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FCMB

**Q3 2011 Results
Investors & Analysts Presentation**

**Lagos, Nigeria
28 October 2011**

Disclaimer

This document contains certain forward-looking statements, including statements regarding or related to events and business trends that may affect our future operating results, financial position and cash flows.


These statements are based on our assumptions and projections and are subject to risks and uncertainties, as they involve judgments with respect to, among other things, future economic, and industry/ market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. You can identify these forward looking statements by the use of the words "strategy," "plan," "goal," "target," "estimate," "project," "intend," "believe," "will" and "expect" and similar expressions. You can also identify these forward-looking statements by the fact that they do not relate strictly to historical or current facts.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Outline

- ▶ Company Overview
- ▶ Financial Performance Review
 - Group
 - Business
- ▶ Risk Assets Report
- ▶ M&A Update
- ▶ Outlook

FCMB at a Glance

Subsidiaries:	<ul style="list-style-type: none"> ▶ FCMB Capital Markets Ltd ▶ Credit Direct Ltd ▶ CSL Stockbrokers Ltd ▶ FCMB (UK) Ltd ▶ City Securities (Registrars) Ltd
Associate Company	▶ Legacy Pension Managers Ltd (PFA) – 25% ownership
Listing:	<ul style="list-style-type: none"> ▶ Ord. shares listed on the NSE ▶ Unlisted GDRs in the United Kingdom
Stock Symbols:	<ul style="list-style-type: none"> ▶ NSE FCMB ▶ GDR CUSIP 319636205 ▶ GDR ISIN US319636205
Auditors:	
Accounting:	<ul style="list-style-type: none"> ▶ Local GAAP ▶ IFRS – Financial Year 2011
Credit Rating:	B+ (CreditWatch Negative) (S&P – June 2011)

Network:	<ul style="list-style-type: none"> ▶ 139 branches & cash centres ▶ 10 in-plants ▶ 150 ATMs ▶ Call centre ▶ Mobile bank ▶ Internet bank
Geographical Presence:	<ul style="list-style-type: none"> ▶ Nigeria ▶ United Kingdom ▶ South Africa (Rep. Office)
Staff Strength:	▶ 1,802 FTEs (as at 30 Sept 2011)
Financial Highlights	<ul style="list-style-type: none"> ▶ Total Assets & Contingents: N737.8bn (as at 30 Sept 2011) ▶ PAT: N7.9bn (as at 30 Sept 2011)

Business Overview

<u>Contribution</u>	Corporate & Comm. Banking	Retail Banking	Institutional Banking	Investment Banking
	Banking services to more structured companies with turnover >N2.5B p.a.	Banking services to individuals and small businesses with turnover <N2.5B p.a. Includes Credit Direct Limited	Banking services to: <ul style="list-style-type: none"> ▶ Financial institutions ▶ Multilateral agencies ▶ Government and the value chain 	Comprises of: <ul style="list-style-type: none"> ▶ Financial advisory ▶ Capital raising ▶ Brokerage ▶ Sales & trading (debt, equity and currency)
Deposits	17%	45%	38%	
Loans	68%	19%	13%	

- ▶ Predominantly wholesale banking group with a niche retail franchise (top-quartile of banking population and civil servants)
- ▶ Differentiating through operational excellence and customer intimacy

- ▶ Leading in innovation
 - Technology-driven cash mgmt
 - Project & Structured Finance
 - Micro-lending
 - Risk management products

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Financial Ratios (Group): Improved financial performance along key metrics

Performance Index		Q3 2010	Q2 2011	Q3 2011	%Δ	
					YoY	QoQ
Operating	Return on Equity	6.0%	7.6%	7.6%	▲ 26.7%	▼ 0.5%
	Return on Assets	1.6%	1.8%	1.8%	▲ 12.5%	▼ 1.3%
	Loan/Deposit Ratio	102.5%	84.9%	86.8%	▼ 15.4%	▲ 2.2%
	Cost/Income Ratio	74%	64.5%	63.2%	▼ 14.6%	▼ 2.0%
	Net Interest Margin	6.9%	6.9%	6.8%	▼ 1.4%	▼ 1.4%
	NPL/Total Loans	6.5%	5.4%	4.3%	▼ 33.9%	▼ 19.2%
	Coverage Ratio	88.2%	125.2%	104%	▲ 17.6%	▼ 17.1%
	NII ¹ /Operating Income	61%	61.3%	59.2%	▼ 3.0%	▼ 3.4%
Capital & Liquidity	Capital Adequacy Ratio	32.9%	31.2%	30.48%	▼ 7.4%	▼ 2.3%
	Liquidity Ratio	31.2%	45.6%	50.02%	▲ 60.3%	▲ 9.6%
Others	Opex	8.13	8.08	8.38	▲ 3.1%	▲ 3.7%
	Risk Assets	313.5	307.86	321.84	▲ 2.7%	▲ 4.5%
	Deposit Growth	305.86	362.82	370.98	▲ 21.3%	▲ 2.2%

Comments

- ▶ **C/I continues to improve** with earnings growing faster than costs; costs growth restrained to below inflation rate
- ▶ **NPL drops below 5%** facilitated by simultaneous sale of loans to AMCON and growth of risk assets by N14B in Q3 2011

Note:

1. Non-interest Income

■ Improved Performance

■ Reduced Performance

P&L Highlights (Group): Enhanced profitability driven by earnings growth, and operational efficiencies

FCMB

Account	YTD (N'M)			QUARTER (N'M)		
	Sept 2010	Sept 2011	%Δ	Q2 2011	Q3 2011	%Δ
Gross Earnings	44,549	54,996	23%	18,361	20,000	9%
Net Interest Income	15,764	22,161	41%	7,681	7,854	2%
Corporate Finance fees	4,623	3,890	-16%	1,134	1,741	54%
Commissions	3,626	7,091	96%	2,405	2,543	6%
Trading Income (FX, Equity, Bonds & T-Bills)	3,366	3,734	11%	1,073	832	-22%
Other Income	486	888	83%	233	288	23%
Operating Income	27,865	37,763	36%	12,527	13,258	6%
Operating Expenses	(23,535)	(24,504)	4%	(8,080)	(8,382)	4%
Provision For Loses	1,771	(3,375)	-290%	(1,235)	(1,639)	33%
Profit before tax	6,101	9,885	62%	3,213	3,236	1%
Profit after tax	4,576	7,908	73%	2,570	2,589	1%

Comments

- ▶ **Strong Y-o-Y improvement** across key reoccurring income and costs lines, with sustained improvement Q-o-Q as well
- ▶ **Diversification benefits** from corporate finance fees remain strong, albeit a drop from prior-year, but an improvement Q-o-Q
- ▶ **Opex under control**, with growth rate below inflation rate

Balance Sheet Highlights (Group): Balance sheet growth largely in line with budget, but credit growth still cautious

	Dec. 2010 N'm	2011 (N'M)			%Δ	
		Q1	Q2	Q3	QoQ	YTD
ASSETS:						
Liquid assets	93,307	124,830	110,314	99,904	-9%	7%
Loans and advances	330,421	346,292	307,862	321,835	5%	-3%
Investment Securities	74,334	85,422	132,403	151,291	14%	104%
Goodwill on consolidation	6,074	6,074	6,074	6,074	0%	0%
Other assets	14,390	13,006	12,402	12,437	0%	-14%
Fixed assets	20,065	19,743	19,446	19,556	1%	-3%
Total Assets	538,591	595,366	588,501	611,096	4%	13%
LIABILITIES:						
Customer and other deposits	335,402	342,086	362,818	370,977	2%	11%
Other liabilities	43,302	90,291	68,085	82,389	21%	90%
Borrowings	25,116	25,642	23,204	20,747	-11%	-17%
Shareholders' funds	134,771	137,347	134,394	136,983	2%	2%
Liabilities and Shareholder Equity	538,591	595,366	588,501	611,096	4%	13%
Acceptances & Guarantees	65,250	65,853	120,887	126,740	5%	94%

Comments

- ▶ Sale to AMCON dampened risk asset growth
- ▶ Tactical decision to boost off balance sheet activities, driving growth of “acceptances and guarantees”
- ▶ Focus on low cost funds, resulting in cautious deposit growth
- ▶ Overall, balance sheet growth reasonably within budget, and ahead of FY 2010

Subsidiaries: Profitability ramped-up from p/year, driven primarily by CDL and FCMB CM

FCMB

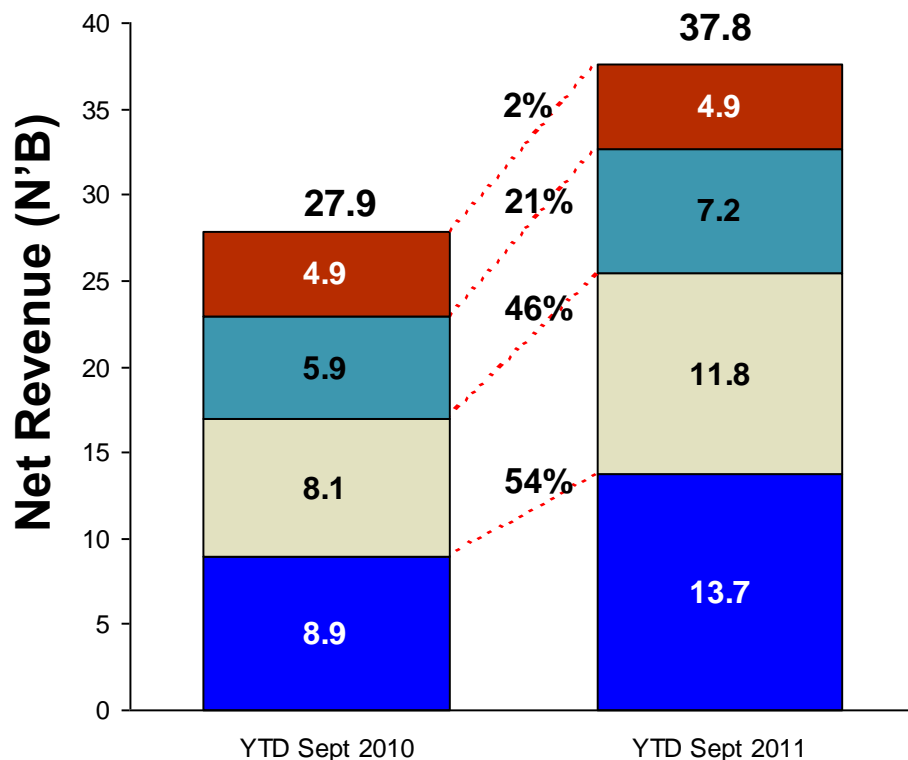
COMPANY	YTD (N'M)			QUARTER (N'M)		
	Sept 2010	Sept 2011	%Δ	Q2 2011	Q3 2011	%Δ
CDL	1,268	1,712	35%	551	614	11%
FCMB CM	19	187	873%	108	-37	-134%
City Securities (Registrars)	133	50	-62%	22	14	-38%
CSL Stockbrokers	69	1	-99%	39	-15	-138%
FCMB UK	-214	-146	32%	-32	-65	103%
Total Subsidiaries	1,275	1,804	42%	688	510	-26%
FCMB Group	6,101	9,885	62%	3,213	3,236	1%

Comments

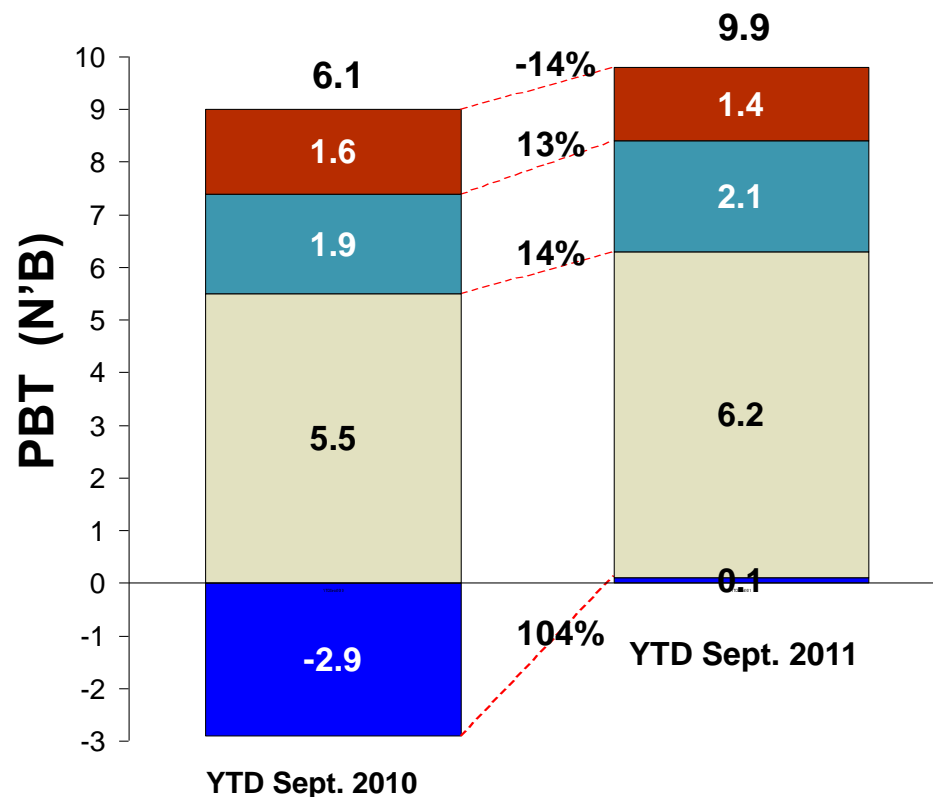
- ▶ **CDL and FCMB CM:** continue to support group-wide earnings growth and diversification, accounting for 19% of group's profit at Q3 2011
- ▶ **CSL Stockbrokers:** performance dipped relative to 2010, due to lack luster capital market in 2011
- ▶ **FCMB UK:** still loss making, but on track to break-even in 2012
- ▶ **CSLR:** float income adversely affected by the low interest rate environment and lower level of dividend declaration by clients (hampered deposit flows, and accordingly, earnings)

Strong revenue and profit growth across business segments; Retail now profitable on a fully loaded basis

Net Revenue by Segment (YTD Sept. 2010 vs. YTD Sept. 2011)



PBT by Segment (YTD Sept. 2010 vs. YTD Sept. 2011)

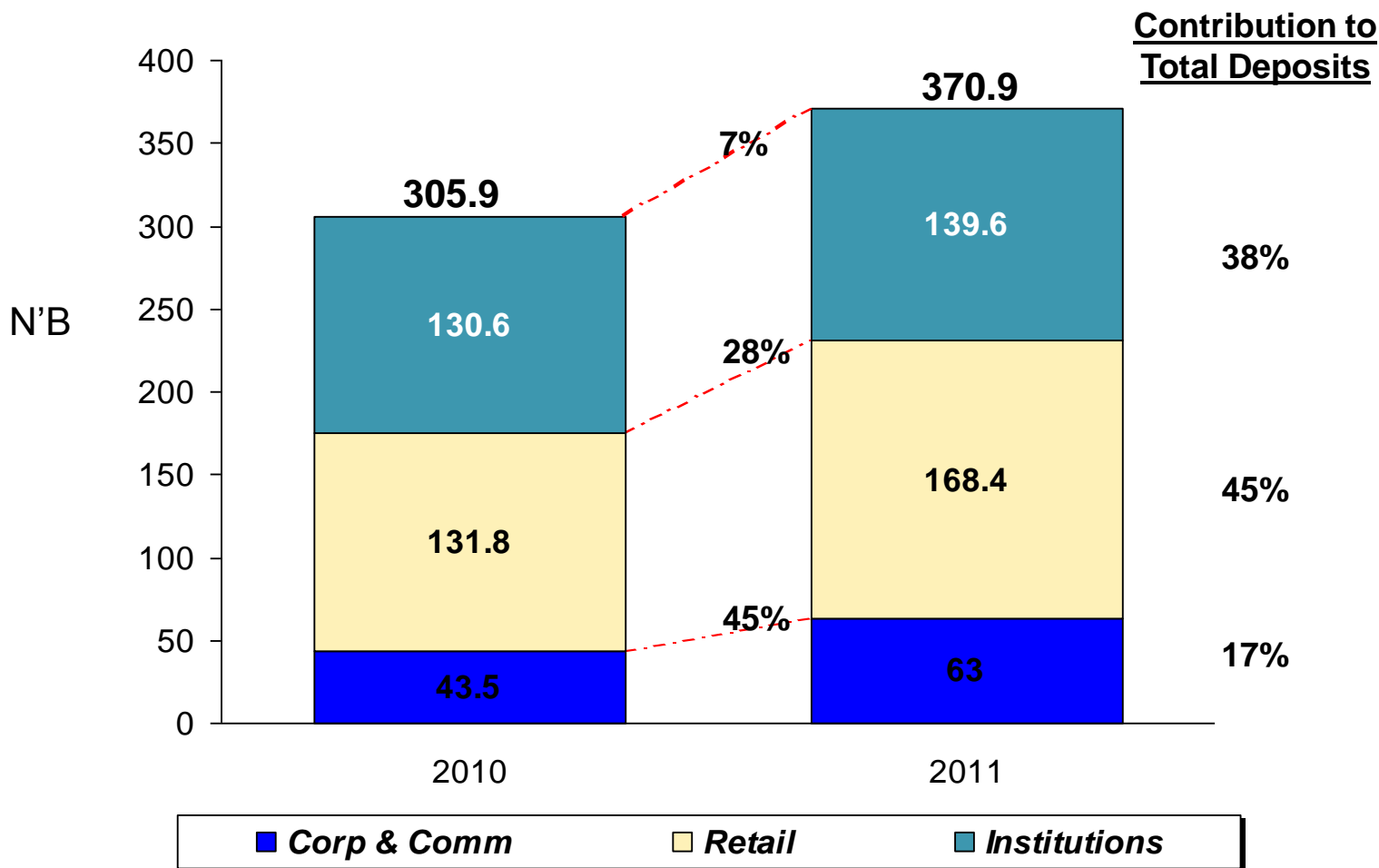


■ Retail (incl. CDL) ■ Corp & Comm
■ Institutional ■ Investment Banking

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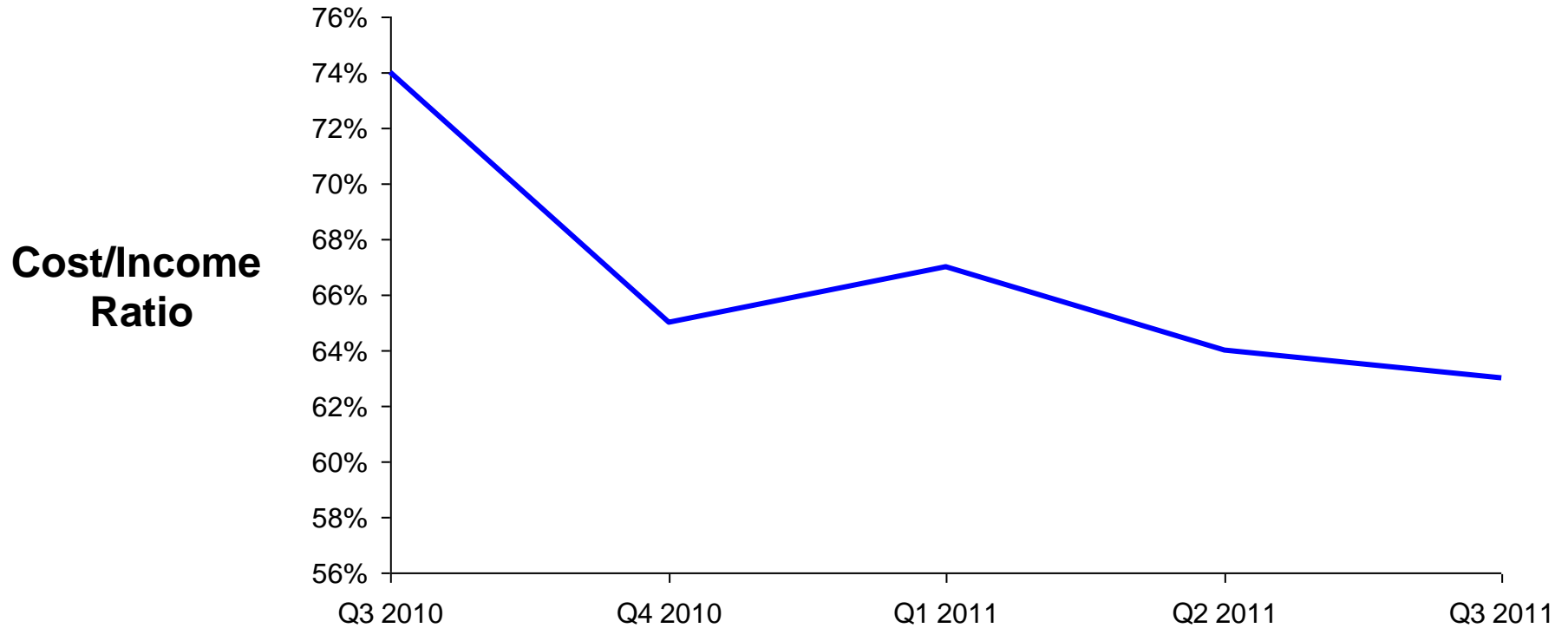
Significant deposit growth across segments, with Retail accounting for a the largest share of total deposit pool

Contribution to Deposit Liabilities by SBU
(Sept. 2010 vs. Sept. 2011)



Trend of improving operational efficiency

Operational Efficiency (Q3 2010 - Q3 2011)



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RETAIL BANKING: continues to gain momentum; break-even maintained on a fully loaded basis

Retail Banking Division (incl. CDL): Financial Performance (Q2 2011 vs. Q3 2011 & YTD Sept. 2010 vs. YTD Sept. 2011)

N'B`	QUARTER (N'M)			YTD (N'M)		
	Q2 2011	Q3 2011	%Δ	Sept 2010	Sept 2011	%Δ
Net interest Income	3.5	3.4	▼ 1%	5.9	9.5	▲ 60%
Non interest income	1.5	1.6	▲ 2%	3.0	4.2	▲ 42%
Loan Loss provisions/ Recoveries	-0.03	-0.2	▲ 666%	1.2	-0.4	▼ 133%
Expenses	4.4	4.3	▼ 2%	13.0	13.2	▲ 2%
Contribution	1.6	1.9	▲ 20%	-2.5	4.8	▲ 292%
PBT	0.59	0.46	▼ 22%	-2.9	0.11	▲ 104%
Risk Assets	48.9	54.5	▲ 11%	34.6	54.0	▲ 57%
Deposits	159.7	168.4	▲ 5%	131.8	168.0	▲ 28%
CIR	87.6%	86.1%	▼ 2%	145.6%	96.4%	▼ 34%
NIM	6.7%	6.2%	▼ 7%	4.8%	6.5%	▲ 37%

Improved Performance
 Reduced Performance

CORPORATE & COMMERCIAL BANKING : Growth in risk assets; improvements in margins and profits

CCBD: Financial Performance (Q2 2011 vs. Q3 2011 & YTD Sept. 2010 vs. YTD Sept. 2011)

N'B	QUARTER (N'M)			YTD (N'M)		
	Q2 2011	Q3 2011	%Δ	Sept 2010	Sept 2011	%Δ
Net Interest Income	1.7	2.1	▲ 23%	3.6	6.4	▲ 76%
Non-Int Income	1.3	2.2	▲ 72%	4.5	5.4	▲ 21%
Loan loss provisions/Recoveries	-0.8	-1.1	▼ 36%	0.6	-2.2	▼ 475%
Expenses	1.2	1.4	▲ 13%	3.2	3.4	▲ 5%
Contribution	1.8	2.8	▲ 54%	10.8	8.3	▼ 23%
PBT	0.9	1.8	▲ 89%	5.5	6.2	▲ 14%
Risk Assets	209.6	223.0	▲ 6%	179.7	223.0	▲ 24%
Deposits	49.1	63.0	▲ 28%	43.5	63.0	▲ 45%
CIR	40.8%	32.1%	▼ 21%	39.6%	28.4%	▼ 28%
NIM	3.5%	3.9%	▲ 10%	2.2%	4.3%	▲ 96%

INSTITUTIONAL BANKING: Slow down in Q3 2011, but Y-o-Y profit growth sustained

IBD: Financial Performance (Q2 2011 vs. Q3 2011 & YTD Sept. 2010 vs. YTD Sept. 2011)

N'B	QUARTER (N'M)			YTD (N'M)		
	Q2 2011	Q3 2011	%Δ	Sept 2010	Sept 2011	%Δ
Net Interest Income	2.4	2.1	▼ 13%	4.8	5.6	▲ 16%
Non-Int Income	0.2	0.5	▲ 128%	1.1	1.7	▲ 46%
Loan loss provisions/Recoveries	-0.4	-0.3	▼ 23%	0.0	-0.7	▼ 7981%
Expenses	1.4	1.6	▲ 14%	4.1	4.4	▲ 7%
Contribution	1.3	1.5	▲ 14%	3.5	4.5	▲ 28%
PBT	0.8	0.6	▼ 19%	1.9	2.1	▲ 13%
Risk Assets	49.3	44.3	▼ 10%	54.0	44.3	▼ 18%
Deposits	154.0	139.6	▼ 9% ^a	130.6	139.6	▲ 7%
CIR	53.4%	62.2%	▲ 16%	68.7%	60.6%	▼ 12%
NIM	3.8%	4.5%	▼ 18%	3.5%	4.0%	▲ 16%

Note:

a. Driven by deliberate policy to pay-down expensive FI deposits facilitated Q2-Q3 deposit dip

Improved Performance
 Reduced Performance

INVESTMENT BANKING: Performing in a tough market

Investment Banking: Financial Performance (Q2 2011 vs. Q3 2011 & YTD Sept. 2010 vs. YTD Sept. 2011)

N'B	QUARTER (N'M)			YTD (N'M)		
	Q2 2011	Q3 2011	%Δ	Sept 2010	Sept 2011	%Δ
Net Interest Income	0.1	0.2	▲ 123%	1.4	0.7	▼ 52%
Non-Int Income	1.8	1.2	▼ 36%	3.5	4.3	▲ 22%
Loan loss provision/Recoveries	0.0	0.0	▲ N/A	0.0	0.0	▲ N/A
Expenses	1.1	1.1	▼ 2%	3.3	3.5	▲ 8%
Contribution	1.0	0.6	▼ 39%	2.7	2.5	▼ 6%
PBT	0.8	0.3	▼ 65%	1.6	1.4	▼ 14%
CIR	56.2%	78.8%	▲ 40%	66.6%	71.1%	▲ 7%

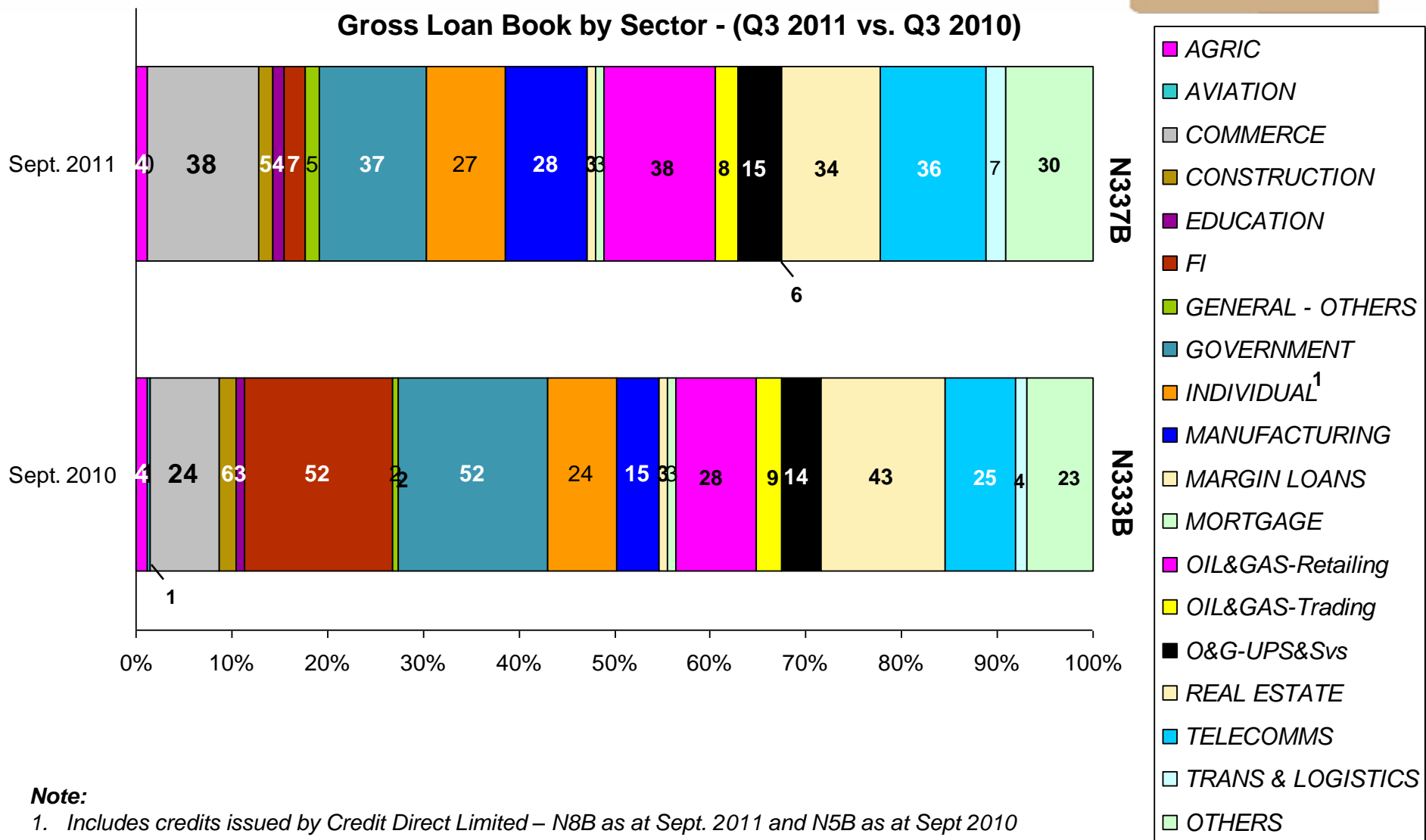
Improved Performance
 Reduced Performance

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Reasonably diversified credit portfolio

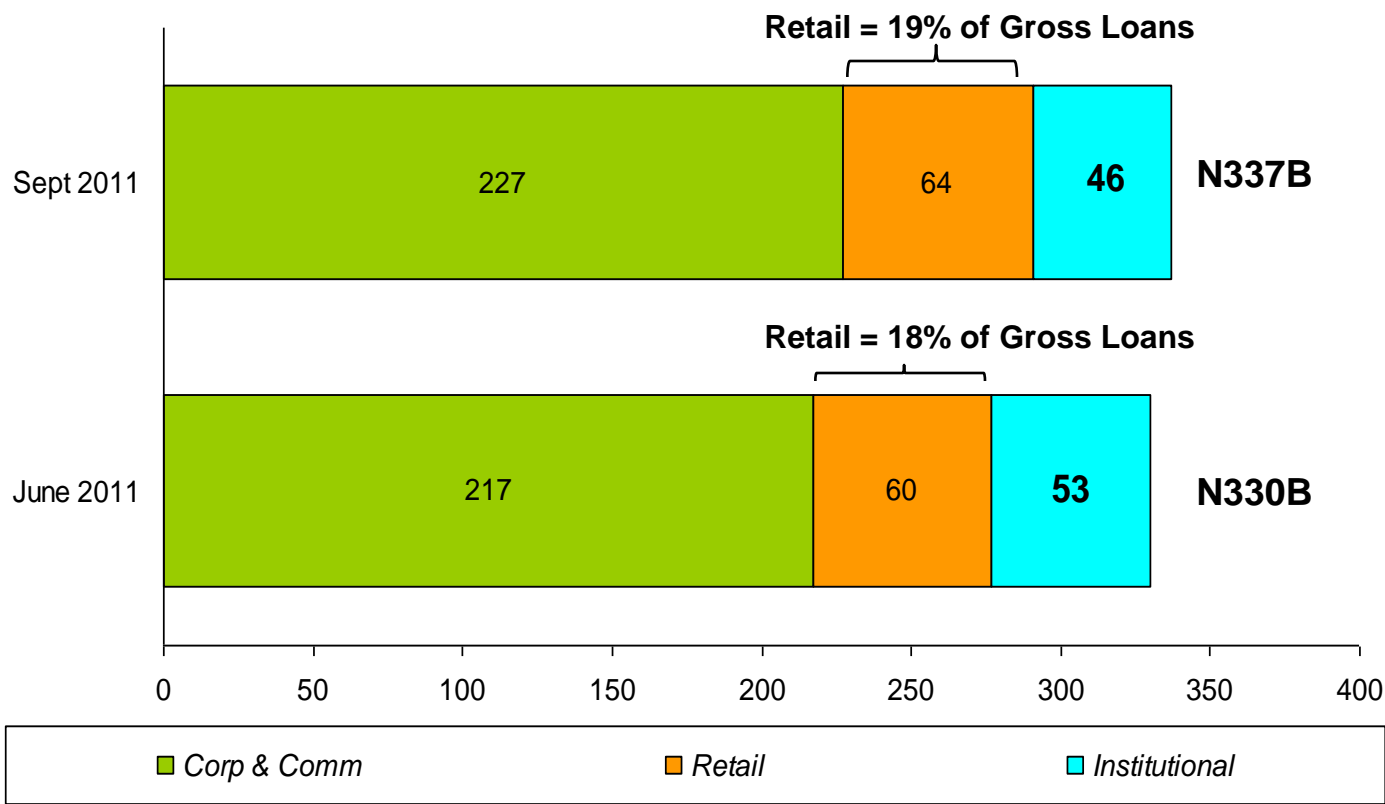
Gross Loan Book by Sector - (Q3 2011 vs. Q3 2010)



Note:
1. Includes credits issued by Credit Direct Limited – N8B as at Sept. 2011 and N5B as at Sept 2010

Loans remain concentrated in corporate names

Gross Loans by Segment
(Q2 2011 vs. Q3 2011)



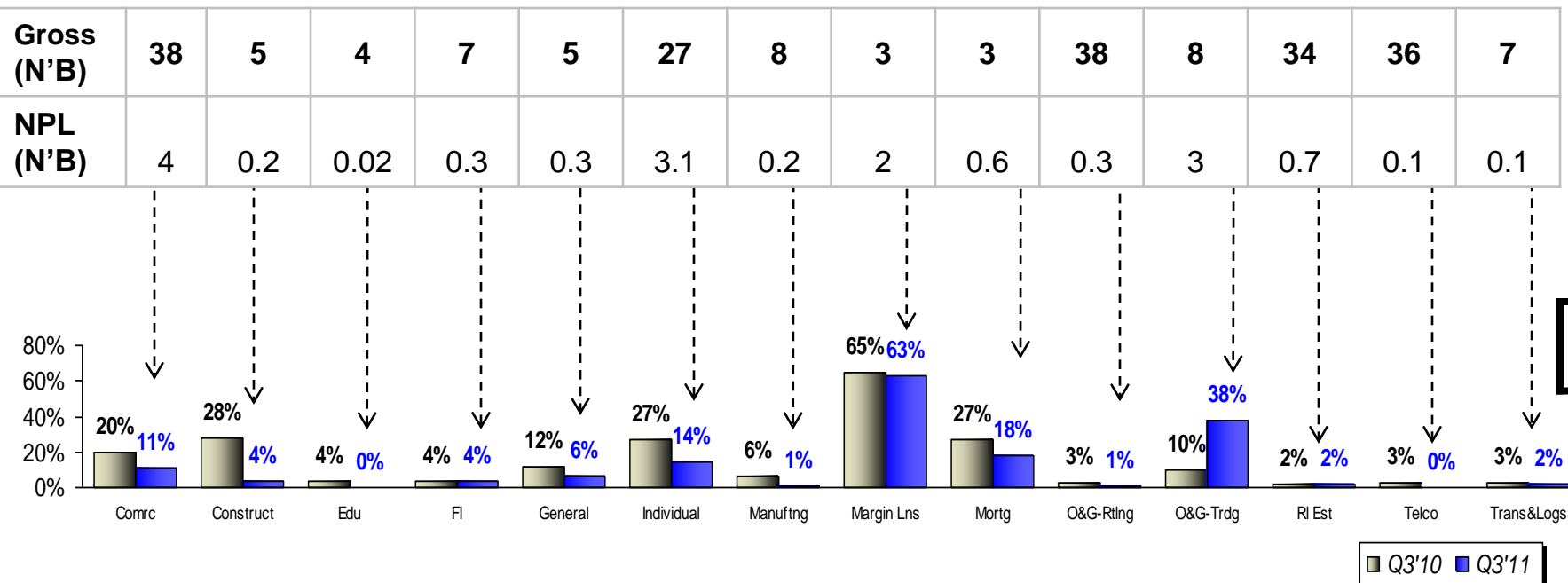
NPL ratio at sub-5%

Group's NPL Trend by Sector¹ (Q3 2011 vs. Q3 2010)

Group
Total

Gross (N'B)	337
NPL (N'B)	14.4

4.3%

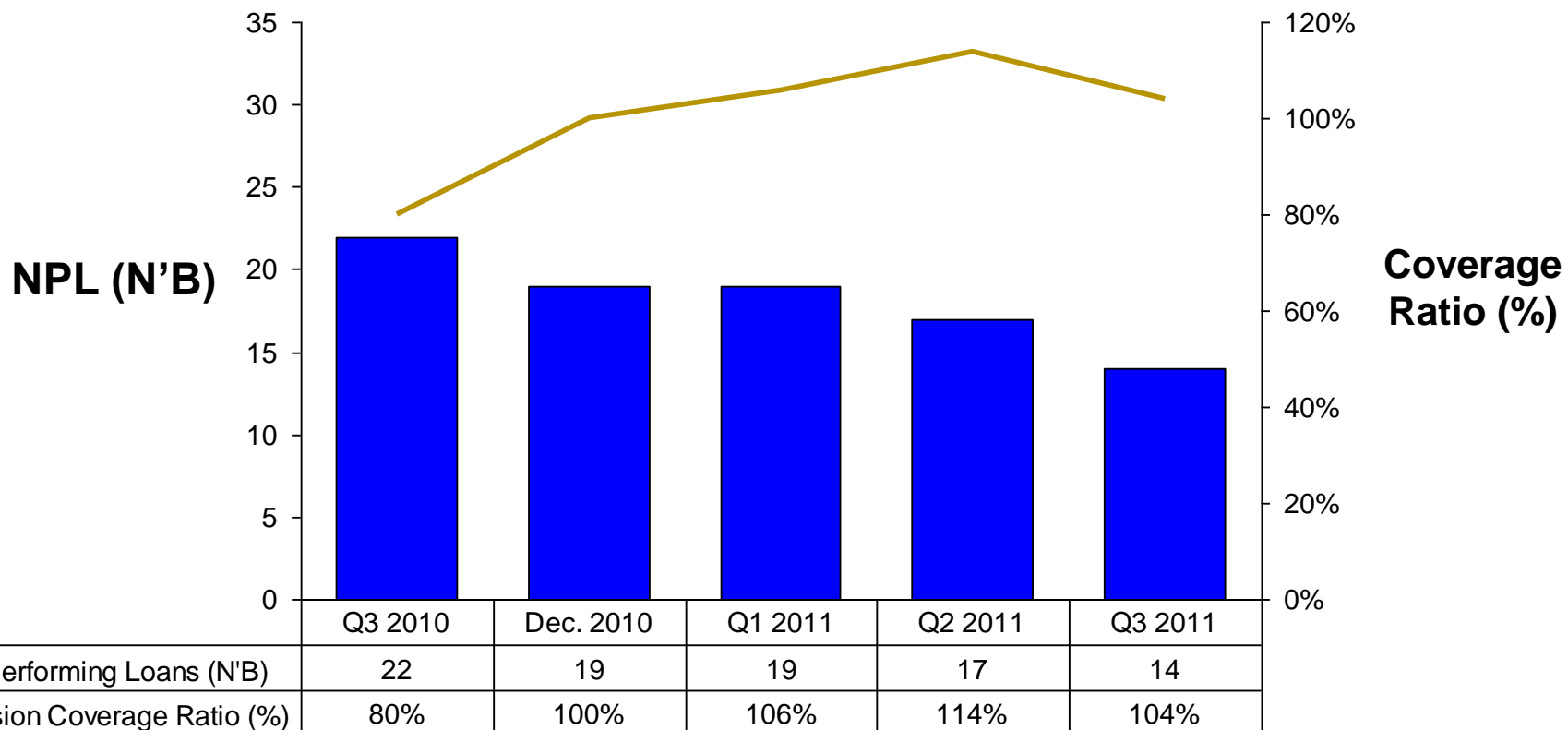


Notes:

1. The graph excludes sectors with NPLs less than 0.5%

Full coverage for NPLs

Coverage Ratio Analysis (Q3 2010 – Q3 2011)



■ Non Performing Loans (N'B)
 — Provision Coverage Ratio (%)

Outline

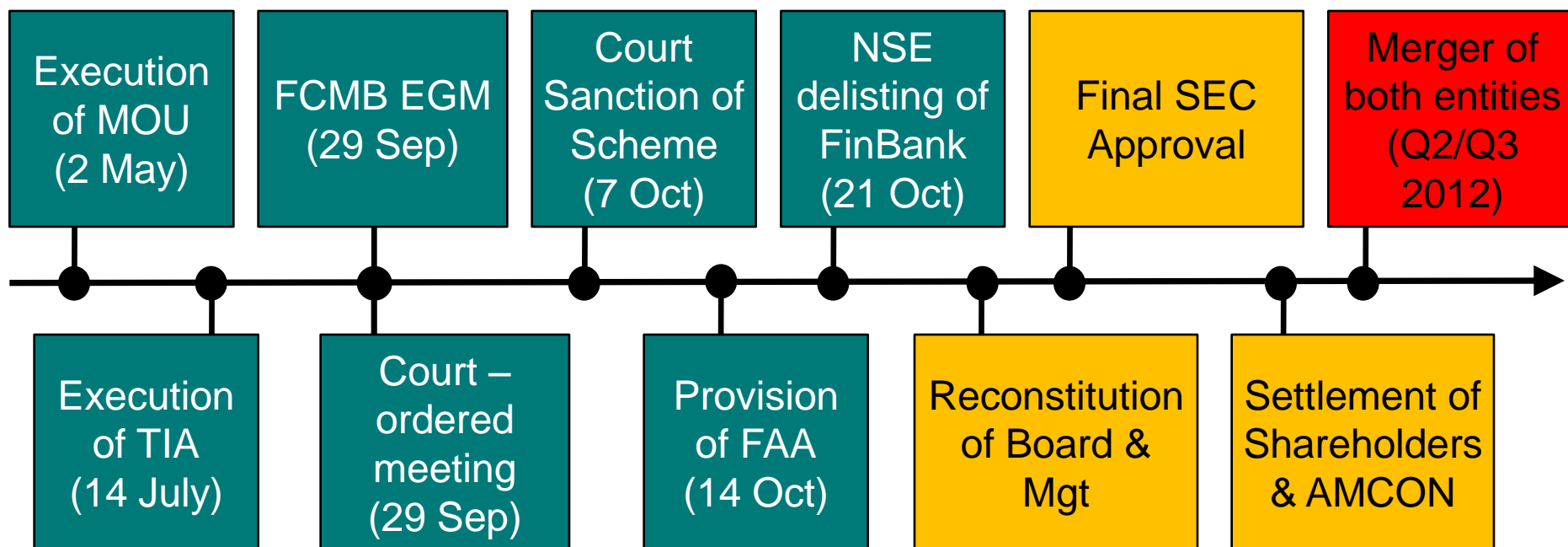
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An EPS accretive acquisition

Strategic acquisition	<ul style="list-style-type: none"> ▶ Doubling of retail and commercial customers to ~1.2 Million ▶ Access to a growing base of mobile payment (FlashMeCash) customers (customer pool ~300k) ▶ Enhance Transaction Service offerings through mobile banking and alternate channels banking proposition ▶ Cross-sell opportunities ▶ Distribution advantage: >100% increase in branch network
Significant financial upside	<ul style="list-style-type: none"> ▶ Financial Leverage: up to 50% ▶ Cost synergies: > 30% ▶ Revenue synergies ▶ LDR: 32% drop from 85% to 64% ▶ Liquidity: 59% increase from 54% to 86% ▶ Proceeds from disposal of subsidiaries
Limited shareholder dilution	<ul style="list-style-type: none"> ▶ Max shareholder dilution = 2%
Accelerated synergy	<ul style="list-style-type: none"> ▶ Merger in 2012

Key transaction milestones have been achieved, including shareholder and regulatory approvals

Key Transaction Milestones



■ Concluded

■ Commenced, in progress

■ Not yet commenced

Total assets & contingents of ~N1.1 trillion

Illustrative Proforma Balance Sheet – Sept 2011

N'million	<u>FCMB</u>	<u>FinBank</u>	<u>Pro-Forma</u>
Cash and balances with central bank	35,206	21,019	56,225
Due from other banks & financial Institutions	46,698	10,000	56,698
Short term Investments	18,000	10,408	28,408
Loans and advances	321,835	34,167	356,002
Investment securities	151,014	83,905	388,093 (1)
Long Term Investment	277	9,635	9,911
Other Assets	18,511	8,408	26,919
Property and equipment	19,556	10,323	29,878
Total Assets	611,097	187,865	952,134
Deposits	370,977	172,299	543,277
Due to other banks & financial institutions	256	47,081	47,337
Other Liabilities	82,133	21,171	150,881 (2)
Borrowings	20,747	59,171	29,918 (3)
Total Liabilities	474,113	299,722	771,413
FAA Adjustments			43,717
Capital and Reserves	136,984	(111,857)	136,984 (4)
Acceptances and Guarantees	126,740	37,561	164,301

Amounts accurate within ± 5%

~N1.1trn

Source: Company data

Note: Numbers are Group for FCMB, and Bank for FinBank

(1) Adjusted by N153B, being the face value of AMCON bonds of ~N226B received, less face value of ~N73B (discounted value N50B) used to repay the CBN facility (2) Includes unearned income on AMCON Bonds (3) Adjusted for CBN loan repayment for N50bn; (4) Adjusted for reduction of FinBank's entire capital to zero as contemplated by the transaction

Healthy financial ratios and growth potentials

Proforma Statistics

Description	FCMB	FCMB + FinBank
Number of Branches	149	333
No of Customers	635,200	1,186,700
No of Mobile Banking/Payments Customers	~4,000	~304,000

Description	FCMB	FCMB + FinBank
Loan to Deposit Ratio	87%	66%
Liquidity Ratio	55%	87%
Leverage	4.5x	7.0x
Capital Adequacy	30%	26%
Shareholder Dilution		<2%

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Outlook

- ▶ Recent regulatory policies putting pressure on margins
- ▶ However, earnings momentum to be sustained by quickly re-pricing risk assets; and growing loans and transaction income
- ▶ Investment banking momentum expected to be sustained by deal pipeline in the debt market
- ▶ Transaction close for FinBank acquisition (including settlement) imminent