



FCMB GROUP PLC

RC No: 1079631

FCMB Group Plc reports a 24% YoY rise in Profit before Tax to N8.8 billion for the six months ended 30 June 2019.

Amended: LAGOS, NIGERIA – 26 JULY 2019: FCMB Group Plc (Bloomberg: **FCMB**) (“FCMB Group”) announced its Unaudited Group Results for the six months ended 30 June 2019.

Financial Performance Highlights:

Earnings Analysis:

- ❖ Gross revenue of N89.8 billion for the six-months ended June 2019, a 7% increase from N83.9 billion for the same period prior year.
- ❖ Net interest income rose by 10% Year-on-Year (YoY) from N35.3 billion to N38.7 billion.
- ❖ Non-interest income of N15.4 billion, for the first half of 2019, a 7% decrease YoY, from N16.5 billion for the same period prior year, driven primarily by non-recurrence of trading income in 1Q19.
- ❖ Net impairment loss on financial assets reduced by 25% YoY to N5.5 billion for the six-months ended June 2019, from N7.3 billion for the same period prior year.
- ❖ Operating expenses increased 6.2% YoY for the first half of 2019 - to N39.7 billion and increased 1% Quarter-on-Quarter (QoQ).
- ❖ Profit before tax (PBT) of N8.8 billion, for the six-months 2019, rose 24% YoY.

Financial Position:

- ❖ Loans and advances rose 0.4% QoQ to N617.9 billion in June 2019 (N615.2 billion in March 2019).
- ❖ Total assets grew 6.1% QoQ at N1.51 trillion in June 2019 (N1.43 trillion in March 2019).
- ❖ Customer deposits fell marginally by 1% to N823.0 billion in June 2019 (N831.9 billion in March 2019).

HY19 Key Ratios:

- ❖ Capital Adequacy Ratio – 16.3%.
- ❖ Liquidity Ratio – 40.2%.
- ❖ Loan to Deposit Ratio – 75.1%
- ❖ Loan to Funding Ratio – 51.7%.
- ❖ Non-Performing Loans (NPL) to Total Loans Ratio – 4.3%.
- ❖ Cost to Income Ratio – 73.5%.
- ❖ Net Interest Margin – 7.4%.
- ❖ Earnings per share – 38k.

Please note that FCMB Group Plc’s 3Q19 results will be released in November 2019, due to the Interim Audit of its Commercial & Retail Banking business.

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Mr. Oladipupo Jadesimi (Chairman), Mr. Ladi Balogun (Group Chief Executive), Mr. Peter Obaseki (Chief Operating Officer),
Alhaji Mustapha Damsida (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)

HY 2019 Results Overview:

The holding company and its subsidiaries recorded a total PBT of N8.8 billion, a 5% QoQ and 24% YoY growth driven mainly by increase in net interest income. However, growth in Fees & Commissions could not fully offset decline in Trading Income and, consequently, there was a marginal decline in Non Interest Income QoQ and YoY.

The Commercial and Retail Banking Group grew its PBT by 1.5% QoQ to N3.97bn from N3.91bn in 1Q19, and 54.3% YoY, as a result of an increase in net interest income and non-interest income and a decline in net impairment charges. With a 40% contribution, personal banking continues to be a major driver of net revenue for the Commercial and Retail Banking Group. The impact of digital financial services also continues to grow as mobile banking customers increased by 481,000 to 3.6 million and 67% of our total 5.3 million customers in 2Q19.

The Investment Banking division's (FCMB Capital Markets Ltd and CSL Stockbrokers Ltd) PBT grew by 610% QoQ, due to the completion of some financial advisory and capital raising pipeline transactions.

The Asset & Wealth Management Group (FCMB Pensions Limited, First City Asset Management Limited and FCMB Trustees Limited) grew its AUM by 5% QoQ and by 23% YoY, to N357bn. Our Pensions business contributed 83% of AUM, down from 85% recorded in the previous quarter. The Group's PBT of N700 million accounted for 8% of overall PBT.

The second half of 2019 should see continued growth along all key indices for the group, driven by anticipated growth in our balance sheet, customer numbers and assets under management, as well as, rising commissions from our digital financial services.

Conference Call & Webcast for Results

FCMB Group Plc (Bloomberg: FCMB) will be hosting a teleconference call and webcast for analysts and investors on **Thursday 1 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.

The teleconference call facility can be accessed by dialling:

Lagos Access Number: +234 1 227 8750
UK Access Number: +44 (0) 844 571 8892
USA Access Number: +1 631 510 7495
South Africa Access Number: +27 10 500 7996

And then entering the following confirmation code: 2767412

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 www.fcmbgroup.com/investor-relations

Webcast access on mobile devices - QR code:

Access the live and on-demand versions 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 www.fcmbgroup.com/investor-relations from 13.00 (Lagos & London) on Thursday 1 August.

For those who are unable to listen to the live call, the recording of the webcast will be available under 'Financial Results – 2019' 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. 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 Thursday 1 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, Credit Direct Limited, FCMB (UK) Limited and FCMB Microfinance Bank Limited); Investment Banking (FCMB Capital Markets Limited and CSL Stockbrokers Limited) and Asset & Wealth Management (FCMB Pensions Limited, First City 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 5.1 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

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