



FCMB

FCMB GROUP PLC

1Q 2017

Investors & Analysts Presentation

3 May 2017



Glossary

CAGR	Compound Annual Growth Rate	NII	Non Interest Income
CAR	Capital Adequacy Ratio	NIM	Net Interest Margin
CIR	Cost to Income Ratio	NPL	Non Performing Loan
COT	Commission on Turnover	OPEX	Operating Expenditure
CRBG	Commercial & Retail Banking Group	p.a.	Per annum
CRR	Cash Reserve Ratio	PAT	Profit After Tax
FCMB CM	FCMB Capital Markets Ltd	PBT	Profit Before Tax
FX	Foreign Exchange	QoQ	Quarter-on-Quarter
FY	Full Year	SME	Small & Medium Enterprises
IBG	Investment Banking Group	TSA	Treasury Single Account
LDR	Loan to Deposit Ratio	YE	Year End
N/A	Not Applicable/ Not Available	YoY	Year-on-Year



AGENDA

Introduction

Commercial & Retail Banking Group:
Business Review

Risk Management Review

Investment Banking Group:
Business Review

Looking Ahead

Appendix

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 of equal length. The entire logo is set against a dark purple square background.

FCMB

The background of the slide is a photograph of a man in a dark blue suit and tie, standing in a modern office environment. He is holding a tablet computer and looking at it. The office has large windows, a white desk, and a white chair. The overall lighting is bright and professional.

Introduction

Highlights

2017: First Quarter

Reported Revenue

4Q16: N35.6 bn ▲ 8.0%
 1Q16: N34.4bn ▲ 11.9%
N38.5 bn

Reported PBT

4Q16: N2.1 bn ▼ -4.4%
 1Q16: N2.2 bn ▼ -10.1%
N2.0 bn

Reported RoAE

4Q16: 3.2% ▲ 11.4%
 1Q16: 4.0% ▼ -1.7%
3.6%

Reported RoAA

4Q16: 0.5% ▲ 16.5%
 1Q16: 0.6% ▼ -5.5%
0.5%

Capital Adequacy Ratio

4Q16: 16.9% ▲ 1.7%
 1Q16: 18.5% ▼ -7.2%
17.2%

Total Assets

4Q16 N1.17 bn ▲ 0.4%
 1Q16: N1.14 bn ▲ 3.2%
N1.18 bn

Financial Performance

- ❖ Overall performance tempered by loan loss provisions and high cost of funds, for which rising asset yields were unable to fully compensate.
- ❖ Non-interest income rose by 161% QoQ, driven by transaction income, trading income and recoveries of previously written off assets;
- ❖ OPEX reduced 1.2% QoQ, as the bank continues to benefit from ongoing automation investments and cost optimisation activities;
- ❖ Non-bank subsidiaries' overall performance declined due to a quiet quarter in capital markets.

Portfolio Strategy

1. Strengthen the core commercial and retail banking business, by:
 - i. strengthening the balance sheet;
 - ii. prudent loan loss provisioning;
 - iii. reducing cost of funds;
 - iv. continued cost optimisation and digitisation;
 - v. driving non interest income primarily through electronic banking
2. Optimise the potential of the bank's growing customer base by leveraging it with our IT infrastructure and distribution channels to:
 - i. invest in growing asset management activities (FCAM - division of CSL Stockbrokers, CSL Trustees and Legacy PFA);
 - ii. pursue financial inclusion and micro enterprise opportunities in a more focused manner through FCMB Microfinance.
3. Maintain presence in advisory and primary capital markets activities, pending renewed investor interest.

Bank and Holdco earnings improved QoQ, while non-bank operating companies' performance declined due to continued capital markets lull. Microfinance bank commenced operations, will run marginal losses for two quarters and expected to be profitable for full year.

FCMB: Analysis of PBT Contribution by Entity
(1Q16 vs. 4Q16 vs. 1Q17)

N'm	1Q16	4Q16	1Q17	% Δ QoQ	% Δ YoY	% Contribution
Commercial & Retail Banking Group	2,226	1,510	1,838	22%	-17%	93%
Investment Banking Group						
• FCMB Capital Markets Ltd	19	-4	-62	1318%	-421%	-3.1%
• CSL Stockbrokers Ltd	43	226	41	-82%	-6%	2%
CSL Trustees Ltd	44	57	47	-17%	7%	2%
FCMB Microfinance Ltd ¹	n/a	n/a	-8	n/a	n/a	0%
FCMB Group Plc (Separate)	-125	14	52	275%	-142%	3%
Share of Post tax result of Associate ²	0	273	75	-72%	n/a	4%
FCMB Group Plc (consolidated)	2,207	2,076	1,984	-4%	-10%	100%

Notes:

1. FCMB Microfinance commenced business in January 2017.
2. Share of unaudited 1Q17 profit from 28.3% investment in Legacy Pensions



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

Profitability ratios up QoQ, dampened by higher cost of risk. Capital and liquidity improved marginally.

CRBG: Key Performance Indicators
(1Q16 vs. 4Q16 vs. 1Q17)

Performance Index		1Q16	4Q16	1Q17	Δ % QoQ	Δ % YoY
Operating	Return on Av. Equity	4.6%	2.1%	3.6%	71.0%	-21.0%
	Return on Av. Assets	0.8%	0.5%	0.6%	23.3%	-20.0%
	Loan/Deposit Ratio	84.0%	99.3%	89.0%	-10.3%	6.0%
	Loan/Funding Ratio	62.4%	71.7%	70.1%	-2.1%	12.5%
	Cost/Income Ratio	73.5%	84.9%	69.8%	-17.8%	-5.0%
	Net Interest Margin	8.9%	7.8%	7.2%	-8.1%	-19.7%
	NPL/Total Loans	4.8%	3.7%	4.3%	15.6%	-9.8%
	Coverage Ratio ¹	110.6%	119.1%	122.1%	2.6%	10.4%
	NII/Operating Income	21.8%	15.9%	32.4%	103.7%	48.7%
	Financial Leverage	7.7%	7.4%	7.1%	-4.3%	-7.6%
	Cost of Risk	2.2%	0.3%	2.8%	726.1%	26.6%
Capital & Liquidity	Capital Adequacy Ratio	17.1%	16.5%	16.9%	1.2%	-2.4%
	Liquidity Ratio	38.2%	31.2%	31.9%	2.2%	-16.5%
Investment	EPS	169.91	82.65	146.69	77.5%	-13.7%
Others	OPEX (N'B)	15.95	16.27	15.71	-3.4%	-1.5%
	Risk Assets (N'B)	561.31	659.70	655.90	-0.6%	16.9%
	Customer Deposits	663.13	664.65	693.32	4.3%	3.8%

NOTE:

1. Inclusive of regulatory risk reserve.

PBT grew 22% QoQ due to growth in non Interest income 139% QoQ and 3.4% QoQ decline in OPEX. High impairments partially offset by recoveries on previously written off assets, recognised in 'Others'.

CRBG: Statements of Comprehensive Income (Extracts): (1Q16 vs. 4Q16 vs. 1Q17)

N'm	1Q16	4Q16	1Q17	%Δ QoQ	%Δ YoY
Revenue	33,044	32,086	36,953	15.2%	11.8%
Interest Income	28,318	31,706	29,656	-6.5%	4.7%
Interest Expense	(11,335)	(15,584)	(14,444)	-7.3%	27.4%
Net Interest Income	16,983	16,121	15,212	-5.6%	-10.4%
Non Interest Income	4,726	3,052	7,297	139.1%	54.4%
- Net Fees & Commissions	3,025	3,641	3,248	-10.8%	7.4%
- Securities Trading Income	56	263	640	143.0%	1042.7%
- FX Income	1,587	(1,022)	551	-153.9%	-65.3%
- Others	58	170	2,858 ¹	1584.1%	4827.7%
Operating Income	21,709	19,173	22,509	17.4%	3.7%
Operating Expenses	(15,952)	(16,273)	(15,713)	-3.4%	-1.5%
Net impairment loss on loans	(3,304)	(556)	(4,751)	755.2%	43.8%
Other impairment loss	(228)	(834)	(207)	-75.2%	-9.3%
PBT	2,226	1,511	1,838	21.7%	-17.4%
PAT	1,699	831	1,467	76.5%	-13.7%

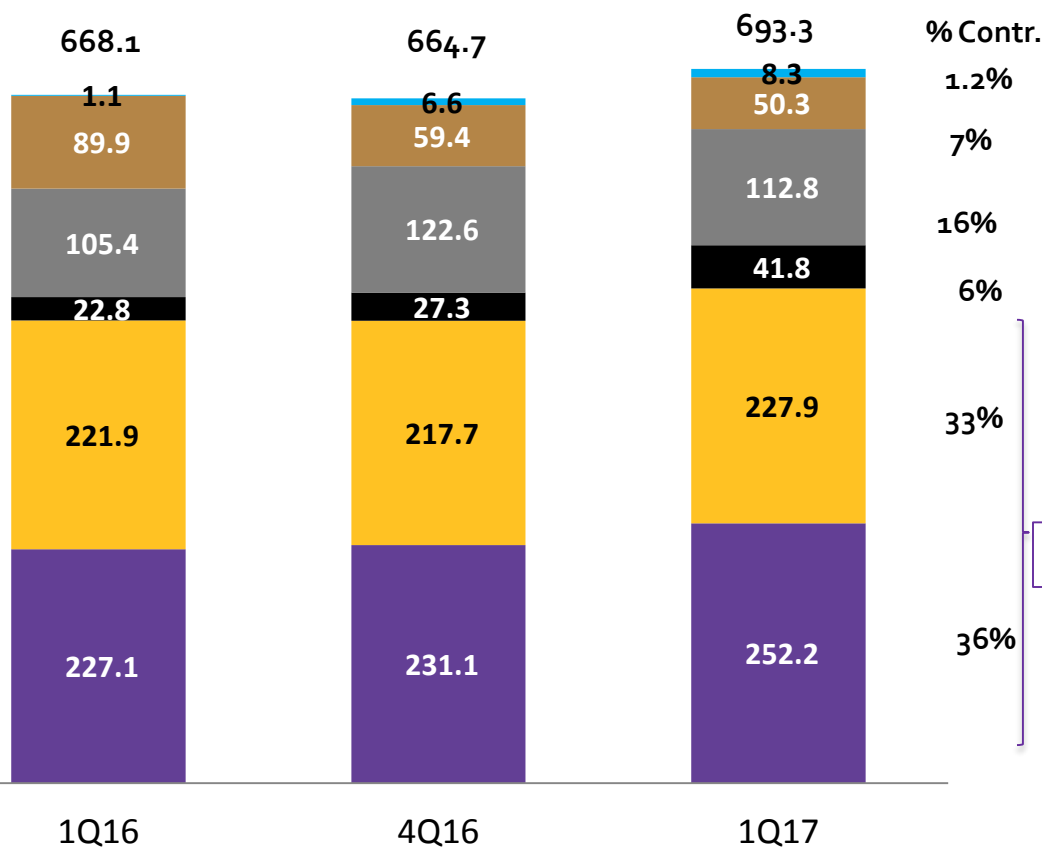
Notes:

1. The most significant item in 'Others' is AMCON recovery of N1.63bn.

N'm	Mar. 2016	Dec. 2016	Mar. 2017	Δ % QoQ	Δ % YoY	YTD Growth (%)
ASSETS:						
Cash & Unrestricted Balances with CBN	143,069	106,424	98,639	-7%	-31.1%	-7.3%
Restricted reserve deposits	145,810	139,461	148,449	6%	1.8%	6.4%
Non-pledged trading assets	5,640	8,412	5,030	-40%	-10.8%	-40.2%
Derivative assets held	1,377	1,019	940	-8%	-31.7%	-7.8%
Loans and advances	561,310	659,700	655,904	-1%	16.9%	-0.6%
Assets pledged as collateral	51,778	59,107	54,530	-8%	5.3%	-7.7%
Investments	139,110	123,258	131,726	7%	-5.3%	6.9%
Fixed assets	29,818	32,148	32,025	0%	7.4%	-0.4%
Intangible assets	8,508	9,426	9,880	5%	16.1%	4.8%
Deferred Tax asset	8,166	7,949	7,949	0%	-2.7%	0.0%
Other assets	34,831	16,531	20,742	25%	-40.5%	25.5%
Total Assets	1,129,415	1,163,435	1,165,813	0%	3.2%	0.2%
LIABILITIES:						
Trading Liabilities	-	6,256	-	-100%	0.0%	-100.0%
Derivative liabilities held	1,228	770	701	-9%	-42.9%	-9.0%
Deposits from banks	34,522	24,798	6,205	-75%	-82.0%	-75.0%
Deposits from customers	668,133	664,653	693,318	4%	3.8%	4.3%
Other liabilities	79,321	73,139	65,443	-11%	-17.5%	-10.5%
Borrowings	112,833	132,094	128,067	-3%	13.5%	-3.0%
On lending facilities	33,336	42,199	43,388	3%	30.2%	2.8%
Debt securities issues	51,085	56,924	64,077	13%	25.4%	12.6%
Shareholders' funds	148,957	162,602	164,615	1%	10.5%	1.2%
Liabilities & Equity	1,129,415	1,163,435	1,165,813	0%	3.2%	0.2%
Acceptances & Guarantees	138,892	159,476	134,646	-16%	-3.1%	-15.6%

Retail deposits (Personal and SME) grew 6.5% QoQ, accounting for 69% of total deposits.

**CRBG: Deposit Distribution by Segment
(1Q16 vs. 4Q16 vs. 1Q17)**

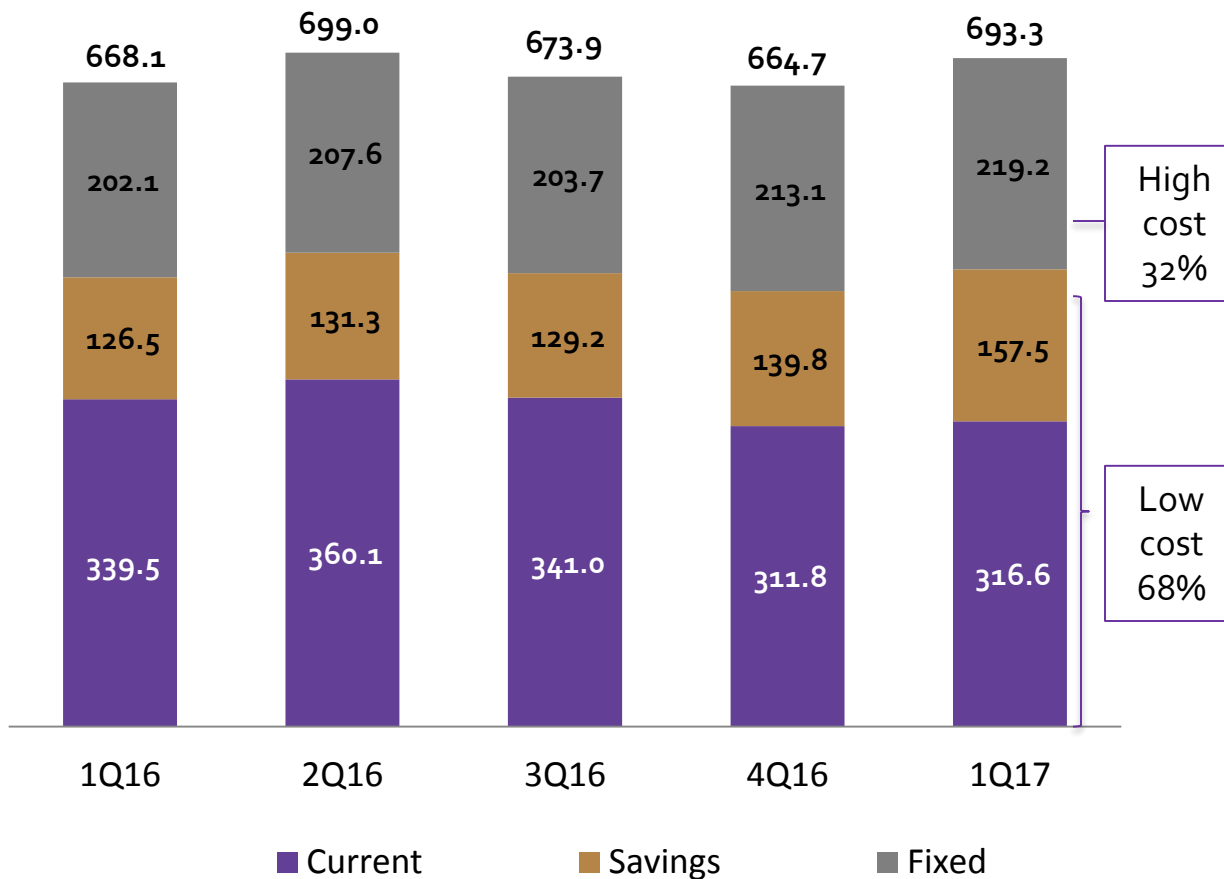


	% Δ QoQ	% Δ YoY
Personal Banking	8.4%	10.0%
SME Banking	4.5%	2.6%
Commercial Banking	34.7%	45.5%
Corporate Banking	-8.7%	6.6%
Institutional Banking	-18.1%	-78.7%
Treasury & Financial Markets/ Others	20.5%	86.7%
Total	4.1%	3.6%

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

All categories of deposits grew, with savings representing the largest growth.

CRBG: Deposit Distribution by Type
(1Q16 – 1Q17)

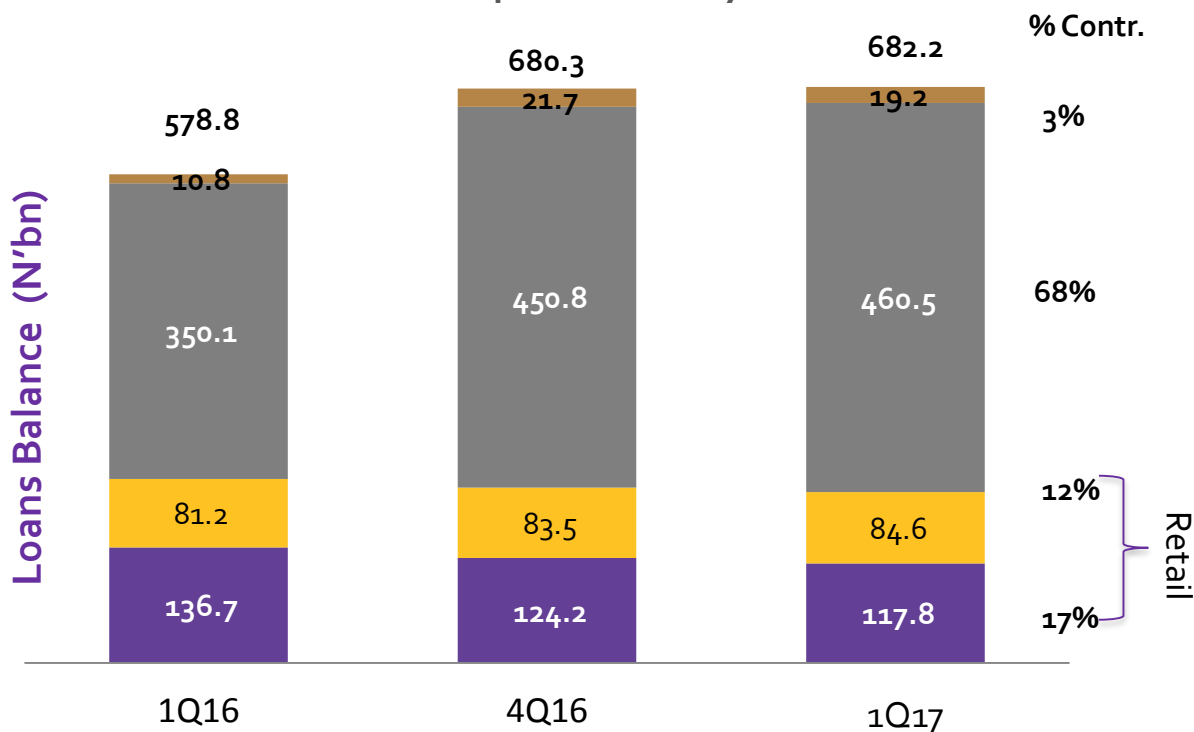


Comments

- ❖ Increase in customer deposit QoQ due to strategic drive for low cost deposit growth.
- ❖ Continuous initiatives to further optimise the balance sheet necessitated the drive for low cost funding while exiting the interbank funding market and expensive deposits.

Loans grew 18% YoY due to devaluation and 0.3% QoQ.

CRBG: Gross Loan Distribution by Segment
1Q16 vs. 4Q16 vs. 1Q17



- Institutional Banking
- Corporate & Commercial Banking
- SME Banking
- Personal Banking

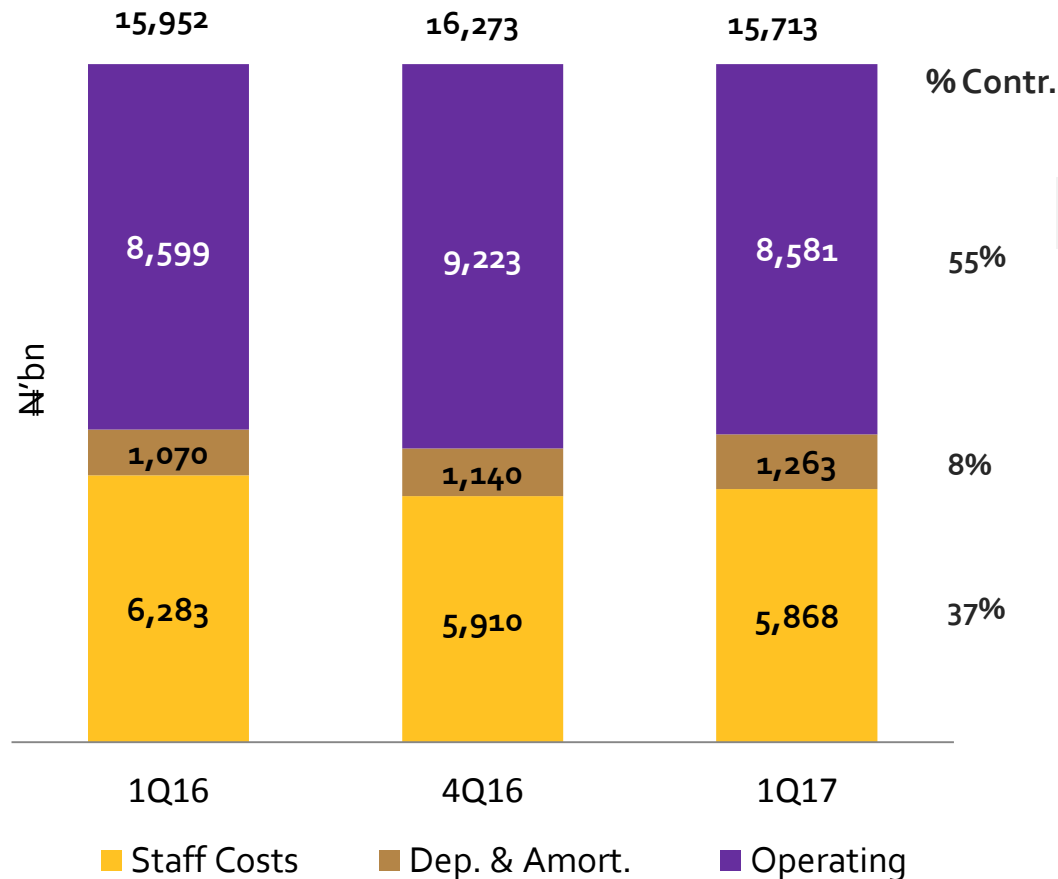
Segment	% Δ QoQ	% Δ YoY
Personal Banking	-5.1%	-13.8%
SME Banking	1.3%	4.2%
Corporate & Commercial Banking	2.2%	31.5%
Institutional Banking	-11.7%	77.9%

Comments

- ❖ QoQ growth in loan book was from Corporate & Commercial banking and SME portfolio.
- ❖ Personal loan book dropped on the back of streamlined eligibility.
- ❖ Increase in FCY exchange rate slightly impacted loan growth in Corporate & Commercial banking.

OPEX declined 3.4% and 1.5% QoQ and YoY respectively due to effective cost control measures.

CRBG: OPEX Analysis by Expense Domain 1Q16 vs. 4Q16 vs. 1Q17



Expense Line	% Δ QoQ	% Δ YoY
Staff Costs	-0.7%	-6.6%
Depreciation & Amortisation	10.8%	18.0%
Operating	-7.0%	-0.2%
Total	-3.4%	-1.5%

Comments

- ❖ YoY decline in staff and operating costs was mainly attributable to continued cost discipline, effects of automation and alternate channels migration and streamlined branch network.
- ❖ YoY and QoQ growth in depreciation & amortisation expenses was due to continued investments in technology.

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Risk Management Review –

Mrs. Toyin Olaiya

Bank maintained cautious loan growth with 0.3% QoQ growth largely from Power & Energy.

FCMB: Analysis of Gross Loans by Sector (Mar. 2016 – Mar. 2017) – N'm

Industry Sector	Mar'16	June'16	Sept'16	Dec'16	Mar'17	% DISTR.
AGRICULTURE	31,119	29,386	24,778	26,150	24,721	3.6%
COMMERCE	51,765	69,815	60,221	54,431	50,809	7.4%
CONSTRUCTION	5,536	4,588	3,746	2,904	2,764	0.4%
EDUCATION	6,647	7,514	9,070	8,979	9,169	1.3%
FINANCE & INSURANCE	13,325	25,167	28,428	39,268	38,782	5.7%
GENERAL – OTHERS	10,394	13,059	14,393	14,063	11,895	1.7%
GOVERNMENT	3,088	4,365	4,568	4,317	2,741	0.4%
INDIVIDUAL	136,666	133,855	126,254	124,222	117,832	17.3%
INFORMATION & COMMUNICATIONS	27,778	28,773	28,324	27,550	26,210	3.8%
MANUFACTURING	54,780	58,265	51,493	53,560	53,249	7.8%
OIL&GAS-DOWNSTREAM	37,192	33,546	21,675	27,444	30,947	4.5%
OIL&GAS-UPSTREAM&SERVICES	100,710	153,387	169,410	162,301	165,308	24.2%
POWER & ENERGY	26,882	38,078	42,146	43,952	53,518	7.8%
PROFESSIONAL, SCIENTIFIC & TECHNICAL ACTIVITIES	734	635	619	432	600	0.1%
REAL ESTATE	65,362	79,789	84,703	83,767	86,668	12.7%
TRANSPORTATION & LOGISTICS	6,775	7,214	7,103	6,907	6,957	1.0%
	578,754	687,438	676,931	680,246	682,169	100.0%

15.9% growth in NPL QoQ is largely from Manufacturing, Individual and Commerce Sector.

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

BUSINESS SEGMENT	Mar. 2016		Dec. 2016		Mar. 2017	
	NPL	NPL%	NPL	NPL%	NPL	NPL%
Agriculture	630.60	2.0%	989.73	3.8%	1,009.52	4.1%
Commerce	4,759.66	9.6%	6,799.81	12.5%	7,669.07	15.1%
Construction	1,887.84	34.1%	32.87	1.1%	194.23	7.0%
Education	197.98	3.0%	1,971.38	22.0%	2,171.75	23.7%
Finance & Insurance	45.08	0.3%	151.64	0.4%	8.04	0.0%
General – Others	469.76	4.5%	385.35	2.7%	451.20	3.8%
Government	17.01	0.6%	22.01	0.5%	8.11	0.3%
Individual	10,123.86	7.4%	12,912.74	10.4%	13,899.02	11.8%
Information & Communications	295.66	1.1%	532.66	1.9%	540.27	2.1%
Manufacturing	1,243.55	2.3%	592.18	1.1%	2,156.15	4.0%
Oil & Gas- Downstream	7,505.35	20.2%	256.21	0.9%	278.47	0.9%
Oil & Gas – Upstream & Svs	182.30	0.2%	229.13	0.1%	245.45	0.1%
Power & Energy	45.96	0.2%	33.00	0.1%	32.24	0.1%
Professional, Scientific & Technical	101.93	2.5%	81.38	18.8%	121.89	20.3%
Real Estate	0.02	0.0%	403.07	0.5%	407.72	0.5%
Transportation & Logistics	247.83	3.7%	81.39	1.2%	329.98	4.7%
Total	27,754.37	4.8%	25,474.53	3.7%	29,523.13	4.3%

Q1 Loan loss charge was largely from Individual, Commerce sectors and increase in collective impairment.

FCMB: Loan Loss Charge/Recovery by Sector (Mar. '16 vs. Dec. '16 vs. Mar. '17) – N'm

Business Segment	Loan Loss Charges/ Recoveries					Cost of Risk %
	1Q16	4Q16	1Q17	Δ QoQ	Δ YoY	
AGRICULTURE	38.37	314.96	(17.02)	(331.98)	(55.38)	-0.1%
COMMERCE	6.29	(1,771.45)	986.78	2,758.23	980.49	1.9%
CONSTRUCTION	452.69	(500.14)	(99.10)	401.04	(551.79)	-3.5%
EDUCATION	18.85	376.23	131.68	(244.56)	112.83	1.5%
FINANCE & INSURANCE	(48.32)	103.39	987.07	883.68	1,035.39	2.5%
GENERAL – OTHERS	(319.10)	(219.92)	11.31	231.23	330.41	0.1%
GOVERNMENT	35.78	(7.60)	(54.22)	(46.62)	(90.00)	-1.5%
INDIVIDUAL	1,205.48	988.77	688.95	(299.82)	(516.54)	0.6%
INFORMATION & COMMUNICATIONS	370.00	136.08	245.61	109.53	(124.39)	0.9%
MANUFACTURING	340.53	268.53	117.06	(151.47)	(223.47)	0.2%
OIL&GAS-DOWNSTREAM	629.56	(1,002.53)	883.78	1,886.32	254.23	3.0%
OIL&GAS-UPSTREAM&SERVICES	286.75	586.05	119.46	(466.59)	(167.29)	0.1%
POWER & ENERGY	11.96	1,493.31	861.09	(632.21)	849.13	1.8%
PROFESSIONAL, SCIENTIFIC & TECHNICAL ACTIVITIES	79.26	(8.95)	(32.65)	(23.70)	(111.90)	-6.3%
REAL ESTATE	83.55	(102.95)	(195.51)	(92.56)	(279.05)	-0.2%
TRANSPORTATION & LOGISTICS	111.98	(1.03)	116.78	117.81	4.80	1.7%
	3,303.62	652.74	4,751.07	4,098.33	1,447.45	0.7%

- ❖ We will continue to maintain our cautious loan origination with a modest reduction in loan book as the year progresses.
- ❖ We will continue to maintain high provision levels to ensure adequate coverage ratio for non-performing loans as well as challenged sectors.
- ❖ Cost of Risk is estimated at about 3% for the year.

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FCMB

A man in a blue suit and tie is standing next to a car with its door open, looking at a smartphone. In the background, a white private jet is visible on an airfield.

Investment Banking Group: *Business Review –*
Mr. Tolu Osinibi (ED, FCMB Capital Markets Ltd)

Earnings declined QoQ and YoY due to significant revenue shortfalls in debt capital and non-debt financial services, driven by low opportunities from capital market operations, however, cost control efficiencies improved QoQ.

Investment Banking Group (IBG): Summary Financials
(1Q16 vs. 4Q16 vs. 1Q17)

Investment Banking Group	1Q16	4Q16	1Q17	% Δ QoQ	% Δ YoY
N'm					
Gross earnings	440	555	298	-46%	-32%
Net Interest Income	81	135	94	-31%	16%
Non Interest Income	360	420	204	-51%	-43%
-Debt Capital Raising	53	22	5	-79%	-91%
-Other Financial Advisory Fees	89	44	25	-43%	-71%
-Equity Capital Raising	9	17	3	-82%	-68%
- Brokerage Commission	110	68	58	-14%	-47%
-Asset Management Fees	38	56	60	7%	60%
- Trading Income	-0	(20)	0	-100%	-100%
- Dividend	51	-0	40	-8231%	-21%
-Others ¹	10	233	13	-94%	25%
Operating Income	440	555	298	-46%	-32%
Operating Expenses	(370)	(377)	-338	-10%	-9%
Net gains/(losses) from fin. instruments at fair value	(8)	43	18	-58%	-335%
PBT	62	222	-22	-110%	-135%
PAT	42	213	-37	-118%	-190%
CIR	86%	63%	107%	70%	25%

Notes:

1. Includes N208m gains realised from FX disposal in 4Q16

FCMB



Looking Ahead –

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

- ❖ Commercial and Retail Banking activities will remain key determinant of group performance;
- ❖ Loan book will remain flat, due to high risk and high interest rate environment;
- ❖ Anticipated Current and Savings account growth from c. 60,000 monthly customer acquisitions will be deployed towards improving the deposit mix;
- ❖ Net Interest Margins will continue to be constrained by high interest rates;
- ❖ Non interest income should continue to rise as a result of acquisitions, digital migration and pick up of economic activities;
- ❖ Cost of risk will remain at similar levels for subsequent quarters;
- ❖ OPEX expected to reduce marginally in subsequent quarters;
- ❖ Opportunities for earnings improvement hinged upon reduced cost of risk/ recoveries and reducing cost of funds;
- ❖ Improved performance expected from non-bank subsidiaries as economy/ capital markets recover and initiatives in microfinance and asset management unfold.

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Appendix

Operating returns improved QoQ driven by growth in non interest income and cost savings albeit a decline YoY due to decrease in NIM and rise in cost of risk, while Liquidity and CAR are above regulatory limits.

**FCMB: Key Performance Indicators
(1Q16 vs. 4Q16 vs. 1Q17)**

Performance Index		1Q16	4Q16	1Q17	%Δ QoQ	%Δ YoY
Operating	Return on Av. Equity	4.0%	3.2%	3.5%	11.4%	-12.7%
	Return on Av. Assets	0.6%	0.5%	0.5%	16.5%	-5.5%
	Loan/Deposit Ratio	85.5%	100.4%	95.5%	-4.9%	11.7%
	Loan/Funding Ratio	63.2%	74.5%	70.8%	-4.9%	12.1%
	Cost/Income Ratio	74.2%	85.5%	70.3%	-17.8%	-5.3%
	Net Interest Margin	8.8%	7.8%	7.3%	-6.7%	-17.4%
	NPL/Total Loans	4.8%	3.7%	4.3%	15.6%	-9.9%
	Coverage Ratio ¹	105.7%	105.3%	110.2%	4.7%	4.3%
	NII/Operating Income	22.9%	15.1%	32.8%	117.2%	43.2%
	Financial Leverage	7.1	6.8	6.5	-4.4%	-7.7%
	Cost of Risk	2.2%	0.3%	2.8%	728.4%	27.0%
Capital & Liquidity	Capital Adequacy Ratio ²	18.5%	16.9%	17.2%	1.7%	-7.2%
	Liquidity Ratio	38.2%	31.2%	31.9%	2.2%	-16.5%
Investment	EPS	33.2	27.4	31.9	16.5%	-3.9%
	Opex (N'B)	16.5	16.4	16.3	-1.2%	-1.6%
Others	Risk Assets (net) (N'B)	562	660	656	-0.6%	16.8%
	Customer Deposits (N'B)	657	658	687	4.5%	4.6%

NOTE:

- Inclusive of regulatory risk reserve
- Drop in 4Q16 earlier advised from 18.5% to 16.9% due to additional transfer to Regulatory Risk Reserve from Retained Earnings at year end

Earnings declined QoQ due to shortfalls in NRFF and sharp increase in loans impairment charges but cushioned by rise in non interest income driven mainly by recovery from previously written-off debt sold to AMCON and cost savings.

FCMB: Statements of Comprehensive Income (Extracts) - (1Q16 vs. 4Q16 vs. 1Q17)

N'm	1Q16	4Q16	1Q17	%Δ QoQ	%Δ YoY
Revenue	34,362	35,625	38,462	8.0%	11.9%
Interest Income	28,505	31,873	29,861	-6.3%	4.8%
Interest Expense	(11,346)	(15,536)	(14,323)	-7.8%	26.2%
Net Interest Income	17,159	16,337	15,538	-4.9%	-9.4%
Non Interest Income	5,093	2,905	7,580	160.9%	48.8%
- Net Fees & Commissions	3,380	3,498	3,453	-1.3%	2.2%
- Securities Trading Income	48	252	416	65.1%	760.1%
- FX Income	1,556	-1,179	813	-169.0%	-47.7%
- Others	109	334	2,898	766.5%	2558.3%
Operating Income	22,252	19,242	23,118	20.1%	3.9%
Operating Expenses	(16,513)	(16,448)	(16,251)	-1.2%	-1.6%
Net impairment loss on loans	(3,304)	(556)	(4,751)	755.2%	43.8%
Other impairment loss	(228)	(470)	(207)	-56.0%	-9.2%
Net gains/(losses) from fin. instruments at fair value	0	35	0	-100.0%	n/a
<i>Share of Post tax result of Associate</i>	0	273	75	-72.4%	n/a
PBT	2,207	2,076	1,984	-4.4%	-10.1%
PAT	1,645	1,358	1,581	16.5%	-3.9%

Customer deposits and debt securities grew QoQ and enabled pay-down of expensive interbank deposits, however, loans declined marginally by 1% QoQ, constrained by sharp increase in CRR.

FCMB: Statements of Financial Position (Extracts) – (1Q16 vs. 4Q16 vs. 1Q17)

N'm	1Q16	4Q16	1Q17	% Δ QoQ	% Δ YoY
Cash and cash equivalents	147,083	108,105	101,630	-6.0%	-30.9%
Restricted reserve deposits	145,810	139,461	148,449	6.4%	1.8%
Loans and advances	561,576	659,937	656,138	-0.6%	16.8%
Derivative assets held	1,377	1,019	940	-7.8%	-31.7%
Non Pledged trading assets	5,756	9,154	5,979	-34.7%	3.9%
Investments	150,414	128,442	137,326	6.9%	-8.7%
Assets pledged as collateral	51,778	59,107	54,530	-7.7%	5.3%
Investment in associate	732	847	922	8.9%	25.9%
Intangible assets	8,863	9,673	10,121	4.6%	14.2%
Deferred tax assets	8,186	7,972	7,972	0.0%	-2.6%
Other assets	28,913	16,779	21,179	26.2%	-26.8%
Fixed assets	29,979	32,283	32,150	-0.4%	7.2%
Total Assets	1,140,467	1,172,778	1,177,335	0.4%	3.2%
LIABILITIES:					
Trading liabilities	0	6,256	0	-100.0%	n/a
Derivative liabilities held	1,228	770	701	-9.0%	-42.9%
Customer deposits	657,187	657,610	687,219	4.5%	4.6%
Deposits from banks	34,522	24,798	6,205	-75.0%	-82.0%
Other liabilities	87,464	75,695	69,130	-8.7%	-21.0%
Borrowings	112,833	132,094	128,067	-3.0%	13.5%
On-lending facilities	33,336	42,199	43,388	2.8%	30.2%
Debt securities issued ¹	51,085	54,482	61,634	13.1%	20.6%
Shareholders' funds	162,811	178,873	180,991	1.2%	11.2%
Liabilities and Shareholder Equity	1,140,467	1,172,778	1,177,335	0.4%	3.2%
Acceptances & Guarantees	138,892	159,384	136,813	-14.2%	-1.5%

Notes:

1. Grew QoQ due to N5bn increase in debt securities and accrued interest