



9M 2018

INVESTORS & ANALYSTS PRESENTATION

5 DECEMBER 2018





AUM	Assets Under Management
CAR	Capital Adequacy Ratio
CIR	Cost to Income Ratio
CRB	Commercial & Retail Banking
CRR	Cash Reserve Ratio
FCAM	First City Asset Management Ltd
FCMB CM	FCMB Capital Markets Ltd
FCY	Foreign Currency
FX	Foreign Exchange
LCY	Local Currency
N/A	Not Applicable/ Not Available
NII	Non Interest Income

NIM	Net Interest Margin
NPL	Non Performing Loan
OPEX	Operating Expenditure
PAT	Profit After Tax
PBT	Profit Before Tax
QoQ	Quarter-on-Quarter
ROA	Return on Average Assets
ROE	Return on Average Equity
SME	Small & Medium Enterprises
YoY	Year-on-Year
YTD	Year to Date

AGENDA

Introduction

9M 2018 Results Overview

Group Performance Review:

- Commercial & Retail Banking
 - Performance Review
 - Risk Management Review
- Asset & Wealth Management
- Investment Banking

Looking Ahead





Introduction:

Mr. Ladi Balogun

Group Chief Executive: FCMB Group Plc

FCMB Group Plc



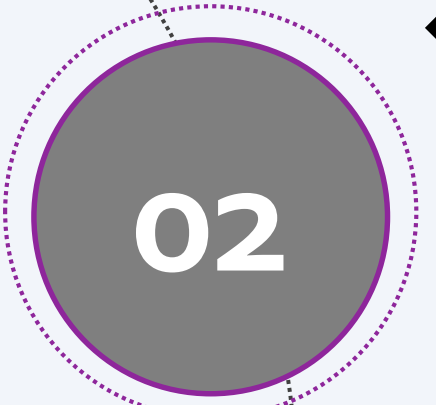


Strategic Themes



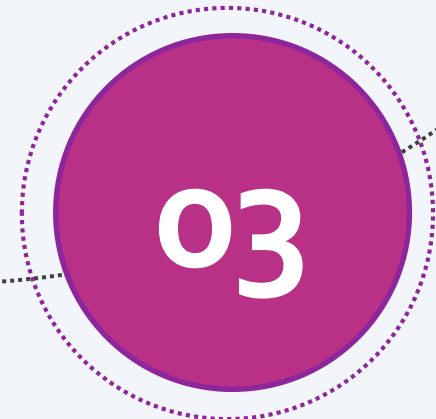
Building Resilience:

- ❖ Strengthening Liquidity (40.6% for 2Q18 vs. 50.5% for 3Q18).
- ❖ Capital Adequacy Ratio stood at 18.1% as at 3Q18 vs. 17.3% as at 2Q18, due to IFRS 9 adjustments, but will resume growth in 4Q18 and through 2019 via retained earnings and a tier 2 raise, if necessary.



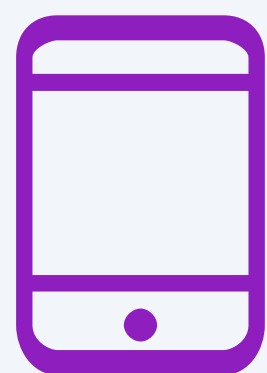
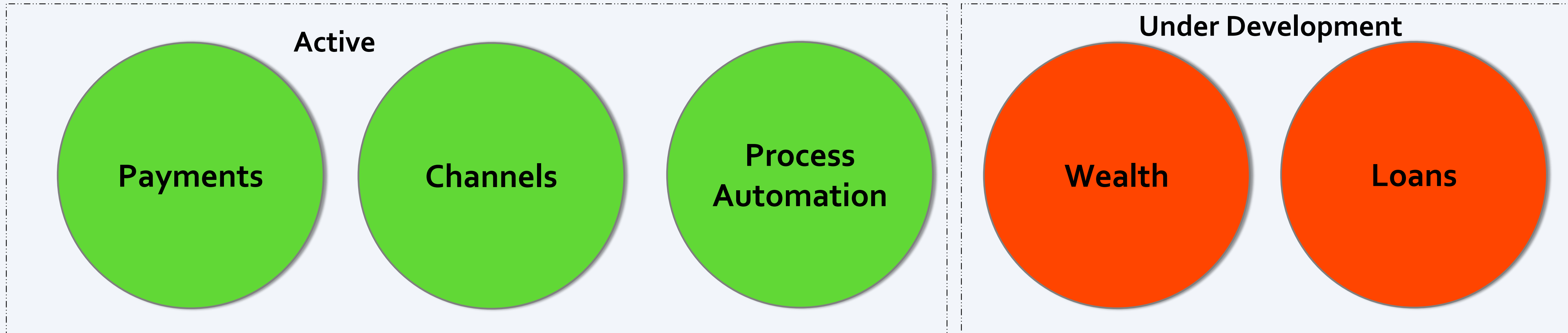
Diversification:

- ❖ **Geography:** UK and Nigeria. FCMB UK is growing profitably - through FI lending/trade finance across 8 African countries - recording a YoY profit growth of 103% from N185.7m to N376.5m for 9M18.
- ❖ **Currency:** 52% of loans and around 40% of capital is in FCY.
- ❖ **Customers:** Customer growth 4.8% QoQ to 4.7 million as at September 2018.
- ❖ **Loans:** 16% Personal and micro-loans contribution to total loan book.
- ❖ **Products/Business:** Business has evolved from a wholesale bank, incubating a retail business, to a retail banking and asset management-led financial services group. Asset management accounts for 10% of group profit.



Innovation:

- ❖ Primarily digital and channel innovation (agency and partnerships).
- ❖ 500 agents, partnerships across travel/ airlines, education, health, agribusiness and technology companies.

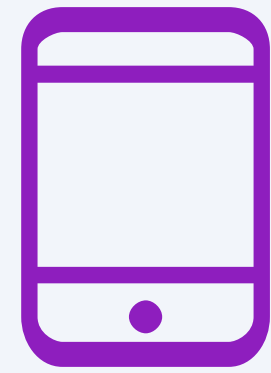


Digital Financial Services

Focal Areas

Result:

- ❖ Improving Cost to Income Ratio
- ❖ Better Unit Economics (cost to serve & cost to acquire)
- ❖ More Customers
- ❖ CASA Growth
- ❖ Improved Fees & Commissions

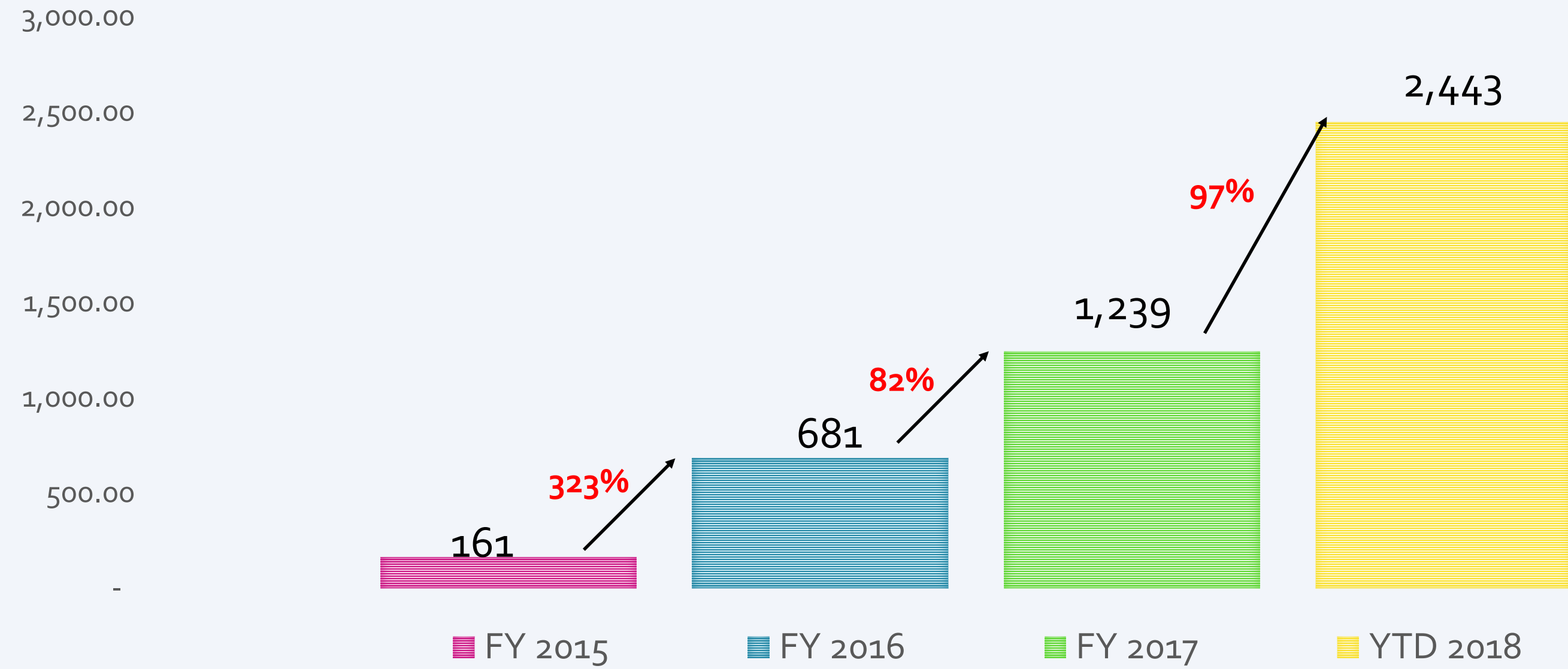


Digital Financial Services

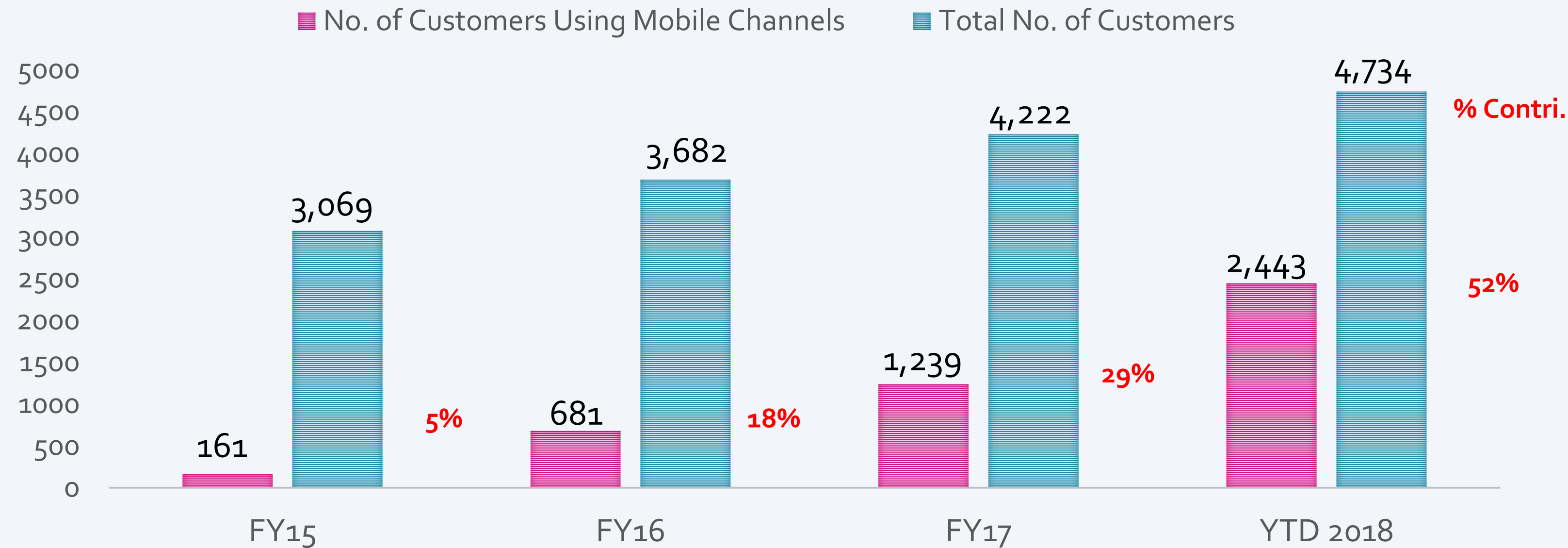
Mobile Customers Analysis

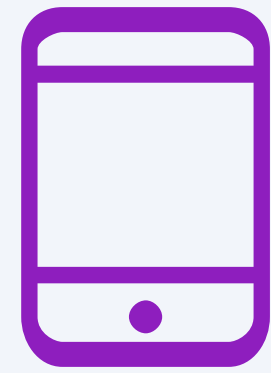
Strong Customer Acquisition and migration to digital channels for transactional purposes and increased cost savings

CUSTOMERS USING MOBILE CHANNELS ('000) - YOY



CUSTOMERS USING MOBILE CHANNELS VS. TOTAL NO. OF CUSTOMERS ('000) - YOY



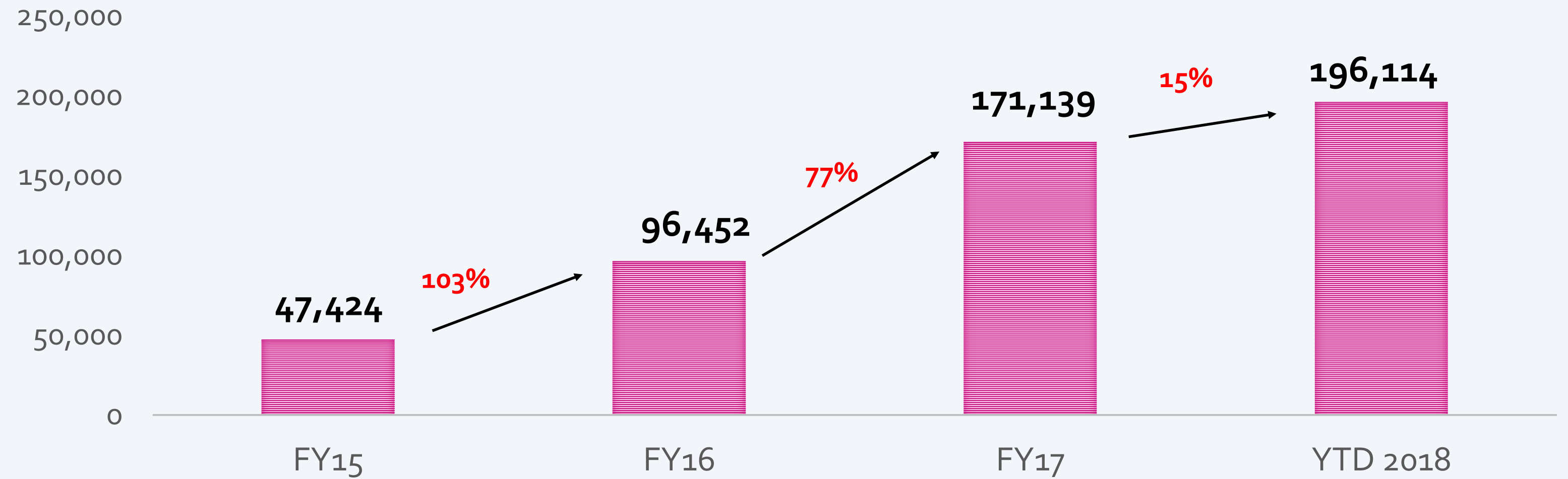


Digital Financial Services

POS Transactions Analysis

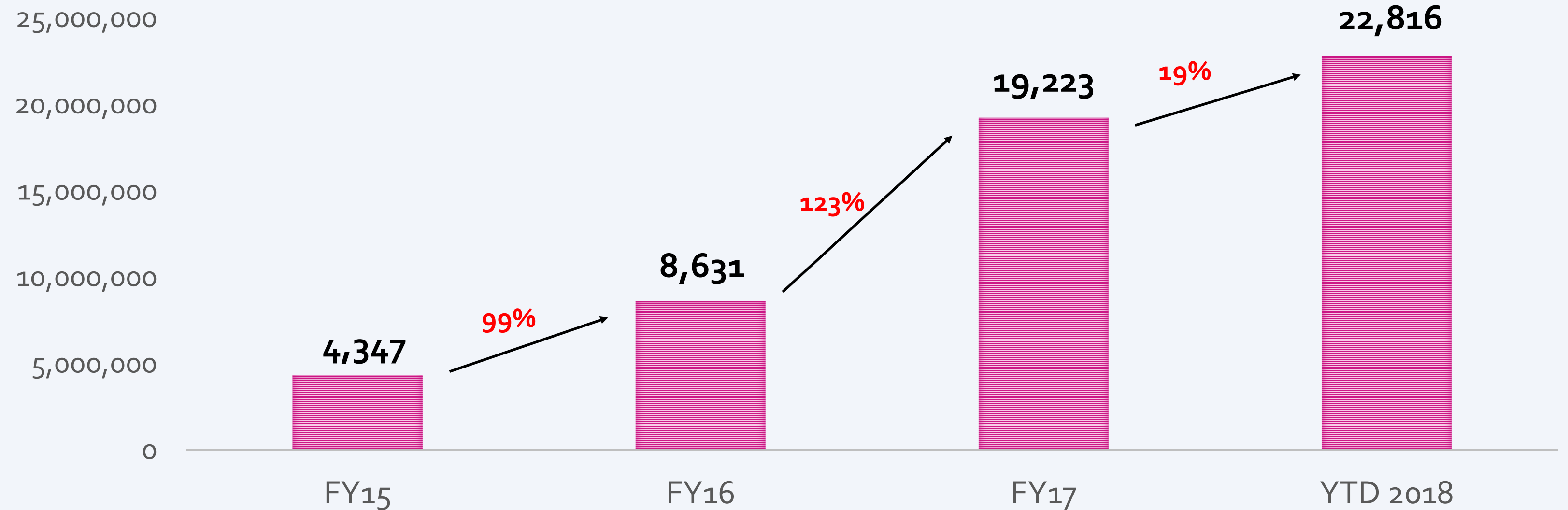
POS TRANSACTIONS - YOY

Value (N'M)



POS TRANSACTIONS - YOY

Transaction Count (N'ooo)





9M18 Results Overview:

FCMB Group Plc

Mr. Kayode Adewuyi
Chief Financial Officer: FCMB Group Plc





Group Performance Highlights

ROaE and Cost to Income improved significantly QoQ and YoY, driven by growth in Non-Interest Income and improved Cost of Risk. Increase in NPL is adequately covered under IFRS 9

Performance Index		1Q18	2Q18	3Q18	%Δ QoQ	9M17	9M18	%Δ YoY
Operating	Return on Average Equity	5.7%	6.9%	12.1%	75.5%	4.0%	8.2%	106.1%
	Return on Average Assets	0.8%	1.0%	1.8%	79.6%	0.6%	1.2%	103.7%
	Loan/Deposit Ratio	79.7%	81.2%	79.6%	-1.9%	103.0%	79.6%	-22.7%
	Loan/Funding Ratio	61.1%	60.9%	60.9%	-0.03%	73.7%	60.9%	-17.4%
	Cost/Income Ratio	68.6%	75.7%	56.6%	-25.2%	71.9%	65.9%	-8.3%
	Net Interest Margin	7.5%	7.9%	7.8%	-0.9%	7.7%	7.8%	1.5%
	NPL/Total Loans	5.3%	5.7%	5.1%	-10.3%	4.7%	5.1%	8.8%
	Coverage Ratio ¹	135.7%	148.5%	145.3%	-2.1%	107.4%	145.3%	35.3%
	NII/Operating Income	31.2%	32.6%	47.9%	46.8%	27.2%	38.3%	40.8%
	Financial Leverage	6.7	6.6	6.7	2.2%	6.4	6.7	5.4%
Cost of Risk	2.8%	0.8%	1.3%	56.9%	2.4%	1.6%	-33.0%	
Capital & Liquidity	Capital Adequacy Ratio	18.1%	17.3%	18.1%	4.6%	17.9%	18.1%	1.1%
	Liquidity Ratio	46.6%	40.6%	50.5%	24.5%	35.0%	50.5%	44.4%
Investment	Share Price	2.38	2.18	1.70	-22.0%	1.07	1.70	58.9%
	NAV(N'B)	176.5	177.0	178.9	1.1%	183.1	178.9	-2.3%
	EPS (Kobo)	13.1	15.9	28.4	78.9%	27.6	57.3	107.4%
Others	Opex (N'B)	17.7	19.7	19.5	-1.0%	49.3	56.9	15.4%
	Risk Assets (net) (N'B)	595.8	586.0	601.9	2.7%	655.5	601.9	-8.2%
	Customer Deposits (N'B)	747.7	721.3	755.9	4.8%	636.3	755.9	18.8%

Note:

1. Inclusive of regulatory risk reserve.



FCMB's Operating Companies' Contribution to Profitability:

Commercial & Retail Banking remains the dominant contributor. However, the group drives shareholders value from growth in ROaE in Asset & Wealth Management

N'm	PBT	PAT	Size of revenue	ROAE	NAV	% Contribution to Group PBT
<i>Commercial & Retail Banking¹</i>	11,979	9,074	126,905	7.2%	162,460	81%
<i>Asset & Wealth Management²</i>	1,434	1,007	2,934	29.7%	4,663	10%
<i>Investment Banking³</i>	281	187	1,264	7.5%	3,393	2%
<i>FCMB Group Plc (Separate)</i>	1,074	1,074	2,032	n/a	128,858	7%
FCMB Group Plc (consolidated)	14,767	11,341	132,875	8.2%	178,942	100%

Notes:

1. Includes FCMB Microfinance Bank Ltd, Credit Direct Ltd and FCMB (UK) Ltd.
2. Includes Legacy Pension Managers; FCAM and CSL Trustees Ltd
3. Includes CSL Stockbrokers (ex FCAM) and FCMB Capital Markets Ltd.



Group Statements of Comprehensive Income

PBT improved QoQ and YoY driven by growth in Non-Interest Income and reduction in Impairment Charge. Although OPEX declined QoQ, it grew YoY due to increase in AMCON charges, brand awareness and expenses on alternate channels development

N'm	1Q18	2Q18	3Q18	%Δ QoQ	9M17	9M18	%Δ YoY
Revenue	42,171	41,753	48,950	17.2%	118,816	132,875	11.8%
Interest Income	32,649	31,661	31,107	-1.7%	96,277	95,417	-0.9%
Interest Expense	-14,898	-14,143	-13,141	-7.1%	-46,375	-42,182	-9.0%
Net Interest Income	17,751	17,518	17,966	2.6%	49,902	53,235	6.7%
Non Interest Income	8,058	8,479	16,492	94.5%	18,625	33,029	77.3%
- Net Fees & Commissions	4,788	5,146	5,526	7.4%	11,738	15,460	31.7%
- Trading Income	1,754	565	2,262	300.2%	1,726	4,581	165.5%
- FX Income	941	2,001	7,448	272.3%	1,032	10,390	906.8%
- Others	576	767	1,255	63.7%	4,129	2,598	-37.1%
Operating Income	25,810	25,997	34,458	32.5%	68,526	86,264	25.9%
Operating Expenses	-17,700	-19,668	-19,501	-0.8%	-49,304	-56,870	15.3%
Net impairment loss on loans	-4,598	-1,277	-2,095	64.1%	-12,278	-7,971	-35.1%
Other impairment loss	-255	-1,203	-5,199	332.3%	-375	-6,656	1672.8%
Net gains/(losses) from fin. instruments at fair value	-	-	-	n/a	103	-	-100.0%
Share of Post tax result of Associate	-	-	-	n/a	168	-	-100.0%
PBT	3,256	3,848	7,662	99.1%	6,841	14,767	115.9%
PAT	2,586	3,140	5,615	78.9%	5,469	11,341	107.4%



Group Statements of Financial Position

Total assets grew QoQ and YoY supported by 19% YoY growth in deposits, while QoQ loan growth QoQ was partially due to increase in FX revaluation rate

N'm	Sep. 2017	Mar. 2018	June. 2018	Sept. 2018	% Δ QoQ	% Δ YoY
Cash and cash equivalents	120,031	172,785	136,340	154,849	13.6%	29.0%
Restricted reserve deposits	89,547	118,710	128,096	134,081	4.7%	49.7%
Loans and advances	655,463	595,823	585,982	601,852	2.7%	-8.2%
Non Pledged trading assets	14,228	32,600	28,466	41,086	44.3%	188.8%
Investments	109,031	190,340	201,526	203,300	0.9%	86.5%
Assets pledged as collateral	80,863	57,496	62,951	70,334	11.7%	-13.0%
Investment in associate	869	0	0	0	n/a	-100.0%
Intangible assets	9,769	14,797	14,959	15,295	2.2%	56.6%
Deferred tax assets	7,974	8,234	8,234	8,259	0.3%	3.6%
Other assets	18,469	34,796	27,598	30,611	10.9%	65.7%
Fixed assets	31,633	33,333	34,433	35,357	2.7%	11.8%
Total Assets	1,137,877	1,258,914	1,228,584	1,295,024	5.4%	13.8%
LIABILITIES:						
Trading Liabilities	7,712	24,840	9,682	27,671	185.8%	258.8%
Customer deposits	636,276	747,694	721,286	755,891	4.8%	18.8%
Deposits from banks	22,196	14,487	34,900	28,708	-17.7%	29.3%
Other liabilities	58,264	82,689	79,764	99,841	25.2%	71.4%
Borrowings	116,752	109,830	97,595	95,595	-2.0%	-18.1%
On-lending facilities	57,125	46,054	53,561	51,762	-3.4%	-9.4%
Debt securities issued	56,470	56,788	54,781	56,613	3.3%	0.3%
Shareholders' funds	183,082	176,532	177,014	178,942	1.1%	-2.3%
Liabilities and Shareholder Equity	1,137,877	1,258,914	1,228,584	1,295,024	5.4%	13.8%
Acceptances & Guarantees	138,362	174,340	209,786	181,073	-13.7%	30.9%

Group Performance Review:

Mrs. Yemisi Edun
(Chief Financial Officer: FCMB Ltd)

Commercial & Retail Banking





9M18 Results Overview



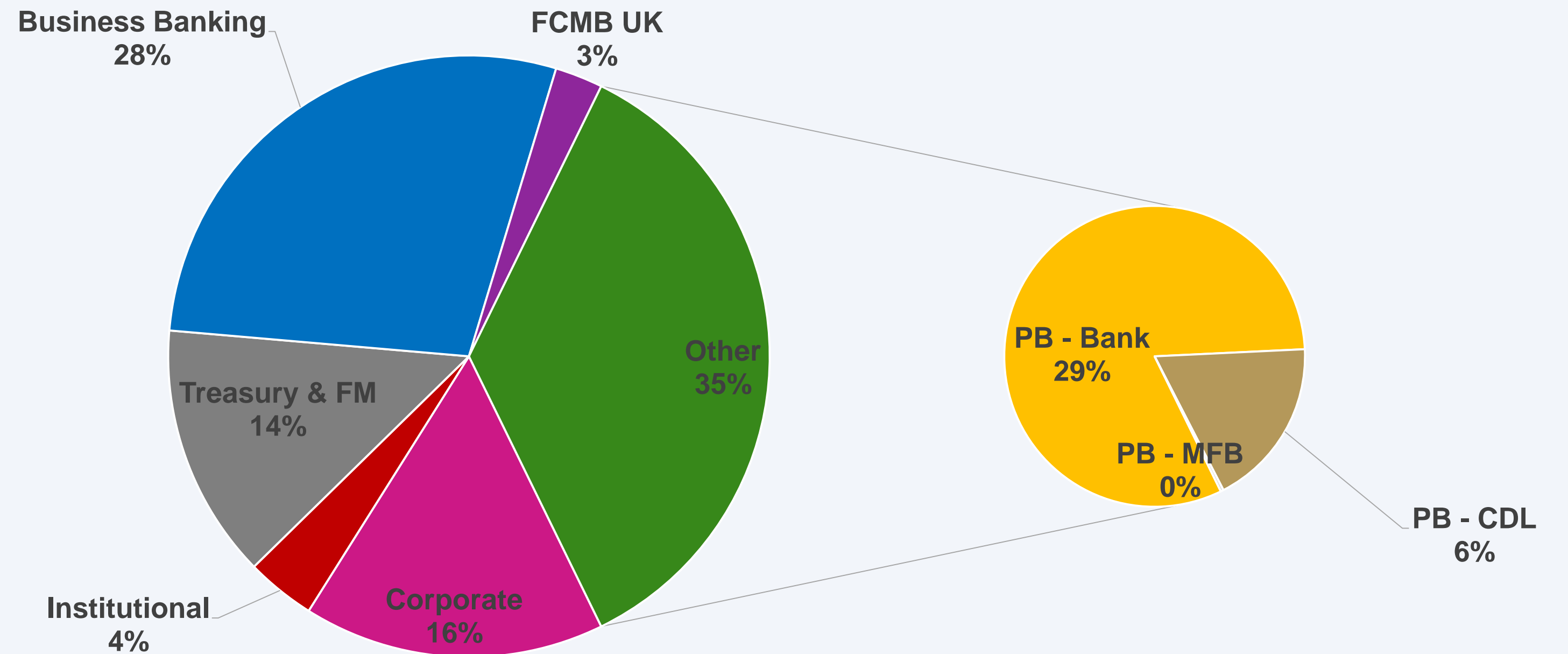
Commercial & Retail Banking Performance Review

1Q18 - 3Q18 & 9M17 vs. 9M18

N'bn	1Q18	2Q18	3Q18	%Δ QoQ	9M17	9M18	%Δ YoY
Revenue	40.1	39.7	47.0	18.3%	117.0	126.9	8.5%
Net Interest Income	17.4	17.2	17.6	2.5%	48.8	52.3	7.0%
Non Interest Income	6.3	6.7	14.9	120.3%	17.4	28.0	60.2%
Net impairment loss on loans	(4.6)	(1.3)	(2.1)	-64.4%	(12.5)	(8.0)	36.3%
Operating Expenses	16.66	18.53	18.35	-0.9%	47.55	53.53	12.6%
PBT	2.2	2.9	6.9	136.2%	5.9	12.0	103.5%
Risk Assets (net) (N'B)	610.19	585.43	601.13	2.7%	654.87	601.13	-8.2%
Customer Deposits (N'B)	749.36	725.04	758.72	4.6%	642.70	758.72	18.1%
CIR	70.3%	77.4%	56.5%	-27.0%	71.7%	66.8%	-6.8%
NIM	7.6%	7.6%	8.2%	7.1%	7.6%	8.1%	7.7%
Cost of funds	6.4%	6.1%	5.5%	-9.3%	6.7%	5.9%	-11.3%
Loan/Funding Ratio	62.3%	60.5%	60.5%	0.0%	72.9%	60.5%	-17.1%
Loan/Deposit Ratio	76.7%	75.2%	74.2%	-1.4%	93.6%	74.2%	-20.7%
Capital Adequacy Ratio	17.4%	17.3%	17.05%	-1.4%	17.9%	17.05%	-5.0%
Liquidity Ratio	46.6%	40.6%	50.5%	24.4%	35.0%	50.5%	44.5%
NPL/Total Loans	5.9%	5.7%	5.1%	-10.4%	4.7%	5.1%	9.9%

- 136.2% increase in PBT from N2.9bn in 2Q18 to N6.9bn for 3Q18. 103.5% YoY growth in PBT was largely due to growth in non-interest income.
- Net interest income increased by 2.5% QoQ and 7.0% YoY, largely due to reduction in cost of funds from growth in low-cost deposits;
- Non interest income increased 120.3% QoQ to N14.9bn for 3Q18 from N6.7bn in 2Q18, driven by revaluation gains and mobile banking income;
- Overhead costs increased by 12.6% YoY, largely attributable to additional AMCON charge and litigation claim expenses;
- CAR and liquidity remain strong and above regulatory thresholds at 17.05% and 50.5% respectively;
- Risk assets grew by 2.7% QoQ, though they declined 8.2% YoY.

Net Revenue by Business Segment



Commercial & Retail Banking Performance Review

9M18 Segment & Subsidiary Highlights

Personal Banking

- Contributing 35%, it continues to be a major contributor to net revenue, as our retail-led strategy continues to yield positive results through alternate channels and Digital Banking initiatives like USSD*329.
- Deposit growth of N40.68bn, majorly from low-cost deposits, was driven by strong customer acquisition, growth and retention of deposits from existing customers.
- The segment grew customer base by 612,857 from 3,799,319 in Sept. 17 to 4,412,176 in Sept. 18 representing a growth of 16% YoY with alternate channels acquisition contributing 16% of the total growth.

Business Banking

- Contributed 28% to net revenue, a 13.4% YoY improvement, driven majorly by improvements in non-Interest income.
- The key growth driver of non-interest income is commissions on payment services.
- 26,571 new customers had been acquired as at 9M18 vs. 25,533 new customers as 9M17.

Corporate Banking

- Corporate banking contributed 16% to net revenue. This business grew total deposits by 7% YoY from N106bn to N113bn.

Institutional banking

- Contributed 4% to net revenue and also recorded a 0.3% growth YoY but a 3.5% decline QoQ.

Subsidiaries Performance

- CDL recorded 98% growth YoY in PBT from N1.68bn in 3Q17 to N3.32bn in 3Q18.
- FCMB UK had a 102% YoY growth in PBT from N186m in 3Q17 to N377m in 3Q18.

N'm	1Q18	2Q18	3Q18	%Δ QoQ	9M17	9M18	%Δ YoY
Non Interest Income	6,345	6,747	14,863	120.3%	17,553	27,955	59.3%
Net Fees & Commissions	3,576	3,924	4,455	13.5%	10,831	11,954	10.4%
Trading Income	1,747	2,007	659	-67.2%	1,694	4,413	160.6%
FX Revaluation Gain	899	330	8,894	2595.2%	968	10,124	945.8%
Dividend Income	77	344	59	-82.8%	370	480	29.8%
Gain/ Loss from Fin. Instr	-	-	-	-	103	-	-100.0%
Others	47	142	795	458.2%	3,587	984	-72.6%



Commercial & Retail Banking Performance Review

Non-Interest Income Analysis:
1Q18 - 3Q18 & 9M17 vs. 9M18

- Net fees and commissions grew 10.4% YoY and 13.5% QoQ, as we recorded increased throughput on our alternate channels, service touch points and mobile platform;
- Trading income recorded growth of 160.6% YoY, which was propelled by FX trading income and yields from government-backed securities. It, however, declined 67.2% QoQ;
- There was a 945.8% YoY increase in FX revaluation gain, due to the adoption of NIFEX rate.
- Other non-interest income declined by 72.6% YoY due to non-reoccurrence of AMCON recoveries and gains from asset disposal recorded in HY17.

N' million	Sept. 2017	% DISTR.	June. 2018	% DISTR.	Sept. 2018	% DISTR.	% Δ QoQ	% Δ YoY
Interbank placements	18,483	2.20%	10,870	1.29%	12,352	1.44%	13.63%	-33.17%
Loans and advances to customers (gross)	674,684	80.34%	632,938	75.26%	648,858	75.44%	2.52%	-3.83%
Investments in government & corporate securities	146,572	17.45%	197,248	23.45%	198,857	23.12%	0.82%	35.67%
Total Earning Assets	839,739	100.00%	841,057	100.00%	860,067	100.00%	2.26%	2.42%



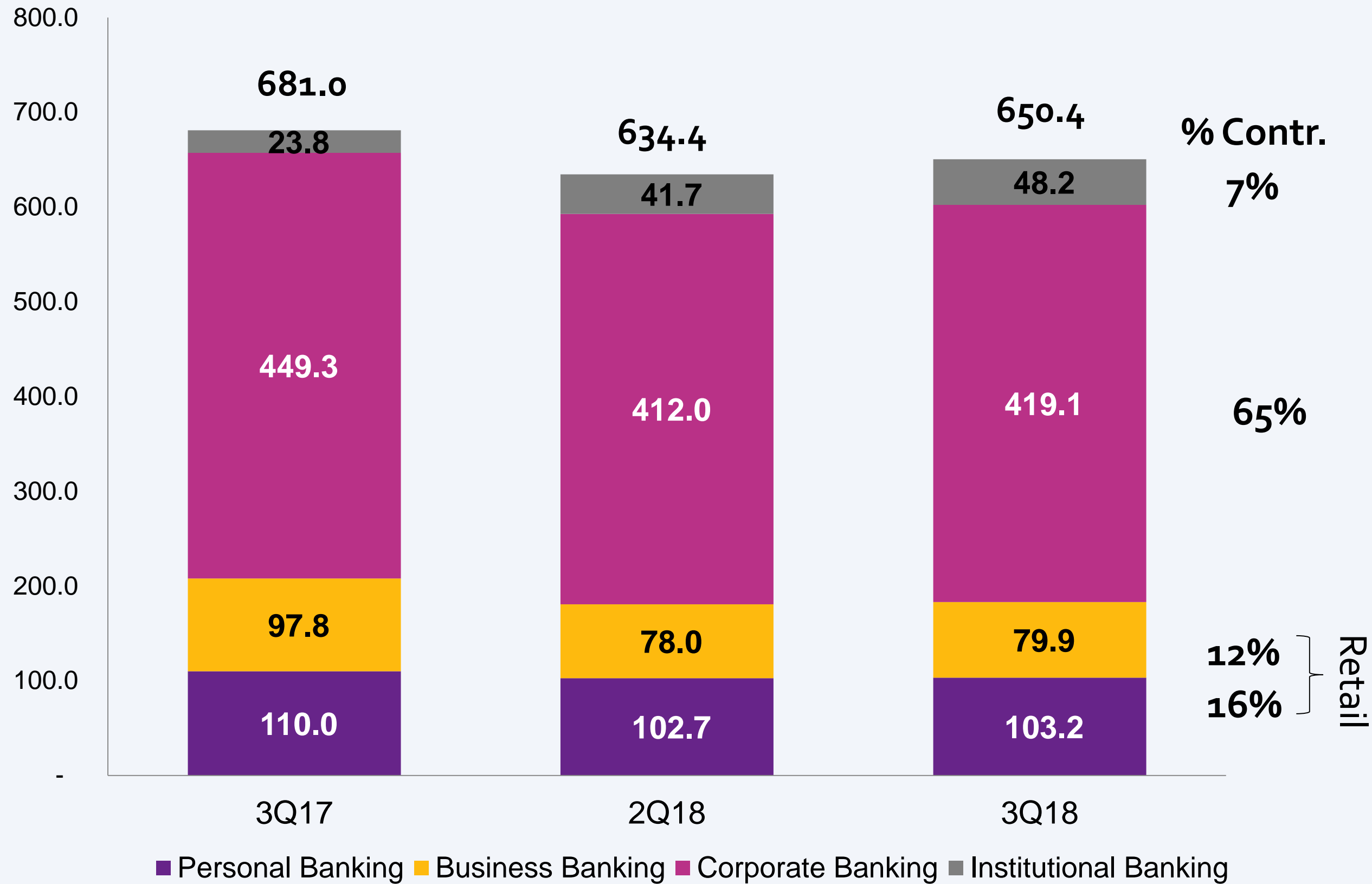
Commercial & Retail Banking Performance Review

- Overall, total earning assets increased by 2.26% and 2.42% QoQ and YoY, respectively;
- An improved liquidity profile saw 0.82% and 13.63% QoQ growth in government securities and interbank placements respectively;
- Loans and advances were the highest contributor in 3Q18 with a book size of N649 billion, representing 75.44%. However, contribution declined 4.60% YoY, as the bank experienced significant pay-downs in the oil & gas and real estate sectors.

Interest Income & Earnings Assets



9M18 Results Overview



Segment	% Δ QoQ	% Δ YoY
Personal Banking	0.4%	-6.2%
Business Banking	2.5%	-18.3%
Corporate & Commercial Banking	1.7%	-6.7%
Institutional Banking	15.6%	102.2%



Loans & Advances

Gross Loan Distribution by Segment
3Q17 vs. 2Q18 vs. 3Q18

- The Personal banking loan book grew 0.4% QoQ and dropped 6.2% YoY. Loan generation has continued to improve, resulting in a net growth and reducing the YoY decline from 11.2% reported in 1Q18. Loan growth is expected to continue in the 4th quarter in view of increased business opportunities in some sectors;
- Corporate banking also grew 1.7% QoQ in line with the forecast presented in 1Q18. Growth was seen in focused sectors like Agriculture and Manufacturing as well as few other sectors;
- Growth in Institutional banking was largely from our UK bank.

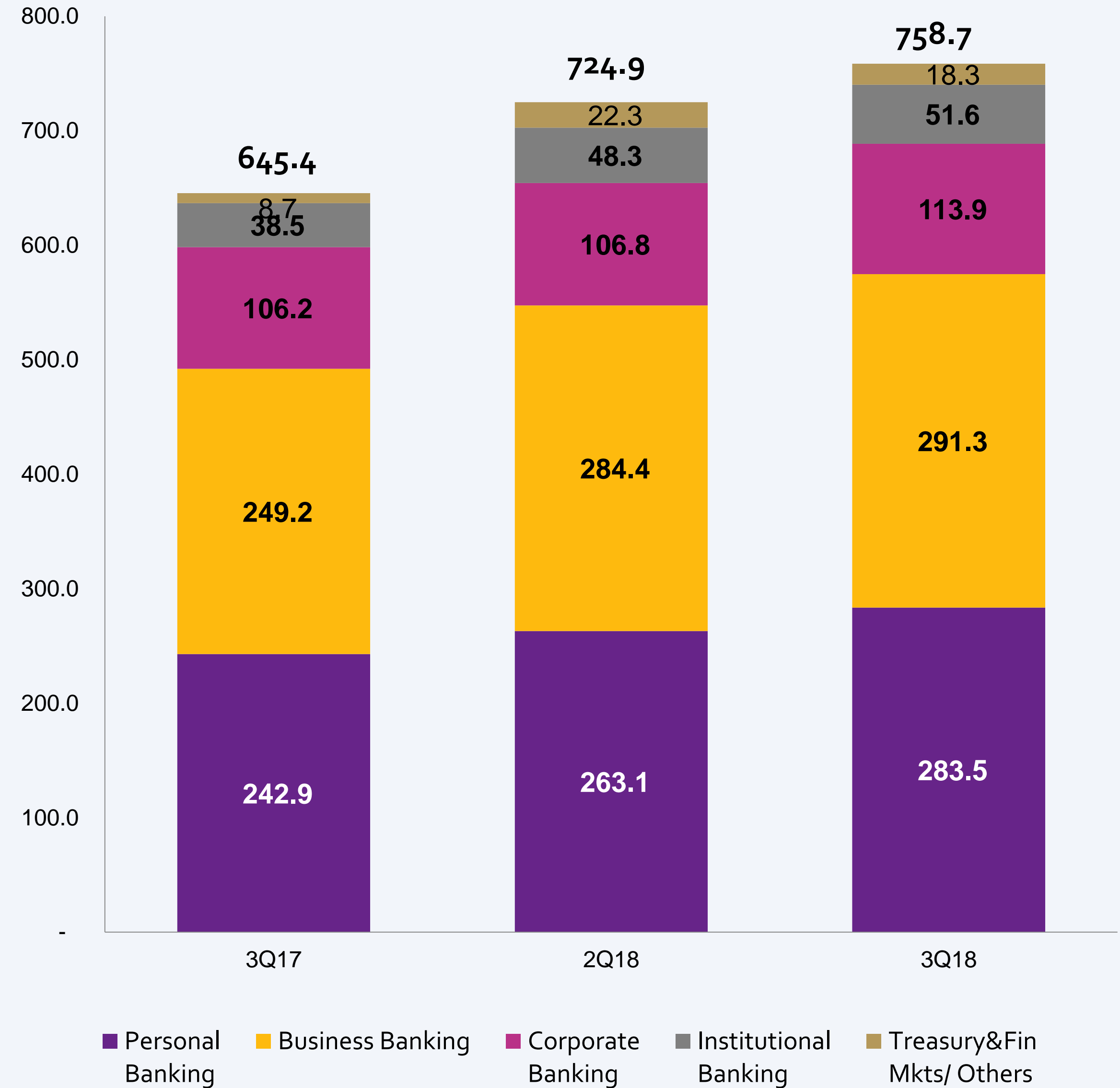
Segment	% Δ QoQ	% Δ YoY
Personal Banking	7.8%	1.7%
Business Banking	2.4%	17%
Corporate Banking	6.6%	7%
Institutional Banking	6.8%	34%
Treasury & Financial Mkts/ Others	-17.8%	110%



Deposits Analysis

Deposit Distribution by Segment
3Q17 vs. 2Q18 vs. 3Q18

In line with our overall strategic thrust, retail deposits (Personal and Business Banking) accounted for 76% of total deposits, which grew 18% YoY



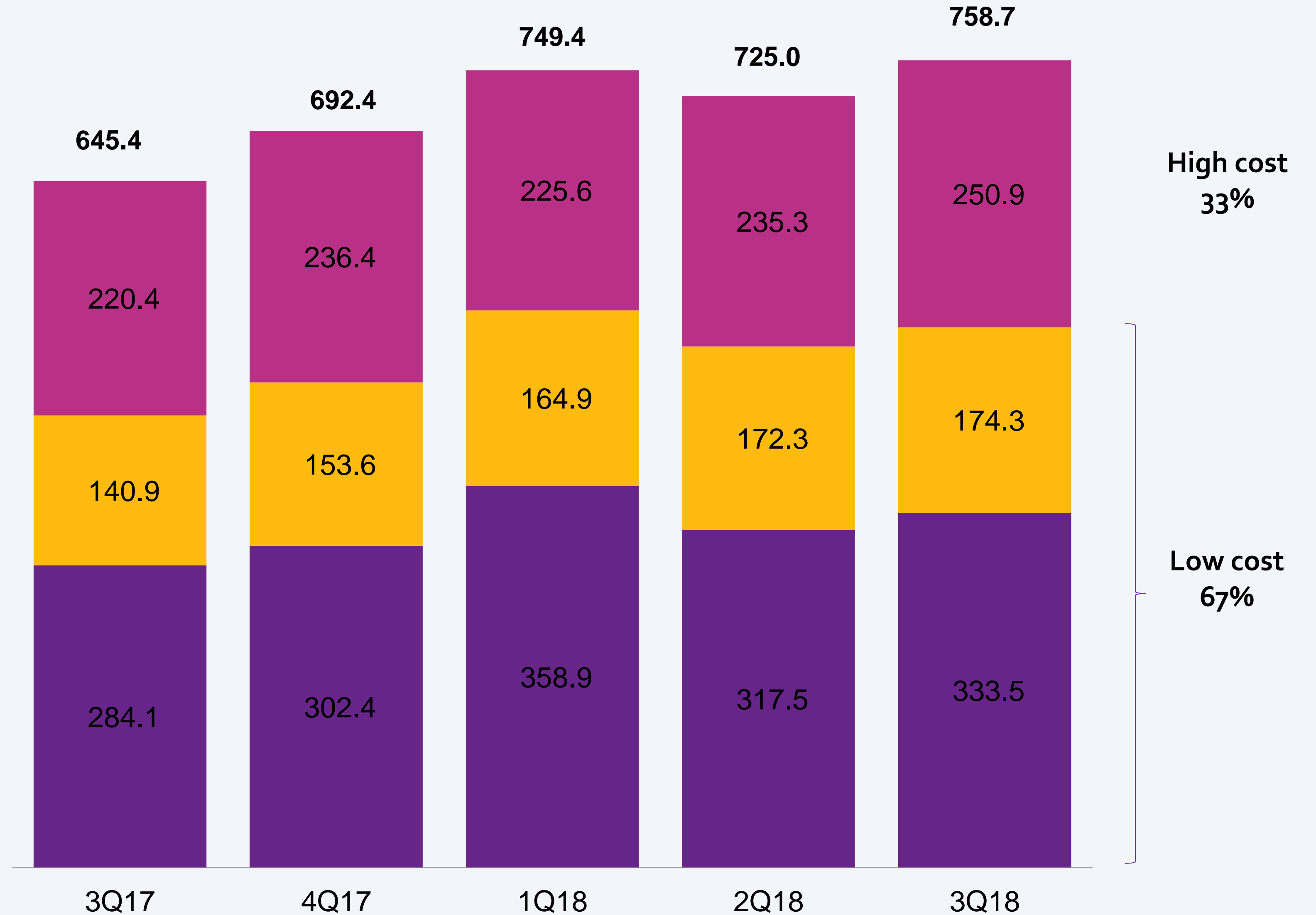


Commercial & Retail Banking Performance Review

Total deposits grew 18% YoY driven by growth in CASA deposits, as a result of our continued focus on retail banking. Low-cost deposits contributed 67% to our total deposits

Deposit Distribution by Type

■ Current ■ Savings ■ Fixed





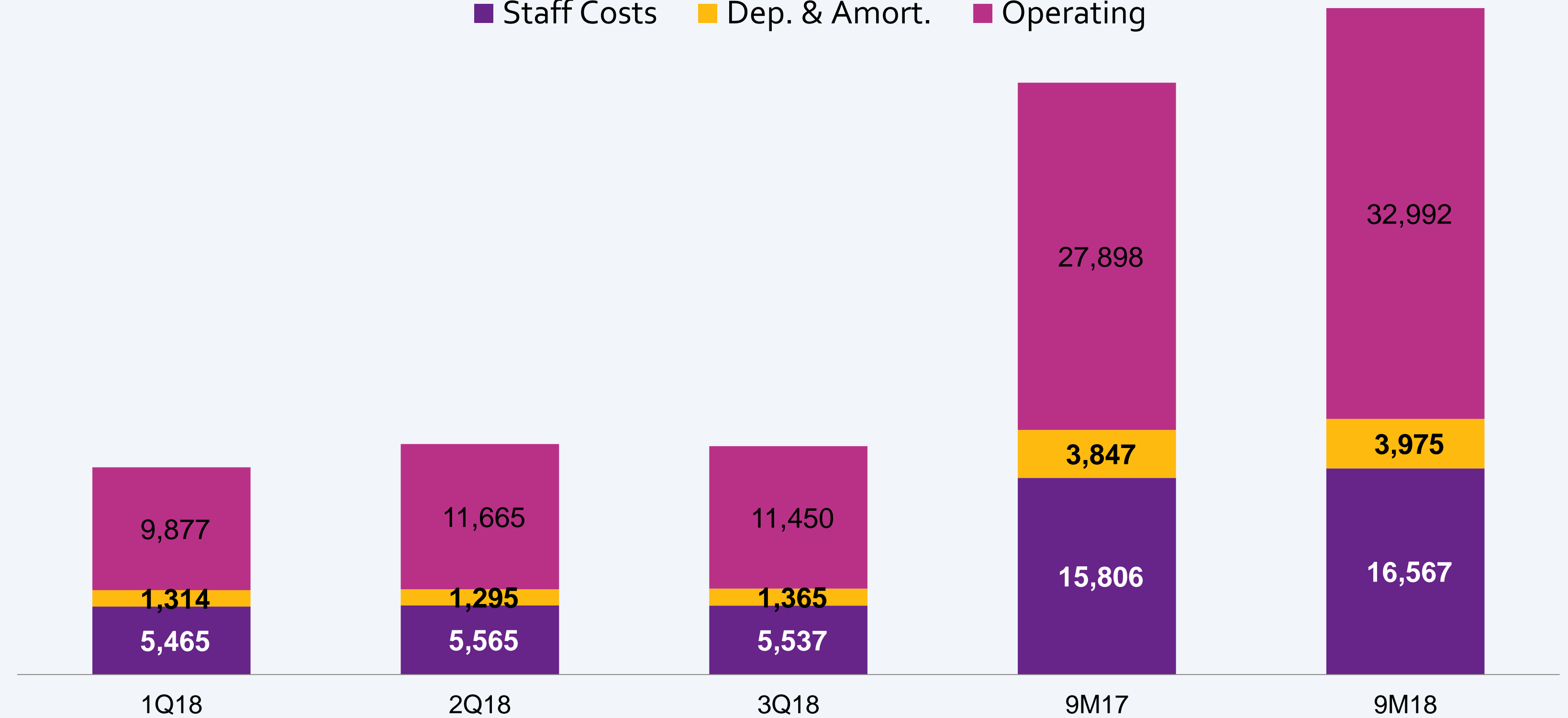
Commercial & Retail Banking Performance Review

OPEX Analysis by Expense Domain:
1Q18 - 3Q18 & 9M17 vs. 9M18

OPEX decreased 1% QoQ
and increased 13% YoY

OPEX Analysis by Expense Domain

■ Staff Costs ■ Dep. & Amort. ■ Operating



Segment	% Δ QoQ	% Δ YoY
Staff Costs	-0.5%	4.8%
Depreciation & Amortisation	5.4%	3.3%
Operating	-1.8%	18.3%
Total	-0.9%	12.6%

Operating expenses increased by 13% YoY and improved 1% QoQ, respectively, due to additional AMCON charges, litigation provisions and investments in technology and digital banking.



Risk Management Review:

Commercial & Retail Banking

Mrs. Toyin Olaiya

Chief Risk Officer: FCMB Ltd





Risk Management Review

Analysis of Gross Loans by Sector (Sept. 2017 to Sept. 2018) – N'm

QoQ growth of 2.5% was largely from Finance & Insurance, Oil & Gas Downstream and Agriculture.

Industry Sector	Sept '17	Dec '17	Mar '18	Jun' 18	Sept' 18	% DISTR.
AGRICULTURE	23,770	16,376	19,994	21,605	29,040	4.5%
COMMERCE	49,469	46,979	42,570	37,443	34,595	5.3%
CONSTRUCTION	2,776	2,818	1,862	1,406	1,372	0.2%
EDUCATION	8,964	8,974	9,371	8,755	7,002	1.1%
FINANCE & INSURANCE	41,761	32,211	42,629	45,330	54,956	8.5%
GENERAL – OTHERS	16,154	12,713	12,684	13,415	13,654	2.1%
GOVERNMENT	4,056	4,168	4,182	7,010	2,453	0.4%
INDIVIDUAL - BANK	94,819	94,736	89,176	85,268	84,382	13.0%
INDIVIDUAL - CDL	15,134	14,857	15,373	16,050	17,283	2.7%
INDIVIDUAL - MICROFINANCE	67	1,700	1,358	1,426	1,498	0.2%
INFORMATION & COMMUNICATIONS	22,525	21,194	22,252	22,227	18,609	2.9%
MANUFACTURING	46,268	43,953	40,373	42,565	48,982	7.5%
OIL&GAS-DOWNSTREAM	49,277	50,022	47,877	47,698	58,404	9.0%
OIL&GAS-UPSTREAM	121,649	132,468	105,983	111,147	115,993	17.8%
OIL&GAS SERVICES	32,951	35,600	36,317	38,167	40,024	6.2%
POWER & ENERGY	56,050	56,750	51,648	50,458	51,801	8.0%
PROFESSIONAL SERVICES	56	52	46	57	51	0.0%
REAL ESTATE	88,491	92,918	93,176	78,870	63,898	9.8%
TRANSPORTATION & LOGISTICS	6,692	6,288	5,811	5,467	6,358	1.0%
TOTAL	680,929	674,777	642,682	634,364	650,356	100.0%



Risk Management Review

NPL Distribution by Sector (Sept. 2017 to Sept. 2018) – *N'm*

NPL grew 12.8% QoQ largely from a few names in Commerce and Real Estate.

BUSINESS SEGMENT	Sept. 2017		June. 2018		Sept. 2018	
	NPL	NPL%	NPL	NPL%	NPL	NPL%
AGRICULTURE	994.56	4.2%	523.78	1.8%	332.35	1.1%
COMMERCE	8,795.70	17.8%	3,978.03	10.5%	17,325.91	50.1%
CONSTRUCTION	300.23	10.8%	25.89	1.9%	0.19	0.0%
EDUCATION	1,985.36	22.1%	2,222.18	31.7%	88.20	1.3%
FINANCE & INSURANCE	0.42	0.0%	22.89	0.0%	35.98	0.1%
GENERAL – OTHERS	480.35	3.0%	827.98	6.1%	930.21	6.8%
GOVERNMENT	29.37	0.7%	86.75	3.5%	70.70	2.9%
INDIVIDUAL - BANK	6,344.59	6.7%	4,924.07	5.8%	6,160.35	7.3%
INDIVIDUAL - CDL	3,012.61	19.9%	1,804.48	10.2%	1,740.62	10.1%
INDIVIDUAL - MICROFINANCE	0.06	0.0%	32.68	2.2%	36.11	2.4%
INFORMATION & COMMUNICATIONS	-	0.0%	5,148.50	27.7%	5,035.99	27.1%
MANUFACTURING	1,340.43	2.9%	2,537.41	5.4%	1,672.89	3.5%
OIL&GAS-DOWNSTREAM	1,759.16	3.6%	7,726.13	13.2%	170.65	0.3%
OIL&GAS-UPSTREAM	-	0.0%	-	0.0%	-	0.0%
OIL&GAS SERVICES	5,228.41	26.7%	5,157.76	12.9%	5,147.70	12.9%
POWER & ENERGY	-	0.0%	-	0.0%	-	0.0%
PROFESSIONAL SERVICES	50.93	90.9%	4.12	8.0%	0.74	1.4%
REAL ESTATE	916.71	1.0%	734.09	1.1%	1,518.92	2.4%
TRANSPORTATION & LOGISTICS	501.40	7.5%	219.78	3.5%	320.58	5.0%
TOTAL	31,740.30	4.7%	35,976.50	5.5%	40,588.08	6.2%



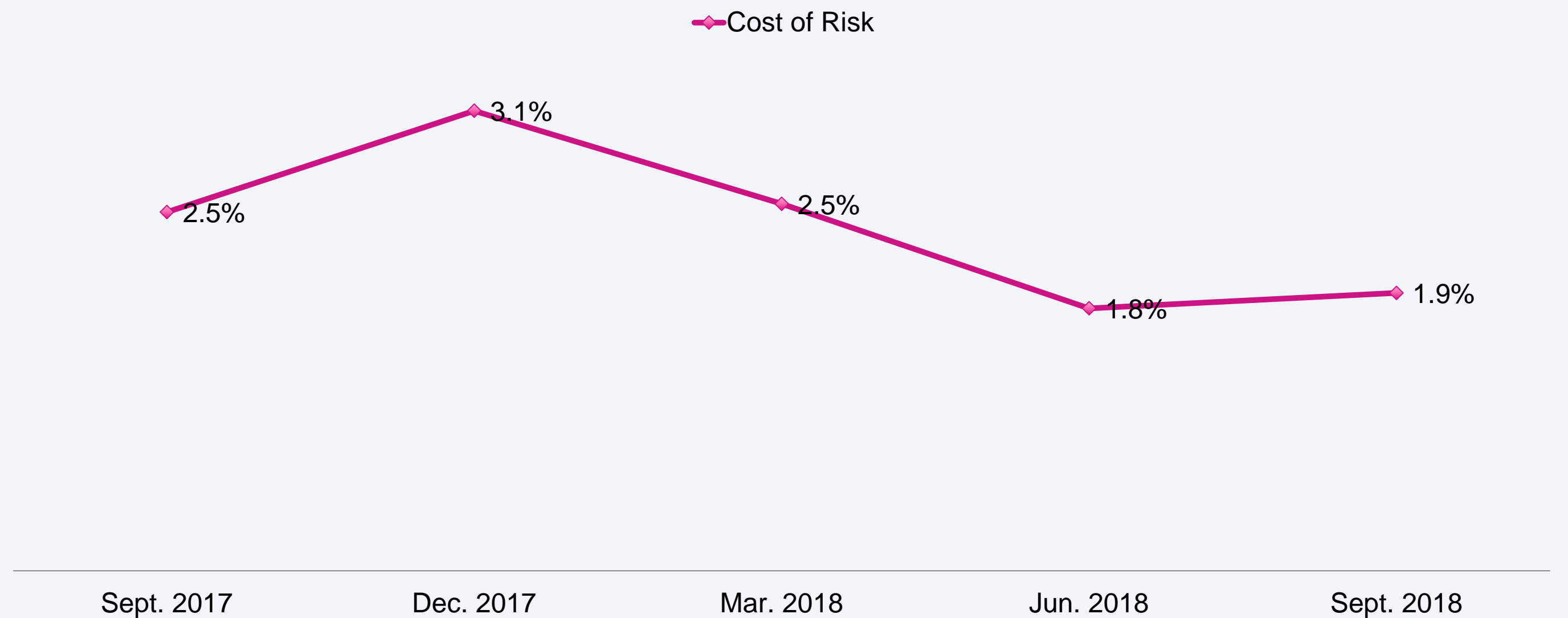
Risk Management Review

Cost of Risk improved YoY with a slight growth QoQ but within plan. The YoY decline is due to improved recoveries, which is expected to be sustained in the subsequent period.

YoY Cost of Risk Trend: Sept. 2014 – Sept. 2018



QoQ Cost of Risk Trend: Sept. 2017 – Sept. 2018





Group Performance Review:

Asset & Wealth Management



Mr. James Ilori
(Chief Executive Officer: First City Asset Management Ltd)





9M18 Results Overview



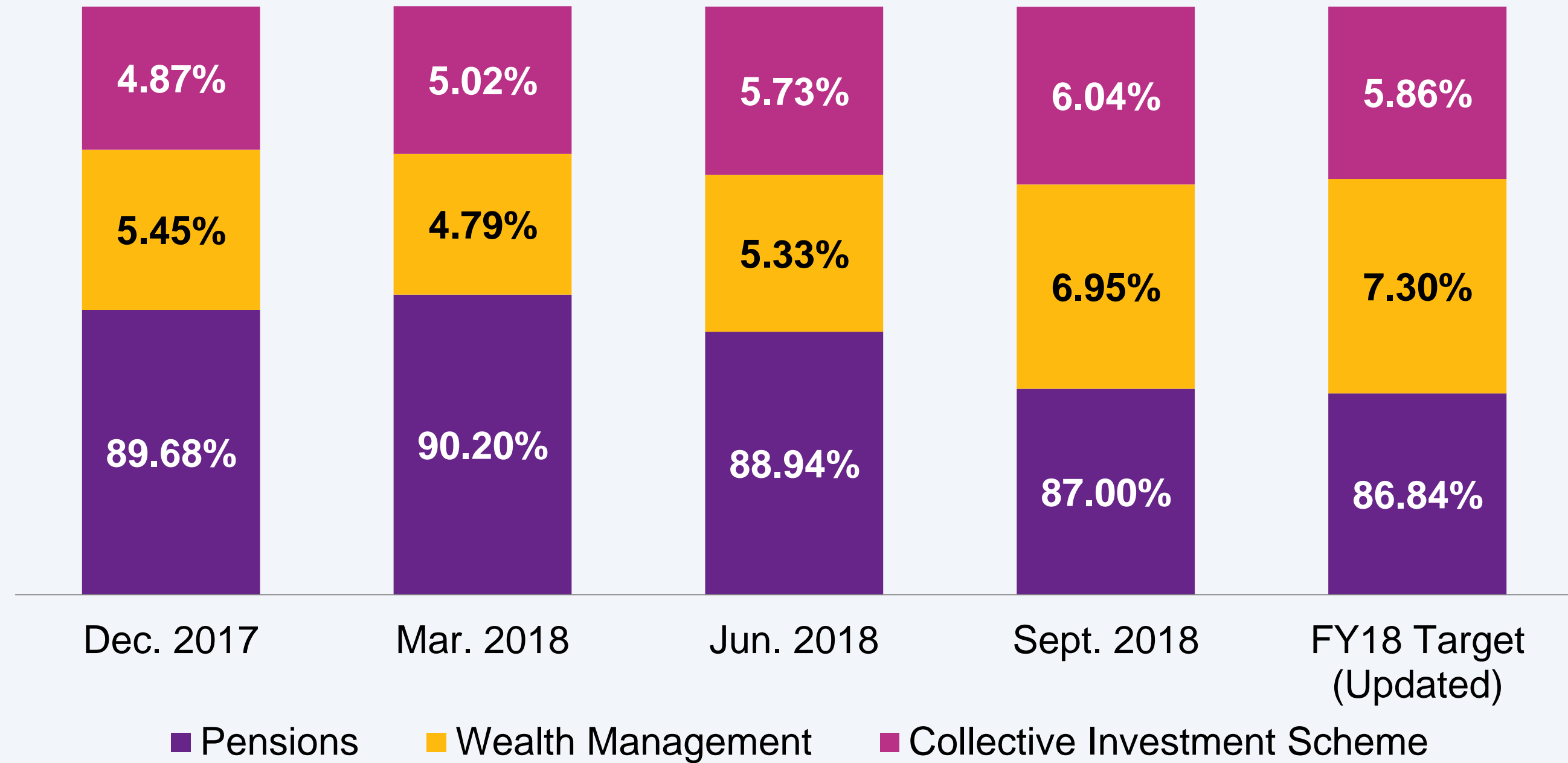
Asset & Wealth Management	1Q18	2Q18	3Q18	%Δ QoQ	9M17	9M18	%Δ YoY
N'm							
Gross earnings	982	1,025	933	-9%	497	2,940	492%
Net Interest Income	88	71	73	3%	116	231	100%
Non Interest Income	894	955	860	-10%	381	2,709	611%
-Advisory Fees	23	31	21	-33%	50	75	50%
- Brokerage Commission	7	3	2	-37%	16	12	-26%
-Asset Management Fees	839	897	811	-10%	176	2,547	1346%
-Others	25	24	26	12%	138	75	-46%
Operating Income	982	1,025	933	-9%	497	2,940	492%
Operating Expenses	-474	-506	-520	3%	-190	-1,500	690%
Net gains/(losses) from fin. instruments at fair value	0	1	-7	-1316%	20	-6	-131%
PBT	508	520	406	-22%	326	1,434	339%
PAT	357	365	284	-22%	226	1,007	345%
AUM	274,871	288,974	304,744	6%	25,021	304,744	1118%
ROAE	34%	33%	25%	-25%	11%	30%	174%
CIR	48%	49%	56%	13%	38%	51%	33%

Asset & Wealth Management Performance Review

Our Asset & Wealth Management Business is divided into Pensions, Wealth Management and Collective Investment Schemes

- Our Asset & Wealth Management division grew its AUM by 6% QoQ to N304.8bn;
- The division's PBT also increased by 339% YoY, to N1.4bn, representing a 10% contribution to Group's PBT;
- Our Pensions business now accounts for 87% of AUM, down from 89% in 2Q18;
- New product development and innovation in distribution strategies will drive AUM and income growth in 2019.

Asset & Wealth Management Division - Contribution to AUM



Asset & Wealth Management Performance Review

Outlook

- We expect to achieve a 2018 AUM growth of 19%, which should take the 2018 closing balance to N311bn;
- Contribution to AUM from Collective Investment Schemes and Wealth Management should account for 13% of total AUM, by the end of 2018;
- We will launch another Collective Investment Scheme in December 2018; it won't impact AUM and Income until 2019;
- We expect a PBT growth of 31% in our Pensions business line in 2018.

Group Performance Review:

Investment Banking

Mr. Tolu Osinibi

(Executive Director: FCMB Capital Markets Ltd)





Investment Banking	1Q18	2Q18	3Q18	%Δ QoQ	9M17	9M18	%Δ YoY
N'm							
Gross earnings	487	414	343	-17%	978	1,244	27%
Net Interest Income	154	135	121	-10%	310	410	32%
Non Interest Income	333	279	222	-20%	668	834	25%
– Advisory Fees	39	77	79	4%	199	194	-2%
– Brokerage Commission	278	198	101	-49%	320	577	81%
– Trading Income	9	-2	-2	41%	29	5	-84%
– Dividend	0	0	1	N/A	47	1	-97%
– Others	7	6	43	582%	72	56	-22%
Operating Income	487	414	343	-17%	978	1,244	27%
Operating Expenses	-337	-304	-343	13%	-887	-983	11%
Net gains/(losses) from fin. instruments at fair value	-2	15	8	-48%	-17	20	-221%
PBT	148	125	8	-94%	74	281	281%
PAT	82	86	19	-78%	31	187	504%
ROaE	10%	11%	2%	-79%	1%	8%	449%
CIR	69%	71%	98%	38%	92%	78%	-16%



Investment Banking Performance Review

Our Investment Banking comprises FCMB Capital Markets Ltd and CSL Stockbrokers Ltd

- Accounting for 2% of Group Profits in 9M18, our Investment Banking division saw its gross earnings grow 27% YoY but dropped 17% QoQ as the equities market halted its bullish streak with a 14% drop in the NSE All Shares Index (ASI) in 3Q18.
- The division's PBT grew 281% YoY to N281m from N74m in 9M17, largely driven by CSL Stockbrokers Limited.
- The market slowed down during the quarter, as investors start their characteristic flight to safety ahead of the 2019 elections, however, CSLS' 3Q18 trade value was N32.2bn (vs. N69.6bn in 2Q18), with it ending the third quarter as third-ranked broker, by value traded.



Looking Ahead

Mr. Ladi Balogun

Group Chief Executive: FCMB Group Plc





Looking Ahead

- ❖ Slow but stable macro-economic environment;
- ❖ Quiet regulatory environment in banking, while pension industry fees see a downward trend;
- ❖ NIFEX stable in 4Q18, as a result of CBN interventions, no revaluation gains expected.
- ❖ Cost of risk for the year expected to be c. 2 % range;
- ❖ Deposit mix improvements and rising yields will support NIM growth;
- ❖ Loan book expected to remain flat;
- ❖ AUM to grow by 2% in 4Q18;
- ❖ Expenses to decline marginally in 4Q18 following the 3Q18 bank audit, where probable losses and some amortised expense lines were accelerated;
- ❖ QoQ earnings decline expected due to non-recurrence of revaluation gains. However, earnings are expected to remain in line with 1Q18 and 2Q18 trend.