



FCMB Group Plc earns ₦5.4 billion in Profit Before Tax – a 26.5% YoY increase - for the first quarter ended 31 March 2020.

LAGOS, NIGERIA – 29 APRIL 2020: FCMB Group Plc (Bloomberg: **FCMB**) (“FCMB Group”) announced its Unaudited Group Results for the first quarter ended 31 March 2020.

Financial Performance Highlights:

Earnings Analysis

- ❖ Gross revenue of ₦49.2 billion for the three months ended March 2020, was a 12% growth from ₦43.9 billion for the same period prior year.
- ❖ Net interest income rose by 24% Year-on-Year (YoY) from ₦18.6 billion, for the first quarter of 2019, to ₦23.1 billion for the first quarter of 2020.
- ❖ Non-interest income of ₦8.6 billion, for the three months ended March 2020, a 12% YoY increase from ₦7.7 billion for the same period prior year.
- ❖ Operating expenses rose 15% YoY to ₦22.6 billion for the first quarter of 2020.
- ❖ Net impairment loss on financial assets increased by 61% YoY to ₦3.7 billion, for the first three months of 2020, from ₦2.3 billion for the same period prior year due partially to the impact of FX devaluation on impaired assets and provisions for newly classified loans.
- ❖ Profit before tax (PBT) of ₦5.4 billion, for the first quarter of 2020, rose 27% YoY.

Financial Position:

- ❖ Loans and advances grew 7% QoQ to ₦764.3 billion in March 2020 (₦715.9 billion in December 2019).
- ❖ Total assets increased 13% QoQ at ₦1.9 trillion in March 2020 (₦1.7 trillion in December 2019).
- ❖ Customer deposits rose by 6% to ₦1.0 trillion in March 2020 (₦943.1 billion in December 2019).
- ❖ Assets Under Management grew by 26% YoY to ₦427.1 billion in March 2020.

1Q20 Key Ratios:

- ❖ Capital Adequacy Ratio – 17.0%.
- ❖ Liquidity Ratio – 36.0%.
- ❖ Loan to Funding Ratio – 56.2%
- ❖ CBN Loan to Deposit Ratio – 59.2%.
- ❖ Non-Performing Loans (NPL) to Total Loans Ratio – 3.5%.
- ❖ Cost to Income Ratio – 71.2%.
- ❖ Net Interest Margin – 7.8%.
- ❖ Earnings per share – 23.8k.

Overall Group Performance

FCMB Group’s post-tax profits increased by 31% YoY to ₦4.7 billion, this translates to a return on average equity (RoAE) of 9.3% and earnings per share of 23.8 kobo, a YoY improvement of 17% and 31%, respectively. Our businesses continue to improve with growth in other key indicators such as loans and advances, total assets and assets under management (AUM), which grew by 7%, 13% and 6% QoQ, respectively. In 1Q20, we crossed the ₦1 trillion mark for our deposits, a 21% YoY rise. Our customer base also grew by 32% YoY across the Group from 5.6 million to 7.4 million with 50% of the growth coming from customers onboarding entirely through mobile. Asset quality has continued to improve, with the Group-wide NPL ratio at 3.5%, continuing its downward trend both QoQ and YoY. Similarly, our capital adequacy ratio has remained stable at 17%.

Commercial and Retail Banking reported a 13% YoY increase in PBT due to increase in Net Interest Income and FX Income, with Net Interest Income increasing 21% QoQ and 23% YoY, driven majorly by gain on net revenue from funds as a result of low-cost deposits' growth, which impacted Net Interest Margin via reduction in cost of funds caused by a general reduction in interest rates, especially treasury bills. Its Non-Interest Income also grew 5% YoY, majorly from FX income.

Corporate & Investment Banking (comprising the Corporate Banking Division of the Bank, FCMB Capital Markets Limited and CSL Stockbrokers Limited) saw its performance improve 71% QoQ and 11% YoY, albeit a loss position, driven by a 35% and 9% YoY increase in Net Interest Income and Non-Interest Income respectively, due to growth in financial advisory and equity raising fees. CSLS' traded value also grew by 8% YoY and 57% QoQ from N23bn to N36bn, driven largely by profit taking and divestment by foreign portfolio investors due to the pandemic shivers. Corporate & Investment Banking continues to grow its revenue trend as it re-positions its strategy to turn its overall performance around.

Investment Management (comprising FCMB Pensions Limited, FCMB Asset Management Limited and FCMB Trustees Limited) grew its AUM by 6% QoQ and by 26% YoY to ₦427 billion, benefitting from scaling up collaboration across the FCMB Group, as well as, from increased direct sales. In addition, it continued the implementation of its digital strategy with the launch of its Pensions' online enrolment platform. Our Pensions business contributed 76% of AUM, down from 79% at the end of 2019. Collective Investment Schemes contributed 78% of the ₦24 billion growth in AUM. Despite the impact of a fee reduction imposed by the Pensions industry's regulator, PBT increased by 37% YoY, to ₦474million. Investment Management contributed 9% to the overall PBT in 1Q20.

Conference Call & Webcast for Results

FCMB Group Plc (Bloomberg: FCMB) will be hosting a conference call and webcast for analysts and investors on **Tuesday 5 May 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.

Please could you kindly note that due to the ongoing COVID-19 pandemic, Telco carriers worldwide are currently experiencing an unprecedented demand, due to the increasing amount of people working remotely, thereby, putting pressure on the local carriers, creating some uncontrollable issues like dialling-in participants experiencing beeping tones, audio distortions or/ and line cut offs.

Therefore, we strongly recommend that this webcast link – <https://edge.media-server.com/mmc/p/nj4a7sfw> - is used as the main source of listening to the call, with only those participants who plan to ask questions dialling in. Though, it is also noteworthy that, via the webcast, participants will have the option to type and send us written questions, without the need to dial in.

Participants should please log-on to the webcast/ register for the call at least fifteen minutes before the start of the conference call.

Participants can log on to the link for the webcast by clicking on <https://edge.media-server.com/mmc/p/nj4a7sfw> or 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

OR:

Webcast access for mobile devices – QR code

Access the live and on-demand versions of the webcast from mobile devices running iOS and Android.



Conference call details for participants:

In the 15 minutes prior to the call's start time, please call the appropriate participant dial-in number and enter the Event Plus Passcode stated below. Please leave any information requested after the tone.

The conference call facility can be accessed by dialling:

Lagos Access Number: +234 1 227 8971
UK Access Number: +44 (0) 844 481 9752 or +44 (0) 207 192 8338
USA Access Number: +1 646 741 3167
South Africa Access Number: +27 105 002 178

And then entering the following **Event Plus Passcode: 8689652**

Participants will have to quote the above code when dialling into 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 Tuesday 5 May.

For those who are unable to listen to the live call, the recording of the webcast will be available under 'Financial Results – 2020' 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 Tuesday 5 May.

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 ('The Bank'), Credit Direct Limited, FCMB (UK) Limited and FCMB Microfinance Bank Limited); Corporate & Investment Banking (The Corporate Banking Division of the Bank, FCMB Capital Markets Limited and CSL Stockbrokers Limited) and Investment Management (FCMB Pensions Limited, FCMB 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 6.8 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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