes	-134	-41	14	36	-4.5	-1.4	0.4	0.8	-69.3%	n.m.	155.9%	
Net Profit	-280	-101	20	117	-9.4	-3.4	0.6	2.5	-64.0%	n.m.	493.8%	
RATIOS												
Net Interest Margin (NII/ATA)	1.25%	4.83%	5.68%	5.74%	1.25%	4.83%	5.68%	5.74%	3.58%	0.85%	0.07%	
Net Interest Income (% of Banking Revenue)	23.0%	60.5%	61.4%	61.6%	23.0%	60.5%	61.4%	61.6%	37.6%	0.8%	0.2%	
Fees (% of Banking Income)	24.3%	17.1%	19.0%	15.8%	24.3%	17.1%	19.0%	15.8%	-7.2%	1.9%	-3.2%	
Staff Costs (% of Total Costs)	56.2%	53.1%	56.8%	62.7%	56.2%	53.1%	56.8%	62.7%	-3.1%	3.7%	5.9%	
Costs per Employee ('000)	1,308	1,091	1,135	1,257	44.0	36.3	33.8	27.4	-16.6%	4.1%	10.8%	
Cost-to-Income (incl. Depreciation)	233.1%	108.6%	78.2%	64.5%	233.1%	108.6%	78.2%	64.5%	-124.5%	-30.4%	-13.7%	
Net LLP (% of Loans)	1.94%	1.26%	2.17%	3.40%	1.94%	1.26%	2.17%	3.40%	-0.68%	0.91%	1.24%	
Tax Rate	32.4%	29.0%	42.0%	23.8%	32.4%	29.0%	42.0%	23.8%	-3.4%	13.0%	-18.2%	
ROE	-27.1%	-10.8%	1.6%	5.9%	-27.1%	-10.8%	1.6%	5.9%	16.3%	12.4%	4.3%	
ROA	-4.08%	-1.13%	0.16%	0.69%	-4.08%	-1.13%	0.16%	0.69%	2.9%	1.3%	0.5%	
Loans/Deposits	54.3%	73.3%	72.8%	64.2%	54.3%	73.3%	72.8%	64.2%	19.0%	-0.4%	-8.6%	
Loans/Assets	43.8%	60.3%	60.1%	54.0%	43.8%	60.3%	60.1%	54.0%	16.5%	-0.2%	-6.1%	
Deposits/Liabilities	94.8%	91.8%	91.3%	95.3%	94.8%	91.8%	91.3%	95.3%	-3.0%	-0.6%	4.0%	
Loans in Local Currency (% of Total)	82.8%	83.6%	86.8%	88.4%	82.8%	83.6%	86.8%	88.4%	0.8%	3.2%	1.6%	
Deposits in Local Currency (% of Total)	64.0%	74.4%	75.2%	67.9%	64.0%	74.4%	75.2%	67.9%	10.4%	0.8%	-7.3%	
Loans per Branch ('000)	231,580	337,401	444,916	510,284	7,797	11,239	13,242	11,117	45.7%	31.9%	14.7%	
Deposits per Branch ('000)	426,416	460,501	610,869	794,546	14,357	15,340	18,181	17,310	8.0%	32.7%	30.1%	
Solvency Ratio	17.2%	9.8%	10.0%	16.4%	17.2%	9.8%	10.0%	16.4%	-7.4%	0.2%	6.4%	
NPL Ratio	0.15%	1.38%	1.78%	3.33%	0.15%	1.38%	1.78%	3.33%	1.23%	0.40%	1.55%	
NPL Coverage	1379.4%	169.8%	175.9%	135.8%	1379.4%	169.8%	175.9%	135.8%	-1209.7%	6.2%	-40.1%	
BS Provisions/Loans (gross)	2.00%	2.34%	3.14%	4.52%	2.00%	2.34%	3.14%	4.52%	0.34%	0.79%	1.39%	

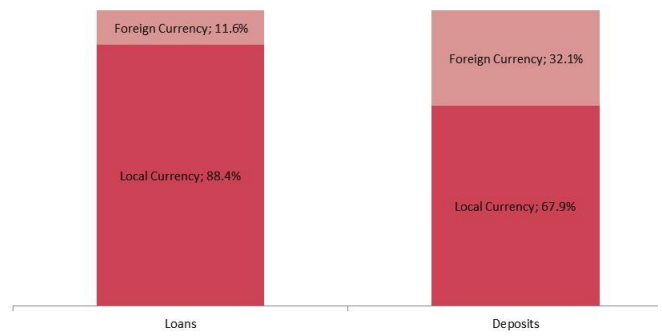
Source: Annual Reports and Eaglestone Securities.

BALANCE SHEET STRUCTURE - 2015



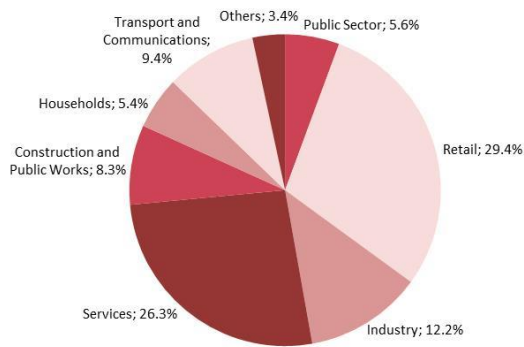
Sources: Annual Reports and Eaglestone Securities.

LOANS AND DEPOSITS BY CURRENCY - 2015



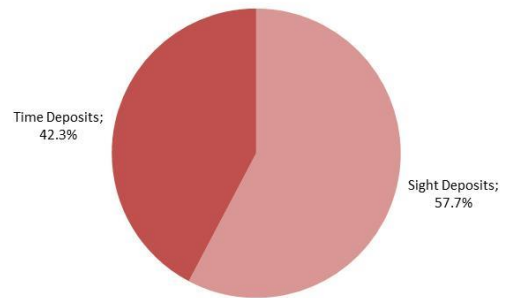
Sources: Annual Reports and Eaglestone Securities.

LOAN BREAKDOWN - 2015



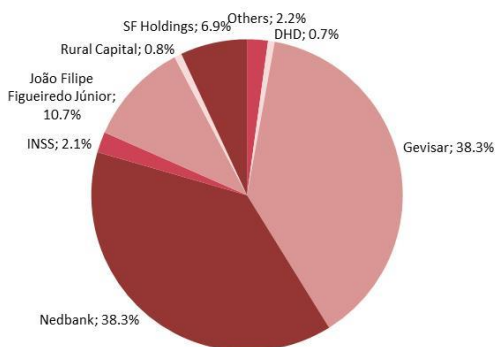
Sources: Annual Reports and Eaglestone Securities.

DEPOSIT BREAKDOWN - 2015



Sources: Annual Reports and Eaglestone Securities.

SHAREHOLDER STRUCTURE - 2015



Sources: Annual Reports and Eaglestone Securities.

ANNEX I – SIX MAJOR BANKS COMPARISON (TABLES)

SIX MAJOR BANKS - MAIN INDICATORS						
Year	2010	2011	2012	2013	2014	2015
Net Interest Margin (NII/ATA)						
Millennium bim	8.31%	9.93%	7.23%	6.28%	6.09%	5.48%
Banco Comercial e de Investimentos	4.87%	4.96%	3.92%	3.69%	4.02%	3.63%
Standard Bank Mozambique	5.27%	7.05%	6.09%	5.47%	5.51%	4.96%
MozaBanco	8.97%	7.32%	5.89%	5.54%	4.11%	2.66%
Barclays Bank Mozambique	8.02%	7.76%	5.48%	4.41%	4.77%	6.58%
Banco Único	0.21%	-1.06%	1.25%	4.83%	5.68%	5.74%
Net Interest Income (% of Banking Revenue)						
Millennium bim	59.6%	67.9%	61.4%	58.9%	61.0%	55.9%
Banco Comercial e de Investimentos	61.9%	60.8%	52.7%	52.9%	53.8%	48.0%
Standard Bank Mozambique	53.4%	61.7%	54.2%	51.6%	48.1%	39.5%
MozaBanco	58.8%	64.0%	59.0%	54.4%	43.5%	28.9%
Barclays Bank Mozambique	57.5%	71.1%	62.7%	61.5%	55.3%	58.7%
Banco Único	-13.8%	20.6%	23.0%	60.5%	61.4%	61.6%
Staff Costs (% of Total Costs)						
Millennium bim	45.6%	46.3%	47.9%	47.6%	47.1%	45.2%
Banco Comercial e de Investimentos	44.4%	45.2%	48.9%	49.8%	47.0%	50.8%
Standard Bank Mozambique	46.6%	53.1%	55.1%	58.4%	55.2%	55.5%
MozaBanco	51.2%	45.9%	46.2%	44.4%	42.4%	41.4%
Barclays Bank Mozambique	39.2%	39.7%	44.7%	53.6%	46.2%	58.6%
Banco Único	71.7%	71.2%	56.2%	53.1%	56.8%	62.7%
Costs per Employee ('000 MZM)						
Millennium bim	696	651	730	765	817	892
Banco Comercial e de Investimentos	643	665	714	802	808	883
Standard Bank Mozambique	941	1,167	1,276	1,398	1,490	1,732
MozaBanco	1,145	893	868	1,068	977	1,109
Barclays Bank Mozambique	891	1,029	1,080	990	740	1,475
Banco Único	334	1,675	1,308	1,091	1,135	1,257
Total Costs per Branch ('000 MZM)						
Millennium bim	23,594	22,695	23,159	23,830	24,772	27,455
Banco Comercial e de Investimentos	20,514	20,910	21,751	25,698	25,128	27,419
Standard Bank Mozambique	46,886	57,693	65,970	67,382	71,195	83,590
MozaBanco	48,477	23,196	19,077	29,217	32,548	36,278
Barclays Bank Mozambique	24,338	32,143	31,964	34,765	31,824	41,086
Banco Único	n.a.	65,183	44,401	42,840	45,797	49,439
Cost-to-Income (incl. Depreciation)						
Millennium bim	40.6%	36.4%	44.0%	43.6%	42.9%	42.1%
Banco Comercial e de Investimentos	60.5%	62.9%	62.9%	64.8%	62.2%	61.9%
Standard Bank Mozambique	59.1%	51.4%	51.8%	54.4%	54.6%	49.3%
MozaBanco	49.4%	88.4%	101.8%	87.8%	81.8%	85.4%
Barclays Bank Mozambique	91.1%	102.8%	113.6%	133.9%	86.8%	80.8%
Banco Único	n.m.	n.m.	233.1%	108.6%	78.2%	64.5%
Net LLP (% of Loans)						
Millennium bim	2.10%	2.24%	1.22%	0.93%	0.88%	1.65%
Banco Comercial e de Investimentos	0.48%	0.81%	0.18%	0.85%	1.30%	1.05%
Standard Bank Mozambique	0.16%	1.05%	2.18%	1.72%	0.84%	1.21%
MozaBanco	0.40%	0.27%	1.44%	1.32%	1.07%	1.54%
Barclays Bank Mozambique	1.51%	4.20%	7.36%	2.05%	2.40%	1.62%
Banco Único	n.a.	1.98%	1.94%	1.26%	2.17%	3.40%
Tax Rate						
Millennium bim	18.0%	17.6%	17.3%	17.4%	18.5%	19.3%
Banco Comercial e de Investimentos	17.0%	18.3%	15.1%	12.2%	25.2%	28.7%
Standard Bank Mozambique	31.0%	30.9%	29.3%	29.4%	29.4%	30.2%
MozaBanco	29.9%	22.4%	17.9%	39.3%	14.7%	9.9%
Barclays Bank Mozambique	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Banco Único	26.5%	31.9%	32.4%	29.0%	42.0%	23.8%
ROE						
Millennium bim	28.5%	33.2%	24.2%	22.3%	20.7%	18.3%
Banco Comercial e de Investimentos	26.1%	23.7%	24.5%	19.8%	17.6%	16.5%
Standard Bank Mozambique	27.6%	22.8%	20.5%	18.4%	19.8%	23.0%
MozaBanco	20.1%	2.5%	-5.1%	1.6%	7.3%	3.3%
Barclays Bank Mozambique	2.6%	-20.5%	-28.9%	-35.7%	-0.5%	8.1%
Banco Único	-61.0%	-62.5%	-27.1%	-10.8%	1.6%	5.9%
ROA						
Millennium bim	4.36%	5.93%	4.35%	3.94%	3.57%	3.10%
Banco Comercial e de Investimentos	1.95%	1.96%	1.90%	1.46%	1.32%	1.36%
Standard Bank Mozambique	2.47%	3.42%	2.94%	2.83%	3.20%	3.52%
MozaBanco	4.63%	0.73%	-0.78%	0.15%	0.66%	0.26%
Barclays Bank Mozambique	0.41%	-2.41%	-4.53%	-3.51%	-0.07%	1.31%
Banco Único	-39.29%	-16.04%	-4.08%	-1.13%	0.16%	0.69%

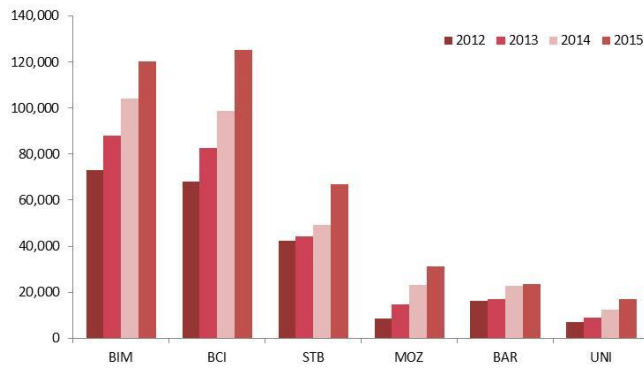
Source: Annual Reports and Eaglestone Securities.

SIX MAJOR BANKS - MAIN INDICATORS (CONT.)						
Year	2010	2011	2012	2013	2014	2015
Loans/Deposits						
Millennium bim	83.6%	75.4%	70.9%	74.2%	73.6%	74.4%
Banco Comercial e de Investimentos	88.8%	85.5%	73.4%	75.4%	80.0%	75.5%
Standard Bank Mozambique	42.0%	46.4%	42.5%	53.0%	59.6%	53.9%
MozaBanco	73.2%	82.1%	79.9%	71.1%	80.7%	72.5%
Barclays Bank Mozambique	69.2%	69.4%	58.7%	66.1%	70.3%	67.3%
Banco Único	n.a.	13.1%	54.3%	73.3%	72.8%	64.2%
Deposits/Liabilities						
Millennium bim	88.5%	88.9%	89.8%	89.2%	89.5%	89.2%
Banco Comercial e de Investimentos	77.8%	80.3%	79.7%	78.3%	79.8%	79.9%
Standard Bank Mozambique	92.0%	93.2%	96.7%	95.8%	92.9%	88.0%
MozaBanco	95.6%	94.2%	84.4%	86.1%	80.5%	85.5%
Barclays Bank Mozambique	74.1%	74.5%	80.9%	77.3%	73.5%	86.0%
Banco Único	n.a.	74.8%	94.8%	91.8%	91.3%	95.3%
Loans in Local Currency (% of Total)						
Millennium bim	76.2%	80.9%	74.8%	76.1%	79.0%	78.5%
Banco Comercial e de Investimentos	58.3%	63.8%	57.8%	57.6%	63.4%	65.0%
Standard Bank Mozambique	67.8%	69.2%	65.0%	63.4%	66.6%	64.9%
MozaBanco	84.9%	82.8%	94.1%	96.8%	88.7%	88.8%
Barclays Bank Mozambique	83.3%	84.0%	84.3%	81.4%	81.4%	80.9%
Banco Único	n.a.	51.6%	82.8%	83.6%	86.8%	88.4%
Deposits in Local Currency (% of Total)						
Millennium bim	67.2%	74.8%	73.9%	77.1%	79.1%	75.0%
Banco Comercial e de Investimentos	58.7%	72.7%	75.2%	77.5%	77.1%	75.2%
Standard Bank Mozambique	35.7%	48.7%	42.1%	47.6%	49.8%	45.0%
MozaBanco	65.7%	74.8%	86.0%	86.4%	88.5%	82.3%
Barclays Bank Mozambique	76.0%	85.9%	71.6%	67.8%	71.0%	70.3%
Banco Único	n.a.	84.2%	64.0%	74.4%	75.2%	67.9%
Loans per Branch ('000 MZM)						
Millennium bim	277,639	247,770	253,181	305,227	342,137	392,491
Banco Comercial e de Investimentos	317,199	266,625	287,531	340,266	347,709	363,257
Standard Bank Mozambique	314,469	375,166	439,188	511,382	558,809	624,959
MozaBanco	391,472	152,104	155,261	229,135	303,330	304,025
Barclays Bank Mozambique	95,817	133,796	140,679	171,944	210,167	223,784
Banco Único	n.a.	23,146	231,580	337,401	444,916	510,284
Deposits per Branch ('000 MZM)						
Millennium bim	332,284	328,456	357,074	411,298	464,721	527,838
Banco Comercial e de Investimentos	357,174	311,862	391,848	451,314	434,556	481,154
Standard Bank Mozambique	747,889	809,109	1,032,899	965,314	937,161	1,159,796
MozaBanco	535,159	185,239	194,304	322,276	375,877	419,232
Barclays Bank Mozambique	138,448	192,754	239,669	260,303	298,754	332,412
Banco Único	n.a.	176,706	426,416	460,501	610,869	794,546
Solvency Ratio						
Millennium bim	15.1%	17.9%	21.7%	21.4%	19.0%	19.8%
Banco Comercial e de Investimentos	12.3%	13.1%	10.9%	9.2%	8.6%	12.7%
Standard Bank Mozambique	10.8%	19.0%	17.7%	13.3%	9.7%	15.3%
MozaBanco	26.3%	35.5%	17.6%	13.5%	10.5%	9.9%
Barclays Bank Mozambique	17.1%	16.8%	30.5%	8.2%	27.4%	24.7%
Banco Único	13.8%	37.4%	17.2%	9.8%	10.0%	16.4%
NPL Ratio						
Millennium bim	1.11%	1.71%	2.12%	1.85%	2.47%	4.31%
Banco Comercial e de Investimentos	1.55%	1.13%	0.96%	0.97%	1.93%	0.99%
Standard Bank Mozambique	0.79%	0.94%	2.77%	2.61%	2.03%	1.63%
MozaBanco	3.69%	4.47%	1.54%	3.28%	2.22%	2.27%
Barclays Bank Mozambique	6.19%	13.99%	13.51%	13.36%	13.93%	9.44%
Banco Único	n.a.	0.00%	0.15%	1.38%	1.78%	3.33%
NPL Coverage						
Millennium bim	481.0%	414.0%	326.9%	315.7%	212.3%	137.5%
Banco Comercial e de Investimentos	140.7%	205.0%	198.3%	189.6%	122.7%	191.7%
Standard Bank Mozambique	57.6%	88.4%	75.0%	85.8%	88.8%	125.5%
MozaBanco	104.0%	61.1%	156.0%	82.6%	118.6%	122.6%
Barclays Bank Mozambique	54.1%	36.1%	73.8%	63.4%	52.8%	64.8%
Banco Único	n.a.	n.a.	1379.4%	169.8%	175.9%	135.8%
BS Provisions/Loans (gross)						
Millennium bim	5.36%	7.08%	6.93%	5.83%	5.23%	5.92%
Banco Comercial e de Investimentos	2.17%	2.32%	1.90%	1.84%	2.37%	1.89%
Standard Bank Mozambique	0.45%	0.83%	2.08%	2.24%	1.80%	2.05%
MozaBanco	3.84%	2.73%	2.41%	2.71%	2.63%	2.79%
Barclays Bank Mozambique	3.35%	5.05%	9.96%	8.46%	7.35%	6.12%
Banco Único	n.a.	1.94%	2.00%	2.34%	3.14%	4.52%

Source: Annual Reports and Eaglestone Securities.

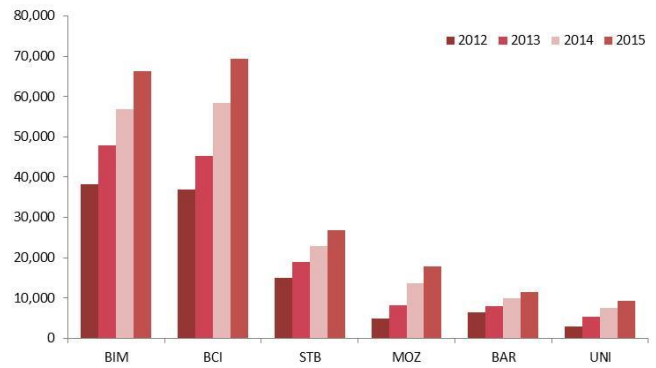
ANNEX II – SIX MAJOR BANKS COMPARISON (GRAPHS)

ASSETS (MZM MILLION)



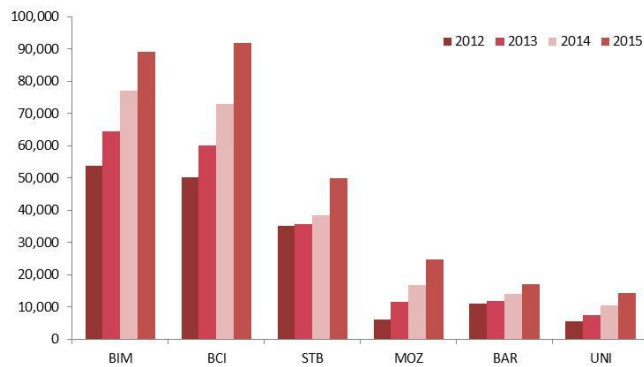
Sources: Annual Reports and Eaglestone Securities.

NET LOANS (MZM MILLION)



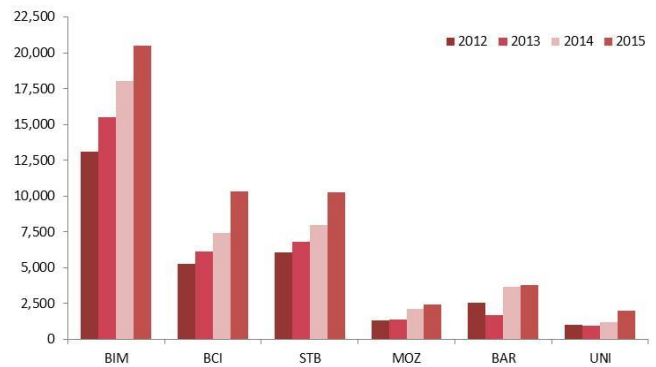
Sources: Annual Reports and Eaglestone Securities.

DEPOSITS (MZM MILLION)



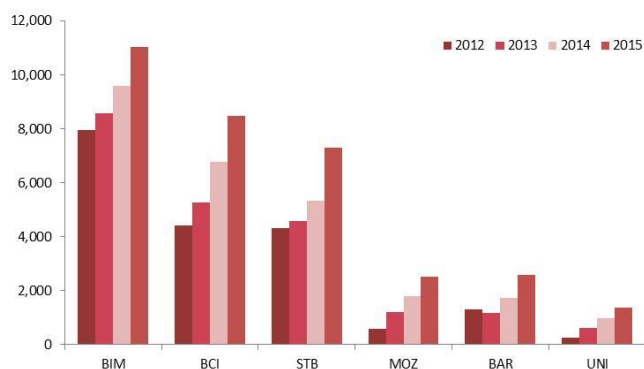
Sources: Annual Reports and Eaglestone Securities.

EQUITY (MZM MILLION)



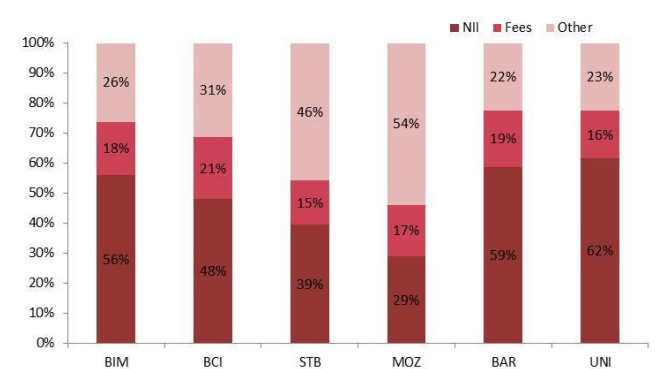
Sources: Annual Reports and Eaglestone Securities.

REVENUES (MZM MILLION)



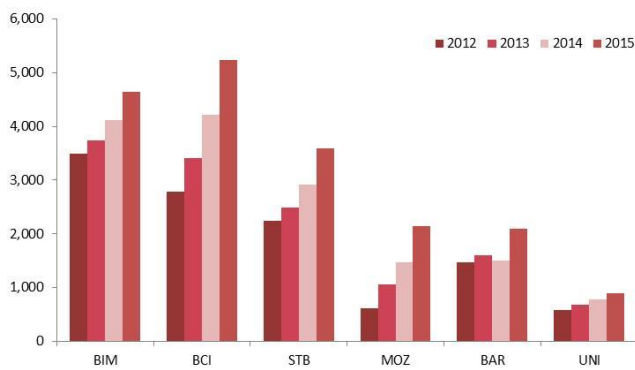
Sources: Annual Reports and Eaglestone Securities.

REVENUE BREAKDOWN - 2015



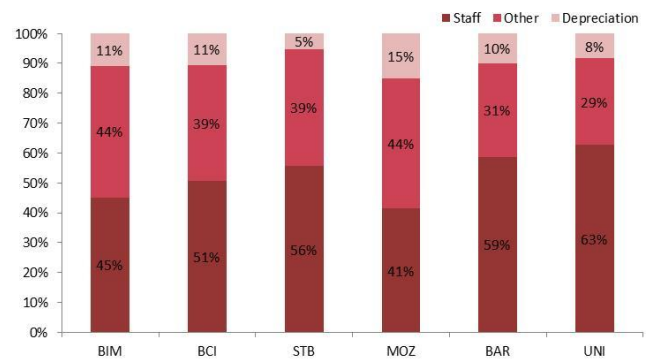
Sources: Annual Reports and Eaglestone Securities.

COSTS (MZM MILLION)



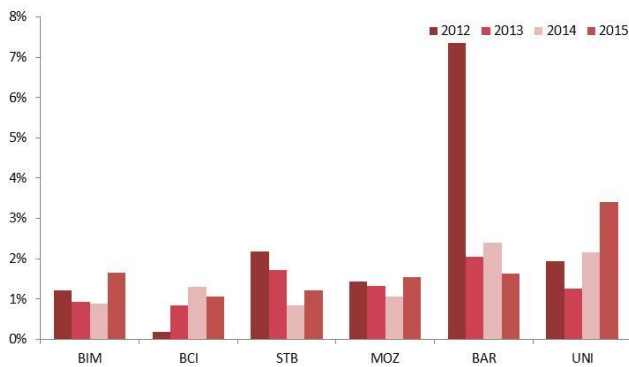
Sources: Annual Reports and Eaglestone Securities.

COST BREAKDOWN - 2015



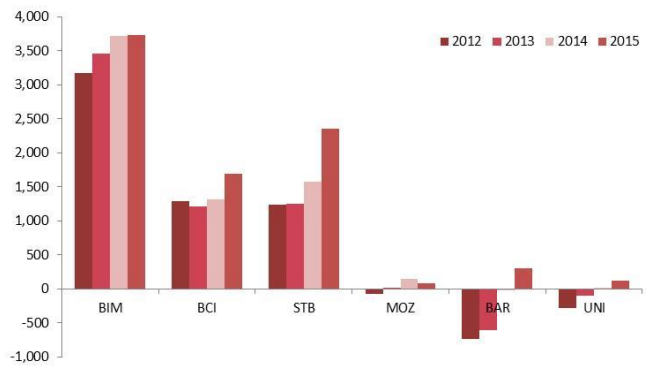
Sources: Annual Reports and Eaglestone Securities.

COST OF RISK (NET LOAN LOSS PROVISIONS / LOANS)



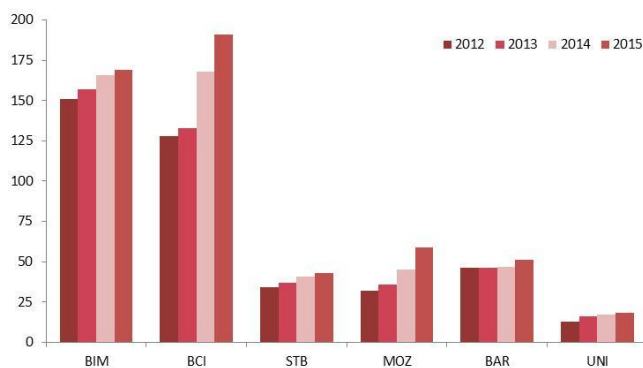
Sources: Annual Reports and Eaglestone Securities.

NET PROFIT (MZM MILLION)



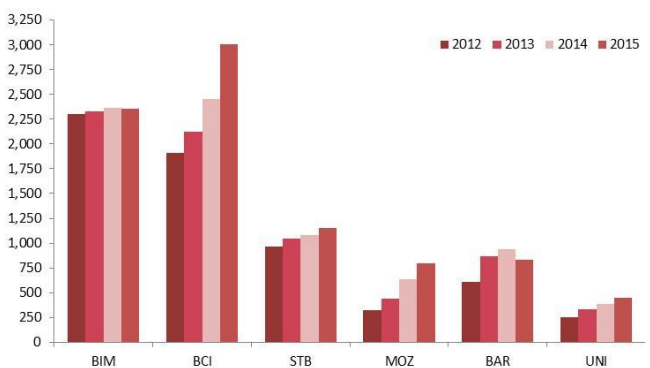
Sources: Annual Reports and Eaglestone Securities.

NUMBER OF BRANCHES



Sources: Annual Reports and Eaglestone Securities.

NUMBER OF EMPLOYEES



Sources: Annual Reports and Eaglestone Securities.

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Disclosures

Eaglestone was founded in December 2011 with the aim to be a committed partner for the development of businesses located primarily in Sub-Saharan Africa and to support the development of renewable energy projects on a global basis.

The company has three business activities - financial advisory services, asset management and brokerage - and currently has offices in Amsterdam, Cape Town London, Lisbon, Luanda and Maputo

Eaglestone is committed to operating and behaving according to the highest standards of corporate governance. Its subsidiary in the United Kingdom is authorized and regulated by the Financial Conduct Authority.

Eaglestone operates with a clear vision and mission to act on behalf of and in the best interests of all its stakeholders, whether they are investors, employees or users of its services.

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