27 August 2015

Atlas Mara Limited 1st Half Results – Six Months Ended 30 June 2015

Atlas Mara Limited ("Atlas Mara" or the "Company" and, including its subsidiaries, the "Group"), the sub-Saharan African financial services group, today releases unaudited results for the six months ended 30 June 2015.

Key financial highlights during the period

- Reported profit after tax for the first half of 2015 was $4.1 million versus a loss of $3.2 million reported for the prior year period on a pro forma H1 2014 basis and a loss of $63.1 million for the full year 2014.
- Net interest income expanded by 8.5% versus the prior period on a constant currency basis on the back of costs of funding improvements in all of the Southern countries.
- Strong growth in non-interest income reported during the period of 8.6% on a constant currency basis due to more favourable currency trading conditions, as well as growth in fee and commissions income.
- Union Bank of Nigeria Plc ("UBN") has continued to demonstrate ongoing operational improvements and contributed $10.5 million of attributable net income to Atlas Mara's results, an increase of 6.2% versus the prior year period excluding the impact of the weakened Naira against the US Dollar.
- Reported loans and advances were $1.17 billion, an increase of 8.9% from December 2014 on a constant currency basis, reflecting the current emphasis on credit origination improvement processes.
- Significant asset recoveries of $9.6 million reported for the period emanating from an intense focus on collections activities.
- Reported deposits were $1.46 billion, an increase of 10.8% from December 2014, on a constant currency basis, following efforts to mobilise deposits across the group.
- Reported equity at period end was $639.4 million, a decline from December 2014 of $43 million, largely due to $40.3 million of foreign exchange translation losses driven by the strength of the US Dollar versus African currencies, particularly with regard to our assets in Nigeria, Botswana and Zambia. Implied book value per share at 30 June 2015 was $9.13.

Key operational highlights during the period

- Atlas Mara has been implementing a comprehensive program to strengthen its subsidiaries' end-to-end credit process, which will benefit the group meaningfully going forward in terms of profitable loan book growth. Recent asset recoveries and reducing NPL ratios are evidence of the early successes of this program.
- Atlas Mara has continued its efforts to accelerate the recovery of non-performing loans. A 40-person, Special Operations Unit has been established. During the first half of the year, combined collections amounted to $15.3 million.

- The Company has continued to focus on centralizing and standardizing processes across the Group in an effort aimed at reducing back office resources, improving front office focus, and reducing costs.
- Atlas Mara's BancABC subsidiary has, during the course of the past several months, developed and/or launched various digital channels, including a mobile wallet, mobile banking, internet banking, Visa services, and enhanced ATM services. A significantly improved online banking offering is currently being tested and will be made available to all customers across the network during Q3 2015.
- Atlas Mara's BancABC subsidiary has signed an agreement with the Tanzanian postal agency to set up agency banking in all of their post offices across the country, thus potentially increasing the BancABC Tanzania footprint from 4 branches to 199 outlets.
- Negotiations to conclude the acquisition of a substantial stake in Banque Populaire du Rwanda ("BPR") are ongoing. Consistent with its strategy, the Company continues to evaluate further acquisitions to expand and/or deepen the Company's presence.

Key events since period end

- Atlas Mara continues to attract high calibre talent to drive the strategy of the organization. The Company is pleased to announce several senior hires, including Michael Christelis, who has joined as Head of Treasury and Markets as of August 1st, having been at Barclays Africa for the previous seven years where he headed the Rest of Africa Trading and Markets desk, Eric Odhiambo, who will be joining Atlas Mara in early Q4 as Chief Risk Officer, having served in several senior risk management positions at Citibank across Africa and other emerging markets, including, most recently, as Chief Risk Officer for Turkey and "non-presence" CIS, and Dr. Mabouba Diagne who has joined BancABC as Head of Corporate and Investment Banking as of July 1st, having been Regional Managing Director of Corporate Coverage for Southern Africa (ex SA) for Barclays Africa, thereby further enhancing management depth.
- On 30 July 2015, Atlas Mara announced that it had completed the sale of its approximately 10% stake in Brainworks, the Zimbabwe-focused private equity and advisory firm, further streamlining the group structure and facilitating the repurchase of 664,300 Atlas Mara shares.
- On 6 August 2015, the Board of Directors of the Overseas Private Investment Corporation ("OPIC"), the U.S. development finance institution ("DFI"), approved a $200 million facility for the following countries where Atlas Mara operates: Zambia, Botswana and Mozambique. This facility will enable BancABC to scale up lending to small and medium size enterprises ("SMEs"), increase financial inclusion, launch enhanced mobile banking efforts, as well as, importantly, support potential acquisitions. This financing is a major milestone in the execution of our DFI engagement strategy and efforts to reduce the cost of funding across our operations.
- Today, BancABC and Atlas Mara announced the launch of a brand endorsement strategy across BancABC wherein "part of Atlas Mara" with the Atlas Mara logo in combination with a refreshed BancABC logo, will now appear on all BancABC communications; from billboard signage to cheque books. Such branch endorsement is further tangible evidence of the commitment of Atlas Mara to execute on its strategy of becoming sub-Sahara's premier financial institution, in

building brand equity and expressly supporting the subsidiaries' operations in the local countries of operations.

Commenting on these results, John Vitalo, Atlas Mara's Chief Executive Officer, said: "During the first six months of 2015, the management and employees across the group have been intensely focused on delivering improved performance. As the results demonstrate, our efforts are starting to pay off. There is still significant work to do and the operating environment in several countries of operation remains challenging, but I am very encouraged by our progress to date.

"We are pleased with the trajectory and importantly the leverage that we are building into the platform, particularly in terms of the capacity and competency of our staff and the stability and scalability of our platform. We expect to see continued improvements in our performance during the course of the remainder of 2015."

H1 Results Review - Investor Conference Call

Atlas Mara's senior management will today be holding a conference call for investors at 8am EST / 1pm BST. There will be a presentation available in the Investor Relations section of the Company's website, http://atlasmara.com.

Dial-in details are as follows:
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About Atlas Mara

Atlas Mara was formed by Bob Diamond, CEO and Founder of Atlas Merchant Capital LLC and Ashish J. Thakkar, Founder of Mara Group Holdings Limited. Atlas Mara's vision is to create sub-Saharan Africa's premier financial services institution through a combination of its experience, expertise and access to capital, liquidity and funding. The goals are to combine the best of global institutional knowledge with extensive local insights and to support economic growth and financial inclusion in the countries in which the Company operates.

Atlas Mara Limited Consolidated Summary Statement of Comprehensive Income	**Reviewed Reported**	**Pro-Forma H1 2014**	**Reviewed H1 2014**
	30.06.15 $'m	**30.06.14 $'m**	**30.06.14 $'m**
Net interest income	49.4	47.4	-
Non-interest revenue	49.4	49.1	-
Total income	**98.8**	**96.5**	**-**
Impairments	(6.1)	(17.2)	-
Net income from associates	10.5	11.8	-
Total operating income	**103.2**	**91.1**	**-**
Operating expenses	(94.0)	(89.8)	(17.3)
Profit/(loss) before taxation	**9.2**	**1.3**	**(17.3)**
Taxation	(5.8)	(4.9)	-
Profit/(loss) after taxation	**3.4**	**(3.6)**	**(17.3)**
Non-controlling interests	0.7	0.4	-
Profit/(loss) attributable to ordinary shareholders	**4.1**	**(3.2)**	**(17.3)**
Performance measures			
Net interest margin	3.9%	3.9%	n.a.
Credit loss ratio	1.0%	2.9%	n.a.
Non-performing loan ratio	10.7%	13.7%	n.a.
Provision coverage ratio	45.0%	33.6%	n.a.
Loan to deposit ratio	80.2%	81.3%	n.a.
Book value per share	9.13	9.73[1]	n.a.

[1] Based on December 2014 reported financials, as opposed to pro forma

Atlas Mara Limited Consolidated Summary Statement of Financial Position	Reviewed Reported 30.06.15 $'m	Audited Reported 31.12.14 $'m	Reviewed Reported 30.06.14 $'m
Assets			
Cash and short term funds	374.1	409.8	305.7
Trading and other financial assets	247.5	302.6	-
Loans and advances	1 173.9	1 218.0	-
Other Intangible assets and goodwill	155.2	180.8	-
Investments in associates	384.5	375.1	-
Other assets	171.4	135.1	4.9
Total assets	**2 506.6**	**2 621.4**	**310.6**
Liabilities and Equity	**2 506.6**	**2 621.4**	**310.6**
Deposits	1 462.9	1 531.0	-
Borrowed funds	284.7	300.0	-
Disposal groups held for sale	-	1.3	-
Derivative liabilities	5.6	6.3	-
Other liabilities	114.0	100.4	12.7
Total liabilities	**1 867.2**	**1 939.0**	**12.7**
Founder Preference Shares	12.5	12.5	12.5
Shareholders' Equity	772.2	772.2	312.8
Reserves	(138.4)	(96.8)	(27.4)
Non-controlling interest	(6.9)	(5.5)	-
Total equity	**639.4**	**682.4**	**297.9**

Letter from the Chief Executive Officer

Overview

Atlas Mara's Board of Directors and Management remain focused on the execution of the Company's mission to build sub-Saharan Africa's premier financial institution. It has been an eventful first half of the year at Atlas Mara, and, although we have more work to do, the progress to date is encouraging.

As our CFO, Arina McDonald, will discuss in more detail below, we reported net income of $4.1 million, a meaningful improvement on the reported loss from 2014, which was, for us, a foundational year. We are pleased with the trajectory, and importantly, the leverage that we are building into our platform particularly in terms of capacity, competency of our staff, stability of our client base and scaleability of the platform.

Strategic Update

The Board and Management have spent considerable time codifying the culture and values of the organization, honing our strategy (particularly in terms of our geographic footprint and client focus), refining our target operating model (the organizational structure required to manage our increasingly diverse operations), calibrating the sequencing of our main efforts, and further refining the key performance indicators against which we will measure our delivery and success.

These efforts have re-affirmed the thesis that has existed since the time of Atlas Mara's founding: the prospects for the growth of financial services in sub-Saharan Africa remain robust and there is scope for a newly-established financial institution with access to capital, liquidity and funding to rapidly build scale, attract talent, earn attractive returns and make a positive impact in the communities in which it operates.

Our detailed analysis indicates that less than 15 countries account for approximately 90% of banking revenues in sub-Saharan Africa. Furthermore, with increasing regional integration, a bank's geographic footprint is less critical than its ability to offer the right products and services to its customers. In addition to seeking scale in our existing countries of operation, we expect to be present in 10-15 markets, in total, in the medium-term. In terms of client segmentation, we have identified meaningful under-banked markets in retail and corporate banking across our identified target geographies and the products and services roadmap required to compete effectively in our chosen segments.

In terms of our target operating model, we believe in a "strong country, strong center" approach whereby the center provides significant strategic and functional leadership oversight and country leadership is empowered to adapt and execute the agreed strategy on the ground. The key to making this model work is having the right people in the right places. From my perspective, we have assembled a senior team of high calibre individuals that compares favorably not only with the leadership of other African banks, but the leadership of other multi-national financial institutions.

Macroeconomic Perspectives

Atlas Mara has operations and/or investments in seven sub-Saharan African countries. As has been communicated in the past, several of these are among the fastest growing countries in the world. We believe in the benefits of our regional and trade bloc diversification. In large part, this is because, while some markets continue to thrive (such as Mozambique and Rwanda), others will face challenges (currently the case in Zimbabwe). Furthermore, we have experienced a period of continued US Dollar

("USD") strength and African currency weakness leading to various negative foreign exchange translation effects. A brief review of our markets is provided below[2]:

Southern:

The economy in Botswana is expected to grow by about 4.2% in real terms in 2015. A low level of inflation persists, remaining in the Central Bank's 3-6% range. Due to the low inflationary environment, in February, the Bank of Botswana ("BoB") reduced its policy rate by 100bps to 6.5%. The BoB is likely to pursue an accommodative monetary policy stance to support economic growth. The Pula has weakened by about 12.8% against the USD, and given the environment of low interest rates, this has put pressure on margins.

Mozambican economic performance has been robust on the back of strong investment, particularly in the gas sector. While softening commodity prices pose a downside risk, real GDP growth in 2015 is expected to reach 6.5%. The Metical has depreciated significantly against the dollar (year-to-date ("YTD") almost -23.7%) owing to large import requirements and start-up costs for investment in the gas sector. Foreign exchange reserves have been trending downwards, having fallen from $3.1 billion in December 2014 to $2.7 billion in May 2015.

Economic growth in Zambia is expected to continue at approximately 6% in real terms. The mining sector, which accounts for roughly 75% of the country's exports, is expecting a noticeable increase in output as several dormant mining projects go live. During the first half of the year, the government reversed its decision to increase mining sector royalties, which may provide a degree of relief to the mining firms in the wake of depressed copper prices. The Bank of Zambia has left the policy rate unchanged at 12.5%. It, however, increased statutory reserves from 14% to 18% in April of this year in an attempt to address Kwacha volatility, in turn significantly increasing domestic interest rates.

Zimbabwe's economic challenges have intensified over the past two years and the slowdown in economic activity is expected to continue throughout 2015. The appreciation of the USD (Zimbabwe adopted a multi-currency regime in 2009 with the USD being the predominant currency) against regional currencies has contributed to the erosion of the country's export competitiveness. The government has intensified efforts to tackle the country's economic challenges. Among other efforts, the government has put measures in place to address financial sector vulnerability and restore confidence through the establishment of the Zimbabwe Asset Management Corporation ("ZAMCO"), created to acquire non-performing loans, the resuscitation of the interbank market, and the phasing out of the Zimbabwean currency. While 2015 will continue to be a challenging year, we remain hopeful with respect to Zimbabwe's longer term prospects.

East:

The Rwandan economy is expected to grow at a real rate of 7.4% this year – one of the highest growth rates in sub-Saharan Africa (and the world) – with inflation expected to fall in line with the Central Bank's 5% target. The Rwandan Franc, like many other emerging market currencies, has faced downward pressure against the strengthening USD. Funding is a key area of focus as Rwanda continues to grow and there is a significant opportunity for the ongoing evolution of the banking sector to accelerate the growth of domestic savings and finance development.

[2] Real GDP forecasts are sourced from the African Economic Outlook.org (AEO), a collaboration between the African Development Bank, the OECD Development Centre and the United Nations Development Program.

In Tanzania, economic growth is projected to remain strong at around 7%, in real terms -- a level significantly higher than the sub-Saharan average GDP growth of 4.3%. Inflation has gradually increased, reaching 6.1% in June, which surpassed the government's target of 5%. The rise has largely been caused by increasing food prices. Gold – Tanzania's leading export earner, contributing close to 30% of export earnings – has been negatively affected by low international commodity prices. The Tanzanian Shilling has suffered the same fate as many emerging market currencies of late, having weakened by about 23% YTD against the USD. The Central Bank intervened in May by increasing the statutory reserves from 8% to 10% in an attempt to support the Shilling. The exchange rate is likely to remain under pressure as we approach the October presidential elections.

West:

Due to exchange rate volatility and depressed oil prices, Nigeria's real GDP growth estimates for 2015 have continued to be revised downwards and are now at 5%. While the success of the All Progressive's Congress in the presidential elections represented a historic, peaceful, transition of power and enhanced confidence in Nigeria's prospects, the insurgency in the Northeast and other parts of the country, the decline in oil prices and the pace of staffing of the new administration have put significant pressure on the Naira. We continue to monitor the impact on the banking sector of these variables closely.

Execution

In our 2014 Annual Report, we highlighted the components of our "Buy, Protect, and Grow" business model. This provides a useful framework for highlighting the strides that we have made so far in 2015.

Buy:

In 2014 we made four acquisitions. We have since announced that we are in negotiations with respect to a fifth – the acquisition of a substantial stake in Banque Populaire du Rwanda ("BPR"). BPR is Rwanda's second largest bank, which we expect to merge with our existing Rwandan asset, the commercial arm of the Development Bank of Rwanda ("BRD"), in order to have an approximately 75% stake in the combined entity.

This transaction is consistent with our strategy of being a scale player in the markets in which we operate. While there will be significant work to be undertaken to integrate these entities, we remain excited by the prospects of both the Rwandan market, as well as Rwanda's role as a financial services hub in the East Africa Community.

Our evaluation of further acquisitions, both in our existing markets, as well as new geographies, remains ongoing. We will keep the market apprised of developments as appropriate.

Protect:

A core component of our business model is ensuring that, before we seek to accelerate the growth of our banks, they are fully-prepared - we are focused on *sustainable* growth, not just growth for growth's sake.

Within the Southern and East regions, key accomplishments during the first six months of 2015 have included:

- Implementing a series of measures aimed at strengthening the end-to-end credit process, which will benefit the group meaningfully going forward in terms of profitable loan book growth;

- Continuing aggressive efforts to accelerate the recovery of non-performing loans: a 40-person, Special Operations Unit has been established. The team has made solid progress on both corporate and retail collections and, during the first half of the year, combined collections amounted to $15.3 million. In addition, we have implemented a revised set of incentives to correctly align to the performance of these units;
- Centralizing and standardizing processes throughout BancABC in an effort aimed at reducing back office resources, improving front office focus and reducing costs;
- Developing and/or launching BancABC's digital channels, including a mobile wallet, mobile banking, internet banking, Visa services, and enhanced ATM services;
- Enhancing the core IT infrastructure to improve the reliability and availability of our banking operations - achieving 99.7% availability across the BancABC network;
- Commencing the installation of an "enterprise layer", which will enable seamless integration of new and existing IT platforms and applications across the organization and will significantly reduce the time to market of new products and/or IT systems; and,
- Enhancing management depth by attracting talent across the organisation.

Grow:

While our current emphasis remains on the "Protect" phase, there are a number of growth-related initiatives that we have launched, which provide insights into the "direction of travel" across the organization. Selected projects include:

- Executing on a series of identified cross-selling opportunities across the corporate bank to improve relationship manager productivity and drive revenue through enhanced capabilities and tools;
- Implementing governance and IT control improvements to prevent and eliminate pricing leakage across both retail and corporate banking;
- Training over 60 personnel in new corporate sales force effectiveness tools and capabilities and Retail cross-sell techniques and tools in order to increase relationship manager productivity;
- Launching of a mobile banking platform in conjunction with the launch of the Atlas Mara brand endorsement strategy across all of the South and East markets. This is the first application implemented in BancABC that will be "STP" (straight through processing), setting the foundation for all future and existing digital channels to be fully integrated and automated; and
- Signing an agreement with the Tanzanian postal agency to set up agency banking in all of their post offices across the country, thus potentially increasing the BancABC Tanzania footprint from 4 branches to 199 outlets.

We look forward to keeping you apprised of these and related projects, especially those that we view to be "positively disruptive" in the markets in which we operate.

Talent

In order to build sub-Saharan Africa's premier financial institution, we need to have the right people in the right seats. Attracting talent continues to be a priority for the company and we have nearly completed the hiring of key functional roles at the group level. Among the significant hires we have made recently, we are pleased to announce that Michael Christelis has joined us as Head of Treasury and Markets as of August 1st, having been at Barclays Africa for the previous seven years where he headed the Rest of Africa Trading and Markets desk, and that Eric Odhiambo will be joining Atlas Mara in early Q4 as Chief Risk Officer, having served in several senior risk management positions at Citibank across Africa and other emerging markets, including, most recently, as Chief Risk Officer for Turkey and "non-presence" CIS. Additionally, Dr. Mabouba Diagne has joined BancABC as Head of Corporate and Investment Banking as of July 1st having been Regional Managing Director of Corporate Coverage for Southern Africa (ex SA) for Barclays Africa.

We are delighted by the calibre of people that we continue to attract to Atlas Mara. Further announcements regarding senior hires will be announced in due course.

Financing

Unifying all three elements of our "Buy, Protect, Grow" model is financing. The following initiative is particularly notable:

$200 million OPIC Funding:

As was announced on 6 August 2015, the Board of Directors of the U.S. development finance institution ("DFI"), the Overseas Private Investment Corporation ("OPIC"), has approved $200m in funding for the following Atlas Mara countries: Zambia, Botswana and Mozambique. This funding will enable BancABC to scale up lending to SMEs, increase financial inclusion, launch enhanced mobile banking efforts, as well as, importantly, support potential acquisitions. This financing is a major milestone in the execution of our DFI engagement strategy and efforts to reduce the cost of funding across our operations.

Branding

We recognize the brand equity that all of our banks possess in the markets in which they operate. We have also noted the value of the Atlas Mara brand in enhancing the perception of the strength and standing of our local operations. To this end, and consistent with our stated objective to combine the best of local and global capabilities, we have today launched a brand endorsement strategy across BancABC wherein "part of Atlas Mara" with the Atlas Mara logo combined with a refreshed BancABC logo will now appear on all BancABC communications, from billboard signage to cheque books. A similar endorsement strategy will be considered in connection with our Rwandan operations following the consummation of the merger of BPR and BRD Commercial.

Outlook

We expect the latter half of the year to show improvement over the first half of the year. Our medium-term strategic, operational and financial targets communicated in connection with our 2014 financial results remain unchanged.

We are confident that the demonstrated execution of our strategy will, in time, be reflected in our share price, but share the frustration of our investors with respect to recent share price performance. The Board and Management remain focused on addressing investor concerns, enhancing communication and doing what we can to encourage more liquidity in our stock.

The progress that we have seen to-date in 2015 would not have been possible without the commitment and dedication of our investors, customers, the Co-Founders, Atlas Mara Board, Management and employees and support from the regulators in the countries in which we operate.

We are working tirelessly to deliver to our stated objectives. We welcome your continued engagement.

John F. Vitalo
Chief Executive Officer

Chief Financial Officer's Review of Financial Performance

Overview

During the first half of 2015, we remained focused on execution and the results are indicative of the Company's mission being made across the Group. The consolidated reported profit after tax and minorities for the period ending June 2015 was $4.1 million. This compares favourably with the pro forma losses of $3.2 million and $47.8 million for the first six months of 2014 and full year 2014, respectively, with progress being made at both the income and impairment lines.[3]

From an income perspective, net interest income expanded by 8.5% versus the prior period on a constant currency basis resulting from improvements in the costs of funding across all of our operating markets, except for Rwanda, which saw a minimal change, as well as the recognition of asset recoveries previously written off in full, in line with IFRS9 principles. The net interest margin improved by 7 bps to 3.94% from June 2014 and by 60 bps from December 2014 levels, notwithstanding negative endowment impacts, particularly in Botswana, where prime interest bank rates reduced by 100 bps in February (and a further 50 bps in August), as well as an increase in the prudential liquidity requirements in both Nigeria and Zambia, increasing the balance of non-earning assets in the current reporting period. Additionally, growth in non-interest income reported during the period was 8.6% on a constant currency basis due mostly to favourable currency trading conditions. With more focus being placed on driving transactional business, fee and commissions income is expected to increase in H2 2015 (H1 2015: $27.5m – flat on prior year, on a constant currency basis).

Atlas Mara reported a total non-performing loan (NPLs) ratio of 10.7%, a meaningful decline from the 13.4% level reported at December 2014. The coverage ratio increased to 45.0% at 30 June 2015 from 32.4% at 31 December 2014. Management considers this coverage to be sufficient to address the credit risks inherent in the asset book of $1.174 million (an increase of 8.9% from pro forma H1 2014 on a constant currency basis). The improvement in asset quality is indicative of the Group's emphasis on credit origination processes.

Significant asset recoveries of $9.6 million were reported during the period evidencing the intense focus on collections activities, with a healthy pipeline of further recoveries expected in the second half of 2015. The credit loss ratio of 1% booked for H1 2015 is lower than the 2.9% for the comparative 2014 period, on a pro forma basis, partially due to the offset of fair value adjustments in line with IFRS3. This ratio is expected to normalize over time, in-line with selected peers.

Total operating costs of $94.0 million in H1 2015 compares to $89.9 million for the comparative pro forma period in 2014. Included in the 2015 costs, however, are M&A-related transaction expenses of $5.4 million (H1 2014: $13.6 million) and investment spend of approximately $7.9 million supporting various IT projects (upgrading the core banking system in the Southern region and delivering on mobile banking initiatives (successfully launched) and an internet banking roll-out (currently in the test phase)), launching the Atlas Mara brand endorsement campaign at BancABC, and investing in credit

[3] Pro forma results reflect the inclusion of the establishing acquisitions made during 2014, the first full financial year of Atlas Mara, as if they had been consummated on 1 January 2014.

systems and portfolio credit scoring models, as well as other revenue-focused initiatives that will have longer-term benefits.

The Group recorded total deposits at 30 June 2015 of $1.46 billion, representing growth of 10.8% versus 30 June 2014 on a constant currency basis. Increased deposits have led to a reduction in the costs of funds across the Southern region. Mobilizing deposit gathering across the Group remains a key focus.

Reported equity at period end was $639.4 million, a decline from December 2014 of $43 million, largely due to $40.3 million of foreign exchange translation losses driven by the strength of the US Dollar versus African currencies. The Group's operations and/or investments in Botswana, Nigeria and Zambia contributed 67% of the foreign exchange losses reported while the other four African countries' local currencies contributed 33% of the decline. Book value per share at 30 June 2015 was $9.13.

Income Statement Review

Net Interest Income

H1 2015:	$49.4 million
Pro Forma H1 2014:	$47.4 million

Net interest income reflects a positive trend with a reported net interest margin of 3.94% on total assets at 30 June 2015 versus 3.34% reported at December 2014 on a pro forma basis. Liquidity pressures during the first half of 2015 in some of the African countries in which the Group operates resulted in subsidiaries sourcing the majority of their funding from interbank lines and more expensive wholesale lenders, negatively impacting the costs of funding, especially in Q1 2015. Some of that pressure was relieved during Q2, particularly in Botswana, but Tanzania, Mozambique and Rwanda continued to experience local currency liquidity pressures. The capping of interest rates and fees by selected local regulators also affected the competitive landscape. Key remediating actions to address such market liquidity challenges are being taken across the Group and include a focus on accessing cheaper sources of liabilities, specifically retail deposits, and longer tenor, lower cost, DFI loan facilities. Net interest income constituted 50% of total income for the Group for both the H1 2015 reported results and H1 2014 pro forma results.

Operating Expenses

H1 2015:	$94.0 million
Pro Forma H1 2014:	$89.8 million

Included in the H1 2015 total operating expenditure, is Atlas Mara's corporate center costs totaling $16.2 million. This amount includes $3.7 million of share-based payment awards that is required to be fair valued through the income statement. No such costs were reported in the pro forma H1 2014 results.

Total M&A-related transaction expenses of $5.4 million in the current period relate to various ongoing acquisition and funding initiatives. These expenses are consistent with Atlas Mara's acquisition-driven growth strategy, but are expected to decrease significantly over time. There is a further $1.8 million of costs associated with the ADC African Development Corporation AG ("ADC") group of entities and the finalization of the buy-out of ABC Holdings Limited ("ABCH") minorities (effective July 2015), together with costs relating to simplifying the ADC corporate structure.

Staff costs amounted to $34.4 million for the period and represented 37% of total expenditures for the Group on an as reported basis, in line with the pro forma H1 2014 ratio. Included in the 2015 staff costs growth of 22.7% on a constant currency basis are various one-off recruitment and award-related expenses, as well as costs incurred in the right-sizing of ABCH.

Specific technology investment and business improvement expenditures of $7.9 million referenced above are further cost items expensed in H1 2015, but which will benefit the Group over the long-term.

Excluding M&A-related transaction expenses and one-off costs incurred during the period under review, as well as consolidation entries, the reported H1 2015 results would reflect a cost-to-income ratio of 79.8% versus the reported ratio of 95.2%. A more detailed analysis of the total cost base is as follows:

USD'm	1H15	1H14 PF
Staff costs	27.2	27.2
Operating expenses	40.8	43.4
Atlas Mara Corporate Center (staff costs and operating expenses) (1)	10.8	3.7
Sub-total	**78.8**	**74.3**
Cost to income ratio	*79.8%*	*77.0%*
M&A transaction expenses (staff costs and operating expenses)	5.4	13.6
One-off costs and consolidation entries	9.8	1.9
Atlas Mara Consolidated Reported Cost Base	**94.0**	**89.8**
Cost to income ratio	*95.2%*	*93.0%*

(1) Includes $3.7m of share based payments (share buyouts for senior hires)

Income from Associates

H1 2015: $10.5 million
Pro Forma H1 2014: $11.8 million

Income from associates represents the equity accounted earnings of the 31.1% stake held both directly and indirectly in UBN, based on their published 30 June 2015 results. The impact of the depreciating Naira and declining oil and other commodity prices represent key focus areas for UBN's management and are being monitored and managed closely. Upon accounting for UBN's results into Atlas Mara, the translation of Naira into US Dollar for reporting purposes resulted in a foreign exchange translation loss which was accounted for directly against equity, namely a charge of approximately $14 million.

Credit Impairments

H1 2015: $6.1 million
Pro Forma H1 2014: $17.2 million

The H1 2015 credit impairment charge was $6.1 million, driven largely by persistent challenging macroeconomic conditions in Zimbabwe, but represents a marked improvement on the comparative pro forma H1 2014 position. The establishment of the Special Operations Unit to manage the restructuring, resolution and recovery of NPLs have started to yield positive results and further recoveries are expected during the latter half of 2015. Additional impairments recognized during the period were partly offset by fair value adjustments on non-performing loan provisions as part of post-acquisition closing adjustments in line with IFRS3 on ABCH (of $8.1 million in total).

The Group expects credit quality ratios to continue to improve during 2015, as enhancements to credit origination and monitoring processes are put in place. The arrears book is already showing declines in both volume and value.

Balance Sheet Review

Total Assets:	$2,507 million
Customer Loans:	$1,174 million
Total Deposits:	$1,463 million

Customer loans and advances contributed approximately 47% of the total asset base, with cash, short term funds and marketable securities representing approximately 15%. Investments held in government securities constitute 8% of the total asset base. The investment in associate (UBN) represents 15% of the current asset base, and, post the business combinations concluded during 2014 and the subsequent valuation of purchased assets in line with IFRS 3, goodwill and intangible assets represent 6% of the Group's asset base. Property and fixed assets /other assets make up the remaining 9%.

Credit Quality

In management's view, the customer loan book is adequately provided for, as reflected in the H1 2015 provision adequacy ratio of 45% (FY 2014: 32.4%). NPLs as a percentage of the loan book of 10.7% are above market averages and management's medium-term guidance, but have been steadily improving from December 2014 levels. The Special Operations Unit, mentioned above, was largely responsible for the positive downward trend in the cost of credit debited against the income statement. The Group remains focused on the legacy non-performing loan book going forward.

Capital position

As at 30 June 2015, all of Atlas Mara's regulated operating banks complied with local minimum capital requirements.

Goodwill and Intangibles

Post the acquisitions made during 2014, and in compliance with IFRS3: Business Combinations rules, the balance sheet reflects a goodwill asset of $91.5 million and an intangible asset of $63.7 million. The fair value of said acquisition was reassessed during H1 2015, resulting in the recognition of an additional $18.5 million of goodwill. The intangible assets are amortized over a 10-year useful life, in accordance with IFRS. Combined, these assets represent 6% of the Group's asset base, resulting in a tangible book value of $7.00 per share.

Investment in Associate: UBN

The investment in UBN is equity accounted for on the balance sheet as an Investment in Associate, with a closing balance of $384.5 million. This value is based on the published June 2015 half-year UBN results. Atlas Mara holds, both directly and indirectly, an effective 31.1% shareholding in UBN.

Liabilities

Deposits due to Customers:	$1,463 million
Borrowed funds:	$284.7 million

Assets are funded mainly through corporate depositors, government-backed institutions and interbank funding lines (82% of total deposit base). The retail liability base of 18% of total deposits represents an improvement from 13% as at pro forma H1 2014 and is indicative of efforts to diversify the funding mix so as to support healthier margins in the longer term. The renewed focus on attracting retail deposits is coupled with an emphasis on accessing lower cost DFI funding through strong partnerships, such as the recently announced partnership with OPIC.

Segment Information

The segmental results and balance sheet information are representative of Atlas Mara's management of its underlying operations and consistent with the Group's emphasis on alignment of its operations with sub-Saharan Africa's key trading blocs. The business is managed on a geographic basis with an increased focus on underlying business line performance going forward.

The seven countries of operation and investment are allocated as follows:

Southern Africa

Southern Africa includes the operations of BancABC, excluding Tanzania, i.e. Botswana, Mozambique, Zambia and Zimbabwe, as well as BancABC's holding company, ABC Holdings Limited, incorporated in Botswana, and various affiliated non-bank group entities. The financial performance of the Southern region in H1 2015 was supported, among other factors, by asset recoveries emanating from continued management efforts, particularly the increased focus on non-performing loans and the establishment of new collections activities.

In Botswana, due to the low inflationary environment, in February, the BoB reduced its policy rate by 100bps to 6.5%, resulting in a negative endowment impact in banking revenue across the industry. The negative endowment impact experienced by BancABC Botswana was partly offset by a meaningful reduction in the cost of funding as liquidity pressures eased in the market during the second quarter. Customer volume growth resulted in balance sheet growth since December 2014 of greater than 10%, mainly driven by consumer lending which, specifically in Botswana, which has a good track record in this asset class of quality assets with low impairments. Increased revenues from commissions on insurance underwriting further contributed to the positive half-on-half performance at BancABC Botswana.

As mentioned above, the Mozambican Metical has depreciated significantly against the US Dollar (YTD by almost -23.7%) owing to large import requirements and start-up costs for investments in the gas sector. This resulted in a volatile currency environment during H1 2015, with banks, including BancABC Mozambique, capitalising on trading opportunities from the volatile foreign exchange market. The cost of funds at BancABC Mozambique declined by 130 bps from 2014 highs, positively contributing to net interest income. This was offset by unexpected impairment charges on the retail portfolio following some employment losses in the mining sector, which are being actively managed. The delayed approval of the government budget, and thus subsequent government spending, has affected the level of economic activity, adversely impacting BancABC Mozambique's non-funded fee income, with transactional volumes on both guarantees and transfers decreasing.

The Bank of Zambia has left the policy rate unchanged at 12.5%. However, it increased statutory reserves from 14% to 18% in April of this year in an attempt to address Kwacha volatility. This, in turn, significantly increased domestic interest rates. Furthermore, Zambia's recent credit rating downgrade has resulted in a sharp increase in Treasury bill rates, negatively impacting the Zambian banking sector. Given shortages of local currency in the market, it has also become more challenging and costly to manage short term mismatches on the balance sheet. However, despite these challenges, BancABC Zambia has managed to maintain a largely unchanged cost of funds during the period. Non-interest revenue at BancABC Zambia was largely driven by consumer loan origination. No movements on single name non-performing loans were reported during the period. The depreciating currency had an adverse impact on BancABC Zambia's USD-denominated expenses.

Zimbabwe's economic challenges continue to put negative pressure on business performance and the slowdown in economic activity is expected to continue throughout 2015. BancABC Zimbabwe's results were negatively impacted by liquidity challenges that continue to worsen, exacerbated by persistent trade deficits. Reducing BancABC Zimbabwe's cost of funding remains a key focus and will be achieved through an intense focus on deposit mobilisation. A decrease in BancABC Zimbabwe's loan book had a corresponding impact on interest income as the bank focused on a low-risk lending strategy in a competitive market in a challenging business environment. The positive impact of the Special Operations Unit, tasked with the restructuring, resolution and recovery of non-performing loans, was evident in various asset recoveries at BancABC Zimbabwe during H1 2015 and is expected to continue to positively impact results. Furthermore, various cost reduction and optimization initiatives have been put in place by management to weather the current challenging market conditions.

East Africa

East Africa consists of BRD Commercial Bank and BancABC Tanzania. Our Rwandan business has been profitable in 2015. The balance sheet is liquid, presenting the opportunity to capitalize on several identified opportunities. The cost base is largely reflective of a start-up business, including with respect to integration expenditures incurred in preparation for the pending combination with BPR.

In Tanzania, newly introduced regulations by the Central Bank on minimum liquidity requirements had a detrimental effect on market liquidity. The banking industry has experienced an increase in deposit rates which are expected to continue during the lead up to the release of the 2015/16 Annual National Budget and the October general elections. Notwithstanding relatively high costs of funding, BancABC Tanzania reported a significant increase in interest income and a 260bps increase in the reported net margin, driven largely by increases in payroll deduction lending marketed through an agency network. Following the de-risking of the loan book and newly embarked upon business strategy, no significant impairments have been raised during H1 2015 and the new management team remains focused on ensuring the growth of a quality asset book. BancABC Tanzania is expected to contribute positively to the Group's earnings in the near future.

West Africa

West Africa represents the investment made in UBN, adjusted for attributable equity earnings. Our investment in UBN is continuing to perform in line with expectations and, following UBN's reported

H1 2015 results on the Nigeria Stock Exchange on 30 July 2015, Atlas Mara has reflected its associate income of $10.5 million in its H1 2015 results (H1 2014 pro forma: $11.8 million). The depreciating Naira had around 17% negative impact on associate earnings (in USD terms) recognized for the period.

UBN continues to deliver results from its transformation program and, among the group's achievements, was the successful upgrade of its centralized core banking system. The bank's focus on identified retail and business banking segments has intensified, with management focused on a liquidity-led strategy to reduce the bank's cost of funding and increase its deposit base.

The downwards pressure from various macro-and global economic pressures has not visibly impacted many Nigerian banks' performance reported during H1 2015. UBN's impairments are in line with expectations and considered adequate for the risks inherent in the loan assets on the balance sheet. UBN management and, by way of our three seats on the Board of Directors, Atlas Mara are monitoring the implications of the recent oil price declines and currency weakness on the credit portfolio and capital position very closely. We see positive growth potential for UBN irrespective of challenges in the macroeconomic environment.

Other

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

The corporate center of Atlas Mara, depicted in the table below, reflects a net loss of $11.9 million for H1 2015. The increase in the cost base against the comparable period is reflective of the current "protect" phase of the business model and related investments to ensure sustainable growth and the implementation of a best in class banking Infrastructure.

Included in the column "M&A, ADC and Consol" below are M&A-related expenses incurred in connection with Atlas Mara's acquisition-driven strategy. It is anticipated that these will continue to reduce over time.

Segmental results for H1 2015 are presented below:

		BANKING OPERATIONS			**OTHER**	
Atlas Mara Limited Segmental Financial Statements	**Audited Reported**	**West**	**East**	**Southern**	**Atlas Mara Corporate Center**	**M&A, ADC, Consol**
	30.06.15	**30.06.15**	**30.06.15**	**30.06.15**	**30.06.15**	**30.06.15**
	$'m	**$'m**	**$'m**	**$'m**	**$'m**	**$'m**
Net interest income	49.4	-	6.3	48.8	(0.1)	(5.6)
Non-interest revenue	49.4	-	0.4	42.6	(1.0)	7.4
Total income	**98.8**	**-**	**6.7**	**91.4**	**(1.1)**	**1.8**
Impairments	(6.1)	-	0.2	(6.3)	-	
Net income from associates	10.5	10.5	-	-	-	
Total operating income	**103.2**	**10.5**	**6.9**	**85.1**	**(1.1)**	**1.8**

Operating expenses	(88.6)	-	(9.3)	(64.1)	(10.8)	(4.4)
Transaction and integration expenses	(5.4)	-	-	-		(5.4)
Profit/(loss) before taxation	**9.2**	**10.5**	**(2.4)**	**21.0**	**(11.9)**	**(8.0)**
Taxation	(5.8)	-	(0.3)	(5.3)		(0.2)
Profit/(loss) after taxation	**3.4**	**10.5**	**(2.7)**	**15.7**	**(11.9)**	**(8.2)**
Ordinary shareholders	4.1	10.5	(2.1)	15.7	(11.9)	(8.1)
Non-controlling interests	(0.7)	-	(0.6)	-		(0.1)

		BANKING OPERATIONS			**OTHER**	
Atlas Mara Limited Segmental Financial Statements	**Audited Reported**	**West**	**East**	**Southern**	**Atlas Mara Corporate Center**	**M&A, ADC, Consol**
	30.06.15	**30.06.15**	**30.06.15**	**30.06.15**	**30.06.15**	**30.06.15**
	$'m	**$'m**	**$'m**	**$'m**	**$'m**	**$'m**
Assets	**2 506.6**	**12.2**	**246.4**	**1 698.3**	**710.5**	**(160.8)**
Cash and short term funds	374.1	-	56.0	300.9	8.5	8.7
Trading and other financial assets	247.5	-	45.3	181.9	30.7	(10.4)
Loans and advances	1 173.9	-	125.1	1 059.1	0	(10.3)
Intangible assets and goodwill	155.2	-	0.8	8.1	541.4	(395.1)
Investment in associates	384.5	12.2	0.2	2.1	0	370.0
Other assets	171.4	-	19.0	146.2	129.9	(123.7)
Liabilities	**1 867.2**	**-**	**212.3**	**1 628.1**	**42.0**	**(15.2)**
Deposits	1 462.9	-	183.7	1 279.2		-
Borrowed funds	284.7	-	16.5	285.4	20.1	(37.3)
Disposal groups held for sale	-	-	-	-	-	-
Derivative liabilities	5.6	-	2.5	3.1	-	-
Other liabilities	114.0	-	9.6	60.4	21.9	22.1
Total equity	**639.4**	**12.2**	**34.1**	**70.2**	**668.5**	**(145.6)**
Performance measures						
Net interest margin	3.9%	-	5.1%	6.1%	-	-
NII as % of total income	50.0%	-	94.3%	56.8%	-	-
Credit loss ratio	1.0%	-	0.3%	1.2%	-	-
Loan to deposit ratio	80.2%	-	68.1%	82.8%	-	-
Provision coverage ratio	45.0%	-	55.1%	43.1%	-	-
Impairment as % of gross loans and advances	4.8%	-	8.8%	4.3%	-	-

Full year December 2014 segmental results are presented below:

Atlas Mara Limited Segmental Financial Statements	Pro Forma	BANKING OPERATIONS West	BANKING OPERATIONS East	BANKING OPERATIONS Southern	OTHER Atlas Mara Corporate Center	OTHER M&A, ADC, Consol
	31.12.14	**31.12.14**	**31.12.14**	**31.12.14**	**31.12.14**	**31.12.14**
	$'m	**$'m**	**$'m**	**$'m**	**$'m**	**$’m**
Net interest income	87.9	-	3.2	96.6		(11.9)
Non-interest revenue	92.6	-	5.1	65.7	(1.2)	23.0
Total income	**180.5**	**-**	**8.3**	**162.3**	**(1.2)**	**11.1**
Impairments	(32.7)	-	(0.3)	(32.4)	-	
Net income from associates	36.0	36.0	-	-	-	
Total operating income	**183.8**	**36.0**	**8.0**	**129.9**	**(1.2)**	**11.1**
Operating expenses	(190.1)	-	(17.4)	(136.2)	(27.3)	(9.2)
Transaction and integration expenses	(38.8)	-	-	-		(38.8)
Profit /(Loss) before taxation	**(45.1)**	**36.0**	**(9.4)**	**(6.3)**	**(28.5)**	**(36.9)**
Taxation	(3.3)	-	(1.1)	(2.0)	-	(0.2)
Profit /(Loss) after taxation	**(48.4)**	**36.0**	**(10.5)**	**(8.3)**	**(28.5)**	**(37.1)**
Ordinary shareholders	(47.8)	36.0	(10.1)	(8.0)	(28.5)	(37.2)
Non-controlling interests	(0.6)	-	(0.4)	(0.3)		0.1

Atlas Mara Limited Segmental Financial Statements	Pro Forma	BANKING OPERATIONS West	BANKING OPERATIONS East	BANKING OPERATIONS Southern	OTHER Atlas Mara Corporate Center	OTHER M&A, ADC, Consol
	31.12.14 $'m	31.12.14 $'m	31.12.14 $'m	31.12.14 $'m	31.12.14 $'m	31.12.14 $’m
Assets	**2 637.0**	**23.0**	**222.4**	**1 546.8**	**733.7**	**111.1**
Cash and short term funds	409.8	-	63.1	295.5	40.3	10.9
Trading and other financial assets	144.8	-	19.7	125.1	-	-
Derivative financial instruments	0.1	-	(0.7)	0.8	-	-
Loans and advances	1 236.5	-	135.5	1 101.0	-	-
Intangible assets and goodwill	162.3	-	(16.1)	(72.5)	526.8	(275.9)
Investment in associates	397.0	23.0	-	1.6		372.4
Other assets	286.5	-	20.9	95.3	166.6	3.7
Liabilities	**1 939.0**	**-**	**222.4**	**1 575.1**	**48.8**	**92.7**
Deposits	1 530.0	-	181.0	1 350.0	-	-
Borrowed funds	300.0	-	17.2	195.6		87.2
Disposal groups held for sale	1.3	-	-	-	-	1.3
Derivative liabilities	6.3	-	2.8	3.5	-	-
Other liabilities	100.4	-	21.5	25.9	48.8	4.2
Total equity	**698.0**	**23.0**	**0.1**	**(28.3)**	**684.9**	**18.3**
Performance measures						
Net interest margin	3.3	-	1.4	6.1	-	
NII as % of total income	48.7	-	38.9	59.5	-	
Credit loss ratio	2.6	-	0.2	2.9	-	
Loan to deposit ratio	80.8	-	74.9	81.6	-	
Provision adequacy ratio (NPL)	32.4	-	54.3	26.3	-	
Impairment as % of gross loans and advances	4.3	-	13.1	3.1	-	

Principal Risks

The principal risks as listed and described on pages 50 – 51 of the 2014 Annual Report have been evaluated and individually considered by management. These risks are deemed to be still applicable and no material additional risks have been identified as at the period ended 30 June 2015.

Forward Looking Statement and Disclaimers

This announcement does not constitute or form part of any offer or invitation to purchase, otherwise acquire, issue, subscribe for, sell or otherwise dispose of any securities, nor any solicitation of any offer to purchase, otherwise acquire, issue, subscribe for, sell, or otherwise dispose of any securities.

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