

BANQUE COMMERCIALE du BURUNDI

2011 REPORT

52nd Fiscal Year

Bancobu
Excellence is our tradition

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**ACTIVITY REPORT,
BALANCE SHEET AND PROFIT AND LOSS
To December 31, 2011**

Submitted

**TO THE ANNUAL GENERAL MEETING
OF SHAREHOLDERS**

On March 23, 2012

ADDRESS BY THE CHAIRPERSON OF THE BOARD AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR THE YEAR ENDED 31/12/2011

Dear Shareholders,

It is a pleasure for me and the Board of Directors of Commercial Bank of Burundi "BANCOBU" to speak to you on the occasion of holding the Annual General Meeting for the year ended 31 / 12/2011 and coincides with the 52nd fiscal year.

During the fiscal 2011, BANCOBU witnessed a change in its shareholding with the entry of the KERMAS LIMITED company operating in the mining sector. We take this opportunity to welcome the company and ask it to provide support to the development of the Bank. During the past year, BANCOBU continued the implementation of its outreach program in order to be closer to its customers.

We have further improved our customer service by extending our hours of operations. Thus, the Bank is open 7 days out of 7 days and also has an internet banking service (BANCOBU Web bank) available 24 hours over 24 hours. Other innovation initiatives are underway and will lead shortly to the establishment of vending tickets also available 24 hours over 24 hours.

We are extending the operating network to better serve our clients with the completion of the building sites of GATABO, MASANGANZIRA, MATANA and NYANZA-LAC, which will be open to customers during the first quarter of 2012, bringing then the number of operating sites at 27. In terms of modernizing the organization, the Bank continues to adapt its accounts to international financial reporting standards, known by their English name "International Financial Reporting Standards" or IFRS. The objective of this approach is to have financial statements prepared in accordance with international standards to enable a better understanding of the accounts of the Bank compared with other banks internationally.

Dear Shareholders,

Throughout the fiscal year 2011, BANCOBU improved its ability to highlight its core values as follows:

- Professionalism and expertise;
- Attention and trust in transactions with its customers;
- Teamwork and complementary skills;
- Capacity building for the staff of the Bank;
- Promotion of excellence and pride in quality work.

These core values always guide the principles of intervention of BANCOBU and its relationship with partners whether they are customers, employees, shareholders or the surrounding community. To its clients, it provides financial products and services competitive in terms of price, quality and safety. For staff members, it ensures good working conditions and provides avenues of communication to enhance their capabilities. To shareholders, it provides a return on their contributions, which is competitive with that of other local banks. To the community, it supports the actions taken in connection with the promotion of sport, culture, environmental protection and humanitarian assistance in order to fulfill its social responsibility in its community.

Efforts to retain our customers contribute to the substantial improvement of the image of BANCOBU. This has led to very encouraging results in 2011 compared to last year. Total assets rose to 10.6% to reach 135.2 billion BIF while the capital increased by 11.2% in the amount of 21.7 billion BIF. Return on assets rose from 3.4% to 3.9% return on Equity increased from 21.0% to 24.4%.

This performance exceeds the average achievement of all commercial banks because the return on assets for the sector rose from 2.5% to 3.2% while the return on equity increased from 19.6% to 23.0 %, according to data released by the BRB. To staff and various governing bodies of the Bank, we extend our congratulations for these performances and we seek greater efforts to consolidate these gains during the year 2012.

Dear Shareholders,

During 2012, BANCOBU commits its action on the following priorities:

- Building a vision in the short and medium term to develop a roadmap for the development of BANCOBU;
- Developing a master plan to catalyze innovation projects to modernize the organization and diversify its products to the customer
- Seeking and establishing strategic alliances with financial groups in the sub region to strengthen the response capacity of BANCOBU both on the domestic and the sub-regional market.

Along with these main areas, the Bank will continue to strengthen the skills of its staff through a training programme tailored to the requirements of the highly competitive sector. The outreach programme will take place through the official opening of the operating sites of GATABO, MASANGAZIRA, MATANA and NYANZA-LAC, the establishment of new agencies in BUBANZA, KARUZI and RUYIGI and strengthening our presence in various shopping centres in the City of Bujumbura. The modernization programme of payment will continue with the launch of mobile banking and marketing of BAN-COBU proprietary cards and the issuance of international cards in partnership with VISA. All these initiatives are part of the bank's strategic plan for 2012-2015 being finalized. The process of developing this plan is already underway and is based on a participatory approach. Internal teams, combined with senior consultants of international reputation in developing innovative services, are already at work.

They are already proposing improvement actions likely to be implemented in the short term and starting from the first quarter. They are thinking now about directional changes that require further analysis.

One advantage of this new approach is to involve staff and governing bodies in developing the Bank strategy, and consequently, create more favorable conditions for its implementation. We congratulate the management and all staff of the Bank for this new approach and invite them to implement it in their daily actions with the goal of having a more powerful position both in the financial sector in Burundi and on the EAC market .



Jean CIZA
Chief Executive Officer



Léa NGABIRE
Chairperson of the Board



Sylvère BANKIMBAGA
Deputy CEO

REPORT OF THE BOARD, FISCAL YEAR 2011

Flexi-Savings account



The activity report of the Board of Directors for 2011 includes:

- The management report
- The financial report
- The future prospects

A. MANAGEMENT REPORT

1. Improved customer service

The Bank continues to implement its policy by expanding both its operating network schedules and customer service. In the course of the year 2011, an operating site was opened in the PAFE offices and 3 other sites have been operational. These sites are in GATABO, MATANA and NYANZA-LAC. The site of MASANGANZIRA will open shortly, bringing the number of operating sites to 27. The layout of the premises has continued to create a more enjoyable place for our customers.

The partnership with Western Union was consolidated to the extent that an agency dedicated to the operations of Western Union money transfer is operational in front of the Headquarters of the Bank under the name "Market Counter". In terms of international operations, the Bank has strengthened the help-desk consultant for the importer and exporter clients.



2. Operations control and risk management

In order to increase efficiency in trade execution and control of various banking risks, internal audits at both levels of operations and customer relationship management have been made. The recommendations made were duly implemented. It is within this context that a service "compliance check" or "compliance" has been created and a staff member has been appointed to track the potential operational risks and enhance the knowledge policy of the customer called "Know Your Customer" (KYC). This also meets the international requirements for financial transactions. The credit risk management has been strengthened by a systematic review of the credit portfolio and the continuous training of relation managers and the various services related to the credit service. The process of implementation of IFRS continues normally, the advantage being that the financial statements of the bank will be read and interpreted more easily by our foreign partners.

3. Social Report

In terms of human resources management, the Bank has improved the socio-professional working conditions to motivate the staff members to greater productivity. It is within this framework that the Bank has continued its programme of supporting the life insurance of its staff. It has also strengthened its support for the Club BOS (BANCOBU OMNISPORT) which includes various sports. It is also associated with International Women's Day organized by the female staff of BANCOBU. A training programme on quality of customer service has been provided to staff in headquarters and agencies with special attention to new units recruited as part of the extension of the operating network.

In order to train its staff members according to international standards, the Bank has regularly trained since 2007 its executives at the Institut Technique de Banque (ITB in acronyms). The Bank has also conducted training on management for executives and managers of the network of agencies. The total staff is 369 units to 31/12/2011 including 150 units of female staff and 11% of university level staff. These ratios are all much higher than our local competitors

4. Investment programmes

The major themes that have been privileged to extend the network are operating, rehabilitating the housing stock and the modernization of means of payment. In this latter respect, the process of installing BANCOBU ATMs is underway. The Bank has also obtained the VISA license to serve the international VISA cardholders and contacts continue to have the license for issuing these cards. The introduction of mobile banking is expected in the first half of fiscal 2012 while testing and staff training for this new product are underway.

5. Social responsibility

The Bank has demonstrated its social responsibility by supporting initiatives surrounding communities namely humanitarian actions (ROTARY CLUB, ANSS etc..), the sponsorship of cultural and sports events (FESTICAB, NATIONAL OLYMPIC COMMITTEE, the INTAMBA MU RUGAMBA national team, TENNIS FEDERATION OF BURUNDI, etc..), and the promotion of excellence for young entrepreneurs. For this last aspect, it should be noted that the Bank is a founding member of Burundi Business Incubator (BBIN), an organization that supports young entrepreneurs through training, management consulting and office support. During the year 2011, BANCOBU joined BBIN to organize the "Shika" competition for the best business plan and awarded the first prize.

B. FINANCIAL REPORT

The main key indicators of the Bank show a positive trend over the past five years. Total assets more than doubled from 2007 to 2011, rising from BIF 57.3 billion to BIF 135.2 billion. The most important positions, including deposits for resources and credits for jobs, change in comparable proportions.

1. Deposits

The deposits level exceeds the milestone of 100 billion and stops at BIF 104.2 billion at the end of 2011 against BIF 45.7 billion in 2007. This positive trend in deposits is an indicator of trust from customers. It is also a direct consequence of the extension of the operating network, the policy of targeted canvassing that the Bank has undertaken and the common vision of the management team.

2. Credits

As for credits, the gross amounts to BIF 82.8 billion at the end of 2011, more than double the stock of BIF 32.7 billion recorded at the end of 2007.

From the foregoing, it follows that the activity of credit improves due to the loyalty of our long time customers as well as soliciting new customers in sectors including agribusiness, real estate, tourism, automobiles, public works and particularly trade with the use of BRARUDI'S products.

At the quality level of the Bank credit portfolio, the efforts made since 2007 in the collection and risk control have brought down the rate of Non-Performing Loans (NPL) by 20 points (11% to 31/12/2011 against 31% to 31/12/2007). This rate decreased by 3 points over fiscal 2011.

3. The profitability

As regards profitability, the trend of indicators is also positive: Net Banking Income posted a 85% increase between 2007 and 2011, from BIF 8.3 billion to BIF 15.4 billion. For the single year 2011, the growth rate of Net Banking Income is 22%; we move indeed from a Net Banking Income of BIF 12.6 billion in 2010 to BIF 15.4 billion in 2011.

The net income for fiscal 2011 rose to BIF 5.3 billion against BIF 4.2 billion in 2010, a positive variation of 28%. Note that it was BIF 1.9 billion in 2007 and that the accumulation over the last five years is BIF 20.6 billion. The contribution to national development through payment of taxes accumulated over the last five years is BIF 9.9 billion. Dividends paid on the results of years 2007 to 2010 amounted to 5.9 billion when the available reserves accumulated over the same period are BIF 6.4 billion. The share capital increased from BIF 3.5 billion in 2007 to BIF 10 billion in 2010 by incorporating the reserves. Funds on their own are BIF 21.6 billion at the end of 2011 against BIF 6.4 billion at the end of 2007, an increase of BIF 15.2 billion.

C. PROSPECTS

In 2012, BANCOBU continues its actions to strengthen the positioning of its brand through innovation services including the launch of cards and VISA international cards and mobile banking. This is even more important since the financial sector environment is experiencing intensive modernization initiatives of technological means of payment, by the introduction of electronic remote clearing and interoperability of electronic payment systems and financial market development which aims among other things at establishing a stock market. The Bank also refines its strategies to take the leadership in the domestic market and position itself in the markets of the EAC area. The direction which has been taken since last year for the realization of this challenge continues.

We are seeking a strategic partner that can contribute significantly to both the strengthening of capital and branding as well as expertise in finance to strengthen the capacity of intervention of BANCOBU both on the domestic and the sub-region markets.

Research of this partnership is part of an ongoing program to develop a strategic plan, a blueprint and an innovative business plan of the Bank for the period 2012-2015. From now on BANCOBU focuses its strategy on medium-term plans for a period of 4 years. This decision responds to the acceleration of the evolution of the competitive environment in the financial sector in the local market growth and complexity of the resulting challenges.

PRESENTATION OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

1. TRENDS OF BALANCE

To 31/12/2011, the balance sheet total is estimated at BIF 135.2 billion against BIF 122, 2 billion to 31/12/2010, an increase of 10.6% (+BIF 13 billion).

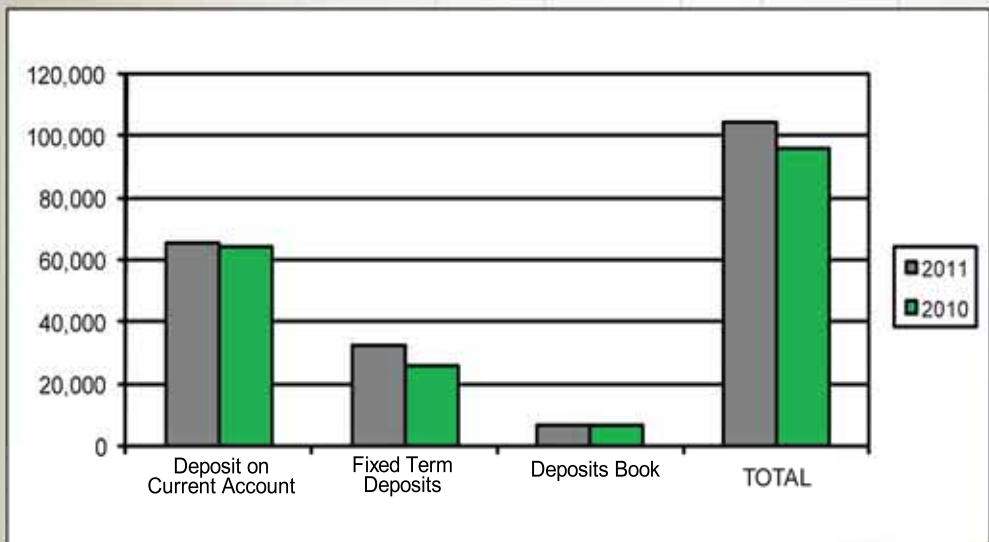
1.1. TREND OF THE BALANCE SHEET LIABILITIES

The Bank's resources come mainly from customer deposits.

Table no 1 : Trends of deposits

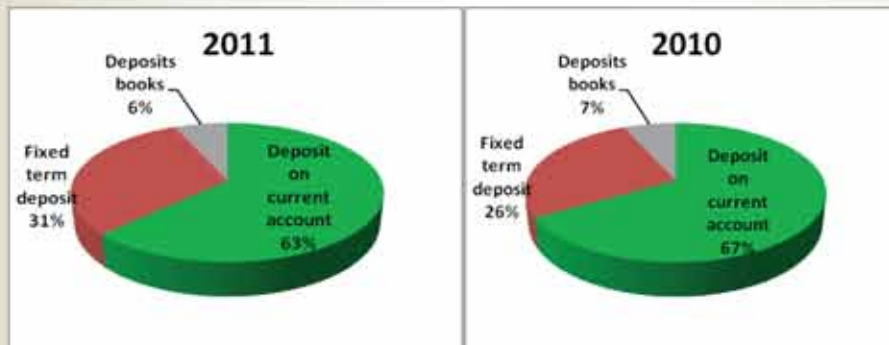
Items (in BIF millions)	31/12/11		31/12/10		Deviation 2011/2010	
	Value	%	Value	%	Value	%
Deposit on current account	65,283	62.6	64,098	66.7	1,185	1.8%
Fixed term deposit	32,170	30.9	25,607	26.6	6,563	25.6%
Deposits books	6,768	6.5	6,403	6.7	365	5.7%
TOTAL	104,221	100.0	96,108	100.0	8,113	8.4%

To 31/12/2011, outstanding deposits stood at BIF 104.2 billion against BIF 96.1 billion a year earlier, an increase of 8.4% (+ BIF 8.1 billion). This positive trend in deposits is an indicator of trust from customers. It is also a direct result of the expansion network and the targeted canvassing operating policy the Bank has undertaken. The outstanding amount of deposits increased from BIF 25.6 billion to BIF32.2 billion, a positive variation of BIF 6, 6 billion or 25.6% and its share in total deposits increased from 26.6% to 30.9%. This development is part of the stabilization of resources through



The implementation of the new product "Flexi-saving" much appreciated by customers. The level of deposits relative to total assets was 78.6% in 2010 against 77% in 2011, a slight decrease of 1.6%. The distributed credits are completely covered by the deposits on the two exercises, the proportion of net credits /deposits being 61.7% in 2010 and 71.5% in 2011.

DEPOSITS STRUCTURE IN 2010 AND 2011



a) 1.2. TRENDS OF THE BALANCE ASSETS

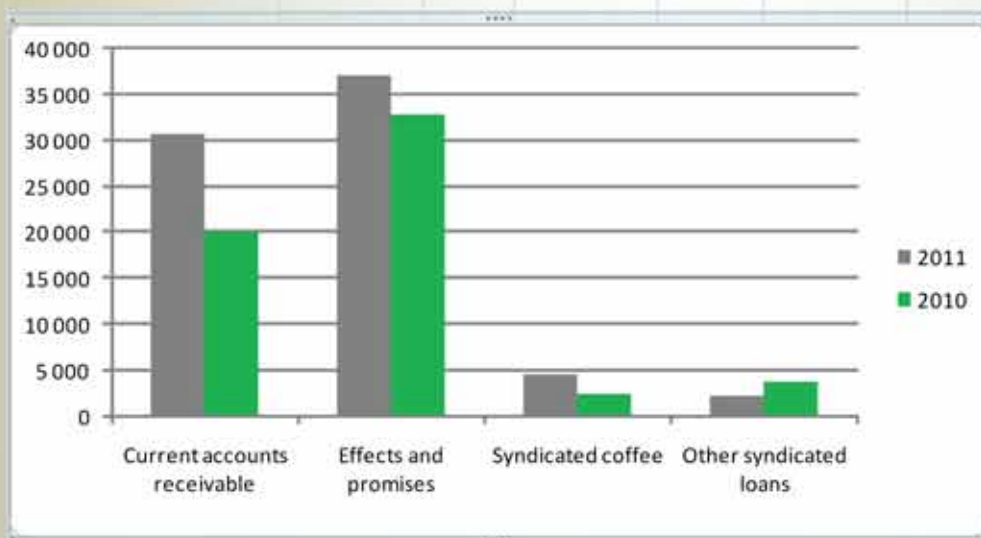
The job of the Bank consists essentially of customer loans and investments in treasury bills and bonds.

a) Credits

Table 2: Trends in credit

Items (in BIF million)	31/12/11		31/12/10		Deviation 2011/2010	
	Value	%	Value	%	Value	%
Current accounts receivable	30 761	41,2%	20 046	33,8%	10 715	53,5%
Effects and promises	37 036	49,7%	32 856	55,4%	4 180	12,7%
Syndicated coffee	4 558	6,1%	2 597	4,4%	1 961	75,5%
Other syndicated loans	2 238	3,0%	3 861	6,5%	-1 623	-42,0%
TOTAL	74 593	100,0%	59 360	100,0%	15 233	25,7%

The outstanding net loans amounted to BIF 74.6 billion at end 2011 against BIF 59.4 billion at end 2010, representing growth of 25.7% (+ BIF15.2 billion). This growth is explained by:

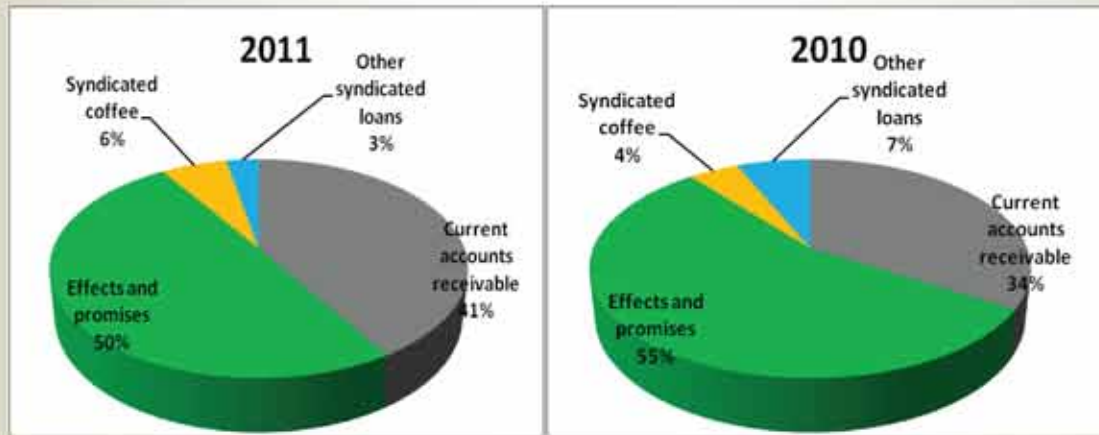


- The outstanding pure cash (receivables on current account) which increases by 53, 5% (BIF 10.7 billion) with a share of total loans of 41.2%;
- The regressive credits (effects and promises) which recorded an increase of 12.7% (BIF + 4.2 billion) with a share of total loans of 49.7%.
- The outstanding coffee that increases to 75, 5% (BIF + 2 billion) with a share of total loans of 6.1%.

From the foregoing, it follows that the activity of granting credit is improving especially following the loyalty of our former customers as well as soliciting new customers in sectors including agribusiness, real estate, tourism, automotive and public works.

At the quality level of credit portfolio of the Bank, the efforts made during fiscal 2011 in the collection and risk control have brought down the rate of bad debts by 3 points (11% to 31/ 12/2011 against 14% to 31/12/2010).

LOANS STRUTURE IN 2010 AND 2011



b) Treasury bills

To 31/12/2011, outstanding treasury bills and bonds amounted to BIF 16.8 billion against BIF 17.9 billion to 31/12/2010, a decrease of -7% (BIF -1,1 billion). However, interests earned on treasury bills and bonds in 2011 recorded an increase of +71% (+0.7 billion) compared to the year 2010 following the rise in average outstanding (BIF 12 billion to BIF 17.1 billion) and the favorable average rates of investment (8.73% in 2011 against 6.98% in 2010).

2. TRENDS OF PROFIT AND LOSS ACCOUNT

2.1. REVENUES

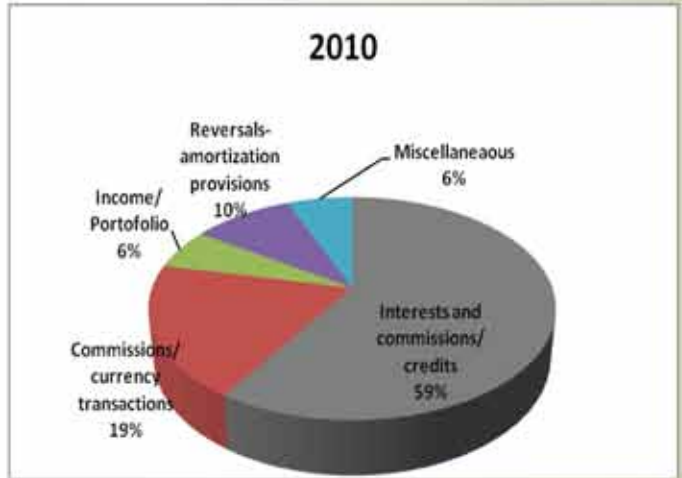
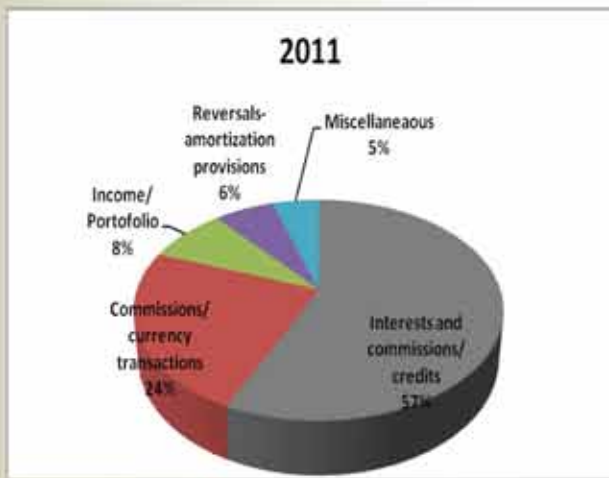
Total revenues for fiscal 2011 amounted to BIF 19.9 billion against 16.4 billion for the previous year, an increase of 21% (BIF+ 3.5 billion).

The main changes are the following:

Revenues are up on credits (BIF+ 1.6 billion or + 17%) including interests on overdrafts (BIF + 1, 3 billion or + 47%), revenue on foreign transactions (BIF a + 1 billion or+ 52%) primarily commissions on ticket sales from exchange offices (BIF + 0. 7 billion or + 274%), income on investments (BIF+ 0. 7 billion or +68%) and exchange earnings on revaluation (BIF+ 0.5 billion or + 45%).

Various profits are down (BIF- 0.1 billion or -57%) and reversals of provisions and depreciation (BIF -0.3 billion or -21%). Lower write-backs is related to the complexity of litigating old files and the slowness of judicial proceedings

Revenues structure in 2010 and 2011



2.2. TRENDS OF EXPENSES

Total expenses for 2011 amounted to BIF 14.6 billion against BIF 12.3 billion the previous year, an increase of 19% (BIF +2.3 billion).

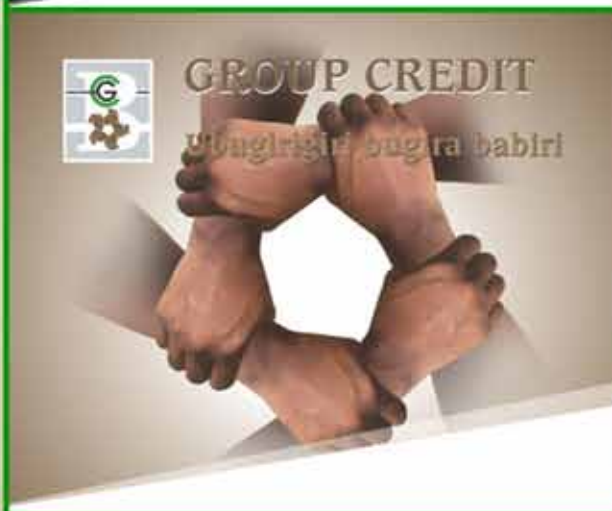
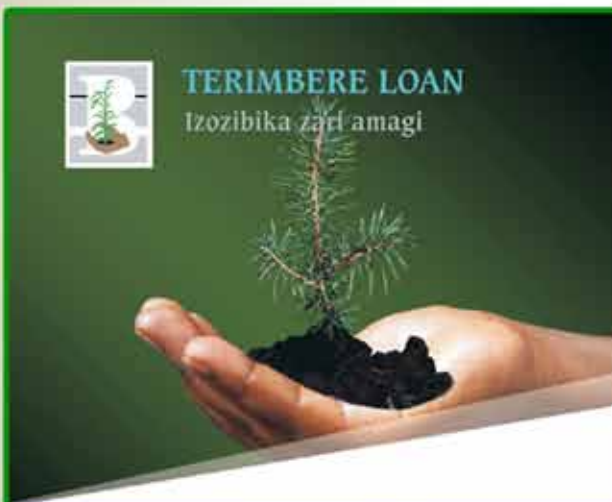
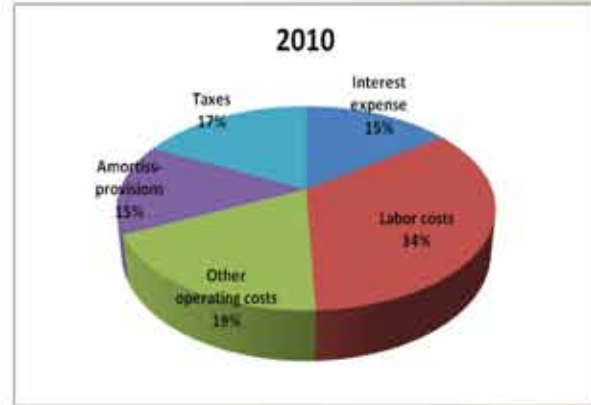
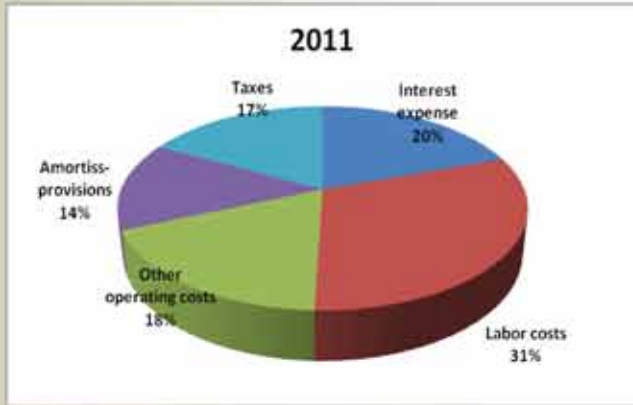
The main changes are:

increasing interests on deposits (BIF + 904.8 million or + 51% including a high proportion related to deposits), the income tax (BIF + 418 million or + 21%), staff costs (BIF + 283.4 million or + 7%).

Also increased operating expenses (BIF +263.7 million or +12%) and especially fuel costs (BIF+ 64.5 million or +50%) as well as fees and court costs (BIF+ 60 million or +93%). Indeed, the REGIDESO electricity repetitive cuts have resulted in a greater need for generators, hence the increase in fuel expenses. These have been exacerbated by the repetitive rise in fuel prices.

In the same vein, we note the increase in financial charges on borrowings or call money (+BIF 128.4 million or +220%), depreciation of assets (BIF+130.7 or +110%), forex fees (BIF + 92.9 million or +57%) related to the costs of purchasing bank notes (BIF +123.2 million or +85%) as well as the depreciation of fixed assets (BIF+ 79.9 million or +11%). The increase in these charges is related to increased activity of BANCOBU, the acquisition of new assets of the Bank (building and rolling stock) for the case of increases in depreciation of fixed assets and the decision for better portfolio management compromised for the case of depreciation of old irrecoverable debts.

Expenses structure in 2010 and 2011



2.3 TRENDS OF INCOME STATEMENT

Items in thousands	Results to 31/12/11	Results to 31/12/10	Deviation in value	Deviation in %
Bank and Cash	1 440 503	910 467	530 036	58%
Revenues	1 627 143	968 720	658 423	68%
Expenses	186 640	58 253	128 387	220%
Customers	8 626 650	7 912 974	713 676	9%
Revenues	11 318 835	9 700 388	1 618 448	17%
Expenses	2 692 185	1 787 414	904 771	51%
Intermediation margin	10 067 154	8 823 441	1 243 713	14%
Commissions and miscellaneous	5 323 124	3 803 220	1 519 904	40%
Portfolio – Securities	9 031	5 313	3 719	70%
Net banking income	15 399 309	12 631 973	2 767 336	22%
Personnel expenses	4 490 075	4 206 695	283 380	7%
Income taxes	139 821	197 751	-57 931	-29%
Operating expenses	2 392 035	2 128 272	263 763	12%
<i>Total overhead expenses</i>	<i>7 021 930</i>	<i>6 532 718</i>	<i>489 212</i>	<i>7%</i>
Amortization of intangible	828 434	748 563	79 871	11%
Gross operating income	7 548 944	5 350 691	2 198 253	41%
Reversals of provisions receivables	1 237 061	1 488 530	-251 469	-17%
Allowance for loans	795 853	740 760	55 093	7%
Amortization of debt	249 431	118 769	130 662	110%
Operating income	7 740 721	5 979 692	1 761 029	29%
Miscellaneous	113 811	292 204	-178 393	-61%
Provisions for contingencies	183 887	171 777	12 109	7%
Profit before tax	7 670 645	6 100 118	1 570 527	26%
Income tax expense	2 368 392	1 950 129	418 263	21%
Net income	5 302 253	4 149 989	1 152 264	28%

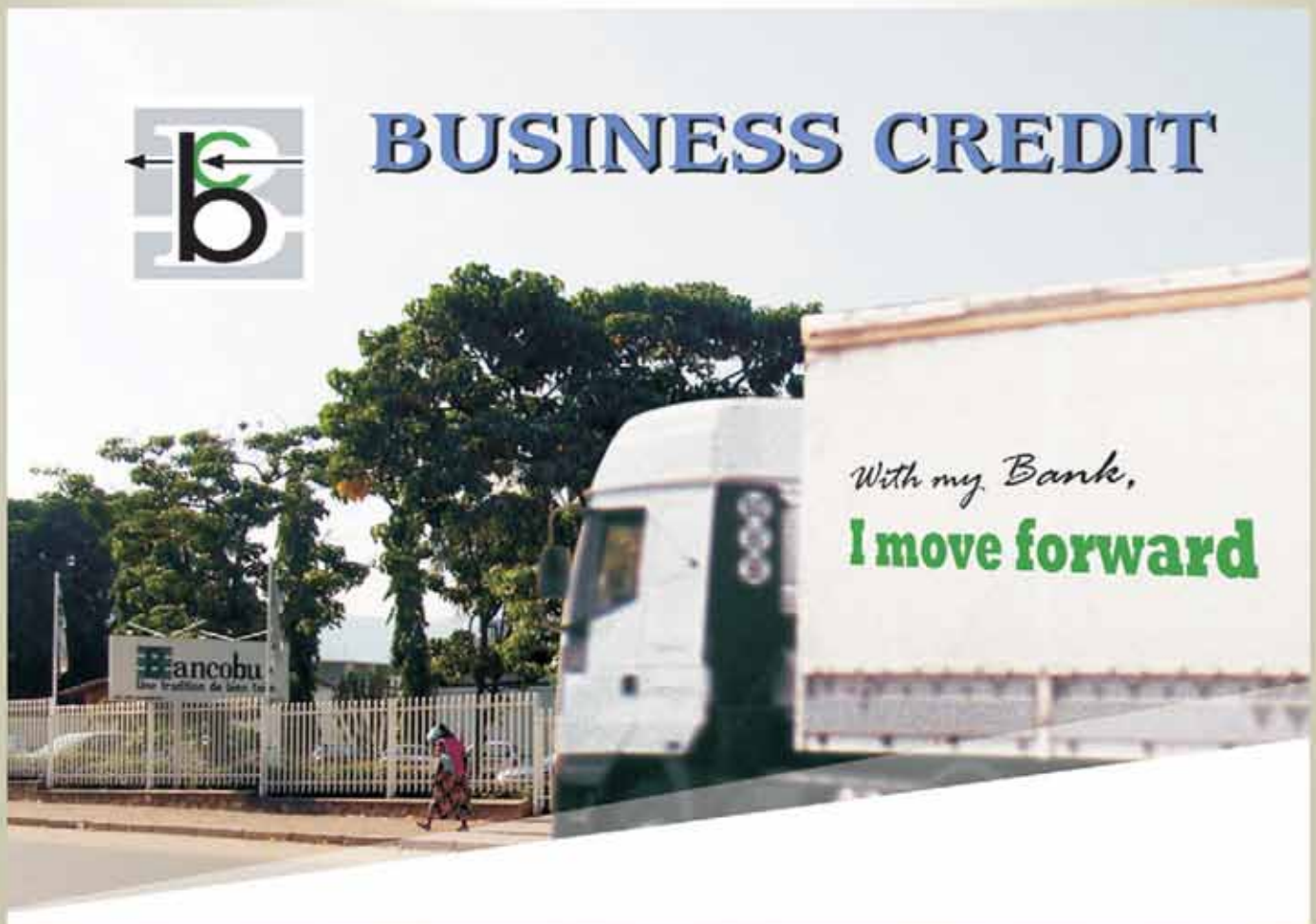
2.3.1 Intermediation margin and Net Banking Income

For fiscal 2011, the intermediation margin stood at 10 billion against BIF8.8 billion for the previous year, a net growth of 14% (BIF+ 1.2 billion).

Net banking income amounted to BIF 15.4 billion in fiscal 2011 against BIF 12.6 billion for the previous year, representing a growth of 22% (BIF +2.8 billion).

2.3.2 Net Income

The net result is estimated at BIF 5.3 billion in 2011 against BIF 4.1 billion in 2010 representing an increase of BIF 1.1 billion or +28%. The main reason for this positive development is the development of credit activities, cash investments and change.



BANCOBU					
BALANCE SHEET ON 31/12/2011 COMPARED TO THAT ON 31/12/2010					
ASSETS	31.12.11	31.12.10	LIABILITIES	31.12.11	31.12.10
1. Current Assets	29,857,490,387	33,235,780,735	1. Current liabilities	5,942,132,105	3,676,765,464
- Cash-BRB-CCP	9,731,504,654	14,636,913,153	- Privileged creditors	2,137,784,960	1,686,506,109
- Banks	19,274,514,329	18,344,636,526	- Banks	26,460,976	472,290,239
- Day by Day Loans	0	0	- Call loan	900,000,000	0
- Other Short term Assets	851,471,404	254,231,056	- BRB Refinancing	0	0
2. Granted Credits	74,593,450,470	59,360,108,596	- Other short term liabilities	2,877,886,169	1,517,969,116
- Current Account debtors	30,760,953,815	20,046,644,716	2. Deposits	104,220,959,069	96,108,059,116
- Bills for collection	37,036,401,965	32,855,692,491	- At sight deposits	65,283,135,924	64,098,147,571
- Syndicated credit for coffee	4,558,227,187	2,597,044,732	- Term deposits	32,170,272,728	25,606,825,380
- Other syndicated credits	2,237,867,503	3,860,726,657	- Deposits books	6,767,550,417	6,403,086,165
3. Portfolio	16,809,500,000	17,936,770,000	- Cash voucher	0	0
- Treasury bills and securities	16,000,000,000	17,127,270,000	3. Sundry	753,906,338	662,269,036
- Investment bonds	809,500,000	809,500,000	4. Special liabilities	19,009,010,271	17,671,623,921
4.Sundry	952,517,330	869,843,749	- Capital	10,010,000,000	10,010,000,000
5. Fixed Assets	13,015,731,923	10,866,203,732	- Legall reserve	815,423,478	607,924,014
- Premises	10,942,693,848	8,928,462,483	- Available reserve	946,190,021	190,021
- Equipment and furniture	1,888,841,414	1,767,253,760	- Merger premium	54,661,000	54,661,000
- Other physic immobilizations	23,556,268	10,247,096	- Issuing premium	119,539,200	119,539,200
- Securities and financial investimer	87,475,600	87,475,600	- General provision for risk	886,364,721	702,477,835
- Other financial immobilizations	73,164,793	72,764,793	- Miscellaneous contingencies	8,056,766	8,056,766
			- Internal guarantee fund	0	0
			- Revaluation of properties	6,168,775,085	6,168,775,085
			5. Income accounts	5,302,682,327	4,149,989,275
			- Profit for previous year	0	0
			- Profit for ongoing year	5,302,252,864	4,149,989,275
			- Profit carried forward	429,463	0
TOTAL	135,228,690,110	122,268,706,812	TOTAL	135,228,690,110	122,268,706,812

COMMERCIAL BANK OF BURUNDI					
<u>Profit and loss Accounts</u>					
DEBIT	31.12.11	31.12.10	CREDIT	31.12.11	31.12.10
1. Interests on deposits	2,692,185,071	1,787,413,771	1. Income on loans	11,318,835,373	9,700,387,695
2. Financial charges on borrowings	186,639,976	58,253,026	2. Income on cash investments	1,627,143,364	968,720,084
3. Personnel expenses	4,490,074,566	4,206,694,566	3. Income on securities portfolio	9,031,250	5,312,500
4. Operating expenses	2,392,034,889	2,128,272,332	4. Revenues .. Forex (Foreign)	3,086,983,078	2,033,155,050
5. Taxes and fees	139,820,811	197,751,346	5. Revenues various operations	154,168,523	117,207,913
6. Expenses-forex foreign Dpt	257,056,457	164,195,341	6. Recovery of expenses	698,143,560	684,664,121
			7. Profits on disposal of assets	33,929,000	34,087,314
			8. Various profits	79,882,054	187,495,474
Total-cash expenses	10,157,811,770	8,542,580,382	Total cashable products	17,008,116,202	13,731,030,151
Cash-flow	6,850,304,432	5,188,449,769			
7. Exchange loss / reevaluation	0	0	9. Exchange gain on revaluation	1,640,885,171	1,132,387,875
8. Amortization of properties	828,434,152	748,563,431	10. Reversals of prov. and amortization	1,237,060,787	1,559,151,407
9. Income tax	2,368,392,098	1,950,129,118			
10. Provision for credits	795,852,941	740,760,303			
11. General provisions for risks	183,886,886	171,574,566			
12. Prov. Deprec. other active elements					
13. Provisions for securities	0	202,920			
14. Amortization of debts	249,431,449	118,769,438			
Profit for the year	5,302,252,864	4,149,989,275			
Total	19,886,062,160	16,422,569,433	Total	19,886,062,160	16,422,569,433

AUDITOR'S REPORT TO THE MEMBERS OF THE GENERAL MEETING OF SHAREHOLDERS OF BANCOBU

Mrs. Lea NGABIRE

Chairperson of the Board

COMMERCIAL BANK OF BURUNDI S.M.

We have audited the financial statements which have been prepared on the basis of the accounting principles and generally accepted international accounting standards. We have obtained all the information and explanations which we considered necessary for our audit.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directorate of COMMERCIAL BANK OF BURUNDI SM, under the supervision of the Board, is responsible for preparing financial statements which give a true and fair view of the financial position of the COMMERCIAL BANK OF BURUNDI SM and the results of its activities. It is the responsibility of BIFE to express, from its audit, an independent opinion on these financial statements in order to communicate it to you.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we plan and perform our audit to obtain reasonable assurance of the absence of material inaccuracy in the financial statements. An audit includes examining, on a test basis, evidence about the amounts and disclosures in the financial statements. It also includes an assessment with regard to accounting principles and significant estimates made by the Board of Directors, as well as evaluating the overall regularity of the financial statement presentation. We believe our audit is a reasonable basis for formulating our opinion.

OPINION

In our opinion, the books were properly kept, according to International Accounting Standards and the financial statements which are in agreement with the books give a true and fair view of the financial position of the COMMERCIAL BANK OF BURUNDI SM at December 31, 2011. Net income at December 31, 2011, amounted to five billion three hundred two million two hundred fifty two thousand eight hundred and sixty four Burundian Franc (BIF 5,302,252,864). Total assets amounted to One hundred thirty five billion two hundred twenty eight million six hundred ninety thousand one hundred and ten Burundi Francs (135, 228, 690, 110 BIF). The financial statements comply with banking laws and statutes of the COMMERCIAL BANK OF BURUNDI SM

Bujumbura, February 2012
Emmanuel Ndamwumvaneza
CEO, BIFE

RESOLUTIONS OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS March 23, 2012.

1st Resolution :

The Ordinary General Meeting of Shareholders of the BANCOBU acting in accordance with Articles 37, 41 and 48 of the Statutes of the Bank

after considering the report of the Board of Directors for the financial year 2011, approved the report unanimously.

2nd Resolution :

The Ordinary General Meeting of Shareholders of the BANCOBU acting in accordance with Articles 37, 41 and 48 of the Statutes of the Bank,

after considering the report of the External Auditor for the financial year 2011, approved the report unanimously.

3rd Resolution :

The Ordinary General Meeting of Shareholders of the BANCOBU acting in accordance with Articles 37, 41 and 48 of the Statutes of the Bank,

after hearing the report of the Board of Directors and the Auditor, unanimously approved the balance sheet, the profit and loss account and the result of the financial year 2011 estimated at BIF 5,302,252,864.

4th Resolution :

Retained earnings for fiscal 2010 being 429,463 BIF, distributable result is estimated at BIF 5,302,682,327. The Ordinary General Meeting of Shareholders

of the BANCOBU acting in accordance with Articles 37, 41 and 49 of the Statutes of the Bank, proposed by the Board of Directors unanimously approved the allocation of distributable earnings as follows:

- Legal reserve: 185,576,522
- Reserve available: 2,123,000,000
- Dividends: 2,200,000,000
- Directors' Fees: 133,823,531
- Retained earnings: 296,194
- Balance premium: 659,986,080

5th Resolution :

The Ordinary General Meeting of Shareholders of the BANCOBU acting in accordance with Articles 37, 41 and 48 of the Statutes of the Bank,

after approving the accounts of the Bank, unanimously gave discharge to the Directors for the financial year 2011 management.

6th Resolution :

The Ordinary General Meeting of Shareholders of the BANCOBU acting in accordance with Articles 37, 41 and 48 of the Statutes of the Bank, after

approving the accounts of the Bank, unanimously gave discharge to the Auditor for the control of financial year 2011.

7th Resolution :

The Ordinary General Meeting of Shareholders of the BANCOBU acting in accordance with Articles 31, 36 and 40 of the Statutes of the Bank, confirmed

the appointment of BIFE (**Office of Financial Engineering and Economic Expertise**) as Auditor for a period of two years expiring at the Annual General Meeting of Shareholders of 2014 to approve the accounts for the year 2013. In accordance with the requirements of Article 31 of the Statutes of the Bank, the General Assembly also confirms its annual fee set at nine million five hundred fifty eight thousand Burundian francs including VAT (BIF 9,558,000 TTC).

8th Resolution :

The Ordinary General Meeting of Shareholders of the BANCOBU acting in accordance with Articles 16, 37 and 41 of the Statutes of the Bank:

1) Name the following Directors:

1. Mr. Sixte SIZIMWE KAZIRUKANYO, Director representing the Shareholder Kermas Limited for a period of four years expiring at the Annual General Meeting of Shareholders of 2016 approving the accounts of fiscal 2015.

2. Mr. Eric MANIRAKIZA, Director representing the group of Shareholders COTEBU OCIBU, BCC, COGERCO, ONATEL, OTB and REGIDESO for a period of two years expiring at the Annual General Meeting of Shareholders of 2014 approving the accounts of the fiscal year 2013.

2) Renew the mandate of the Directors below:

1. Mr. Stanislas BANKIMBAGA, Director representing the private sector to the Board for a period of four years expiring at the Annual General Meeting of Shareholders of 2016 approving the accounts of fiscal 2015.

2. Ms. Seraphine NGARUKO, Director representing the private sector to the Board for a period of four years expiring at the Annual General Meeting of Shareholders of 2016 approving the accounts of fiscal 2015.

3. Jean CIZA Director representing the public sector in the management of the Bank for a period of four years expiring at the Annual General Meeting of Shareholders of 2016 approving the accounts of fiscal 2015.

4. Mr. Sylvère BANKIMBAGA, Director representing the private sector in management of the Bank for a period of four years expiring at the Annual General Meeting of Shareholders of 2016 approving the accounts of fiscal 2015.

Done in Bujumbura, on 23/03/2012.

The officers of the Ordinary General Meeting of Shareholders:

Ms. Léa NGABIRE, Chairperson

Mr. Onésime NDUWIMANA, Scrutineer

Ms. Séraphine NGARUKO, Scrutineer

Mr. Jean CIZA, Secretary

BIFE, Auditor

OPERATING NETWORK

HEAD OFFICE: BUJUMBURA

84 Chaussee P.L.Rwagasore
 B.P.: 990 BUJUMBURA-BURUNDI
 Fax +257 22 22 10 18
 Tel +257 22 26 52 00
 Code SWIFT : BCBU BI BI
 E-mail: info@bancobu.com

**NETWORK OPEN
 7 DAYS - 7 DAYS**

BRANCHES & COUNTERS



1. Agency-Headquarters-Bujumbura
2. Agency City-Bujumbura
3. Agency Asian Q.-Bujumbura
4. Agency-Gitega Gitega
5. Agency Kayanza-Kayanza
6. Agency-Muramvya Muramvya
7. Agency Kirundo-Kirundo
8. Agency Cibitoke-Cibitoke
9. Agency Makamba- Makamba
10. Agency Nyanza-Lac-Makamba
11. Agency Ngozi –Ngozi
12. Agency-Muyinga- Muyinga
13. Agency-Rumonge -Bururi

14. Agency-Matana- Bururi
15. Counter Brarudi- Bujumbura
16. Counter-Bujumbura Airport
17. Counter ONATEL- Bujumbura
18. Counter Kenya Airways -Bujumbura
19. Counter Market-Bujumbura
20. Counter PAFE -Bujumbura
21. Counter Ruvumera-Bujumbura
22. Counter Bragita -Gitega
23. Counter Rugombo -Cibitoke
24. Counter Gatabo- Muramvya
25. Counter Mabanda- Makamba
26. Counter Kayogoro - Makamba
27. Counter Masanganzira-Ngozi

FOREIGN CORRESPONDENTS NETWORK

AMERICA

ROYAL BANK OF CANADA|| TORONTO
SWIFT: ROYCCAT2

EUROPE

ING BELGIQUE|| BRUXELLES,
SWIFT: BBRUBEBB

BNP Paribas FORTIS BANQUE|| BRUXELLES,
SWIFT: GEBABEBB

COMMERZBANK|| FRANKFURT
SWIFT: COBADEFF



AFRICA

BANQUE COMMERCIALE DU RWANDA
KIGALI
SWIFT: BCRWRWRW

KENYA COMMERCIAL BANK
NAIROBI,
SWIFT: KCBLKENX