

Audited IFRS-Compliant Group Results for the full-year ended 31 December 2013

FCMB Group Plc announces a Profit before Tax of N18.2 billion for the full year, ended 31 December 2013, up 12% from prior year¹ and a proposed dividend of 30k per share

LAGOS, NIGERIA – 28 MARCH 2014: FCMB Group Plc (Bloomberg: **FCMB**) (“FCMB Group”) announced its Audited IFRS-compliant group results, for the full-year ended 31 December 2013.

Financial Performance Highlights:**Earnings Analysis:**

- ❖ Profit before tax (PBT) of N18.2 billion for the full year 2013, up 12% from N16.2 billion for the same period in 2012.
- ❖ Profit after tax (PAT) of N16.0 bn for the twelve months period ended December 2013, up 5% from N15.3 billion for the same period in 2012.
- ❖ Net interest income of N56.1 billion, for the full year 2013, an increase of 30% YoY, from N43.3 billion for the full-year 2012.
- ❖ Other income² of N13.2 billion, for the twelve months period ended December 2013, an increase of 42% YoY from N9.3 billion, for the same period prior year.
- ❖ Operating expenses up 32.9% YoY to N58.2 billion, for the full-year 2013, from N43.8 billion for the full-year 2012.

Financial Position:

- ❖ Loans and advances up 26% YoY to N450.5 billion in December 2013 (N357.8 billion in December 2012).
- ❖ Total assets up 11% YoY to N1 trillion in December 2013 (N908.5 billion in December 2012).
- ❖ Customer deposits up 11% YoY to N715.2 billion in December 2013 (N646.2 billion in December 2012).

Key Ratios

- ❖ Non-performing loans to total loans ratio – 3.9% (2.6% for full year 2012).
- ❖ Net Interest Margin - 7.9% (6.5% for full year 2012).
- ❖ Loan to Deposit Ratio - 63.0% (55.4% for full year 2012).
- ❖ Cost to Income Ratio - 69.0% (60.3% for full year 2012).

¹ The Full Year 2013 (FY13) Results are for FCMB Group Plc and its subsidiaries, while all references to “prior or previous year”, refer to figures for FCMB (Bank) and its subsidiaries as at those dates (i.e. prior to re-organisation into FCMB Group Plc).

² Excludes fee and commission income.

- ❖ Cost of Risk – 1.2% (2.8% for full year 2012).
- ❖ Low-cost deposit mix – 73.9% (67.5% full year 2012).
- ❖ ROaE – 11.6% (12.1% for full year 2012).
- ❖ ROaA – 1.7% (2.0% for full year 2012).
- ❖ Earnings per share – 81k (77k for full year 2012).
- ❖ Proposed dividend payment of 30 kobo per share for the full year 2013.

Commentary:

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

“2013 saw the Group being able to record appreciable growth in profits and resume dividend payments. Returns on average equity and average assets fell by 4.3% and 16.6%, respectively, over the 2012 full year level, as a result of higher tax.

The Group’s non-banking subsidiaries, CSL Stockbrokers (CSLS) and FCMB Capital Markets (FCMB CM), while contributing only 2% of group profits, not only enabled the bank grow its customer wallet share, but also won new customers through advisory services that eventually led to transaction banking relationships. These businesses also consolidated their market positions. CSLS maintained its position as the third largest stockbroker in the country, whilst increasing its market share. CSLS also saw a 100% growth in volumes traded on the Nigerian Stock Exchange (NSE).

Key highlights from FCMB CM’s year included deal flows of approximately N378 billion and net operating earnings growth of 206%, enabled by project and structured finance advisory and arrangement activities. FCMB CM also actively participated in buy-side advisory and capital-raising mandates in the Power sector’s privatisation and acted as the sole local advisor on the first Greenfield International Power Producer project financing, under the new tariff regime. The Euromoney award for ‘Project Finance Deal of the Year’ signified the end of a productive year for the company.”

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

“In spite of the challenging regulatory environment which moderated profit growth, 2013 saw our commercial and retail banking activities benefit greatly from the merger that was concluded in 2012. Specifically, the improved liquidity profile of the bank provided an adequate buffer against the cash reserve withdrawals and the enlarged branch network enabled us to achieve over 66% growth in retail loans, 22% growth in current and savings account balances and acquire over 400,000 new customers.

Cost of risk is also trending steadily downwards at 1.2% of total loans, whilst the net interest margin trend of 22% improvement indicates the effectiveness of the retail strategy we are pursuing.

Our focus in 2014 will be to improve operating efficiency by sweating the acquired branches, consolidating our leadership position in retail lending, whilst also growing corporate and commercial banking volumes in strategic sectors of the economy.”

Conference Call & Webcast for Results

FCMB Group Plc (Bloomberg: FCMB) will be hosting a teleconference call and webcast for analysts and investors on **Tuesday 8 April** at **15.00 Lagos & London/ 10.00 New York/ 16.00 Johannesburg**, with its senior management to review FCMB Group Plc's Audited IFRS-compliant Group Results for the full-year ended 31 December 2013 and reply to questions from investors and analysts.

The teleconference call facility can be accessed by dialling:

UK Access Number: +44(0)20 3427 1923
USA Access Number: +1646 254 3375
South Africa Access Number: +2711 019 7078

And then entering the following confirmation code: **2335295**

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 10.00 Lagos & London on Tuesday 8 April.

For those who are unable to listen to the live call, the recording of the webcast will be available under “Financial Results - 2013” 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 Tuesday 8 April.

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, FCMB (UK) Limited and Arab-Gambia Islamic Bank 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 will 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, 275 branches and cash-centres spread across every state of the Federal Republic of Nigeria and presence in the United Kingdom (through its FSA-authorised investment banking subsidiary, FCMB UK), Gambia and in the Republic of South Africa (representative office).

More information can be found at www.fcmb.com

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