

RC: No 1079631

Updated with amended conference call & webcast date**FCMB Group Plc announces a Profit before Tax of N16.8 billion for the nine-months ended 30 September 2014, up 14% from prior year**

LAGOS, NIGERIA – 29 OCTOBER 2014: FCMB Group Plc (Bloomberg: **FCMB**) (“FCMB Group”) announced its group results, for the nine-months ended 30 September 2014.

Financial Performance Highlights:**Earnings Analysis:**

- ❖ Profit before tax (PBT) of N16.8 billion, for the nine-months ended September 2014, up 14% from N14.7 billion for the same period in 2013.
- ❖ Net interest income of N49.1 billion, for the nine-months ended September 2014, an increase of 19% Year-on-Year (YoY), from N41.1 billion for the same period in 2013.
- ❖ Operating expenses up 12% YoY to N48.9 billion, for the nine-months ended September 2014, from N43.8 billion for the same period in 2013.

Financial Position:

- ❖ Loans and advances up 29% YoY to N565.1 billion (N439.4 billion as at September 2013) and up Quarter-on-Quarter (QoQ) by 2% (N555.3 billion as at June 2014).
- ❖ Total assets increased 6% YoY to N1.0 trillion (N978.6 billion as at September 2013) and down 2% QoQ (N1.1 trillion as at June 2014).
- ❖ Customer deposits rose 5% YoY to N722.5 billion (N690.6 billion as at September 2013) and down 5% QoQ (N756.9 billion as at June 2014).

Key Ratios:

- ❖ Net Interest Margin - 8.6% (7.8% for 9M13).
- ❖ Low-cost deposit mix – 65.8% (74.3% for 9M13).
- ❖ Loan to Deposit Ratio - 78.2% (63.6% for 9M13).
- ❖ Cost to Income Ratio – 70.3% (71.2% for 9M13).
- ❖ Non-performing loans to total loans ratio – 2.7% (2.7% for 9M13).
- ❖ Cost of Risk – 1.0% (0.6% for 9M13).
- ❖ ROaE – 12.9% (11.8% for 9M13).
- ❖ ROaA – 1.9% (2.0% for 9M13).
- ❖ Earnings per share – 96k (86k for 9M13).

Commentary:

Mr. Peter Obaseki, Managing Director of FCMB Group Plc, had this to say about the results:

“On the Group’s statements of comprehensive income, operating income increased 13% YoY from N61.5 billion for the nine-months of 2013 to N69.5 billion for the nine-months period of 2014, operating expenses also rose 12% from N43.8 billion for 9M13 to N48.9 billion in 9M14 and pre-tax profit was up 14% to N16.8 billion.

Across all of our businesses, during the period, the strategy we have been pursuing, designed to create a business, which can accommodate external pressures, whilst still being able to deliver sustainable performance seems to have started paying off. Most notably, Investment Banking’s (made up of FCMB Capital Markets and CSL Stockbrokers) contribution to the Group’s profit before tax, increased substantially, reporting pre-tax profits of N1.4 billion (for the nine-months 2014) and N775 million (for the third quarter 2014), representing increases of 218% YoY and 99% QoQ, respectively.”

Mr. Ladi Balogun, Group Managing Director/ CEO of FCMB Ltd, commented on the results thus:

“The commercial & retail banking arm of FCMB Group Plc made a profit before tax of N15.7 billion up 20% from the profit of N13.0 billion, for the same period prior year. On our statements of financial position, total deposits grew 5% YoY, to N724.4 billion, but also declined 5% QoQ. Our total loans increased 29% YoY and 2% QoQ, respectively, to N564.7 billion. We continue to switch our deposits and loans mix towards retail. Retail deposits increased 33% YoY and 2% QoQ to N362.9 billion, while retail loans increased 44% YoY and 9% QoQ to N192.5 billion. This significantly influenced the continued increase in our net interest margins to 8.5%, for the nine-months ended 30 September 2014.

We continued with efforts to contain operating expenses while still managing risks and improving customer experience. Operating expenses increased 1% QoQ to N16.1 billion and 10% YoY to N46.9 billion, as a result of investments in sales force, promotional expenses to drive customer acquisition and retail deposits mobilisation, risk assets origination, productivity and service delivery. Our Cost to Income ratio decreased by 1% YoY and 2% QoQ. As these promotional and sales-force investments yield dividends, we expect to see more significant reduction in the cost to income ratio.

For the rest of 2014, we will continue to focus on improving operating efficiency and net interest margins whilst also continuing with our steady customer acquisition drive and migration to alternate service and distribution channels.”

Conference Call & Webcast for Results

FCMB Group Plc (Bloomberg: FCMB) will be hosting a teleconference call and webcast for analysts and investors on **Friday 31 October** at **15.00 Lagos/ 14.00 London/ 10.00 New York/ 16.00 Johannesburg**, with its senior and divisional management to review FCMB Group Plc's Unaudited IFRS-compliant Group Results for the nine-months ended 30 September 2014 and reply to questions from investors and analysts.

The teleconference call facility can be accessed by dialling:

Nigeria Access Number: +2341 277 0580
UK Access Number: +44(0)20 3427 1925
USA Access Number: +1646 254 3369
South Africa Access Number: +2711 019 7079

And then entering the following confirmation code: **7539807**

Participants will have to quote the above code when dialling into the conference.

Participants can log on to the link for the webcast by going to the 'Upcoming Events' or 'What's New' sections on FCMB's Investor Relations homepage, which can be accessed by clicking on <http://www.fcmb.com/investor-relations>

Webcast access on mobile devices - QR code:

For access to the live and on demand webcast from any IOS apple or Android mobile devices:



Participants should please register for the call/ log-on to the webcast at least five minutes before the start of the conference call.

The presentation and all other related documents, for the call, will be posted under the 'What's New' section on FCMB's Investor Relations homepage, which can be accessed by clicking on <http://www.fcmb.com/investor-relations> from 15.00 Lagos/ 14.00 London on Wednesday 29 October.

For those who are unable to listen to the live call, the recording of the webcast will be available under 'Financial Results – 2014' by clicking on the 'Financial Information' tab on FCMB's Investor Relations website, which can be accessed by clicking on <http://www.fcmb.com/investor-relations>. The webcast recording will be done in real-time, so it will be available as soon as the conference call & webcast begins at 15.00 Lagos/ 14.00 London on Friday 31 October.

For further information, please contact:

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Notes to editors:

About FCMB Group Plc

FCMB Group Plc is a non-operating financial holding company, regulated by the Central Bank of Nigeria ("CBN"). FCMB Group Plc was formed in response to the CBN's regulation on the scope of banking activities and ancillary matters ("Regulation 3"), which requires banks to divest their non-banking businesses, or retain them under a holding company ("HoldCo.") structure approved by the CBN. Under the HoldCo. arrangement, shares in First City Monument Bank (FCMB) Plc were exchanged one-for-one for FCMB Group Plc shares, effectively making the former shareholders of FCMB Plc, the owners of FCMB Group Plc, in the same ratio as their previous holdings in the bank. FCMB Group Plc is one of the leading financial services institutions in Nigeria, with subsidiaries that are market leaders in their respective segments. Through ownership of FCMB Group Plc, shareholders continue to own all the subsidiaries 100%, including FCMB Capital Markets Limited, CSL Stockbrokers Limited (including its subsidiaries First City Asset Management Ltd and CSL Trustees Ltd) and FCMB Limited (the bank) and its subsidiaries – Credit Direct Limited and FCMB (UK) Limited.

From a structural perspective, FCMB Group Plc directly and wholly-owns three subsidiaries, namely First City Monument Bank Limited, FCMB Capital Markets Limited and CSL Stockbrokers Limited, the other aforementioned entities report into the three direct subsidiaries.

FCMB Group Plc is listed on the Nigerian Stock Exchange (NSE) with the ticker symbol (FCMB) and has 19,802,710,781 ordinary shares held by approximately 530,000 shareholders. FCMB Group Plc and its subsidiaries each function as separate and distinct operating companies with separate Boards of Directors and Executives.

FCMB Group Plc's strategy is to position itself as the premier financial services group of African origin. At the centre of its businesses lies a talented work-force that drives a comprehensive bouquet of financial services including micro-lending, asset management, stock-broking, trusteeship and custodial services, foreign exchange, personal banking, corporate and commercial banking, investment banking (including financial advisory, debt & equity capital markets, project & structured finance transactions) and transaction banking products delivering cash management, trade and liquidity management solutions to corporate, commercial, public sector, financial institutions and small & medium-scale enterprises.

First City Monument Bank Limited has 2.5 million customers and 274 branches and cash-centres spread across every state of the Federal Republic of Nigeria and in the United Kingdom through FCMB UK (which is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA in the United Kingdom).

More information can be found at www.fcmb.com

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