



FCMB Group Plc announces a Profit before Tax of N9.6 billion for the half-year, ended 30 June 2015.

LAGOS, NIGERIA – 29 JULY 2015: FCMB Group Plc (Bloomberg: **FCMB**) (“FCMB Group”) announced its Unaudited IFRS-Compliant Group Results, for the half-year ended 30 June 2015.

Financial Performance Highlights:

Earnings Analysis:

- ❖ Profit before tax (PBT) of N9.6 billion for the half-year 2015, down 14% from N11.1 billion for the half-year 2014.
- ❖ Revenue of N77.4 billion for the six-months ended June 2015, an increase of 11% from N69.6 billion for the same period prior year.
- ❖ Net interest income of N34.4 billion, for the six-months ended June 2015, an increase of 6% Year-on-Year (YoY), from N32.4 billion for the same period prior year.
- ❖ Operating expenses up 5% YoY to N33.7 billion, for the half-year ended June 2015, from N32.0 billion for the same period prior year.

Financial Position:

- ❖ Loans and advances up 4% YoY to N578.6 billion in June 2015 (N555.3 billion in June 2014), down 6% Year-to-date (YTD) (N618.0 billion in December 2014).
- ❖ Total assets up 15% YoY to N1.22 trillion in June 2015 (N1.07 trillion in June 2014) and up 5% YTD (N1.17 trillion in December 2014).
- ❖ Customer deposits up 4% YoY to N785.8 billion in June 2015 (756.9 billion in June 2014) and up 7% YTD (N733.8 billion in December 2014).

Key Ratios

- ❖ Capital Adequacy Ratio – 19.8% (17.6% for half-year 2014).
- ❖ Liquidity Ratio – 31.8% (32.6% for half-year 2014).
- ❖ Loan to Deposit Ratio – 73.6% (73.4% for half-year 2014).
- ❖ Cost to Income Ratio – 71.9% (70.2% for half-year 2014).
- ❖ Low-Cost Deposit Mix – 66.5% (64.8% for half-year 2014).
- ❖ Earnings per share – 84k (97k for half-year 2014).
- ❖ Non-Performing Loans (NPL) to Total Loans Ratio – 5.2% (3.6% for full-year 2014).

Commentary:

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

"The economy has entered a higher risk level with inflation climbing to 9.2%, fiscal and trade deficits, as well as, declining GDP growth rate below 4% as at Q1 2015 from 5.94% as at Q4 2014; broad money supply (MM2) contracted by N380 billion in June, from N19.19 trillion in May, to N18.81 trillion.

The group results for H1 2015 reflects a deliberate conservative stance aimed at maintaining robust capital buffers in the face of a tough macro-economic and regulatory environment. Capital adequacy ratio remains



strong at 19.8% despite proactive jump in non-performing loan ratio from 3.6% as at FY14 to 5.2% at the end of H1; gross revenue went up 11% on H1 2014 and return on average equity slowed down to 10.3%.

The underlying retail franchise is getting stronger, while capacity exists to take on sizeable pipe-line transactions in H2."

Mr. Ladi Balogun, Group Managing Director/ CEO of FCMB Ltd, commented on the results thus:
"H1 2015 was characterised by significant macro-economic and policy headwinds. Limited supply of foreign exchange had a major impact on the commercial & retail banking group's (CRBG) trade finance and foreign exchange trading income. The harmonisation of the cash reserve requirement to 31% led to a significant rise in our restricted reserves and consequently constrained lending and put pressure on net interest margins. Asset quality was adversely affected by the effect of declining government revenue on contractors and employees which saw our NPL ratio climb to 5.2% compared to 3.6% at the end of FY14. In spite of the inflationary pressures, operating expenses saw a modest rise of 5% in the CRBG, thanks to our ongoing channel optimisation programme. Also encouraging is the steady migration of customers towards card-based and digital channel transactions. The business is on a sound footing and is increasingly diversified. The foundations for a strong rebound are in place as the country adapts to a lower oil price environment and we look forward to a more sustainable macro-economic and monetary policy environment."

Conference Call & Webcast for Results

FCMB Group Plc (Bloomberg: FCMB) will be hosting a teleconference call and webcast for analysts and investors on **Friday 31 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 2015 and respond to questions from investors and analysts.

The teleconference call facility can be accessed by dialling:

Nigeria Access Number: +234 (0) 708 060 1884
UK Access Number: +44 (0) 203 427 1913
USA Access Number: +1 646 254 3363
South Africa Access Number: +27 (0) 800 991 539

And then entering the following confirmation code: 9736811

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.fcmbgroupplc.com/investor-relations

Webcast access on mobile devices - QR code:

Access the live and On-Demand version 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.fcmbgroupplc.com/investor-relations from 10.00 Lagos & London on Friday 31 July.

For those who are unable to listen to the live call, the recording of the webcast will be available under 'Financial Results – 2015' by clicking on the 'Financial Information' tab on FCMB's Investor Relations website, which can be accessed by clicking on www.fcmbgroupplc.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 Friday 31 July.

For further information, please contact:

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Notes to editors:

About FCMB Group Plc

FCMB Group Plc's roots date back to 1977, with the formation of City Securities Limited (CSL), a stockbroking and issuing house and registrar business. CSL rapidly climbed the league of issuing houses and brokers between 1977 and 1982, handling the listings and initial public offers of many of the leading blue-chip companies on the Nigerian Stock Exchange (NSE). First City Merchant Bank Limited was established in



1982 with seed capital from the success of CSL. It began operations as a licensed deposit taker and merchant bank on 11 August 1983 assuming the corporate finance and issuing house activities of CSL and becoming the first Nigerian merchant bank to be established without government or international support. First City Merchant Bank Limited soon became a leading merchant bank in Nigeria, as measured by profitability, and, in 2000, the first and only merchant bank to achieve N1 billion profit. With the advent of universal banking in 2001, First City Merchant Bank Limited converted into a universal bank. It changed its name to First City Monument Bank Limited and commenced commercial banking activities, while its corporate finance activities were spun-off into a new subsidiary – FCMB Capital Markets Limited.

In 2004, the bank changed status from a private limited liability company to a public limited liability company, and was listed on the NSE in December of that year. In 2010, the Central Bank of Nigeria (CBN) issued Regulation 3 (Scope of Banking Activities and Ancillary Matters, No. 3, 2010), which required banks to divest their non-banking businesses or retain them under a CBN-approved financial group structure. As a result of this reorganisation, the newly created FCMB Group Plc became the holding company, with First City Monument Bank Plc (FCMB Plc), CSL Stockbrokers Limited (CSLS) and FCMB Capital Markets Limited (FCMB-CM) as direct subsidiaries. Shareholders of FCMB Plc were also migrated to FCMB Group Plc via a one-for-one share exchange between FCMB Group Plc and FCMB Plc. FCMB Plc, the bank, was thereafter re-registered as a limited liability company, becoming First City Monument Bank Limited (FCMB Limited). In 2014, CSL Trustees Limited also became a direct subsidiary of FCMB Group Plc.

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 523,270 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 vision is to be 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 has 2.8 million customers and 248 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.fcmbgroupplc.com

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