

FBN HOLDINGS PLC.
Consolidated Financial Statements
for the period ended 30 September 2014

FBN Holdings Plc.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT:	Notes	GROUP		COMPANY	
		30 September 2014	31 December 2013	30 September 2014	31 December 2013
		N' million	N' million	N' million	N' million
ASSETS					
Cash and balances with central banks	1	584,342	594,234	-	-
Loans and advances to banks	2	565,407	430,586	717	1,477
Loans and advances to customers	3	2,028,171	1,769,130	72	72
Financial assets at fair value through profit or loss	4	25,631	10,287	-	-
Investment securities					
-Available for sale	5	412,840	529,488	2,515	2,515
-Held to maturity	5	283,275	294,575	1,425	-
-Loans and receivables		-	-	8,059	7,332
Asset pledged as collateral	6	65,357	53,650	-	-
Inventory	7	34,530	30,253	-	-
Investments in Subsidiaries	8	-	-	246,777	246,777
Investments in associates accounted for using the equity method	9	7,628	7,029	3,964	9,281
Property, plant and equipment	10	86,451	81,299	1,494	1,072
Intangible assets	11	8,271	8,748	-	-
Deferred tax asset		6,062	7,120	-	-
Other assets	12	69,591	41,405	6,116	43,285
Investment properties	13	2,756	2,413	-	-
Assets classified as held for sale	14	10,500	10,784	-	-
Total assets		4,190,812	3,871,001	271,138	311,811
LIABILITIES					
Deposits from banks		215,827	82,032	-	-
Deposits from customers	15	2,910,397	2,929,081	-	-
Financial liabilities held for trading		2,948	1,701	-	-
Liability on investment contracts	16	38,729	68,723	-	-
Liability on insurance contracts	16	7,080	3,651	-	-
Borrowings		320,103	126,302	-	-
Retirement benefit obligations	17	3,447	1,924	-	-
Current income tax liability		21,449	34,167	-	-
Deferred income tax liability		625	37	-	-
Other liabilities	18	174,623	149,859	3,280	3,710
Liabilities included in assets classified as held for sale	19	1,919	1,747	-	-
Total liabilities		3,697,147	3,399,224	3,280	3,710
EQUITY					
Share capital		16,316	16,316	16,316	16,316
Share premium		254,524	254,524	254,524	254,524
Retained earnings		119,924	115,397	(3,063)	37,180
Other reserves					
-Statutory reserve		59,386	52,074	-	-
-SSI Reserve		6,076	6,076	-	-
-AFS Fair Value Reserve		16,162	14,969	71	71
-Contingency reserve		170	107	-	-
-Statutory credit reserve		13,072	7,987	-	-
-Treasury share reserve		(32)	(2,280)	-	-
-Capital reserve		1,223	-	10	10
-Foreign currency translation reserve		1,145	2,102	-	-
		487,966	467,272	267,858	308,101
Non-controlling interest (NCI)		5,699	4,505	-	-
Total equity		493,665	471,777	267,858	308,101
Total equity and liabilities		4,190,812	3,871,001	271,138	311,811

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CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED:	Note	GROUP		COMPANY	
		30 September 2014 N'million	30 September 2013 N'million	30 September 2014 N'million	30 September 2013 N'million
Interest income	20	255,722	239,164	2,584	2
Interest expense	21	(79,231)	(66,731)	-	-
Net interest income		176,491	172,433	2,584	2
Impairment charge for losses	22	(13,364)	(15,698)	-	-
Net interest income after impairment charge for credit losses		163,127	156,735	2,584	2
Fee and commission income	23	51,221	44,054	-	-
Fee and commission expense		(5,125)	(3,804)	-	-
Foreign Exchange income		17,157	5,052	-	-
Net gains/(losses) on investment securities	24	833	573	-	-
Net gains/(losses) from financial assets at fair value through profit or loss	25	1,531	42	-	-
Net insurance premium		2,735	1,540	-	-
Net insurance benefits and claims		(939)	(599)	-	-
Dividend income		2,190	1,428	1,173	33,816
Other operating income		1,243	3,351	5	1
Operating expenses	26	(160,824)	(139,391)	(8,110)	(4,539)
Operating profit/ (loss)		73,148	68,981	(4,348)	29,280
Share of profit/ (loss) of associates		599	1,090	-	-
Profit/ (loss) before tax		73,748	70,071	(4,348)	29,280
Income tax expense		(18,122)	(10,986)	-	-
PROFIT/ (LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS		55,626	59,085	(4,348)	29,280
Discontinued operations					
Profit for the year from discontinued operations (attributable to owners of the parent)		-	-	-	-
PROFIT/ (LOSS) FOR THE PERIOD		55,626	59,085	(4,348)	29,280
Profit/ (loss) attributable to:					
Owners of the parent		55,281	58,660	(4,348)	29,280
Non-controlling interests		345	425	-	-
		55,626	59,085	(4,348)	29,280

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STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED:	Note	GROUP		COMPANY	
		30 September 2014 N 'million	30 September 2013 N 'million	30 September 2014 N 'million	30 September 2013 N 'million
PROFIT/ (LOSS) FOR THE PERIOD		55,626	59,085	(4,348)	29,280
Other comprehensive income:					
Items that may be reclassified subsequently to net income					
Net gains on available-for-sale financial assets					
-Unrealised net gains/ (loss) arising during the period, before tax		3,015	(25,212)	-	-
-Net reclassification adjustments for realised net gains or losses, before tax		(1,830)	-	-	-
Exchange difference on translation of foreign operations		(957)	(591)	-	-
Income tax relating to items that may be reclassified		-	210	-	-
Share of other comprehensive income of associates		-	-	-	-
Items that will not be reclassified to profit or loss					
Return on plan assets		(804)	145	-	-
Actuarial gains/(losses) on defined benefit pension scheme		-	-	-	-
Income tax relating to items that will not be reclassified		-	-	-	-
Other comprehensive income for the year, net of tax		(576)	(25,448)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		55,050	33,637	(4,348)	29,280
Total comprehensive income attributable to:					
Owners of the parent		54,712	33,212	(4,348)	29,280
Non-controlling interests		337	425	-	-
		55,050	33,637	(4,348)	29,280
Total comprehensive income attributable to owners of the parent arises from :					
Continuing operations		55,050	33,637	(4,348)	29,280
Discontinued operations		-	-	-	-
		55,050	33,637	(4,348)	29,280

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CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2014:

	Attributable to equity holders of the parent													
	Share capital N' million	Share premium N' million	Retained earnings N' million	Statutory reserve N' million	SSI reserve N' million	AFS fair value reserve N' million	Contingency reserve N' million	Statutory credit reserve N' million	Tresury share reserve N' million	Capital reserve N' million	FCTR N' million	Total N' million	Non - controlling interest N' million	Total equity N' million
Balance at 1 January 2013	16,316	254,524	73,367	43,347	6,076	26,272	50	16,101	(1,422)	-	1,668	436,299	2,548	438,847
Profit for the period	-	-	58,660	-	-	-	-	-	-	-	-	58,660	425	59,085
Other comprehensive income														
Foreign currency translation differences, net of tax	-	-	-	-	-	-	-	-	-	-	(591)	(591)	-	(591)
Actuarial gains/(losses) on defined benefit pension scheme	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax effect on revaluation of financial assets	-	-	-	-	-	210	-	-	-	-	-	210	-	210
Fair value movements on available-for-sale financial assets	-	-	-	-	-	(25,212)	-	-	-	-	-	(25,212)	-	(25,212)
Return on plan assets	-	-	145	-	-	-	-	-	-	-	-	145	-	145
Share of OCI of associates, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	58,805	-	-	(25,002)	-	-	-	-	(591)	33,212	425	33,638
Transactions with owners														
Dividend	-	-	(32,632)	-	-	-	-	-	-	-	-	(32,632)	-	(32,632)
Remeasurement of Goodwill	-	-	-	-	-	-	-	-	-	-	-	-	181	181
Disposal of Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity raised/ (withdrawn)	-	-	-	-	-	-	-	-	-	-	-	-	1,653	1,653
Transfer between reserves	-	-	7,340	7,137	-	-	33	(14,510)	-	-	-	-	-	-
Total transactions with owners	-	-	(25,292)	7,137	-	-	33	(14,510)	-	-	-	(32,632)	1,834	(30,798)
Balance at 30 September 2013	<u>16,316</u>	<u>254,524</u>	<u>106,880</u>	<u>50,484</u>	<u>6,076</u>	<u>1,270</u>	<u>83</u>	<u>1,591</u>	<u>(1,422)</u>	<u>-</u>	<u>1,077</u>	<u>436,879</u>	<u>4,807</u>	<u>441,687</u>
Balance at 1 January 2014	16,316	254,524	115,397	52,074	6,076	14,969	107	7,987	(2,280)	-	2,102	467,272	4,505	471,777
Profit for the period	-	-	55,281	-	-	-	-	-	-	-	-	55,281	345	55,626
Other comprehensive income														
Foreign currency translation differences, net of tax	-	-	-	-	-	-	-	-	-	-	(957)	(957)	-	(957)
Tax effect on revaluation of financial assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fair value movements on available-for-sale financial assets	-	-	-	-	-	1,193	-	-	-	-	-	1,193	(8)	1,185
Return on plan assets	-	-	(804)	-	-	-	-	-	-	-	-	(804)	-	(804)
Share of OCI of associates, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	54,477	-	-	1,193	-	-	-	-	(957)	54,712	337	55,050
Transactions with owners														
NCI on acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	956	956
Dividend	-	-	(35,895)	-	-	-	-	-	-	-	-	(35,895)	(107)	(36,002)
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares on acquisition of subsidiary	-	-	-	-	-	-	-	-	(32)	-	-	(32)	-	(32)
Disposal of Treasury shares	-	-	-	-	-	-	-	-	2,280	-	-	2,280	-	2,280
Equity raised/ (withdrawn)	-	-	-	-	-	-	-	-	-	-	-	-	7	7
Business Restructuring	-	-	(1,595)	-	-	-	-	-	-	1,223	-	(372)	-	(372)
Transfer between reserves	-	-	(12,460)	7,312	-	-	63	5,085	-	-	-	0	-	0
Total transactions with owners	-	-	(49,950)	7,312	-	-	63	5,085	2,248	1,223	-	(34,018)	856	(33,163)
Balance at 30 September 2014	<u>16,316</u>	<u>254,524</u>	<u>119,924</u>	<u>59,386</u>	<u>6,076</u>	<u>16,162</u>	<u>170</u>	<u>13,072</u>	<u>(32)</u>	<u>1,223</u>	<u>1,145</u>	<u>487,966</u>	<u>5,699</u>	<u>493,665</u>

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**COMPANY STATEMENT OF CHANGE IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2014:**

	Share capital N' million	Share premium N' million	Retained earnings N' million	AFS fair value reserve N' million	Capital reserve N' million	Total N' million
Balance at 1 January 2013	16,316	254,524	(819)	(138)	10	269,893
Profit for the period	-	-	29,280	-	-	29,280
Other comprehensive income						
Tax effect on revaluation of financial assets	-	-	-	-	-	-
Fair value movements on available-for-sale financial assets	-	-	-	-	-	-
Total comprehensive income	-	-	29,280	-	-	29,280
Transactions with owners						
Dividend	-	-	(32,632)	-	-	(32,632)
Total transactions with owners	-	-	(32,632)	-	-	(32,632)
Balance at 30 September 2013	<u>16,316</u>	<u>254,524</u>	<u>(4,171)</u>	<u>(138)</u>	<u>10</u>	<u>266,541</u>
Balance at 1 January 2014	16,316	254,524	37,180	71	10	308,101
Loss for the period	-	-	(4,348)	-	-	(4,348)
Other comprehensive income						
Tax effect on revaluation of financial assets	-	-	-	-	-	-
Fair value movements on available-for-sale financial assets	-	-	-	-	-	-
Total comprehensive income	-	-	(4,348)	-	-	(4,348)
Transactions with owners						
Dividend	-	-	(35,895)	-	-	(35,895)
Total transactions with owners	-	-	(35,895)	-	-	(35,895)
Balance at 30 September 2014	<u>16,316</u>	<u>254,524</u>	<u>(3,063)</u>	<u>71</u>	<u>10</u>	<u>267,858</u>

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STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED:	GROUP		COMPANY	
	30 September 2014 N 'millions	30 September 2013 N 'millions	30 September 2014 N 'millions	30 September 2013 N 'millions
Cash flows from operating activities				
Net cash from/(used in) operating activities	(187,655)	118,669	35,345	450
Cash flows from investing activities				
Net cash from investing activities	(43,365)	(9,774)	1,215	36,431
Cash flows from financing activities				
Net cash (used in)/from financing activities	160,054	10,175	(35,895)	(32,632)
Net increase in cash and cash equivalents	(70,965)	119,070	665	4,249
Cash and cash equivalents at start of period	834,691	641,572	1,477	-
Effect of exchange rate fluctuations on cash held	283	(486)	-	-
Cash and cash equivalents at end of period	764,009	760,156	2,142	4,249

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NOTES TO THE ACCOUNT FOR THE PERIOD ENDED:	Note	GROUP		COMPANY	
		30 September 2014 N'million	31 December 2013 N'million	30 September 2014 N'million	31 December 2013 N'million
Cash at Bank and in hand	1				
Cash		72,332	71,743	-	-
Operating account		100,638	181,280	-	-
Mandatory reserve deposit		411,372	341,211	-	-
		584,342	594,234	-	-
Loans and advances to banks	2				
Current balances with banks within Nigeria		63,953	4,863	164	1,477
Current balances with banks outside Nigeria		452,339	287,452	-	-
Placements with banks and discount houses		49,115	138,272	553	-
		565,407	430,586	717	1,477
Loans and advances to customers	3				
Overdrafts		209,325	354,582	-	-
Term loans		1,786,001	1,388,767	-	-
Staff loans		9,806	6,432	72	72
Project finance		64,431	61,534	-	-
Advances under finance leases		2,572	2,862	-	-
Less:					
Specific impairment allowance		(24,941)	(20,673)	-	-
Collective impairment allowance		(19,024)	(24,374)	-	-
		2,028,171	1,769,130	72	72
Financial assets at fair value through profit or loss	4				
Treasury bills		14,365	584	-	-
Bonds		1,046	541	-	-
Equities		5,488	4,150	-	-
Derivatives		4,731	5,012	-	-
		25,631	10,287	-	-
Investment securities	5				
Available for Sale					
Treasury bills		214,148	313,822	-	-
Bonds		146,395	163,120	-	-
Listed Equities		5,307	5,936	-	-
Unlisted Equities		46,990	46,610	2,515	2,515
		412,840	529,488	2,515	2,515
Held to Maturity					
Treasury bills		10,996	19,108	1,425	-
Bonds		272,279	275,467	-	-
		283,275	294,575	1,425	-
Asset pledged as collateral	6				
Bonds		45,011	20,178	-	-
Treasury Bills		20,346	33,472	-	-
		65,357	53,650	-	-
Inventory	7				
WIP/Stock of properties		23,662	19,385	-	-
Interest capitalised		10,868	10,868	-	-
		34,530	30,253	-	-
Inventory relates to real estate development of Rainbow Town Development Limited.					
Investments in Subsidiaries	8				
Investment in FBN Insurance Brokers Nig. Ltd		-	-	25	25
Investment in FBN Bank		-	-	205,557	205,557
Investment in FBN Capital Ltd		-	-	4,300	4,300
Investment In FBN Microfinance Bank		-	-	2,000	2,000
Investment In FBN Life Assurance Ltd		-	-	2,262	2,262
Investment in other subsidiaries		-	-	32,633	32,633
		-	-	246,777	246,777

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NOTES TO THE ACCOUNT FOR THE PERIOD ENDED:	Note	GROUP		COMPANY	
		30 September 2014 N'million	31 December 2013 N'million	30 September 2014 N'million	31 December 2013 N'million
<u>Investments in Associates</u>	9				
Opening balance		7,029	6,321	9,281	11,875
Specific impairment allowance		-	-	(5,317)	(2,594)
Share of profit		599	1,006	-	-
Share of other comprehensive income		-	(298)	-	-
		7,628	7,029	3,964	9,281
<u>Property, plant and equipment</u>	10				
Cost/ Fair value		130,816	117,396	1,673	1,119
Accumulated depreciation		(44,364)	(36,097)	(179)	(47)
		86,451	81,299	1,494	1,072
<u>Intangible assets</u>	11				
Acquisition cost		5,650	4,073	-	-
Goodwill		5,702	6,586	-	-
Accumulated amortisation		(3,081)	(1,912)	-	-
		8,271	8,748	-	-
<u>Other assets</u>	12				
Prepayments		20,071	12,772	326	454
Deposit for investment		-	-	-	-
Accounts receivable		16,354	9,369	41	40,282
Other receivables		37,552	20,797	5,749	2,549
Specific allowances for impairment		(4,547)	(1,533)	-	-
		69,591	41,405	6,116	43,285
<u>Investment properties</u>	13	2,756	2,413	-	-
Investment properties relates to the various investments in land and buildings held by some entities within the group primarily for the purpose of capital appreciation and/or rental income. These investment properties are carried at revalued amount.					
<u>Assets classified as held for sale</u>	14				
Inventory		4,798	4,549	-	-
Accounts receivable		5,702	6,235	-	-
		10,500	10,784	-	-
<u>Deposits from customers</u>	15				
Current deposits		859,700	922,097	-	-
Savings deposits		696,970	665,670	-	-
Term deposits		815,612	716,677	-	-
Domiciliary deposit		528,718	616,368	-	-
Electronic purse		9,396	8,269	-	-
		2,910,397	2,929,081	-	-
<u>Liability on contracts</u>	16				
Investment contracts		38,729	68,723	-	-
Insurance contracts		7,080	3,651	-	-
		45,809	72,374	-	-

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NOTES TO THE ACCOUNT FOR THE PERIOD ENDED:	Note	GROUP		COMPANY	
		30 September 2014 N'million	31 December 2013 N'million	30 September 2014 N'million	31 December 2013 N'million
<u>Retirement benefit obligation</u>	17				
Pension Scheme		3,340	1,122	-	-
Gratuity Scheme		108	802	-	-
		3,447	1,924	-	-
<u>Other liabilities</u>	18				
Customers' deposit for letters of credit		68,859	58,029	-	-
Accounts payable		40,127	47,386	1,483	3,447
Provision and accruals		15,407	9,393	1,705	191
Bank cheques		15,869	12,823	-	-
Collection on behalf of third parties		8,249	5,763	-	-
Other Payable		26,113	16,465	92	72
		174,623	149,859	3,280	3,710
<u>Liabilities classified as held for sale</u>	19				
Accounts payable - Deposit for property		1,919	1,747	-	-
		1,919	1,747	-	-

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NOTES TO THE ACCOUNT FOR THE PERIOD ENDED:	NOTE	GROUP		COMPANY	
		YTD 30 September 2014 N'million	YTD 30 September 2013 N'million	YTD 30 September 2014 N'million	YTD 30 September 2013 N'million
<u>Interest and similar income</u>	20				
Investment securities		57,770	66,239	2,476	-
Loans and advances to banks		9,577	10,568	105	-
Loans and advances to customer		188,375	162,357	3	2
		255,722	239,164	2,584	2
<u>Interest and similar expense</u>	21				
Deposit from banks		1,170	1,085	-	-
Deposit from customers		69,943	63,534	-	-
Borrowings		8,118	2,112	-	-
		79,231	66,731	-	-
<u>Impairment</u>	22				
Increase in collective impairment		2,462	5,780	-	-
Increase in specific impairment		12,066	11,095	-	-
AMCON Clawback		1,993	-	-	-
Recoveries		(3,235)	(1,706)	-	-
Increase/reversal in impairment on other assets		79	529	-	-
		13,364	15,698	-	-
<u>Fee and commission income</u>	23				
Credit related fees		1,952	2,071	-	-
Commission on turnover		11,968	13,816	-	-
Commission on bonds and guarantees		1,005	2,450	-	-
Remittance fees		1,872	126	-	-
Letters of credit commissions and fees		6,142	5,294	-	-
Money transfer commission		3,468	2,623	-	-
Other fees and commissions		24,814	17,674	-	-
		51,221	44,054	-	-
<u>Net gains/(losses) on investment securities</u>	24				
Equity securities		164	(1,654)	-	-
Debt securities		669	2,227	-	-
		833	573	-	-
<u>Net gains / (losses) from financial instruments at fair value through profit or loss:</u>	25				
Derivatives		1,266	(349)	-	-
Trading income on Debt securities		-	1,358	-	-
Fair value gain/ (loss) on securities		265	(967)	-	-
		1,531	42	-	-
<u>Operating Expenses</u>	26				
(Gain)/ Loss on sale of property, plant and equipment		(414)	91	-	-
Depreciation, Amortisation and Impairment		9,368	7,879	5,449	3,483
Staff cost		71,353	67,624	164	82
Maintenance		14,815	14,712	124	42
Directors remuneration		956	948	106	115
AMCON resolution cost		12,960	10,272	-	-
Deposit insurance premium		9,809	8,081	-	-
Cash handling charges		2,216	1,506	-	-
Communication, lights and power		5,596	4,247	-	-
Advert & Corporate Promotions		7,989	4,865	113	14
Professional fees		3,756	2,926	558	404
Donations & Subscriptions		1,182	1,262	-	28
Insurance, rent and rates		2,925	3,044	117	-
Stationery & printing		1,778	1,603	142	52
Other Operating expenses		16,535	10,331	1,337	319
		160,824	139,391	8,110	4,539