



FCMB Group Plc announces a Profit before Tax of N5.8 billion for the first quarter, ended 31 March 2015, up 4% from prior year

LAGOS, NIGERIA – 27 APRIL 2015: FCMB Group Plc (Bloomberg: **FCMB**) (“FCMB Group”) announced its Unaudited IFRS-Compliant Group Results, for the first quarter ended 31 March 2015.

Financial Performance Highlights:

Earnings Analysis:

- ❖ Profit before tax (PBT) of N5.8 billion for the first quarter 2015, up 4% from N5.6 billion for the first quarter 2014.
- ❖ Net interest income of N18.1 billion, for the three months ended March 2015, an increase of 8% Year-on-Year (YoY), from N16.7 billion for the same period prior year.
- ❖ Non-interest income of N6.16 billion, for the first quarter 2015, an increase of 9% YoY from N5.63 billion, for the first quarter 2014.
- ❖ Operating expenses up 6% YoY to N16.5 billion, for the three months ended March 2015, from N15.5 billion for the same period prior year.

Financial Position:

- ❖ Loans and advances up 18% YoY to N582.2 billion in March 2015 (N493.7 billion in March 2014), down 6% Year-t-date (YTD) (N618.0 billion in December 2014).
- ❖ Total assets up 20% YoY to N1.19 trillion in March 2015 (N992.4 billion in March 2014) and up 2% YTD (N1.17 trillion in December 2014).
- ❖ Customer deposits up 11% YoY to N759.6 billion in March 2015 (N687.3 billion in March 2014) and up 4% YTD (N733.8 billion in December 2014).

Key Ratios

- ❖ Capital adequacy ratio – 21.7% (19.1% for first quarter 2014).
- ❖ Liquidity ratio – 41.0% (33.3% for first quarter 2014).
- ❖ Loan to Deposit Ratio – 76.6% (71.8% for first quarter 2014).
- ❖ Cost to Income Ratio – 68.1% (69.4% for first quarter 2014).
- ❖ Low-cost deposit mix – 60.5% (74.8% for first quarter 2014).
- ❖ Earnings per share – 107k (97k for first quarter 2014).

Commentary:

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

“The business environment in the first quarter was subdued by the political activities and a degree of uncertainties which have largely cleared-out. The monetary stance remains tight with inflation creeping up to 8.5% as at the end of March; broad money supply, M2, annualised, contracted by 10.23%

It is against this background that we report first quarter growth in gross revenue and profit after tax of 16% and 9% and in actual terms, N39.3 billion and N5.3 billion respectively. While return on average



equity fell by 2.1% year-on-year, we expect this to recover in the subsequent quarters based on strong capital and liquidity positions.”

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

“The activities of the Commercial and Retail Banking Group resulted in a 15% YoY growth in revenues, though profit after tax grew by a modest 4% YoY. This was partly due to a decline in non-interest income, as a result of further reduction in our maximum COT rate to 0.1%, low government revenues which affected risk asset growth, as well as a generally slow pre-election period. Notwithstanding, our balance sheet size grew 2% Quarter on Quarter (QoQ) and 20% YoY, our capital management and liquidity metrics improved in 1Q15, standing at 19% and 41%, respectively, and OPEX grew below inflation rate as a result of cost optimisation initiatives. 1Q15 also saw a 12% YoY and 4% QoQ growth in our total deposits, with funding from individuals and small businesses (which make up our retail division) now accounting for 53% of total deposits and growing 32% YoY and 5% QoQ. On the loans side, our retail portfolio grew 27% (N45bn) YoY and, as at March 2015, although corporate loans still dominate the loan book, almost one-third of all loans were issued to individuals & small businesses.

It is also noteworthy that, this month, we unveiled our new corporate identity which we’ll be rolling out comprehensively across the network over the next quarter. The new identity is a reflection of where we are as a business today and where we are going. It is not only about a change of colours and the revised logo shape, it is also about a series of transformative steps that we have taken over the years to build a robust financial services group with a strong retail business at its core. The results of this transformation include, the accelerating rate of customer acquisition (50,000 monthly), loan growth (20,000 monthly, with over 2,000 to women owned micro-enterprises) and mobile/ internet banking registration (70,000 monthly) and much more. While we anticipate the first half of 2015 will be a challenging period, we are confident that the increased diversification, healthy margins and high growth characteristics of our emerging retail banking activities, will complement our traditional areas of corporate and investment banking to deliver respectable performance even in difficult periods.”

Conference Call & Webcast for Results

FCMB Group Plc (Bloomberg: FCMB) will be hosting a teleconference call and webcast for analysts and investors on **Tuesday 28 April at 15.00 Lagos & 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 first-quarter ended 31 March 2015 and respond to questions from investors and analysts.

The teleconference call facility can be accessed by dialling:

Nigeria Access Number: +234 (0) 708 060 1876
UK Access Number: +44 (0) 203 427 0502
USA Access Number: +1 646 254 3368
South Africa Access Number: +27 11 019 7080



And then entering the following confirmation code: 2129016

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

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.fcmbgroupplc.com/index.php/investor-relations>

Webcast access on mobile devices - QR code:

For access to the live and On-Demand version of the webcast from mobile devices running iOS and Android:



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.fcmbgroupplc.com/index.php/investor-relations> from 10.00 Lagos & London on Tuesday 28 April.

For those who are unable to listen to the live call, the recording of the webcast will be available under 'Financial Results – 2015' by clicking on the 'Financial Information' tab on FCMB's Investor Relations website, which can be accessed by clicking on <http://www.fcmbgroupplc.com/index.php/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 28 April.

For further information, please contact:

Ori Rewane: Head - Investor Relations, FCMB Group Plc

Tel: +234 (0) 1 279 3030 and +234 (0) 1 279 30 33

Email: orighoye.rewane@fcmb.com

Patrick Iyamabo: Chief Financial Officer, FCMB Group Plc

Email: patrick.iyamabo@fcmb.com



OR institutionalinvestorrelations@fcbm.com

– ENDS –

Notes to editors:

About FCMB Group Plc

FCMB Group Plc's roots date back to 1977, with the formation of City Securities Limited (CSL), a stockbroking and issuing house and registrar business. CSL rapidly climbed the league of issuing houses and brokers between 1977 and 1982, handling the listings and initial public offers of many of the leading blue-chip companies on the Nigerian Stock Exchange (NSE). First City Merchant Bank Limited was established in 1982 with seed capital from the success of CSL. It began operations as a licensed deposit taker and merchant bank on 11 August 1983 assuming the corporate finance and issuing house activities of CSL and becoming the first Nigerian merchant bank to be established without government or international support. First City Merchant Bank Limited soon became a leading merchant bank in Nigeria, as measured by profitability, and, in 2000, the first and only merchant bank to achieve N1 billion profit. With the advent of universal banking in 2001, First City Merchant Bank Limited converted into a universal bank. It changed its name to First City Monument Bank Limited and commenced commercial banking activities, while its corporate finance activities were spun-off into a new subsidiary – FCMB Capital Markets Limited.

In 2004, the bank changed status from a private limited liability company to a public limited liability company, and was listed on the NSE in December of that year. In 2010, the Central Bank of Nigeria (CBN) issued Regulation 3 (Scope of Banking Activities and Ancillary Matters, No. 3, 2010), which required banks to divest their non-banking businesses or retain them under a CBN-approved financial group structure. As a result of this reorganisation, the newly created FCMB Group Plc became the holding company, with First City Monument Bank Plc (FCMB Plc), CSL Stockbrokers Limited (CSLS) and FCMB Capital Markets Limited (FCMB-CM) as direct subsidiaries. Shareholders of FCMB Plc were also migrated to FCMB Group Plc via a one-for-one share exchange between FCMB Group Plc and FCMB Plc. FCMB Plc, the bank, was thereafter re-registered as a limited liability company, becoming First City Monument Bank Limited (FCMB Limited). In 2014, CSL Trustees Limited also became a direct subsidiary of FCMB Group Plc.

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 523,530 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 vision is to be 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 2.7 million customers and 248 branches and cash-centres spread



FCMB GROUP PLC

RC No: 1079631

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.fcmbgroupplc.com

FCMB Group Plc, First City Plaza, 44 Marina, Lagos, Nigeria.

Tel: +234 (0) 1 279 3030 and +234 (0) 1 279 30 33.