

The logo for FCMB (First City Monument Bank) is located in the top left corner. It consists of the letters "FCMB" in white, bold, sans-serif font, positioned above two horizontal yellow bars. The entire logo is contained within a purple rounded square.

**FCMB**

The background of the slide is a collage of three grayscale images. On the left, a man in a suit and bow tie is smiling while looking at a smartphone. In the center, a hand is shown holding a fan of five credit cards. On the right, a woman is sitting in a chair, talking on a mobile phone and wearing headphones. The bottom of the slide features a grid of light gray squares.

**Q3 2017**

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Investors & Analysts Presentation

27 November 2017



## Glossary

<b>AUM</b>	Assets Under Management	<b>NIM</b>	Net Interest Margin
<b>CAR</b>	Capital Adequacy Ratio	<b>NPL</b>	Non Performing Loan
<b>CEBG</b>	Card & Electronic Banking Group	<b>OPEX</b>	Operating Expenditure
<b>CIR</b>	Cost to Income Ratio	<b>PAT</b>	Profit After Tax
<b>CRBG</b>	Commercial & Retail Banking Group	<b>PBT</b>	Profit Before Tax
<b>CRR</b>	Cash Reserve Ratio	<b>QoQ</b>	Quarter-on-Quarter
<b>FCMB CM</b>	FCMB Capital Markets Ltd	<b>ROaA</b>	Return on Average Assets
<b>FCY</b>	Foreign Currency	<b>ROaE</b>	Return on Average Equity
<b>FX</b>	Foreign Exchange	<b>SME</b>	Small & Medium Enterprises
<b>GH</b>	Group Head	<b>YoY</b>	Year-on-Year
<b>ITS</b>	International Trade Services	<b>YTD</b>	Year to Date
<b>ITSDM</b>	Information Technology Service Delivery Management		
<b>LCY</b>	Local Currency		
<b>N/A</b>	Not Applicable/ Not Available		
<b>NDIC</b>	Nigerian Deposit Insurance Corporation		
<b>NII</b>	Non Interest Income		



## **AGENDA**

**Introduction**

**Update on Legacy Pension Managers Acquisition**

**Performance Overview**

**Commercial & Retail Banking Group:**

*Business Review*

*Risk Management Review*

**Investment Banking Group**

**Looking Ahead**

**Appendix**



*Additional 60% stake in Legacy was acquired for N6.96 billion*

## Key Deal Highlights

## Financial Highlights

Key Deal Highlights		Financial Highlights			
		2015	2016	Oct '17	
		N'm	N'm	N'm	
Number of shares acquired	480 m	Assets under management	166,134	193,617	228,736
Value of shares purchased	N6.96 bn	AUM growth rate	9.3%	16.5%	18.1%
Implied total equity value	N11.56 bn	Market share of AUM	3.13%	3.14%	N/A
60% of 2017 Annualised PAT	N485 m	Fee Income	2,154.7	2,290.0	2,258.8
60% of SHF as at Oct 2017	N1.92 bn	Finance Income	91.3	63.8	104.5
		Profit before tax	929.1	963.8	1,005.2
FCMB's total stake	88.2%	Total Assets	3,142.0	3,310.6	3,629.4
Carrying value of total stake	N7.35 bn	Shareholders' Funds	2,507.4	2,991.2	3,189.4
		Return on Average Equity	26.0%	23.5%	26.2%
		Return on Average Assets	21.1%	20.0%	23.3%



## Deal Rationale

**1**

### ROE Accretion

An attractive capital deployment outlet capable of generating superior returns on capital deployed (ROCE), given the high ROE potential of well run PFAs.

**2**

### Increase in Distributable Earnings

Profitable business, which will contribute to group distributable earnings

**3**

### Diversification of Earnings

Critical source of predictable non-volatile, non-interest income

**4**

### Revenue & Cost Synergies

Increased distribution and operational efficiency by leveraging on the operating entities in the group, thereby increasing Legacy's and group profitability

**5**

### Resilient Growth Trajectory

Pension management industry yet to achieve maturity, thereby creating opportunities for significant growth



## Performance Overview

# all in one package.

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## FCMB 3-in-1 Bundle Offer for Businesses

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## Highlights

## 2017: Half Year

## Revenue

2Q17: N39.0 bn	▲ 5.8%
3Q17: N41.3 bn	
9M16: N140.7 b	▼ -15.6%
9M17: N118.8 bn	

## Profit Before Tax

2Q17: N1.8 bn	▲ 64%
3Q17: N3.0 bn	
9M16: N14.2 bn	▼ -51.7%
9M17: N6.8 bn	

## Return on Average Equity

2Q17: 3.2%	▲ 67.3%
3Q17: 5.4%	
9M16: 10.4%	▼ -61.2%
9M17: 4.0%	

## Return on Average Assets

2Q17: 0.5%	▲ 71.5%
3Q17: 0.8%	
9M16: 1.4%	▼ -56.1%
9M17: 0.6%	

## Capital Adequacy Ratio

2Q17: 17.3%	▲ 0.5%
3Q17: 17.4%	
9M16: 17.6%	▼ 7.3%
9M17: 17.4%	

## Total Assets

3Q16: N1.24 trn	
2Q17: N1.18 trn	▼ -3.4%
3Q17: N1.14 trn	

## Financial Performance

- ❖ Profitability improved 64% QoQ, driven by improvement in NIM and growth in fees and commissions due to increase in transaction related fees and activities;
- ❖ Loans and deposits remained relatively flat as bank maintains cautious lending strategy;
- ❖ Cost of risk and NIM improved QoQ due to recoveries on collective impairment;
- ❖ Investment banking income (particularly brokerage) and asset management businesses continued on a positive trend as capital market activities remained up slightly during the quarter.



## *We are making steady progress in achieving our portfolio strategy objectives*

1	<b>Strengthen the core commercial and retail banking business, by:</b>	
	<ul style="list-style-type: none"> <li>• strengthening the balance sheet;</li> <li>• prudent loan loss provisioning;</li> <li>• reducing cost of funds;</li> <li>• continued cost optimisation and digitisation;</li> <li>• driving non interest income primarily through electronic banking.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved liquidity and CAR ratios QoQ;</li> <li>▪ Loan provisioning coverage ratio remains &gt;100%, provisioning reduced in 3Q17 post audit;</li> <li>▪ Costs remain flat YoY inspite full recognition of AMCON levy in 3Q17.</li> <li>▪ Steady progress on our digitisation plans;</li> <li>▪ Fees and commissions grew 20.5% QoQ and 9.9% YoY.</li> </ul>
2	<b>Optimise the potential of the bank's growing customer base by leveraging it with our IT infrastructure and distribution channels to:</b> <ul style="list-style-type: none"> <li>• invest in growing asset management activities (FCAM - division of CSL Stockbrokers, CSL Trustees and Legacy PFA);</li> <li>• pursue financial inclusion and micro enterprise opportunities in a more focused manner through FCMB Microfinance.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Acquisition of Legacy completed in Q4 2017;</li> <li>▪ Total fund managed the group now &gt;N250 billion;</li> <li>▪ FCMB MFB growing its customer base and spread.</li> </ul>
3	<b>Maintain presence in advisory and primary capital markets activities, pending renewed investor interest.</b>	<ul style="list-style-type: none"> <li>▪ Pipeline of investment banking advisory mandates building as valuations rise and interest rates drop.</li> </ul>



FCMB

All group entities, except for the Microfinance bank, were profitable at 9M17. However, group PBT declined 52% YoY.

FCMB: Analysis of PBT Contribution by Entity  
(1Q17 - 3Q17 & 9M16 vs. 9M17)

N'm	1Q17	2Q17	3Q17	% Δ QoQ	9M16	9M17	% Δ YoY	% Contribution
<b>Commercial &amp; Retail Banking Group</b>	1,838	1,553	2,756	77%	12,334	6,147	-50%	90%
<b>Investment Banking Group</b>								
• FCMB CM,	-62	1	5	258%	49	-56	-215%	-1%
• CSL Stockbrokers	41	136	131	-4%	-5	308	6676%	4%
<b>CSL Trustees</b>	47	48	53	11%	130	148	14%	2%
<b>FCMB Microfinance Bank Ltd<sup>1</sup></b>	-8	-8	-4	-51%	0	-19	n/a	0%
<b>FCMB Group Plc (Separate)</b>	52	77	16	-80%	1,668	145	-91%	2%
<b>Share of Post tax result of Associate</b>	75	33	60	85%	0	168	n/a	2%
<b>FCMB Group Plc (consolidated)</b>	<b>1,984</b>	<b>1,840</b>	<b>3,017</b>	<b>64%</b>	<b>14,176</b>	<b>6,841</b>	<b>-52%</b>	<b>100%</b>

## Notes:

1. FCMB Microfinance commenced business in January 2017.



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**FCMB Premium Banking**



**Commercial & Retail Banking Group (CRBG):  
Business Review - *Mr. Adam Nuru (Managing Director: FCMB Ltd)***

*Profitability ratios and cost of risk improved in 3Q17, but cost-to-income ratio deteriorated due to fully amortisation of AMCON levy in 3Q17. Capital and liquidity were above regulatory minimum.*

**CRBG: Key Performance Indicators  
(1Q17 - 3Q17 & 9M16 vs. 9M17)**

Performance Index		1Q17	2Q17	3Q17	%Δ QoQ	9M16	9M17	%Δ YoY
<b>Operating</b>	Return on Av. Equity	3.6%	3.0%	4.0%	33.1%	9.7%	3.5%	-64.1%
	Return on Av. Assets	0.6%	0.5%	0.9%	78.2%	1.4%	0.7%	-50.2%
	Loan/Deposit Ratio	89.0%	93.8%	93.6%	-0.2%	92.2%	93.6%	1.5%
	Loan/Funding Ratio	70.1%	68.8%	72.9%	6.0%	66.9%	72.9%	9.0%
	Cost/Income Ratio	69.8%	69.4%	75.7%	9.1%	50.5%	71.7%	42.0%
	Net Interest Margin	7.2%	7.8%	8.0%	2.8%	8.4%	7.6%	-9.7%
	NPL/Total Loans	4.3%	4.7%	4.7%	-0.9%	3.6%	4.7%	31.0%
	Coverage Ratio <sup>1</sup>	122.1%	132.2%	108.2%	-18.2%	106.3%	108.2%	1.7%
	NII/Operating Income	32.4%	22.5%	24.2%	7.8%	43.9%	26.4%	-39.7%
	Financial Leverage	7.1%	7.1%	6.9%	-2.4%	7.7%	6.9%	-9.8%
Cost of Risk	2.8%	2.8%	1.8%	-35.5%	6.5%	2.5%	-62.1%	
<b>Capital &amp; Liquidity</b>	Capital Adequacy Ratio	16.9%	17.0%	17.9%	5.6%	16.9%	17.9%	6.5%
	Liquidity Ratio	31.9%	30.1%	35.0%	16.2%	36.8%	35.0%	-5.0%
<b>Others</b>	Opex (N'B)	15.71	14.85	16.99	14.4%	47.15	47.55	0.8%
	Risk Assets (net) (N'B)	655.90	648.96	654.87	0.9%	656.85	654.87	-0.3%
	Customer Deposits (N'B)	693.32	640.58	642.70	0.3%	673.88	642.70	-4.6%

**NOTE:**

1. Inclusive of regulatory risk reserve.

*Profit improved QoQ, due to improve net fees & commissions, low impairment charges and increase in net interest income despite rising funding costs and increase in OPEX*

**CRBG: Statements of Comprehensive Income (Extracts): (1Q17 - 3Q17 & 9M16 vs. 9M17)**

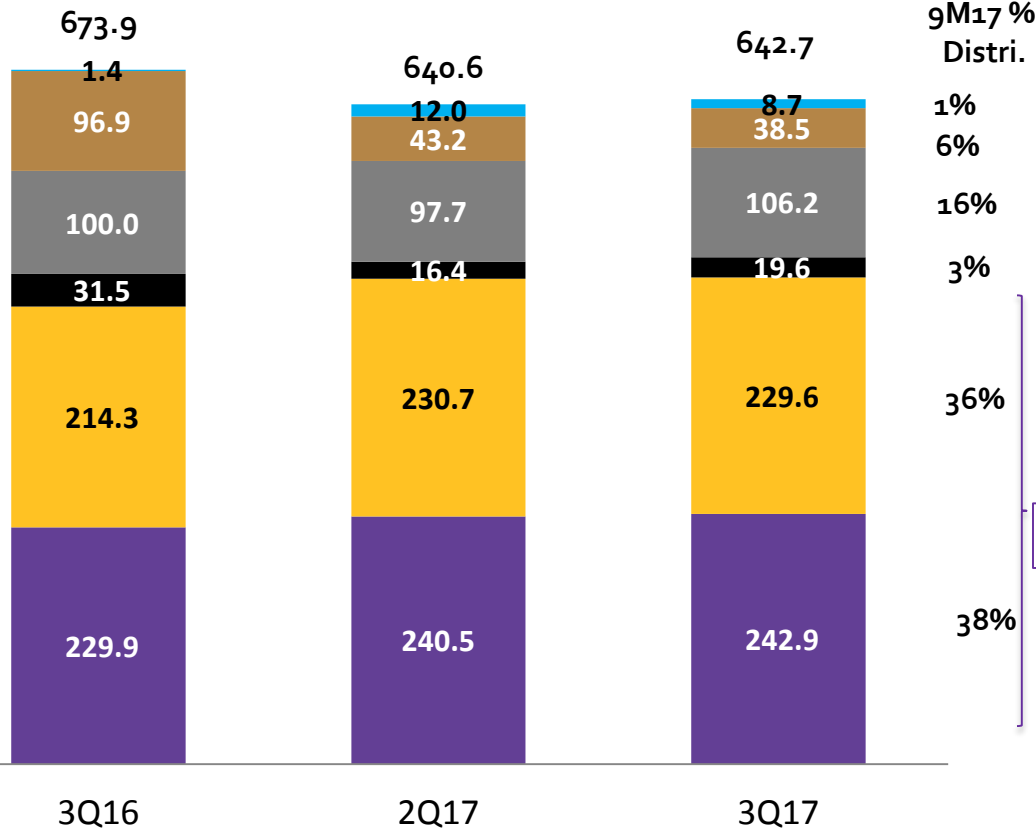
N'm	1Q17	2Q17	3Q17	%Δ QoQ	9M16	9M17	%Δ YoY
Revenue	36,953	37,087	<b>39,088</b>	<b>5.4%</b>	133,454	113,128	<b>-15.2%</b>
Interest Income	29,656	32,275	33,650	4.3%	92,485	95,581	3.3%
Interest Expense	(14,444)	(15,673)	(16,660)	6.3%	(40,046)	(46,777)	16.8%
<b>Net Interest Income</b>	<b>15,212</b>	<b>16,602</b>	<b>16,990</b>	<b>2.3%</b>	<b>52,439</b>	<b>48,804</b>	<b>-6.9%</b>
<b>Non Interest Income</b>	<b>7,297</b>	<b>4,812</b>	<b>5,334</b>	<b>10.9%</b>	<b>40,947</b>	<b>17,443</b>	<b>-57.4%</b>
- Net Fees & Commissions	3,248	3,371	4,206	24.8%	9,856	10,825	9.8%
Trading Income	640	686	368	-46.4%	5,302	1,694	-68.1%
- FX Income	551	47	370	687.3%	27,643	968	-96.5%
- Others	2,858	708	390	-44.9%	(1,853)	3,956	-313.5%
<b>Operating Income</b>	<b>22,509</b>	<b>21,414</b>	<b>22,324</b>	<b>4.3%</b>	<b>93,386</b>	<b>66,247</b>	<b>-29.1%</b>
<b>Operating Expenses</b>	<b>(15,713)</b>	<b>(14,851)</b>	<b>(16,987)</b>	<b>14.4%</b>	<b>(48,558)</b>	<b>(47,551)</b>	<b>-2.1%</b>
Net impairment loss on loans	(4,751)	(4,733)	(3,034)	-35.9%	(31,254)	(12,518)	-59.9%
Other impairment loss	(207)	(276)	106	-138.6%	(2,668)	(377)	-85.9%
Net gains/(losses) from fin. instruments at fair value	-	-	103	100.0%	22	103	362.3%
<b>PBT</b>	<b>1,838</b>	<b>1,554</b>	<b>2,514</b>	<b>61.8%</b>	<b>10,928</b>	<b>5,906</b>	<b>-46.0%</b>
<b>PAT</b>	<b>1,467</b>	<b>1,209</b>	<b>1,625</b>	<b>34.4%</b>	<b>9,840</b>	<b>4,301</b>	<b>-56.3%</b>

*Trimmed balance sheet; decline in interbank funding due to liquidity from CRR relief*

N'm	3Q16	2Q17	3Q17	% Δ QoQ	% Δ YoY
Cash and cash equivalents	138,457	103,066	117,734	14.2%	-15.0%
Restricted reserve deposits	139,864	155,517	89,547	-42.4%	-36.0%
Loans and advances	656,852	648,964	654,874	0.9%	-0.3%
Derivative assets held	1,414	-	-	-	-100.0%
Non Pledged trading assets	9,876	9,699	12,762	31.6%	29.2%
Investments	154,705	121,573	103,628	-14.8%	-33.0%
Assets pledged as collateral	53,287	58,430	80,863	38.4%	51.7%
Intangible assets	8,941	9,676	9,531	-1.5%	6.6%
Deferred tax assets	8,166	7,949	7,949	0.0%	-2.7%
Other assets	26,486	20,430	17,268	-15.5%	-34.8%
Fixed assets	31,213	32,366	31,537	-2.6%	1.0%
<b>Total Assets</b>	<b>1,229,261</b>	<b>1,167,671</b>	<b>1,125,693</b>	<b>-3.6%</b>	<b>-8.4%</b>
<b>LIABILITIES:</b>					
Trading liabilities	2,781	-	7712	100.0%	177.3%
Derivative liabilities held	1,159	-	-	-	-100.0%
Customer deposits	673,880	640,581	642,695	0.3%	-4.6%
Deposits from banks	47,516	76,313	22,196	-70.9%	-53.3%
Other liabilities	82,292	58,817	52,647	-10.5%	-36.0%
Borrowings	170,609	112,729	116,752	3.6%	-31.6%
On-lending facilities	38,765	51,361	57,125	11.2%	47.4%
Debt securities issued	51,161	62,124	58,972	-5.1%	15.3%
Shareholders' funds	161,099	165,747	167,594	1.1%	4.0%
<b>Liabilities and Shareholder Equity</b>	<b>1,229,261</b>	<b>1,167,671</b>	<b>1,125,693</b>	<b>-3.6%</b>	<b>-8.4%</b>
<b>Acceptances &amp; Guarantees</b>	<b>174,421</b>	<b>136,813</b>	<b>138,362</b>	<b>1.1%</b>	<b>-20.7%</b>

QoQ growth in deposits from Personal Banking, Commercial Banking and Corporate Banking

CRBG: Deposit Distribution by Segment (3Q16 vs. 2Q17 vs. 3Q17)

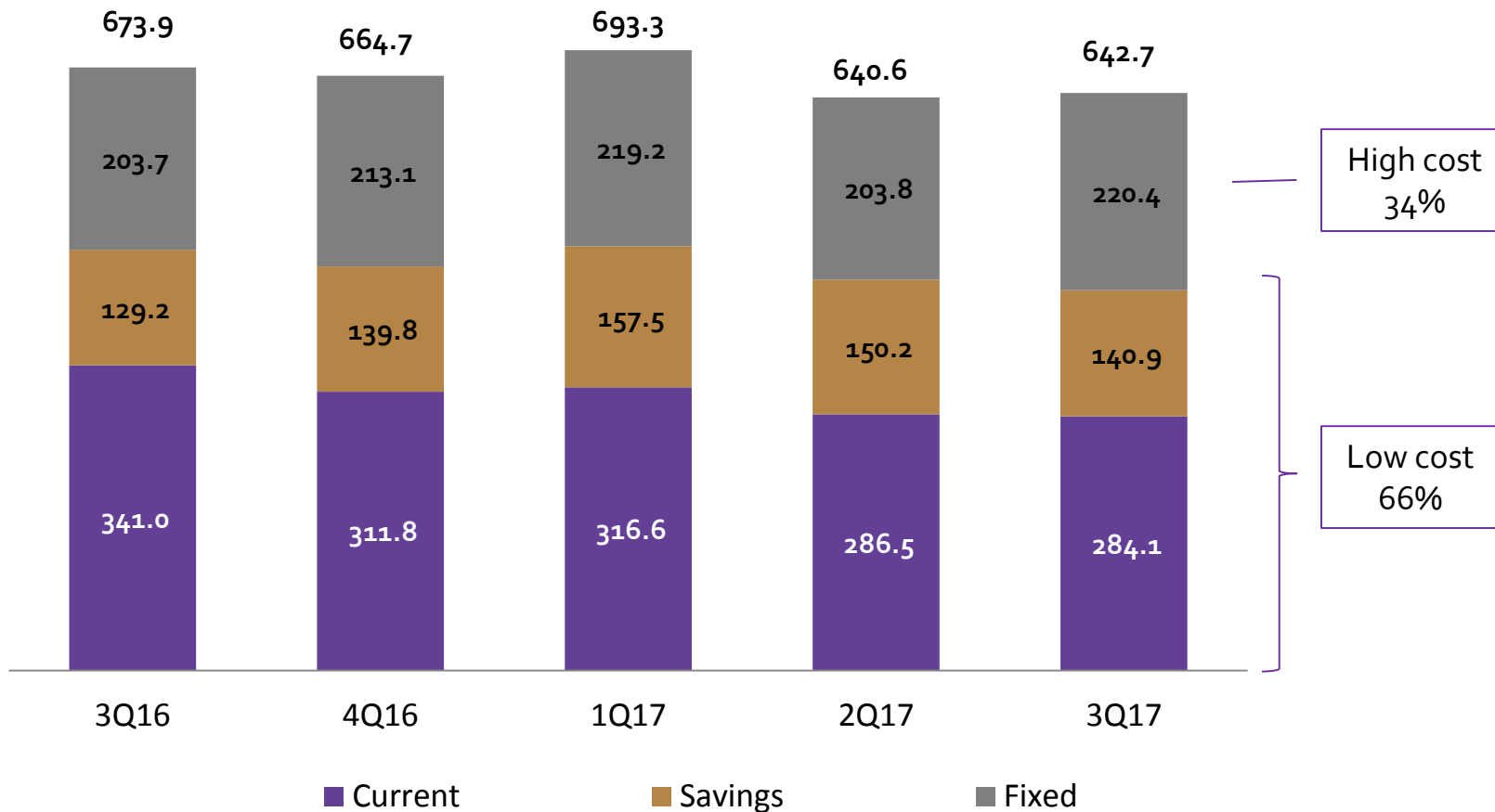


	% Δ QoQ	% Δ YoY
Personal Banking	1.0%	5.4%
SME Banking	-0.5%	6.7%
Commercial Banking	16.3%	-60.7%
Corporate Banking	8.0%	5.8%
Institutional Banking	-12.2%	-151.7%
Treasury & Financial Markets/ Others	-37.9%	83.9%
<b>Total</b>	<b>0.7%</b>	<b>-4.4%</b>

- Personal Banking
- Commercial Banking
- Institutional Banking
- SME Banking
- Corporate Banking
- Treasury & Fin Mkts/ Others

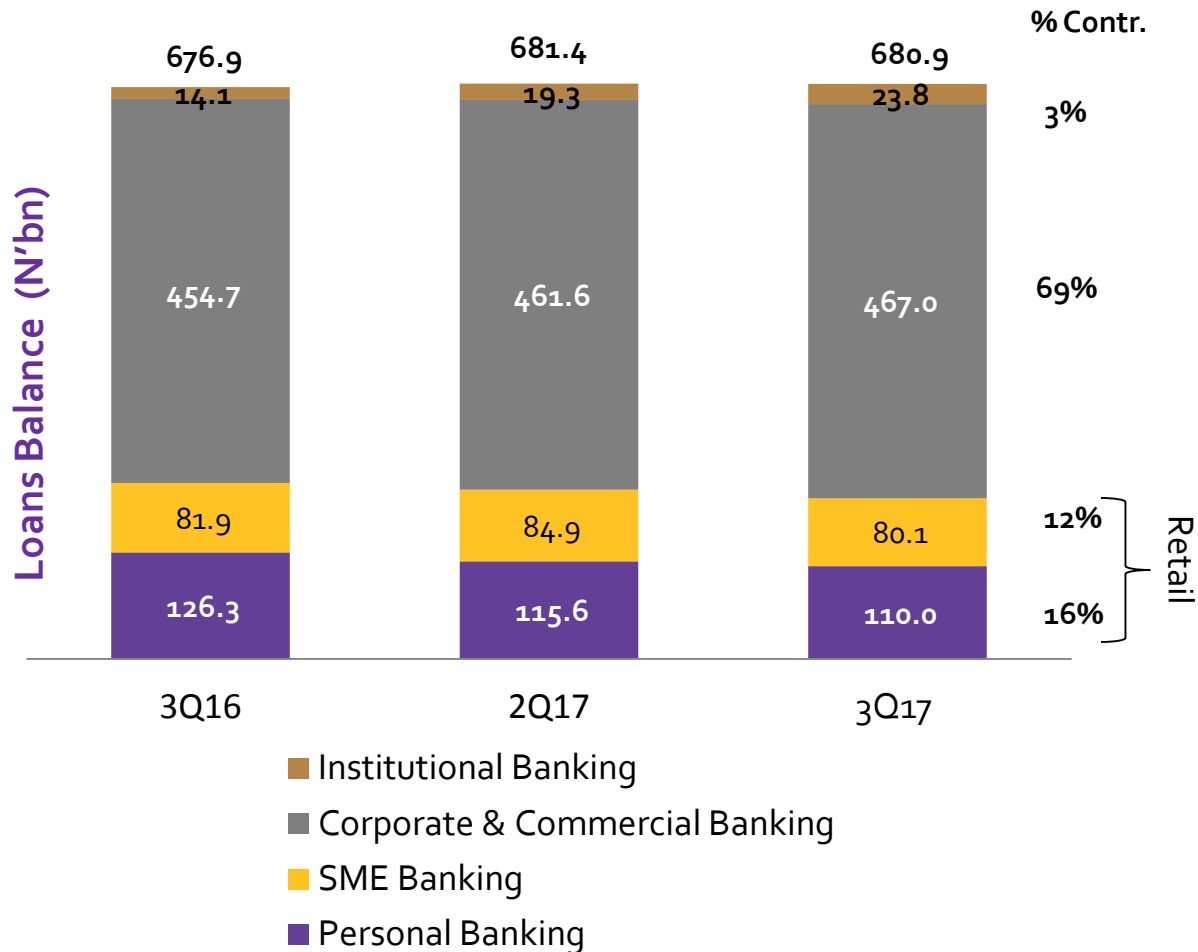
*Total deposits grew QoQ, but decline YoY, as a result of customer migration to high yield treasury bills and government savings bond.*

### CRBG: Deposit Distribution by Type (3Q16 – 3Q17)



Loans dropped 0.1% QoQ as Bank maintained its cautious lending strategy

CRBG: Gross Loan Distribution by Segment  
3Q16 vs. 2Q17 vs. 3Q17



Segment	% Δ QoQ	% Δ YoY
Personal Banking	-4.9%	-12.9%
SME Banking	-5.7%	-2.2%
Corporate & Commercial Banking	1.2%	2.7%
Institutional Banking	23.2%	68.6%

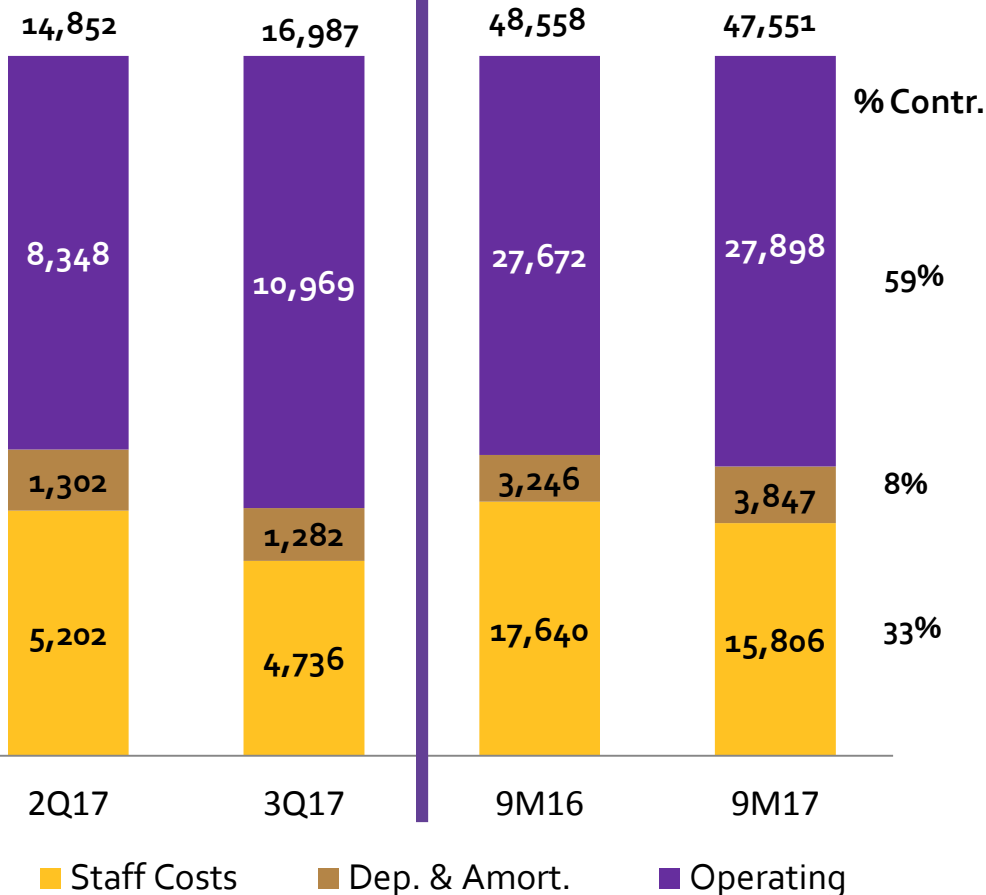
### Comments

- ❖ Retail loan book dropped QoQ and YoY as the bank remained cautious in lending activities through streamlined eligibility and tightened RAC.
- ❖ Corporate and Commercial banking however grew from Intervention funds and cash backed trade transactions.
- ❖ Institutional bank grew from our UK subsidiary.



OPEX declined 2.1% YoY, but grew 14.4% QoQ primarily due to fully amortisation of AMCON levy in line with IFRS provision

## CRBG: OPEX Analysis by Expense Domain 2Q17 vs. 3Q17 & 9M16 vs. 9M17



Expense Line	% Δ	% Δ
	QoQ	YoY
Staff Costs	-9.0%	-10.4%
Depreciation & Amortisation	-1.5%	18.5%
Operating	31.4%	0.8%
<b>Total</b>	<b>14.4%</b>	<b>-2.1%</b>

### Comments

- ❖ YoY and QoQ decline in staff costs was mainly attributable to continued cost discipline as well as benefits of automation; alternate channels migration and streamlined branch network.
- ❖ YoY and QoQ growth in operating expense and depreciation costs is attributable to full absorption of AMCON levy in 3Q as well as rising investments in technology respectively.



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**FCMB Business Account**

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**Commercial & Retail Banking Group (CRBG):**  
**Risk Management Review – Mrs. Toyin Olaiya (Chief Risk Officer)**



*Drop of 0.1% in Gross loans largely from Individual and Manufacturing*
**FCMB: Analysis of Gross Loans by Sector (Sept. 2016 – Sept. 2017) – N'm**

Industry Sector	Sept '16	Dec'16	Mar '17	June '17	Sept '17	% DISTR.
AGRICULTURE	24,778	26,150	24,721	23,035	23,770	3.5%
COMMERCE	60,221	54,431	50,809	50,473	49,469	7.3%
CONSTRUCTION	3,746	2,904	2,764	2,673	2,776	0.4%
EDUCATION	9,070	8,979	9,169	9,175	8,964	1.3%
FINANCE & INSURANCE	28,428	39,268	38,782	39,768	41,761	6.1%
GENERAL – OTHERS	14,393	14,063	11,895	16,194	16,154	2.4%
GOVERNMENT	4,568	4,317	2,741	2,524	4,056	0.6%
INDIVIDUAL	126,254	124,222	117,832	115,612	109,953	16.1%
INFORMATION & COMMUNICATIONS	28,324	27,550	26,210	22,824	22,525	3.3%
MANUFACTURING	51,493	53,560	53,249	50,651	46,268	6.8%
OIL&GAS-DOWNSTREAM	36,393	43,596	49,014	48,480	49,277	7.2%
OIL&GAS-UPSTREAM	136,055	127,746	128,593	129,486	135,021	19.8%
OIL&GAS SERVICES	18,637	18,402	18,648	19,109	19,578	2.9%
POWER & ENERGY	42,146	43,952	53,518	55,660	56,050	8.2%
PROFESSIONAL SERVICES	619	432	600	68	56	0.0%
REAL ESTATE	84,703	83,767	86,668	89,026	88,491	13.0%
TRANSPORTATION & LOGISTICS	7,103	6,907	6,957	6,692	6,692	1.0%
<b>TOTAL</b>	<b>676,931</b>	<b>680,246</b>	<b>682,169</b>	<b>681,450</b>	<b>680,862</b>	<b>100.0%</b>

*NPL remained flat QoQ with improved recoveries*

**FCMB: NPL Distribution by Sector (Sept. 2016 vs. Mar. 2017 vs. Sept. 2017) – N'm**

BUSINESS SEGMENT	Sept. 2016		June. 2017		Sept. 2017	
	NPL	NPL%	NPL	NPL%	NPL	NPL%
Agriculture	730.11	2.9%	1,143.60	4.8%	994.56	4.2%
Commerce	5,831.45	10.0%	10,330.91	20.9%	8,795.70	17.8%
Construction	41.54	1.1%	301.46	10.9%	300.23	10.8%
Education	1,954.62	21.6%	2,261.43	25.2%	1,985.36	22.1%
Finance & Insurance	162.51	0.6%	7.34	0.0%	0.42	0.0%
General – Others	891.41	6.2%	490.69	3.0%	480.35	3.0%
Government	65.44	1.4%	15.77	0.6%	29.37	0.7%
Individual	10,795.35	8.6%	13,358.50	11.7%	9,357.20	8.5%
Information & Communications	181.04	0.6%	544.98	2.4%	-	0.0%
Manufacturing	1,039.54	2.1%	2,196.75	4.9%	1,340.43	2.9%
Oil & Gas- Downstream	315.95	1.5%	276.42	0.6%	1,759.16	3.6%
Oil & Gas – Upstream	-	0.0%	-	0.0%	-	0.0%
Oil & Gas Services	197.36	1.1%	244.57	1.3%	5,228.41	26.7%
Power & Energy	-	0.0%	22.19	0.0%	-	0.0%
Professional Services	174.99	4.3%	43.65	77.9%	50.93	90.9%
Real Estate	428.43	0.5%	414.12	0.5%	916.71	1.0%
Transportation & Logistics	195.42	2.8%	336.75	5.0%	501.40	7.5%
<b>Total</b>	<b>23,005.17</b>	<b>3.4%</b>	<b>31,989.13</b>	<b>4.7%</b>	<b>31,740.24</b>	<b>4.7%</b>

*Reduced charge for the quarter was due to recovery on collective impairment*

**FCMB: Loan Loss Charge/Recovery by Sector (3Q16 vs. 2Q17 vs. 3Q17) – N'm**

Business Segment	Loan Loss Charges/ Recoveries					Cost of Risk %
	3Q16	2Q17	3Q17	Δ QoQ	Δ YoY	
AGRICULTURE	375.59	(361.08)	87.17	448.24	(288.42)	-1.6%
COMMERCE	3,742.96	456.05	1,064.31	608.26	(2,678.65)	6.4%
CONSTRUCTION	1,084.79	(231.05)	22.77	253.82	(1,062.02)	-14.4%
EDUCATION	431.99	3.16	1,215.93	1,212.77	783.94	15.8%
FINANCE & INSURANCE	59.33	3,615.33	(2,761.43)	(6,376.75)	(2,820.76)	7.0%
GENERAL – OTHERS	585.34	(29.22)	6.26	35.48	(579.09)	-0.1%
GOVERNMENT	2.87	(2.46)	4.72	7.19	1.85	-1.7%
INDIVIDUAL	(557.72)	1,227.56	52.80	(1,174.77)	610.51	2.2%
INFORMATION & COMMUNICATIONS	140.34	(36.17)	279.68	315.85	139.34	2.6%
MANUFACTURING	2,814.49	22.39	74.58	52.19	(2,739.92)	0.6%
OIL&GAS-DOWNSTREAM	1,666.61	39.04	137.41	98.37	(1,529.20)	3.7%
OIL&GAS-UPSTREAM	2,913.48	113.67	(359.70)	(473.36)	(3,273.18)	-0.1%
OIL&GAS SERVICES	38.22	(69.27)	2,814.15	2,883.42	2,775.93	19.3%
POWER & ENERGY	255.62	28.26	(996.00)	(1,024.26)	(1,251.62)	-0.3%
PROFESSIONAL SERVICES	135.72	(58.66)	(6.17)	52.48	(141.90)	-53.3%
REAL ESTATE	6,667.80	13.85	1,109.61	1,095.77	(5,558.19)	1.4%
TRANSPORTATION & LOGISTICS	114.08	1.61	287.45	285.84	173.37	8.0%
	<b>20,471.53</b>	<b>4,733.01</b>	<b>3,033.54</b>	<b>(1,699.46)</b>	<b>(17,437.98)</b>	<b>2.5%</b>

- ❖ We will maintain our cautious loan growth strategy with potential drop in the loan book in quarter 4.
- ❖ We will maintain proactive risk management principles to sustain acceptable limits in asset quality.
- ❖ Prudent provisioning will continue to ensure adequate coverage for non-performing loans.
- ❖ Cost of Risk is estimated at around 2.8% for the year.

The logo for FCMB (First City Monument Bank) is located in the top left corner. It consists of the letters "FCMB" in white, bold, sans-serif font, positioned above two horizontal orange bars. The entire logo is set against a dark purple square background.

**FCMB**

The background of the slide is a blurred photograph of a man in a dark blue suit and tie, sitting in the driver's seat of a car. He is looking down at a smartphone in his right hand while holding a folder or stack of papers in his left. The car's interior and the background are out of focus, suggesting a professional setting.

**Investment Banking Group: *Business Review* –**

***Mr. Tolu Osinibi***  
***(Executive Director: FCMB Capital Markets Ltd)***

*Advisory income improved QoQ while brokerage and asset management businesses continue to support earnings as capital market activities remained up slightly during the quarter*

**Investment Banking Group (IBG): Summary Financials**  
(1Q17 - 3Q17 & 9M16 vs. 9M17)

Investment Banking Group	1Q17	2Q17	3Q17	% Δ QoQ	9M16	9M17	% Δ YoY
<b>N'm</b>							
<b>Gross earnings</b>	<b>298</b>	<b>476</b>	<b>475</b>	<b>0%</b>	<b>1,300</b>	<b>1,249</b>	<b>-4%</b>
Net Interest Income	94	124	139	12%	313	357	14%
<b>Non Interest Income</b>	<b>204</b>	<b>352</b>	<b>335</b>	<b>-5%</b>	<b>987</b>	<b>891</b>	<b>-10%</b>
-Advisory Fees	33	78	91	17%	270	202	-25%
- Brokerage Commission	58	153	122	-20%	238	333	40%
-Asset Management Fees	60	66	50	-24%	164	176	7%
- Trading Income	0	28	1	-96%	4	29	585%
- Dividend	40	1	6	351%	58	47	-19%
-Others	13	26	65	153%	253	103	-59%
<b>Operating Income</b>	<b>298</b>	<b>476</b>	<b>475</b>	<b>0%</b>	<b>1,300</b>	<b>1,249</b>	<b>-4%</b>
Operating Expenses	-338	-323	-338	5%	-1,221	-1,000	-18%
Net gains/(losses) from fin. instruments at fair value	18	-15	-0	-98%	-35	3	-108%
<b>PBT</b>	<b>-22</b>	<b>138</b>	<b>136</b>	<b>-1%</b>	<b>44</b>	<b>252</b>	<b>474%</b>
<b>PAT</b>	<b>-37</b>	<b>95</b>	<b>93</b>	<b>-2%</b>	<b>-19</b>	<b>150</b>	<b>-904%</b>
<b>CIR</b>	<b>107%</b>	<b>70%</b>	<b>71%</b>	<b>2%</b>	<b>97%</b>	<b>80%</b>	<b>-17%</b>



**FCMB**



**Looking Ahead –**

***Mr. Ladi Balogun (Group Chief Executive, FCMB Group Plc)***

- ❖ Commercial and Retail Banking activities will remain key determinant of group performance;
- ❖ This will be followed by Asset Management with a healthy contribution of Legacy Pension Managers Ltd;
- ❖ Cost of Risk may increase marginally in 4Q17 but well within guidance;
- ❖ OPEX should improve marginally in 4Q17 with the AMCON levy fully amortised;
- ❖ Revenue momentum in 4Q17 should be slightly improved as a result of healthy fees and commissions and improved NRFF.

A hand is shown on the right side of the image, holding a fan of three purple cards. The hand is positioned as if presenting the cards. The cards are fanned out, and the hand is in a relaxed, open position.

*Appendix*

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just like that!**

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**FCMB Instant Account Platform**

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visit [www.fcmb.com/YourAccountIn4Minutes](http://www.fcmb.com/YourAccountIn4Minutes)  
on your phone or any other internet  
enabled device to open an account  
in just **4 mins!**

## Group Performance Ratios

**FCMB: Key Performance Indicators**  
(1Q17 - 3Q17 & 9M16 vs. 9M17)

Performance Index		1Q17	2Q17	3Q17	%Δ QoQ	9M16	9M17	%Δ YoY
Operating	Return on Av. Equity	3.5%	3.2%	5.4%	67.3%	10.4%	4.0%	-61.2%
	Return on Av. Assets	0.5%	0.5%	0.8%	71.5%	1.4%	0.6%	-56.1%
	Loan/Deposit Ratio	95.5%	102.5%	103.0%	0.5%	98.9%	103.0%	4.1%
	Loan/Funding Ratio	70.8%	69.5%	73.7%	6.0%	67.6%	73.7%	9.1%
	Cost/Income Ratio	70.3%	69.7%	75.7%	8.6%	50.3%	71.9%	43.0%
	Net Interest Margin	7.3%	7.9%	8.0%	0.8%	8.4%	7.7%	-8.2%
	NPL/Total Loans	4.3%	4.7%	4.7%	-0.8%	3.4%	4.7%	37.0%
	Coverage Ratio <sup>1</sup>	110.2%	132.2%	107.4%	-18.7%	111.2%	107.4%	-3.4%
	NII/Operating Income	32.8%	23.5%	25.1%	6.7%	45.7%	27.2%	-40.6%
	Financial Leverage	6.5	6.5	6.4	-2.4%	7.2	6.4	-11.8%
	Cost of Risk	2.8%	2.8%	1.6%	-41.6%	6.5%	2.4%	-62.7%
Capital & Liquidity	Capital Adequacy Ratio	17.2%	17.3%	17.4%	0.5%	17.6%	17.4%	-1.1%
	Liquidity Ratio	31.9%	30.1%	35.0%	16.2%	36.8%	35.0%	-5.0%
Investment	EPS	31.9	29.0	49.5	70.4%	87.4	36.8	-57.9%
Others	Opex (N'B)	16.3	15.5	17.6	13.8%	49.3	49.3	0.0%
	Risk Assets (net) (N'B)	656	649	655.5	1.0%	657	655.5	-0.3%
	Customer Deposits (N'B)	687	633	636.3	0.4%	664	636.3	-4.2%

**NOTE:**

1. Inclusive of regulatory risk reserve

## Group Statements of Comprehensive Income

### FCMB: Statements of Comprehensive Income (Extracts) - (1Q17 - 3Q17 & 9M16 vs. 9M17)

N'm	1Q17	2Q17	3Q17	%Δ QoQ	9M16	9M17	%Δ YoY
<b>Revenue</b>	<b>38,462</b>	<b>39,046</b>	<b>41,308</b>	<b>5.8%</b>	<b>140,727</b>	<b>118,816</b>	<b>-15.6%</b>
Interest Income	29,861	32,493	33,923	4.4%	93,236	96,277	3.3%
Interest Expense	-14,323	-15,534	-16,518	6.3%	-40,039	-46,375	15.8%
<b>Net Interest Income</b>	<b>15,538</b>	<b>16,959</b>	<b>17,405</b>	<b>2.6%</b>	<b>53,197</b>	<b>49,902</b>	<b>-6.2%</b>
<b>Non Interest Income</b>	<b>7,580</b>	<b>5,216</b>	<b>5,829</b>	<b>11.8%</b>	<b>44,814</b>	<b>18,625</b>	<b>-58.4%</b>
- Net Fees & Commissions	3,453	3,756	4,528	20.5%	10,683	11,738	9.9%
- Trading Income	658	699	369	-47.2%	582	1,726	196.6%
- FX Income	571	33	428	1193.6%	35,343	1,032	-97.1%
- Others	2,898	728	504	-30.8%	-1,794	4,129	-330.2%
<b>Operating Income</b>	<b>23,118</b>	<b>22,175</b>	<b>23,234</b>	<b>4.8%</b>	<b>98,011</b>	<b>68,526</b>	<b>-30.1%</b>
<b>Operating Expenses</b>	<b>-16,251</b>	<b>-15,457</b>	<b>-17,596</b>	<b>13.8%</b>	<b>-49,325</b>	<b>-49,304</b>	<b>0.0%</b>
Net impairment loss on loans	-4,751	-4,733	-2,794	-41.0%	-31,254	-12,278	-60.7%
Other impairment loss	-207	-281	112	-139.9%	-3,243	-375	-88.4%
Net gains/(losses) from fin. instruments at fair value	0	103	-0	-100.0%	-13	103	-887.2%
<i>Share of Post tax result of Associate</i>	75	33	60	85.1%	0	168	n/a
<b>PBT</b>	<b>1,984</b>	<b>1,840</b>	<b>3,017</b>	<b>64.0%</b>	<b>14,176</b>	<b>6,841</b>	<b>-51.7%</b>
<b>PAT</b>	<b>1,581</b>	<b>1,438</b>	<b>2,450</b>	<b>70.4%</b>	<b>12,981</b>	<b>5,469</b>	<b>-57.9%</b>

## Group Statements of Financial Position

### FCMB: Statements of Financial Position (Extracts) – (1Q17 - 3Q17 & 9M16 vs. 9M17)

N'm	3Q16	2Q17	3Q17	% Δ QoQ	% Δ YoY
Cash and cash equivalents	143,168	104,643	120,031	14.7%	-16.2%
Restricted reserve deposits	139,864	155,517	89,547	-42.4%	-36.0%
Loans and advances	657,120	649,199	655,463	1.0%	-0.3%
Derivative assets held	1,414	0	0	n/a	-100.0%
Non Pledged trading assets	10,755	10,536	14,228	35.0%	32.3%
Investments	160,089	127,390	109,031	-14.4%	-31.9%
Assets pledged as collateral	53,287	58,430	80,863	38.4%	51.7%
Investment in associate	732	776	869	12.1%	18.8%
Intangible assets	8,976	9,920	9,769	-1.5%	8.8%
Deferred tax assets	8,189	7,974	7,974	0.0%	-2.6%
Other assets	26,487	20,710	18,469	-10.8%	-30.3%
Fixed assets	31,351	32,227	31,633	-1.8%	0.9%
<b>Total Assets</b>	<b>1,241,432</b>	<b>1,177,322</b>	<b>1,137,877</b>	<b>-3.4%</b>	<b>-8.3%</b>
<b>LIABILITIES:</b>					
Trading Liabilities	2,781	0	7,712	n/a	177.3%
Derivative liabilities held	1,159	0	0	n/a	-100.0%
Customer deposits	664,310	633,477	636,276	0.4%	-4.2%
Deposits from banks	47,516	76,313	22,196	-70.9%	-53.3%
Other liabilities	90,254	63,482	58,264	-8.2%	-35.4%
Borrowings	170,609	112,729	116,752	3.6%	-31.6%
On-lending facilities	38,765	51,361	57,125	11.2%	47.4%
Debt securities issued	51,161	59,558	56,470	-5.2%	10.4%
Shareholders' funds	174,878	180,402	183,082	1.5%	4.7%
<b>Liabilities and Shareholder Equity</b>	<b>1,241,432</b>	<b>1,177,322</b>	<b>1,137,877</b>	<b>-3.4%</b>	<b>-8.3%</b>
<b>Acceptances &amp; Guarantees</b>	<b>173,941</b>	<b>135,106</b>	<b>138,362</b>	<b>2.4%</b>	<b>-20.5%</b>