



First City Monument Bank Plc

Unaudited IFRS-Compliant Group Results for the six months ended 30 June 2012

First City Monument Bank's consolidated financials reflect a Year on Year growth of 17% PBT in H1 2012, as expenses rise by 20% in Q2, as a result of the ongoing merger.

LAGOS, NIGERIA – 30 JULY 2012 – First City Monument Bank PLC (Bloomberg: **FCMB NL**) (“FCMB” or the “Bank” or the “Company”) has announced its unaudited IFRS-compliant group results, which include the financials of its recently acquired entity, FinBank, a wholly owned subsidiary, for the six months ended 30 June 2012.

Key Highlights:

- ✓ Steady improvement in Year-on Year (YoY) performance
 - ❖ Six months PBT as at June 2012 was up 17% YoY at N7.8bn.
 - ❖ Annualised ROE rose 38% in June 2012 to 10.2% from 7.4% for the corresponding period of 2011.
 - ❖ Group Net revenues for the same period were up 40% YoY at N32.4bn.
 - ❖ Operational expenses were up 69% YoY.
- ✓ Second quarter PBT was down 23% Quarter-on-Quarter (QoQ) to N3.4bn as a result of a 20% one time surge in expenses, occasioned primarily by the on-going consolidation of FinBank. Similarly, Cost-to-Income Ratio (CIR) grew to 88.3% in 2Q12 from 77.8% in 1Q12, driven by the consolidation of FinBank financials. It is expected that, when integration is completed in 3Q12, the synergy effects will offset restructuring costs and barring unforeseen circumstances lead to CIR reduction and PBT improvement.
- ✓ Modest Quarter on Quarter (QoQ) reduction in total deposits and loans by 3.7% and 3.2% respectively, as the bank unwound exposures to corporate clients in volatile sectors of the economy.
- ✓ Improving balance sheet and earnings potential
 - ❖ Deposit mix improved marginally to 54%, QoQ.
 - ❖ Liquidity Ratio improved, YoY, by 28.7% to 58.7% in June 2012, compared to 45.6% in June 2011.
 - ❖ Capital adequacy ratio reduced to 25.1% in 2Q12 from 26.4% in 1Q12 due to large interbank placement position.
 - ❖ Net Interest Margin improved to 6.6% in 2Q12 from 6.1% in 1Q12, in spite of rising interest rate regime, as the bank continued to shed expensive wholesale deposits.
- ✓ NPL temporarily rose to 6.4% in 2Q12 from 5.8% in 1Q12, as a result of loan book reduction and the consolidation of FinBank's non-performing loans (fully provided for, but not yet written-off).

Commenting on the results, Mr. Ladi Balogun, Group Managing Director/ CEO of FCMB Plc, said:

“The Bank was marginally ahead of its forecast net revenue for the second quarter of 2012, in spite of the adverse interest rate environment, but profitability was dampened by the surge in expenses arising from the ongoing streamlining and consolidation of FinBank. With the delays in regulatory approval almost out of the way, we expect that the synergy benefits will not only be substantially realised in the fourth quarter of the year, but also still have a positive contribution to the 2012 financial year-end.”

HY 2012 - Management Statement

We will now accelerate the momentum, leveraging on the enlarged customer base, the distribution network from the recent acquisition, and success in retail finance, whilst focusing on high quality corporate names to resume, by 4Q12, sustainable growth in the wholesale banking segment.”

Conference Call & Webcast for Results

First City Monument Bank Plc (Bloomberg: FCMB NL) will be hosting a teleconference call and webcast for analysts and investors on **Tuesday 31 July at 15.00 Lagos & London/ 10.00 New York/ 16.00 Johannesburg**, with its senior management to review FCMB Plc's unaudited IFRS-compliant group results for the six months ended 30 June 2012 and reply to questions from investors and analysts.

The teleconference call facility can be accessed by dialing:

UK Access Number: +44 (0) 20 7136 2055

USA Access Number: +1 646 254 3362

South Africa Access Number: +27 11 019 7075

And then entering the following confirmation code: 4995256

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 “Upcoming Events” on the FCMB's Investor Relations homepage, which can be accessed by clicking on <http://investorrelations.firstcitygroup.com>

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 ‘What's New’ on FCMB's Investor Relations homepage, which can be accessed by clicking on <http://investorrelations.firstcitygroup.com> from 13.00 (Lagos & London) on Tuesday 31 July.

For those who are unable to listen to the live call, the recording of the webcast will be available under ‘Corporate Reporting – 2012’ on the FCMB's Investor Relations website, which can be accessed by clicking on <http://investorrelations.firstcitygroup.com>. The webcast recording will be done in real-time, so will be available as soon as the conference call & webcast begins at 15.00 (Lagos & London) on Tuesday 31 July.

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Notes to editors:

About First City Monument Bank Group Plc

First City Monument Bank (FCMB) is a full service banking group, headquartered in Lagos, Nigeria.

FCMB is the flagship company of the First City Group, one of Nigeria's leading comprehensive financial services providers. From its early origins in investment banking as City Securities Limited in 1977, FCMB (established in 1982) has emerged as one of the leading financial services institutions in Nigeria, a top 10 bank with subsidiaries that are market leaders in their respective segments.

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 company and was listed on the Nigerian Stock Exchange by introduction on 21 December 2004.

The Bank completed the acquisition of FinBank Plc in February 2012. Following the acquisition, the FCMB Group now has 1.8 million customers, 278 branches and cash-centres spread across every state of the Federal Republic of Nigeria and a presence in the United Kingdom (through its FSA-authorized investment banking subsidiary, FCMB UK) and a representative office in the Republic of South Africa.

More information can be found at www.firstcitygroup.com

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