



**FCMB Group Plc earns N11.1 billion in Profit Before Tax – a 26% Year-on-Year increase - for the six months ended 30 June 2020.**

LAGOS, NIGERIA – 29 JULY 2020: FCMB Group Plc (Bloomberg: **FCMB**) (“FCMB Group”) announced its Unaudited Group Results for the six months ended 30 June 2020.

**Financial Performance Highlights:**

**Earnings Analysis**

- ❖ Gross revenue of ₦98.2 billion for the half year ended June 2020, was a 9% growth from ₦89.8 billion for the same period prior year.
- ❖ Net interest income rose by 17% Year-on-Year from ₦38.7 billion, for the first half of 2019, to ₦45.4 billion for the first half of 2020.
- ❖ Non-interest income of 17.5 billion, for the six months ended June 2020, a 14% Year-on-Year increase from ₦15.3 billion for the same period prior year.
- ❖ Operating expenses rose 11% Year-on-Year to ₦44.0 billion for the half year 2020.
- ❖ Net impairment loss on financial assets increased by 41% Year-on-Year to ₦7.7 billion, for the first half of 2020, from ₦5.5 billion for the same period prior year.
- ❖ Profit before tax (PBT) of ₦11.1 billion, for the six months ended June 2020, rose 26% Year-on-Year.

**Financial Position:**

- ❖ Loans and advances grew, 29% Year-on-Year and 4% Quarter-on-Quarter to ₦794.6 billion in June 2020.
- ❖ Total assets increased 31% Year-on-Year and 4% Quarter-on-Quarter to ₦1.97 trillion in June 2020.
- ❖ Customer deposits rose by 28% Year-on-Year and 11% Quarter-on-Quarter to ₦1.1 trillion in June 2020.
- ❖ Assets Under Management grew by 28% Year-on-Year to ₦455.0 billion in June 2020.

**HY20 Key Ratios:**

- ❖ Capital Adequacy Ratio – 17.3%.
- ❖ Liquidity Ratio – 32.2%.
- ❖ Loan to Funding Ratio – 52.6%
- ❖ CBN Loan to Deposit Ratio – 54.8%.
- ❖ Non-Performing Loans (NPL) to Total Loans Ratio – 3.5%.
- ❖ Cost to Income Ratio – 70.3%.
- ❖ Net Interest Margin – 8.0%.
- ❖ Earnings per share – 49.0k.

## Overall Group Performance

FCMB Group's post-tax profits increased by 29% Year-on-Year to ₦9.7 billion, this translates to a return on average equity (RoAE) of 9.4% and earnings per share of 49 kobo, a Year-on-Year improvement of 16% and 29%, respectively. Our customer base also grew by 29% Year-on-Year across the Group from 5.9 million to 7.7 million.

Commercial and Retail Banking (comprising FCMB Limited (ex. the Corporate Banking division), FCMB UK, and Credit Direct Limited) reported a 42.9% Year-on-Year increase in PBT due to an increase in Net Interest Income, fixed income instruments trading income and FX Income. PBT also improved by 4.1% Quarter-on-Quarter due to an increase in fixed income instruments, trading income and FX Income, as well as, a decrease in OPEX due to the impact of lockdowns.

Corporate & Investment Banking (comprising the Corporate Banking Division of the Bank, FCMB Capital Markets Limited and CSL Stockbrokers Limited) saw its performance improve Quarter-on-Quarter albeit a loss position, driven by an increase in Net Interest Income and Non-Interest Income. However, performance declined Year-on-Year due to drop in risk assets yield from 11.4% to 9.5% (due to pricing concessions given to support our customers through the pandemic) and increase in impairment by 48% Year-on-Year. Non-interest income grew Quarter-on-Quarter and Year-on-Year driven primarily by increase in brokerage commissions. CSL Stockbrokers has returned to strong and sustainable profitability, moving from a PBT of ₦18 million in H1 2019 to ₦201 million in H1 2020, representing a 1034% Year-Year growth. While the Corporate Banking Division remains on course to return to profitability in 2021.

Investment Management (comprising FCMB Pensions Limited, FCMB Asset Management Limited and FCMB Trustees Limited) grew its AUM by 7% Quarter-on-Quarter and by 28% Year-on-Year, to ₦455 billion. The growth in AUM reflects the increasing effectiveness of our product sales strategy, which leverages the FCMB Group's distribution strength and digital innovation. Our Pensions business contributed 75% of HY20 AUM, compared with 83% at HY19. Our other business lines accounted for 53% of the ₦99 billion Year-on-Year growth in AUM. Despite the relatively difficult environment, PBT grew by 41% Year-on-Year, to ₦989 million.

## Conference Call & Webcast for Results

FCMB Group Plc (Bloomberg: FCMB) will be hosting a conference call and webcast for analysts and investors on **Tuesday 4 August at 15.00 Lagos & London/ 10.00 New York/ 16.00 Johannesburg**, with its senior and divisional management to review these Results and respond to questions from investors and analysts.

**Please could you kindly note that due to the ongoing COVID-19 pandemic, Telco carriers worldwide are currently experiencing an unprecedented demand, due to the increasing amount of people working remotely, thereby, putting pressure on the local carriers, creating some uncontrollable issues like dialling-in participants experiencing beeping tones, audio distortions or/ and line cut offs.**

**Therefore, we strongly recommend that this webcast link – <https://edge.media-server.com/mmc/p/2c936kaf> - is used as the main source of listening to the call, with only those participants who plan to ask questions dialling in. Though, it is also noteworthy that, via the webcast, participants will have the option to type and send us written questions, without the need to dial in.**

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

Participants can log on to the link for the webcast by clicking on <https://edge.media-server.com/mmc/p/2c936kaf> or by going to the 'Upcoming Events' or 'What's New' sections on FCMB's Investor Relations homepage, which can be accessed by clicking on [www.fcmbgroup.com/investor-relations](http://www.fcmbgroup.com/investor-relations)

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Mr. Oladipupo Jadesimi (Chairman), Mr. Ladi Balogun (Group Chief Executive), Mr. Peter Obaseki (Chief Operating Officer), Mr. Femi Badeji (Executive Director), Alhaji Mustapha Damcida (Non-Executive Director), Mr. Olusegun Odubogun (Non-Executive Director Independent), Mr. Olutola Oluseni Mobolurin (Non-Executive Director), Prof. Oluwatoyin Ashiru (Non-Executive Director), Dr. (Engr) Gregory Omosigho Ero (Non-Executive Director), Mrs. Olapeju Sofowora (Non-Executive Director)

### Webcast access for mobile devices – QR code

Access the live and on-demand versions of the webcast from mobile devices running iOS and Android.



### Conference call details for participants:

In the 15 minutes prior to the call's start time, please call the appropriate participant dial-in number and enter the Event Plus Passcode stated below. Please leave any information requested after the tone.

The conference call facility can be accessed by dialling:

Lagos Access Number: +234 1 227 8971

UK Access Number: +44 (0) 844 481 9752

USA Access Number: +1646 741 3167

South Africa Access Number: +27 105 002 178

And then entering the following **Event Plus Passcode: 2491138**

*Participants will have to quote the above code when dialling into 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 [www.fcmbgroup.com/investor-relations](http://www.fcmbgroup.com/investor-relations) from 13.00 (Lagos & London) on Tuesday 4 August.

For those who are unable to listen to the live call, the recording of the webcast will be available under 'Financial Results – 2020' by clicking on the 'Financial Information' tab on FCMB's Investor Relations website, which can be accessed by clicking on [www.fcmbgroup.com/investor-relations](http://www.fcmbgroup.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 & London) on Tuesday 4 August.

### For further information, please contact:

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**Notes to editors:**

**About FCMB Group Plc**

FCMB Group Plc is a bank-led financial services group, headquartered in Lagos, Nigeria, with operating companies divided along three business groups – Commercial and Retail Banking (First City Monument Bank Limited ('The Bank'), Credit Direct Limited, FCMB (UK) Limited and FCMB Microfinance Bank Limited); Corporate & Investment Banking (The Corporate Banking Division of the Bank, FCMB Capital Markets Limited and CSL Stockbrokers Limited) and Investment Management (FCMB Pensions Limited, FCMB Asset Management Limited and FCMB Trustees Limited). Listed on the Nigerian Stock Exchange (NSE) with the ticker symbol (FCMB), FCMB Group Plc has 19,802,710,781 ordinary shares held by over 517,000 shareholders.

First City Monument Bank Limited, the flagship company, has approximately 7.1 million customers and 206 branches in Nigeria and a banking subsidiary in the United Kingdom through FCMB Bank (UK) Limited (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.fcmbgroupplc.com](http://www.fcmbgroupplc.com)

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