

FIRST CITY MONUMENT BANK PLC
A MEMBER OF FIRST CITY GROUP

FCMB

RC 446713
46713

Offer for Subscription of

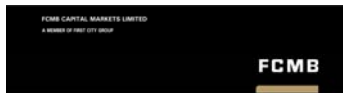
4,500,000,000

ORDINARY SHARES OF 50 KOBO EACH

AT
₦14.00
PER SHARE

PAYABLE IN FULL ON APPLICATION

JOINT ISSUING HOUSES:



446561

CHAPEL HILL
Advisory Partners Limited

RC 622258



RC 261272



RC 88773



RC 446599



RC 429270



RC.147269



Application List opens on Tuesday, 16th October, 2007
Application List closes on Tuesday, 13th November, 2007

This Prospectus and the securities which it offers have been registered by the Securities & Exchange Commission. The Investments and Securities Act Cap I24 LFN 2004 provides for civil and criminal liabilities for the issue of a Prospectus that contains false or misleading information. Clearance and registration of this Prospectus and the securities which it offers do not relieve the parties from any liability arising under the Act for false and misleading statements contained therein or for any omission of a material fact.

This Prospectus is dated 9th October, 2007

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DEFINITIONS OF TERMS

"AFRINVEST"	Afrinvest West Africa Limited
"BOFIA"	Banks and Other Financial Institutions Act Cap B3 LFN 2004
"CAC"	Corporate Affairs Commission
"CAGR"	Compounded Annual Growth Rate
"CAMA"	Companies and Allied Matters Act Cap C20 LFN 2004
"CAPEX"	Capital Expenditure
"CBN"	Central Bank of Nigeria
"CHAPEL HILL"	Chapel Hill Advisory Partners Limited
"CDC"	CDC Capital Partners
"CSCS"	Central Securities Clearing Systems Limited
"Domestic Offer"	₦63 billion by way of an Offer for Subscription of 4,500,000,000 ordinary shares of 50 kobo each at ₦14.00 per share
"DPS"	Dividend Per Share
"EBITDA"	Earnings Before Interest, Taxes, Depreciation and Amortisation
"ECOBANK"	Ecobank Nigeria Plc
"ECOWAS"	Economic Community of West African States
"EGM"	Extra-Ordinary General Meeting
"EPS"	Earnings Per Share
"EU"	European Union
"FBN CAPITAL"	FBN Capital Limited
"FCMB"	First City Monument Bank Plc
"FCMB-CM"	FCMB Capital Markets Limited
"FGN"	Federal Government of Nigeria
"GDP"	Gross Domestic Product
"GDR"	Global Depository Receipt
"HDI"	Household Disposable Income per capita
"HSBC"	HSBC Holdings
"ICML"	Intercontinental Capital Markets Limited
"IFC"	International Finance Corporation
"International Offer"	\$100 million (₦12.6 billion) by way of an unlisted GDR resulting in the creation of 900,000,000 ordinary shares of 50 kobo each
"JIH"	Joint Issuing Houses
"LFN"	Laws of the Federation of Nigeria
"Oceanic Bank"	Oceanic Bank International Plc
"OPIC"	Overseas Private Investment Corporation
"PAT"	Profit After Tax
"PBT"	Profit Before Taxation
"SEC" or "the Commission"	Securities & Exchange Commission
"The NSE" or "The Exchange"	The Nigerian Stock Exchange
"The Offer"	Offer for Subscription of 4,500,000,000 Ordinary Shares of 50 kobo each in First City Monument Bank Plc at ₦14.00 per share
"UBAGM"	UBA Global Markets Limited

ABRIDGED TIMETABLE

DATE	ACTIVITY	RESPONSIBILITY
16 th Oct., 2007	Application List opens	Issuing Houses
13 th Nov., 2007	Application List closes	Issuing Houses
26 th Nov., 2007	Receiving Agents to forward returns	Issuing Houses / Registrars
10 th Dec., 2007	Forward allotment proposal and draft newspaper announcement to SEC	Issuing Houses
21 st Dec., 2007	Receive SEC clearance of proposed basis of allotment	Issuing Houses
27 th Dec., 2007	Remit net proceeds of the Offer to FCMB	Receiving Banks/Underwriters
4 th Jan, 2008	Publish basis of allotment in dailies	Issuing Houses
4 th Jan., 2008	Return surplus / rejected application monies	Registrars
18 th Jan., 2008	Dispatch share certificates	Registrars
23 rd Jan., 2008	Forward Declaration of Compliance to The NSE	Stockbrokers / Issuing Houses
25 th Jan., 2008	Listing of new FCMB shares and trading commences	Stockbrokers / Issuing Houses
25 th Jan., 2008	Forward Offer summary report to SEC	Issuing Houses

SUMMARY OF THE OFFER

The following information should be read in conjunction with the full text of this Prospectus, from which it is derived:

1. **ISSUER:** First City Monument Bank Plc
2. **ISSUING HOUSES:** FCMB Capital Markets Limited;
Chapel Hill Advisory Partners Limited;
Afrinvest West Africa Limited;
Ecobank Nigeria Plc;
FBN Capital Limited;
Intercontinental Capital Markets Limited;
Oceanic Bank International Plc; and
UBA Global Markets Limited.
3. **SHARE CAPITAL:**
Authorised: ₦10,000,000,000.00 comprising 20,000,000,000 ordinary shares of 50 kobo each.
Issued and fully paid: ₦4,751,215,071.00 comprising 9,502,430,142 ordinary shares of 50 kobo each.
4. **METHOD OF OFFER:** **Domestic Offer:** ₦63billion by way of an Offer for Subscription of 4,500,000,000 ordinary shares of 50 kobo each at ₦14.00 per share.
5. **ADDITIONAL INFORMATION:** **International Offer:** \$100m (₦12.6billion) by way of an unlisted GDR resulting in the creation of 900,000,000 ordinary shares of 50 kobo each
6. **PURPOSE:** After the deduction of the costs and expenses of the Domestic and International Offers, which are estimated at ₦2.276 billion and ₦315 million respectively (representing 3.43% of gross proceeds), the net proceeds of ₦73.008 billion (including proceeds of the GDR) will be utilised as detailed below:

	₦'000	%	Estimated Completion period
Project Finance*	25,000,000	34.24	Ongoing
Investment Banking	20,000,000	27.39	Ongoing
Acquisition and Capitalisation of Stockbroking Activities**	12,500,000	17.12	Ongoing/2 years
Leasing Operation	6,400,000	8.77	Ongoing
Channel Enhancement***	5,000,000	6.85	Ongoing
Training School****	1,500,000	2.05	Ongoing
Others (working capital)	2,608,203	3.57	Ongoing
	73,008,203	100	
7. **UNITS OF SALE (Domestic):** Minimum of 1,000 Ordinary Shares and multiples of 100 Ordinary Shares thereafter.
8. **OFFER PRICE:** ₦14.00 per share.
9. **MARKET CAPITALISATION AT OFFER PRICE:**
PRE OFFER: ₦133,034,021,988.00
POST OFFER: ₦196,034,021,988.00
10. **PAYMENT:** In full on application.
11. **PREFERENTIAL ALLOTMENT:** A maximum of 1,890,000,000 ordinary shares, representing 42% of the Domestic Offer, will be preferentially allotted to identified investors and members of staff, from the 3,600,000,000 ordinary shares underwritten by the syndicate of Underwriters, as follows:

Sabre Capital	1,260,000,000 Units	28%
Helios Investment Partners	180,000,000 Units	4%
FCMB Staff Share Scheme	450,000,000 Units	10%
12. **UNDERWRITING:** 3,600,000,000 ordinary shares of 50 kobo each, amounting to ₦50.40 billion, representing 80% of the Domestic Offer will be underwritten on a firm basis, as follows:

Underwriter	₦
Chapel Hill Advisory Partners Limited	2,927,000,000
Ecobank Nigeria Plc	5,000,000,000
First Bank of Nigeria Plc	8,473,000,000
Intercontinental Bank Plc	9,000,000,000
Oceanic Bank International	10,000,000,000
United Bank of Africa Plc	15,000,000,000

Comment [A1]: SEC wants this information to come under additional information, since the method of offer strictly speaking is a public offer (for 4.5bn shares)

* Financing of major infrastructural development projects

** The acquisition and capitalization of CSL Stockbrokers Limited;

*** IT based channels

**** Training School would be located in Lagos State

SUMMARY OF THE OFFER (cont'd)

13. **CONVERSION OF GDR INTO SHARES** The Bank has commenced the process of effecting a Global Depository Receipt ("GDR") with Deutsche Bank Trust Company Americas acting as Depository Bank. Upon receipt of appropriate approvals, foreign investors, who have subscribed to the GDR may convert their GDRs into Ordinary Shares
14. **OPENING DATE:** 16th, October, 2007.
15. **CLOSING DATE:** 13th November, 2007.
16. **QUOTATION:** An application has been made to The Council of The Nigerian Stock Exchange for the admission to its Daily Official List, the 4,500,000,000 ordinary shares of 50 kobo each and 900,000,000 ordinary shares of 50 kobo each of First City Monument Bank Plc being issued by way of an Offer for Subscription and unlisted GDR respectively.
17. **STATUS:** The shares being offered rank pari passu in all respects with the other existing issued Ordinary Shares of the Bank and will qualify for any dividend or bonus that may be declared for the year ending 30th April, 2008
18. **SUPPLEMENTARY ALLOTMENT:** In the event of over subscription, the excess monies (not exceeding 25% of the Oversubscription) will be capitalised and additional shares allotted to the extent that can be accommodated by the Bank's authorised and unissued share capital, subject to approval from the Commission and the proceeds used for the same purpose stated herein.
19. **FINANCIAL SUMMARY:**

(Extracted from the Reporting Accountants' Report)

For the year ending	←-----Group-----→		←-----Bank-----→		
	30 th April, 2007	30 th April, 2006	30 th April, 2005	30 th April, 2004	30 th April, 2003
	N'000	N'000	N'000	N'000	N'000
Gross Earnings	24,973,311	11,044,646	6,121,037	3,124,180	2,899,969
Profit before taxation	7,569,086	3,334,923	1,093,046	264,588	57,414
Profit after taxation	5,953,465	2,313,429	801,791	272,982	14,217
Dividend	3,325,851	1,235,316	333,950	50,000	-
Share Capital	4,751,215	4,751,215	2,226,333	1,500,000	1,500,000
Net Assets	30,630,218	25,912,069	7,591,862	2,844,743	2,571,761
Total Assets	262,535,315	106,368,217	51,318,268	23,736,249	15,164,119
Adjusted Earnings per share (kobo)*	62.65	24.35	8.44	2.87	0.15
Adjusted Dividend per share (kobo)*	35.00	13.00	3.51	0.53	-

*Calculations of adjusted earnings and dividend per share are based on the issued and paid up share capital of ₦4,751,215,071 comprising 9,502,430,142 ordinary shares of 50 kobo each as at the date of this prospectus

20. **FORECAST OFFER STATISTICS:** (on the assumption that the offer is fully subscribed)

(Extracted from the Reporting Accounting's Report)

For the year ending	30 th April, 2008	30 th April, 2009	30 th April, 2010
	N'000	N'000	N'000
Gross earnings	64,268,942	90,004,115	115,259,823
Profit before taxation	18,981,712	32,324,525	42,045,299
Profit after taxation	15,083,271	25,961,112	34,475,197
Dividend	7,461,930	11,192,894	15,850,825
Forecast earnings per share (kobo)	101.07	173.96	217.50
Forecast earnings yield at offer price (ord.) (%)	7.22	12.43	15.54
Forecast dividend per share (ord.) (kobo)*	50.00	75.00	100.00
Forecast dividend yield at offer price (%)	3.57	5.36	7.14
Forecast price/earnings ratio at offer price	13.85	8.05	6.44

*Forecast earnings per share and dividend per share for the years ending 30th April 2008, 2009 is based in 14,923,859,000 ordinary shares of 50 kobo each while forecast earnings per share for the year ending 30 April 2010 is based on the 15,850,825,000 ordinary shares of 50 kobo each that will be in issue after the conversion of the preference shares.

SUMMARY OF THE OFFER (cont'd)

21. **FORCAST OFFER STATISTICS** (on the assumption of a supplementary offer of 1,125,000,000 ordinary shares of 50 kobo each and subject to the approval of the Commission)
(Extracted from the Reporting Accountants' Report)

For the year ending	30 th April, 2008	30 th April, 2009	30 th April, 2010
	₦'000	₦'000	₦'000
Gross earnings	64,419,477	91,744,062	117,516,752
Profit before taxation	19,068,269	33,673,539	44,868,215
Profit after taxation	15,063,933	26,602,096	35,445,890
Dividend	7,857,242	11,785,863	16,641,450
Forecast earnings per share (kobo)	95.86	169.28	213.00
Forecast earnings yield at offer price (%)	6.8	12.10	15.20
Forecast dividend per share (kobo)*	50.00	75.00	100.00
Forecast dividend yield at offer price (%)	3.60	5.40	7.10
Forecast price/earnings ratio at offer price	14.60	8.27	6.57

Forecast earnings per share and dividend per share for the years ending 30th April 2008, 2009 is based on 14,923,859,000 ordinary shares of 50 kobo each while forecast earnings per share for the year ending 30 April 2010 is based on the 15,850,825,000 ordinary shares of 50 kobo each that will be in issue after the conversion of the preference shares.

22. **Central Bank of Nigeria Status Report** The accounts of the Bank for the year ended 30th April, 2007 have been approved by the CBN. However, the following are the changes that have occurred between the 30th April, 2007, and 31st August, 2007

ASSETS	30/04/2007	31/08/2007	Increase/(decrease)	%
cash and short term funds	25,358,970	17,008,346	(8,350,624)	-33%
due from banks	113,778,070	30,419,643	(83,358,427)	-73%
dealing securities	5,734,974	1,266,666	(4,468,308)	-78%
Loans and advances(including leases)				
Gross	87,381,067	91,666,162	4,285,095	5%
Provision	3,252,148	3,980,121	727,973	22%
Net	84,128,919	87,686,041	3,557,122	4%
Other assets				
Gross	18,867,204	31,463,333	12,596,129	67%
Provision	227,461	269,840	42,379	19%
Net	18,639,743	31,193,493	12,553,750	67%
Investment in Securities & Subsidiaries	2,403,999	9,262,067	6,858,068	285%
Fixed Assets				
Cost	15,261,316	17,549,728	2,288,412	15%
Depreciation	2,500,101	3,030,533	530,432	21%
Net Book Value	12,761,215	14,519,195	1,757,980	14%
Total Assets	262,805,890	191,355,451	(71,450,440)	-27%
LIABILITIES				
customers deposits	187,990,701	87,497,659	(100,493,042)	-53%
due to other banks	15,636,837	4,185,966	(11,450,871)	-73%
other short term liabilities	16,975,803	47,251,824	30,276,021	178%
long term borrowings	11,233,685	24,106,074	12,872,389	115%
	231,837,026	163,041,523	(68,795,503)	-30%
SHAREHOLDERS FUNDS				
share capital	4,751,215	4,751,215	0	0%
Share premium	17,110,700	17,110,700	0	0%
Reserves	9,106,949	6,452,012	(2,654,937)	-29%
	30,968,864	28,313,927	(2,654,937)	-9%
LIABILITIES & SHAREHOLDERS FUNDS	262,805,890	191,355,450	(71,450,440)	-27%

23. CORPORATE DIRECTORY:

First City Monument Bank Plc has 112 operational branches all over the federation as approved by the CBN. Below are the details of the Bank's corporate head office and regional offices:

First City Monument Bank Plc
Primrose Tower
17A, Tinubu Street
Lagos

Tel: +234 1 2665944-53, 2793030

Fax: +234 1 2665126

E-mail: info@firstcitygroup.com

Website: www.firstcitygroup.com

Regional Offices	Address	Telephone/Email/Fax
Abuja	First City Plaza Plot 252, Herbert Macaulay Way Central Business District, Abuja	Tel: 09-5237908-10, 6702614-5 Email: Abuja@firstcitygroup.com Fax: 09-5237918
Akure	15, Oyemekun Street Akure Ondo State	Tel: 034-243706, 243763, 243711 Email: akure@firstcitygroup.com Fax: 034-243502
Asaba	206, Nnebisi Road Asaba Delta State	Tel: 046-280877, 281045, 307577 Email: asaba@firstcitygroup.com Fax: 046-280877
Lagos-East	63/64, Igbokushu Village Lekki Peninsula Lagos	Tel: 01-7741789 Email: Lekki@firstcitygroup.com
Lagos-North	36, Allen Avenue Ikeja Lagos	Tel: 01-7946298 Email: allen@firstcitygroup.com
Lagos-South	Primrose Tower 17A, Tinubu Street Lagos	Tel: 01-2665944-53, 2665864, 2713262 Email: hob@firstcitygroup.com Fax: 01-2640614, 2668833
Lagos-West	33, Adeniran Ogunsanya Street Surulere Lagos	Tel: 01-7616662, 5843035 Fax: 01-5844381
North-East	145, Murtala Mohammed Way Kano Kano State	Tel: 064-646510-2, 644965, 631766-7 Email: kano@firstcitygroup.com Fax: 064-646511
North-West	1&2A, Kachia Road Kaduna Kaduna State	Tel: 062-235102-4 Fax: 062-235114
Ogun State	21, Lalubu Street Abeokuta Ogun State	Tel: 039-244380, 242282, 242287, 242139 Email: Abeokuta@firstcitygroup.com
Oyo-Osun	27, Lebanon Street Ola Gbagi Ibadan, Oyo State	Tel: 02-2413401, 2412329 Email: ibadan@firstcitygroup.com Fax: 02-2413401
Port-Harcourt	282A, Port Harcourt/Aba Expressway GRA Phase 11 Port Harcourt, Rivers State	Tel: 084-237772-4 Email: ph@firstcitygroup.com Fax: 084-236533

SUMMARY OF THE OFFER (cont'd)

South-East	41, Garden Avenue Enugu Enugu State	Tel: 042-258418, 257628 Fax: 042-254933
Uyo	143, Abak Road Uyo Akwa Ibom State	Tel: 085-202970, 202635 Email: uyo@firstcitygroup.com Fax: 085-203127
Warri	Plot 151/153, Okumagba Avenue Warri Delta State	Tel: 053-257470, 257472-5 Email: warrioffice@firstcitygroup.com Fax: 053-257471

24. CLAIMS AND LITIGATIONS:

The Bank is currently involved in 170 court cases, which are pending in various courts in Nigeria, 135 of which the Bank is defending and the total sum being claimed is ₦7,964,624,248.74. The Solicitors to the Offer are of the opinion that the maximum potential liability to the Bank from these cases should not exceed ₦1,773,374,248.74. The schedule of claims and litigations, involving the Bank, is available for inspection at the offices of the Joint Issuing Houses.

25. INDEBTEDNESS:

As at the date of this Prospectus, First City Monument bank Plc had no outstanding debentures, mortgages, loans, charges or similar indebtedness other than those incurred in the ordinary course of business. The Bank had contingent liabilities amounting to ₦4.11 billion, as at 30th April, 2007 arising from acceptances, guarantees and other obligations for the account of customers (and customers' liability therefore).

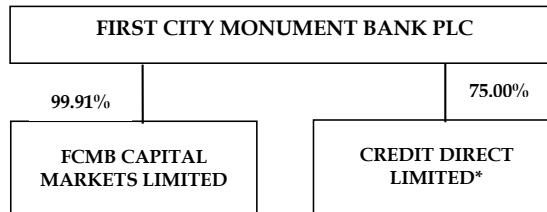
26. SHARE CERTIFICATES:

Share certificates in respect of shares allotted will be sent by registered post not later than 15 working days from the date of allotment. **Any investor who does not want to receive a physical share certificate, should state the name of his/her stockbroker and his/her CSCS account number in the space provided on the Application Form.**

27. COMPANY STRUCTURE

Please find below First City Monument Bank Plc's subsidiaries:

Name	Shareholding	%
FCMB Capital Markets Limited	149,868,750	99.91
Credit Direct Limited	150,000	75.00



28. ADDITIONAL DISCLOSURES

Credit Linked Loan Agreement.

The Bank has a \$90 million (₦11.475 billion) bilateral term facility linked to credit with the HSBC Bank Plc.

Naira Linked Loan Agreement.

The Bank has a ₦12.750 billion (\$100 million) term facility linked to the Nigerian Naira with HSBC Bank Plc.

* The accounts of Credit Direct Limited was not included in the consolidated accounts of the Bank, as the subsidiary just commenced operations in 2007

A copy of this Prospectus and the documents specified herein, have been delivered to the Securities and Exchange Commission for clearance and registration.

This prospectus is being issued in compliance with the provisions of the Investments and Securities Act Cap I24 LFN 2004, the Rules and Regulations of the Commission and the listing requirements of The Exchange and contains particulars in compliance with the requirements of the Commission and The Exchange, for the purpose of giving information to the public with regard to the Offer for Subscription of 4,500,000,000 ordinary shares of 50 kobo each at ₦14.00 per share by First City Monument Bank Plc to be offered by FCMB Capital Markets Limited, Chapel Hill Advisory Partners Limited, Afrinvest West Africa Limited, Ecobank Nigeria Plc, FBN Capital Limited, Intercontinental Capital Markets Limited, Oceanic Bank International Plc and UBA Global Markets Limited. An application has been made to The Council of The Exchange for the admission to its Daily Official List of the shares being issued by the Bank under the Offer for Subscription.

The Directors of FCMB individually and collectively accept fully responsibility for the accuracy of the information contained in this Prospectus. The Directors have taken reasonable care to ensure that the facts contained herein are true and accurate in all respects and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no material facts, the omission of which would make any statement herein misleading or untrue.



On behalf of



Offer for Subscription

and are authorized to receive applications for
4,500,000,000 Ordinary Shares of 50 Kobo each
at ₦14.00 per Share

in

FIRST CITY MONUMENT BANK PLC

Payable in full on application

The Application List for the shares now being offered will open on Tuesday, 16th, October, 2007 and close on Tuesday, 13th November, 2007

**SHARE CAPITAL AND RESERVES OF THE BANK AS AT 30TH APRIL, 2007:
(EXTRACTED FROM THE REPORTING ACCOUNTANT'S REPORT)**

		₦'000
AUTHORISED	20,000,000,000 Ordinary Shares of ₦0.50 each	10,000,000
ISSUED AND FULLY PAID	9,502,430,142 Ordinary Shares of ₦0.50 each	4,751,215
EQUITY	Called-up share capital	4,751,215
	Share premium	17,110,700
	Revenue reserve	8,768,303
SHAREHOLDERS' FUNDS		<u><u>30,630,218</u></u>

DIRECTORS, SECRETARY AND OTHER PARTIES TO THE OFFER

DIRECTORS: Dr. Jonathan A. D. Long (Chairman) Primrose Tower 17A, Tinubu Street Lagos	Company Secretary Mrs. Olajumoke P. Bakare Primrose Tower 17A, Tinubu Street Lagos
Mr. Ladi Balogun (Managing Director) Primrose Tower 17A, Tinubu Street, Lagos	Registered Office: Primrose Tower 17A, Tinubu Street Lagos
Mr. Anurag Saxena (Executive) Primrose Tower 17A, Tinubu Street, Lagos	JOINT ISSUING HOUSES: FCMB Capital Markets Limited Primrose Tower 17A, Tinubu Street, Lagos
Mr. Henry Seminitari (Executive) Primrose Tower 17A, Tinubu Street, Lagos	Chapel Hill Advisory Partners Limited 45, Saka Tinubu Street Victoria Island, Lagos
Mr. Maurice Phido (Executive) Primrose Tower 17A, Tinubu Street, Lagos	Afrinvest West Africa Limited Foreshore Towers, 5 th , 11 th & 12 th Floors 2A, Osborne Road Ikoyi, Lagos
Mr. G. T. S. Adokpaye Plot 8B, Fabac/2 nd Close Off Ligali Ayorinde Street Victoria Island, Lagos	Ecobank Nigeria Plc 21, Ahmadu Bello Way Victoria Island Lagos
Alhaji Ibrahim M. Damcida 202, Awolowo Road South West, Ikoyi Lagos	FBN Capital Limited 16, Keffi Street South West, Ikoyi Lagos
Mr. Ladi Jadesimi Plot 1609, Adeola Hopewell Street Victoria Island Lagos	Intercontinental Capital Markets Limited Wesley House 20/22, Marina Lagos
Mr. Nigel Kenny 18, Furlong Road London N78 LS United Kingdom	Oceanic Bank International Plc Plot 270, Ozumba Mbadiwe Avenue Victoria Island Lagos
Mr. Tope O. Lawani 3 rd Floor, 70/71, New Bond Street London W1S 1DE United Kingdom	UBA Global Markets Limited UBA House (11 th Floor) 57, Marina Lagos
Mr. Bismarck Rewane 11A, Goriola Street Victoria Island, Lagos	
Dr. John Udofa Plot 18, Hussein Sunmonu Street Lekki Phase 1 Lagos	

DIRECTORS, SECRETARY AND OTHER PARTIES TO THE OFFER

<p>JOINT STOCKBROKERS CSL Stockbrokers Limited Primrose Tower (3rd Floor) 17A, Tinubu Street Lagos</p>	<p>JOINT STOCKBROKERS contd. LB Securities Limited Plot 932, Idejo Street Victoria Island Lagos</p>
<p>Abyn Investment Limited 19th Floor Stock Exchange House 2/4 Customs Street Lagos</p>	<p>Mutual Alliance Investments and Securities Limited Mutual Alliance House 207B Ikorodu Road Obanikoro Lagos</p>
<p>Camry Securities Limited Wesley House Annex 21/22, Marina Lagos</p>	<p>UNEX Securities & Investment Limited 3, Biaduo Street, Off Keffi Street South West, Ikoyi Lagos</p>
<p>Capital Assets Limited 8th Floor, Bookshop House 50/52 Broad Street Lagos</p>	<p>Vetiva Capital Management Limited Plot 266B, Kofo Abayomi Street Victoria Island Lagos</p>
<p>Dominion Trust Limited Dominion House 207, Igboere Road Lagos</p>	<p>AUDITORS PricewaterhouseCoopers Plot 252E, Muri Okunola Street Victoria Island Lagos</p>
<p>F&C Securities Limited 13, Ribadu Road South West, Ikoyi Lagos</p>	<p>REPORTING ACCOUNTANTS Akintola Williams Deloitte Akintola Williams Deloitte House 235, Ikorodu Road Ilupeju, Lagos</p>
<p>Falcon Securities Limited New Africa House (9th Floor) 31, Marina, Lagos</p>	<p>SOLICITORS TO THE BANK Olawoyin & Olawoyin Mamman Kontagora House (13th Floor) 23A, Marina, Lagos</p>
<p>Future View Securities Limited Plot 161D, Aufu Taylor Close Off Idejo Street Victoria Island, Lagos</p>	<p>SOLICITORS TO THE OFFER Aluko & Oyebo 35, Moloney Street Lagos And</p>
<p>Global Assets Management Limited Investment House 21/25 Broad Street Lagos</p>	<p>Udo Udoma & Belo-Osagie St. Nicholas House (10th Floor) Catholic Mission Street, Lagos</p>
<p>IBTC Asset Management Limited IBTC Place Walter Carrington Crescent Victoria Island Lagos</p>	<p>REGISTRARS TO THE OFFER Corporate Diamond Securities and Investments Limited Elder Dempster House, 5th Floor 47, Marina Lagos</p>
<p>Lambeth Trust & Investment Company Limited 1st Floor, 4/6, Mobolaji Bank Anthony Street Off Broad Street Lagos</p>	

DIRECTORS, SECRETARY AND OTHER PARTIES TO THE OFFER

JOINT UNDERWRITERS:	JOINT RECEIVING BANKS:
Chapel Hill Advisory Partners Limited 45, Saka Tinubu Street Victoria Island Lagos	Ecobank Nigeria Plc 21, Ahmadu Bello Way Victoria Island Lagos
Ecobank Nigeria Plc 21, Ahmadu Bello Way Victoria Island Lagos	First Bank of Nigeria Plc Samuel Asabia House 35, Marina Lagos
First Bank of Nigeria Plc Samuel Asabia House 35, Marina Lagos	Intercontinental Bank Plc Plot 999C, Danmole Street, Victoria Island Lagos
Intercontinental Bank Plc Plot 999C, Danmole Street, Victoria Island Lagos	Oceanic Bank International Plc Plot 270, Ozumba Mbadiwe Avenue Victoria Island Lagos
Oceanic Bank International Plc Plot 270, Ozumba Mbadiwe Street Victoria Island Lagos	United Bank for Africa Plc UBA House 57, Marina Lagos
United Bank for Africa Plc UBA House 57, Marina Lagos	

THE CHAIRMAN'S LETTER

The following is the text of a letter from Dr. Jonathan A. D. Long, on behalf of the Board of Directors of First City Monument Bank Plc.



PRIMROSE TOWER, 17A Tinubu Street, P.O.Box 9117, Lagos, Nigeria
Telephone: 2665944-53

16th October, 2007

The Directors
FCMB Capital Markets Limited
Primrose Tower
17A Tinubu Street
Lagos

The Directors
Chapel Hill Advisory Partners Limited
45, Saka Tinubu Street
Victoria Island
Lagos

The Directors
Afrinvest West Africa Limited
Foreshore Towers, 5th, 11th and
12th Floors
2A, Osborne Road
Ikoyi, Lagos

The Directors
Ecobank Nigeria Plc
21, Ahmadu Bello Way
Victoria Island
Lagos

The Directors
FBN Capital Limited
16, Keffi Street
South West, Ikoyi
Lagos

The Directors
Intercontinental Capital Markets Limited
Wesley House,
22, Marina
Lagos

The Directors
Oceanic Bank International Plc
Plot 270, Ozumba Mbadiwe Ave.
Victoria Island
Lagos

The Directors
UBA Global Markets Limited
UBA House (11th Floor)
57, Marina
Lagos

Dear Sirs,

FIRST CITY MONUMENT BANK PLC ("FCMB" OR "THE BANK")
OFFER FOR SUBSCRIPTION OF 4,500,000,000 ORDINARY SHARES OF 50 KOBO EACH AT ₦14.00 PER SHARE

On behalf of the Directors of First City Monument Bank Plc, I am pleased to provide the following information relating to the Offer for Subscription of 4,500,000,000 Ordinary shares of 50 kobo each at ₦14.00 per share, which you are making on our behalf:

1.1 HISTORY AND BUSINESS

The licensing of FCMB (then First City Merchant Bank Limited) in 1982 and its subsequent commencement of banking operations in August, 1983 blazed a new trail in the history of banking in Nigeria. The Bank began operations with an issued and fully paid-up ordinary share capital of ₦2 million in 1983. By 30th April, 2007 the Bank's paid-up share capital had grown to ₦4.7 billion, while shareholders' funds stood at ₦30.6 billion.

The Bank was the first privately owned merchant bank to be established without foreign technical partners or government support in Nigeria. First City Monument Bank Plc has its antecedent in the successful primary issues business of City Securities Limited which was established in September, 1977 as the first Nigerian financial institution to combine new issues with stockbroking and share registration services. One of the earliest landmark achievements of the Bank was the completion of the first public loan syndication of ₦70 million (US\$75 million) for the then National Fertilizer Company of Nigeria ("NAFCON") in 1986 - the largest ever at the time. In November, 1988, the Bank signed a Technical Services and Cooperation Agreement with Morgan Grenfell & Co Limited (now integrated into Deutsche Bank) to provide technical services to the Bank with provisions for biennial renewal (this agreement subsequently expired on 31st November, 2000).

In 2001, the Bank became a full-fledged commercial bank, having collaborated with a few other banks to spearhead the campaign for the adoption of a universal banking system in Nigeria. In anticipation of the adoption of universal banking, the Bank sought and obtained approval from the Central Bank of Nigeria in December 2000 to change its name to First City Monument Bank Limited; this took effect from January, 2001. The Bank became a Public Liability Company in August, 2004 and also successfully raised over ₦16 billion via its Initial Public Offering in 2005. That same year, the Bank completed its merger with Cooperative Development Bank Plc and Nigerian-American Bank Limited, and also acquired Midas Bank Limited.

Pursuant to the recapitalisation and consolidation in the banking sector in 2005, the Bank has witnessed improved financial performance. Gross earnings increased by 307.29% from ₦6.121 billion at the end of the 2005 to ₦24.93 billion as at 30th April, 2007. Total assets grew by 411.58% from ₦51.318 billion to ₦262.53 billion over the period. Profit before tax also increased from ₦1.093 billion to ₦7.569 billion within the same period, a growth of 592.50%. Profit after tax also grew by 641.96%, from ₦801.791 million to ₦5.949 billion over the period.

In recognition of the Bank's improved operating performance, FCMB was assigned ratings of A1 and A+ in the short and long term respectively by Global Credit Rating ("GCR") of South Africa.

The Bank entered into a Management Services Agreement with Sabre Capital Worldwide (Mauritius) Limited ("Sabre Capital"), a leading global private equity and financial services company on 20th January, 2007. Under the terms of the agreement, Sabre Capital will provide FCMB with the requisite technical and managerial support to facilitate the development of a strong consumer banking franchise. This led to the appointment of Mr. Anurag Saxena, formerly a Director with Barclays Bank Plc, United Kingdom, as an Executive Director and Chief Operating Officer of the Bank, with a mandate to expand FCMB's consumer banking business. The impact of this strategic alliance is already being felt as a host of innovative consumer banking products, recently launched into the market are already surpassing all projections whilst several other initiatives are being developed to complement, support and further expand the Bank's retail coverage.

On account of the Sabre relationship, as well as the Bank's improved operating performance, FCMB was able to attract a host of credible foreign institutional investors in the first half of 2007. These investors carried out a detailed due diligence on the Bank following which significant investments were made. The first group of investors was led by Helios Investment Partners (a United Kingdom based private equity fund with \$300million under management), and this group invested about \$50 million. The other member of the group is the Commonwealth Development Corporation (an investment arm of the British government). The second group, comprising of GLG Investment Partners (a multi-billion dollar and leading investment manager based in London), invested about \$26 million in the Bank. Consequent to these investments, the investors are being represented on the board of Directors of the Bank by Mr. Tope Lawani (Managing Director in Helios Investment Partners). These investors are committed to providing technical/strategic as well as financial support to the Bank.

In addition to the foregoing, the Bank signed a \$90 million credit linked facility with HSBC in March, 2007 and a further \$100 million Nigerian Naira linked facility also with HSBC in August, 2007. This has provided the Bank with stable, well priced liabilities to fund term lending activities. The Bank is also attracting quality talents from abroad to enhance its deal structuring and execution capabilities.

Due to its investment banking antecedents, the Bank has continued to leverage extensively on its traditional client base of multinationals and leading local Corporates. Other key segments of the Bank's client base include financial institutions, Government (at Federal, State and local levels) and high net worth individuals. The Bank continues to strengthen its relationship with its traditional target market by extending its services to catering to the banking requirements of the employees, suppliers and distributors of its traditional corporate and institutional clients.

1.1.1 Offshore Capital Raising Initiatives:

In view of the Bank's recent remarkable growth, strong future prospects as well as Nigeria's rising profile as a destination for international portfolio flows, FCMB has continued to elicit considerable interest from a number of foreign institutional investors. The Bank has, in the last twelve months, attracted over \$300 million in direct investment as well as on-lending facilities from leading international institutions such as HSBC, CDC, OPIC and the IFC amongst others.

Based on the foregoing, the board of FCMB deemed it expedient to take advantage of the unique opportunity it has been presented by accessing the international financial markets to raise Tier 1 capital. As such, the Bank is planning to raise up to \$250 million subject to international market conditions, comprising up to a \$100 million unlisted GDR and up to \$150 million Convertible Preference Share issuance at a later date. It is expected that, upon conclusion of the offshore and domestic capital raising exercises, the Bank would have shareholders' funds in excess of \$1 billion.

1.2 PRODUCTS AND SERVICES

The Bank is structured along the following functional lines:

- o Consumer Banking
- o Commercial Banking
- o Corporate Banking
- o Public Sector
- o Investment Banking
- o Stockbrokerage and Investor Services*

** Provided through affiliates and alliances*

Consumer Banking Products

Personal Loans

- Auto Loans
- Home Appliance Loan
- Salary Advance

Mortgages

Deposits

- Classic Current Account
- Premium Current Account
- Classic Saver
- Premium Saver
- Call Deposits
- Salary Plus Account
- Non-resident Account
- Tenored Deposits

Payment and Transfers

- Bill payments
- Tax payments -ETCC
- Domestic Money Transfer
- Western Union Money Transfer
- Bureau De Change

Debit/ATM Cards

- Travelers Cheques
- Mutual Funds*
- Education Investment Schemes
- Retirement Savings Accounts*
- Life Insurance*

Commercial and Corporate Banking Products

- o Contract Finance
- o Local Purchasing Order
- o Receivable Discount Facility
- o Distributor Finance
- o Working Capital and Term Loans
- o Documentary Import Finance Facility
- o Stock Finance
- o Project Finance
- o Leases
- o Commercial papers and Acceptances
- o Deposit Accounts (current, call, tenured, domiciliary accounts)

- Trade Services
 - Letters of Credit
 - Confirmation Lines
- E-Payment Solutions
- Cash Management

Investment Banking Services

- Mergers & Acquisitions/Financial Advisory
- Capital Raising (debt/equity/hybrid)
- Structured Products
- Principal Investment
- Asset Trading (debt, equity, currency, derivatives)

1.3 PEOPLE

BOARD OF DIRECTORS

I am pleased to present the 12 (twelve) members of the Board of Directors who determine the Bank's general policies:

I am **Dr. Jonathan A.D. Long, Chairman of First City Monument Bank Plc.** I was Managing Director of the Bank between 1987 and 2005. Prior to that, I was the Deputy Managing Director of the Bank between June, 1985 and April, 1987.

I hold Bachelors (1967) and Masters (1970) degrees in Modern History from Balliol College and a Doctorate degree (1973) in French Politics from St. Anthony's College, Oxford University in the United Kingdom. I have had over twenty seven years corporate finance experience, working in merchant banking in the United Kingdom, Switzerland and Nigeria. I began my working career with William & Glyn's Bank Limited in 1973. I was appointed Manager, Corporate Finance, with Charterhouse Japhet Limited in London in 1976, before becoming General Manager of the bank's Swiss investment management subsidiary, Charterhouse Japhet (Suisse) S.A in Geneva in 1979 and eventually became Assistant Director in 1981. I later established the operations of Standard Chartered Bank Plc in Geneva, Switzerland in 1982 before joining First City Merchant Bank Limited in 1985.

Over the last twenty two years, I have led numerous project teams advising the Nigerian Government, major multinational clients or large local corporate institutions on major financial transactions. I have acted as project director on all the innovative assignments handled by FCMB Capital Markets. I am also a member of the Board of Directors of Kakawa Discount House Limited.

Mr. Ladi Balogun (Managing Director): Ladi holds a Bachelors degree in Economics from the University of East Anglia, United Kingdom (1993) and an MBA from Harvard Business School (2000), United States of America. He has over 14 years experience in commercial and investment banking in Europe, United States of America and Africa. He began his banking career in 1993 at Morgan Grenfell and Co. Limited, one of the UK's most prestigious investment banks, which was later consolidated into the investment banking division of Deutsche Bank. While at Morgan Grenfell, he worked in the areas of risk management and corporate finance (debt origination). He was responsible for managing the bank's trading and investment positions in debt instruments in Latin America and Eastern Europe, at a time of great volatility in both regions. As a corporate finance officer, he was part of a team that structured numerous complex debt deals running into several billions of dollars in Latin America, Eastern Europe and the Asian sub-continent. Subsequently he worked at Citibank in New York in the area of structured trade finance covering the CEEMEA region (Central and Eastern Europe Middle East and Africa) before returning to Nigeria as an Executive Assistant to the Chairman and Chief Executive in 1996.

He has worked in various areas of the Bank, including Treasury, Corporate Banking and Investment Banking. He was appointed an Executive Director in charge of the Institutional Banking Group (IBG) in 1997. His restructuring and business development efforts in IBG were largely responsible for the geometric growth in the Bank's earnings between 1997 and 1999. In 2000, he was made Executive Director in charge of Strategy and Business Development and by 2001 became the Bank's Deputy Managing Director. He was appointed the Managing Director of the Bank in 2005, upon the conclusion of the Bank's successful initial public offer, the mergers with Cooperative Development Bank Plc and Nigerian-American Bank Limited and the acquisition of Midas Bank Limited.

Ladi has received extensive training both locally and internationally, including attending a Citibank-sponsored Professional Development Programme as well as the Credit Course for Senior Bankers and the Advanced Credit Course for Senior Bankers at the Citibank School of Banking.

In addition to being the Managing Director of FCMB, he is also a director of the following companies: City Securities Limited; CSL Stockbrokers Limited, First City Asset Management Limited and Interswitch Nigeria Limited (Nigeria's first national payment switch). He sits on the Advisory Committee of one of Nigeria's leading private equity firms (SME Partnership). He is a volunteer speaker for two Non-Governmental Organisations in Nigeria focused on training and mentoring the youth and entrepreneurs, namely Fate Foundation and Junior Achievement Nigeria. He is also the chairman of the Otunba Tunwase Foundation (a charitable organisation established to improve the health and welfare of children in Nigeria). Only recently, he was appointed to the Working Committee established to define modalities for setting up the Ogun State Development Trust Fund.

Mr. Anurag Saxena (Chief Operating Officer) holds a BE from the Regional Institute of Technology, India (1987), an MBA from the Indian Institute of Management, Calcutta (1990). He has an International Investment Advisory Certificate and International Capital markets Qualification and is a Fellow of the Chartered Institute of Marketing, UK. He has over 17 years experience in all aspects of banking including sales, distribution, marketing, product development, strategy, IT and operations. He has worked with Barclays Bank (Jan 2006 till December, 2006), Standard Chartered Bank (1996 to 2005), Mashreq Bank (largest and leading Private Bank in UAE) (1993 to 1996) and Citigroup (1990 to 1993). He was Director, Strategic Initiatives and Innovation, Africa, Middle East and Indian Ocean as well as Head, Customer Solutions, Africa and Indian Ocean, in Barclays Bank. Anurag also served in various capacities in Standard Chartered Bank including Head of Sales, Marketing and Quality, Africa and Gulf Region, Head of Sales and Marketing, Philippines, Head of Marketing, Taiwan, Head of Marketing, Middle East and South Asia. He was also Assistant Vice President, Investment and Liability Products, Mashreq Bank; and Territory Operations Manager, Middle East and Europe - NRI Business, Citigroup. Anurag joined FCMB as the Chief Operating Officer in January, 2007 following the execution of a management services agreement between FCMB and Sabre Capital.

Mr. Henry Semenitari (Executive): is an Executive Director, responsible for the Commercial Banking Division of the bank. He has over 19 years banking experience in various areas including commercial & retail banking, corporate banking, operations and internal control. At various times, he has worked for established banks such as Zenith Bank Plc (1991 to 1992), Diamond Bank (1992 to 1996), United Bank for Africa Plc 1996 to 2001) and Afribank (2003 to 2005). He joined FCMB from Afribank in 2005, where he was responsible for developing the retail banking business across a network of over 150 branches. His recognized strengths are in business process re-engineering, enterprise management and integration of business processes with technology at product and responsibility accounting level. Henry holds a Bachelors Degree in Chemical Engineering from University of Lagos (1987) and an MBA from University of Navarra (I.E.S.E.), Barcelona, Spain (2000).

Mr. Maurice Phido (Executive): is the Executive Director, responsible for the International Banking Division of the Bank. He has worked extensively in the financial services industry in areas including accounting, financial advisory and banking. He began his career with Arthur Andersen (now KPMG Professional Services) where he worked in the Audit and Business advisory Group from 1988 to 1992. He joined Diamond Bank Plc in 1992, where as Head, Corporate and Investment Banking, he was responsible for managing banking relationships with multinationals and structured indigenous companies before joining FCMB in 2005. Maurice holds a Bachelors Degree in Political Science from University of Lagos (1986) and is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) (2006).

Mr. Godwin T. S. Adokpaye (Director) holds a 1959 B.A. Honours degree in Classics from the University of Ibadan. He worked with Mobil Oil Nigeria Plc from 1959 becoming, first, District Manager, Benin, in 1961 and then, successively, Retail Sales Manager, Commercial Manager and Sales Manager between 1968 and 1972. He was appointed General Manager in 1972 and in 1974, he was made Executive Director, before finally retiring from an executive position in December 1984. He is on the board of a number of other companies. He was appointed to the Board in 1984 and is currently the Chairman of the Bank's Audit Committee.

Alhaji I. M. Damcida (Director): is an accounting graduate of the Westminster College (1956) and North-West Polytechnic (1958) in England. He commenced his working career as an accountant with the Ministry of Trade and Industry of the Government of Northern Region in 1959 and was transferred to the Federal Service in Lagos in 1962. He was a three time Permanent Secretary in three different ministries [Ministry of Trade (1966 to 1970), Ministry of Defence (1970 to 1975) and Ministry of Finance in 1975]. His business interests include banking and telecommunications and he is on the board of several blue chip companies in Nigeria.

Mr. Ladi Jadesimi (Director): graduated from Oxford University with M.A (Hons) in Jurisprudence in 1969 and became a Fellow of the Institute of Chartered Accountants (England and Wales) in 1969 and an Associate of the Institute of Chartered Accountants (Ontario, Canada) in 1973. He commenced his working career as a Chartered Accountant with Coopers and Lybrand in London between 1970 and 1971. On his return to Nigeria in 1971, he worked with Nigerian Acceptance Limited as an investment analyst till 1973 when he joined the tax practice of Lavethol & Horwarth, Toronto, Canada. He joined Arthur Anderson as a partner in 1978 and was there till 1983 when he left to start his own private practice as an independent financial consultant. Mr. Jadesimi was appointed to the Bank's board in 1983.

Mr. Nigel Kenny (Director) is an alumnus of University of Surrey, from where he obtained a BSc. degree in physics (first class) in 1970 and a Doctorate in Theoretical Physics in 1973. He is also a Fellow of the Institute of Chartered Accountants in England and Wales. He began his career with PricewaterhouseCoopers in 1973 as an Audit Manager and eventually rose to become the Deputy Regional Audit Manager. He worked with Chase Manhattan Bank National Association, United States of America between 1982 and 1992, becoming the Vice president and Area Audit Manager for Europe, Middle East and Asia in 1989. He joined Standard Chartered Plc, London in 1992 where he rose to become the Group Executive Director for Finance in 1999, a position he held till he left in 2002. He joined the Bank's board in 2007.

Mr. Tope O. Lawani (Director) is a co-founder and Managing Director of Helios Investment Partners, an investment firm focused on making private equity investments in Sub-Saharan Africa. Prior to co-founding Helios, he was a Principal at Texas Pacific Group (1996-2004), one of the world's leading global private equity firms. He holds a 1991 Bachelor of Science degree in Chemical Engineering from the Massachusetts Institute of Technology and a Masters in Business Administration from Harvard Business School in 1996. He joined the Bank's board in 2007

Mr. Bismarck Rewane (*Director*) obtained a B.Sc. degree in Economics from the University of Ibadan in 1972 and became an Associate of The Institute of Bankers (England & Wales) in 1975. He began his banking career with Barclays Bank, UK, in 1973 and moved to Barclays Bank of Nigeria in 1975, immediately after completing the Barclays Bank International Graduate Training Programme at West London University. He joined the First National Bank of Chicago in 1976 as Deputy Manager (Credit) and moved on to International Merchant Bank Nigeria Limited in 1981 where he rose to become a General Manager before leaving in 1996 to start his own company. He has served on the board of Lion Bank of Nigeria Plc and Intercity Bank of Nigeria Limited. He currently sits on the boards of Top Feeds Nigeria Limited and Delta Packaging Nigeria Limited. An outstanding scholar, Mr. Rewane has addressed many professional and business gatherings on subjects such as foreign exchange management, liability management in a deregulated economy, tools of money market analysis and techniques of investment in public debt instrument. He joined the Bank's Board in 2002 and is the Managing Director/Chief Executive of Financial Derivatives Company Limited.

Dr. John Udofa (*Director*) holds a 1980 HND in Accounting from The Polytechnic, Calabar, an MBA from the University of Ibadan (1990) and a doctorate degree from St. Clement's University, United States of America (2004). He started his working career with Benue Agricultural Development Corporation in 1980 as an accountant. He moved on to Icon Limited (an IFC and JP Morgan sponsored merchant bank) in 1981 and worked in the International Operations, Area Office Operations, Treasury and Financial Services, Credit and Marketing Departments till 1992 when he left for Cooperative Development Bank Plc. Whilst at Cooperative Development Bank Plc, he worked in the Treasury and Financial Services department, International Banking Division and Corporate Banking group and the Corporate Finance/Credit Division before becoming the General Manager/Ag. Managing Director/Chief Executive in 2001. He was appointed Managing Director of the bank in 2002. He joined board of FCMB in 2005.

KEY MANAGEMENT STAFF

The senior management team of the Bank, led by the Managing Director and the Executive Directors, are responsible for the day to day management of the Bank and report to the Board of Directors. As at the date of this Prospectus, the bank had a total staff strength of 2,310 employees.

Aside from the Executive Directors, the following represent the Bank's executive management team:

Peter Obaseki (*Senior Vice-President & Head, Corporate Banking Division*): graduated from the University of Lagos where he obtained a Bachelor of Science degree in Computer Science (1983), a Masters degree in Management Information Systems (1986) and an MBA (Finance, 1997). He is a professionally qualified banker (ACIB). He commenced his working career with KPMG/Ani, Ogunde & Co as a Business Process/IT Consultant to banks and other financial services companies and moved on to Fidelity Union Merchant Bank Limited in 1989, as the pioneer head of Information Technology and was later exposed to various aspects of Financial Control, Management Information System, Lending and Relationship Management. He was the Manager in charge of Medium Companies at Fidelity Union. He later joined Equity Bank Limited in 1994 and subsequently became Senior Manager and Head of the bank's Ikeja Area Branch. He joined FCMB in May, 1997 as Head, Financial Control and was appointed in 1999 as group head in charge of Energy and Construction portfolio. He has served in various other senior capacities before assuming his current position. He has attended several high-level courses including Structured Credits, Project Finance and the Emerging Leadership course of Columbia Business School, New York.

Shiba Ghosh (*Senior Vice President & Head, Consumer Banking*): graduated with a Bachelor's degree in Commerce from St. Xavier's College, Calcutta, India in 1986 and an MBA from Birla Institute of Technology, Mesra, India in 1989. He commenced his working career as a Management Trainee with Lintas in 1989 and moved on to Citibank, India in 1990 where he worked in Retail Lending, Collections, Customer Relations Management, Branch Banking & Priority Banking and as the Head of Regional Sales and Service for Credit Cards. He moved on to Standard Chartered, India in 1999, where he set up the telemarketing unit, Corporate & Alliances channel and headed the Personal Loan business. He moved to Standard Chartered, Lagos in 2006 and helped set up the personal lending business for the Bank. He joined FCMB in 2007.

Adam Nuru (Vice-President & Head, Enterprise Management): holds a Bachelors Degree in Business Administration with specialization in Finance from the Ahmadu Bello University in 1988 and is also a Member of the Nigerian Institute of Management (NIM) and an honorary Member of the Chartered Institute of Bankers of Nigeria. He has garnered significant experience in various areas of banking including treasury, corporate finance, consumer and commercial banking. He has worked with Oceanic Bank and FSB International Bank (Now Fidelity Bank), where he was Head of Public Sector, and later Head of Retail Banking – Lagos before becoming responsible for the Human Resources Management Group. He joined FCMB in 2005.

Olajumoke P. Bakare (Vice President, Company Secretary, Group Legal Counsel and Chief Compliance Officer): after graduating with a second class upper grade at the Nigerian Law School in 1984, she joined the law firm of Adedeji & Co in 1985, and later worked with the Nigerian Law School as a Lecturer between 1989 and 1992. In 1992, she joined the legal department of FCMB. Jumoke holds a Bachelors Degree in law from University of Ife (Now Obafemi Awolowo University) (1983) and a Masters Degree in Law from University of Lagos (1991).

Ayobola Abiola (Vice President & Regional Director-South West): holds a B.Sc. Degree (Upper Division – 1988) in Economics from University of Ado-Ekiti, an M.Sc. Degree (1990) in Economics from Obafemi Awolowo University, Ile-Ife and has just completed his MBA Finance Degree examination at the University of Leicester, United Kingdom. He is a Certified Public Accountant (CPA) and an Associate Member, Chartered Institute of Taxation, (ACTI), Nigeria. Mr. Abiola's career spans over 17 years during which he garnered relevant experience across branch services, corporate finance, institutional/corporate banking, project finance, commercial banking and public sector. He began his career with Union Bank Plc as a temporary staff and later joined Commerce Bank in 1990 as an officer in credit and marketing. He left in 1992 to join International Merchant Bank Plc (IMB) where he worked in various capacities and left in 1995 as Analyst/Head Multilateral Institutions to join Continental Trust Bank Ltd (CTB).

At CTB, he worked in corporate finance department with responsibility for project finance and multilateral assisted projects from where he was redeployed to Standard Trust Bank Plc (STB) in 1997 following CTB acquisition of equity interest in the Bank. At the legacy STB, he functioned in several capacities including Deputy Head, Credit Transactions; Head, Asset Trading; Business Manager, Victoria Island; Pioneer Business Manager, Kano; Area Manager, Apapa; Regional Director, North Central and Chief Marketing Officer. He left UBA Plc as DGM/Zonal Head, South West after the merger of UBA, CTB and STB to join FCMB in July 2005 as Vice-President and Regional Director South West. He has attended several professional and leadership programmes at Lagos Business School; Euromoney; World Bank and Leicester University, United Kingdom.

Benos Imoisili (Vice-President & Head, Public Sector Division): has a B.Sc. in Engineering (1985) and an MBA (1989) both from the University of Lagos. Benos has an extensive knowledge of the banking industry in areas including operations, retail, corporate and consumer banking. He commenced his banking career with Citibank Nigeria in 1989 and has worked with Citizens International Bank (1993 to 2001), Broad Bank (2001 to 2005) and Union Bank (2005- 2006), where he was responsible for the development of the consumer banking group before joining FCMB in 2006. Benos has attended many local and international professional and leadership courses in different institutions including the Center for Strategic Leadership, Colorado Springs. He also won the 1989/90 prestigious IVL award of the United States.

Oladeji Somoye (Vice-President & Head, Strategic Initiatives & Value Innovation): His banking experience includes extensive work with internal and financial controls, operations and strategy. He commenced his banking career in the Operations and Control Group of Citibank, Nigeria, in 1990 where he worked in the various units within the Group before joining Standard Trust Bank in 1999 as divisional head in charge of bank wide operations and control. At Standard Trust Bank, he rose to become Financial Controller in charge of financial control, performance management, strategy and regulatory management before joining FCMB in 2004. Deji holds a Bachelors Degree in Economics (1990) with second class upper division and a Masters of Science degree (distinction) in Economics and International Finance (1995) both from the University of Lagos.

Adebowale Adesanya (Vice-President, Risk Management Group): joined FCMB in 1989 as a management trainee. He has garnered invaluable experience in various areas of banking including operations, corporate banking, treasury and credit risk management. Before his current appointment, he was at various times in charge of the bank's Operation and Support Group and also the bank's treasurer. Debo holds a Bachelors Degree in Political Science (1986) and an MBA (1989) both from University of Lagos. He is also an Associate of the Institute of Chartered Accountants of Nigeria (ICAN).

Olusiji Adeyinka (Vice-President, Operations Control & Compliance Group): has vast experience in various areas of banking including financial control and operations. He began his career with Coopers and Lybrand (Now PriceWaterHouse Coopers) in 1987, where he was involved in various audit, tax and business advisory projects. He joined the Financial Control Group of Citibank, Nigeria in 1993 from where he joined FCMB in 1997 as Deputy Financial Controller. Siji holds a Bachelors Degree in Economics from University of Wolverhampton (1987). He is also a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) (2006) and an Associate of the Chartered Institute of Taxation of Nigeria (CITN) (2000).

Yemisi Edun (Vice-President & Head, Management Internal Control Group): has immense experience in audit. She began her career as an auditor with Akintola Williams & Company (A member firm of Deloitte Touche Tohmatsu - DTT) in 1987 and rose to the position of a Senior Manager before joining FCMB Plc in 2000. Yemisi holds a Bachelors Degree in Chemistry from University of Ife (1985). She is an Associate Member of Institute of Chartered Accountants of Nigeria (ICAN) (1990) and the Chartered Institute of Taxation of Nigeria (CITN) (1995). She is also a member of Information Systems Audit and Control Association (ISACA) (2000) and a Certified Information Systems Auditor (CISA) (2002).

Ayoleke Adu (Vice President & Head, Project and Structured Finance Group) has a B.Sc. (Hons.) from the University of Ibadan (1993) and M.Sc. (Distinctions) in Corporate and International Finance from the University of Durham, United Kingdom (2000). Ayoleke is a Chartered Stockbroker (2002) and also a CFA Charterholder (2006). Ayoleke has over 13 years experience in core financial advisory/investment banking/project finance. He was with Arthur Andersen as an Assurance Analyst/Consultant from 1995 to 1998. He later joined the corporate finance department of First City Merchant Bank Limited (FCMB) in 1998. He was Head of the Investment Banking/Project Finance team at Lead Bank Plc between 2000 and 2005, and Group Head of the Corporate Finance/Multinationals Corporate Banking at Access Bank Plc between 2005 and 2006. He is an alumnus of the Lagos Business School, Associate of the Chartered Institute of Stockbrokers, Member of the CFA Institute, Member of the prestigious UK Society of Investment Professionals (UKSIP), and Member of the New York Society of Security Analysts. He has led various teams that have successfully raised over N170billion in the Nigerian market.

Idongesit Bassey (Vice President & Head, Specialised Industries): is a graduate of Agricultural Economics and Extension from the University of Calabar (1990), with an MBA from the Executive Management Programme of the Lagos Business School, obtained in 2004. He has over 15 years experience in commercial banking and financial consulting, having worked at Diamond Bank between 1992 and 1997, Equitorial Trust Bank Limited between 1997 and 1998 and Standard Trust Bank Plc between 1999 and 2001. He is multi-skilled and brings a wealth of experience to the Bank, having functioned at various levels as Relationship Manager, Regional Group Head, Public Sector, Regional Director and Head, National Marketing in Standard Trust Bank Plc. Prior to joining FCMB, he was a Deputy General Manager in charge of Public Sector & Retail Banking Group of International Trust Bank Plc. Mr. Bassey is also an Alumni of the prestigious Wharton school, University of Pennsylvania, Philadelphia, having attended the Advanced Management Program in 2006.

Bukola Smith (Vice President & Head, Treasury): is a 1990 graduate of Economics from the University of Lagos and became an Associate of the Institute of Chartered Accountants of Nigeria in 1998. She also became an associate of the Chartered Institute of Personnel Management in 2005. She started her banking career in 1993 with FSB International Bank Plc and worked in various units/departments including Funds Transfer, International Trade Services, Treasury Operations, Treasury and Private Banking. She joined Fidelity Bank in 2000 acted as the divisional head of Treasury, Treasury & Institutional Banking, Institutions and Private Banking, Lagos Island Liabilities before becoming the Divisional Head of Treasury & Institution Banking in 2004. She joined FCMB in 2006.

Bayo Sanni (Vice President & Head, Non-Bank Channel): graduated from the University of Lagos with a B.Sc. in Finance in 1990 and also obtained an M.Sc. in Finance in 1993 from the University of Lagos. Prior to joining FCMB in 1999, Bayo had worked with NDIC (1992-94), Zenith Bank ('94-'95). He joined Citibank Nigeria as a Management Associate in 1995, where he gained valuable operations and client relationship management experience. At FCMB, he worked in corporate banking, branch management and the energy group. From 2002, he was Head of Corporate & Commercial Banking at Trust Bank of Africa (now part of Sterling Bank) until December 2005 before leaving to manage BMC Consultants Ltd in early 2006. He rejoined FCMB in 2007.

Nath Ude (Vice President & Group Head, Operations): graduated with a B.Sc. Finance from the University of Nigeria, Nsukka in 1987 and obtained an MBA from Bayero University in 1999. He started his working career with the Kano State University as Assistant Lecturer between 1987 and 1990. He joined Citibank, Nigeria in 1990, working in various departments before moving on to Citibank, South Africa in 2000 as the Head of Cash Management & Operations. He joined Standard Chartered Bank Plc, South Africa in 2004 as the Head of Information Technology. He joined FCMB in 2007.

Robert Grant (Vice President & Group Head, Telecoms): became an Accounting Associate in 1982 and obtained a B.Sc. in Accounting in 1984 from California State University. He obtained a Masters degree in Business Administration in 1994 and commenced his working career with Lucent Technologies, New Jersey, United States of America as a Director in 1993. He joined TD Securities Network as a Vice-President, Loan Documentation, in 2002 before moving to Ghana Telecommunications Limited as the Acting Corporate Finance Officer in 2003. He became the principal partner of AIM Consulting, New Jersey, United States of America in 2007 and moved to FCMB in 2007.

Oloyede Obatoyinbo (Vice President & Head, Home Loans): graduated with a B.Sc. in Banking & Finance in 1994 from the University of Lagos, Nigeria and obtained a Masters degree in Business Administration from Simon Graduate School of Business, University of Rochester, New York in 2003. Oloyede started his career with Cargill Nigeria Limited, first as an Accountant, 1994 and later moving to the Commodities Trading Division as a Senior Commodities Trader in 1996. He moved on to State Street Bank & Trust Company, United States of America as a Senior Corporate Trust Administrator 1999 - 2001. He worked with Fannie Mae, in Washington, DC United States of America as a Bond Specialist between 2003 and 2007. He joined FCMB in 2007.

Adewale Adedapo (Vice President & Head, Group Coordination/Loan Workout): Graduated with a B.Sc. in Economics from the University of Ibadan, Ibadan in 1983 and obtained a Masters degree in Business Administration in 1987 from University of Ife, Ile-Ife (now Obafemi Awolowo University, Ile-Ife). He worked in Wema Bank Plc in various capacities between 1989 and 2006, including Assistant Manager - Training, Training Manager, Principal Manager - Corporate Planning & Development, Deputy General Manager, Corporate Banking Group and General Manager, Risk Management. He joined FCMB in 2006.

Olayinka Oni (Vice President & Group Head, Information Technology): He graduated with B.Agric in Agricultural Economics from the University of Ilorin in 1995 and is a certified IT Business Manager (MDE/University of Belmont, USA, 2006). He started his working career with Osina Community Hospital in 1995 and moved on to Spring Fountain Management Consulting as a Management Trainee in 1997. He joined Access Bank Plc in 1997 and worked in various capacities including branch operations, Service Excellence Project as team member, Head - Flexcube user support and Assistant Manager in the Business Development Unit. He moved to Accenture in 2002 and worked as consultant to the BPR project, Cost Containment Diagnostic, Solution Architecture, Technical Analyst/Sub project Manager, Operations & Work stream Manager, Program Manager - Quality and Manager - Solution Engineering. He joined FCMB in 2005.

Bonaventure Okhaimo (*Vice President and Zonal Head – Port Harcourt Zone*): holds a Bachelors degree in Law from the University of Benin City in 1988 and a Barrister at Law Degree of the Nigerian Law School, Lagos in 1989. He also holds a Post graduate diploma in Business administration and an MBA. He has over 16 years banking experience having worked with Diamond Bank Plc (1992- 2003), Stanbic Bank Nigeria Limited (2003-2004) and Standard Chartered Bank Nigeria (2004 – 2005). He is credited with playing a critical role in formulating and deploying strategies to help establish a strategic business unit focus on commercial banking solutions for small and medium enterprises in Standard Chartered Bank Nigeria, when he was the Value Center General Manager, SME Banking. He has attended various credit and banking attachment programs with Standard Bank Limited, Johannesburg, South Africa and Standard Chartered Bank, Zimbabwe and Kenya

Folake Fajemisin (*Vice President- Group Head, Manufacturing and Logistics*): holds a B.Sc. in Economics (1987) and M.Sc. in Monetary Economics in 1989 both from the University of Lagos. Folake began her working career in the research Department of the CBN in 1987 before moving to Gulf Bank Plc in 1991 where she worked in the Corporate Banking Division. She moved to the Corporate Banking Division of Nigerian American Bank Limited in 1992 before joining FCMB in 1998. She has worked in various departments in FCMB including the Credit Unit, Risk Management Department, Commercial Banking Group and current Corporate Banking Group.

Adesoji Adeniyi (*Assistant Vice President- Financial Controller*): holds a B.Sc. in Accounting (1990) from Ogun State University. He is an Associate Member of Institute of Chartered Accounts (ICAN) (1994) and Chartered Institute of Bankers of Nigeria (CIBN) (2001). He started his working career with Z. O Ososanya, a firm of chartered accountants before joining First Bank Nigeria Plc in May 1995. He left First Bank as a Relationship Manager to join the then Standard Trust Bank Plc in November 1998 where he left as Head of Financial Reporting. He joined First City Monument Bank Plc as Financial Controller in 2004. Since joining the Bank, he has been involved in the various projects notable amongst which is his role as Project Manager of the Bank's successful implementation of the new banking software (Finacle) in 2006.

1.4 PREMISES

FCMB currently operates from its corporate head office at Primrose Tower, 17A, Tinubu Street, Lagos and has 112 operational branches all over the federation as approved by the CBN. Details of the Bank's premises are provided below:

S/NO	LOCATION	ADDRESS	TENOR
1.	Aba	90, Asa Road, Aba, Abia State	11 years
2.	Aba 2	200, Faulks Road, Aba, Abia State	Lease Expired
3.	Aba Cash Office	Guinness Office, Aba, Abia State	
4.	Abakaliki	36, Ogboja Road, Abakaliki, Ebonyi State	Deed of assignment
5.	Abeokuta	21, Lalubu Street, Oke-Ilewo, Abeokuta, Ogun State	Ownership via SPV
6.	Abuja	First City Plaza, Plot 252, Herbert Macaulay Way, Central Business District, Abuja	Deed of assignment (Being perfected)
7.	Abuja 2	8, Ogbomoso Street, Area 8, Garki, Abuja	Deed of assignment
8.	Abuja 3	Coscharis Plaza, Plot 1070, Egbe Close/Faskari Street, Area 3, Abuja	Expired
9.	Ado Ekiti	Along Secretariat Road, Ado Ekiti, Ekiti State	Certificate of occupancy
10.	Agege	By Oko-Oba Residential Scheme, Oko-Oba, Agege, Lagos State	Owned by FCMB
11.	Ago-Iwoye	Olabisi Onabanjo University, Main Campus, Ago-Iwoye, Ogun State	
12.	Airport Road	23/25, Muritala Mohammed International Airport Road, Ikeja, Lagos State	28 years 1 month
13.	Ajah	Km 23, Berger Bus Stop, Lagos-Epe Expressway, Lagos State	Owned by FCMB
14.	Akowonjo	Shasa Roundabout, Akowonjo, Lagos State	Owned by FCMB
15.	Akure	15, Oyemekun Road, Akure, Ondo State	10 years 9 months
16.	Akute	34, Ojodu Akute Road, Alagbole bus stop, Akute, Ogun State	5 years
17.	Akwa Ibom SHA	Akwa Ibom State House of Assembly Complex, off Udo-Udoma Avenue, Uyo, Akwa Ibom State	Free/Undefined
18.	Alaba	Obosi Plaza, A-line, Alaba International Market, Ojo, Lagos State	1 year 8 months
19.	Alagbado	757, Lagos-Abeokuta Expressway, by AP Filing station, Alagbado, Lagos	
20.	Allen Avenue	36, Allen Avenue, Ikeja, Lagos State	Owned by FCMB
21.	Apapa	28, Creek Road, Apapa, Lagos	Owned by FCMB
22.	Apapa Cash office	Sifax Terminal, Apapa/Oshodi Expressway, Lagos State	
23.	Asaba	206, Nnebisi Road, Asaba, Delta State	7 years 4 months
24.	Awka	84A, Zik Avenue, Awka, Anambra State	Owned by FCMB
25.	Awolowo Road	68, Awolowo Road, Ikoyi, Lagos	6 years 11 months
26.	Bauchi	Former Women Development Centre, Bauchi GRA, Bauchi State	Owned by FCMB
27.	Benin	112, Mission Road, Benin City, Edo State	Owned by FCMB
28.	Benin 2	7, Akpakpava Street, Benin City, Edo State	3 years 4 months
29.	Benin Cash Office	Guinness Premises, Ikpoba Hill, Agbor Road, Benin City, Edo State	
30.	Birnin Kebbi	Opposite Unity Bank, Ahamdu Bello Way, Birnin Kebbi, Kebbi State	Owned by FCMB
31.	Broad Street	Banuso Road, 88/89, Broad Street, Lagos State	One year
32.	Calabar	14, Calabar Road, Calabar, Cross River State	Owned by FCMB
33.	Damaturu	601A, Njiwayi Layout, along Maiduguri Road, Borno State	Owned by FCMB
34.	Dutse	12A/13A, Kiyawa Road, Dutse, Jigawa State	Owned by FCMB

THE CHAIRMAN'S LETTER (Cont'd)

35.	Eket	Gracebill Road, Eket, Akwa Ibom State	4 years 8 months
36.	Eket	12, Etebi Street, Eket, Akwa Ibom State	
37.	Enugu 1	41, Garden Avenue, Enugu, Enugu State	Owned by FCMB
38.	Enugu II	12A, Market Road, Opposite Holy Ghost Cathedral, Ogbete, Enugu, Enugu State	8 years 4 months
39.	Gombe	11, Biu Link Road, Commercial Area, opposite Central Market, Gombe, Gombe State	Owned by FCMB
40.	Gusau	Plot 103, Gusau Sokoto Road, Gusau, Zamfara State	Owned by FCMB
41.	Head Office	Primrose Tower, 17A, Tinubu Street, Lagos	Owned by FCMB
42.	Ibadan I	23/25, Lebanon Street, Old Gbagi, Dugbe, Ibadan, Oyo State	Owned by FCMB
43.	Ibadan 2	Plot 3UI, Secretariat Road, Bodija, Ibadan, Oyo State	Owned by FCMB
44.	Idumagbo	34, Idumagbo Avenue (Daddy Doherty's House), Lagos State	4 years 2 months
45.	Idumota	22, Idoluwo Street, Idumota, Lagos State	3 months
46.	Igbokoda	Boluyet Road, Off Broad Street, Lagos	
47.	Ijebu Igbo	81, Adeboye Road, Oke Sopen, Ijebu Igbo, Ogun State	28 years 1 month
48.	Ijebu-Ode	168, Folagbade Street, Ijebu-Ode, Ogun State	
49.	Ikeja	29, Oba Akran Avenue, Ikeja, Lagos State	49 years 5 months
50.	Ikeja II	M1, Point Motorways Complex, Ikeja, Lagos State	3 years 5 months
51.	Ikeja Cash Office (Guinness)	Guinness Premises, 24, Oba Akran Avenue, Ikeja, Lagos State	
52.	Ikrom	7, Calabar Road, Ikom, Cross Rivers State	
53.	Ikorodu	7, Lagos Road, Ikorodu, Lagos	Owned by FCMB
54.	Ikot Abasi	2, Akpan Udo Ekpo Street, Ikot Abasi, Akwa Ibom State	1 year 1 month
55.	Ikot Ekpene	42, Sani Oguns, Ikot Ekpene, Akwa Ibom State	2 months
56.	Iponri Cash office	Shop 529-531, Iponri Shopping Complex, Iponri, Surulere, Lagos State	5 years 9 months
57.	Jalingo	Hammanruwa Road, before Zenith Bank Plc, Jalingo, Taraba State	Owned by FCMB
58.	Jos	Bukuru by-pass, Jos, Plateau State	Owned by FCMB
59.	Kaduna	1A, Ahmadu Bello Way, Kaduna State	1 year 9 months
60.	Kaduna II	1 & 2A, Kachia Road, Kaduna, Kaduna State	Owned by FCMB
61.	Kano	145, Murtala Mohammed Way, Kano, Kano State	Owned by FCMB
62.	Kano 2	17/18, Bello Road, Kano, Kano State	
63.	Katsina	Kano/Katsina Road, Yantomaki Road Junction, Katsina, Katsina State	Owned by FCMB
64.	Lafia	Opposite State CID, Lafia/Jos Road, Lafia, Nasararwa State	Owned by FCMB
65.	Lekki	63/64, Igbokushu Village, Opposite Jakande Estate, Lekki Expressway, Lekki, Lagos	Owned by FCMB
66.	Lokoja	Along St. Anthony Nur/Pry School, Lokoja, Kogi State	Owned by FCMB
67.	McCarthy	10/12, Macarthy Street, Onikan, Lagos	Owned by FCMB
68.	Maiduguri	Baga Road, Maiduguri Bornu State	Owned by FCMB
69.	Makurdi	23, Railway Bye-Pass, Makurdi, Benue State	2 years 9 months
70.	Matori	91, Ladipo Street, Matori, Lagos	Owned by FCMB
71.	Minna	Minna Paiko Road, Minna, Niger State	Owned by FCMB
72.	Mushin	253, Agege Motor Road, Mushin, Lagos State	Owned by FCMB
73.	Ogba	23, Ogba Ijaiye Road, Lagos State	Owned by FCMB
74.	Ojo	148A, Olojo Drive, Ojo, Lagos State	3 years
75.	Oke-Arin	5, Daddy Alaja Street, Oke-Arin, Lagos State	2 years 7 months
76.	Oke-Arin II	11, Ijaiye Street, Oke-Arin, Lagos State	Owned by FCMB
77.	Oko	4, Hospital Road, Oko, Anambra State	
78.	Oko 2	Federal Polytechnic, Oko, Umunze, Anambra State	
79.	Okota	117, Okota Road, Okota, Isolo, Lagos State	Owned by FCMB

THE CHAIRMAN'S LETTER (Cont'd)

80.	Onitsha	9A, New Market Road, Onitsha, Anambra State	11 years 6 months
81.	Ore	AP Filing Station, Ondo Express Road, Ondo State	
82.	Oshogbo	Along Gbongan Road, Osogbo, Osun State	Owned by FCMB
83.	Otta	56, Idi-Iroko Road, Sango Ota, Ogun State	7 years 4 months
84.	Owerri	Plot 81, Wetheral Road, Owerri, Imo State	Owned by FCMB
85.	Owo	AP Filing Station, Owo Express Road, Owo, Ondo State	
86.	Port Harcourt	Plot 282A, Port Harcourt/ Aba Express Road II, Port Harcourt, Rivers State	11 months
87.	Port Harcourt 2	348A, Olu Obasanjo Port Harcourt, Lagos State	7 months
88.	Port Harcourt 3	Areta Plaza, 178/186, Aba Road, Port Harcourt, Rivers State	1 year 7 months
89.	Port Harcourt 4	Essay Plaza, 11/12, Trans-Amadi Industrial Layout, Port Harcourt, Rivers State	Owned by FCMB
90.	Port Harcourt 5	19, Ikwerre Road, Mile 1, Diobu, Port Harcourt, Rivers State	
91.	Portiskum	Plot 1471 & 1472, Mohammed Idris Way, Yobe State	Owned by FCMB
92.	Sagamu	141, Akarigbo Street, Ijoku, Opposite Awabat Petroleum, Sagamu, Ogun State	6 years 11 months
93.	Sokoto	Plot 4, Kano Road, Sokoto, Sokoto State	
94.	Surulere	33, Adeniran Ogunsanya Street, Surulere, Lagos	28 years 3 months
95.	The Palms	Shop 32, The Palms, Lekki-Epe Expressway, Lagos State	3 years 9 months
96.	Tin Can	Apapa Oshodi Express Road, Tin Can, Apapa, Lagos State	
97.	UCH Cash Center	Opposite Total Filling Station, UCH, Ibadan, Oyo State	
98.	Umuahia	5, Library Avenue, Umuahia, Abia State	Owned by FCMB
99.	Uyo	143, Abak Road, Uyo, Akwa Ibom State	Owned by FCMB
100.	Uyo 2	105, Oron Road, Uyo, Akwa Ibom State	Owned by FCMB
101.	Victoria Island I	Plot 1661, Oyin Jolayemi Street, Victoria Island, Lagos State	2 months
102.	Victoria Island II	11B, Adeola Odeku Street, Victoria Island, Lagos State	1 year 4 months
103.	Victoria Island III	17, Sanusi Fafunwa Street, Victoria Island, Lagos	5 years
104.	Warri	Plot 151/153, Okumagba Avenue, Warri, Delta State	4 years 4 months
105.	Warri 2	68, Effurn/Sapele Road, Effurn, Warri, Delta State	Owned by FCMB
106.	Warri 3	300, Effurun/Sapele Road, Effurun, Warri, Delta State	1 year 8 months
107.	Warri Cash Office 2	Oando Plc Office, Warri, Delta State	
108.	Wellington Bassey	70, Wellington Bassey Way, Uyo, Akwa Ibom State	1 year
109.	Yaba	43, Ojuelegba Road, Tejuosho, Yaba, Lagos	
110.	Yenagoa	181, Yenagoa Mbiama, Onopa, Yenagoa, Bayelsa State	Expired
111.	Yenagoa 2	By Nikton Road Junction, Mbiama/Yenagoa Road, Kpansia, Yenagoa, Bayelsa State	Owned by FCMB
112.	Yola	Hospital Road, Jimeta Town, Yola, Adamawa State	Owned by FCMB

1.5 RISK FACTORS AND MITIGANTS

Investors should be aware that there are risks associated with any investment in the stock market. In addition, there are a number of risk factors specific to the Bank, the sector in which the Bank operates and the general business environment. These risk factors may be outside the control of the Bank, its Directors and senior management team and may have an impact on the operating and financial performance of the Bank.

The business activities of the Bank are subject to various risks. These risks include, but are not limited to:

Country Risk***Nigeria faces economic and political risk***

Nigeria has experienced eight years of uninterrupted democratic rule and for the first time in its post-independence history, political power has been successfully transferred from one civilian government to another. The Umar Musa Yar'Adua administration has resolved to continue the economic reforms initiated by its predecessor. Furthermore, Nigeria, for the second consecutive year, has retained her BB- credit rating by S&P and Fitch (which puts it at par with other developing economies like Venezuela, Turkey, Indonesia and Ukraine).

Policy Risks***Withdrawal of Public Sector Funds from the Banking System***

A commonly used monetary policy tool by the CBN is the withdrawal of public sector funds in order to mop up excess liquidity. FCMB has significantly grown its asset base and already has a significant share of the private sector beneficiaries of government spending, which would be unaffected by a withdrawal of Public Sector Funds. Furthermore, public sector funding accounts for a relatively small portion of total funding base. Finally, with FCMB's capital adequacy ratios consistently above 20% and liquidity ratios consistently above 50%, such shocks would have minimal impact on margins and liquidity.

Regulatory Risk***Significant change in the policies of the Regulators i.e. CBN and the BOFIA***

FCMB's business, like that of any other bank, will be affected by changes in regulatory/government policies. However, FCMB has a robust banking model spanning investment, commercial, corporate and consumer banking as well as stockbroking. In addition, the Bank has always been pro-active in anticipating such changes and has sufficient capacity to respond swiftly to sudden policy changes.

Sectoral Risk***Systemic Risk and Banking Distress***

With the new capitalisation of banks, the number of banks operating in Nigeria has reduced from 89 to 25. Subsequently, this has enabled the CBN to strengthen its monitoring, surveillance and oversight responsibilities. In addition, the CBN continues to implement various measures to strengthen the banking sector. With capital adequacy ratios significantly above sector averages, FCMB would be relatively more capable of withstanding systematic distress.

Changes in Interest rates

The Bank, as a player in the banking sector, continues to monitor changes to interest rates and takes adequate steps to reduce or minimise any adverse impact of a change in interest rates. This risk is further mitigated by the Bank's efficiency in matching its funding and lending profiles.

Operational Risks***Default by borrowers***

The Bank has a sound credit risk management system which complies with the CBN requirements with respect to the creation risks assets. Furthermore the Bank adopts a risk based pricing methodology and adopts a conservative provisioning stance. Hence, the Bank has consistently maintained below average non-performing loan ratios. The Bank's risk management system also constantly monitors risks associated with lending and ensures the quality of risk assets.

Currency Risk

Adverse movement in currencies compared with the Naira

The Bank has adequate policy guidelines in place to properly monitor and manage its risk profile. This policy guideline also captures the changing circumstance in both the domestic and international currency markets.

Environmental Risk

Safety of physical premises

FCMB complies with and would continue to adhere to all international environmental standards and procedure and is adequately equipped to deal with any environmental threat/incidence that may arise in the ordinary course of business.

1.6 PURPOSE OF THE OFFER

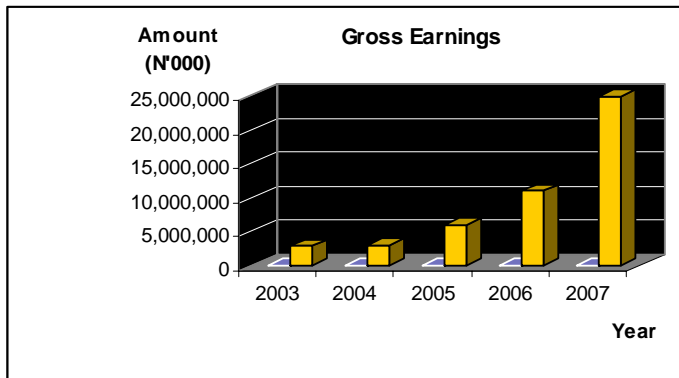
After the deduction of the costs and expenses of the Combined Domestic and International Offers, which are estimated at ₦2.276 billion and ₦315 million respectively (jointly representing 3.43% of gross proceeds), the net proceeds of ₦73.008 billion (including proceeds of the GDR) will be utilised as detailed below:

	₦'000	%	Estimated Completion period
Project Finance	25,000,000	34.24	Ongoing
Investment Banking	20,000,000	27.39	Ongoing
Acquisition and capitalisation of stockbroking activities	12,500,000	17.12	Ongoing/2 years
Leasing Operation	6,400,000	8.77	Ongoing
Channel Enhancement	5,000,000	6.85	Ongoing
Training school	1,500,000	2.05	Ongoing
Others (working capital)	2,608,203	3.57	Ongoing
	73,008,203	100	

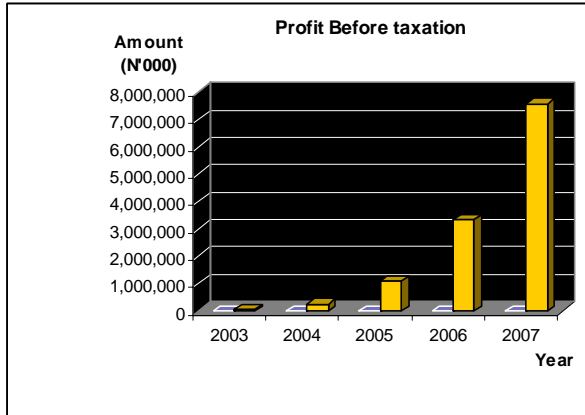
1.7 FINANCIAL SUMMARY

The Bank is currently experiencing steady and impressive growth in balance sheet footings and earnings, due to the efficient implementation of its strategic growth initiatives. The following graphs provide a historical summary of the Bank's financial performance over the five financial years ended 30th April, 2007.

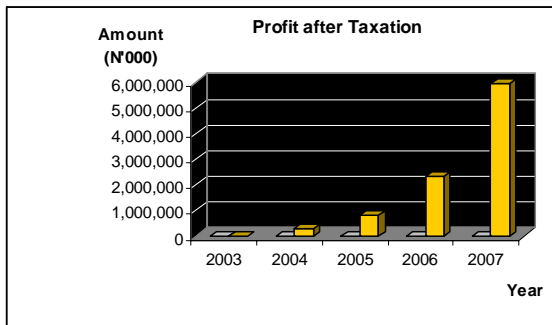
Gross Earnings



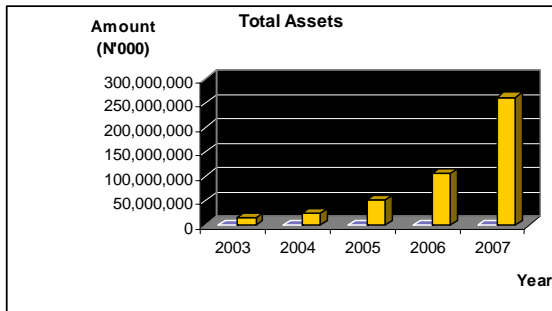
Profit Before Taxation



Profit After Taxation



Total Assets



The Bank's improved performance has merited ratings of A1 and A+ in the short and long term respectively, by Global Credit Ratings ("GCR") in March, 2007. The combination of a good operating performance and the rating has resulted in Bank having attracted a number of prestigious foreign investors in March, 2007.

1.8 WORKING CAPITAL

The Directors of FCMB, after due consideration of the future needs/plans of the Bank and the proceeds from the Offer, are of the opinion that the Bank will have adequate working capital and liquid resources for its immediate and foreseeable obligations and funding requirements

1.9 UNCLAIMED DIVIDENDS

As at 28th August, 2007, there were 1,242 warrants (valued at ₦4,304,886.82) of First City Monument Bank Plc who had not claimed their dividends. This total amount, ₦4,304,886.82 is domiciled with First City Monument Bank Plc. A list of unclaimed dividend is published annually alongside the Notice of the Annual General Meeting and sent to all shareholders.

1.10 CORPORATE GOVERNANCE

Corporate governance is the internal means by which companies are operated, controlled and governed. It addresses the interaction between the constituent parts of the company with the objective of increasing shareholder value and meeting the expectations of other stakeholders.

FCMB is committed to exercising the highest level of corporate governance in adherence to the provisions of corporate governance in Nigeria as provided by the Securities and Exchange Commission (SEC) in October 2003; Code of Corporate Governance for Banks in Nigeria Post Consolidation in April 2006 and global best practice.

Clear strategic goals, corporate values, transparency and accountability are key elements of FCMB's corporate governance policy and the policy clearly sets out the following:

Board Composition and Independence

The Bank's Board is composed of a non executive Chairman, with executive and non-executive directors, all bringing high levels of competencies and experience, with enviable records of achievement in their respective fields. The Board meets regularly to set broad policies for the Bank's business and operations, and it ensures that an objective and professional relationship is maintained with the Bank's auditors in order to promote transparency in financial and non-financial reporting. Directors' emoluments, as well as their shareholding information are disclosed in the Bank's Annual Report and Accounts. Members of the Board are experienced professionals of diverse background.

Shareholders' Rights & Privileges

The Bank through its board of directors ensures that shareholders' statutory and general rights are protected at all times. The Investor Relations Unit ensures that FCMB's relationship with shareholders is always healthy and that dividend warrants, share certificates and other relevant information about the Bank are communicated to shareholders regularly. The unit liaises with the Bank's Registrar to ensure that shareholding matters are given prompt and adequate attention.

Audit Committee

This is established in accordance with Section 359 (3) & (4) of the Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004. It comprises dedicated individuals with proven integrity that have a thorough understanding of the Bank's business affairs including the associated risks and controls put in place to mitigate those risks. The committee has overall responsibility for the bank's internal audit processes.

Risk Management

We have a well structured risk management system in place. Several levels of internal controls and checks ensure that risk assets and deposits are optimally managed.

Risk management structures and processes are continually reviewed to ensure their adequacy and appropriateness for the Bank's risk and opportunities profile, as well as bringing them up to date with changes in strategy, business environment, evolving thoughts and trends in risk management. Policies are designed to identify and analyse risks, to set appropriate limits and controls and to monitor risks and adherence to limits.

The Bank recently engaged the services of a global management consultant to drive its enterprise risk management project in particular with respect to the management of the key risks including credit risk, market risk, liquidity risk, operational risk, regulatory risk and reputational risk. The project is expected to improve the bank's risk management capabilities in line with the Central Bank of Nigeria (CBN) risk based supervision framework and global best practice.

Code of Conduct

The Bank promotes best practices in all aspects of banking operations, and it is one of the foremost banking institutions to evolve a written Code of Conduct regulating employees' actions. Each employee of the Bank undergoes training in Business Ethics, and affirms the Code by individually endorsing same.

The code of conduct stipulates the Bank's values and the minimum standards of good practice required of our people in dealings within the Bank and with parties maintaining relationships with our Bank. The code imposes obligations on all employees to maintain the highest standards of ethical conduct and integrity in all aspects of professional life.


1.11 MERGERS AND TAKEOVERS

The Bank merged with Cooperative Development Bank Plc and Nigerian-American Bank Limited in 2005. The Bank also acquired Midas Bank Limited in 2005.

1.12 FUTURE PLANS

The Bank intends to pursue an aggressive growth strategy with a view to being market leaders in value segments; particularly consumer and investment banking. These segments are high growth and high margin. These are also segments in which the bank is extremely well positioned relative to its competitors. To consolidate its position in the capital markets, the Bank has also received approval from the Board of Directors to enter into negotiations with the shareholders of CSL Stockbrokers Limited to acquire what is the leading Stockbroking firm in the country. In the area of corporate and commercial banking, the Bank will focus again on high value areas such as cash management, leasing, and treasury products, whilst leveraging our investment banking capabilities to provide unique funding and investment solutions to customers. Organic growth will enable the Bank to attain and retain top quartile position in all segments in which she plays, whilst Mergers & Acquisition opportunities (both within and outside the country) will provide further impetus to our growth plans. Our vision is to be a leading world class financial services group of African origin, consequently both in terms of the quality and the scale of our business we aim to be globally competitive.

Yours faithfully,
FOR AND ON BEHALF OF FIRST CITY MONUMENT BANK PLC


DR. JONATHAN A. D. LONG
CHAIRMAN

2.1 Letter from the Reporting Accountants

The following is a copy of a letter on the Profit Forecast from Akintola Williams Deloitte, Reporting Accountants to the Offer:



Akintola Williams Deloitte
Chartered Accountants
235, Ikorodu Road, Ilupeju
P. O. Box 965
Lagos, Nigeria

Tel: +234 1 4930720-4
Fax: +234 1 4970023
www.deloitte.com

27 August 2007

The Directors
First City Monument Bank Plc
Primrose Tower
17A Tinubu Street
Lagos

and

The Directors
FCMB Capital Markets Limited
Primrose Tower (4th Floor)
17A, Tinubu Street
Lagos

The Directors
Chapel Hill Advisory Partners Limited
45, Saka Tinubu Street
Victoria Island
Lagos

The Directors
Afrinvest West Africa Limited
Foresore Towers, 5th, 11th & 12th Floors
2A, Osborne Road, Ikoyi
Lagos

The Directors
Ecobank Nigeria Plc
21, Ahmadu Bello Way
Victoria Island
Lagos

The Directors
FBN Capital Limited
16, Keffi Street
South West, Ikoyi
Lagos

The Directors
Intercontinental Capital Markets Limited
Wesley House
21/22, Marina
Lagos

The Directors
Oceanic Bank International Plc
Plot 270, Ozumba Mbadiwe Avenue
Victoria Island
Lagos

The Directors
UBA Global Markets Limited
UBA House
57, Marina
Lagos

Gentlemen,

We have reviewed the accounting policies and calculations for the Group profit forecast of First City Monument Bank Plc ("FCMB" or "the Group") for the years ending 30 April 2008, 2009 and 2010 for which the Directors are solely responsible.

As disclosed in note 9.8 to the profit forecast, the FCMB obtained the approval of the shareholders at an extra-ordinary general meeting and the sanction of the Federal High Court, Lagos on 5 September 2006 to carry out a capital reduction in 2006 in accordance with sections 105-110 of the Companies and Allied Matters Act 1990 (CAMA) and cancelled from it share premium account the portion of its paid up capital that was represented by goodwill of ₦3.88 billion. The goodwill arose from the Group's business acquisition activity in 2006. Had FCMB amortised the goodwill over the maximum period of five years as required by section 21 (2) of Schedule 2 of CAMA, the profit before taxation would have reduced by ₦776 million; goodwill of ₦2.3 billion would have been carried on the balance sheet and share premium would have been increased by the same amount.

Except for the above matter, in our opinion, the Group profit forecast, so far as the accounting policies and calculations are concerned, have been properly compiled based on the assumptions made by the Directors and is presented on a basis consistent with the accounting policies normally adopted by the Group.

Yours faithfully

**(Chartered Accountants)
Reporting Accountants**

2.2 CONFIRMATION OF GOING CONCERN STATUS

The following is a copy of a letter confirming the going concern status of First City Monument Bank Plc by Messrs. Akintola Williams Deloitte, Reporting Accountants to the Offer:



Akintola Williams Deloitte
Chartered Accountants
235, Ikorodu Road, Ilupeju
P. O. Box 965
Lagos, Nigeria

Tel: +234 1 4930720-4
Fax: +234 1 4970023
www.deloitte.com

27 August 2007

The Directors
First City Monument Bank Plc
Primrose Tower
17A Tinubu Street
Lagos

and

The Directors
FCMB Capital Markets Limited
Primrose Tower (4th Floor)
17A, Tinubu Street
Lagos

The Directors
Chapel Hill Advisory Partners Limited
45, Saka Tinubu Street
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The Directors
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The Directors
Intercontinental Capital Markets Limited
Wesley House
21/22, Marina
Lagos

The Directors
Oceanic Bank International Plc
Plot 270, Ozumba Mbadiwe Avenue
Victoria Island
Lagos

The Directors
UBA Global Markets Limited
UBA House
57, Marina
Lagos

CONFIRMATION OF THE GOING CONCERN STATUS

Based on confirmations received from the Directors of First City Monument Bank Plc, and our review of past results of the Bank, as well as its existing position, we do not have reasons to doubt that the Bank will continue in operation in the foreseeable future.

Yours faithfully

**(Chartered Accountants)
Reporting Accountants**

PROFIT FORECAST (contd.)**2.3 MEMORANDUM ON PROFIT FORECAST**

The Directors are of the opinion that subject to unforeseen circumstances, and based on the assumptions stated in Note 3.2, the Group's profit before taxation for the years ending 30 April 2008, 2009 and 2010 will be in the order of ₦18.98 billion, ₦32.32 billion and ₦42.05 billion respectively as detailed below:

	2008 ₦'000	2009 ₦'000	2010 ₦'000
Gross earnings	64,268,942	90,004,115	115,259,823
Profit before taxation	18,981,712	32,324,525	42,045,299
Taxation	(3,898,441)	(6,363,412)	(7,570,102)
Profit after taxation	15,083,271	25,961,112	34,475,197

If this forecast is achieved, the appropriation thereof will be approximately as follows

Transfer to statutory reserve	4,524,981	7,788,334	10,342,559
Transfer to dividend reserve			
- Preference shares	853,875	1,707,750	853,875
- Ordinary shares	7,461,930	11,192,894	15,850,825
Transfer to retained earnings	2,242,485	5,272,135	7,427,938
	15,083,271	25,961,112	34,475,197

The Memorandum on the Profit Forecast of the Group for the years ending 30 April 2008, 2009 and 2010 was reviewed and approved by the Board of Directors of First City Monument Bank Plc on 27th August, 2007 and is hereby initiated by the Managing Director for identification purpose.

MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER

COMPANY SECRETARY

Dated this 27th day of August 2007.

**2.4 MEMORANDUM ON THE PROFIT FORECAST FOR THE YEARS ENDING
30 APRIL 2008, 2009 AND 2010****1. INTRODUCTION**

This memorandum has been prepared to summarise the information available to the Directors and their basic assumptions at the time of their forecast of the Group's profits for the years ending 30 April 2008, 2009 and 2010.

2. FORECAST

The Directors are of the opinion that subject to unforeseen circumstances, the Group's profit before taxation for the years ending 30 April 2008, 2009 and 2010 will be approximately ₦18.98 billion, ₦32.32 billion and ₦42.05 billion respectively.

3. BASES AND ASSUMPTIONS

The forecast has been arrived at on the following bases and assumptions:

3.1 Bases

- (i) Previous years' actual performances have been reviewed against budget as the basis for measuring the reasonableness of the forecasts for 2008, 2009 and 2010 financial years.

- (ii) The forecast includes results as shown by the management accounts for the three months ended 31 July 2007.

- (iii) The results for the three months ended 31 July 2007 and the estimates for the remaining nine months of the year ending 30 April 2008, and the years ending 30 April 2009 and 2010 have been prepared on a basis consistent with the accounting policies normally adopted by the Group.

3.2 Assumptions

- (i) At the prevailing average rate of interest and based on projected level of operations, gross earnings will be approximately ₦64.27 billion for the year ending 30 April 2008.
- (ii) Subject to the attainment of the budgeted income for the year ending 30 April 2008, the gross earnings for the years ending 30 April 2009 and 2010 will be ₦90.00 billion and ₦115.26 billion respectively.
- (iii) Gross earnings will grow by 156.5% over 2007 during the year ending 30 April 2008, by 40.0% over 2008 figure for the year ending 30 April 2009 and by 28.1% over 2009 figure for the year ending 30 April 2010.
- (iv) Interest expense is expected to be at 31.8%, 28.1% and 26.2% of interest income during the years ending 30 April 2008, 2009 and 2010 respectively.
- (v) Interest income on loans and advances will range between 16% and 17%.
- (vi) Operating expenses are projected to be 43.6%, 43.7% and 42.9% of gross income during the years ending 30 April 2008, 2009 and 2010 respectively.
- (vii) Company income tax and education tax will remain at 30% and 2% respectively. The Group's effective tax rate will be at an average rate of 21.0% for 2008, 2009 and 2010.
- (viii) Dividend payout will be 50k, 75k and 100k per ordinary share of 50 kobo each in 2008, 2009 and 2010.

- (ix) The 926,966,000 9% Irredeemable Preference shares of 50 kobo each will be converted to Ordinary shares of 50 kobo each during the forecast period of 2010.
- (x) Preference shareholders will be entitled to six months interest in the year ending 30 April 2008, full year interest in the year ending 30 April 2009 and six months interest in the year ending 30 April 2010.
- (x) The phased withdrawal of public sector funds by the Central Bank of Nigeria will continue.
- (xi) There will be no material changes in the accounting policies currently adopted by the Group.
- (xii) The quality of the Group's management will be sustained during the forecast period.
- (xiii) There will be no significant changes in the Federal Government's monetary and fiscal policies that will adversely affect the operations of the Group.
- (xiv) There will be no drastic change in the political and economic environment that will adversely affect the operations of the Group.
- (xv) Operating results will not be affected by industrial disputes within the banking industry or in the country.
- (xvi) There will be no new legislation materially affecting the banking industry.
- (xvii) There will be no litigation with adverse material consequence to the Group.
- (xviii) The Group will continue to enjoy the goodwill of its present and potential customers.
- (xix) The net proceeds from the Global Depository Receipts will be received in November 2007 while the net proceeds from the public offers are expected to be received before the last quarter of 2008.

4. STATEMENT OF ACCOUNTING POLICIES

The following are the principal accounting policies being applied by the Group.

(i) Basis of preparation

The financial statements are prepared in compliance with Nigerian Statements of Accounting Standards (SAS) issued by the Nigerian Accounting Standards Board ("NASB"). The financial statements are presented in the functional currency, Nigerian Naira (₦), rounded to the nearest thousand, and prepared under the historical cost convention.

The preparation of financial statements in conformity with accounting principles generally accepted in Nigeria requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of current events and actions, actual results ultimately may differ from those estimates.

(ii) Consolidation

The consolidated financial statements comprise the financial statements of the Bank and its wholly owned subsidiary company (FCMB Capital Markets Limited), made up to 30 April 2007. All intercompany transactions, balances and unrealised surpluses and deficits on transactions between the Bank and the subsidiary are eliminated. The accounting policies for the subsidiary are consistent with those of the Bank.

(iii) Recognition of interest income

Interest income is recognised on an accrual basis, except for interest overdue for more than 90 days, which is suspended and recognised only to the extent that the cash is received. Recoveries made are credited to the profit and loss accounts as collected; interest accruing on non-performing accounts is not credited to the profit and loss account until the debt is recovered.

Interest income accruing on advances under finance lease is amortised over the lease period to achieve a constant rate of return on the outstanding net investment.

(iv) Recognition of fees, commissions and other income

(a) Fees and commissions, where material, are amortised over the life of the related service. Otherwise, fees, commissions and other income are recognised as earned upon completion of the related service.

(b) Income on bonds and guarantees are recorded as commissions in the period in which they occur.

(v) Provision against credit risk

Provision is made in accordance with the Prudential Guidelines issued by the Central Bank of Nigeria for each account that is not performing in accordance with the terms of the related facility as follows:

Interest and/or principal outstanding for over:	Classification
90 days but less than 180 days	Substandard
180 days but less than 360 days	Doubtful
360 days and above	Lost

In addition, a provision of 1% minimum is made for all performing accounts to recognise losses in respect of risks inherent in any credit portfolio.

(vi) Property and equipment

Property and equipment are stated at historical costs less depreciation except where there is a permanent significant change in the value of the asset. Costs relating to fixed assets under construction or in the course of implementation are disclosed as work in progress; the attributable cost of each asset is transferred to the relevant category of asset immediately the asset is put to use and depreciated accordingly. Depreciation is calculated on a straight-line basis to write-off fixed assets to their residual values at the following annual rates:

Motor Vehicles	-	%
Furniture & fittings	-	20
Equipment	-	20
Computer equipment	-	25
Leasehold land & building	-	2% for leases of 50 years and above; or over the tenor of the lease for leases under 50 years

(vii) Deferred taxation

Deferred income tax is provided in full using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised.

(viii) Foreign currency transactions

Transactions denominated in foreign currencies are converted into Naira at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currency are translated into Naira at the rates of exchange ruling at the balance sheet date (or, where appropriate, the rate of the related forward contract). Exchange gains or losses are included in the profit and loss accounts.

(ix) Advances under finance leases

Finance lease transactions are recorded in the books of the Bank at the net investment in the lease. Net investment in the lease is the gross investment in the lease discounted at the rate implicit in the lease. Gross investment in the lease is the sum of the minimum lease payments plus any residual value payable on the lease. The discount on the lease is defined as the difference between the gross investment in the lease and the present value of the asset under lease. This discount is recognised as unearned in the books of the Bank and amortised to income as earned over the life of the lease.

(x) Business combination

The purchase method of accounting is adopted in accounting for business combinations.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of an acquired entity at the date of acquisition. Where purchased goodwill exist in the books following an acquisition, it is carried in the balance sheet as an intangible asset and amortised over five years in compliance with the specific provisions of section 21 (2) of Schedule II to the Nigerian CAMA.

(xi) Investments

The Bank categorises its investments into the following categories: short-term investments (dealing securities) and long-term investments (investment securities).

Short-term investments

Short-term investments are those readily realisable investments intended to be held for not more than one year.

Short-term investments are valued at the lower of cost and market value. The amount by which cost exceeds market value (unrealised loss) is charged to the profit and loss accounts for the period.

Long-term investments

Long-term investments are investments other than short-term investments. Long-term investments may include debt and equity securities.

Long-term investments are carried at cost or at a revalued amount. When there has been a permanent decline in value of an investment, the carrying amount of the investment is written down to recognise the loss. Such a reduction is charged to the profit and loss accounts. Reductions in carrying amount are reversed when there is an increase, other than temporary, in the value of the investment, or if the reasons for the reduction no longer exist.

An increase in carrying amount arising from the revaluation of long-term investments is credited to owners' equity as revaluation surplus. To the extent that a decrease in carrying amount offsets a previous increase, for the same investment that has been credited to revaluation surplus and not subsequently reversed or utilized, it is charged against that revaluation surplus rather than income.

An increase on revaluation which is directly related to a previous decrease in carrying amount for the same investment that was charged to income, is credited to the extent that it offsets the previously recorded decrease.

Interest earned and dividends received on investments are reported as investment income. A decline in value is not taken into account unless it is considered to be permanent.

(xii) Investments in subsidiaries

Investments in subsidiaries are carried in the Bank's balance sheet at cost less provision for impairment. Where, in the opinion of the directors, there has been impairment in the value of an investment, the loss is recognised as an expense in the period in which the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit and loss accounts.

(xiii) Retirement benefits

Retirement benefits are accrued and charged to the income statement in the period to which they relate.

(xiv) Off-balance sheet engagements

Transactions that are not recognised as assets and liabilities in the balance sheet but which nonetheless give rise to credit risks; contingencies and commitments are reported off balance sheet. Such transactions include letters of credit, bonds guarantees, indemnities, acceptances, trade related contingencies such as documentary credits. Outstanding and unexpired commitments at balance sheet date in respect of these transactions are shown by way of note to the financial statements.

(xv) Provisions

Provisions are recognised when separate entities in the Group have a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made in accordance with the Statement of Accounting Standard (SAS) 23.

PROFIT FORECAST (contd.)

2.5 GROUP PROFIT FORECAST FOR THE YEARS ENDING 30 APRIL 2008, 2009 AND 2010

The Directors are of the opinion that subject to unforeseen circumstances, and based on the assumptions in Note 3.2, the profit before taxation for the years ending 30 April 2008, 2009 and 2010 will be in the order of ₦18.98 billion, ₦32.32 billion and ₦42.05 billion respectively as detailed below:

2.5.1

	Notes	2008 ₦'000	2009 ₦'000	2010 ₦'000
Gross earnings	9.2	64,268,942	90,004,115	115,259,823
Interest income	9.3	43,949,202	53,217,761	72,430,699
Interest expense	9.4	(13,953,703)	(14,957,836)	(18,964,328)
Net interest income		29,995,499	38,259,925	53,466,372
Corporate finance and other fee income	9.5.1	13,692,961	26,718,585	31,308,657
Commissions	9.5.2	4,244,166	7,180,012	8,134,134
Foreign exchange earnings	9.5.3	450,238	919,490	1,156,512
Other operating income	9.5.4	1,932,376	1,968,266	2,229,821
Net operating income		50,315,239	75,046,278	96,295,495
Provision on risk assets	9.6	(3,285,448)	(3,408,071)	(4,778,327)
Operating expenses	9.7	(28,048,079)	(39,313,682)	(49,471,870)
Profit before taxation	9.8	18,981,712	32,324,524	42,045,299
Taxation	9.9	(3,898,441)	(6,363,412)	(7,570,102)
Profit after taxation		15,083,271	25,961,112	34,475,198
Appropriations:				
Transfer to statutory reserve		4,524,981	7,788,334	10,342,559
Transfer to proposed dividend reserve:				
-Preference shares		853,875	1,707,750	853,875
-Ordinary shares		7,461,930	11,192,894	15,850,825
Transfer to retained earnings		2,242,485	5,272,134	7,427,938
		15,083,271	25,961,112	34,475,198

PROFIT FORECAST (contd.)

2.5.2 Forecast ratios

	2008	2009	2010
Forecast earnings per 50 kobo share (kobo)	101.07	173.96	217.50
Forecast dividend per 50 kobo share (kobo)			
Preference shares (kobo)	92.12	184.23	92.12
Ordinary shares (kobo)	50.00	75.00	100.00
Forecast price earnings ratio at offer price	13.85	8.05	6.44
Forecast earnings yield at offer price (ordinary shares) (%)	7.22	12.43	15.54
Forecast dividend yield at offer price (%)	3.57	5.36	7.14

2.5.3 Earnings

Forecast earnings per share for the years ending 30 April 2008 and 2009 is based on 14,923,859,000 ordinary shares of 50 kobo each while forecast earnings per share for the year ending 30 April 2010 is based on 15,850,825,000 ordinary shares of 50 kobo each that will be in issue after the conversion of the preference shares.

2.5.4 Dividend

(i) Forecast ordinary dividend per share for the years ending 30 April 2008 and 2009 is based on 14,923,859,000 ordinary shares of 50 kobo each while for the year ending 30 April 2010, it is based on 15,850,825,000 ordinary shares of 50 kobo each.

(ii) Forecast preference dividend for the years ending 30 April 2008, 2009 and 2010 is based on 9% of the Preference shares' offer price of ₦18,975,000,000.

2.5.5 Appendices I, II and III to this memorandum show detailed analyses of the Directors' forecast for FCMB and its subsidiary for the years ending 30 April 2008, 2009 and 2010.

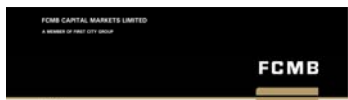
PROFIT FORECAST (contd.)**2.6. GROUP PROJECTED BALANCE SHEETS**

	<-----As at 30 April----->		
	2008	2009	2010
	N'000	N'000	N'000
ASSETS			
Cash and short term funds	109,169,249	91,871,858	120,094,036
Due from banks	38,339,350	54,929,658	62,536,513
Dealing securities	45,805,948	68,708,922	89,321,599
Loans and advances	169,525,191	280,006,427	400,409,191
Advances under finance lease	2,263,722	4,527,444	5,885,677
Other assets	34,018,366	40,822,040	53,885,092
Investment securities	114,548,158	102,133,868	122,560,642
Property and equipment	20,568,395	31,639,573	41,131,446
	<u>534,238,379</u>	<u>674,639,790</u>	<u>895,824,196</u>
LIABILITIES			
Customer deposits	250,177,267	318,620,690	470,280,124
Due to other banks	14,087,429	16,904,915	24,512,126
Short- term borrowing	3,301,366	3,466,435	3,639,757
Tax payable	3,898,441	5,827,832	7,646,530
Other liabilities	97,022,680	135,831,752	142,623,340
Deferred taxation	614,323	737,188	884,625
Long-term borrowing	43,059,900	45,212,895	45,212,895
	<u>412,161,407</u>	<u>526,601,706</u>	<u>694,799,397</u>
SHAREHOLDERS' FUNDS			
Share capital:			
- Preference shares	463,483	463,483	-
- Ordinary shares	7,461,929	7,461,929	7,925,412
Share premium	90,299,986	90,299,986	108,811,503
Reserves	23,851,574	49,812,686	84,287,884
	<u>122,076,972</u>	<u>148,038,084</u>	<u>201,024,799</u>
LIABILITIES AND SHAREHOLDERS' FUNDS	<u>534,238,379</u>	<u>674,639,790</u>	<u>895,824,196</u>
ACCEPTANCES AND GUARANTEES			
	<u>69,166,839</u>	<u>103,750,259</u>	<u>124,500,310</u>

PROFIT FORECAST (contd.)
2.7. GROUP PROJECTED CASHFLOW

	<-----Year ending 30 April ----->		
	2008	2009	2010
	N'000	N'000	N'000
Cash flows from operating activities:			
Profit before taxation	18,981,712	32,324,524	42,045,299
Depreciation	1,745,663	3,132,562	4,016,830
Loan loss provision	3,285,448	3,408,071	4,778,327
	<u>24,012,823</u>	<u>38,865,157</u>	<u>50,840,456</u>
Changes in operating assets/liabilities			
Loans and advances	(86,131,762)	(110,481,236)	(120,402,764)
Advances under finance lease	(1,711,937)	(2,263,722)	(1,358,233)
Other assets	(15,218,355)	(6,803,673)	(13,063,053)
Deposits and other accounts	60,956,867	71,260,909	159,266,646
Other liabilities	83,815,074	38,809,072	6,791,588
Cash generated from operations	<u>65,722,710</u>	<u>29,386,507</u>	<u>82,074,640</u>
Tax paid	(1,483,849)	(3,898,441)	(5,827,832)
Net cash flows from operating activities	<u>64,238,861</u>	<u>25,488,066</u>	<u>76,246,808</u>
Cash flows from investing activities:			
Purchase of property and equipment	(7,792,901)	(11,071,179)	(9,491,872)
Purchase of investments	(112,506,170)	-	(20,426,774)
Redemption of investments	-	12,414,290	-
Purchase of dealing securities	(39,970,480)	(22,902,974)	(20,612,677)
Net cash flows from investing activities	<u>(160,269,551)</u>	<u>(21,559,863)</u>	<u>(50,531,322)</u>
Cash flows from financing activities:			
Net proceeds from share issue	92,598,000	-	-
Dividend	(3,325,851)	(8,315,805)	(12,900,644)
Short-term borrowing	1,390,853	165,068	173,322
Long-term loan	31,826,215	2,152,995	-
Net cash flows from financing activities	<u>122,489,217</u>	<u>(5,997,741)</u>	<u>(12,727,323)</u>
Net increase in cash & short-term funds	<u>8,371,559</u>	<u>(707,083)</u>	<u>35,829,033</u>
Cash & short-term funds at 1 May	<u>139,137,040</u>	<u>147,508,599</u>	<u>146,801,516</u>
Cash & short-term funds at 30 April	<u>147,508,599</u>	<u>146,801,516</u>	<u>182,630,549</u>

2.8 The following is a copy of the letter from the Joint Issuing Houses on the Profit Forecast:



RC 622258



RC 261272



RC 89773



RC 446599



RC 429270



RC.147269



27th August, 2007

The Directors
First City Monument Bank Plc
Primrose Tower
17A, Tinubu Street
Lagos

Dear Sirs,

RE: FIRST CITY MONUMENT BANK PLC: OFFER FOR SUBSCRIPTION OF 5,421,428,572 ORDINARY SHARES OF 50 KOBO EACH AT ₦14.00 PER SHARE

We have had the privilege of studying this Prospectus, in respect of the above subject matter, which is addressed to your shareholders. This document contains a forecast of the profits of your Bank for the three years ending 30th April, 2010, for which you are solely responsible.

We have discussed with yourselves and with Akintola Williams Deloitte, Reporting Accountants to the Offer, the bases and assumptions upon which the forecast was made. We have also considered the letter dated 27th August, 2007 from the Reporting Accountants regarding the accounting bases and calculations upon which the forecast was compiled.

Having considered the assumptions made by you as well as the accounting basis and calculations reviewed by Akintola Williams Deloitte, we consider that the forecast (for which you as Directors are solely responsible) has been made by you after due and careful enquiry.

Yours faithfully,

FOR AND ON BEHALF OF THE ISSUING HOUSES

Francis Esem Wood
Managing Director/CEO
FCMB Capital Markets Limited

Bolaji Balogun
Managing Partner
Chapel Hill Advisory Partners Limited

Godwin Obaseki
Managing Director
Afrinvest West Africa Limited

Mr. Offong Ambah
Managing Director/CEO
Ecobank Nigeria Plc

Mr. Adebayo Adeleke
Managing Director/CEO
FBN Capital Limited

Mr. Ayodele Thomas
Managing Director
Intercontinental Capital Markets Limited

Mrs. Cecilia Ibru, MFR
Managing Director
Oceanic Bank International Plc

Mr. Sonnie Ayere
Managing Director
UBA Global Markets Limited

3.1 Letter from the Reporting Accountants on the historical performance of First City Monument Bank Plc

Akintola Williams Deloitte
Chartered Accountants
235, Ikorodu Road, Ilupeju
P. O. Box 965
Lagos, Nigeria

Tel: +234 1 4930720-4
Fax: +234 1 4970023
www.deloitte.com

22nd August, 2007

The Directors
First City Monument Bank Plc
Primrose Tower
17A Tinubu Street
Lagos

The Directors
FCMB Capital Markets Limited
Primrose Tower (4th Floor)
17A, Tinubu Street
Lagos

The Directors
Afrinvest West Africa Limited
Foresore Towers, 5th, 11th & 12th Floors
2A, Osborne Road, Ikoyi
Lagos

The Directors
Intercontinental Capital Markets Limited
Wesley House
21/22, Marina
Lagos

The Directors
Chapel Hill Advisory Partners Limited
45, Saka Tinubu Street
Victoria Island
Lagos

The Directors
Ecobank Nigeria Plc
21, Ahmadu Bello Way
Victoria Island
Lagos

The Directors
Oceanic Bank International Plc
Plot 270, Ozumba Mbadiwe Avenue
Victoria Island
Lagos

The Directors
FBN Capital Limited
16, Keffi Street
South West, Ikoyi
Lagos

The Directors
UBA Global Markets Limited
UBA House
57, Marina
Lagos

Gentlemen,

We have reviewed the audited financial statements of First City Monument Bank Plc ("FCMB" or "the Bank") and its wholly owned subsidiary company, FCMB Capital Markets Limited (together "the Group") for each of the five years ended 30 April 2007. The financial statements were prepared in compliance with Nigerian Statements of Accounting Standards ("SAS") issued by the Nigerian Accounting Standards Board ("NASB"). Messrs PricewaterhouseCoopers (Chartered Accountants), were the auditors of the Group in respect of all the above mentioned accounting periods.

The financial information set out below has been prepared from the audited financial statements after making such adjustments in note 5.35 as we considered appropriate.

As disclosed in notes 5.25 and 5.27 to the financial statements, the Bank obtained the approval of shareholders at an extraordinary general meeting and the sanction of the Federal High Court, Lagos on 5 September 2006 to carry out a capital reduction in 2006 in accordance with sections 105-110 of the Companies and Allied Matters Act 1990 (CAMA) and cancelled from its share premium account the portion of its paid up capital that was represented by goodwill of ₦3.88 billion. The goodwill arose from the Group's business acquisition activity in 2006. Had FCMB amortised the goodwill over the maximum period of five years as required by section 21(2) of Schedule 2 of CAMA, the profit before taxation would have been reduced by ₦776 million; goodwill of ₦2.3 billion would have been carried on the balance sheet and share premium would have been increased by the same amount.

Except for the above matter, in our opinion, the financial statements give a true and fair view of the profits of the Group and the cash flows for the periods stated and the state of affairs of the Group at the balance sheet dates, and have been prepared on the same accounting basis normally adopted by the Group.

Yours faithfully,

(Chartered Accountants)
Reporting Accountants

3.2 STATEMENT OF ACCOUNTING POLICIES OF FIRST CITY MONUMENT BANK PLC

The following principal accounting policies have been applied by the Group consistently throughout the period under review:

(i) Basis of preparation

The financial statements are prepared in compliance with Nigerian Statements of Accounting Standards issued by the Nigerian Accounting Standards Board ("NASB"). The financial statements are presented in the functional currency, the Nigerian Naira (₦), rounded to the nearest thousand, and prepared under the historical cost convention.

The preparation of financial statements in conformity with accounting principles generally accepted in Nigeria requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of current events and actions, actual results ultimately may differ from those estimates.

(ii) Consolidation

The consolidated financial statements comprise the financial statements of the Bank and its wholly owned subsidiary company (FCMB Capital Markets Limited), made up to 30 April 2007. All inter company transactions, balances and unrealised surpluses and deficits on transactions between the Bank and the subsidiary are eliminated. The accounting policies for the subsidiary are consistent with those of the Bank.

(iii) Recognition of interest income

Interest income is recognised on an accrual basis, except for interest overdue for more than 90 days, which is suspended and recognised only to the extent that cash is received. Recoveries made are credited to the profit and loss account as collected, interest accruing on non-performing accounts is not credited to the profit and loss account until the debt is recovered.

Interest income accruing on advances under finance lease is amortised over the lease period to achieve a constant rate of return on the outstanding net investment.

(iv) Recognition of fees, commissions and other income

(a) Fees and commissions, where material, are amortised over the life of the related service. Otherwise fees, commissions and other income are recognised as earned upon completion of the related service.

(b) Income on bonds and guarantees are recorded as commissions in the period in which they occur.

(v) Provision against credit risk

Provision is made in accordance with the Prudential Guidelines issued by the Central Bank of Nigeria for each account that is not performing in accordance with the terms of the related facility as follows:

Interest and/or principal outstanding for over:	Classification	Provision
90 days but less than 180 days	Substandard	10%
180 days but less than 360 days	Doubtful	50%
360 days and above	Lost	100%

In addition, a provision of 1% minimum is made for all performing accounts to recognise losses in respect of risks inherent in any credit portfolio.

HISTORICAL FINANCIAL INFORMATION (contd.)

Statement of accounting policies (cont'd)

(vi) Property and equipment

Property and equipment are stated at historical costs less depreciation except where there is a permanent significant change in the value of the asset. Costs relating to fixed asset under construction or in the course of implementation are disclosed as work in progress; the attributable cost of each asset is transferred to the relevant category of asset immediately the asset is put to use and depreciated accordingly. Depreciation is calculated on a straight-line basis to write-off fixed assets to their residual values at the following rates:

		%
Motor vehicles	-	20
Furniture & fittings	-	20
Equipment	-	20
Computer equipment	-	25
Leasehold land & buildings	-	2% for leases of 50 years and above; or over the tenor of the lease for leases under 50 years.

(vii) Deferred taxation

Deferred income tax is provided in full using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised.

(viii) Foreign currency transactions

Transactions denominated in foreign currency are converted into Naira at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currency are translated into Naira at the rates of exchange ruling at the balance sheet date (or, where appropriate, the rate of the related forward contract). Exchange gains or losses are included in the profit and loss account.

(ix) Advances under finance leases

Finance lease transactions are recorded in the books of the Bank at the net investment in the lease. Net investment in the lease is the gross investment in the lease discounted at the rate implicit in the lease. Gross investment in the lease is the sum of the minimum lease payments plus any residual value payable on the lease. The discount on the lease is defined as the difference between the gross investment in the lease and the present value of the asset under lease. This discount is recognised as unearned in the books of the Bank and amortised to income as earned over the life of the lease.

(x) Business combination

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of an acquired entity at the date of acquisition. Where purchased goodwill exist in the books following an acquisition, it is carried in the balance sheet as an intangible asset and amortised over five years in compliance with the specific provisions of section (21) (2) of Schedule II to the Nigerian CAMA.

(xi) Investments

The Bank categorises its investments into the following categories: short-term investments (dealing securities) and long-term investments (investment securities).

Statement of accounting policies (cont'd)*Short-term investments*

Short-term investments are those readily realisable investments intended to be held for not more than one year.

Short-term investments are valued at the lower of cost and market value. The amount by which cost exceeds market value (unrealised loss) is charged to the profit and loss account for the period.

Long-term investments

Long-term investments are investments other than short-term investments. Long-term investments may include debt and equity securities.

Long-term investments are carried at cost or at a revalued amount. When there has been a permanent decline in value of an investment, the carrying amount of the investment is written down to recognise the loss. Such a reduction is charged to the profit and loss account. Reductions in carrying amount are reversed when there is an increase, other than temporary, in the value of the investment, or if the reasons for the reduction no longer exist.

An increase in carrying amount arising from the revaluation of long-term investments is credited to owners' equity as revaluation surplus. To the extent that a decrease in carrying amount offsets a previous increase, for the same investment that has been credited to revaluation surplus and not subsequently reversed or utilized, it is charged against that revaluation surplus rather than income.

An increase on revaluation, which is directly related to a previous decrease in carrying amount for the same investment that was charged to income, is credited to the extent that it offsets the previously recorded decrease.

Interest earned and dividends received on investments are reported as investment income. A decline in value is not taken into account unless it is considered to be permanent.

(xii) Investments in subsidiaries

Investments in subsidiaries are carried in the Bank's balance sheet at cost less provision for impairment. Where, in the opinion of the directors, there has been impairment in the value of an investment, the loss is recognised as an expense in the period in which the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit and loss account.

(xiii) Retirement benefits

Retirement benefits are accrued and charged to the income statement in the period to which they relate.

(xiv) Off-balance sheet engagements

Transactions that are not recognised as assets and liabilities in the balance sheet but which nonetheless give rise to credit risks; contingencies and commitments are reported off balance sheet. Such transactions include letters of credit, bonds guarantees, indemnities, acceptances, trade related contingencies such as documentary credits. Outstanding and unexpired commitments at balance sheet date in respect of these transactions are shown by way of note to the financial statements.

(xv) Provisions

Provisions are recognised when separate entities in the Group have a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made in accordance with the Statement of Accounting Standard (SAS) 23.

HISTORICAL FINANCIAL INFORMATION (contd.)

3.3 PROFIT AND LOSS ACCOUNT FOR FIRST CITY MONUMENT BANK PLC

	Notes	<-----GROUP----->		<-----BANK----->		
		←-----Year ended 30 April ----->				
		2007	2006	2005	2004	2003
		N'000	N'000	N'000	N'000	N'000
Interest income	3.6.2	14,635,183	5,549,772	3,360,471	1,709,732	1,961,431
Interest expense	3.6.3	(5,059,231)	(2,786,305)	(1,628,830)	(995,997)	(1,004,450)
Net interest margin		9,575,952	2,763,467	1,731,641	713,735	956,981
Other operating income	3.6.4	10,338,128	5,494,874	2,760,566	1,414,448	938,538
Net operating income		19,914,080	8,258,341	4,492,207	2,128,183	1,895,519
Operating expenses	3.6.5	(10,832,745)	(4,717,053)	(2,628,185)	(1,996,791)	(1,705,253)
(Provision)/write back on risk assets	3.6.6	(1,512,249)	(206,365)	(770,976)	133,196	(132,852)
Profit before taxation	3.6.7	7,569,086	3,334,923	1,093,046	264,588	57,414
Taxation	3.6.21	(1,620,407)	(1,021,494)	(291,255)	8,394	(43,197)
Profit after taxation		5,948,679	2,313,429	801,791	272,982	14,217
Appropriations:						
Transfer to statutory reserve	3.6.26.2	1,741,757	696,459	240,538	81,895	4,265
Transfer to Small & Medium scale						
Enterprises (SMEs) reserve	3.6.26.3	-	333,492	109,305	26,459	5,741
Transfer to proposed dividend reserve	3.6.26.4	3,325,851	1,235,316	333,950	50,000	-
Transfer to retained earnings	3.6.26.5	885,857	48,162	117,998	114,628	4,211
		5,953,465	2,313,429	801,791	272,982	14,217
Earnings per share - basic(kobo)	3.6.8	62.60	29.32	25.28	18.20	1.06
Earnings per share - diluted(kobo)	3.6.8	62.60	29.3	25.3	18.2	0.9

The accounting policies on pages 46 to 48 and notes on pages 52 to 68 form part of these financial statements.

HISTORICAL FINANCIAL INFORMATION (contd.)

3.4 BALANCE SHEET FOR FIRST CITY MONUMENT BANK PLC

		<-----GROUP----->		<-----BANK----->		
		←-----As at 30 April----->				
		2007	2006	2005	2004	2003
ASSETS	Notes	N'000	N'000	N'000	N'000	N'000
Cash and short term funds	3.6.9	25,359,070	14,340,117	2,425,591	3,982,233	2,356,563
Due from banks	3.6.10	113,778,070	63,461,007	26,342,350	9,249,480	4,196,518
Dealing securities	3.6.11	5,835,468	-	-	-	-
Loans and advances	3.6.12	83,393,429	18,887,063	11,436,232	7,905,359	5,833,979
Advances under finance lease	3.6.13	551,785	903,840	381,280	229,282	424,701
Investment securities	3.6.14	2,041,988	302,281	159,726	109,687	587,687
Other assets	3.6.15	18,800,011	1,535,496	8,670,193	625,320	373,061
Property and equipment	3.6.16	12,775,494	6,938,413	1,902,896	1,634,888	1,391,610
		<u>262,535,315</u>	<u>106,368,217</u>	<u>51,318,268</u>	<u>23,736,249</u>	<u>15,164,119</u>
LIABILITIES						
Customer deposits	3.6.17	187,670,992	70,296,796	26,857,412	17,355,092	7,413,661
Due to other banks	3.6.18	15,636,837	400,000	265,680	664,287	1,801,853
Short-term borrowing	3.6.19	1,910,513	1,396,228	-	-	-
Other liabilities	3.6.20	13,207,606	6,953,419	15,885,774	2,648,497	3,131,089
Taxation	3.6.21	1,483,849	893,413	200,310	39,819	22,466
Deferred taxation	3.6.22	761,615	516,292	267,230	183,811	223,289
Long-term loan	3.6.23	11,233,685	-	250,000	-	-
		<u>231,905,097</u>	<u>80,456,148</u>	<u>43,726,406</u>	<u>20,891,506</u>	<u>12,592,358</u>
SHAREHOLDERS' FUNDS						
Share capital	3.6.24	4,751,215	4,751,215	2,226,333	1,500,000	1,500,000
Share premium	3.6.25	17,110,700	17,110,700	3,294,855	25,860	25,860
Reserves	3.6.26	8,768,303	4,050,154	2,070,674	1,318,883	1,045,901
		<u>30,630,218</u>	<u>25,912,069</u>	<u>7,591,862</u>	<u>2,844,743</u>	<u>2,571,761</u>
LIABILITIES AND SHAREHOLDERS' FUNDS		<u>262,535,315</u>	<u>106,368,217</u>	<u>51,318,267</u>	<u>23,736,249</u>	<u>15,164,119</u>
Acceptances, guarantees and other obligations for the account of customers (and customers' liability therefore)	3.6.28	<u>46,111,226</u>	<u>17,966,232</u>	<u>11,935,630</u>	<u>7,068,563</u>	<u>8,532,619</u>

The accounting policies on pages 46 to 48 and notes on pages 52 to 68 form part of these financial statements

HISTORICAL FINANCIAL INFORMATION (contd.)
3.5 CASH FLOW STATEMENT FOR FIRST CITY MONUMENT BANK PLC

	<-----GROUP----->		<-----BANK----->		
	<-----Year ended 30 April ----->				
	2007	2006	2005	2004	2003
	N'000	N'000	N'000	N'000	N'000
Operating profit/(loss) before changes in operating assets/liabilities (note 5.31)	3,821,711	4,137,886	1,933,159	578,049	(737,142)
Changes in operating assets/liabilities:					
Loans and advances	(64,506,366)	(7,450,831)	(3,915,399)	(2,226,509)	1,070,278
Advances under finance lease	356,632	(528,860)	(153,533)	197,393	417,324
Other assets	(17,264,515)	8,981,429	(8,188,939)	(189,478)	449,441
Deposits and other accounts	136,380,669	41,815,550	9,103,713	8,803,865	651,121
Other liabilities	6,254,187	(8,823,730)	13,199,338	(496,750)	(644,786)
Cash generated from operations	65,042,318	38,131,444	11,978,339	6,666,570	1,206,236
Tax paid	(784,648)	(206,021)	(47,345)	(13,731)	(116,359)
Net cash flow from operating activities	64,257,670	37,925,423	11,930,994	6,652,839	1,089,877
Cash flows from investing activities:					
Purchase of property and equipment	(7,263,063)	(4,059,628)	(569,909)	(469,307)	(208,391)
Fixed assets transferred to other assets	-	58,665	-	-	-
Proceeds from disposal of fixed assets	460,430	16,328	4,096	-	-
Proceeds from disposal of investments	1,927,419	-	8,000	-	-
Purchase of investments	(3,184,542)	(67,434)	(58,039)	478,000	(529,790)
Investment income	461,816	91,502	25,757	17,100	10,296
Purchase of dealing securities	(5,835,468)	-	-	-	-
Acquisition expenses	-	(616,589)	-	-	-
Net cash flow from investing activities	(13,433,408)	(4,577,156)	(590,095)	25,793	(727,885)
Cash flows from financing activities:					
Net proceeds from share issue	-	14,872,639	3,995,328	-	275,860
Dividend paid	(1,235,316)	(333,950)	(50,000)	-	-
Short-term borrowing	514,285	1,396,228	-	-	-
Long-term loan	11,233,685	(250,000)	250,000	-	-
Net cash flow from financing activities	10,512,654	15,684,917	4,195,328	-	275,860
Net increase/(decrease) in cash & short-term funds	61,336,916	49,033,184	15,536,227	6,678,632	637,852
Cash & short-term funds as at 1 May	77,801,124	28,767,940	13,231,713	6,553,081	5,915,229
Cash & short-term funds as at 30 April (notes 5.9 & 5.10)	139,138,040	77,801,124	28,767,940	13,231,713	6,553,081

HISTORICAL FINANCIAL INFORMATION (contd.)

3.6 NOTES TO THE FINANCIAL STATEMENTS OF FIRST CITY MONUMENT BANK PLC

3.6.1 BRIEF HISTORY

First City Monument Bank Plc ("the Bank" or "FCMB") was incorporated as a private limited liability company on 20 April 1982 and granted a banking license on 11 August 1983. On 15 July 2004, the Bank changed its status from a private limited liability company to a public limited liability and was listed on the Nigerian Stock Exchange by introduction on 21 December 2004. Between December 2005 and February 2006, the Bank acquired erstwhile Cooperative Development Bank Plc (CDB), Nigerian-American Bank Limited (NAMBL) and Midas Bank Limited (Midas)

The principal activity of FCMB is the provision of commercial banking, capital market and corporate finance services. These include the granting of credit facilities either by arrangement within the market or direct loans and advances as well as money market and foreign exchange operations. In May 2005, FCMB Capital Markets, a division of the Bank, was incorporated as a wholly owned subsidiary company to carry on the Bank's issuing house and other capital market operations. The group financial statements are for the Bank and the subsidiary, FCMB Capital Markets Limited.

		<-----GROUP----->		<-----BANK----->		
		<-----Year ended 30 April ----->				
		2007	2006	2005	2004	2003
		N'000	N'000	N'000	N'000	N'000
3.6.2	INTEREST INCOME					
3.6.2.1	Placements and short-term funds	7,276,692	945,968	654,192	-	-
	Loans and advances	7,220,860	4,408,895	2,619,513	-	-
	Finance lease	137,631	194,909	86,766	-	-
		<u>14,635,183</u>	<u>5,549,772</u>	<u>3,360,471</u>	<u>1,709,732</u>	<u>1,961,431</u>
3.6.2.2	Analysis by source:					
	Bank	7,276,692	945,968	654,192	263,381	261,756
	Non-bank	7,358,491	4,603,804	2,706,279	1,446,351	1,699,675
		<u>14,635,183</u>	<u>5,549,772</u>	<u>3,360,471</u>	<u>1,709,732</u>	<u>1,961,431</u>
3.6.3	INTEREST EXPENSE					
	Inter-bank takings	724,071	135,745	28,176	125,453	370,182
	Current accounts	262,005	145,549	96,589	73,438	110,261
	Savings accounts	126,634	66,712	37,862	10,747	7,044
	High Net Yield Investment Certificates	293,582	255,710	126,951	55,131	53,503
	Term deposit	3,583,797	2,165,413	1,339,252	731,228	463,460
	Borrowings	69,142	17,176	-	-	-
		<u>5,059,231</u>	<u>2,786,305</u>	<u>1,628,830</u>	<u>995,997</u>	<u>1,004,450</u>
	Interest expense paid outside Nigeria amounted to N69.1 million (2006: N17.2 million)					
3.6.4	OTHER OPERATING INCOME					
	Corporate finance & other fee income	4,133,120	2,970,098	1,702,783	602,325	617,647
	Commissions	4,154,116	1,896,028	659,013	339,159	239,156
	Foreign exchange earnings	387,249	210,882	147,159	160,310	65,861
	Rental income	25,946	19,860	23,141	24,807	5,578
	Profit on disposal of investments	482,585	-	-	-	-
	Investment income	461,816	91,502	25,757	17,100	10,296
	Gain on disposal of property plant & equipment	248,913	30,699	-	-	-
	Trading income	103,321	-	-	-	-
	Other income	341,062	275,805	202,713	270,747	-
		<u>10,338,128</u>	<u>5,494,874</u>	<u>2,760,566</u>	<u>1,414,448</u>	<u>938,538</u>

HISTORICAL FINANCIAL INFORMATION (contd.)**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**

	2007	2006	2005	2004	2003
	₦'000	₦'000	₦'000	₦'000	₦'000
3.6.5 OPERATING EXPENSES					
Staff costs (Note 5.32.2)	6,020,537	1,940,161	1,134,610	786,484	647,500
Depreciation	1,214,465	568,370	288,401	210,423	217,692
Directors' emoluments (Note 5.32.1)	212,433	118,118	88,485	73,231	110,753
Advertisement	366,943	203,480	105,268	-	-
Correspondent bank charges	16,730	149,116	72,541	-	-
Information technology maintenance	261,666	232,509	86,343	-	-
Business travel	299,915	333,171	75,175	-	-
Communication	149,213	70,697	79,056	-	-
Auditors' remuneration	42,750	37,500	14,000	7,500	6,000
Others	2,248,093	1,063,931	684,306	919,153	723,308
	<u>10,832,745</u>	<u>4,717,053</u>	<u>2,628,185</u>	<u>1,996,791</u>	<u>1,705,253</u>

3.6.6 PROVISION/WRITE BACK ON RISK ASSETS

Loans & advances (note 5.12.5)	1,671,844	256,045	587,435	90,733	183,052
Advances under finance lease	(4,577)	6,265	1,535	(1,974)	(4,173)
Other assets	(155,018)	(74,335)	-	(51,984)	(36,369)
Off balance sheet engagements	-	(108,625)	37,940	14,158	(9,658)
Amounts recovered on previously written off loans	-	(56,690)	-	(184,129)	-
Additional loan loss provision	-	183,705	-	-	-
Interbank placements	-	-	144,066	-	-
	<u>1,512,249</u>	<u>206,365</u>	<u>770,976</u>	<u>(133,196)</u>	<u>132,852</u>

3.6.7 PROFIT BEFORE TAXATION

This was arrived at after charging					
Pension costs	315,933	149,088	158,104	123,600	99,070
Depreciation	1,214,465	568,370	288,401	210,423	217,692
Auditors' remuneration	42,750	37,500	14,000	7,500	6,000

3.6.8 EARNINGS PER SHARE

Basic earnings per share (EPS) are calculated by dividing profit after tax by the weighted average number of ordinary shares in issue during the year. Diluted EPS is the amount of earning per share after adjusting for the effect of all potential ordinary shares.

	2007	2006	2005	2004	2003
Net profit attributable to shareholders (₦'000)	5,948,679	2,313,429	801,791	272,982	14,217
Weighted average number of ordinary shares in issue during the year (thousands).	<u>9,502,430</u>	<u>7,890,068</u>	<u>3,171,722</u>	<u>1,500,000</u>	<u>1,500,000</u>
Earnings per share - basic(kobo)	<u>62.6</u>	<u>29.3</u>	<u>25.3</u>	<u>18.2</u>	<u>0.9</u>
Earnings per share - diluted(kobo)	<u>62.6</u>	<u>29.3</u>	<u>25.3</u>	<u>18.2</u>	<u>0.9</u>

3.6.9 CASH AND SHORT TERM FUNDS

Cash	2,708,919	2,282,566	425,814	312,233	322,649
Nigerian Government Treasury bills	22,651,051	12,057,551	1,999,777	3,670,000	2,033,914
	<u>25,359,970</u>	<u>14,340,117</u>	<u>2,425,591</u>	<u>3,982,233</u>	<u>2,356,563</u>

Treasury bills of ₦8.74 billion(2006: ₦ 2.8 billion) are held by third parties as collateral for various transactions

HISTORICAL FINANCIAL INFORMATION (contd.)**NOTES TO THE FINANCIAL STATEMENTS (cont'd)****3.6.10 DUE FROM BANKS****3.6.10.1 Summary**

Operating account with Central Bank of Nigeria	8,806,846	3,542,860	-	-	-
Cash reserves with Central Bank of Nigeria	5,298,802	2,307,007	2,899,301	1,825,697	599,046
Banks within Nigeria	16,281,694	13,352,595	20,093,536	1,109,502	836,780
Banks outside Nigeria	14,926,728	3,264,479	2,468,770	2,568,586	2,510,692
Inter-bank placements	68,464,000	40,994,066	880,743	3,745,695	250,000
	<u>113,778,070</u>	<u>63,461,007</u>	<u>26,342,350</u>	<u>9,249,480</u>	<u>4,196,518</u>

3.6.10.2 Amount included in balances held with other banks outside Nigeria representing Naira value of foreign currencies held on behalf of customers to cover letters of credit transactions. The corresponding liability is included in Other liabilities (note 5.20).

	<u>2,881,766</u>	<u>1,815,827</u>	<u>1,529,871</u>	<u>1,656,448</u>	<u>2,477,254</u>
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3.6.11 DEALING SECURITIES

Federal Government of Nigeria Bond	5,734,974	-	-	-	-
Listed equity securities	100,494	-	-	-	-
	<u>5,835,468</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

3.6.12 LOANS AND ADVANCES**3.6.12.1 Summary**

Overdrafts	11,132,534	18,362,946	4,604,936	4,092,201	3,253,627
Term loans	16,393,161	5,567,380	1,572,181	1,649,635	1,704,243
Mortgage loans	525,339	301,493	318,546	318,546	318,546
Commercial loans	58,321,406	1,550,802	5,623,955	2,411,123	969,000
Others	451,268	527,929	436,431	169,145	168,725
	<u>86,823,708</u>	<u>26,310,550</u>	<u>12,556,049</u>	<u>8,640,650</u>	<u>6,414,141</u>

Provision on principal (note 5.12.5 - i)	(2,706,317)	(6,333,565)	(1,111,325)	(538,752)	(448,019)
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Interest in suspense (note 5.12.5 - ii)	(723,962)	(1,089,922)	(8,492)	(196,539)	(132,143)
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	<u>83,393,429</u>	<u>18,887,063</u>	<u>11,436,232</u>	<u>7,905,359</u>	<u>5,833,979</u>
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3.6.12.2 Analysis by security

Secured against real estate	7,240,668	7,261,178	3,210,633	2,770,459	1,606,223
Otherwise secured	73,246,590	14,363,983	7,543,939	5,624,715	3,896,975
Unsecured	6,336,450	4,685,389	1,801,477	245,476	910,943
	<u>86,823,708</u>	<u>26,310,550</u>	<u>12,556,049</u>	<u>8,640,650</u>	<u>6,414,141</u>

Provisions on principal &

interest (note 5.12.5 - iii)	(3,430,279)	(7,423,487)	(1,119,817)	(735,291)	(580,162)
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	<u>83,393,429</u>	<u>18,887,063</u>	<u>11,436,232</u>	<u>7,905,359</u>	<u>5,833,979</u>
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HISTORICAL FINANCIAL INFORMATION (contd.)
NOTES TO THE FINANCIAL STATEMENTS (cont'd)
3.6.12.3 Analysis by performance

Performing	84,083,726	18,056,203	11,572,810	7,817,750	5,579,285
Non-performing	2,739,982	8,254,347	983,239	822,900	834,856
	86,823,708	26,310,550	12,556,049	8,640,650	6,414,141
Provisions on principal & interest (note 5.12.5 -iii)	(3,430,279)	(7,423,487)	(1,119,817)	(735,291)	(580,162)
	83,393,429	18,887,063	11,436,232	7,905,359	5,833,979

3.6.12.4 Analysis by maturity

Under 1 month	26,087,913	6,621,930	4,051,922	5,315,544	3,364,485
1 - 3 months	38,363,858	5,447,037	3,756,880	1,878,922	605,976
3 - 6 months	3,052,060	3,843,007	2,065,008	1,200	154,682
6 - 12 months	4,172,867	5,787,359	1,622,936	917	319,296
Over 12 months	15,147,010	4,611,217	1,059,303	1,444,067	1,969,702
	86,823,708	26,310,550	12,556,049	8,640,650	6,414,141
Provisions on principal & interest (note 5.12.5 -iii)	(3,430,279)	(7,423,487)	(1,119,817)	(735,291)	(580,162)
	83,393,429	18,887,063	11,436,232	7,905,359	5,833,979

3.6.12.5 Loan loss provision & interest in suspense
(i) Loan loss provision

At 1 May					
- Non-performing	5,790,707	995,597	460,574	392,226	1,212,064
- Performing	542,858	115,728	78,178	55,793	78,918
	6,333,565	1,111,325	538,752	448,019	1,290,982

Additional provision

- Non-performing	1,533,104	646,044	553,384	95,508	297,777
- Performing	513,955	243,425	37,550	22,385	-
General / provision no longer required	(375,215)	(633,424)	-	-	(23,125)
Amounts written back	-	-	-	(27,160)	(91,600)
Amounts written off	-	-	(3,499)	-	-
Per note 5.6	1,671,844	256,045	587,435	90,733	183,052
Provision acquired during the year (see note 5.27.1)	-	4,782,489	-	-	-
Write-offs during the year	(5,299,091)	-	(14,862)	-	(1,026,015)
	(3,627,247)	5,038,534	572,573	90,733	(842,963)

At 30 April

- Non-performing	1,833,209	5,790,707	995,597	460,574	392,226
- Performing	873,108	542,858	115,728	78,178	55,793
	2,706,317	6,333,565	1,111,325	538,752	448,019

(ii) Interest in suspense

At 1 May	1,089,922	8,492	196,539	132,143	189,117
Interest suspended during the year	363,392	-	8,492	74,267	73,083
Recoveries	(308,006)	(31,761)	-	(9,871)	(36,874)
Amounts written off	(421,346)	-	(196,539)	-	(93,183)
Acquired during the year (see note 5.27.1)	-	1,113,191	-	-	-
At 30 April	723,962	1,089,922	8,492	196,539	132,143

(iii) Total provisions

	3,430,279	7,423,487	1,119,817	735,291	580,162
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HISTORICAL FINANCIAL INFORMATION (contd.)**NOTES TO THE FINANCIAL STATEMENTS (cont'd)****3.6.13.1 Summary**

Gross investment	559,333	915,732	466,304	279,786	513,965
Unearned income					
- Current	(1,345)	(1,741)	(81,173)	(48,188)	(84,974)
- Non current	(629)				
	557,359	913,991	385,131	231,598	428,991
Provision for performing accounts	(5,574)	(10,116)	(3,851)	(2,316)	(4,290)
Acquired during the year	-	(35)	-	-	-
	551,785	903,840	381,280	229,282	424,701

3.6.13.2 Analysis by maturity

Under 1 month	52,620	-	32,114	-	21,489
1 - 3 months	80,600	-	41,891	-	42,992
3 - 6 months	108,627	913,991	54,377	231,598	52,682
6 - 12 months	178,089	-	106,495	-	93,323
Over 12 months	137,423	-	150,254	-	218,506
	557,359	913,991	385,131	231,598	428,991
Provision for performing accounts	(5,574)	(10,116)	(3,851)	(2,316)	(4,290)
Acquired during the year	-	(35)	-	-	-
	551,785	903,840	381,280	229,282	424,701

3.6.14 INVESTMENT SECURITIES**3.6.14.1 Unquoted**

Lagos State floating rate redeemable bond (2005/2009)	-	-	-	-	500,000
Kakawa Discount House Ltd - equity	22,800	22,800	22,800	22,800	22,800
Smartcard Nigeria Plc - equity	22,804	22,804	22,804	22,804	20,804
First City Asset Management Ltd - equity	-	-	4,000	12,000	12,000
Interswitch Limited	10,420	10,420	10,420	10,420	10,420
SME Partnership	44,063	49,663	41,663	31,663	21,663
Deebe Company Ltd	30,000	30,000	10,000	10,000	-
S & B Printers	48,039	48,039	48,039	-	-
American Hospital	50,000	50,000	-	-	-
Tevoli Limited	120,406	120,406	-	-	-
Bond (2002/2006)	-	9,267	-	-	-
Bond (2005/2009)	350,000	-	-	-	-
Consolidated Discount House Ltd	-	10,000	-	-	-
First SME Ltd- Equity	11,250	11,250	-	-	-
Ewa Pharmaceutical Agric & Chem. Co. Ltd	10,000	10,000	-	-	-
Heron Holdings Ltd	9,835	9,835	-	-	-
Emel Hospital Ltd	8,800	8,800	-	-	-
Nigerian Automated Clearing Systems	7,000	7,000	-	-	-
Channel House Ltd	4,000	4,000	-	-	-
Nigeria Inter-Bank Settlement System Plc	52,582	66	-	-	-
ATSC International Nigeria Limited	50,000	-	-	-	-
Credit reference company limited	25,000	-	-	-	-
African Finance Corporation Limited	1,287,000	-	-	-	-
Others	58	-	-	-	-
Sub-total	2,164,057	424,350	159,726	109,687	587,687
Less: write off	(122,069)	(122,069)	-	-	-
TOTAL	2,041,988	302,281	159,726	109,687	587,687

3.6.14.2 The directors are of the view that the market value of these investment is not lower than cost.

HISTORICAL FINANCIAL INFORMATION (contd.)**NOTES TO THE FINANCIAL STATEMENTS (cont'd)****3.6.15 OTHER ASSETS**

Accrued interest & fees receivable	785,085	1,223,679	2,905,420	347,583	174,769
Open buy back treasury bills (note 5.17.3)	15,000,000	-	-	-	-
Pledged treasury bills	-	0	4,975,000	-	-
Prepayments	1,183,331	582,133	487,594	146,119	151,270
Accrued receivable	2,051,728	251,382	449,444	128,744	116,613
Consumables	36,371	19,577	11,436	17,509	7,825
	19,056,515	2,076,771	8,828,894	639,955	450,477
Provision for doubtful accounts	(256,504)	(541,275)	(158,701)	(14,635)	(77,416)
	18,800,011	1,535,496	8,670,193	625,320	373,061

3.6.16 PROPERTY AND EQUIPMENT**Cost**

Capital work-in-progress	3,875,588	3,450,238	197,907	168,104	33,056
Leasehold land & buildings	4,460,726	1,898,233	1,049,351	959,323	852,305
Motor vehicles	1,990,482	1,029,402	518,518	366,435	258,051
Furniture, & fittings	921,516	448,877	252,879	196,937	206,326
Computer equipment	2,480,864	1,010,502	-	-	-
Machinery & equipment	1,553,498	678,826	964,737	792,937	775,382
At 30 April	15,282,674	8,516,078	2,983,392	2,483,736	2,125,120

Accumulated depreciation

Capital work-in-progress	-	-	-	-	-
Leasehold land & buildings	311,130	173,609	96,840	62,159	38,256
Motor vehicles	531,701	300,188	219,954	204,754	177,747
Furniture, & fittings	296,658	237,529	152,507	121,588	115,698
Computer equipment	857,745	559,425	-	-	-
Machinery & equipment	509,946	306,913	611,195	460,347	401,809
At 30 April	2,507,180	1,577,664	1,080,496	848,848	733,510

Net book value

Capital work-in-progress	3,875,588	3,450,238	197,907	168,104	33,056
Leasehold land & buildings	4,149,596	1,724,624	952,511	897,164	814,049
Motor vehicles	1,458,781	729,214	298,564	161,681	80,304
Furniture, & fittings	624,858	211,348	100,372	75,349	90,628
Computer equipment	1,623,119	451,077	-	-	-
Machinery & equipment	1,043,552	371,912	353,542	332,590	373,573
At 30 April	12,775,494	6,938,413	1,902,896	1,634,888	1,391,610

3.6.17 CUSTOMER DEPOSITS**3.6.17.1 Summary**

Current accounts	111,112,541	41,633,868	19,311,983	4,505,823	3,818,087
Savings accounts	7,644,381	4,261,812	724,516	298,102	155,572
High Net Yield Investment Certificates	2,217,068	1,035,281	914,596	889,295	247,421
Term and other deposit accounts	66,697,002	23,365,835	5,906,317	11,661,872	3,192,581
	187,670,992	70,296,796	26,857,412	17,355,092	7,413,661

HISTORICAL FINANCIAL INFORMATION (contd.)**NOTES TO THE FINANCIAL STATEMENTS (cont'd)****3.6.17.2 Analysis by maturity**

Under 1 month	118,756,922	66,444,425	24,481,542	12,563,320	4,723,660
1 - 3 months	21,935,938	3,682,711	2,361,123	4,608,443	956,640
3 - 6 months	37,344,020	161,972	6,995	140,840	1,733,361
6 - 12 months	9,634,112	7,688	7,752	41,970	-
Over 1 year	-	-	-	519	-
	<u>187,670,992</u>	<u>70,296,796</u>	<u>26,857,412</u>	<u>17,355,092</u>	<u>7,413,661</u>

3.6.18 DUE TO OTHER BANKS

Tenored deposits	636,837	400,000	265,680	664,287	1,801,853
Open buy back takings	15,000,000	-	-	-	-
	<u>15,636,837</u>	<u>400,000</u>	<u>265,680</u>	<u>664,287</u>	<u>1,801,853</u>

3.6.19 SHORT TERM BORROWING

10 month USD15 million facility	1,910,513	1,396,228	-	-	-
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3.6.20 OTHER LIABILITIES

Foreign currency denominated liability (note 5.10.2)	2,881,766	1,815,827	1,529,871	1,656,448	2,477,254
Bank cheques issued	4,474,053	1,596,607	393,545	133,278	170,142
Unearned income	2,045,755	741,142	363,689	154,784	30,880
Interest payable	526,387	155,524	42,860	24,106	23,671
Other payables	3,260,684	2,401,594	713,666	609,195	372,614
Deposit for shares	-	229,744	229,144	-	-
Due to security issuers	18,961	12,981	-	-	-
Provision for off balance sheet items	-	-	108,625	70,686	56,528
Proceeds from third party public offers	-	-	12,504,374	-	-
	<u>13,207,606</u>	<u>6,953,419</u>	<u>15,885,774</u>	<u>2,648,497</u>	<u>3,131,089</u>

3.6.21 TAXATION**3.6.21.1 Per profit and loss account**

Income tax for the year	1,140,637	790,075	181,490	26,426	22,655
Education tax	156,184	78,717	26,346	4,658	3,634
IT tax	78,263	-	-	-	-
Charge for the year (Note 5.21.2)	1,375,084	868,792	207,836	31,084	26,289
Deferred taxation (note 5.22)	245,323	152,702	83,419	(39,478)	16,908
	<u>1,620,407</u>	<u>1,021,494</u>	<u>291,255</u>	<u>(8,394)</u>	<u>43,197</u>

3.6.21.2 Per balance sheet

At 1 May	893,413	200,310	39,819	22,466	112,536
Acquired during the year (Note 5.27)	-	30,332	-	-	-
Charge for the year (note 5.21.1)	1,375,084	868,792	207,836	31,084	26,289
	<u>2,268,497</u>	<u>1,099,434</u>	<u>247,655</u>	<u>53,550</u>	<u>138,825</u>
Payments during the year	(784,648)	(206,021)	(47,345)	(13,731)	(116,359)
At 30 April	<u>1,483,849</u>	<u>893,413</u>	<u>200,310</u>	<u>39,819</u>	<u>22,466</u>

The charge for taxation in these financial statements is based on the provisions of the Companies Income Tax Act 1979 and Education Tax Act 1993 as amended to date.

3.6.22 DEFERRED TAXATION

At 1 May	516,292	267,230	183,811	223,289	206,381
Acquired during the year	-	96,360	-	-	-
Charge/(release) for the current year (note 5.21.1)	245,323	152,702	83,419	(39,478)	16,908
At 30 April	<u>761,615</u>	<u>516,292</u>	<u>267,230</u>	<u>183,811</u>	<u>223,289</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
3.6.23 LONG-TERM BORROWING

At 1 May	-	250,000	-	-	-
Receipt	-	-	250,000	-	-
Repayment	-	(250,000)	-	-	-
3-year US Dollar facility	11,233,685	-	-	-	-
At 30 April	11,233,685	-	250,000	-	-

Based on an agreement document dated 2 April 2007, a principal sum of \$45,000,000 was granted to the Bank by HSBC Bank Plc with a moratorium/grace period of twelve months from the date it is granted. Within this period, no payment of interest or capital amount will be required.

The interest on the loan for each interest period is the percentage rate pre annum, which is the aggregate of the applicable margin, LIBOR and mandatory cost, if any. The margin is 5.15% per annum; the LIBOR is applicable screen rate while the mandatory cost is an addition to the interest rate in relation to the cost of compliance.

The Bank shall not sell, lease, transfer or otherwise dispose of any assets or enter into any amalgamation, merger, demerger or corporate reconstruction without giving 30 days' prior written notice to the lender.

3.6.24 SHARE CAPITAL
3.6.24.1 Authorised:

Ordinary shares of ₦1.00 each	-	-	-	2,000,000	2,000,000
Ordinary shares of 50 kobo each	5,000,000	5,000,000	5,000,000	-	-

3.6.24.2 Issued and fully paid:

At 1 May	4,751,215	2,226,333	1,500,000	1,500,000	1,000,000
Bonus issue	-	-	-	-	250,000
Public offer/private placement/rights issue	-	2,000,000	726,333	-	250,000
Shares issued for acquisition of CDB	-	343,064	-	-	-
Shares issued for acquisition of NAMBL	-	181,818	-	-	-
At 30 April	4,751,215	4,751,215	2,226,333	1,500,000	1,500,000

Number of ordinary shares:

₦1.00 each (in thousands)	-	-	-	1,500,000	1,500,000
50 kobo each (in thousands)	9,502,430	9,502,430	4,452,666	-	-

3.6.24.3 2004

At the Extra-Ordinary General Meeting held on 15 July 2004, it was resolved that the ordinary shares of the Bank be subdivided from the nominal value of ₦1.00 per share to 50 kobo per share.

At the Extra-Ordinary General Meeting held on 28 October 2004, it was resolved that the authorised share capital of the Bank be increased from ₦2 billion made up of 4,000,000,000 Ordinary shares of 50 kobo per share to ₦5 billion made up of 10,000,000,000 Ordinary shares. In November 2004, the Bank made a private placement of its shares at a price of ₦3.0 per share. A total of 1,452,666,640 shares with a par value of ₦726.33 million was approved by the Central Bank of Nigeria and have been capitalised.

At the annual general meeting held on 7 October 2004, members approved an Initial Public Offer of 4 billion ordinary shares at ₦4 per share. The offer opened on 9 February 2005 and closed on 9 March 2005 with subscription for 4.2 billion shares; out of this, the Central Bank of Nigeria approved ₦16.3 billion in June 2005. In line with the terms of the offer, the Bank allotted 4 billion shares to the successful subscribers. Consequently, 4 billion units of shares were issued to new shareholders with a nominal value of ₦2 billion.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)
3.6.24.4 2005

At the extraordinary general meeting held on 8 November 2005 and 12 December 2005 respectively, members approved the scheme of merger between the Bank and Cooperative Development Bank Plc (CDB) and the scheme of merger with Nigerian-American Bank Limited (NAMBL). In accordance with the terms of the schemes, the Bank issued 686.13 million shares, with nominal value of ₦343.06 million and ₦363.64 million shares, with nominal value of ₦181.82 million, to CDB and NAMBL shareholders respectively in exchange for the assumption of all the assets and liabilities and undertakings of CDB and NAMBL.

3.6.24.5 2006

On 5 September 2006, the Federal High Court sanctioned a special resolution passed by members for the reduction of the Bank's paid-up capital in accordance with sections 105 - 110 of the CAMA (see Note 5.25).

3.6.25 SHARE PREMIUM

At 1 May	17,110,700	3,294,855	25,860	25,860	-
Premium on rights issue	-	-	-	-	25,860
Premium on private placement issue	-	-	3,268,995	-	-
Premium on initial public offer	-	14,000,000	-	-	-
Premium on shares issued to as purchase consideration to CDB & NAMBL shareholders	-	4,839,409	-	-	-
Share issue expenses	-	(1,144,674)	-	-	-
Reduction of paid-up capital	-	(3,878,890)	-	-	-
At 30 April	<u>17,110,700</u>	<u>17,110,700</u>	<u>3,294,855</u>	<u>25,860</u>	<u>25,860</u>

The Bank's IPO of 4 billion ordinary shares of ₦0.50 each was issued at ₦4.00 per share. The fair value of the shares issued as purchase consideration was ₦5.11 per share, being the price at which the shares were then listed on the Nigerian Stock Exchange.

On 5 September 2006, the Federal High Court sanctioned a special resolution passed by members for the reduction of the Bank's paid-up capital in accordance with sections 105 - 110 of the CAMA. The resolution authorised the directors to cancel that portion of the Bank's paid-up capital that is represented by unidentifiable assets acquired by the Bank as of the date of such acquisition.

Section 105 of CAMA defines paid-up capital to include share premium account and the directors have accordingly, effected a cancellation of ₦3.878 billion from the Bank's paid-up capital (from the share premium account), being the portion of the Bank's paid-up capital that was deemed to represent the unidentifiable assets (goodwill) acquired between December 2005 and February 2006 (see Note 5.27.2)

3.6.26 RESERVES
3.6.26.1 Summary

Statutory reserve	5.26.2	3,591,788	1,850,031	1,153,572	913,034	831,139
SMEs reserve	5.26.3	628,094	628,094	294,602	185,297	158,838
Proposed dividend reserve	5.26.4	3,325,851	1,235,316	333,950	50,000	-
Retained earnings	5.26.5	1,222,570	336,713	288,550	170,552	55,924
		<u>8,768,303</u>	<u>4,050,154</u>	<u>2,070,674</u>	<u>1,318,883</u>	<u>1,045,901</u>

3.6.26.2 Statutory reserve

At 1 May	1,850,031	1,153,572	913,034	831,139	826,874
Transfer from profit and loss account	1,741,757	696,459	240,538	81,895	4,265
At 30 April	<u>3,591,788</u>	<u>1,850,031</u>	<u>1,153,572</u>	<u>913,034</u>	<u>831,139</u>

HISTORICAL FINANCIAL INFORMATION (contd.)**NOTES TO THE FINANCIAL STATEMENTS (cont'd)****3.6.26.3 Small & Medium Scale****Enterprises (SMEs) Reserve**

At 1 May	628,094	294,602	185,297	158,838	153,097
Transfer from profit and loss account	-	333,492	109,305	26,459	5,741
At 30 April	<u>628,094</u>	<u>628,094</u>	<u>294,602</u>	<u>185,297</u>	<u>158,838</u>

This is computed at the rate of 10% of profit before taxation in accordance with the Central Bank of Nigeria Monetary Circular No. 34 of January 2001.

3.6.26.4 Proposed dividend reserve

At 1 May	1,235,316	333,950	50,000	-	-
Payments during the year	(1,235,316)	(333,950)	(50,000)	-	-
Transferred from profit and loss account	3,325,851	1,235,316	333,950	50,000	-
At 30 April	<u>3,325,851</u>	<u>1,235,316</u>	<u>333,950</u>	<u>50,000</u>	<u>-</u>

Dividends to shareholders are now accounted for on the date of declaration as they do not meet the criteria of present obligation in the Statement of Accounting Standard (SAS) 23.

3.6.26.5 Retained earnings

At 1 May	336,713	288,551	170,552	55,924	51,713
Transfer from profit and loss account	885,857	48,162	117,998	114,628	4,211
At 30 April	<u>1,222,570</u>	<u>336,713</u>	<u>288,550</u>	<u>170,552</u>	<u>55,924</u>

3.6.27 BUSINESS COMBINATION

During the year, the bank acquired the business of Cooperative Development Bank Plc (CDB) effective 1 December 2005, Nigerian-American Bank Limited (NAMBL) effective 16 December 2005 and Midas Bank Limited (Midas) effective 2006. The bank's shares were issued as purchase consideration for the acquisition of CDB and NAMBL while consideration for Midas was ₦100,000.

3.6.27.1 The net identifiable assets acquired are as follows:

	CDB N'000	NAMBL N'000	MIDAS N'000	TOTAL N'000
ASSETS				
Cash and bank balances	1,734,765	744,251	44,562	2,523,578
Short term investments	1,135,276	200,000	286,707	1,621,983
Loans and advances	5,324,446	1,765,458	2,661,447	9,751,351
Other assets	271,944	47,640	126,139	445,723
Advances under finance leases	-	348	-	348
Investment securities	211,141	107,129	66	318,336
Fixed assets	1,032,759	644,054	60,847	1,737,660
	9,710,331	3,508,880	3,179,768	16,398,979
LIABILITIES				
Deposits	(3,980,152)	(1,229,303)	(1,223,890)	(6,433,345)
Tax payable	(10,147)	(1,804)	(18,381)	(30,332)
Dividends payable	(7,021)	(7,529)	-	(14,550)
Other liabilities	(817,656)	(247,598)	(321,837)	(1,387,091)
Deferred tax	(21,312)	(75,048)	-	(96,360)
Loan loss provision -Note 5.12.5(i)	(3,089,058)	(75,050)	(1,618,381)	(4,782,489)
Interest in suspense - Note 5.12.5(ii)	(312,808)	(14,823)	(785,560)	(1,113,191)
Provision for advances under finance lease	-	(35)	-	(35)
Provision for other assets	(359,973)	(734)	(96,202)	(456,909)
	1,112,204	1,856,955	(884,483)	2,084,677

HISTORICAL FINANCIAL INFORMATION (contd.)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

3.6.27.2 The unidentifiable assets (goodwill) acquired have been dealt with as follows:

	Units	Fair Value of each share N/share	N'000	N'000
Shares issued as purchase consideration				
- To shareholders of CDB	686,127,111	5.11	3,506,110	
- To shareholders of NAMBL	363,636,363	5.11	1,858,182	
- Cash consideration for Midas acquisition			100	
- Acquisition expenses			599,175	
Total purchase consideration				5,963,567
Net identifiable assets acquired (Note 5.27.1)				(2,084,677)
Unidentifiable assets (goodwill)				3,878,890
Cancellation of paid-up capital represented by unidentifiable assets				(3,878,890)
				-

<-----GROUP----->		<-----BANK----->		
<----->		As at 30 April		
2007	2006	2005	2004	2003
N'000	N'000	N'000	N'000	N'000

3.6.28 CONTINGENT LIABILITIES AND COMMITMENTS

3.6.28.1 Guarantees, bonds etc.

Performance bonds, guarantees & indemnities	5,993,465	8,721,372	7,889,959	4,320,394	4,716,829
Bankers' acceptances rediscounted	-	-	-	1,397,442	664,671
Clean line letters of credit	37,142,761	9,244,860	3,335,471	1,350,727	-
Primnote investment certificates	-	-	710,200	-	3,151,119
Guaranteed commercial paper	2,975,000	-	-	-	-
	46,111,226	17,966,232	11,935,630	7,068,563	8,532,619

Clean line letters of credit, which represent irrevocable assurances that the Bank will make payments in the event that a customer cannot meet its obligations, carry the same credit risk as loans. Cash requirements under clean line letters of credit are considerably less than the amount of the commitment because the Bank does not generally expect the third party to draw funds under the agreement.

3.6.28.2 Pending litigation

At 30 April	1,190,000	1,260,000	590,000	778,000	783,000
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No provision has been made in these financial statements as professional advice indicates that it is unlikely that any significant loss will eventuate.

3.6.28.3 Capital commitments

Outstanding contribution to SME Fund (partnership)	40,000	60,000	60,000	70,000	80,000
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3.6.29 RELATED PARTY TRANSACTIONS

3.6.29.1 This represents credit facilities granted to companies in which certain directors and shareholders have interest. All the facilities were extended on a commercial basis and are performing according to agreed terms.

YEAR	NAME OF BORROWER	RELATIONSHIP	OUTSTANDING N'000
2007	Helios Towers Nigeria Limited	Director/shareholder	5,007,340
	S & B Printers Limited,	Director/shareholder	14,364
	Semenitari Henry James	Director	82,235
	Phido Maurice	Director	2,375
	GEC Alsthom T & D Nigeria Plc	Director	28,054
	Chellarams Nigeria Plc	Director	15,851
			5,232,222

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

Investment securities:			
S & B Printers Limited	Shareholder		48,039
			<u>48,039</u>
Deposit outstanding:			
Balogun Ladi	Director		31,163
Semenitari Henry James	Director		452
Phido Maurice	Director		293
Saxena Anurag	Director		661
Dr John Udofa	Director		76
Long J.A.D (Dr)	Director		17,097
Hashim Tinaji (Alhaji)	Director		3,085
Rewane Bismarck Jemide	Director		5,538
Damcida Ibrahim	Director		53,722
I. M. Damcida	Director		461,417
Adokpaye G.T.S. (Chief)	Director		306
			<u>573,810</u>
			<u>5,854,071</u>
2006	Vee Networks Ltd	Director	<u>33,709</u>
2005	Vee Networks Ltd	Director/shareholder	900,000
	Primrose property & Inv.	Director/shareholder	486,000
	Primrose property & Inv.	Director/shareholder	227,023
	Yahyah Suleiman	Director/shareholder	22,042
	Mobolaji Balogun	Director/shareholder	4,026
			<u>1,639,091</u>
2004	Etco Nigeria Ltd	Shareholder	41,463
	Primrose property & Inv.	Director/shareholder	177,335
	Primrose property & Inv.	Director/shareholder	520,554
	HBC Construction Nigeria	Director/shareholder	150
	Al-Amanat Nigeria Ltd	Director/shareholder	1,112
	Tijani Hashim	Director/shareholder	320
			<u>740,934</u>
2003	City Securities Limited	Joint Venture	<u>279,000</u>
2002	City Securities Limited	Joint Venture	<u>502,000</u>

3.6.29.2 Other related parties transactions

The Bank has an income sharing arrangement with CSL Stockbrokers (CSLS) during the year for certain transaction originated by the Bank and executed by CSLS. Income from such transactions during the year amounted to N624 million (2006: Nil) of which the Bank's share was eighty percent (80%).

3.6.30 RETIREMENT BENEFITS

In line with the requirements of the Pension Reform Act 2004; the Bank and its employees each contribute a minimum of 7.5% of each employee's qualifying remuneration to the Retirement Savings Fund managed by the employee nominated Pension Fund Administrator. The Bank's contribution for the year was ₦233.8million (2006: ₦81.3 million). The Bank has no legal or constructive obligation to pay further contributions if the funds do not hold sufficient assets to meet the related obligations to employees.

Also, the Bank has a non-contributory defined benefit gratuity scheme for employees that have spent a minimum of five years in the service of the Bank. The assets of the scheme are partly held independently of the Bank's assets in a separate administered fund. The total liability under this scheme as at 30 April 2007 was ₦372.9 million, this has been adequately provided for. The additional provision during the year was ₦82.1 million.

HISTORICAL FINANCIAL INFORMATION (contd.)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

	<-----GROUP----->		<-----BANK----->		
	<-----Year ended 30 April ----->				
	2007 N'000	2006 N'000	2005 N'000	2004 N'000	2003 N'000
3.6.31 OPERATING PROFITS/ (LOSS) BEFORE CHANGES IN OPERATING ASSETS/LIABILITIES					
Profit before taxation	7,569,086	3,334,923	1,093,046	264,588	57,414
Loan loss provision	1,671,844	206,365	770,976	(133,196)	132,852
Write back on other assets and contingencies	(155,018)	(182,960)	-	-	-
Write back/ provision on finance lease	(4,577)	6,265	-	-	-
Fixed assets written off	-	87,709	-	-	4,235
Dividend received	-	(91,502)	(25,757)	(17,100)	(10,296)
(Gain)/loss on disposal of fixed assets	(248,912)	30,699	(3,371)	15,606	18,064
Interest in suspense written off	(421,346)	-	-	64,396	(56,974)
Loan written off	(5,299,091)	-	(14,862)	-	(1,026,015)
Loan recovered	-	-	-	184,129	-
Provision for other assets/(write off)	-	209,778	12,773	(10,797)	(74,114)
Write off of other assets previously provided	(77,541)	-	-	-	-
(Decrease)/ Increase in interest in suspense	55,386	(31,761)	(188,047)	-	-
Profit on disposal of investment	(482,585)	-	-	-	-
Depreciation	1,214,465	568,370	288,401	210,423	217,692
	<u>3,821,711</u>	<u>4,137,886</u>	<u>1,933,159</u>	<u>578,049</u>	<u>(737,142)</u>
3.6.32 EMPLOYEES & DIRECTORS					
3.6.32.1 Employees					
(i) Average payroll cost is as follows:					
Wages & salaries	5,697,737	1,788,367	976,506	662,884	548,430
Retirement benefit costs	322,800	151,794	158,104	123,600	99,070
	<u>6,020,537</u>	<u>1,940,161</u>	<u>1,134,610</u>	<u>786,484</u>	<u>647,500</u>
	Number	Number	Number	Number	Number
(ii) Average number of persons employed by the bank by category:					
Executive directors	5	5	3	3	4
Management	579	337	37	27	25
Non-management	1,528	1,021	481	314	235
	<u>2,112</u>	<u>1,363</u>	<u>521</u>	<u>344</u>	<u>264</u>
3.6.32.2 Directors					
Directors' emoluments comprise:					
Fees	42,733	6,914	6,457	1,888	5,358
Executive compensation	142,204	67,351	42,905	37,574	66,422
Directors' other expenses	27,496	43,853	39,123	33,768	38,973
	<u>212,433</u>	<u>118,118</u>	<u>88,485</u>	<u>73,231</u>	<u>110,753</u>
3.6.33 CONTRAVENTIONS OF BOFIA & OTHERS					
Year ended	Description	Section	No of times	Penalty N	
30 April 2007	Late publication of the 2005/2006 financial year audited accounts	27(1)	1	<u>270,000</u>	<u>270,000</u>

HISTORICAL FINANCIAL INFORMATION (contd.)**NOTES TO THE FINANCIAL STATEMENTS (cont'd)**

30 April 2006	None				
30 April 2005	Routine examination	60(1)	2	2,500,000	
„ „	Liquidity ratio	15(4) b & c	1	<u>1,000,000</u>	<u>3,500,000</u>
30 April 2004	Penalty imposed on routine examination	60(1)	2	2,500,000	
„ „	Liquidity ratio	15(4) b & c	1	<u>1,000,000</u>	<u>3,500,000</u>
30 April 2003	Liquidity ratio	15(4) b & c	2	2,000,000	
„ „	Insider related credits		1	<u>2,000,000</u>	<u>4,000,000</u>
„ „	Improper documentation/reporting of IFEM transactions in accordance with the Foreign Exchange (Monitoring & Miscellaneous Provisions) Cap F34 LFN 2004. The bank's foreign currency dealership license was suspended for a period of one year with effect from 14 November 2001.		1		None

3.6.34 SUBSEQUENT EVENT

At an Extra-ordinary General Meeting held on 18 July 2007, members passed a special resolution authorising the Directors to raise capital of up to ₦100 billion through the issuance of debt and/ or equity by way of Offer for subscription with or without preferential allotment either locally or internationally and upon such terms and conditions as the Directors may deem fit in the interest of the Bank to meet its capital needs.

HISTORICAL FINANCIAL INFORMATION (contd.)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

STATEMENT OF ADJUSTMENT TO THE BALANCE SHEET

FIRST CITY MONUMENT BANK
PLC

5.

5.35.2

	GROUP						BANK								
	2007			2006			As at 30 April 2005			2004			2003		
	Per Audited accounts N'000	Adjustment N'000	Accountants' Report N'000	Per Audited accounts N'000	Adjustment N'000	Accountants' Report N'000	Per Audited accounts N'000	Adjustment N'000	Accountants' Report N'000	Per Audited accounts N'000	Adjustment N'000	Accountants' Report N'000	Per Audited accounts N'000	Adjustment N'000	Accountants' Report N'000
ASSETS															
Cash and short term funds	25,359,070	-	25,359,070	14,340,117	-	14,340,117	2,425,591	-	2,425,591	3,982,233	-	3,982,233	2,356,563	-	2,356,563
Due from banks	113,778,070	-	113,778,070	63,461,007	-	63,461,007	26,342,350	-	26,342,350	9,249,480	-	9,249,480	4,196,518	-	4,196,518
Dealing securities	5,835,468	-	5,835,468	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	83,577,134	(183,705)	83,393,429	19,070,768	(183,705)	18,887,063	11,436,232	-	11,436,232	7,905,359	-	7,905,359	5,833,979	-	5,833,979
Advances under finance lease	551,785	-	551,785	903,840	-	903,840	381,280	-	381,280	229,282	-	229,282	424,701	-	424,701
Investment securities	2,164,057	(122,069)	2,041,988	424,350	(122,069)	302,281	159,726	-	159,726	109,687	-	109,687	587,687	-	587,687
Other assets	18,800,011	-	18,800,011	1,535,496	-	1,535,496	8,670,193	-	8,670,193	625,320	-	625,320	373,061	-	373,061
Property and equipment	12,775,494	-	12,775,494	6,938,413	-	6,938,413	1,902,896	-	1,902,896	1,634,888	-	1,634,888	1,391,610	-	1,391,610
	262,841,089	(305,774)	262,535,315	106,673,991	(305,774)	106,368,217	51,318,268	-	51,318,268	23,736,249	-	23,736,249	15,164,119	-	15,164,119
LIABILITIES															
Customer deposits	187,670,992	-	187,670,992	70,296,796	-	70,296,796	26,857,412	-	26,857,412	17,355,092	-	17,355,092	7,413,661	-	7,413,661
Due to other banks	15,636,837	-	15,636,837	400,000	-	400,000	265,680	-	265,680	664,287	-	664,287	1,801,853	-	1,801,853
Short-term borrowing	1,910,513	-	1,910,513	1,396,228	-	1,396,228	-	-	-	-	-	-	-	-	-
Other liabilities	13,207,606	-	13,207,606	6,953,419	-	6,953,419	15,885,773	-	15,885,773	2,648,497	-	2,648,497	3,131,089	-	3,131,089
Taxation	1,307,377	176,472	1,483,849	721,033	172,380	893,413	242,006	(41,696)	200,310	77,518	(37,699)	39,819	35,641	(13,175)	22,466
Deferred taxation	770,494	(8,879)	761,615	516,292	-	516,292	267,230	-	267,230	183,811	-	183,811	223,289	-	223,289
Long-term loan	11,233,685	-	11,233,685	-	-	-	250,000	-	250,000	-	-	-	-	-	-
	231,737,504	167,593	231,905,097	80,283,769	80,456,148	43,768,101	(41,696)	43,726,405	20,929,205	-	20,891,506	12,605,533	(13,175)	12,592,358	
SHAREHOLDERS' FUNDS															
Share capital	4,751,215	-	4,751,215	4,751,215	-	4,751,215	2,226,333	-	2,226,333	1,500,000	-	1,500,000	1,500,000	-	1,500,000
Share premium	17,110,700	-	17,110,700	17,110,700	-	17,110,700	3,294,855	-	3,294,855	25,860	-	25,860	25,860	-	25,860
Reserves	9,241,670	(473,367)	8,768,303	4,528,307	(478,154)	4,050,154	2,028,978	41,696	2,070,674	1,281,184	37,699	1,318,883	1,032,726	13,175	1,045,901
	31,103,585	(473,367)	30,630,218	26,390,222	(478,154)	25,912,069	7,550,166	41,696	7,591,862	2,807,044	37,699	2,844,743	2,558,586	13,175	2,571,761
LIABILITIES AND SHAREHOLDERS' FUNDS	262,841,089	(305,774)	262,535,315	106,673,991	(478,154)	106,368,217	51,318,267	-	51,318,267	23,736,249	-	23,736,249	15,164,119	-	15,164,119
ACCEPTANCES AND GUARANTEES	46,111,226	-	46,111,226	17,966,232	-	17,966,232	11,935,630	-	11,935,630	7,068,563	-	7,068,563	8,532,619	-	8,532,619
Narration of Adjustments															
Underprovision of tax		167,593			172,380		41,696			37,699				13,175	
Loan loss under provision		183,705			183,705		-			-				-	
Provision for investment		122,069			122,069		-			-				-	
Cummulative adjustment to retained earnings		473,367			478,154		41,696			37,699				13,175	

HISTORICAL FINANCIAL INFORMATION (contd.)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

STATEMENT OF ADJUSTMENT TO THE PROFIT AND LOSS ACCOUNTS

FIRST CITY MONUMENT BANK PLC

5. NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

5.35 STATEMENT OF ADJUSTMENTS

5.35.1 STATEMENT OF ADJUSTMENTS TO THE
PROFIT AND LOSS ACCOUNTS

	-----GROUP----->						<-----BANK----->								
	-----Year ended 30 April----->														
	2007			2006			2005			2004			2003		
	Per Audited	Accountants'	Per Audited	Accountants'	Per Audited	Accountants'	Per Audited	Accountants'	Per Audited	Accountants'	Per Audited	Accountants'			
accounts	Ad/recl	Report	accounts	Ad/recl	Report	accounts	Ad/recl	Report	accounts	Ad/recl	Report	accounts	Ad/recl	Report	
N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	
Interest income	14,635,183	-	14,635,183	5,549,772	-	5,549,772	3,360,471	-	3,360,471	1,709,732	-	1,709,732	1,961,431	-	1,961,431
Interest expense	(5,059,231)	-	(5,059,231)	(2,786,305)	-	(2,786,305)	(1,628,830)	-	(1,628,830)	(995,997)	-	(995,997)	(1,004,450)	-	(1,004,450)
	9,575,952	-	9,575,952	2,763,467	-	2,763,467	1,731,641	-	1,731,641	713,735	-	713,735	956,981	-	956,981
Other operating income	10,338,128	-	10,338,128	5,494,874	-	5,494,874	2,760,566	-	2,760,566	1,414,448	-	1,414,448	938,538	-	938,538
	19,914,080	-	19,914,080	8,258,341	-	8,258,341	4,492,207	-	4,492,207	2,128,183	-	2,128,183	1,895,519	-	1,895,519
Operating expenses (Provision)/write back on risk assets	(10,832,745)	-	(10,832,745)	(4,594,985)	(122,069)	(4,717,053)	(2,628,185)	-	(2,628,185)	(1,996,791)	-	(1,996,791)	(1,705,253)	-	(1,705,253)
	(1,512,249)	-	(1,512,249)	(22,660)	(183,705)	(206,365)	(770,976)	-	(770,976)	133,196	-	133,196	(132,852)	-	(132,852)
Profit before taxation	7,569,086	-	7,569,086	3,640,696	(305,774)	3,334,923	1,093,046	-	1,093,046	264,588	-	264,588	57,414	-	57,414
Taxation	(1,620,407)	-	(1,620,407)	(807,418)	(214,076)	(1,021,494)	(295,252)	3,997	(291,255)	(16,130)	24,524	8,394	(6,113)	(37,084)	(43,197)

Profit after taxation	5,948,679	-	5,948,679	2,833,278	(519,850)	2,313,429	797,794	3,997	801,791	248,458	24,524	272,982	51,301	(37,084)	14,217
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Appropriation:

Transfer to statutory reserve	1,741,757	-	1,741,757	852,414	(155,955)	696,459	239,339	1,199	240,538	74,537	7,358	81,895	15,390	(11,125)	4,265
Transfer to Small and Medium scale Enterprises (SMEs) reserve	-	-	-	364,035	(30,543)	333,492	109,305	-	109,305	26,459	-	26,459	5,741	-	5,741
Transfer to proposed dividend reserve	3,325,851	-	3,325,851	1,235,316	-	1,235,316	333,950	-	333,950	50,000	-	50,000	-	-	-
Transfer to retained earnings	881,071	-	881,071	381,513	(333,352)	48,162	115,200	2,798	117,998	97,462	17,166	114,628	30,170	(25,959)	4,211
	5,948,679	-	5,948,679	2,833,278	(519,850)	2,313,429	797,794	3,997	801,791	(1,879,725)	24,524	272,982	51,301	(37,084)	14,217

Narration of Adjustments

(Under)/over provision of tax	-		(214,076)			3,997			24,524					(37,084)	
Over/(under) transfer to statutory reserve		-	155,955			(1,199)			(7,358)					11,125	
Over/(under) transfer to Small and Medium scale Enterprises (SMEs) reserve		-	30,543			-			-					-	
Under provision for loan loss		-	(183,705)			-			-					-	
Under statement of operating expenses		-	(122,069)			-			-					-	
Net adjustment to retained earnings		<u>-</u>	<u>(333,352)</u>			<u>2,798</u>			<u>17,166</u>					<u>(25,959)</u>	

STATUTORY & GENERAL INFORMATION

4.1 INCORPORATION AND SHARE CAPITAL HISTORY

FCMB was incorporated as a private limited liability company on 20th April, 1982 with an authorised and fully paid share capital of ₦2 million comprising of 2 million Ordinary Shares of ₦1 each. It obtained a banking licence as a merchant bank on 11th August, 1983 and commenced business later that year. FCMB's merchant banking licence was subsequently exchanged for a universal banking licence issued on 13th February, 2001. The Bank converted to a public limited liability company in August, 2004 and its shares were admitted to the Daily Official List of The Nigerian Stock Exchange on 21st December, 2004. Following the CBN recapitalisation directive for all banks, the Bank raised ₦16 billion in its Initial Public offer in 2005 and merged with Cooperative Development Bank Plc and Nigerian-American Bank Limited and also acquired Midas Bank Limited in 2005. Currently, the Bank's authorised share capital is ₦10 billion comprising 20 billion ordinary shares of 50 kobo each, while its issued and paid-up share capital is ₦4.751 billion comprising 9,502,430,142 ordinary shares of 50 kobo each.

The following changes have taken place in the Bank's authorised and issued share capital since its incorporation:

Date	Authorised (₦'000)		Issued and fully paid (₦'000)		Consideration
	Increase	Cumulative	Increase	Cumulative	
1982	2,000,000	2,000,000	2,000,000	2,000,000	Cash
1985	3,000,000	5,000,000	-	2,000,000	-
1986	-	-	3,000,000	5,000,000	Bonus (3:2)
1987	5,000,000	10,000,000	5,000,000	10,000,000	Bonus (1:1)
1987	10,000,000	20,000,000	-	10,000,000	-
1988	20,000,000	40,000,000	12,500,000	22,500,000	Bonus (5:4)
1989	10,000,000	50,000,000	22,500,000	45,000,000	Bonus (1:1)
1990	-	-	-	45,000,000	-
1991	25,000,000	75,000,000	15,000,000	60,000,000	Bonus (1:3)
1991	25,000,000	100,000,000	-	60,000,000	-
1992	-	-	20,000,000	80,000,000	Bonus (1:3)
1993	50,000,000	150,000,000	20,000,000	100,000,000	Bonus (1:4)
1994	50,000,000	200,000,000	25,000,000	125,000,000	Bonus (1:4)
1995	-	-	25,000,000	150,000,000	Bonus (1:5)
1996	50,000,000	250,000,000	50,000,000	200,000,000	Bonus (1:3)
1997	250,000,000	500,000,000	200,000,000	400,000,000	Bonus (1:1)
1997	-	-	100,000,000	500,000,000	Rights Issue (1:4)
1998	250,000,000	750,000,000	-	500,000,000	-
1999	250,000,000	1,000,000,000	100,000,000	600,000,000	Bonus (1:5)
2000	-	1,000,000,000	200,000,000	800,000,000	Bonus (1:3)
2000	-	1,000,000,000	200,000,000	1,000,000,000	Rights Issue (1:4)
2002	1,000,000,000	2,000,000,000	250,000,000	1,250,000,000	Bonus (1:4)
2002	-	2,000,000,000	250,000,000	1,500,000,000	Rights Issue (1:5)
2004	2,000,000,000	4,000,000,000	-	1,500,000,000	Subdivision
2004	1,000,000,000	5,000,000,000	726,333,334	2,226,333,334	Cash
2005	-	5,000,000,000	2,000,000,000	4,226,333,334	Cash
2005	-	5,000,000,000	343,063,555	4,569,396,889	Scheme Shares
2005	-	5,000,000,000	181,818,182	4,751,215,071	Scheme Shares
2006	5,000,000,000	10,000,000,000	-	4,751,215,071	-

4.2 SHAREHOLDING STRUCTURE

As at the date of this Prospectus, the 9,502,430,142 ordinary shares of 50 kobo each in the issued share capital of the Bank were beneficially held as follows:

Shareholders	No. of Shares	% Holding
Capital IRG Trustees Limited	1,200,360,000	12.63%
HIP Samurai Limited	887,500,000	9.34%
GLG/HSBC	639,000,000	6.72%
Samurai Parallel LP	615,441,176	6.48%
Other Nigerians	6,160,128,966	64.83%
	9,502,430,142	100.00%

4.3 DIRECTORS' BENEFICIAL INTERESTS

The interests of the Directors of First City Monument Bank Plc in the issued share capital of the Bank as recorded in the Register of Members as at the date of this Prospectus and as notified by the Directors for the purposes of Section 275 of the Companies and Allied Matters Act, Cap C20 LFN 2004 are as follows:

Directors	Direct Shareholding	Indirect Shareholding	Total shareholding	% holding
Dr. Jonathan A. D. Long	7,826,931	-	7,826,931	0.0824
Mr. Ladi Balogun	161,576,000	-	161,576,000	1.7004
Mr. Anurag Saxena	-	-	-	-
Mr. Henry Semenitari	264,000	-	264,000	0.0028
Mr. Maurice Phido	-	-	-	-
Mr. Peter Nigel Kenny	-	-	-	-
Mr. Tope Lawani	-	-	-	-
Alhaji I. M. Damcida	134,849,189	-	134,849,189	1.4191
Mr. Godwin T. S. Adokpaye	29,145,000	-	29,145,000	0.3067
Dr. John Udofa	938,533	-	938,533	0.0099
Mr. Ladi Jadesimi	150,750,000	-	150,750,000	1.5864
Mr. Bismarck Rewane	930,000	-	930,000	0.0098

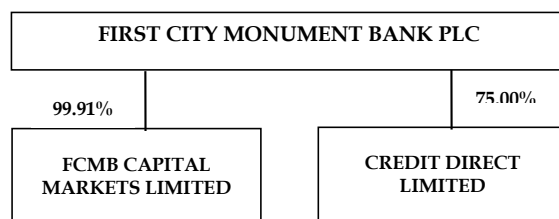
4.4 INDEBTEDNESS

As the date of this Prospectus, First City Monument bank Plc had no outstanding debentures, mortgages, loans, charges or similar indebtedness other than those incurred in the ordinary course of business.

4.5 SUBSIDIARIES AND ASSOCIATED COMPANIES

Please find below First City Monument Bank Plc's subsidiaries:

Name	Shareholding	%
FCMB Capital Markets Limited	149,868,750	99.91
Credit Direct Limited	150,000	75.00


4.6 OFF BALANCE SHEET ITEMS

These are transactions that are not recognised as assets and liabilities in the balance sheet but which nonetheless give rise to credit risks; contingencies and commitments are reported off balance sheet. As at 30th April, 2007, the Bank had an Off Balance Sheet figure of ₦47.34 billion (made up of bonds , guarantees, trade related contingencies of ₦46 billion, Pending Litigations of ₦1.2 billion and capital commitments of ₦40 million).

4.7 EXTRACTS FROM THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE BANK

The following are the relevant extracts from the Company's Articles of Association.

PUBLIC COMPANY

3. The Company is a Public Company.

TRANSFER OF SHARES

27. The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof.
28. Subject to such of the restrictions of these Articles as may be applicable, any member may transfer all or any of his shares by instrument in writing in any usual or common form or any other form which the Directors may approve.
31. Until the name of the transferee is entered in the register of members in respect of the transferred shares, the transferor shall, so far as concerns the Company, be deemed to remain the holder of the Shares.
32. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration, shall not be suspended for more than thirty days in any year.

TRANSMISSION OF SHARES

35. In case of the death of a member, the survivor where the deceased was a joint holder and the legal personal representatives of the deceased where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any shares which had been held jointly by him with other persons.
36. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.
37. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered, he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer was a transfer signed by that member.
38. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

CONVERSION OF SHARES INTO STOCK

46. The Company may by ordinary resolution, convert any paid-up shares into stock, and re-convert any stock into paid-up shares of any denomination.

ALTERATION OF CAPITAL

50. The Company may from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.
51. The Company in General Meeting may by ordinary resolution:
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
 - (b) Subdivide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of section 100(1)(c) of the Act.
 - (c) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.

GENERAL MEETINGS

53. The Company shall in each calendar year hold a general meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice calling it, and not more than fifteen months shall elapse between the date of one Annual General Meeting of the company and that of the Next. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.
54. All general meetings other than Annual General Meetings shall be called Extra-Ordinary General Meetings.
55. The Directors may whenever they think fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or in default, may be convened by such requisitionists, as provided by Section 215 of the Act. If at any time there are not available sufficient Directors capable of acting to form a quorum, any Director or any two members of the Company may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

NOTICE OF GENERAL MEETINGS

56. An Annual General Meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Company other than an Annual General Meeting or a meeting for the passing of a Special Resolution shall also be called by twenty-one days' notice in writing at the least, subject however to Section 217 of the Act. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meetings to such persons as are under the regulations of the Company, entitled to receive such notices from the Company; PROVIDED that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Articles, be deemed to have been duly called if it is so agreed by a simple majority of the members entitled to attend and vote thereat.

PROCEEDINGS AT GENERAL MEETINGS

58. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also that is transacted at an Annual General Meeting with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the Directors and Auditors, the election of directors in the place of those retiring and the appointment of, and the fixing of the remuneration of the auditors.

59. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, members of the Company present in person or by proxy holding not less than twenty-five percent (25%) of the issued and paid up capital of the Company shall be a quorum.
60. If within half an hour from the time appointed for the meeting, a quorum is not present, the Meeting, if convened upon the requisition of Members shall be dissolved, in any other case it shall stand adjourned to the same day in the Next week, or to such other day and at such other time and place as the Directors may determine, and if at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
61. The Chairman, if any, of the Directors shall preside as chairman at every general meeting of the Company, or if there is no such chairman or if he shall not be present within one hour after the time appointed for the holding of the meeting or is unwilling to act, the directors present shall elect one of their number to be Chairman of the Meeting.
62. If at any meeting no Director is willing to act as chairman or if no Director is present within one hour after the time appointed for holding the meeting, the members present shall choose one of their numbers to be chairman of the meeting.
63. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
64. At any general meeting, a resolution put to the vote of the meeting shall be decided, on a show of hands unless a poll is demanded:-
- (a) by the Chairman, where he is a shareholder or a proxy; or
 - (b) by at least three members present in person or by proxy; or
 - (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - (d) by a member or members holding shares in the Company conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll be so demanded, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn before or on the declaration of the result of the show of hands.

DIRECTORS

79. Unless and until otherwise determined by the Company in general meeting, the number of the Directors shall not be less than six nor more than twenty.
80. The remuneration of the Directors shall be paid out of the funds of the Company. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any Committee of the Directors or general meetings of the Company or in connection with the business of the Company.

81. A Director shall not be required to hold any share qualification.

POWERS AND DUTIES OF DIRECTORS

84. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not by the Act, or by these Articles, required to be exercised by the Company in general meeting, subject, nevertheless to any of these Articles to the provisions of the Act to such regulations being not inconsistent with the aforesaid Articles or regulations as may be prescribed by the Company in general meeting but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made. PROVIDED that they shall not without the previous sanction of the Company in general meeting sell, lease or otherwise dispose of the whole or a substantial part of the undertaking or of the assets of the Company to any person or body corporate whether or not associated with the Company.

NUMBER, APPOINTMENT AND REMOVAL OF DIRECTORS

96. The Directors shall have power at any time, and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with these Articles. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.
97. The Company may, by ordinary resolution of which special notice has been given in accordance with Section 262 of the Act, remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.
98. The Company may by ordinary resolution appoint another person in place of a Director removed from office under Articles 97 and 98 hereof and without prejudice to the powers of the Directors under Article 98, the Company in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director. A person appointed in place of a Director so removed or to fill such a vacancy shall be subject to retirement at the same time, as if he had become a Director on the day on which the Director in whose place he is appointed was elected as Director.

PROCEEDINGS OF DIRECTORS

99. The Directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote.

DIVIDENDS AND RESERVE

117. The Company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Directors.
118. The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company for the period in respect of which the interim dividends are to be paid.
119. No dividend shall be paid otherwise than out of profits.

123. Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid-up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular, may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

CAPITALISATION OF PROFITS

131. The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution, amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid or partly in the one way and partly in the other, and the Directors shall give effect to such resolution. Provided that a share premium account and a capital redemption reserve fund may for the purposes of this Article, only be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares.

NOTICES

134. A notice may be given by the Company to any member either personally or by sending it by post to him at his last registered address.
135. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, and to have been effected at the expiration of seven (7) days following that on which the letter containing the same is put in the post.
136. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the Register in respect of the shares.
137. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives to the deceased, or trustees of the bankrupt, or by any like description, of the address, if any, supplied for the purpose by the persons claiming to be so entitled, or (until such address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
138. Notice of every general meeting shall be given in any manner hereinbefore authorised to:
- (a) every member;
 - (b) every person upon whom the ownership of a share devolves by reason of his being a legal representative or a trustee in bankruptcy of a member where that member but for his death or bankruptcy would be entitled to receive notice of the meeting;
 - (c) every Director;
 - (d) the auditor for the time being of the Company;
 - (e) the Secretary.

No other person shall be entitled to receive notice of general meetings.

4.8 CLAIMS & LITIGATION

The Bank is currently involved in 170 court cases, which are pending in various courts in Nigeria, 135 of which the Bank is defending and the total sum being claimed is ₦7,964,624,248.74. The Solicitors to the Offer are of the opinion that the maximum potential liability to the Bank from these cases should not exceed ₦1,773,374,248.74. Save as disclosed, the Directors are not aware of any other pending or threatened claims or litigation involving the Company which may be material to the Offer.

4.9 MATERIAL CONTRACTS

The following agreements have been entered into and are considered material to the Offer for Subscription:

- i) A Vending Agreement dated 16th October, 2007 by which FCMB Capital Markets Limited, Chapel Hill Advisory Partners Limited, Afrinvest West Africa Limited, Ecobank Nigeria Plc, FBN Capital Limited, Intercontinental Capital Markets Limited, Oceanic Bank International Plc and UBA Global Markets Limited have agreed to Offer for subscription 4,500,000,000 ordinary shares of 50 kobo each at ₦14.00 per share in First City Monument Bank Plc;
- ii) An Underwriting Agreement dated 16th, October, 2007 by which Chapel Hill Advisory Partners Limited, Afrinvest West Africa Limited, Ecobank Nigeria Plc, FBN Capital Limited, Intercontinental Capital Markets Limited, Oceanic Bank International Plc and UBA Global Markets Limited have agreed to underwrite 80% of the Bank's Offer for Subscription of 4,500,000,000 ordinary shares of 50 kobo each at ₦14.00 per share in First City Monument Bank Plc, on a firm basis;
- iii) A Management Services Agreement with Sabre Capital Worldwide (Mauritius) Limited dated 12th January, 2007, whereby Sabre Capital shall provide technical and managerial expertise to the Bank; and
- iv) A GDR Agreement between FCMB Plc and Deutsche Bank Trust Company Americas.

Other than as stated above, the Bank has not entered into any material contract except in the ordinary course of business.

4.10 COSTS AND EXPENSES

The costs and expenses of this Offer and the Offshore capital raising exercises, including fees payable to the Joint Issuing Houses, legal fees, costs of printing the Offer Prospectus and other miscellaneous expenses are estimated to amount to ₦2.591 billion representing approximately 3.43% of the gross proceeds of the Offer (including proceeds of the GDR) and are payable by FCMB.

4.11 DECLARATION

Except as otherwise disclosed in this Prospectus:

- (a) No share of FCMB is under option or agreed conditionally or unconditionally to be put under option;
- (b) No commissions, discounts, brokerages or other special terms have been granted by FCMB to any person in connection with the offer or sale of any share of the Bank;
- (c) Save as disclosed herein, the Directors of FCMB have not been informed of any holding representing 5% or more of the issued share capital of the Bank;
- (d) There are no founder, management or deferred shares or any option outstanding in FCMB;
- (e) There are no material service agreements between FCMB and any of its Directors and employees other than in the ordinary course of business;
- (f) There are no long term service agreement between the Bank and any of its Directors and employees;
- (g) No Director of the Bank has had any interest, direct or indirect, in any property purchased or proposed to be purchased by the Bank in the five years prior to the date of this Prospectus;
- (h) No shareholder, director or key management staff of the Bank is or has been involved in any of the following:
 - ✓ A petition under any bankruptcy or insolvency laws filed (and not struck out) against such person or a partnership in which he was a partner or any company of which he was a director or key personnel;
 - ✓ A conviction in a criminal proceeding in a named subject of pending criminal proceedings relating to fraud or dishonesty; and
 - ✓ The subject of any order, judgment or ruling of any court of competent jurisdiction or regulatory body relating to fraud or dishonesty, restraining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.
- (i) No existing and potential related-party transactions and conflict of interest in relation to the company and its related-parties.
- (j) There are no amounts or benefits paid or intended to be paid or given to any promoter within the two years preceding the date of the Prospectus.

4.12 CONSENTS

The underlisted parties have given and have not withdrawn their written consents to the issue of this Prospectus, with their names and reports (where applicable) being included in the form and context in which they appear:

The Directors of First City Monument Bank Plc	
The Company Secretary of First City Monument Bank Plc	
FCMB Capital Markets Limited	Joint Issuing House
Chapel Hill Advisory Partners Limited	Joint Issuing House
Afrinvest west Africa Limited	Joint Issuing House
Ecobank Nigeria Plc	Joint Issuing House
FBN Capital Limited	Joint Issuing House
Intercontinental Capital Markets Limited	Joint Issuing House
Oceanic Bank International Plc	Joint Issuing House
UBA Global Markets Limited	Joint Issuing House
PricewaterhouseCoopers	Auditors
Akintola Williams Deloitte	Reporting Accountants
Olawoyin & Olawoyin	Solicitors to the Bank
Aluko & Oyebode	Joint Solicitors to the Offer
Udo Udoma & Belo-Osagie	Joint Solicitors to the Offer
Camry Securities Limited	Joint Stockbrokers to the Offer
CSL Stockbrokers Limited	Joint Stockbrokers to the Offer
Dominion Trust Limited	Joint Stockbrokers to the Offer
F&C Securities Limited	Joint Stockbrokers to the Offer
Falcon Securities Limited	Joint Stockbrokers to the Offer
FutureView Securities Limited	Joint Stockbrokers to the Offer
IBTC Asset Management Limited	Joint Stockbrokers to the Offer
Lambeth Trust & Investment Company Limited	Joint Stockbrokers to the Offer
UNEX Securities & Investment Limited	Joint Stockbrokers to the Offer
Vetiva Capital Management Limited	Joint Stockbrokers to the Offer
Capital Assets Limited	Joint Stockbrokers to the Offer
Amyr Investment Limited	Joint Stockbrokers to the Offer
Mutual Alliance Investments and Securities Limited	Joint Stockbrokers to the Offer
Global Assets Management Limited	Joint Stockbrokers to the Offer
LB Securities Limited	Joint Stockbrokers to the Offer
City Securities (Registrars) Limited	Registrars to the Bank
Corporate Diamond Securities and Investments Limited	Registrars to the Offer
Ecobank Nigeria Plc	Joint Receiving Bank
First Bank Plc	Joint Receiving Bank
Intercontinental Bank Plc	Joint Receiving Bank
Oceanic Bank International Plc	Joint Receiving Bank
United Bank for Africa Plc	Joint Receiving Bank
Chapel Hill Advisory Partners Limited	Joint Underwriters
Ecobank Nigeria Plc	Joint Underwriters
First Bank of Nigeria Plc	Joint Underwriters
Intercontinental Bank Plc	Joint Underwriters
Oceanic Bank International Plc	Joint Underwriters
United Bank for Africa Plc	Joint Underwriters

4.13 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available at the offices of the Joint Issuing Houses during normal business hours on any weekday (except public holidays), during the Placement Period:

- (a) The Prospectus issued in respect of the Offer;
- (b) The Certificate of Incorporation of the Bank;
- (c) The certificate of increase in share capital of the Bank, increasing the authorised share capital from ₦5 billion to ₦10 billion;
- (d) The Certified True Copy of the CAC FORM CO7;
- (e) The Memorandum and Articles of Association of the Bank, duly certified by the Corporate Affairs Commission;
- (f) The Certified True Copy of the resolution of the Board of Directors recommending the Offer, which was passed at the meeting of 28th June, 2007, duly certified by a Director and the Company Secretary;
- (g) The CAC Certified True Copy of the shareholders' resolution authorising the Offer, which was passed at the Extra-Ordinary General Meeting held on 18th July, 2007;
- (h) The Certified True Copy of the resolution of the Board of Directors approving the exact offer size and price, as passed at the meeting of 8th August, 2007, duly certified by a Directors and the Company Secretary;
- (i) The Audited Financial Statement of the Bank for the five financial years ended 30th April, 2007;
- (j) The report of Akintola Williams Deloitte (Chartered Accountants), Reporting Accountants, on the audited financial statement of FCMB Plc for the five years ended 30th April, 2007;
- (k) The Report of Akintola Williams Deloitte (Chartered Accountants), Reporting Accountants, on the Profit Forecast of the Bank for the three years ending 30th April, 2010;
- (l) The list of outstanding claims and litigations referred to in section 4 on page 77;
- (m) The material contracts referred to in section 4 on page 77;
- (n) The written consents referred to in section 4 on page 79;
- (o) The letter from the Securities & Exchange Commission, approving the Offer; and
- (p) The letter from The Nigerian Stock Exchange, approving the Offer.

4.14 RELATIONSHIP BETWEEN THE ISSUER AND ITS ADVISERS.

As at the date of the Prospectus, and in compliance with SEC Rule 184(1) as amended, FCMB Capital Markets Limited, one of the Issuing Houses to the Offer is a wholly owned subsidiary of First City Monument Bank Plc. Dr. Jonathan A. D. Long, the Chairman of the Bank is also the Vice-Chairman of FCMB Capital Markets Limited, Lead Issuing House to the Offer. Mr. Ladi Balogun, a director of the Bank is also a director of FCMB Capital Markets Limited and CSL Stockbrokers Limited, both of whom are acting as Lead Issuing House and Stockbrokers respectively. In addition, Mr. Bismarck Rewane, a director of the Bank is also a director of FCMB Capital markets Limited, the Lead Issuing House to the Offer.

Save as disclosed, there is no other relationship between the Bank and any of its Advisers except in the ordinary course of business.

4.15 COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

First City Monument Bank Plc is in compliance with the code of corporate governance as it relates to its operations.

PROCEDURE FOR APPLICATION AND ALLOTMENT

1. APPLICATION

- 1.1 The general investing public is hereby invited to apply for the shares through any of the Receiving Agents listed on page 82.
- 1.2 Application for the ordinary shares now being offered must be made in accordance with the instructions set out on the back of the Application Form. Care must be taken to follow these instructions, as applications which do not comply will be rejected.
- 1.3 The Application List for the ordinary shares now being offered will open on Tuesday, 16th October, 2007 and close on Tuesday, 13th November, 2007. Applications must be for a minimum of 1,000 shares and in multiples of 100 thereafter. The number of shares for which an application is made and value of the cheque or bank draft should be entered in the boxes provided on the Application Form.
- 1.4 A single applicant should sign the declaration and write his/her full names, addresses and daytime telephone number(s) in the appropriate sections. A corporate applicant should affix its seal and state its incorporation (RC) number in the spaces provided for this purpose.
- 1.5 An applicant should only make one application, whether in his/her own name or in the name of a nominee. Multiple or suspected multiple applications will be rejected.
- 1.6 Each application should be forwarded together with the cheque or bank draft for the full amount of the purchase price to any of the Receiving Agents listed on page 82. Applications must be accompanied by a cheque or bank draft made payable to the Receiving Agent to whom the application is submitted, for the full amount payable on application. The cheque or draft must be drawn on a bank in the same city in which the Receiving Agent is domiciled and crossed "**FCMB OFFER**" with the name, address and daytime telephone number of the applicant written on the back. All bank commissions and transfer charges must be prepaid by the applicant. All cheques and drafts will be presented upon receipt and all applications in respect of which cheques are returned unpaid will be rejected and returned through the post.

2. ALLOTMENT

The Issuing Houses and the Directors of the Bank reserves the right to accept or reject any application in whole or in part, for not complying with the conditions of the Offer. The allotment proposal will be subject to the clearance of the Securities & Exchange Commission.

3. APPLICATION MONIES

All application monies will be retained in a separate interest-yielding bank account with the Receiving Banks pending allotment. If any application is not accepted, or is accepted for fewer shares than the number applied for, a crossed cheque for the full amount or the balance of the amount paid (as the case may be), with the accrued interest, will be returned by registered post within 5 working days of allotment. Share certificates in respect of shares allotted will be sent by registered post not later than 15 working days from the date of allotment clearance.

Any investor who does not want to receive a physical share certificate, should state the name of his/her stockbroker and his/her CSCS account number in the space provided on the Application Form.

RECEIVING AGENTS

Application Forms may be obtained free of charge from, and submitted upon completion to, any of the underlisted Receiving Agents duly registered as capital market operators by the SEC, to whom brokerage will be paid at the rate of 0.75% per ₦100 worth of Units allotted in respect of Application Forms bearing their official stamp.

The Issuing Houses cannot accept responsibility for the conduct of any of the Receiving Agents listed below. Investors are therefore advised to conduct their own enquiries before choosing an agent to act on their behalf. Evidence of lodgment of funds with any of the Receiving Agents listed below, in the absence of corresponding evidence of receipt by the Issuing Houses, cannot give rise to a liability on the part of the Issuing Houses under any circumstances.

BANKS		
Access Bank Nigeria Plc Afribank Nigeria Plc Diamond Bank Limited EcoBank Nigeria Plc Equitorial Trust Bank Limited Fidelity Bank Plc First Inland Bank Plc First City Monument Bank Plc First Bank of Nigeria Plc	Guaranty Trust Bank Plc IBTC Chartered Bank Plc Intercontinental Bank Plc Nigerian International Bank Limited Oceanic Bank International Plc Platinum Habib Bank Plc Skye Bank Plc Spring Bank Plc	Stanbic Bank Nigeria Limited Standard Chartered Bank Nigeria Limited Sterling Bank Plc Union Bank of Nigeria Plc United Bank for Africa Plc Unity Bank Plc Wema Bank Plc Zenith Bank Plc
STOCKBROKERS		
AAA Stockbrokers Limited Adamawa Securities Limited. Adonai Stockbrokers Limited Afrinvest West-Africa Limited AII Securities Limited Alangrange Securities Limited Alliance Capital Management Company Limited AMYN Investment Limited Anchoria Investment. & Securities Limited Apel Asset & Trust Limited AFT Securities & Funds Limited Aquila Capital Limited ARM Investment Managers Limited Associated Asset Managers Limited Atlas Portfolio Limited Belfry Investment & Securities Limited Best Link Investment Limited Bestworth Assets & Trust Limited BFCL Assets & Securities Limited BGL Securities Limited BIC Securities Limited BSD Securities Limited Byfofel Trust & Securities Limited C & I Heritage Limited Calyx Securities Limited Camry Securities Limited Capital Asset Limited Capital Bancorp Limited Capital Express Securities Limited Capital Trust Brokers Limited Cashcraft Asset Management Limited Centre Point Investment Limited Century Securities Limited Chapel Hill Advisory Partners Limited Citi Investment Capital Limited City Investment Management Limited Clearview Investment Company Limited Compass Investment & Securities Limited Core Trust & Investment Limited Covry Asset Management Limited Cradle Trust Finance & Securities Limited Crossworld Securities Limited Crownwealth Assets Management Limited CSI Stockbrokers Limited De-Canon Investment Limited Deep Trust Investment Limited De-Lords Securities Limited Denham Management Limited Dependable Securities Limited EBN Securities Limited Emerging Capital Limited EMI Capital Resources Limited Empire Securities Limited Enterprise Stockbroker Plc EPIC Investment & Trust Limited Equity Capital Solutions Limited ESI Securities Limited Eurocomm Securities Limited Excel Securities Limited Express Discount Asset Management Limited Express Portfolio Services Limited F & C Securities Limited Falcon Securities Limited FBC Trust & Securities Limited FBN Capital Limited FCMB Capital Markets Limited Fidelity Finance Company Plc Fidelity Union Securities Limited	Financial Derivatives Company Limited Finnal Finance Services Limited First Equity Securities Limited First Stockbrokers Limited FIS Securities Limited Foresight Securities Investment Limited Forte Asset Management Limited Forthright Securities & Investment Limited Fountain Securities Limited FSDH Securities Limited Future-View Financial Services Ltd Gidauniya Inv. & Sec. Ltd. Global Assets Mgt (Nig) Ltd Golden Securities Ltd. GTI Capital Limited Heartbeat Investments Ltd. Hedge Sec. & Inv. Co. Ltd Horizon Stockbrokers Ltd. IBTC Asset Mgt. Limited ICMG Securities Limited Icon Stockbrokers Limited. Independent Securities Ltd. Intercontinental Capital Markets Ltd. Intercontinental Sec. Limited International Standard Sec. Ltd. Interstate Securities Ltd Investment Centre Ltd (ICL) Investment Masters & Trust Ltd Jamkol Investment Ltd. Kapital Care Trust & Sec. Ltd Kundila Finance Services Ltd. Lambeth Trust & Inv. Co. Ltd LB Securities Limited Lead Capital Limited100 Lighthouse Asset Management Limited Maclaize Trust & Securities Limited Mainland Trust Limited Maninvest Asset Mgt. Ltd Marimpex Finance & Investment Limited Marina Securities Limited Marriot Sec. & Inv. Co. Maven Asset Management Ltd Maxifund Invest & Sec. Ltd. MBC Securities Limited MBL Financial Services Ltd Mega Equities Limited Mercov Securities Limited Meristem Securities Ltd Metropolitant Trust Nigeria Ltd Midland Capital Markets Limited Mission Securities Limited Molten Trust Limited Mountain Inv. & Sec. Limited Mutual Alliance Inv. & Sec. Ltd. Networth Securities & Finance Ltd. Newdevo Invest. & Sec. Ltd. Nigerian International Sec. Ltd. Nigerian Stockbrokers Ltd. Nova Finance & Securities Ltd. OASIS Capital Formerly OMF Sec. & Fin. Limited Omas Inv. & Trust Limited Options Securities Limited P.S.I. Securities Limited Peninsula Assets Management & Investment Co. Ltd Pilot Securities Ltd. Pinefields Inv. Serv. Limited PML Securities Company Ltd Premium Securities Limited	Professional Stockbrokers Ltd Pivot Trust & Investment Limited Profund Securities Limited Prominent Securities Limited PSL Securities Limited PSI Securities Ltd Pyramid Securities Ltd Quantum Securities Limited Rainbow Sec. & Inv. Co. Ltd. Reading Investments Ltd Regency Assets Mgt. Ltd. Resano Securities Limited Resort Securities & Trust Ltd. Reward Inv. & Sec. Ltd. Rivtrust Securities Limited Rolex Securities Limited Rostrum Inv. & Investments & Securities Ltd Royal Crest Finance Limited Santrust Securities Limited Securities Trading & Investment Ltd Securities Solutions Limited Security Swaps Limited Shelony Investment Limited Sigma Securities Limited Signet Investments Sec. Ltd. SMADAC Securities Ltd. Solid Rock Sec. & Inv. Limited Solid Rock Securities & Investment Ltd Spring Capital Markets Ltd Spring Trust & Securities Limited Springboard Trust & Inv. Ltd. Stanbic Equities Nig. Limited Stanwal Securities Limited Sterling Capital Market Ltd Strategy & Arbitrage Limited Summa Guaranty & Trust Co. Summit Finance Co. Ltd. Supra Commercial Trust Ltd. TFS Securities & Inv. Co. Ltd The Bridge Securities Ltd Tiddo Securities Limited Tomil Trust Limited Topmost Finance & Investment Limited Tower Assets Mgt. Limited Tower Securities & Investment Co. Ltd Traders Trust & Investment Co. Ltd Trans Africa Financial Services Limited Transworld Investment & Securities Ltd Tropics Securities Limited Trust Yeld Securities Limited Trusthouse Investment Ltd. TRW Stockbrokers Limited UBA Global Markets Ltd UBA Stockbrokers Ltd UIDC Securities Limited Unex Sec. & Inv. Limited Union Capital Markets Ltd Valmon Securities Limited ValueLine Sec. & Inv. Limited Vetiva Capital Management Limited Vision Trust & Inv. Limited Viva Securities Limited WizeTrade Capital Asset & Mgt. Ltd WSTC Financial Services Limited Yobe Investment & Sec. Limited Yuderb Investment & Securities Limited Zenith Securities Limited Zuma Securities Limited

Application List Opens
Tuesday
16th October, 2007

Application List Closes
Tuesday
13th October, 2007



**Offer for Subscription of 4,500,000,000 ordinary shares of
50kobo each at ₦14.00 per share**



Important Notice: Application must be made in accordance with the instructions set out on the back of this Application Form. If you are in doubt as to the action to take, please consult your financial adviser, stockbroker, solicitor, accountant, tax consultant, bank manager or any other professional adviser for guidance. Care must be taken to follow these instructions as applications that do not comply with the instructions will be rejected.

DECLARATION

- I am/We are 18 years of age or over.
- I/We attach the amount payable in full on application for the above number of Shares indicated in First City Monument Bank Plc at ₦14.00 per share.
- I/We agree to accept the same or any smaller number of Shares in respect of which allotment may be made upon the terms of the Prospectus dated 16th October, 2007, and subject to the provisions of the Memorandum and Articles of First City Monument Bank Plc.
- I/We authorise you to send a Share Certificate and/or a cheque for any amount overpaid, by registered post to the address given below and to procure registration in my/our name as the holder(s) of such number of Shares or such smaller number, as aforesaid.
- I/We hereby declare that I/We have read a copy of the Prospectus dated 16th October, 2007 issued by the Joint Issuing Houses on behalf of First City Monument Bank Plc.

GUIDE TO APPLICATION

Number of Shares applied for	Amount Payable	Date	Control No. (REGISTRARS' USE ONLY)
1,000 Minimum	₦14,000.00	□□□□ / □□□□ / □□□□	□□□□□□□□□□□□
Subsequent multiples of 100	₦1,400.00		

Number of Units Applied for:	Value of Shares applied for/Amount Paid:
□□□□□□□□□□	₦ □□□□□□□□□□□□

PLEASE COMPLETE IN BLOCK LETTERS AND IN BLACK INK

1. INDIVIDUAL / CORPORATE APPLICANT

Surname / Company Name Title: MR. MRS. MISS DR. OTHERS

Other Names (for Individual Applicants only)

Full Postal Address

City State

Daytime Telephone Number Mobile (GSM) Telephone Number

Next of Kin

CSCS No. (If you want shares allotted to you, credited to your CSCS A/C) Name of your Stockbroker

2. JOINT APPLICANT

Surname Title: MR. MRS. MISS DR. OTHERS

Other Names

Name of Bank/Branch Account Number

Company Seal/Incorporation Number (Corporate Applicants)

Signature or Thumbprint
City Securities Limited

Signature or Thumbprint
Stamp of Receiving Agent

□□□□□□□□□□

PLEASE TURN OVER

INSTRUCTION FOR COMPLETING THE APPLICATION FORM

1. Applications should be made only on the Application Form or photocopy, downloaded or scanned copy of the Application Form.
2. Applications must not be for less than the minimum number of shares stated on the Application Form. Applications for more than the minimum number of shares must be in the multiples stated on the Application Form. The number of Ordinary Shares for which an application is made and the amount of the cheque or bank draft attached should be entered in the boxes provided.
3. The application Form when completed should be lodged with any of the Receiving Agents listed on Page 82. Applications must be accompanied by a cheque or bank draft made payable to the Receiving Agent to whom the application is submitted, for the full amount payable on application. The cheque or draft must be drawn on a bank in the same town or city in which the Receiving Agent is located and crossed "FCMB OFFER" with the name, address and daytime telephone number of the applicant written on the back. All bank commissions and transfer charges must be prepaid by the applicant. All cheques and drafts will be presented upon receipt and all applications in respect of which cheques are returned unpaid will be rejected and returned through the post.
4. The applicant should make only one application, whether in his own name or in the name of a nominee. Multiple or suspected multiple applications will be rejected.
5. Joint applicants must all sign the Application Form.
6. An application from a group of individuals should be made in the names of those individuals with no mention of the name of the group. An application by a firm which is not registered under the Companies and Allied Matters Act Cap C20 LFN 2004 should be made either in the name of the proprietor or in the names of the individual partners. In neither case should the name of the firm be mentioned.
7. An application from a corporate body must bear the corporate body's seal and be completed under the hand of a duly authorized official.
8. An application by an illiterate should bear his right thumbprint on the Application Form and be witnessed by an official of the Bank or stockbroker where the application is lodged who must first have explained the meaning and effect of the Application Form to the illiterate in his own language. Above the thumb print of the illiterate, the witness must record in writing that he has given this explanation to the illiterate in a language understandable to him and that the illiterate appeared to have understood same before affixing his thumb impression.
9. The applicant should not print his signature. If he is unable to sign in the normal manner, he should be treated for the purpose of this Offer as an illiterate and his right thumbprint should be clearly impressed on the Application Form.

**APPLICATION FORM
FIRST CITY MONUMENT BANK PLC**