



## **FCMB Group Plc announces a Profit before Tax of N11.5 billion for the full-year ended 31 December 2017 and a proposed dividend of 10k per share.**

LAGOS, NIGERIA – 4 APRIL 2018: FCMB Group Plc (Bloomberg: **FCMB**) (“FCMB Group”) announced its Audited Group Results for the full-year ended 31 December 2017.

### **Financial Performance Highlights:**

#### **Earnings Analysis:**

- ❖ Gross revenue of N169.9 billion for the twelve-months ended December 2017, a 4% decrease from N176.3 billion for the same period prior year. The decrease was primarily driven by the exceptional FX revaluation income in 2016.
- ❖ Non-interest income of N32.0 billion, for the full-year ended December 2017, a decrease of 33% Year-on-Year (YoY), from N47.7 billion for the same period prior year.
- ❖ Net impairment on loans reduced by 33% YoY to N21.3 billion for the twelve-months ended December 2017, from N31.8 billion for the same period prior year.
- ❖ Operating expenses, increased by 5% to N68.7 billion, for the full-year ended December 2017, due to contingent expenses.
- ❖ Profit before tax (PBT) of N11.5 billion for twelve-months 2017, declined 30% from N16.2 billion for the twelve-months 2016, but improved 53% Quarter-on-Quarter (QoQ).

#### **Financial Position:**

- ❖ Loans and advances reduced by 1.5% YoY to N649.8 billion in December 2017 (N659.9 billion in December 2016).
- ❖ Total assets increased 1% YoY to N1.19 trillion in December 2017 (N1.17 trillion in December 2016).
- ❖ Customer deposits also increased by 5% YoY N689.9 billion in December 2017 (N657.6 billion in December 2016).

#### **Key Ratios:**

- ❖ Capital Adequacy Ratio – 16.9%.
- ❖ Liquidity Ratio – 36.6%.
- ❖ Loan to Funding Ratio – 72.5%.
- ❖ Non-Performing Loans (NPL) to Total Loans Ratio – 4.9%.
- ❖ Cost to Income Ratio – 67.0%.
- ❖ Net Interest Margin – 8.3%.
- ❖ Earnings per share – 47.5k.

## FY 2017 Results Overview:

*The Group recorded profits after tax of N9.4 billion, a 34% reduction from N14.3 billion achieved in 2016. In spite of the reduction in headline numbers, the group performance witnessed an improvement in core operating performance over the previous year after adjusting for the significant FX revaluation income enjoyed in 2016. In line with the repositioning strategy of the Group for better performance, the key drivers of the performance include increase in income from our non-banking activities, lower impairment charges from the bank and its subsidiaries, and improved operating efficiencies through more pervasive use of technology.*

*In November 2017, FCMB completed the acquisition of an additional 60% stake in Legacy Pension Managers Limited, which increased FCMB's stake from 28.2% to 88.2%, thereby making Legacy a subsidiary of FCMB. The acquisition helps achieve further diversification of service offerings and, consequently, earnings within the FCMB Group, which will be felt from the 2018 financial year.*

*FCMB Microfinance Bank Limited, the Group's dedicated group lending and financial inclusion vehicle, commenced operations as a state microfinance bank in January 2017. This business will be the key driver of FCMB's informal sector and agricultural sector (particularly small-holder farmers) drive across the country. These two sectors account for over 40% of the country's GDP.*

*Our operating companies are now divided along three business groups – Commercial and Retail Banking (First City Monument Bank Limited, Credit Direct Limited, FCMB (UK) Limited and FCMB Microfinance Bank Limited); Investment Banking (FCMB Capital Markets Limited and CSL Stockbrokers Limited); and Asset & Wealth Management (Legacy Pension Managers Limited, First City Asset Management Limited and CSL Trustees Limited).*

*Barring any unforeseen circumstances, we see improved operating performance in 2018 based on the improving macro-economic and capital markets environment, declining cost of funds for the bank, and the growing contributions of asset and wealth management following last year's acquisitions.*

## Conference Call & Webcast for Results

FCMB Group Plc (Bloomberg: FCMB) will be hosting a teleconference call and webcast for analysts and investors on **Friday 6 April** 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.

The teleconference call facility can be accessed by dialling:

Lagos Access Number: +234 1 277 2430  
UK Access Number: +44 (0) 330 336 9105  
USA Access Number: +1 929 477 0448  
South Africa Access Number: +27 11 844 6054

And then entering the following confirmation code: **8956903**

*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.fcmbgroup.com/investor-relations](http://www.fcmbgroup.com/investor-relations)

**First City Plaza, 44 Marina, Lagos, Nigeria. Tel: +234 (0) 1 279 3030, +234 (0) 1 279 3033**  
**www.fcmbgroup.com** | fcmbgroupplc@firstcitygroup.com

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

Access the live and on-demand versions 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.fcmbgroup.com/investor-relations](http://www.fcmbgroup.com/investor-relations) from 13.00 (Lagos & London) on Friday 6 April.

For those who are unable to listen to the live call, the recording of the webcast will be available under 'Financial Results – 2017' 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](http://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 Friday 6 April.

**For further information, please contact:**

**Ori Rewane: Head - Investor Relations, FCMB Group Plc**

Tel: +234 (0) 1 279 30 30 and +234 (0) 1 279 30 33

Email: [orighoye.rewane@fcmb.com](mailto:orighoye.rewane@fcmb.com)

**Kayode Adewuyi: Chief Financial Officer, FCMB Group Plc**

Email: [kayode.adewuyi@fcmb.com](mailto:kayode.adewuyi@fcmb.com)

OR [institutionalinvestorrelations@fcmb.com](mailto:institutionalinvestorrelations@fcmb.com)

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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, Credit Direct Limited, FCMB (UK) Limited and FCMB Microfinance Bank Limited); Investment Banking (FCMB Capital Markets Limited and CSL Stockbrokers Limited); and Asset & Wealth Management (Legacy Pension Management Limited, First City Asset Management Limited and CSL Trustees Limited). Listed on the Nigerian Stock Exchange

**First City Plaza, 44 Marina, Lagos, Nigeria. Tel: +234 (0) 1 279 3030, +234 (0) 1 279 3033**  
**[www.fcmbgroup.com](http://www.fcmbgroup.com) | [fcmbgroupplc@firstcitygroup.com](mailto:fcmbgroupplc@firstcitygroup.com)**

Mr. Oladipupo Jadesimi (Chairman), Mr. Ladi Balogun (Group Chief Executive), Mr. Peter Obaseki (Chief Operating Officer), Dr. Jonathan Long ( Non-Executive Director), Mr. Bismarck Rewane (Non-Executive Director Independent), Mr. Martin Dirks (Non-Executive Director), Alhaji Mustapha Damcida (Non-Executive Director), Mr. Olusegun Odubogun ( Non-Executive Director Independent), Mr. Olutola Olusemi Mobolurin (Non-Executive Director), Prof. Oluwatoyin Ashiru (Non-Executive Director), Dr. (Engr) Gregory Omosigho Ero (Non-Executive Director), Mrs. Olapeju Sofowora (Non-Executive Director)

(NSE) with the ticker symbol (FCMB), FCMB Group Plc has 19,802,710,781 ordinary shares held by over 521,000 shareholders.

First City Monument Bank Limited, the flagship company, has approximately 3.7 million customers and 204 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](http://www.fcmbgroupplc.com)  
FCMB Group Plc, First City Plaza, 44 Marina, Lagos, Nigeria.  
Tel: +234 (0) 1 279 3030 and +234 (0) 1 279 30 33.

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