Connected

Growth through connected solutions

Nine months ended September 2014

Investor & Analyst Presentation

DISCLAIMER

This presentation is based on FBN Holdings Plc’s (‘FBNH’ or the ‘Group’ or ‘HoldCo’) unaudited IFRS results for the nine months ended 30 September, 2014. The Group's accounts have been prepared using the accounts of the subsidiaries and businesses within FBN Holdings. When we use the term “FirstBank” or “Bank”, we refer only to the commercial banking business in Nigeria. See additional definitions at the bottom of this page.

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FBN Holdings Plc is structured under four business groups, namely: Commercial Banking, Investment Banking and Asset Management, Insurance, and Other Financial Services:

- The Commercial Banking business is composed of First Bank of Nigeria Limited, FBN Bank (UK) Limited, Banque Internationale de Crédit (BIC), ICB West Africa (Ghana, Guinea, Gambia, Sierra Leone and Senegal), First Pension Custodian Nigeria Limited and FBN Mortgages Limited. First Bank of Nigeria Limited is the lead entity of the Commercial Banking group;
- Investment Banking and Asset Management business consists of FBN Capital Limited, FBN Capital Asset Management Limited, First Trustees Nigeria Limited, First Funds Limited and FBN Securities Limited. FBN Capital Limited is the lead entity of the Investment Banking and Asset Management business group;
- The Insurance business houses FBN Life Assurance Limited and FBN Insurance Brokers Limited;
- Other Financial Services, predominantly FBN Microfinance Bank Limited, serves our small non-bank customers.

Outline

Overview & Operating Environment

Stable macroeconomic environment although yields remain under pressure

		Impact on FBN Holdings
NIGERIA	• Fitch and S&P re-affirmed Nigeria's BB- rating with a stable and negative outlook respectively • Real GDP growth estimated at 7.1% in 2014 (FY 2013: 7.0%); The non-oil sector continued to drive economic growth albeit at a slower pace due to declines in agriculture, construction, trade and services • Following the weak pace of food price increases, inflation rate eased off in September 2014 to 8.3%, after a six-month consecutive rise • External reserves stood at $39.5bn at the end of 9M 2014; up 5.3% from $37.5bn at H1 end (FY 2013: $43.5bn) while the naira experienced volatility • FGN floats ₦213bn bonds for GENCOs to set off PHCN debt and is also establishing 118 power projects to boost electricity generation and supply	✓ Flat cost of funds ✓ Growth in loan book × Pressure on profitability
BANKING	• The CBN released Financial Holding companies' regulation providing an effective governance framework • Re-introduction of the remote-on-us ATM cash withdrawal fees, after the third withdrawal, to partially recover the cost burden incurred by banks • MPC retained current monetary policy stance on MPR and CRR in both public and private sectors • CBN revised guidelines on international money transfer to accommodate inbound and outbound services • NDIC reduces banks' premium from 0.5% to 0.35% with effect from January 2015 • The CBN establishes collateral registry regulation in order to improve access to finance for the micro, small & medium scale entrepreneurs (MSMEs) and support a prudent lending policy in the industry • Enforcement of Treasury Single Account with 25% of public sector (Federal Government) funds withdrawn monthly	✓ Higher non-interest revenue × Pressure on yields and NIMs × Pressure on liquidity ✓ Improved deposit growth

Positioned for growth notwithstanding regulatory changes

Refocusing our business model leveraging on our market leadership position

- Total assets of ₦4.2tn (+14.8% vs. 9M 2013, +8.3% y-t-d, +5% q-o-q). Net loans of ₦2.0tn (+25.8% vs. 9M 2013, + 14.6% y-t-d)
- Customer deposit base of ₦2,910.4bn (+3.9% vs. 9M 2013; -0.6% y-t-d); 5.6% growth from H1 2014 of ₦2,756.8 bn

Customer-centric business approach

- Complementary platforms across our portfolio of businesses, leveraging deep customer relationships (9.4mn active customer accounts as at September 2014, +12.0% y-t-d)
- Increased focus on transaction banking services to stimulate improved collections, grow low-cost deposits, and retain funds through offering effective e-Payment and liquidity management solutions
- Driving the mobile banking business through focused financial inclusion/increasing awareness as well as growing the number of customers, agents and transaction value
- Gross earnings for 9M 2014 up 12.5% to ₦333.2bn (9M 2013: ₦296.3bn)
- Stable asset quality with NPL Ratio of 2.9% as at 9M 2014 (Dec 2013: 3.0%; 9M 2013: 3.6%); cost of risk at 0.9% (9M 2013: 1.3%)

Capital

- CAR of 20.3% (H1 2014: 17.6%), tier 1 ratio of 15.3% (H1 2014: 15.0%) following the the conclusion of the $450 million Tier 2 debt issuance from the international market in Q3 2014
- Increase retention rate to further enhance capital position in addition to other options centred around more effective balance sheet management

Improving business momentum

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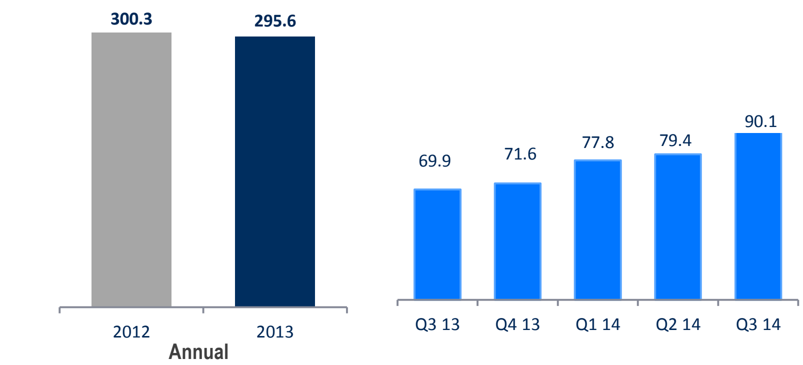
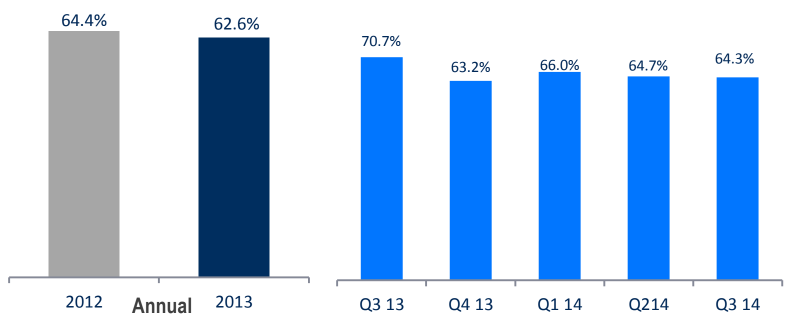
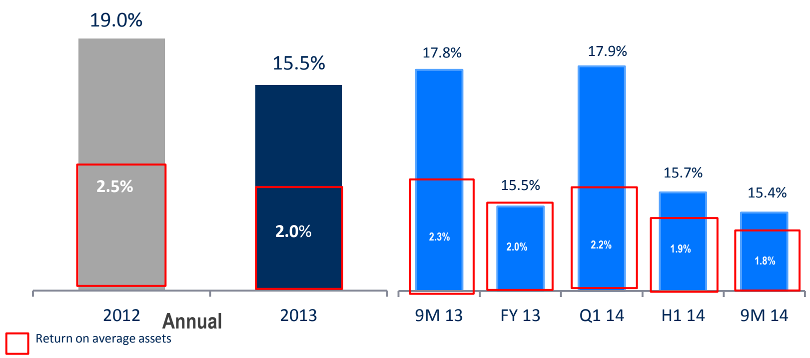
Operating income (₦bn)



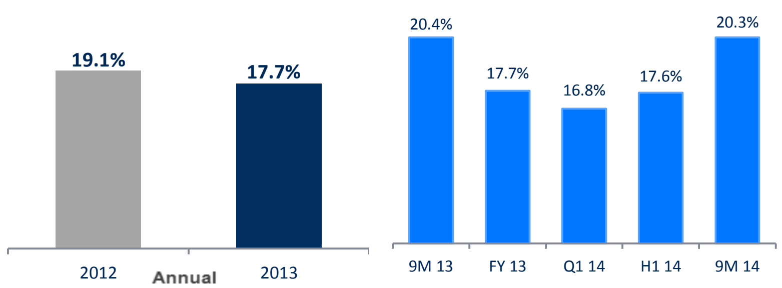
Cost to income ratio



Return[1] on average assets and equity



Capital adequacy ratio
(Commercial banking group)



[1]annualised; return on average assets computed as net profit divided by the average opening and closing balances of total assets; return on average equity computed as net profit divided by the average opening and closing balances attributable to its equity holders

Financial Review

9M 2014: Overview of income statement

Snapshot: Income Statement

₦bn	9M 13	9M 14	y-o-y	Q2 14	Q3 14	q-o-q
Gross Earnings	296.3	333.2	12.5%	109.3	121.3	11.0%
Net Interest Income	172.4	176.5	2.4%	56.4	61.3	8.7%
Non Interest Revenue	52.7	71.4	35.5%	23.9	28.2	18.2%
Operating income[1]	224.1	247.3	10.4%	79.4	90.1	13.5%
Operating Expenses	139.4	160.8	15.4%	51.4	61.1	12.7%
Pre-Provision Operating Profit[2]	84.7	86.5	2.2%	26.1	34.1	30.7%
Credit Impairments	15.7	13.4	-14.9%	4.9	6.7	35.2%
Profit before Tax	70.1	73.7	5.2%	23.5	25.4	8.3%
Income Tax	10.9	18.1	65.0%	7.9	7.0	-11.1%
Profit after Tax	59.1	55.6	-5.9%	15.6	18.4	18.1%

Key Metrics	9M 13	9M 14
Net Interest Margin[3]	8.3%	7.4%
Non Int. Rev/Operating Income	23.5%	28.9%
PPoP/Credit Impairments	5.4x	6.5x
Cost to Income[4]	62.2%	65.0%
Cost of Risk	1.3%	0.9%
ROaE[5]	17.8%	15.4%
ROaA[6]	2.3%	1.8%

- 12.5% y-o-y growth in gross earnings to ₦333.2bn (9M 2013 ₦296.3bn). This was largely attributable to growth in interest income from loans and advances to customers (+16%) and a strong NIR growth (35.5%)
- NIR was strong at ₦71.4bn (9M 2013: ₦52.7bn); benefitting from the initiatives put in place to grow non-funded income
- The growth in F&C income to ₦51.2bn (or 16.3%) was due to a corresponding y-o-y increase in LC fee and commission (+16%) and money transfer commission (+32%). Noteworthy is the q-o-q increase in COT (+3%), reflecting the increase in current account balances
- In line with the growth in gross earnings, operating income grew by 10.4% y-o-y to ₦247.3bn driven by an increase in fees and commission (+16.3%)
- Interest expense growth decreased q-o-q to +9% from +19% at H1 2014 as we increasingly build lower-cost deposits
- Cost of risk at 0.9% (H1 2014: 0.7%; Q1 2014: 0.4%; FY 2013: 1.2%; 9M 2013: 1.3%) reflecting recoveries, an effective and robust risk management structure and loan growth y-o-y
- Operating expenses increased by 15.4% to ₦160.8bn y-o-y (Sept 2013: ₦139.4 billion) due to regulatory costs, staff costs, advert & corporate promotions, as well as other operating expenses
- Cost-to-income ratio of 65.0% given the regulatory-induced pressure on top and bottom line
- Effective tax rate increased to 24.6% (9M 2013: 15.7%)
- EPS[7] of ₦2.27 (FY 2013: ₦2.17; 9M 2013: ₦2.43)

[1]operating income is defined as gross earnings less interest expense, fee and commission expense, insurance claims and share of profit/loss from associates; [2]pre-provision operating profit computed as operating profit plus impairment charge [3]net interest margin annualised and defined as net interest income (annualised) divided by average earning assets [4]cost to income ratio computed as operating expenses divided by operating income; [5]return on average equity computed as profit after tax (annualised) divided by the average opening and closing balances attributable to its equity holders [6]return on average assets computed as profit after tax (annualised) divided by the average opening and closing balances of total assets; [7] EPS computed as profit after tax divided by the number of outstanding shares

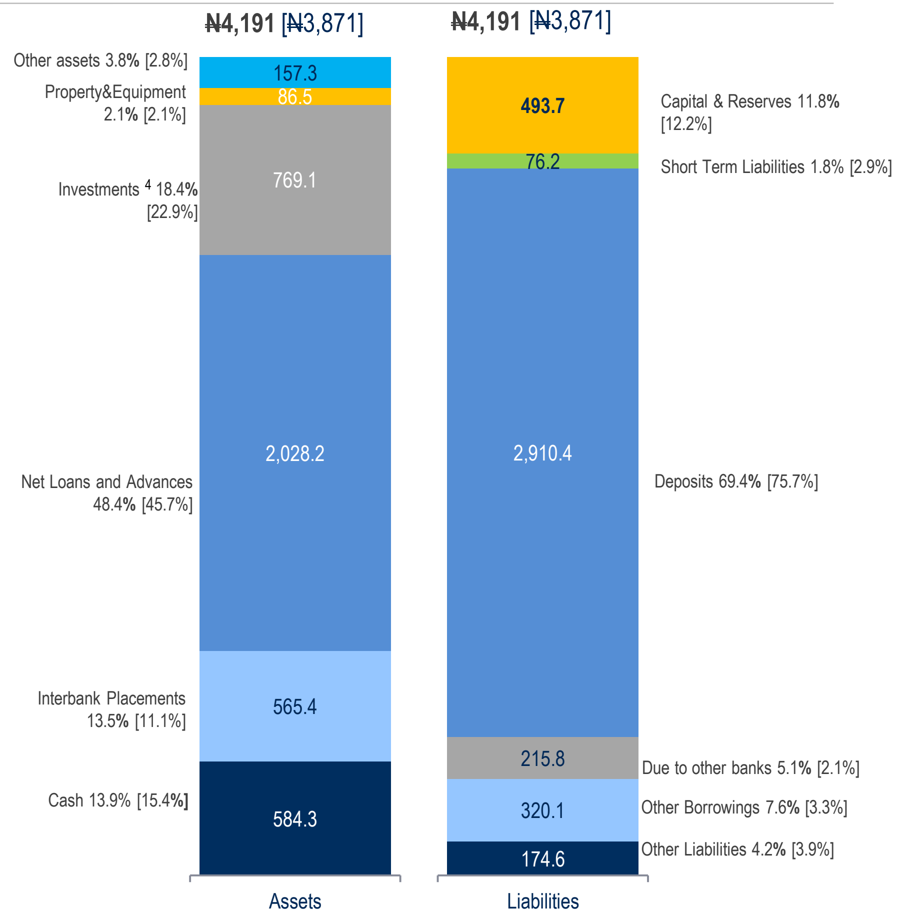
9M 2014: Overview statement of financial position

Snapshot: Statement of financial position

(₦bn)	9M 13	FY 13	9M 14	y-o-y	y-t-d
Total Assets	3,650.9	3,871.0	4,190.8	14.8%	8.3%
Government Securities	752.2	771.5	643.8	-14.4%	-16.6%
Interbank Placements	453.7	430.6	565.4	24.6%	31.3%
Cash and balances with central banks	564.9	594.2	584.3	3.4%	-1.7%
Net Loans & Advances	1,611.7	1,769.1	2,028.2	25.8%	14.6%
Customer Deposits	2,799.8	2,929.1	2,910.4	4.0%	-0.6%
Total Equity	441.7	471.8	493.7	11.8%	4.6%
Tier 1 Capital[1]	390.0	352.0	409.5	4.9%	16.2%

Key Ratios	9M 13	FY 13	9M 14
CAR	20.4%	17.7%	20.3%
Tier 1	17.3%	15.0%	15.3%
Loan to Deposits[2]	59.3%	61.9%	71.2%
NPL	3.6%	3.0%	2.9%
NPL Coverage[3]	96.7%	97.7%	94.0%

Balance sheet structure - September 2014 (₦bn)



[ ] December 2013

[1] Tier 1 capital for commercial banking group only; [2] Loan to deposits ratio computed as gross loans divided by total customer deposits; [3] Includes statutory credit reserves. Excluding statutory credit reserves, NPL coverage would be 72.5% for 9M 2014 (9M 2013: 83.2%); NPL coverage computed as loan loss provisions + statutory credit reserves divided by non-performing loans; [4] Investments include Government securities, listed and unlisted equities, assets pledged as collateral, investments in associates and properties

Healthy low-cost deposits provide stable funding

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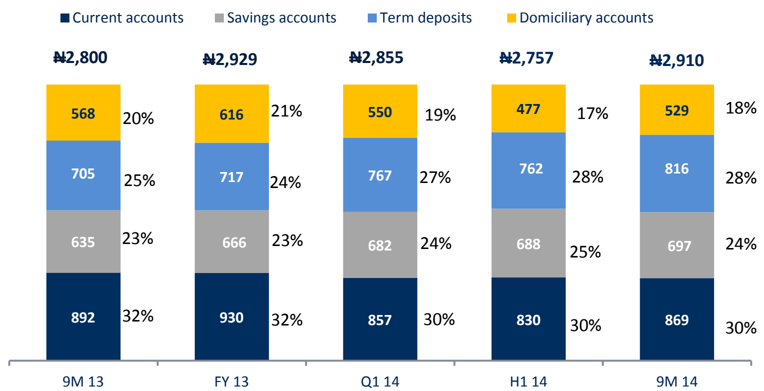
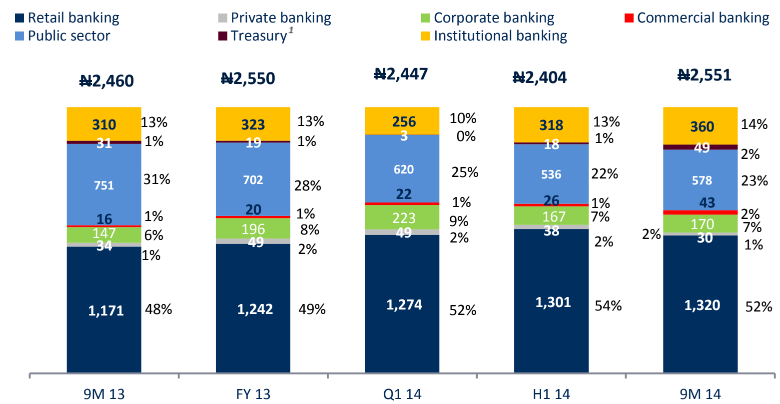
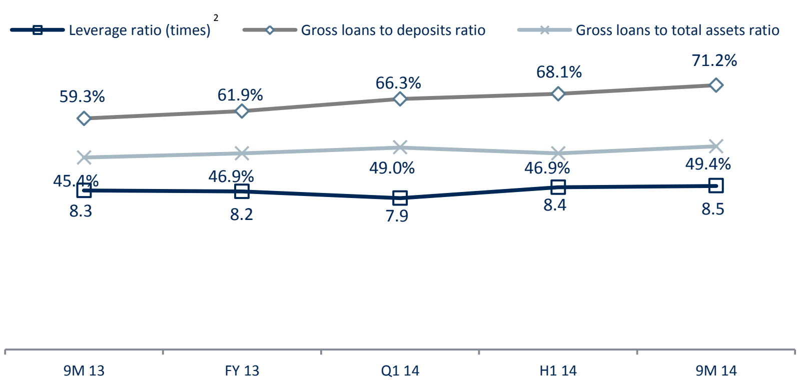
Deposits by type ₦bn



Deposits by SBU ₦bn (FirstBank - Nigeria only)



Balance sheet efficiency

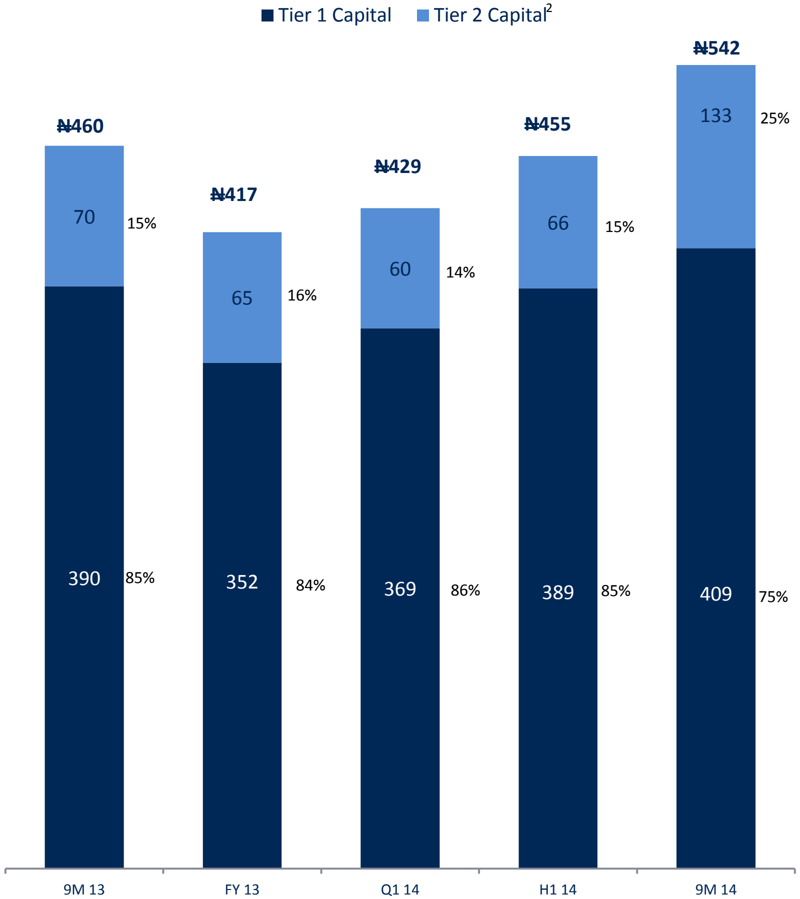


- Q-o-q, customer deposits increased by 5.6% across all deposit buckets from ₦2,756.8bn in June 2014 to ₦2,910.4bn but declined 0.6% y-t-d.
- CASA constitutes 72% of deposits, benefitting from the implementation of transaction and value-chain banking; Retail deposits contributes 52% to total deposits for FirstBank up from 49% as at FY 2013, providing a healthy and stable funding base
- Savings deposits have consistently increased in all quarters this year, with a 4.7% y-t-d rise to ₦697.0bn, driven by growing customer base as we leverage our extensive distribution platform
- Public sector deposits now represent 22.7% of customer deposits (FY13: 27.5%) within FirstBank with 16% (or ₦408bn) of customer deposits impacted by CRR as at September 2014. This represents 14% of total customer deposits across the Group
- Within the Nigerian business, the composition of foreign currency deposits to total deposits is 20.7% (or ₦528.7bn), representing 18.2% of total deposits at the holding company level
- Increased focus on banking the value chain within the public sector (contractors and salaried personnel) and institutional banking space should positively impact deposit growth

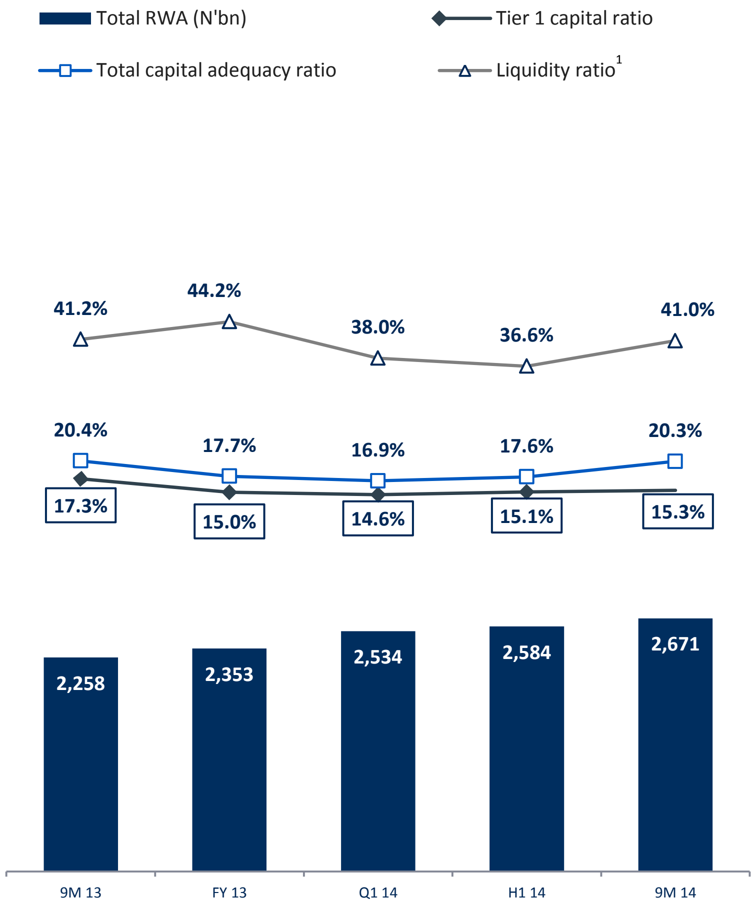
[1] Treasury is not a strategic business unit but contributes to the percentage of deposits [2]leverage ratio computed as total assets divided by total shareholders' funds

Capital and liquidity positions remain above regulatory limits

Components of capital (₦bn) (Commercial banking group)



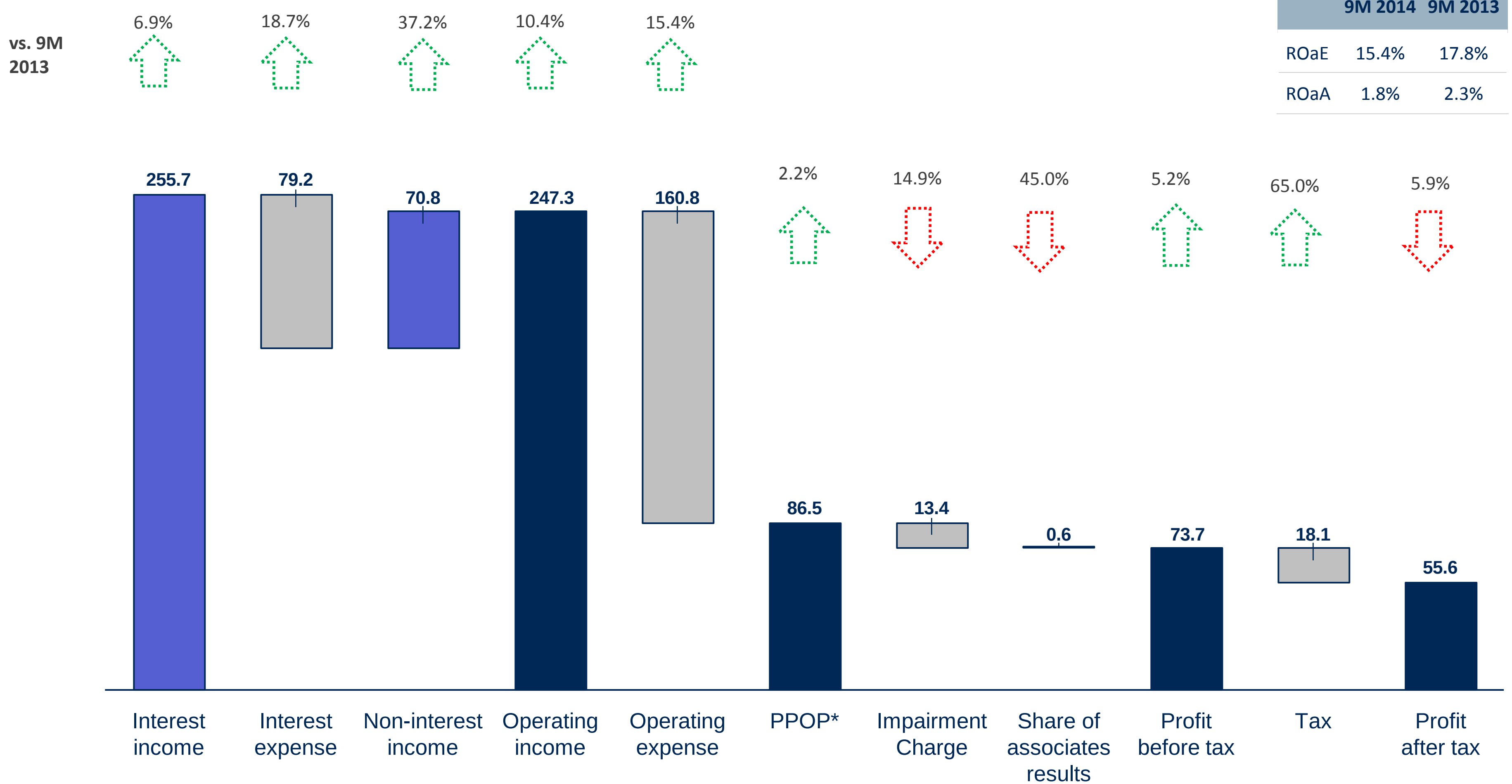
Evolution of capital and liquidity ratios (Commercial banking group)



[1] *Liquidity ratio is computed as total specified liquid assets/total deposits (less domiciliary deposits) for the commercial banking group;*
[2] *Tier 2 capital comprises foreign exchange revaluation reserves, hybrid capital instrument and minority interest for the commercial banking group*

Evolution of 9M 2014 profit after tax (₦bn)

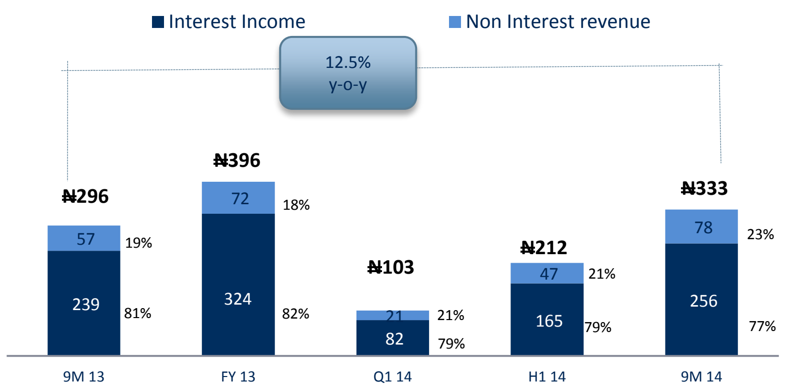
	9M 2014	9M 2013
ROaE	15.4%	17.8%
ROaA	1.8%	2.3%



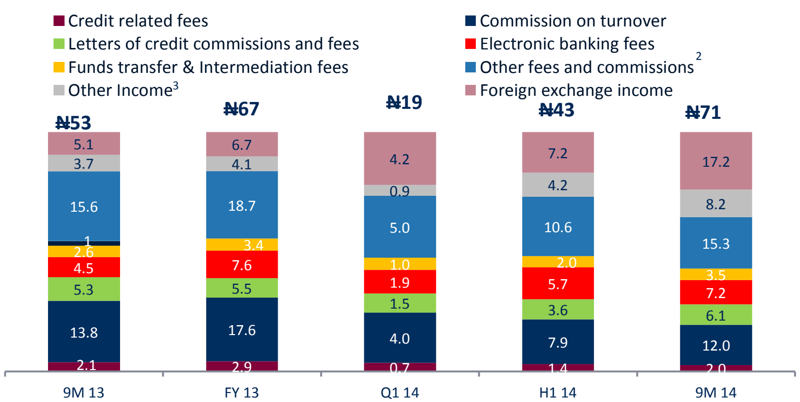
PPOP- pre-provision operating profit; computed as profit before tax –share of associate results+ credit impairments

Sustainable growth in revenue generation

Gross earnings (₦bn)



Breakdown of non-interest revenue[1] (₦bn)

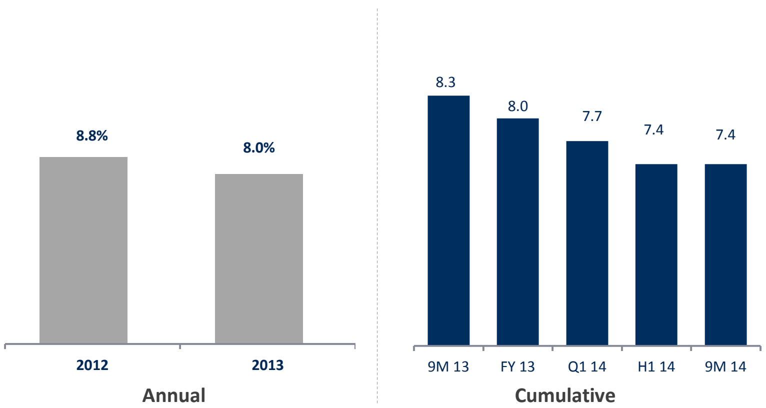


- Gross earnings increased by 12.5% benefitting from higher interest income from loans & advances to customers (+16.0%), and supported by strong NIR growth (+35.5%)
- Fees and commission (F&C) income, representing 71.7% of non-interest revenue, increased by 16.3% y-o-y to ₦51.2 billion (Sept 2013: ₦44.1 billion). The increase in F&C was driven by:
  - improved transaction volumes from trade and transaction banking culminating in 48.2% y-o-y growth in letters of credit commission and fees as well as money transfer commission
  - other fees and commissions (+40.4% y-o-y) from e-banking products and fees as well as F&C income from the non-banking subsidiaries
  - Non-banking subsidiaries contributed 15.9% of F&C income (9M 2013: 15.7%)
- COT, representing 23.4% of F&C and 16.8% of non-interest revenue, was down 13% y-o-y but increased 3% q-o-q to close at ₦12 billion
- 36.0% growth y-t-d in the number of debit cards to 8.4mn, increasing variety of services on these alternative delivery channels, coupled with expanded customer base, provide growing and sustainable income streams
- Improved and sustainable traction in our Mobile money solution with registered users growing over 287% y-t-d
- Focus remains on aggressively driving transaction & value chain banking, growing revenues from electronic banking, increasing contribution from the non-banking subsidiaries, driving synergies as well as leveraging cross selling opportunities

[1]Non Interest Income (or non-interest revenue) calculated net of fee and commission expense also includes other fees and commission which includes commission on performance bond, bankers instruments issued , e-business fees, account maintenance ,structured & project finance fees; [2]Other fees and commission include remittance fees and commission on bonds and guarantees [3]Other income include insurance premiums, net (losses)/gains on investment securities, share of profit/loss from associates and dividend income

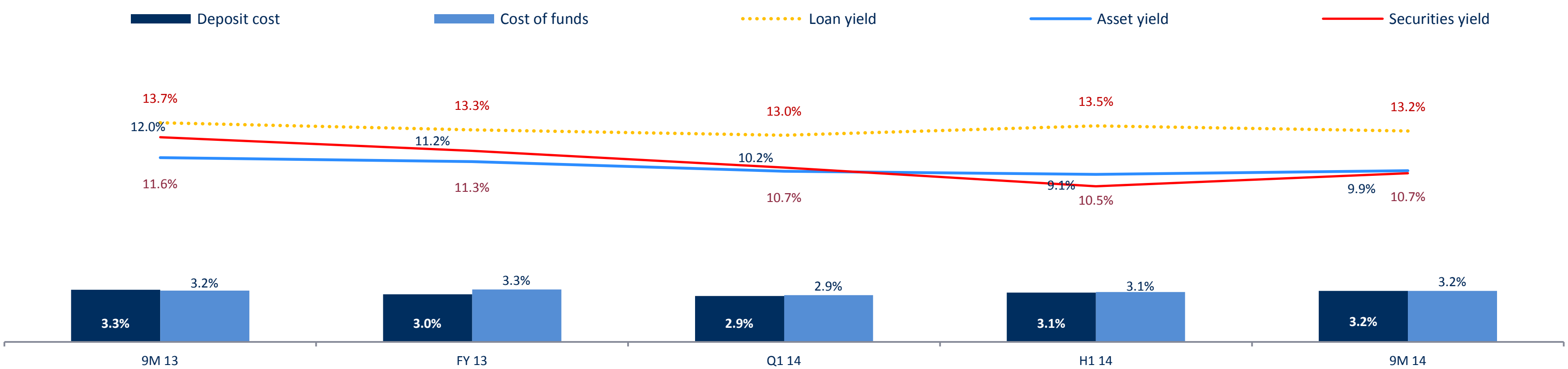
Yields pressured following increased reserve requirement but stabilises at lower levels

Net interest margin (NIM)[1]



- Interest income recorded a y-o-y growth of 6.9%, tempered by an 18.7% growth in interest expense resulting in a net interest income of ₦176.5bn (+2.4% y-o-y)
- Net interest income growth was also impacted by the reduction in investment securities, particularly treasury bills (-32.4%) as a result of the increased reserve requirement
- Cost of funds rose marginally to 3.2% in 9M 2014 (3.1% in H1 2014) and flattish y-o-y in spite of the high interest rate environment and intensified competition for deposits
- NIM flat q-o-q at 7.4% (9M 2013: 8.3%) but still in line with FY2014 guidance of 7.0% - 8.0%
- Increasing focus on efficient pricing of risk assets

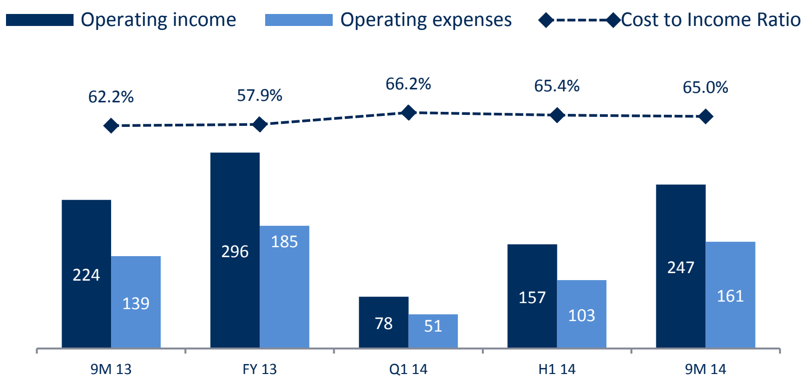
Yields and Cost of funds[2]



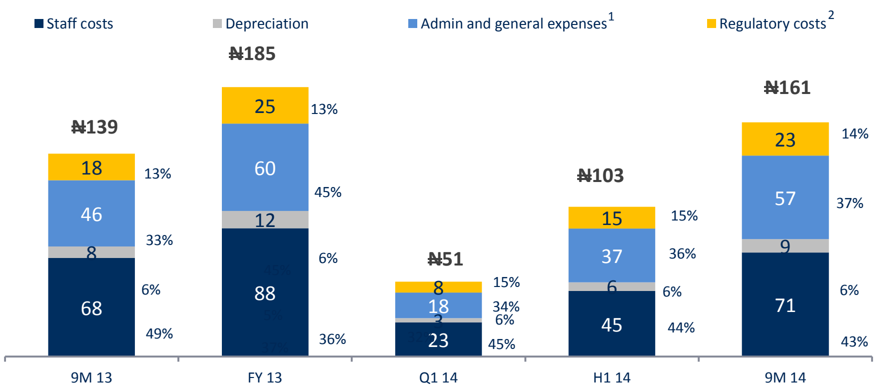
[1] Interest earning assets in computing NIM include loans to banks, loans to customers, financial assets and interest earning investment securities; [2] average balances have been used to compute yield.

Regulatory costs remain one of the major drivers of cost growth

Operating income and expenses (₦bn)



Operating expense breakdown (₦bn)

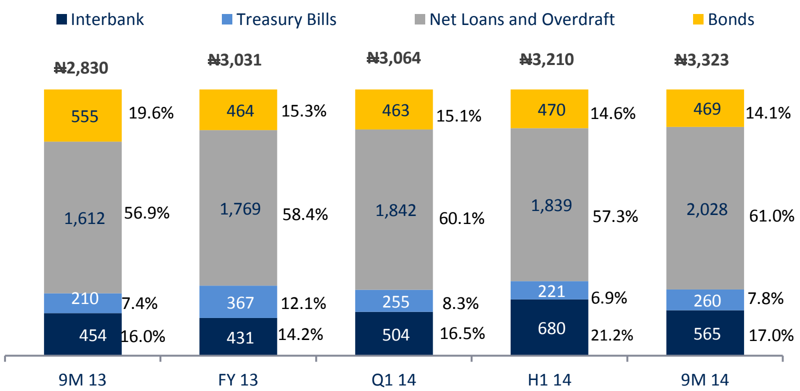


- Opex increased 15.4% y-o-y to ₦160.8bn in 9M 2014, driven by higher regulatory costs (staff costs (+5.5%), advert & corporate promotion costs (64.2%) and other operating expenses (+15.4%))
- Regulatory costs [AMCON charge (+26.2%) and NDIC premium (+21.4%)] have remained one of the biggest drivers of cost growth contributing 14.2% to opex given the anchor on asset size
- Implemented a scaled-up and integrated cost containment program to improve our efficiency ratios in the medium term, diversification of revenue streams and optimisation of asset base:
    - Executing an appropriate staffing structure and work force alignment and developed a change management campaign aimed at an enhanced cost control culture
    - Leveraging opportunities provided by our Mobile Monie service in addition to expanded services through alternative channels
    - Leveraging on the cross-sell initiatives in place benefitting from the Holding structure to increase the group's operating income
    - Expanding processes around the centralised processing centre while leveraging our shared distribution platform across the Group
    - Optimising procurement and operational spend as well as further tightening in the expenditure approval process

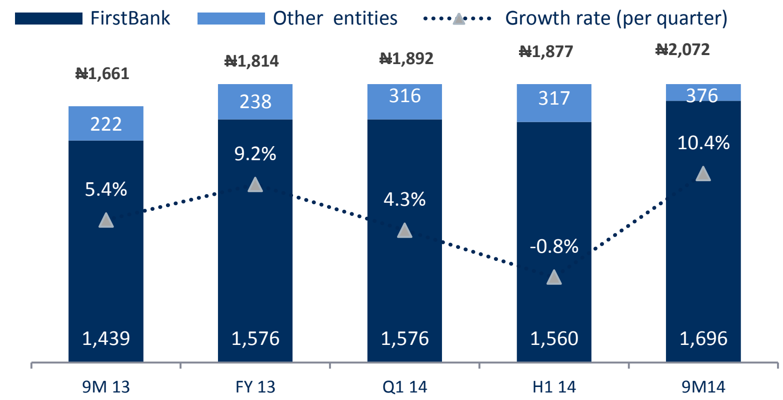
[1]Admin and general expenses include maintenance, advert & corporate promotion, legal and other professional fees, stationery and other operating expense; [2] regulatory costs is made up by NDIC premium , AMCON resolution cost and others

Steady increase in the loan book with improved interest earning mix

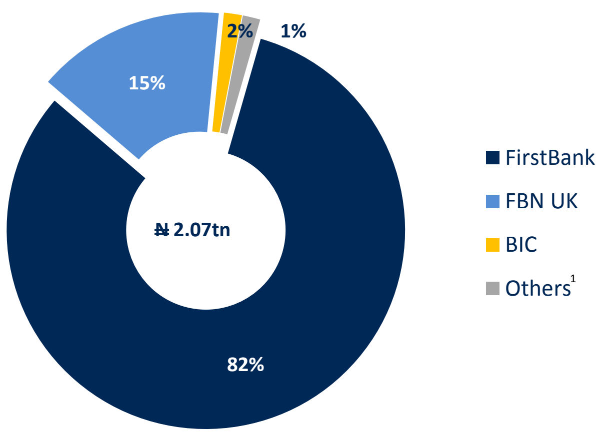
Interest earning assets mix (₦bn)



FBN Holdings gross loans (₦bn)



FBN Holdings gross loan book by business entities



- 9.6% growth in interest earning assets y-t-d is driven mainly by growth in loans & advances and placements
- FBNH gross loans grew by 14.2% y-t-d to ₦2.1tn with net loan growth of 14.6% y-t-d. While FirstBank (Nigeria only) remains the largest contributor at 82%, FBN UK and BIC follow suit at 15% and 2% respectively
- New exposures in the quarter attributable to manufacturing, and oil and gas (upstream and services) sectors. Total FCY loans as at September 2014 stood at 40.6% (or ₦704.6bn) for FirstBank (Nigeria only)
- 41.2% y-t-d decline in treasury bills to ₦260bn (FY 2013: ₦367bn) as well as a reduction in contribution to interest earning assets due to increased reserve requirement
- Approximately 15% loan growth expected for FY 2014

[1]Others include FBN Microfinance, FBN Mortgages, ICB West Africa, First Pension Custodian Limited, FBN Securities, First Funds, First trustees, FBN Capital and FBN Insurance brokers

FirstBank - Nigeria only (Loan book breakdown)

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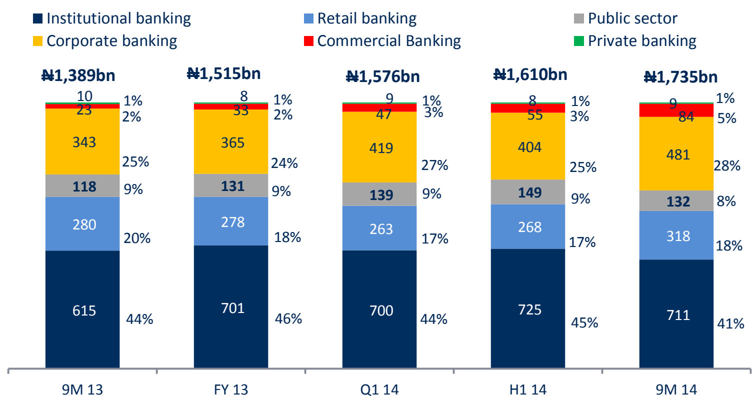
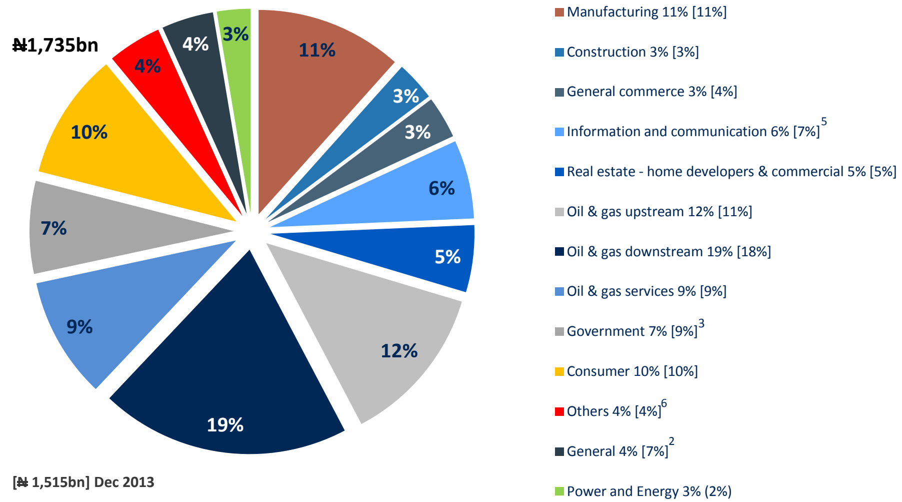
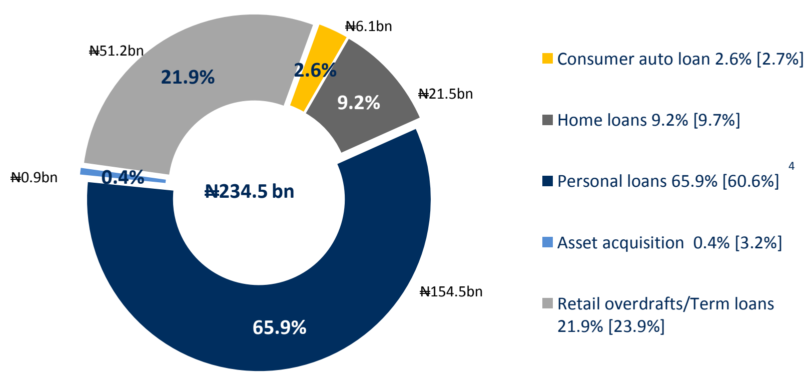
Breakdown of gross loans by SBU[7]



Gross Loans - Breakdown by Sectors



Core consumer / Retail product portfolio[1]



- Gross loan book growth for 9M 2014 for FirstBank (+14.5% y-t-d) with net loan growth of 15.0%
- Y-t-d growth largely from the corporate (+31.7%), commercial (+153.6%) and retail (+14.6%) customers
- Deliberate reduction in the proportion of institutional banking (9M 2014: 41%; FY 2013: 46%) to higher margin segments
- Growth in retail banking segment driven by personal loans against salaries product which remains a relatively low -isk product
- Sectors accounting for this growth are the oil & gas and manufacturing; measures are being taken to slow down on oil & gas upstream and downstream sector exposure

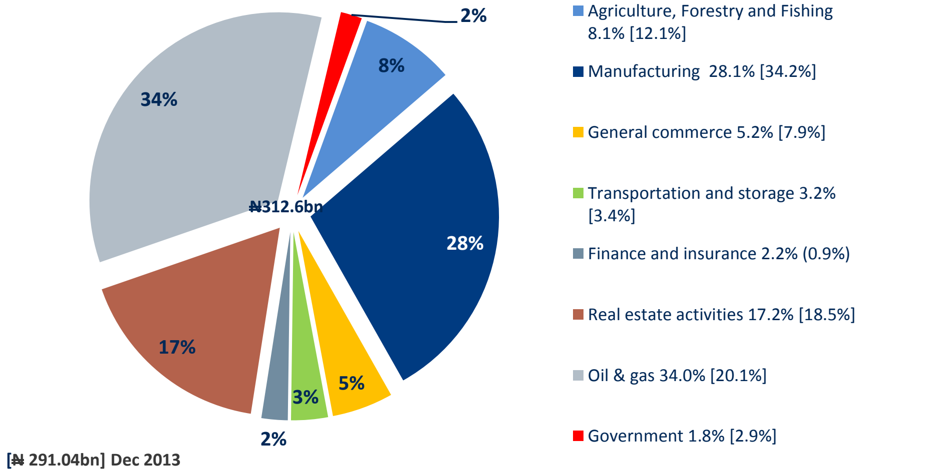
[1] Represents loans in our retail portfolio < ₦ 50mn ; [2] General includes personal &professional, hotel& leisure, logistics and religious bodies; [3] Government loans are loans to the public sector (federal and state); **[4]** Personal loans are loans backed by salaries; [5] Telecom comprise 93% of the loans in Information and communication sector; [6] Others includes finance and Insurance, capital market, residential mortgage; [7]***SBUs:- Corporate banking;*** *private organisations with annual revenue > ₦5bn but < ₦10bn and midsize and large corporate clients with annual revenue in > ₦5bn but with a key man risk.* ***Commercial Banking*** *comprising clients with annual turnover of ₦500mn and ₦5bn.* ***Institutional banking****; multinationals and corporate clients with revenue > ₦10bn.* ***Private banking****; High net worth individuals and families.* ***Public sector banking;*** *Federal and state governments.* ***Retail banking****; mass retail, affluent with annual income < ₦50mn as well as small business and Local governments with annual turnover < ₦500mn*

FBN Bank UK – Continued improvement in performance

Selected financial summary

₦'bn	9M 13	9M 14	y-o-y	Q3 13	Q3 14	y-o-y
Gross Earnings	17,287.9	18,649.7	7.9%	5,892.9	6,511.8	10.5%
Interest Income	15,308.2	16,343.6	6.8%	5,073.6	5,810.2	14.5%
Interest Expense	5,651.3	5,462.2	-3.4%	1,886.5	2,104.5	11.6%
Net interest income	9,657.0	10,881.4	12.7%	3,187.1	3,705.7	16.3%
Profit before Tax	5,592.1	5,986.8	7.1%	973.2	1,477.8	51.9%
Total assets	540,962.4	607,627.5	12.3%	540,962.4	607,627.5	12.3%
Customer deposits	302,736.2	359,514.6	18.8%	302,736.2	359,514.6	18.8%
Shareholders' funds	50,773.6	54,203.3	6.8%	50,773.6	54,203.3	6.8%
Loans and advances	254,911.9	312,569.4	22.6%	254,911.9	312,569.4	22.6%
Cost to income	51.9%	54.6%				
Loan to Deposit	84.2%	86.9%				
Cost of risk	0.8%	1.0%				
Net interest margin	2.4%	2.6%				
ROaA	1.1%	1.1%				
ROaE	11.2%	11.6%				

Loan book by sector

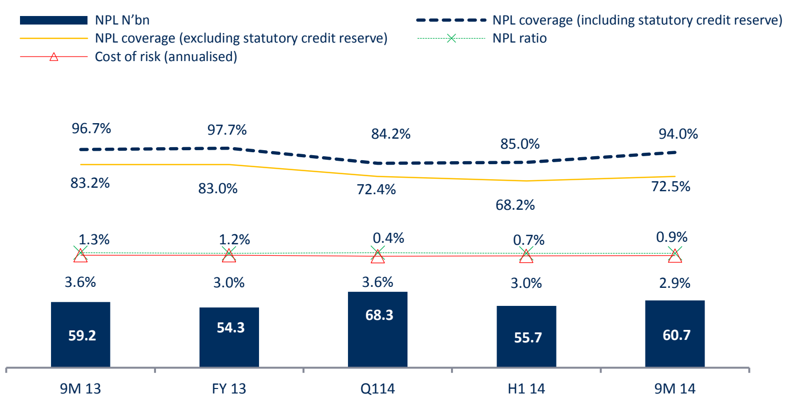


- Gross earnings up y-o-y by 7.9% in 9M 2014 driven by increased interest income (+6.8%) and supported by general business expansion, improved asset mix and enhanced yield
- Non-interest revenue also increased 16.5% y-o-y to ₦2.3bn from ₦1.9bn
- Operating income was impacted by operating expenses which increased 12.1% to ₦5.0bn (₦4.5bn 9M 2013)
- Loan growth y-t-d was 9.7% while growth in Q3 mainly from the oil & gas sector (+40.9%) and manufacturing (+19%)
- Overall, PBT improved to ₦5.9bn, a 7.1% increase y-o-y (Sep 2013: ₦5.6bn), supported by the 3% decline y-o-y in interest expense which was as a result of the Bank's strategy to focus on low cost funds

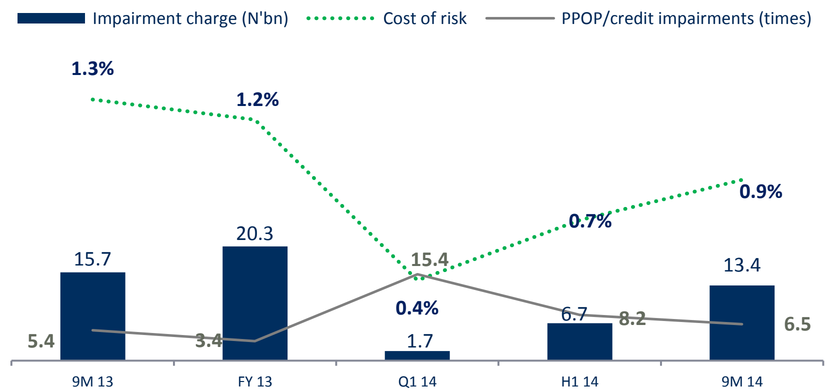
2014: Average exchange rate on income statement: £1/ ₦253.83; Closing exchange rate for Balance sheet items : £1/ ₦251.24

Robust and effective credit risk management system and framework

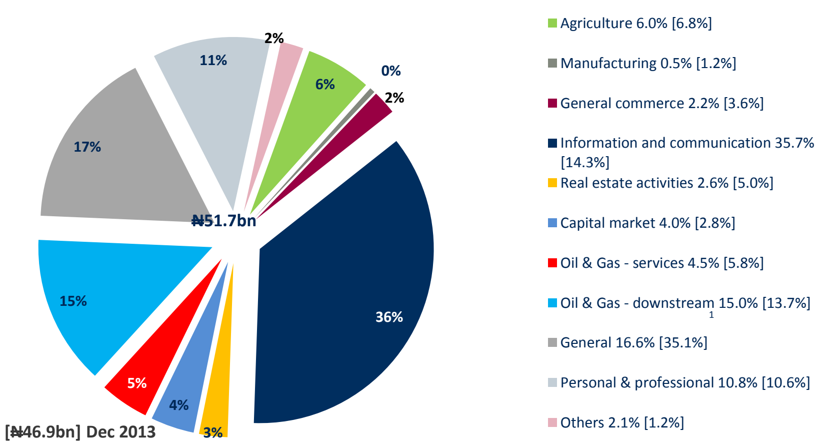
Asset quality (FBN Holdings)



Evolution of credit impairments (FBN Holdings)



NPLs sector exposure (FirstBank - Nigeria only)



- Significant reduction in cost of risk from 1.2% in Dec 2013 to 0.9% in September 2014 underscores improved risk asset quality
- NPL ratio improved to 2.9% (9M 2013: 3.6%) on enhanced remediation efforts and loan growth
- Coverage ratio (including statutory reserve) at 94.0% is considered adequate for the portfolio
- Two loans in information and communication accounted majorly for the increased impairment in the quarter
- Product terms have been revised to enhance risk acceptance criteria while intensifying monitoring, remediation and recovery

[1] *General includes: hotels& leisure, logistics, religious bodies, retail others*

Performance Review - Business Groups

Commercial Banking

Investment Banking & Asset Management

Insurance & Microfinance

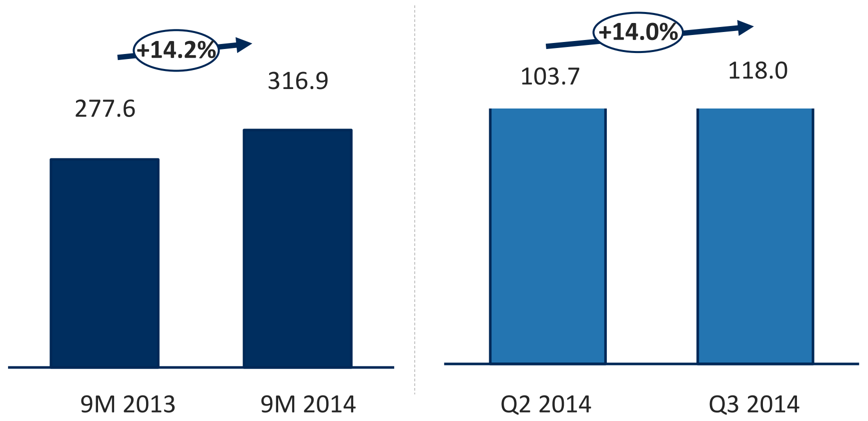
NOTE: The pre-consolidation numbers of each of the business groups have been considered in discussing the performance of each business.

Commercial Banking – Focused on optimising assets, driving long-term growth and profitability

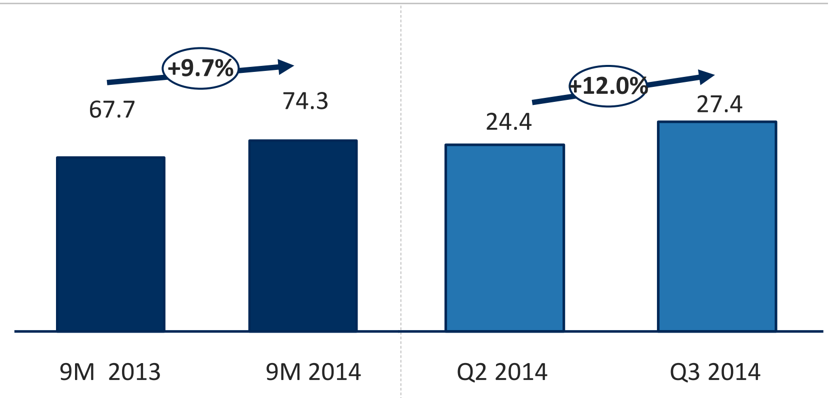
Nine months 2014:

- Gross earnings growth of 14.2% y-o-y to ₦316.9bn (₦277.6bn: 9M 2013) was recorded on the back of a y-o-y increase in fee & commission income of ₦45.7bn
- Operating expenses increased 15.9% y-o-y to ₦149.9bn with regulatory costs being the major driver amongst other uncontrollable and controllable costs
- The resultant profit before tax of ₦74.3bn for 9M 2014 (₦67.7bn: 9M 2013)
- Reviewed and refined the operating model of the Nigerian business to ensure on-going strategic realignment and optimal use of available resources
- Focused on sourcing cheaper funds through building more demand deposit accounts from increased transaction banking, collections, cash and liquidity management transactions
- Broaden revenue base from international operation while supporting our customers' trade requirements
- Strategic re-alignment with more back office personnel redeployed to the front office while focusing on increasing cross–selling
- Accelerated process improvement with a focus on increasing service excellence and market leadership
- Deepen usage of existing products through incentives and strategic partnerships and optimising yield through increased velocity of self-liquidating trade finance transactions

Gross earnings – (₦bn)



Profit before tax – (₦bn)



Commercial Banking group – cont’d

- Improved traction in Mobile money business with focus on growing our share of the unbanked market
  - Growth in the number of Firstmonie registered users to c1.9mn (0.3mn 9M 2013; 0.5mn FY 2013)
  - Increase in transaction value from ₦710.6mn in September 2013 to ₦6.9bn as at September 2014
  - Registered agents at 9M 2014 were c11,800 (H1 2014: 11,000)
  - Growing our share of the unbanked market
- Continue to grow our Naira credit card scheme for stable interest and fee income while also increasing visibility and revenue generation capabilities of our international cards and service touch points
- Increased number of debit cards to 8.4mn with 39% market share and an 88% activity rate. Extensive distribution platform – 852 business locations; 9,200 POS; 2,554 ATMs (2437 in Dec 2013); 9.4mn active accounts
- Impressive growth has been witnessed in the internet banking usage and mobile platforms reflecting the cashless policy effect
- Awarded “the Best Segment Solution Award” by MasterCard Innovation Forum 2014 and “Best Bank in e-Banking” by the Nigerian Telecoms Award

IBAM – Diversifying revenue streams and deepeninf customer relationships

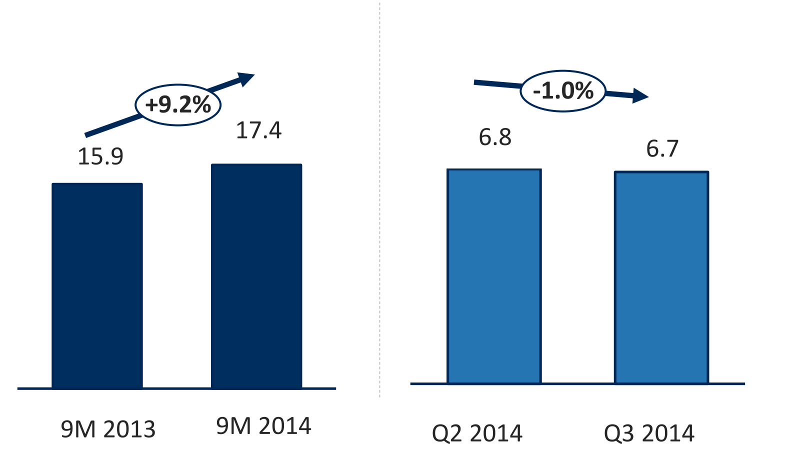
Nine months 2014 :

- Gross Earnings and PBT continue to grow Y-on-Y although there was a marginal decline in both parameters between the 2nd and 3rd quarters
- The main drivers of y-t-d and Q3 revenues remain the Investment banking, Asset management & Trust businesses, collectively representing 68% of net revenues
- Major oil and gas structured financings have contributed to the improved performance by the IB division, and we are beginning to see some traction on the capital markets pipeline
- The Asset management business is now ranked the second largest SEC registered Fund Manager in Nigeria

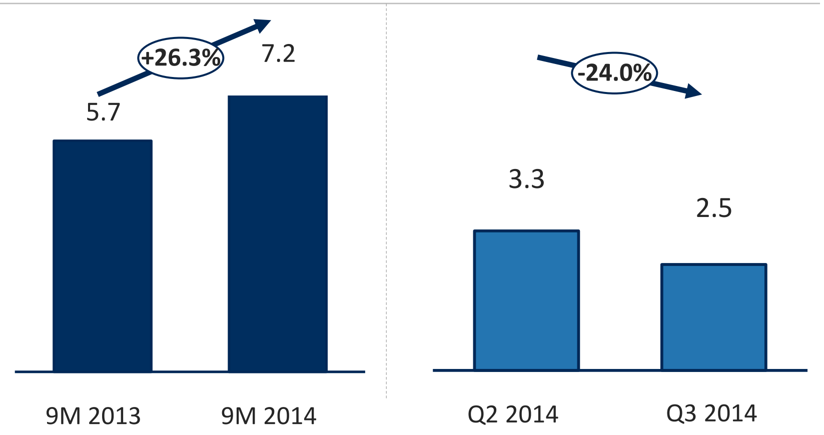
Outlook:

- The pipeline for the IB business remains strong, and the Trust and agency business is expected to benefit from ongoing activities in the syndicated loan and corporate bond markets
- We anticipate that several pipeline transactions would be concluded in the last quarter of the year
- With the asset management (AM) business, we expect sustained focus on product development and group collaboration will continue to yield positive results for AuM growth

Gross earnings – (₦bn)



Profit before tax – (₦bn)



**IBAM – Investment Banking and Asset Management*

Insurance Group – Inorganic growth provides expanded market access

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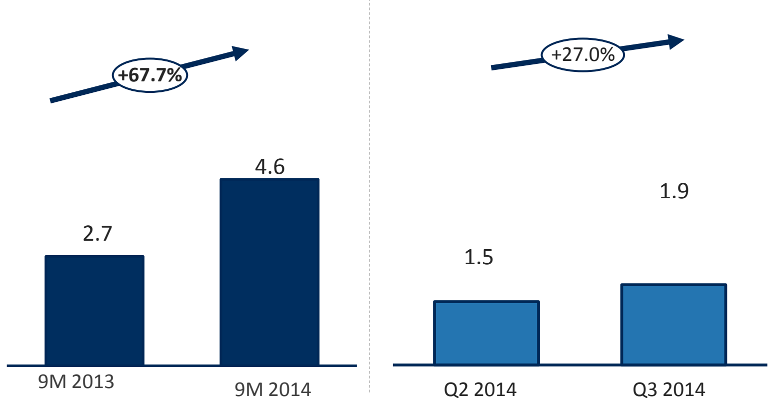
Nine months 2014:

- Insurance Group recorded a 67.7% growth in gross income to ₦4.6bn in 9M 2014 (9M 2013: ₦2.7bn) showing the impact of the acquisition of the Oasis business
- Profit before tax for the Group increased 68.5% y-o-y to ₦902.3mn
- Increased drive to gain a higher market share while ensuring that good risks are covered in ensuring sustainable profitability
- FBN Insurance retail-focused strategy is geared towards the mass market where insurance penetration is at its lowest aided by the bouquet of distribution channels to ensure sustained increase in market share

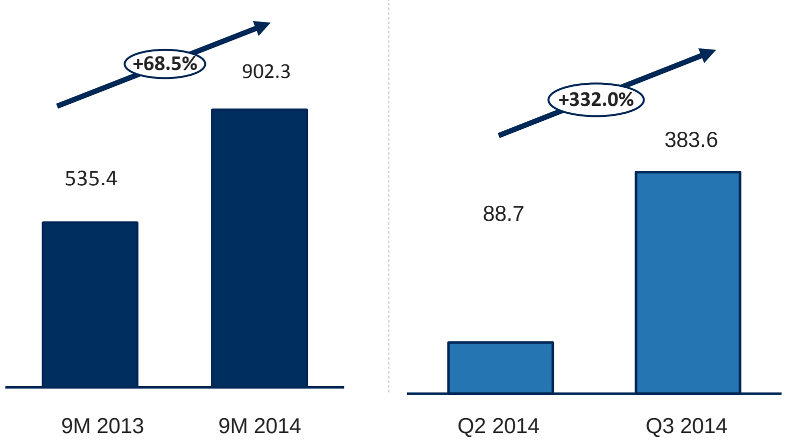
Outlook:

- FBN Insurance Limited is expected to grow its retail distribution of insurance products and public sector group life insurance by leveraging its relationship with key players in public sector space and other channels
- Leveraging cross-sell within the Group and with other financial institutions to further increase our retail business in both Life and Non-life businesses

Gross income – (₦bn)



Profit before tax – (₦mn)



Microfinance – Focus on quality risk assets while increasing fee-based income

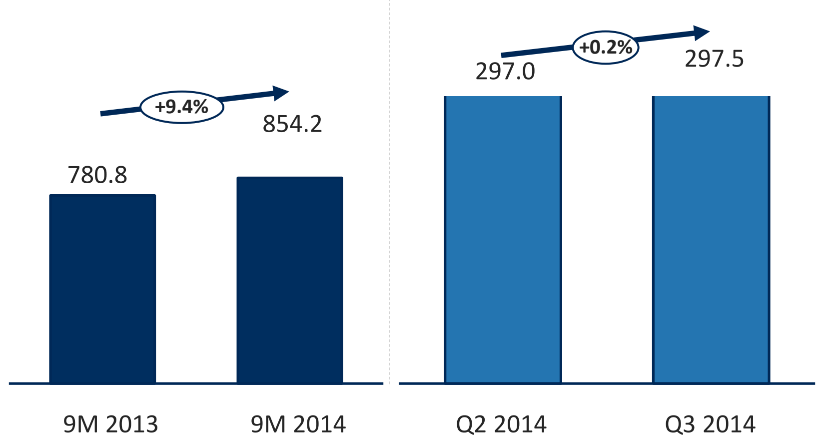
Nine months 2014:

- FBN Microfinance (FBNM) recorded gross earnings and PBT of ₦854.2mn and ₦236.3mn respectively (9M 2013: ₦780.8mn and ₦17.1mn). Profitability was impacted by write backs to the income statements as well as increased fee income
- Noteworthy is the depressive impact of IFRS first time adoption on 2013 PBT
- Interest income increased 9.3% y-o-y to ₦671mn supported by a 12.8% growth in net fee income
- 29.2% rise in customer deposits to ₦1.3bn (FY 2013: ₦1.01bn) benefitting from an enhanced deposit mobilisation drive
- Loan growth recorded y-t-d was 41.5% to ₦1.9bn (FY 2013: ₦1.4bn)

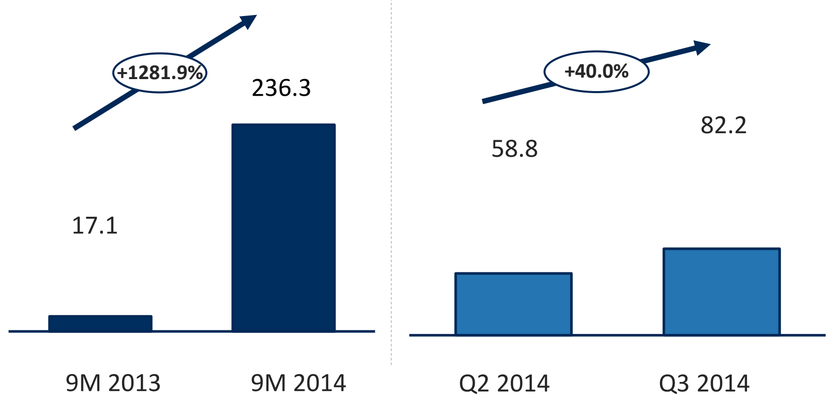
Outlook:

- Improve group lending methodology as well as gender specific lending – mainly to women
- Expansion outside Lagos
- Enhanced cost effectiveness of distribution model

Gross earnings – (₦mn)



Profit before tax – (₦mn)



Outlook

Outlook remains cautiously optimistic; Group operates in attractive markets and segments

Nigeria

- Attractive macroeconomic trends in Nigeria with young population, rising middle class and high rural-urban migration
  - ✓ Remains the largest West African country with a population of c170mn growing at 2.8% annually
  - ✓ On going economic reforms in the oil & gas, power, agriculture and telecoms sectors expected to unlock additional opportunities

The Nigerian Banking industry

- 28.6mn of the adult population are currently banked out of c170mn people in the country creating financial inclusion opportunities
- Commencement of the biometric verification number (BVN)to create a unique identification for the banking population
- Unique identification along with existing credit bureaux provides a strong platform to increase lending to corporate individuals
- Improved level of risk management practices and regulatory supervision

FBNHoldings

- Leading financial services group with largest retail distribution and poised to benefit from increase in penetration and rising middle class
  - ✓ Sustained leadership in market share from total deposits (N2.9tn), total loans (N2.0tn) and gross earnings (N333bn) as well as customers (9.4mn active)
- Experienced management team
- Strong potential for growth in each business group we invest to drive tangible growth in each subsidiary company
  - ✓ Increase relative contributions of Non-Bank SubCos
  - ✓ Foster collaboration across and within SubCos
- Technological Innovator in the Nigerian Banking Industry
  - ✓ debit cards (8.4mn); ATMs(2,554); mobile money customers (1.9mn); internet banking subscribers (393,659); FirstMonie (1.9 million); Agents' enrolment (11,812)
- Stable funding and liquidity position
- Low operating leverage with resilient performance in the face of significant headwinds

FBN Holdings remains an attractive and compelling investment proposition (*PE ratio 5.9X, PB ratio 0.9X)

PE and PB ratios computed as at September 2014

Outlook – 2014 financial targets

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	FY 2013 Results	9M 2014 Results	2014 Targets
Deposit growth	6.4%	-0.6%	≤ 2%
Net loan growth	-1.2%	14.8%	~15%*
Net interest margin	8.0%	7.4%	7 – 7.5%*
Cost to income ratio	62.6%	65.0%	65 - 67%*
Cost of risk	1.2%	0.9%	1 - 1.5%*
NPL Ratio	3.0%	2.9%	≤ 5%*
ROAE	15.5%	15.4%	14 – 15%*
ROAA	2.3%	1.8%	1.5 - 2%*
Cost of funds	3.3%	3.2%	3 - 3.5%
Effective tax rate	22.7%	24.6%	20 - 25%

** Revised*

Contact Details

Head, Investor Relations
Oluyemisi Lanre-Phillips
Email: oluyemisi.lanre-phillips@fbnholdings.com
Phone: +234 (1) 9052720

Investor Relations Team
investor.relations@fbnholdings.com
Phone: +234 (1) 9051146
+234 (1) 9051386
+234 (1) 9051086

Appendix

Diversified Group with international presence

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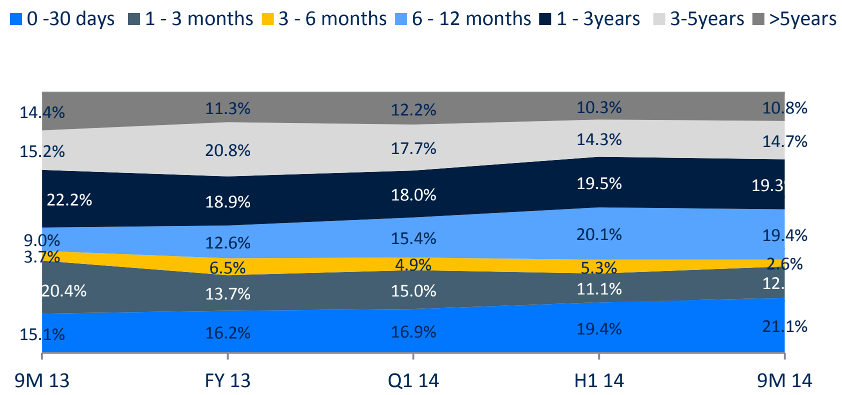
FBN Holdings PLC

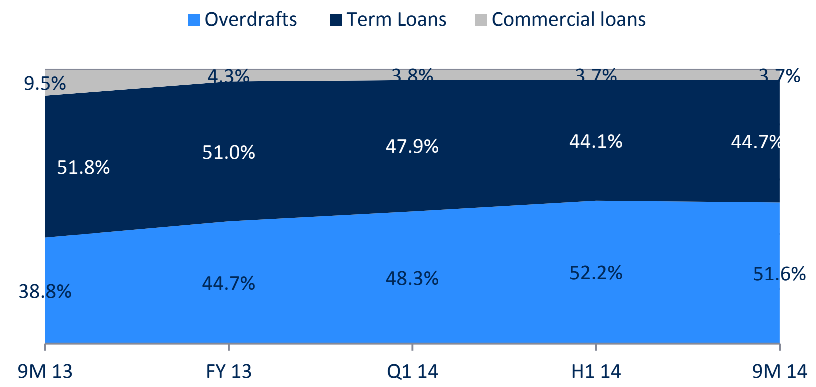
- **First Bank of Nigeria Limited**
  - First Pension Custodian Limited
  - FBN Mortgages Limited
  - FBN Bank (UK) Limited
  - Banque International De Credit (BIC)
  - FBN Bank Ghana
  - ICB Gambia
  - ICB Guinea
  - ICB Sierra Leone
  - ICB Senegal
- **FBN Capital Limited**
  - First Trustees Nigeria Limited
  - FBN Capital Asset Management Limited
  - First Funds Limited
  - FBN Securities Limited
- **FBN Insurance Limited**
- **FBN Insurance Brokers Limited**
- **FBN Microfinance Bank Limited**

Improving contribution from shorter tenored loans

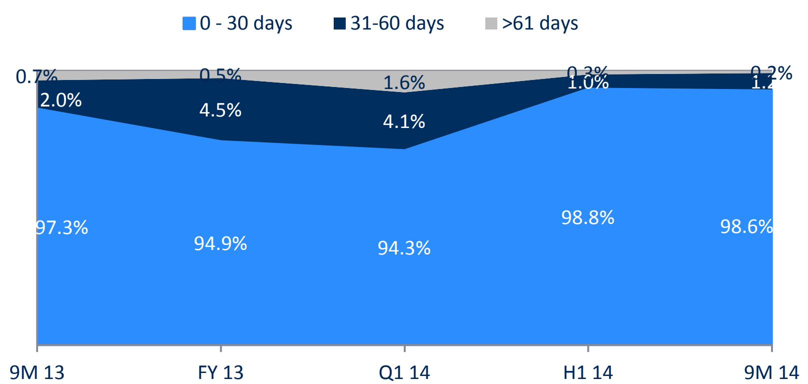
Loans and advances by maturity (FirstBank - Nigeria only)



Loans and advances by type (FirstBank - Nigeria only)



Ageing analysis of performing loan book (FirstBank - Nigeria only)



GDR Programme

FBN Holdings has a Sponsored Regulation S Global Depositary Receipt (RegS GDR) program

- Ticker symbol: 999112Z LI
- CUSIP: 31925X302
- ISIN: US31925X3026
- Ratio: 1 GDR : 50 Ordinary Shares

- Depositary bank: Deutsche Bank Trust Company Americas
- Depositary bank contact: Stanley Jones
- ADR broker helpline: +1 212 250 9100 (New York)
  +44 207 547 6500 (London)

- e-mail: adr@db.com
- ADR website: www.adr.db.com
- Depositary bank‘s local custodian: Standard Chartered Bank, Mauritius