

**FCMB Group Plc announces a Profit before Tax of N11.1 billion for the half-year ended 30 June 2014, up 5% from prior year**

LAGOS, NIGERIA – 25 JULY 2014: FCMB Group Plc (Bloomberg: **FCMB**) (“FCMB Group”) announced its group results, for the half year ended 30 June 2014.

**Financial Performance Highlights:**

**Earnings Analysis:**

- ❖ Profit before tax (PBT) of N11.1 billion, for the first half of 2014, up 5% from N10.6 billion for the same period in 2013.
- ❖ Net interest income of N32.4 billion, for the first half of 2014, an increase of 20% Year-on-Year (YoY), from N26.9 billion for the same period in 2013.
- ❖ Operating expenses up 12% YoY to N32.0 billion, for the six-months period ended June 2014, from N28.5 billion for the same period in 2013.

**Financial Position:**

- ❖ Loans and advances up 43% YoY to N555.3 billion (N389.2 billion as at June 2013) and up Quarter-on-Quarter (QoQ) by 12% (N493.7 billion as at March 2014).
- ❖ Total assets increased by 16% YoY to N1.1 trillion (N923.1 billion as at June 2013) and up 8% QoQ (N992.4 billion as at March 2014).
- ❖ Customer deposits rose 26% YoY to N756.9 billion (N600.4 billion as at June 2013) and up 10% QoQ (N687.3 billion as at March 2014).

**Key Ratios**

- ❖ Net Interest Margin - 8.6% (8.3% for HY13).
- ❖ Low-cost deposit mix – 64.8% (78.8% for HY13).
- ❖ Loan to Deposit Ratio - 73.4% (64.8% for HY13).
- ❖ Cost to Income Ratio – 70.2% (69.9% for HY13).
- ❖ Non-performing loans to total loans ratio – 2.4% (3.6% for HY13).
- ❖ Cost of Risk – 1.0% (0.5% for HY13).
- ❖ ROaE – 13.3% (13.7% for HY13).
- ❖ ROaA – 1.9% (2.0% for HY13).
- ❖ Earnings per share – 97k (94k for HY13).

**Commentary:**

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

*“The Group reported positive developments in most of its key operating areas. On the Group’s statement on financial position, customer deposits and loans & advances rose 26% and 43% YoY to N756.9 billion and N555.3 billion, respectively. On the Group’s statement of comprehensive income, operating income increased by 12% from N40.8 billion for the first half of 2013 to N45.7 billion for the first half of 2014, operating expenses also rose by 12% from N28.5 billion in HY13 to N32.0 billion in HY14 and pre-tax profits were up 5% to N11.1 billion. Net interest margins also increased by 3.5% YoY to 8.6%.*

*It is also noteworthy that the investment banking group’s contribution to the Group’s pre-tax profits increased during the six-months ended 30 June 2014. FCMB Capital Markets Limited and CSL Stockbrokers reported pre-tax profits of N587 million, 41% higher than the same period in 2013.*

*Toward the end of the second quarter, we saw encouraging signs and strengthening pipelines across our operating companies and some improvements in markets activity. Barring any major adverse developments, we expect that transactions in the pipeline will feed into the results for the second half of the year.”*

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

*“The commercial & retail banking arm of the Group showed resilience, making a profit before tax of N10.8 billion up by 5% from the profit of N10.2 billion in the first half of 2013. On our statement of financial position, total deposits increased by 27%, growing from N600.4 billion for the first half of 2013 to N763.0 billion for the first half of 2014 and up 11% from the March 2014 figure of N687.3 billion. Our total loans grew from N389.0 billion in June 2013 to N554.9 billion in June 2014 - a growth of 43%, due largely to a seasonal rise in agricultural lending.*

*We expect margins and profitability to improve, in the subsequent quarters, as we focus on our business mix – replacing corporate with retail loans and deposits – and improving operating efficiency.”*

### Conference Call & Webcast for Results

FCMB Group Plc (Bloomberg: FCMB) will be hosting a teleconference call and webcast for analysts and investors on **Wednesday 30 July 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 half-year ended 30 June 2014 and reply to questions from investors and analysts.

The teleconference call facility can be accessed by dialling:

UK Access Number: +44 (0) 207 136 2051  
USA Access Number: +1 718 354 1158  
South Africa Access Number: +27 11 019 7076

And then entering the following confirmation code: **9227608**

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

Participants can log on to the link for the webcast by going to "Upcoming Events" on FCMB's Investor Relations homepage, which can be accessed by clicking on <http://www.fcmb.com/investor-relations>

#### **Webcast access on mobile devices - QR code:**

For access to the live and on demand webcast from any IOS apple or Android mobile devices:



**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 "What's New" on FCMB's Investor Relations homepage, which can be accessed by clicking on <http://www.fcmb.com/investor-relations> from 15.00 (Lagos & London) on Monday 28 July.

For those who are unable to listen to the live call, the recording of the webcast will be available under "Financial Results - 2014" on FCMB's Investor Relations website, which can be accessed by clicking on <http://www.fcmb.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 Wednesday 30 July.

**For further information, please contact:**

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**Notes to editors:**

#### **About FCMB Group Plc**

FCMB Group Plc is a non-operating financial holding company, regulated by the Central Bank of Nigeria (“CBN”). FCMB Group Plc was formed in response to the CBN’s regulation on the scope of banking activities and ancillary matters (“Regulation 3”), which requires banks to divest their non-banking businesses, or retain them under a holding company (“Hold Co.”) structure approved by the CBN. Under the HoldCo. arrangement, shares in First City Monument Bank (FCMB) Plc were exchanged one-for-one for FCMB Group Plc shares, effectively making the former shareholders of FCMB Plc, the owners of FCMB Group Plc, in the same ratio as their previous holdings in the bank. FCMB Group Plc is one of the leading financial services institutions in Nigeria, with subsidiaries that are market leaders in their respective segments. Through ownership of FCMB Group Plc, shareholders continue to own all the subsidiaries 100%, including FCMB Capital Markets Limited, CSL Stockbrokers Limited (including its subsidiaries First City Asset Management Ltd and CSL Trustees Ltd) and FCMB Limited (the bank) and its subsidiaries – Credit Direct Limited and FCMB (UK) Limited.

From a structural perspective, FCMB Group Plc directly and wholly-owns three subsidiaries, namely First City Monument Bank Limited, FCMB Capital Markets Limited and CSL Stockbrokers Limited, the other aforementioned entities report into the three direct subsidiaries.

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 530,000 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 strategy is to position itself as 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 completed the acquisition of FinBank Plc in February 2012 and subsequently merged with FinBank in October 2012. Following the merger, the Bank now has 2 million customers, 274 branches and cash-centres spread 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.fcmb.com](http://www.fcmb.com)  
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