

RESILIENT



Investor & Analyst Presentation

Full year ended 31 December 2016 & first quarter ended 31 March 2017

DISCLAIMER

This presentation is based on FBN Holdings Plc's ('FBNH' or 'the company' or the 'Group') audited results for the twelve months ended 31 December, 2016 and the unaudited results for the three months ended 31 March, 2017. Following the decisions to divest from FBN Mortgages Limited and Rainbow Town Development Limited, the results of operations, assets and liabilities of the two companies for 2016 and corresponding balances for 2015 have been presented as Discontinued Operations in line with IFRS 5.

The company has obtained some information from sources it believes to be credible. Although FBNH has taken all reasonable care to ensure that all information herein is accurate and correct, it makes no representation or warranty, express or implied, as to the accuracy, correctness or completeness of the information. In addition, some of the information in this presentation may be condensed or incomplete and this presentation may not contain all material information in respect of the Group.

This presentation contains forward-looking statements which reflect management's expectations regarding the Group's future growth, results of operations, performance, business prospects and opportunities. Wherever possible, words such as "anticipate", "believe", "expect", "intend", "estimate", "project", "target", "risk", "goal" and similar terms and phrases have been used to identify the forward-looking statements. These statements reflect management's current beliefs and are based on information currently available. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking statements. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally.

FBNH cautions readers that a number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and undue reliance should not be placed on the forward-looking statements. For additional information with respect to certain risks or factors, reference should be made to the Group's continuous disclosure materials filed from time to time with the Nigerian Stock Exchange and other relevant regulatory authorities. The Group disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Outline

FY 2016 & Q1 2017 Key Highlights	Pg 4-10
Financial Review	Pg 11 - 16
Risk Management	Pg 17 - 21
Strategy	Pg 22 - 25
Outlook & Guidance	Pg 26 - 30
Appendix	Pg 32 - 36



FBN Holdings

FY 2016 & Q1 2017 Key Highlights

Recessionary environment through 2016 with a gradual economic recovery expected in 2017

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

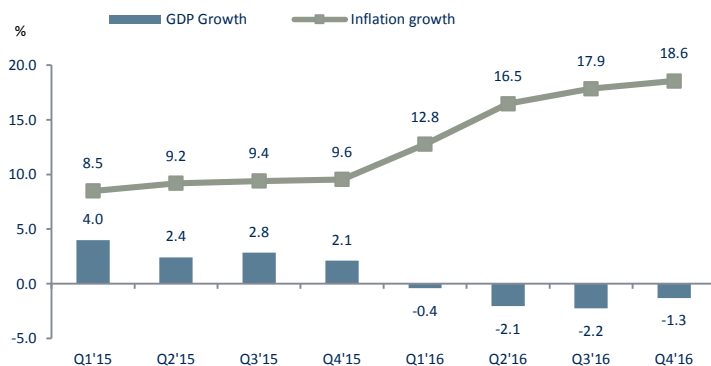
RISK MANAGEMENT

STRATEGY

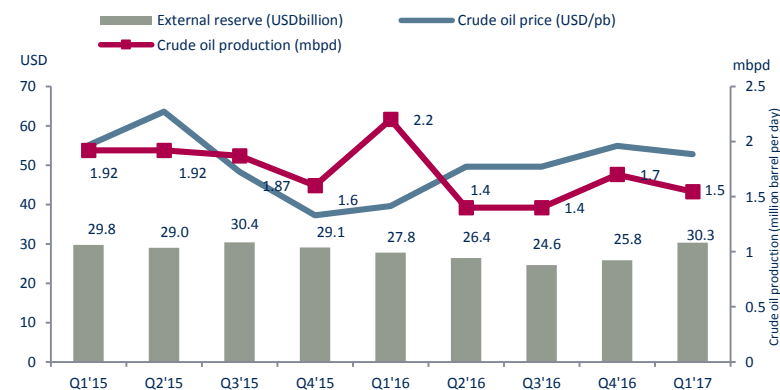
OUTLOOK & GUIDANCE

APPENDIX

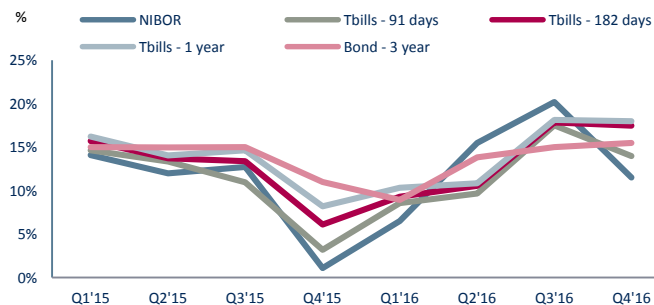
Recessionary trend with rising inflation



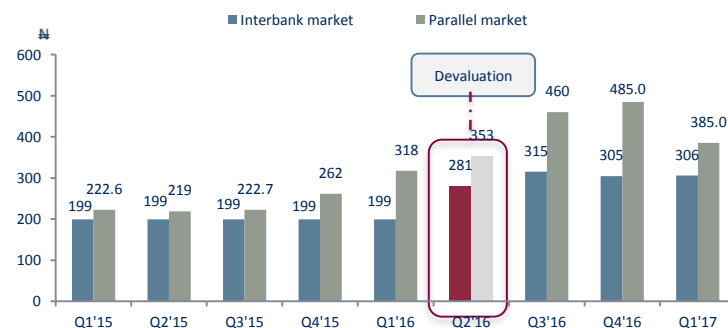
Improvement in crude oil price in 2016



Increase in yields on investment securities through 2016



CBN currency interventions improve FX flows



REGULATORY DEVELOPMENTS

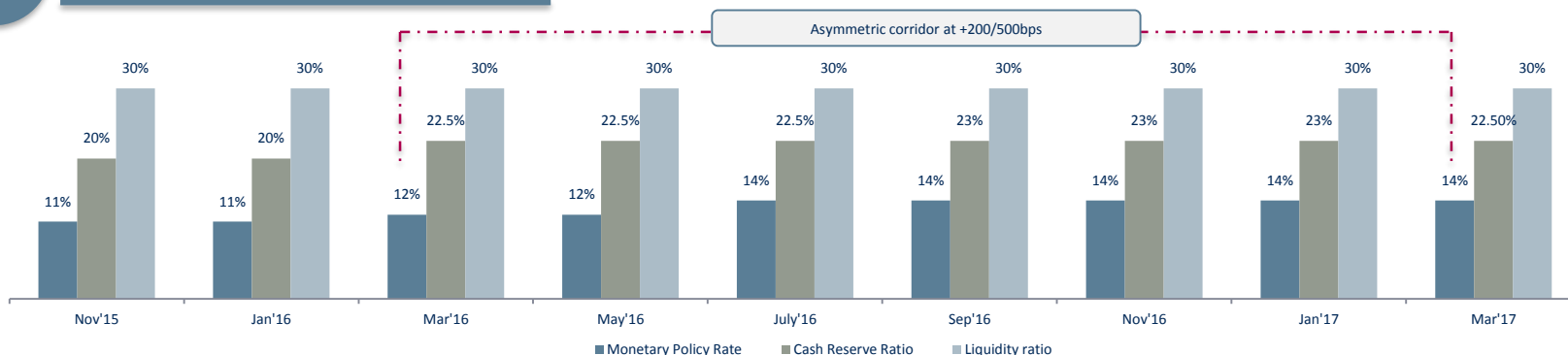
2016

- Introduction of a current account maintenance fee following the discontinuation of the COT ¹
- Central Bank grants a one-time forbearance to write off fully provided non performing loans
- Liberalisation of the foreign exchange market with possible floating of the Naira, albeit FX illiquidity persists
- Deepened derivatives market with the introduction of Over the Counter (OTC) for FX futures and forwards contracts
- Review of the FX policy directing international money transfer organisations and FirstBank to sell FX to BDCs
- Central Bank introduces guideline for implementation of IFRS 9

2017

- Central Bank issued a new policy on FX for PTA/BTA, medical and school fees to improve FX liquidity
- Central Bank introduced special FX window for investors, exporters and end-users
- The revised investment guidelines on Pension Fund Assets now allow PFAs to invest in quoted equities of Bank holding companies

MPC MEETING



¹Commission on Turnover (CoT)

Strong earnings in a challenging operating environment as we address legacy asset quality

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

APPENDIX

INCOME STATEMENT

Gross earnings

FY16: ~~¥~~581.8bn
Q117: ~~¥~~141.0bn

Net interest income

FY16: ~~¥~~304.4bn
Q117: ~~¥~~80.3bn

Operating income

FY16: ~~¥~~469.9bn
Q117: ~~¥~~104.5bn

Profit before tax

FY16: ~~¥~~22.9bn
Q117: ~~¥~~19.9bn

Impairment charge for credit losses

FY16: ~~¥~~226.0bn
Q117: ~~¥~~28.8bn

Non-interest income

FY16: ~~¥~~165.5bn
Q117: ~~¥~~24.2bn

Operating expenses

FY16: ~~¥~~220.9bn
Q117: ~~¥~~55.7bn

Profit after tax¹

FY16: ~~¥~~17.1bn
Q117: ~~¥~~16.1bn

STATEMENT OF FINANCIAL POSITION

Total assets

FY16: ~~¥~~4,736.8bn
Q117: ~~¥~~4,984.6bn

Loans & advances (net)

FY16: ~~¥~~2,083.9bn
Q117: ~~¥~~2,062.7bn

Customer deposits

FY16: ~~¥~~3,104.2bn
Q117: ~~¥~~3,093.4bn

Total Equity

FY16: ~~¥~~582.5bn
Q117: ~~¥~~601.3bn

KEY HIGHLIGHTS

- Underlying business remains fundamentally strong with 15.7% y-o-y growth in gross earnings in FY 2016
- Pre-provision operating profit of ~~¥~~248.9billion in FY 2016 remains the highest in the industry
- 13.7% growth in total assets in FY 2016
- Increasingly stronger balance sheet as we deal with legacy assets and cautiously originate new loans
- Stable and diverse funding base

¹Profit after tax relate to continued operations for FY 2016

Improving performance at the core of building a solid foundation for the long term

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

APPENDIX

KEY RATIOS

Cost to income ratio

FY16: 47.0%¹
Q117: 53.3%

Liquidity ratio²

FY16: 52.7%
Q117: 53.5%

Cost of funds

FY16: 2.8%
Q117: 3.4%

Post-tax ROAE³

FY16: 3.0%
Q117: 10.9%

CAR⁴ (Basel 2)

FY16: 17.8%
Q117: 18.1%

Gross loans to deposits

FY16: 77.1%
Q117: 77.8%

Net interest margin

FY16: 8.8%
Q117: 8.2%

Post-tax ROAA³

FY16: 0.4%
Q117: 1.3%

NPL ratio

FY16: 24.4%
Q117: 26.0%

Cost of risk

FY16: 10.4%
Q117: 4.8%

NPL coverage

FY16: 57.3%
Q117: 58.8%

Earnings yield

FY16: 11.7%
Q117: 11.7%

KEY HIGHLIGHTS

- Improving cost efficiencies with the scope for enhanced performance
- y-o-y improvement in cost to income ratio and operating expenses despite the inflationary environment
- Liquidity ratio remains one of the strongest in the industry
- Further asset yields optimisation leads to stronger margins
- Stronger capital adequacy ratio providing support to growth initiatives

¹58.0% adjusting for revaluation gains (FY 2015: 65.3%) ²FirstBank (Nigeria) ³Profit after tax from continued operations: ⁴For FirstBank (Nigeria), Q1 2017 CAR excludes profit, FBN Merchant Bank's CAR for FY 2016 (22.6%), Q1 2017 (26.4%)

Portfolio diversification demonstrated through dividends from non commercial banking subsidiaries

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

APPENDIX



COMMERCIAL BANKING

- FY 2016 gross earnings: ¥535.5bn (FY 2015: ¥465.8bn)
- FY 2016 profit before tax of ¥10.7bn (FY 2015: ¥10.2bn)
- Q1 2017 gross earnings of ¥128.5bn (Q1 2016: ¥100.2bn)
- Q1 2017 profit before tax of ¥16.4 (FY 2015: ¥20.7bn)



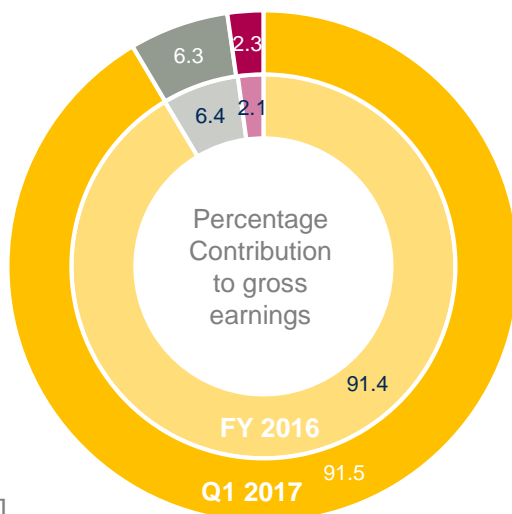
MERCHANT BANKING AND ASSET MANAGEMENT

- FY 2016 gross earnings: ¥37.8bn (FY 2015: ¥33.3bn)
- FY 2016 profit before tax ¥13.7bn (FY 2015: ¥10.3bn)
- Q1 2017 gross earnings ¥8.8bn (Q1 2016: ¥5.5bn)
- Q1 2017 profit before tax ¥2.7bn (FY 2015: ¥1.2bn)



INSURANCE

- FY 2016 gross earnings: ¥12.5bn (FY 2015: ¥10.5bn)
- FY 2016 profit before tax of ¥3.4bn (FY 2015: ¥2.3bn)
- Q1 2017 gross earnings of ¥3.2bn (Q1 2016: ¥2.6bn)
- Q1 2017 profit before tax of ¥0.8bn (Q1 2016: ¥0.9bn)



[FY 2015]

Commercial [91.4%]
MBAM [6.5%]
Insurance [2.1%]



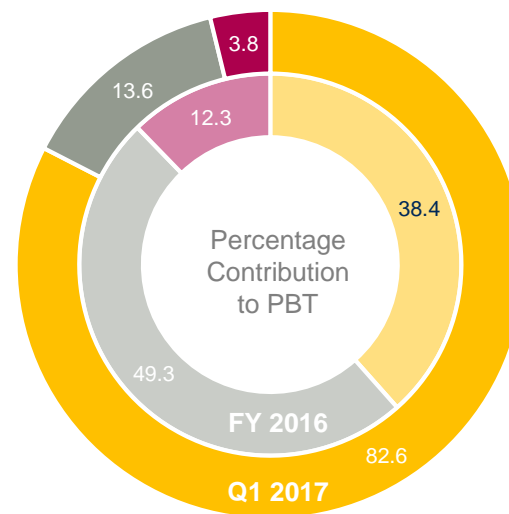
Commercial Banking



Merchant Banking and
Asset Management



Insurance



[FY 2015]

Commercial [44.1%]
MBAM [46.1%]
Insurance [9.8%]

Key themes impacting our business

FY 2016 KEY HIGHLIGHTS

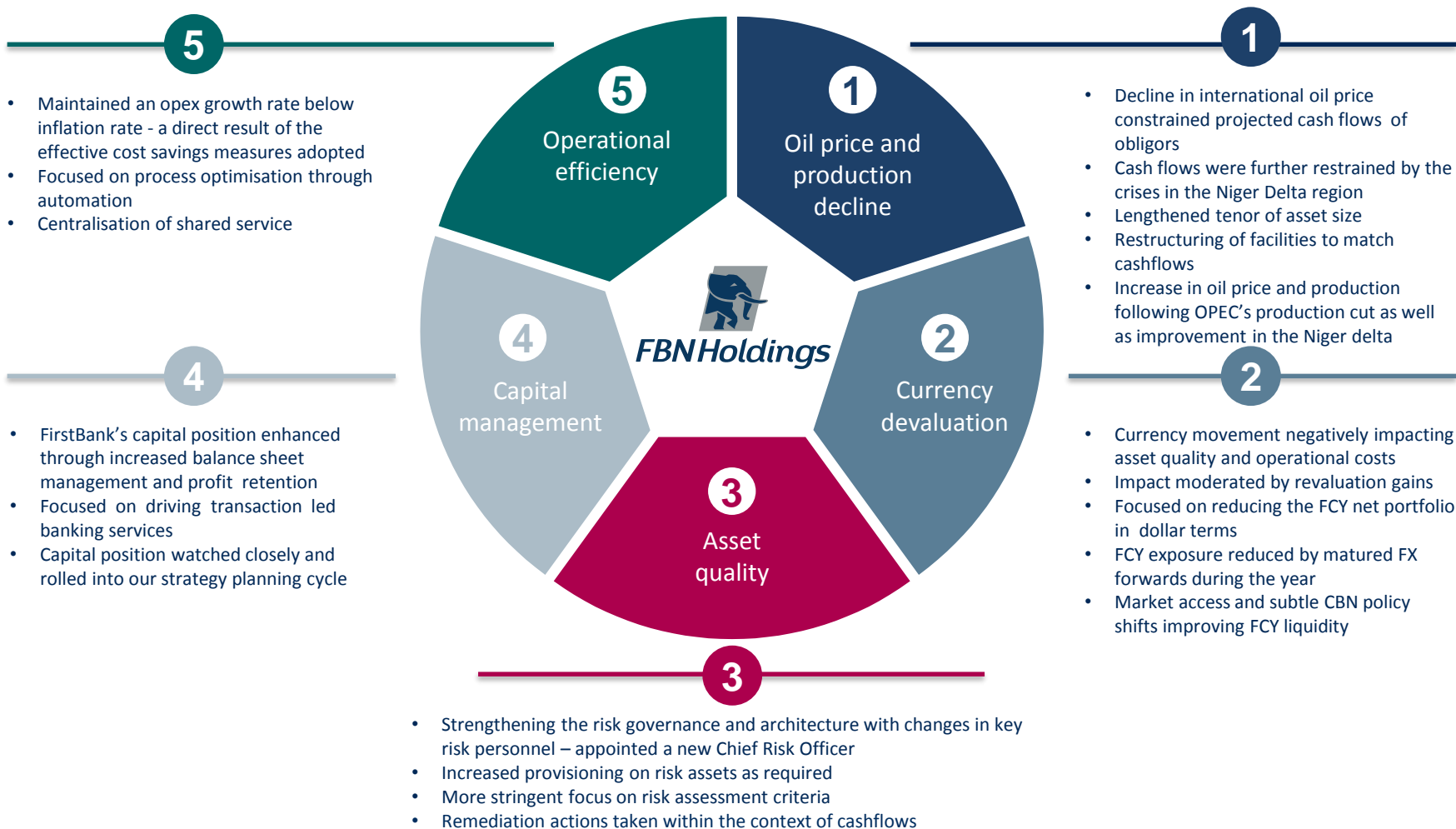
FINANCIAL REVIEW

RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

APPENDIX





FBN Holdings

Financial Review

FY 2016 & Q1 2017 results snapshot

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

APPENDIX

Income statement

₦bn	FY 15	FY 16	y-o-y	Q1 16	Q1 17	y-o-y
Gross earnings	502.7	581.8	15.7%	107.5	141.0	31.2%
Net interest income	265.2	304.4	14.8%	63.9	80.3	25.7%
Non-interest income	97.9	165.5	68.9%	21.9	24.2	10.4%
Operating income ¹	363.1	469.9	29.4%	85.8	104.5	21.8%
Operating expenses	222.7	220.9	-0.8%	50.9	55.7	9.3%
Pre-provision operating profit ¹	140.4	248.9	77.4%	34.8	48.8	40.2%
Impairment charge	118.8	226.0	90.3%	12.8	28.8	126%
Profit before tax	21.6	22.9	6.3%	22.1	19.9	-9.5%
Income tax	6.0	5.8	-3.9%	1.3	3.8	187.3%
Profit after tax	15.5	17.1	10.3%	20.7	16.1	-22.1%

Statement of financial position

₦bn	FY 15	FY 16	y-o-y	Q1 16	Q1 17	y-t-d
Total assets	4,166.2	4,736.8	13.7%	4,142.6	4,984.6	5.2%
Investment securities (interest earning)	970.2	1,193.9	23.1%	963.2	1,365.6	14.4%
Interbank placements	385.8	444.8	15.3%	390.6	596.0	34.0%
Cash and balances with Central Bank	715.9	690.1	-3.6%	733.5	621.1	-10.0%
Net loans & advances	1,817.3	2,083.9	14.7%	1,762.2	2,062.7	-1.0%
Customer deposits	2,970.9	3,104.2	4.5%	2,835.3	3,093.4	-0.3%
Total equity	578.8	582.6	0.7%	575.2	601.3	3.2%

Key ratios ¹	FY 15	FY 16	Q1 16	Q1 17
Net interest margin ¹	8.1%	8.8%	8.1%	8.2%
Cost to income ¹	61.3%	47.0%	59.4%	53.3%
Cost of funds	3.7%	2.8%	2.3%	3.4%
NPL	18.1%	24.4%	21.5%	26.0%
NPL coverage ¹	40.2%	57.3%	37.4%	58.8%
Cost of risk	5.7%	10.4%	2.6%	4.8%
ROaE ¹	2.8%	3.0%	14.4%	10.9%
ROaA ¹	0.4%	0.4%	2.0%	1.3%
CAR – FirstBank (Nigeria) - Basel 2	17.1%	17.8%	17.2%	18.1%
Tier 1 CAR – FirstBank (Nigeria) - Basel 2	13.3%	13.9%	13.3%	14.0%
CAR – FBN Merchant Bank - Basel 2	23.0%	22.6%	23.6%	26.41%
Gross loans to deposits ¹	65.9%	77.1%	67.5%	77.8%

¹Definition provided in the appendix;

Maintained cost management drive amidst inflationary pressure

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

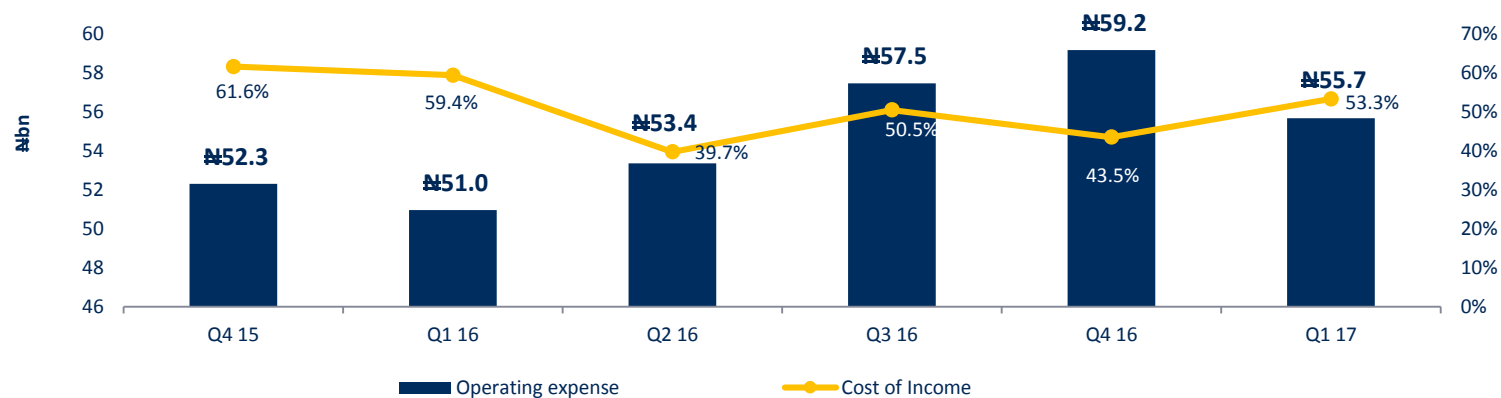
RISK MANAGEMENT

STRATEGY

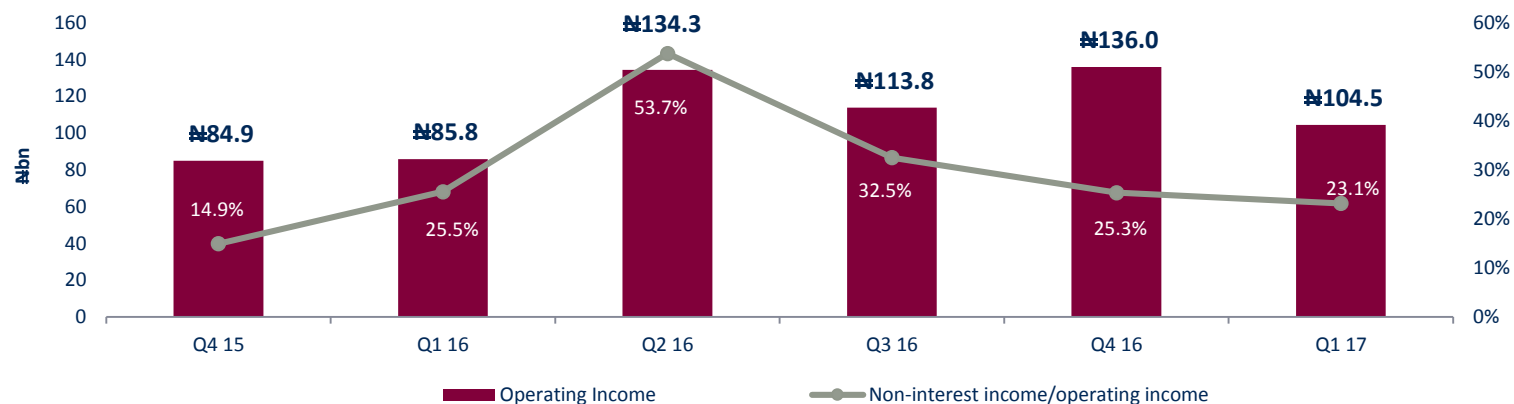
OUTLOOK & GUIDANCE

APPENDIX

Operating expenses (Nbn)



Operating income (Nbn)



Steady growth in assets through increased treasury activities as we enhance revenue generating platforms

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

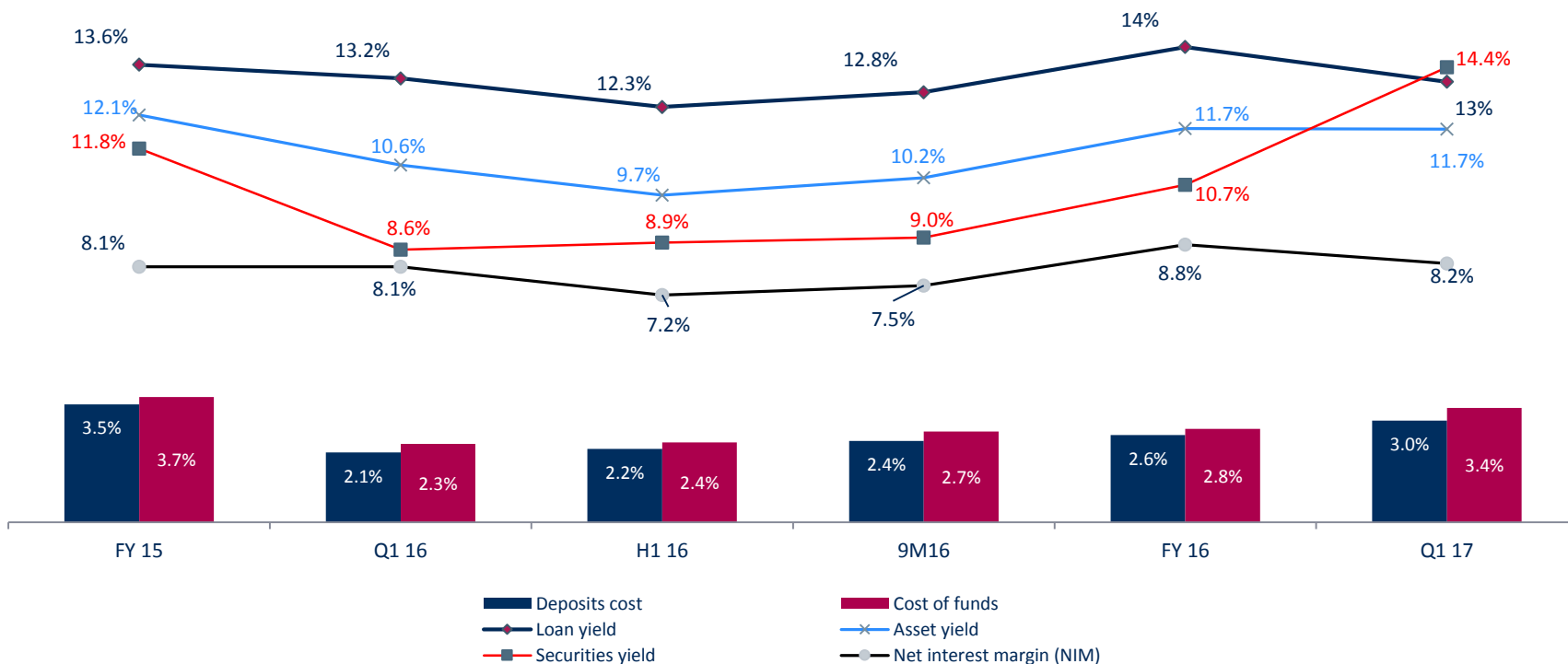
RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

APPENDIX

Net Interest Margin Drivers



- Net interest margin improved to 8.8% and 8.2% in FY 2016 and Q1 2017 respectively (FY 2015: 8.1%; Q1 2016: 8.1%) on the back of a decrease in funding cost
- Funding cost declined to 2.8% on the back of a 13% reduction in expensive term deposits in FY 2016. CASA ratio improved to 72.9% in FY 2016 and 71.9% in Q1 2017 [FY 2015: 67.3%, Q1 2016: 69.2%]. Funding cost however increased to 3.4% in Q1 2017 (Q1 2016: 2.3%)
- Attractive yields on short-dated investment securities during the year impacted interest income from securities. Securities yield increased to 10.7% and 14.4% in FY 2016 and Q1 2017 respectively (FY 2016: 9.0%, Q1 2016: 8.6%)
- Growth in asset yield to 11.7% in FY 2016 (Q1 2017: 11.7%) reflects the group's drive to maximize investment in earning assets.

Strong and well diversified funding base with robust retail franchise

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

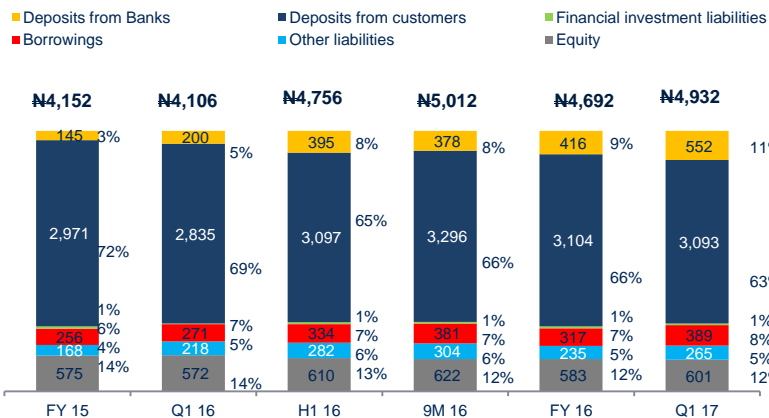
STRATEGY

OUTLOOK & GUIDANCE

APPENDIX

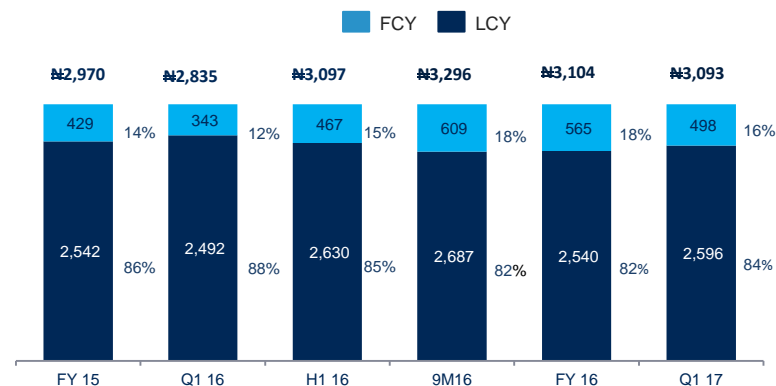
Funding by type ₦bn

FBNHoldings



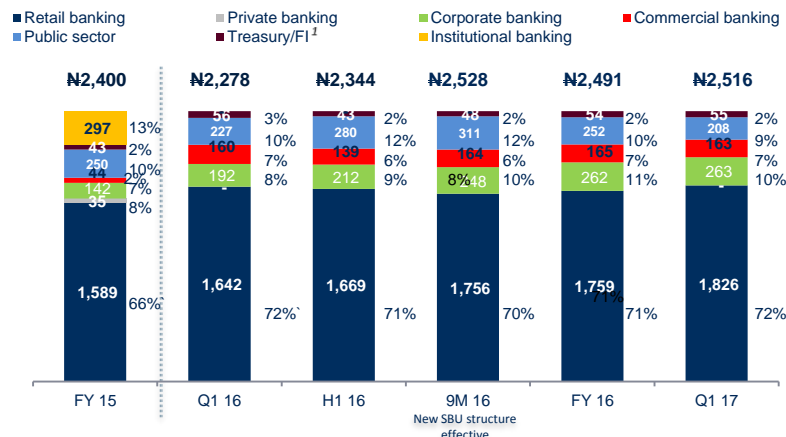
Deposits by currency ₦bn

FBNHoldings



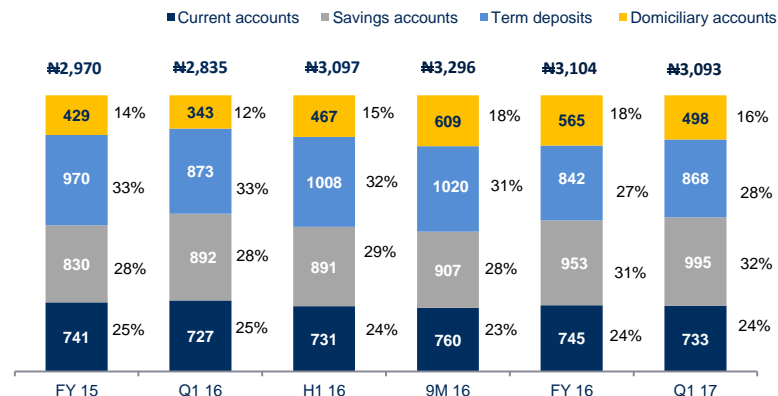
Deposits by SBU² ₦bn

FirstBank (Nigeria)



Deposits by type ₦bn

FBNHoldings



¹ Though it contributed to the deposits, Treasury was not a strategic business unit (SBU) until the new SBU structure took effect in January 2016 with Treasury & Financial Institutions being an SBU ² 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** (now within Corporate Banking effective January 2016); multinationals and corporate clients with revenue > ₦10bn. **Private banking** (now with retail effective January 2016); High net worth individuals and families. **Public sector**; 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

Our liquidity position remains strong with improving efficiency in balance sheet management

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

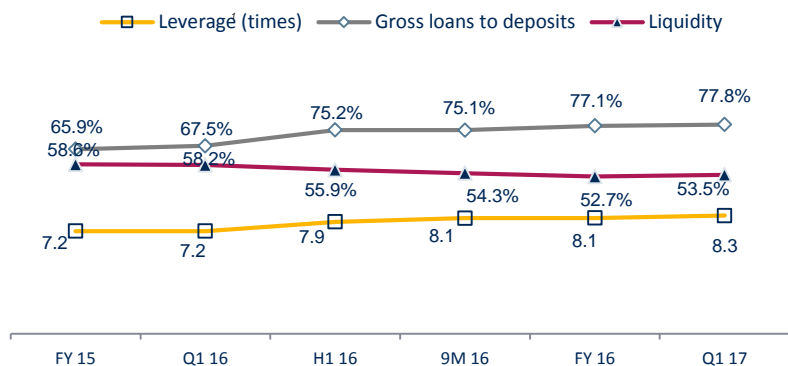
RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

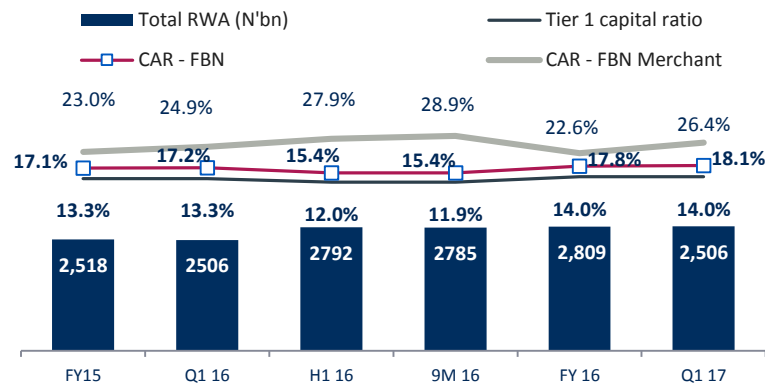
APPENDIX

Balance sheet efficiency

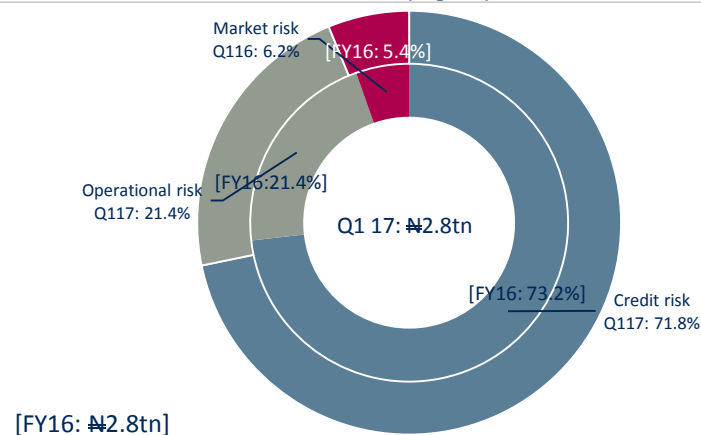


Capital ratios

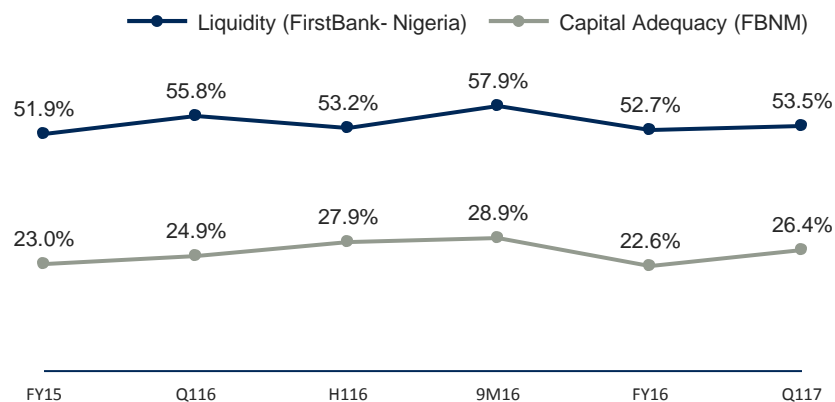
FirstBank (Nigeria) and FBN Merchant Bank



RWA components FirstBank (Nigeria)



CAR & Liquidity



¹ Definition provided in the appendix



FBN Holdings

Risk Management

Sectoral breakdown of loans and advances to customers

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

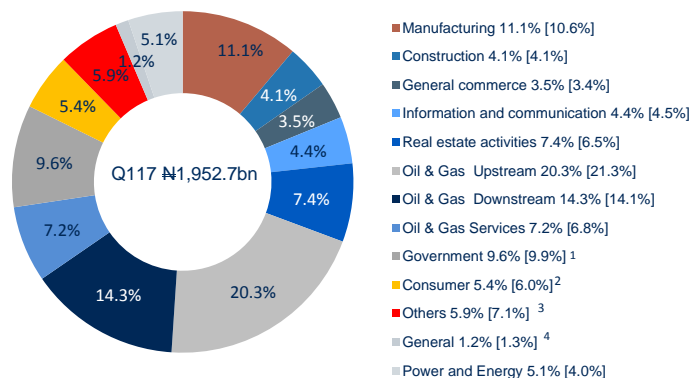
RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

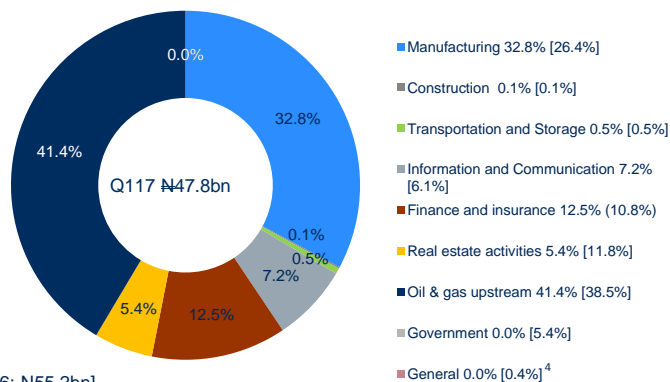
APPENDIX

Q1 2017 FirstBank (Nigeria) gross loans by sectors



[FY2016: ₦1,933.4bn]

Q1 2017 FBN-MBAM gross loans by sectors



[FY 2016: ₦55.2bn]

- Gross loans and advances at the Group level grew by 22.4% y-o-y in FY 2016 (Q1 2017: 31%) driven by the translation impact of devaluation on the FCY exposure
- Total FCY loans constitute 51% of loans as at FY 2016 [Q1 2017: 50.9%]
- The break down of the oil & gas portfolio in upstream, downstream and services as at FY 2016 was 21.3%, 14.1% and 6.8% respectively [Q1 2017 : 20.3%, 14.3% and 7.2%]. 56% of the oil & gas loans are in FCY
- About 5% of the loan book has been restructured with oil & gas loans constituting 70% of the restructured portfolio in FY 2016
- Average duration of loan book is up to 36 months in FY 2016
- NPL to revert to single digit region within the next 24months on the back of active remediation of top exposures

¹Government loans are loans to the public sector (federal and state); ² Represents loans in our retail portfolio < ₦50mn; ³ Finance and Insurance, capital market, residential mortgage; ⁴ General includes personal & professional, hotel & leisure, logistics and religious bodies ⁵ Merchant Bank and Asset Management business group

Profiling the loan book portfolio

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

STRATEGY

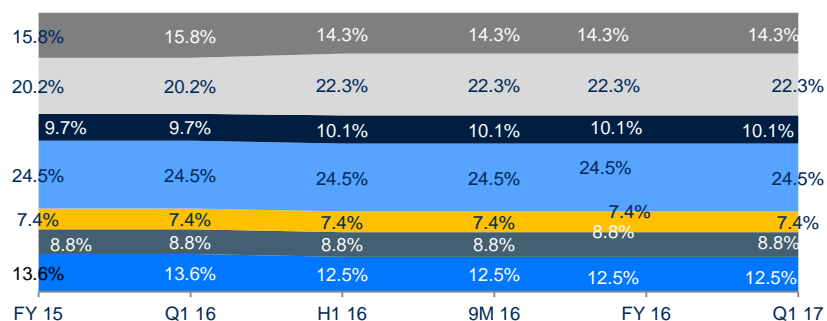
OUTLOOK & GUIDANCE

APPENDIX

Loans and advances by maturity

FirstBank (Nigeria)

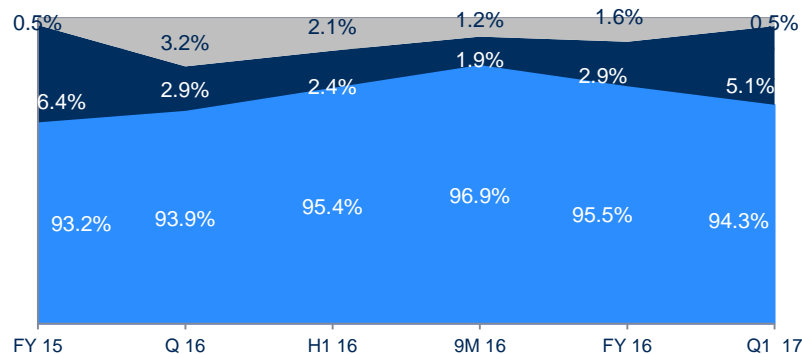
0 - 30 days 1 - 3 months 3 - 6 months 6 - 12 months 1 - 3 years 3 - 5 years > 5 years



Ageing analysis of performing loans and advances

FirstBank (Nigeria)

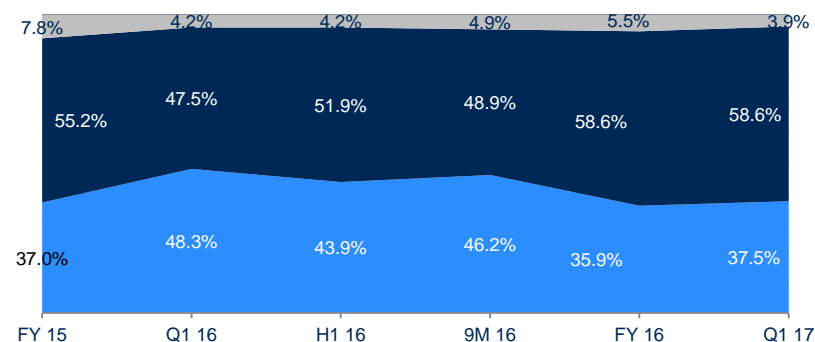
0 - 30 days 31-60 days > 61 days



Loans and advances by type

FirstBank (Nigeria)

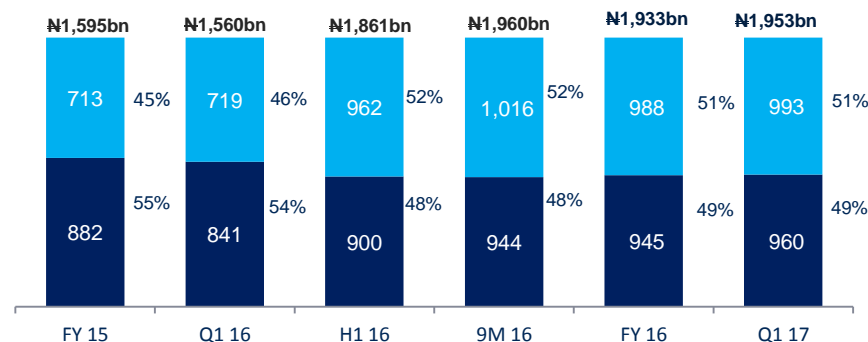
Overdrafts Term Loans Commercial loans



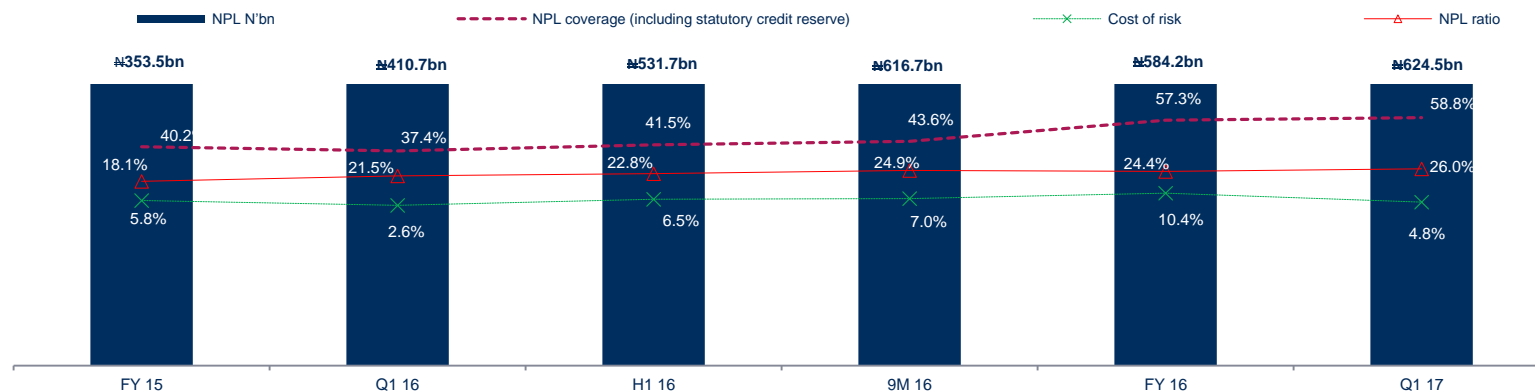
Loans and advances by currency

FirstBank (Nigeria)

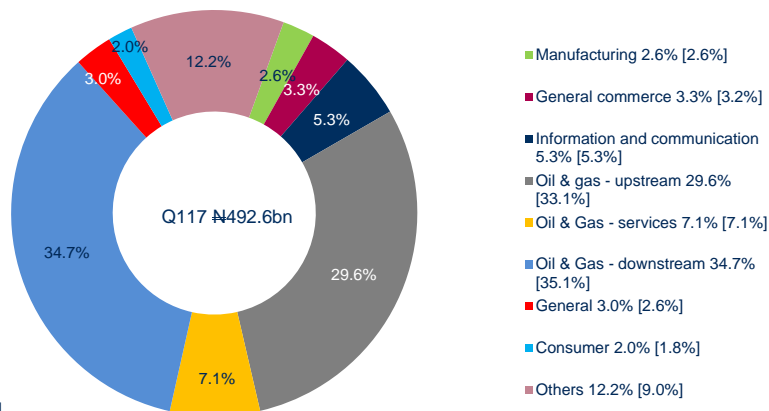
FCY LCY



Asset quality ratios - FBNHoldings



Q1 2017 NPL exposure by sector - FirstBank (Nigeria)



[FY 2016: ₦478.8bn]

- NPL ratio increased to 24.4% in FY 2016 with the increased provision on delinquent asset. (Q1 2017: 26.0%)
- Net impairment charge on credit losses amounted to ₦226bn in FY 2016 for the group (Q1 2017: ₦28.8b) due to translation effect of devaluation and charge on legacy exposure in a subsidiary
- NPL coverage improved to 57.3% in FY 2016 (FY 2015: 40.2%, Q1 2017: 58.8%). NPL coverage is expected to move above 70% in 2017 given the strength of the collaterals which adequately cover the value of the loans
- NPLs in FCY constitute 37% of total NPL with adequate coverage
- NPL loans to the oil & gas sector constitute 75% of total NPL in FY 2016, while the general commerce and manufacturing sector constitute 3% each in FY 2016. [Q1 2017: 71.4%, 3.3% and 3.0% respectively]

¹ General includes: hotels & leisure, logistics, religious bodies; ² Others (NPL exposure by sector) include Finance, Transportation, Construction, Agriculture and Real estate activities; ³ Others (NPL ratio by sector) include General, Transportation & storage, Finance & Insurance, Administration, Capital market, Education, Professional & Scientific, Human health and Arts & Entertainment all contributing between 0.1 – 4.0% to the loan book exposure

Transforming our risk management approach towards sustainable improvement in asset quality

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

STRATEGY

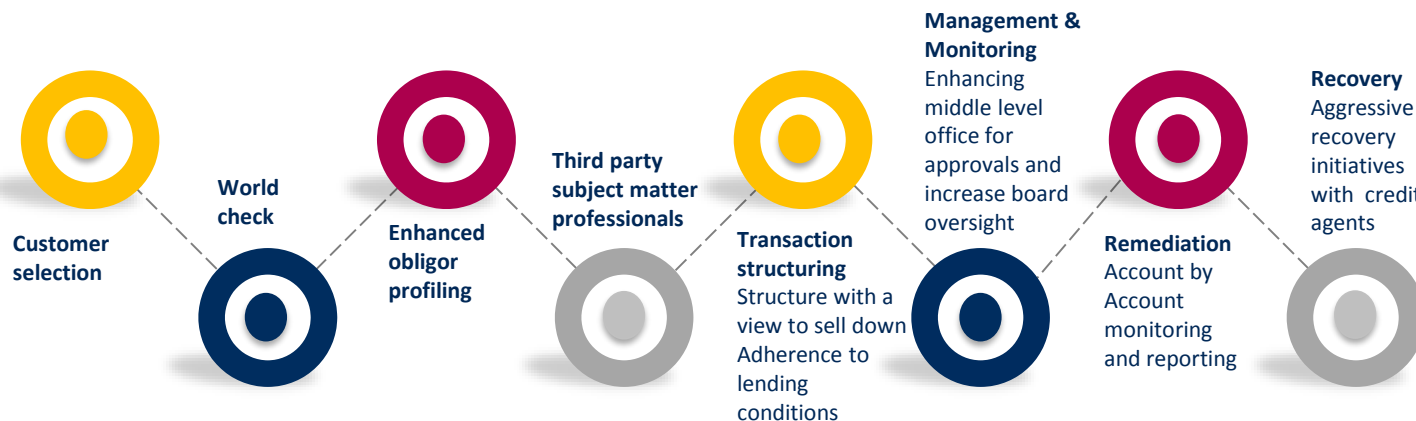
OUTLOOK & GUIDANCE

APPENDIX

Further to our 2016 plan of revamping our risk management framework, key initiatives highlighted have been implemented as detailed below

- ✓ Reviewed the credit framework and strengthened
- ✓ Recruited a new Chief Risk Officer to drive the new credit architecture and build a robust and sustainable credit underwriting practice
- ✓ Executive Director, Corporate Banking appointed to strengthen loan origination, structuring and distribution
- ✓ New Head, Remedial and Classified Asset Management recruited to drive aggressive recovery
- ✓ Appointed a Group Executive for Technology and Services with increased focus on technology to enhance the risk and control environment
- ✓ Institutionalized a new credit culture with selection of quality customers and adherence to lending conditions and transaction structuring
- ✓ Restructured credit terms of obligor with compelling business case to match cash flows
- ✓ Aligned the level of exposures with the level of seniority of managers to ensure discussions and credit calls take place at right level
- ✓ Implementation of an Enterprise Risk Management (ERM) system to strengthen the risk and control environment

A clear resolution pathway





FBN Holdings

Strategy

Aligning strategy to meet customers' needs

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

APPENDIX



Addressing the needs of our customers and stakeholders by:

Improving risk governance

Driving operational efficiencies

Harnessing inherent revenue advantages

Leveraging technological tools

Through these strategic Initiatives

Deliver structural changes in the risk-taking culture, processes and oversight

Maintain sustained improvement of cost and capital efficiency

Enhance revenue growth across the organisation

Create digital competency to enhance revenue and service delivery

Simplified pathway to value creation

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

APPENDIX

Deliver structural changes in the risk-taking culture

UPDATE

- Institutionalised a new credit culture with selection of quality customers and adherence to lending conditions and transaction structuring
- Revamped the risk management governance and architecture
- Strategic appointments across the risk management function and building internal capacity in product lines group-wide
- Improving quality of obligors across the group
- A stronger portfolio of risk assets with sustainable income streams

Maintain sustained improvement of cost and capital efficiency

UPDATE

- A wholesale change in People, Processes, Policies and Technology
- Reduced operating expenses and improved cost to income ratio
- Integrated and institutionalised shared services which is eliminating duplicated costs
- Moderate balance sheet growth with enhanced high yielding treasury activities
- Stronger capital position

Enhance revenue growth across the organisation

UPDATE

- Execution of a group innovation project to identify new revenue streams
- Increased market share with customer accounts at 12.7m (FY2015: 11.2m) across the group
- Improved revenue generation across the group; The Merchant Bank and Insurance businesses recorded 11.5% and 18.7% y-o-y growth in revenue respectively
- Leveraged on the commercial banking retail network to deepen market penetration across the group

Create digital competency to enhance revenue and service delivery

UPDATE

- Launched *894# USSD (Unstructured Supplementary Service Data) banking service and recorded over 1 million users; the fastest growing USSD service in the industry
- The only Bank to record over 100m monthly electronic transactions; currently at 110m+
- Strengthened technology infrastructure to drive efficiency across all areas of the business
- Increasing contribution from e-banking

FBNHoldings at a glance

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

APPENDIX

Rich Heritage

Nigeria's biggest and indigenous financial institution with over 123 years in commercial banking services



875

Business Locations



52.7%

High Liquidity position



2,779^{ATMs}
7,048^{POS}

Largest distribution of alternative channels and touch points



Only Bank to have carried out 100million transaction per month on the main switch network

Recognitions

Our Brand remains strong in the industry as we achieved several awards and global recognition across our operating entities



6x in a row most valuable banking brand in Nigeria



Best Commercial Bank in Nigeria
Most Innovative Bank in Nigeria
Best Retail Bank in Nigeria
Awarded to First Bank Nigeria Ltd



Fastest growing underwriting business
Best Life Insurance company
Awarded to FBN Insurance



Best Investment Bank
Most Innovative Bank
Awarded to FBN Quest

Market Leader

Sustained market leader with increasing revenue momentum and rising customer base



₦582bn

Largest financial institution in Gross Earnings



12.7^{mn}

Active customers accounts

19.0%

FY 2016

18.5%

FY 2015

Market share of active accounts¹

Competitive Stance

We have remained competitive across our business within the industry with strong performance among peers

3%^{CAGR}

Improving cost efficiency with 3% Compounded Annual Growth Rate (CAGR) below industry average in the last 4 years

~18%

Market share in Deposits and Total assets [Market share on Loan and advances circa 13%]

*894#



Fast growing USSD² banking service

¹Company filings ²USSD – Unstructured Supplementary Service Data

*Source - Company filings, Competitor analysis, CBN statistical bulletin, National Bureau of Statistic (NBS), 2016 Financial Stability Report



FBN Holdings

Outlook & Guidance

Outlook & Guidance¹

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

APPENDIX

		2017 guidance		FY2016 (guidance)	FY2016 (actual)	Q12017 (actual)
Profitability and efficiency metrics	ROaE	≥10%		9-10%	3.0%	10.9%
	ROaA	1-1.5%		1.0-1.2%	0.4%	1.3%
	Cost to Income	≤55%		49-50%	47.0%	53.3%
	Cost of Risk	6-7%		6-7%	10.4%	4.8%
	Cost of Fund	3-4%		3-4%	2.8%	3.4%
	NIM	8-8.5%		7.5-7.8%	8.8%	8.2%
	Deposit growth	~10%		10-12%	4.5%	-0.3%
	Net loan growth	5-10%		25%	14.7%	-1.0%
	NPL	<20%		≤25%	24.4%	26.0%

¹In a normalised business environment

Ag. Head, Investor Relations

Tolulope Oluwole

Email: Tolulope.O.Oluwole@fbnholdings.com

Phone: +234 (1) 9052720

Investor Relations Team

investor.relations@fbnholdings.com

Phone: +234 (1) 9051386

+234 (1) 9051086

+234 (1) 9051146



Appendix

Income statement evolution

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

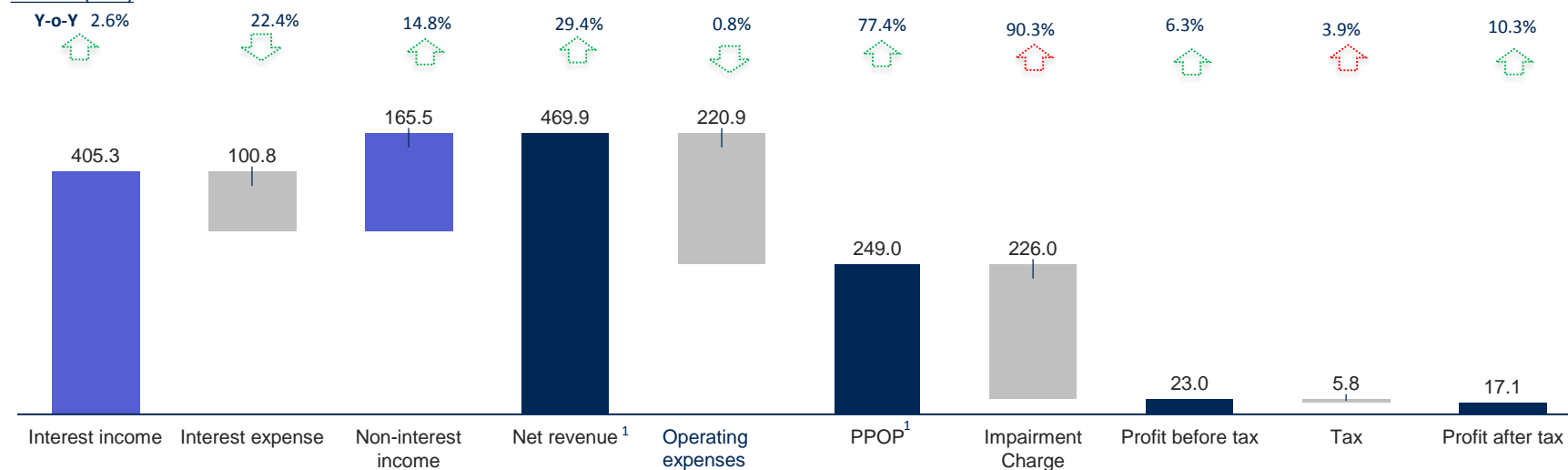
RISK MANAGEMENT

STRATEGY

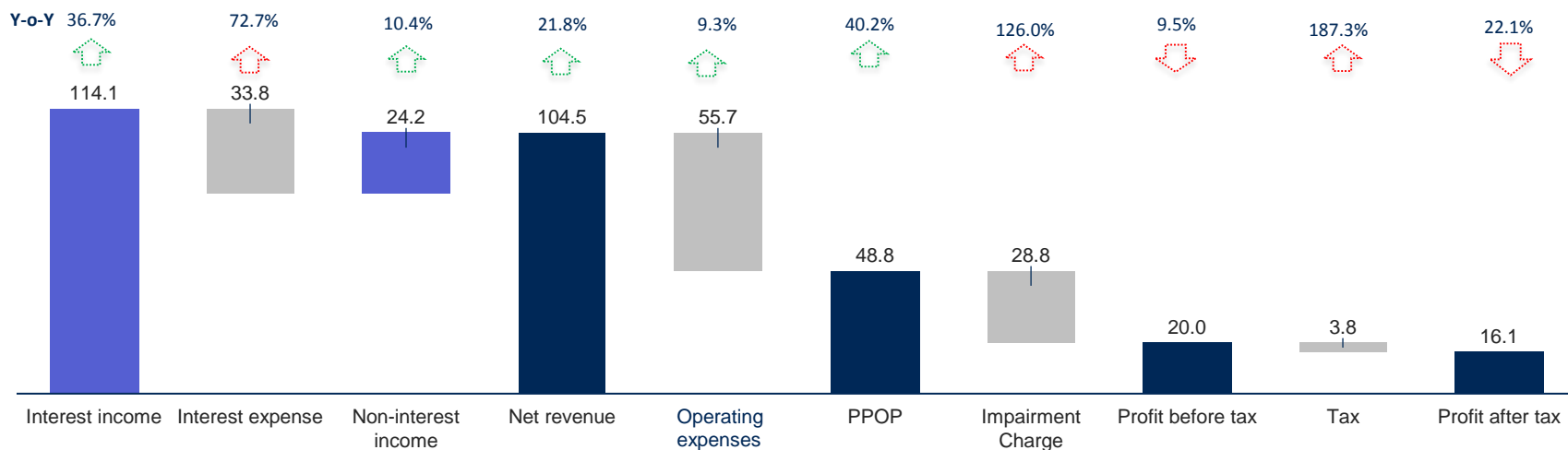
OUTLOOK & GUIDANCE

APPENDIX

FY 2016 (€bn)



Q1 2017 (€bn)



¹ Definition provided in the appendix

Revenue Generation

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

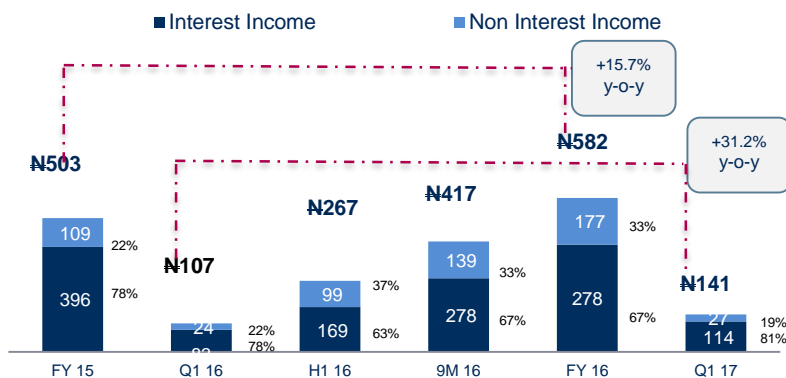
RISK MANAGEMENT

STRATEGY

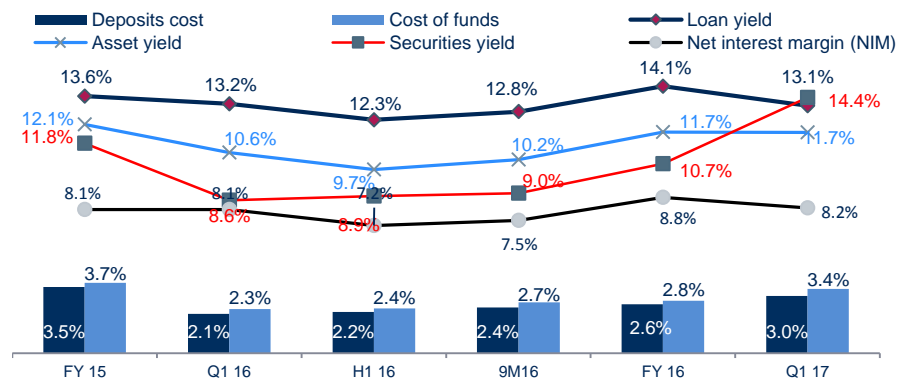
OUTLOOK & GUIDANCE

APPENDIX

Gross earnings breakdown (Nbn) ¹

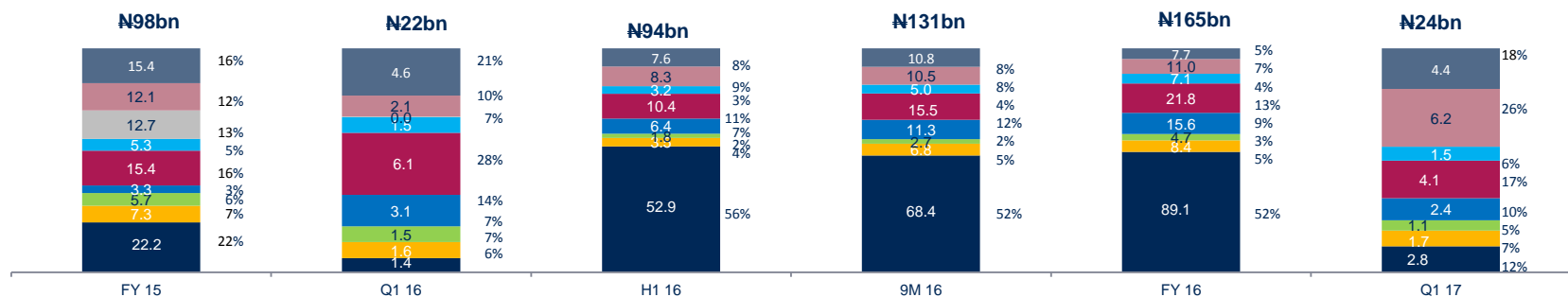


Net interest margin drivers



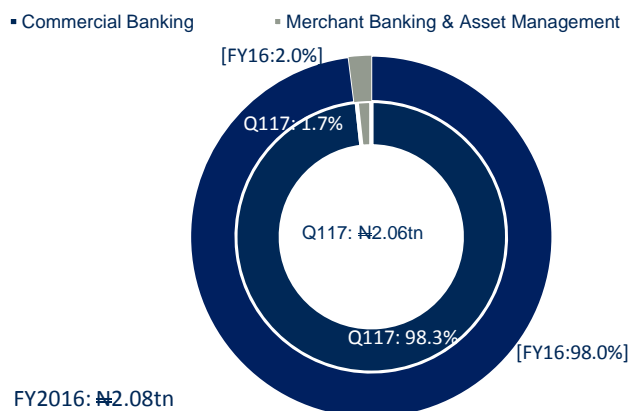
Non-interest income breakdown (Nbn)

Foreign exchange Insurance premium Credit related fees Account maintenance E-business Financial advisory Commission on turnover Other fees & commission Other income ² ³

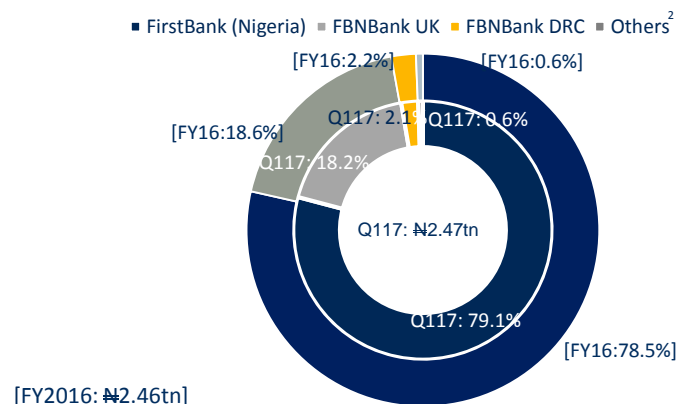


¹Non-interest income here is gross and does not account for fee and commission expense ² Other fees and commission include commission on bonds and guarantees, fee and commission expense, remittance fees, LC commission, money transfer, custodian fees, fund management fees and brokerage & intermediation ³ Other income includes net (losses)/gains on investment securities, net (losses)/gains from financial assets at fair value, dividend income and share of profit/loss from associates

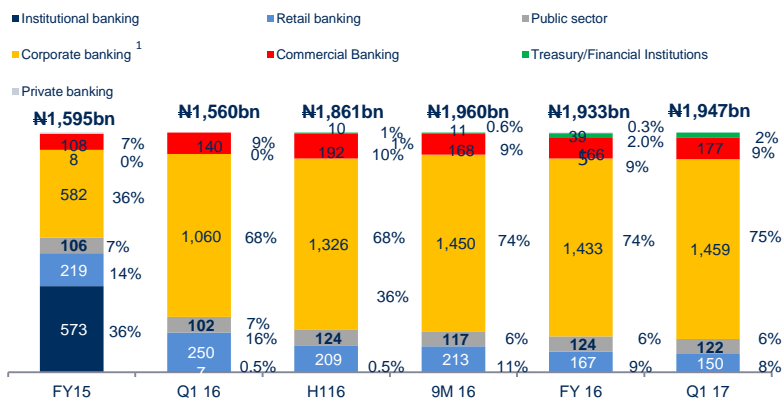
FBNHoldings gross loans by business groups



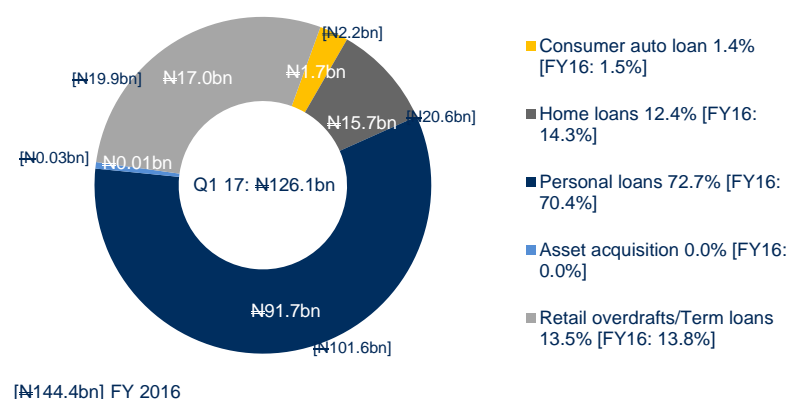
FirstBank (Nigeria) & Subsidiaries gross loans



FirstBank (Nigeria) gross loans by SBU (₦bn)

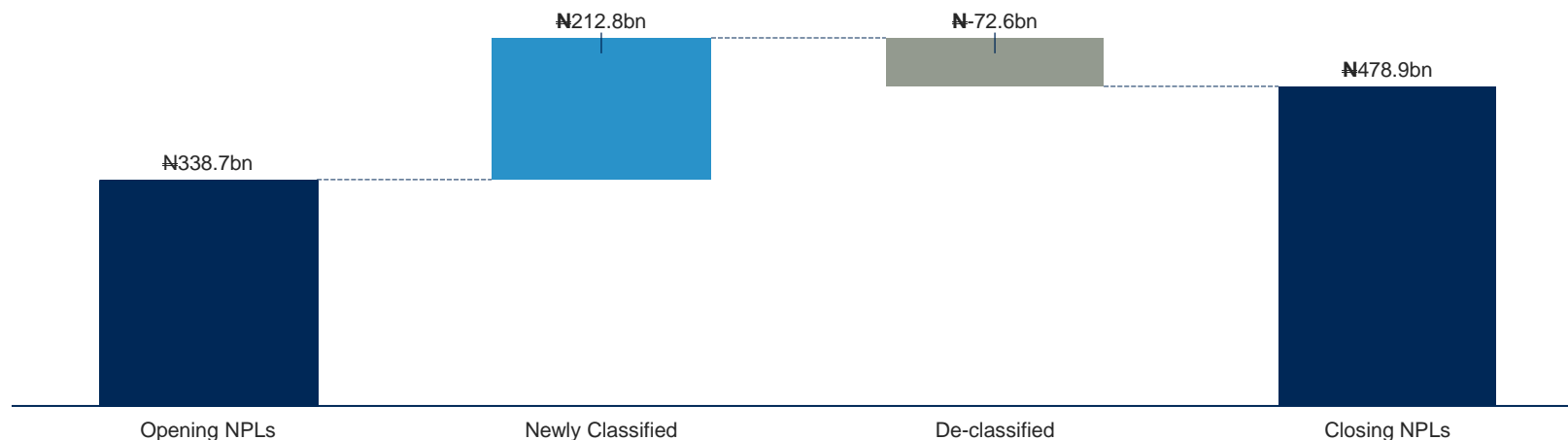


FirstBank (Nigeria) core consumer / retail product portfolio

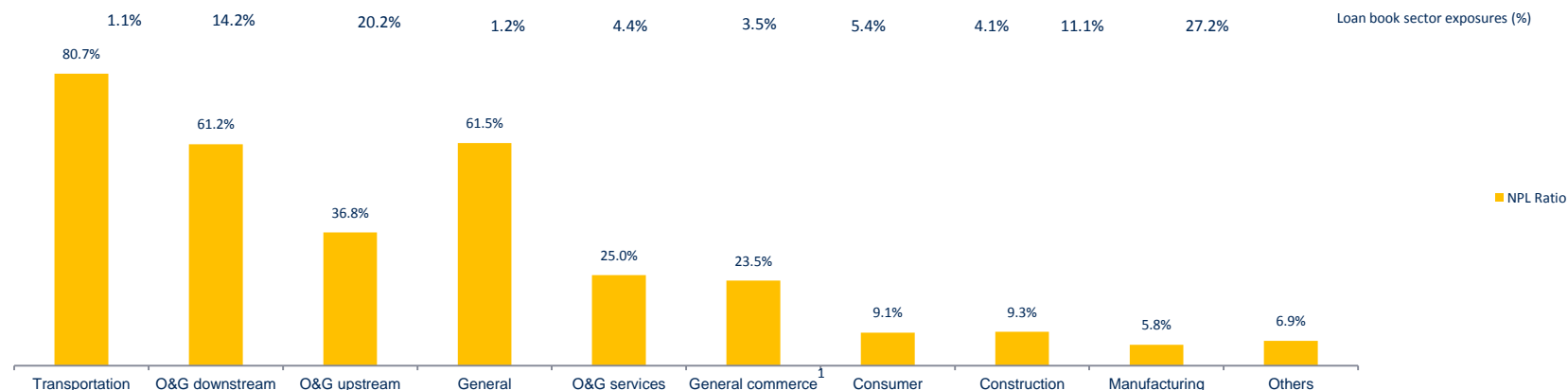


¹ FBNHolding's gross loans include intercompany adjustments ² Others include FBN Mortgages, FBNBank Ghana, FBNBank Guinea, FBNBank The Gambia, FBNBank Sierra Leone, FBNBank Senegal ³ Effective Jan 2016, the Institutional Banking & Private Banking SBUs ceased to exist while the former has been merged with Corporate Banking SBU the latter now resides within the retail banking SBU

FY 2016 NPL evolution - FirstBank (Nigeria)



Q1 2017 NPL ratio by sector - FirstBank (Nigeria)



¹ General includes: hotels & leisure, logistics, religious bodies; ² Others (NPL exposure by sector) include Finance, Transportation, Construction, Agriculture and Real estate activities; ³ Others (NPL ratio by sector) include General, Transportation & storage, Finance & Insurance, Administration, Capital market, Education, Professional & Scientific, Human health and Arts & Entertainment all contributing between 0.1 – 4.0% to the loan book exposure

Asset quality (2)

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

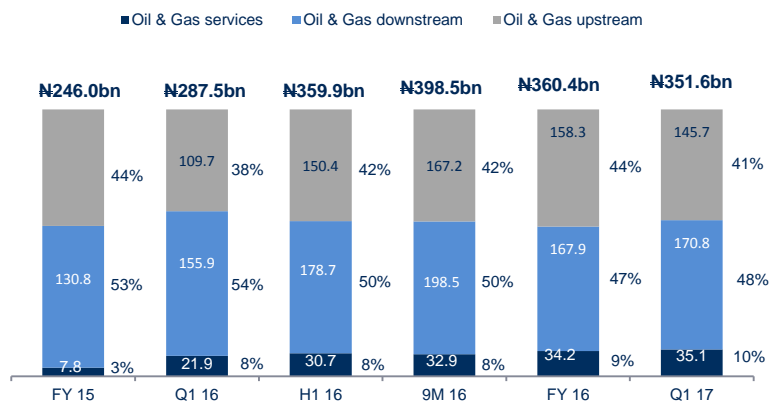
STRATEGY

OUTLOOK & GUIDANCE

APPENDIX

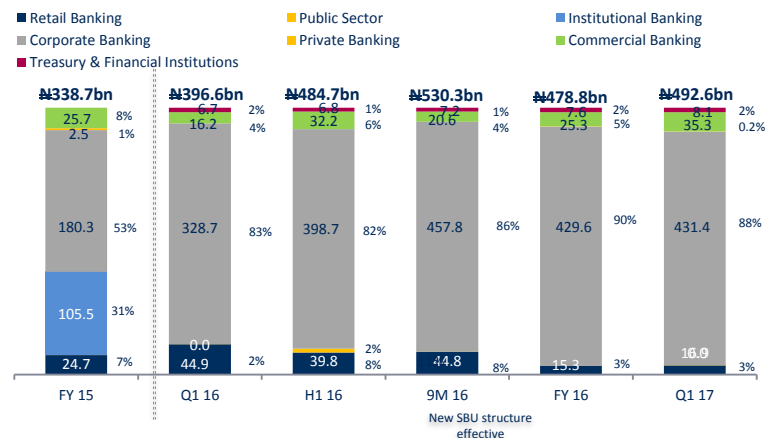
Oil & Gas NPLs

FirstBank (Nigeria)



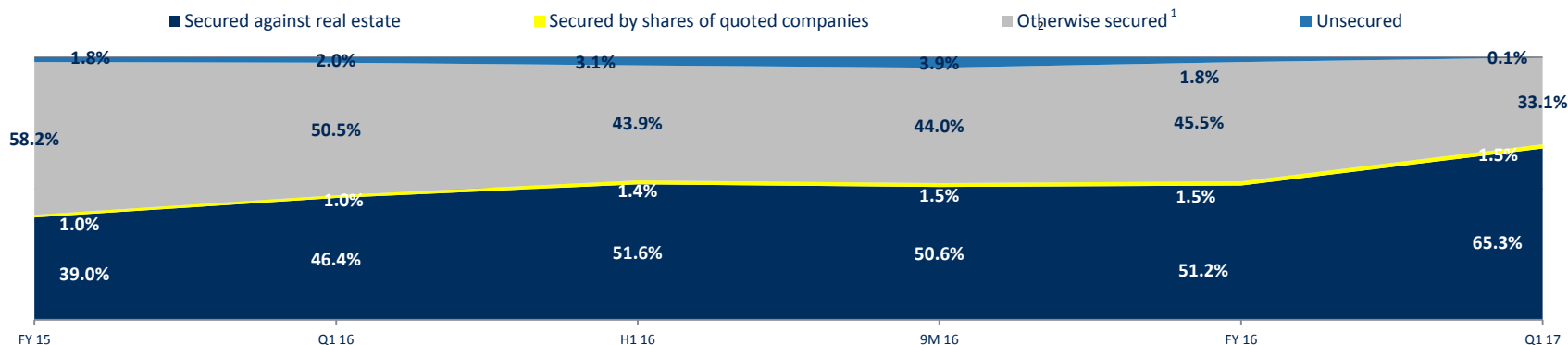
NPLs by SBU Nbn

FirstBank (Nigeria)



Breakout of loans and advances by type of collateral

First Bank (Nigeria)



¹ Otherwise secured refers to credits secured through cash/ treasury bills, guarantees/receivable of investment grade banks and corporates, enforceable lien on fast moving inventory in bonded warehouses/tripartite warehousing agreement, all asset debentures, charge on asset financed, insurance policy, postdated cheques, domiciliation ² Unsecured credits represent clean lending to top tier corporates

FBNHoldings' global footprint

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

STRATEGY

OUTLOOK & GUIDANCE

APPENDIX

Nigeria



Name
FBN Holdings Plc.
Type
Licensed financial holding company
Established
2012 (formerly First Bank of Nigeria Plc. Established 1894)
Products / Services
Commercial Banking, Merchant Banking & Asset Management, Insurance

France



Name
FBNBank UK Ltd.
Type
Bank branch
Established
2008
Products / Services
Commercial Banking, International Banking

Ghana



Name
FBNBank Ghana
Type
Licensed Bank
Established
1996
Products / Services
Commercial Banking

Guinea



Name
FBNBank Guinea
Type
Licensed Bank
Established
1996
Products / Services
Commercial Banking

Nigeria



Name
First Bank of Nigeria Ltd. (formerly First Bank of Nigeria Plc.)
Type
Licensed bank
Established
2012
Products / Services
Commercial Banking

Democratic Republic of Congo



Name
FBNBank DRC
Type
Licensed Bank
Established
1994
Products / Services
Commercial Banking

UK



Name
FBNBank UK Ltd.
Type
Licensed bank
Established
2002
Products / Services
International Banking and Trade Services

The Gambia



Name
FBNBank The Gambia
Type
Licensed Bank
Established
2004
Products / Services
Commercial Banking

Senegal



Name
FBNBank Senegal
Type
Licensed Bank
Established
2006
Products / Services
Commercial Banking

Sierra Leone



Name
FBNBank Sierra Leone
Type
Licensed Bank
Established
2004
Products / Services
Commercial Banking

Representative Offices



Name
FBNBank China (2009)
Products / Services
Banking Services



- Cost-to-income ratio computed as operating expenses divided by operating income
- Leverage ratio computed as total assets divided by total shareholders' funds
- Loans to deposits ratio computed as gross loans divided by total customer deposits
- Net interest margin defined as net interest income (annualised) divided by average earning assets
- Net revenue computed as operating income plus share of profit/loss from associates
- NPL coverage computed as loan loss provisions plus statutory credit reserves divided by non-performing loans
- Operating income is defined as gross earnings less interest expense, fee and commission expense, Insurance claims and share of profit/loss from associates
- Pre-provision operating profit computed as operating profit plus impairment charge
- Return on average equity computed as profit after tax (annualised) divided by the average opening and closing balances attributable to its equity holders
- Return on average assets computed as profit after tax (annualised) divided by the average opening and closing balances of total assets
- Tier 2 capital comprises foreign exchange revaluation reserves, hybrid capital instrument and minority interest for the FirstBank (Nigeria)