NINE MONTHS 2019 RESULTS PRESENTATION TO INVESTORS AND ANALYSTS

October 2019

access

more than banking

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Outline

1. Access Bank Overview

Group Fundamental Statistics

We serve various markets through four(4) Strategic Business Units:

Retail

Business

Commercial

Corporate

32 Million+ Customers

18 Million+ Direct

14 Million+ Digital

6,910
Professional Staff

53% **47%**

₦617bn
Shareholders' funds

35.55bn
Shares Outstanding

Our Credit Ratings

Moody's	A1
Fitch Ratings	A+
Standard & Poor's Ratings Services	A
Agusto & Co	AA-

Listings

THE Nigerian STOCK EXCHANGE RC: 2321
(Primary equity listing)

Irish Stock Exchange
($300m Senior bond)

We have a wide range of channels to deliver seamless banking experience

2,930 ATMs

37.7mn Cards

34,197 POS

646 Branches

Awards & Recognitions

- Winner of the 2019 World Finance Award - **Best Digital Bank in Nigeria, Best Mobile App in Nigeria**
- Winner of the 2019 Karlsruhe Sustainable Finance Awards - **Outstanding Business Sustainability Achievement**
- Winner of EMEA Finance African Banking Awards 2019 – **Best Bank in Nigeria, Best product launch in Africa**

Our International Presence

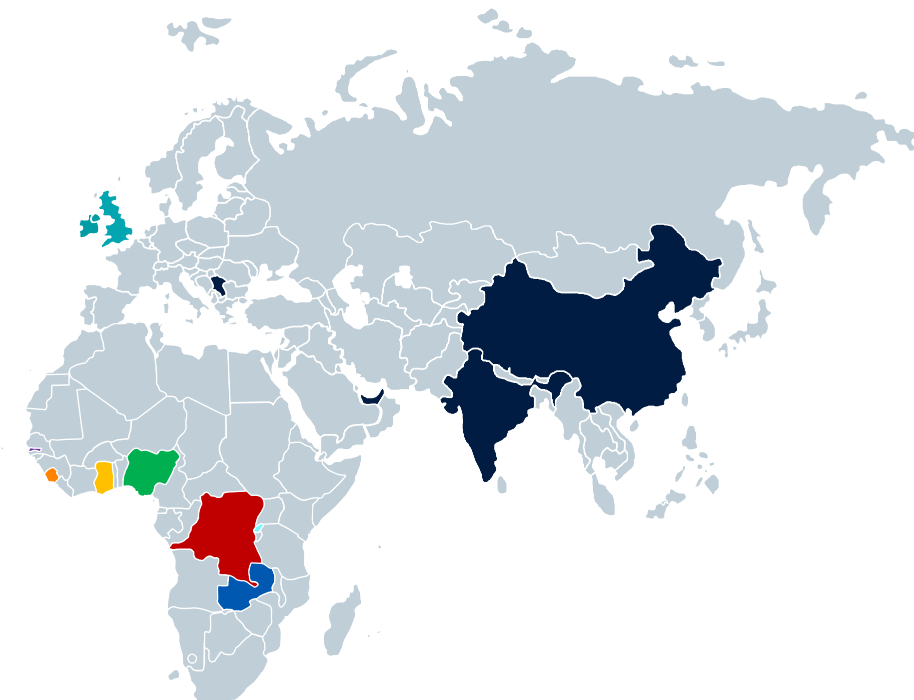
Ghana
Branches(#) 51
Employee(#): 544

Nigeria
Branches(#) 563
Employee(#): 5906

United Kingdom
Branches(#) 3
Employee(#): 143

Zambia
Branches(#) 5
Employee(#): 82

Sierra Leone
Branches(#) 4
Employee(#): 46



Rwanda
Branches(#) 8
Employee(#): 71

Gambia
Branches(#) 6
Employee(#): 38

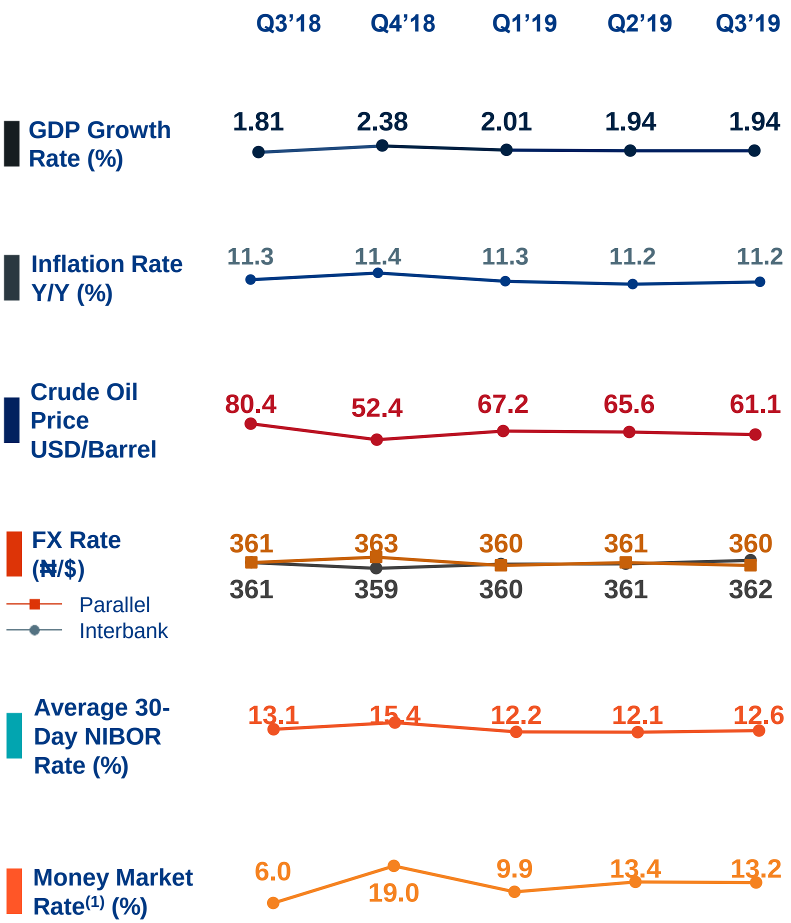
Congo
Branches(#) 6
Employee(#): 80

Zambia
Ghana
Congo
Rwanda
United Kingdom {Dubai Branch}
Nigeria
Gambia
Sierra Leone
Rep Offices {Mumbai Beirut Shanghai}

2. Domestic Operating Environment

Macro/ Regulatory Highlights

Key Macroeconomic Indicators



Source: CBN, National Bureau of Statistics (NBS), Financial Derivatives Company Limited (FDC), Business Monitor International (BMI)

(1) Call rate was used as an indicator for the Money Market Rate

Macro

- GDP grew by 1.94% in Q2' 19(+0.44% y/y;-0.16% q/q), led by 1.6% growth in non-oil sector (91.18%)
- Commodity prices remained constant in Q3 at 11.24% as inflation rates maintained a flat nature.
- Brent crude increased by 6.63 USD/BBL (+12.08%) since the beginning of 2019
- FX rates across the parallel and NAFEX market converged at N360/$ and N362/$, an increase from the previous quarter
- Inter-bank rate on the 30-day NIBOR increased from 12.1% (Q2'19) to 12.6% (Q3'19)

Regulatory

- Introduction of new rules on Loan to deposit ratio (LDR). All banks are expected to maintain a minimum LDR of 65% by December 31, 2019
- Introduction of new rules for accessing the CBN Standing Deposit Facility (SDF). The remunerable daily placement shall not exceed N2 billion
- Implementation of the Cashless Policy on deposits and withdrawals across specific states.
- Circular on restriction of OMO bills purchase by domestic corporates and individuals

3. Group Performance Review

Group Financial Highlights

Profitability

₦'million	9M'19	9M'18	%∆
Gross Earnings	513,656	375,230	37 ↑
Net Interest Income	210,218	122,950	71 ↑
Operating Income	307,963	223,344	38 ↑
Operating Expenses	194,248	144,723	34 ↑
Impairment Charges	(10,611)	(8,353)	27 ↑
Profit Before Tax	103,104	70,268	47 ↑
Profit After Tax	90,740	62,911	44 ↑
Earnings Per Share (k)	279	218	28 ↑

Balance Sheet

₦'billion	Sep'19	Dec'18	%∆
Loans and Advances	2,938	2,136	38 ↑
Total Assets	6,606	4,954	33 ↑
Customer Deposits	4,239	2,565	65 ↑
Shareholders' Funds	615	491	25 ↑

Prudential Ratios

Metric	9M'19	9M'18	%∆
After-Tax ROAE	21.9%	17.0%	4.9 ↑
Capital Adequacy (%)	20.3%	20.1%	0.2 ↑
Liquidity (%)	48.4%	44.2%	4.2 ↑
Loan-to-Deposit	67.4%	57.6%	9.7 ↑
Cost-to-Income (%)	63.1%	64.8%	(1.7) ↓

Revenue

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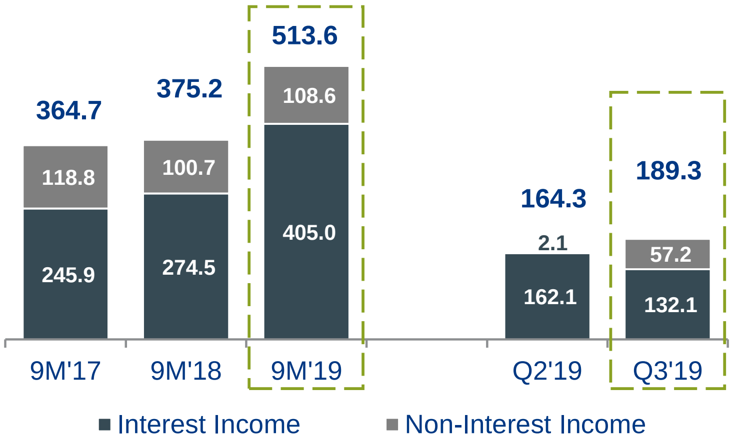
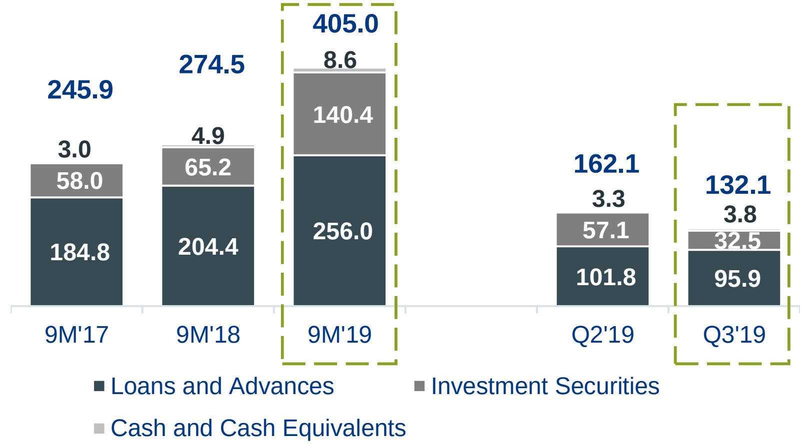
Gross Earnings(1) (₦'bn)

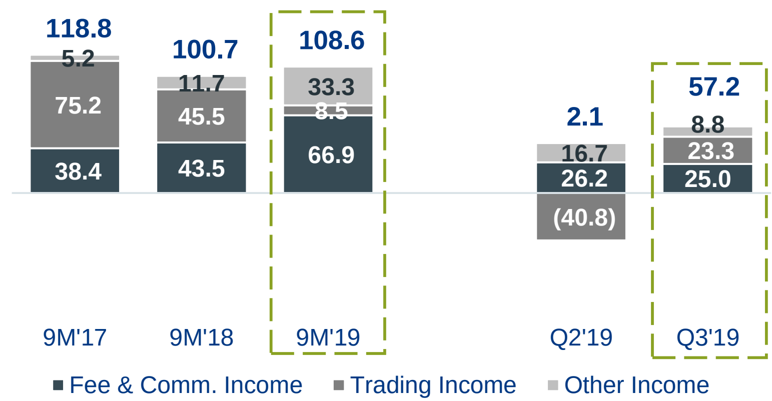


Interest Income(2) (₦'bn)



- Gross earnings grew 37% to ₦513.6bn in the period (9M'18: ₦375.2bn), comprising 79% in interest income and 21% in non-interest income.
- Total merger synergy realized of ₦33.7bn ytd contributed 18% to 9M'19 revenue, largely driven by recoveries of ₦22.4bn
- Interest income drivers (+48% y/y, 9M'19: ₦405bn):
  - 115% y/y growth in income from investment securities to ₦140.4bn (9M'18: ₦65.2bn), on the back of a 52% ytd increase in investment securities
  - 75% y/y increase in interest on Cash and Cash Equivalents to ₦8.6bn (9M'18: ₦4.9bn)
  - 25% growth in interest on Loans and Advances to customers to ₦256bn (9M'18: ₦204.4bn)
- Non-Interest Income drivers (+8%y/y, 9M'19: ₦108.6bn):
  - 185% y/y growth in other operating income to ₦33.3bn largely driven by bad debt recovered of ₦22.4bn
  - 54% increase in Fee & Commission income to ₦66.9bn, largely underlined by growth in commission on other financial services (+419% y/y), commission on virtual products (+171%), charge on account maintenance (+123%), channels and other E-business (+58%)

Non-Interest Income (₦'bn)

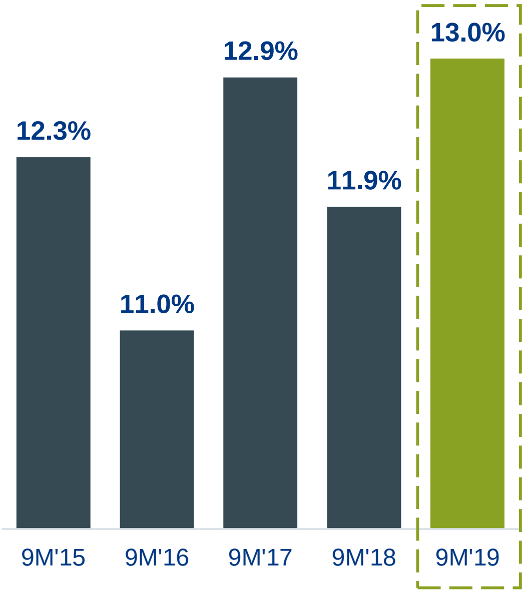


(1) Calculated as the sum of Interest Income, Fee & Commission Income, Net Gains (Losses) on Investment Securities, Net Foreign Exchange Income / (Loss) and Other Operating Income

(2) Interest Income figures calculated as an addition of Interest income on financial assets not at FVTPL/ not held for trading and Interest income on financial assets at FVTPL/held for trading

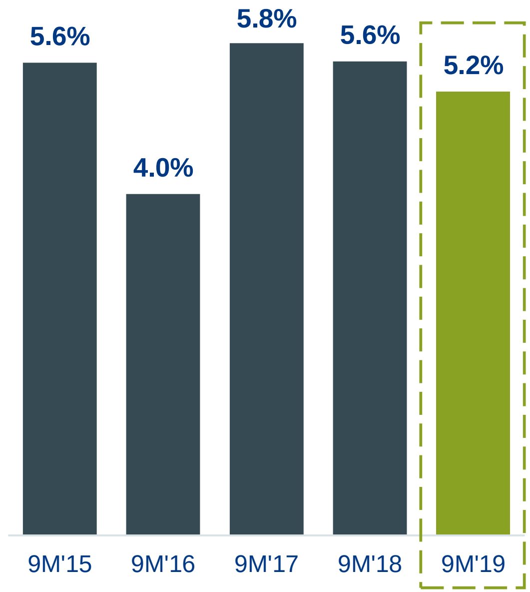
Margin Analysis

Yield on Assets (YoA)



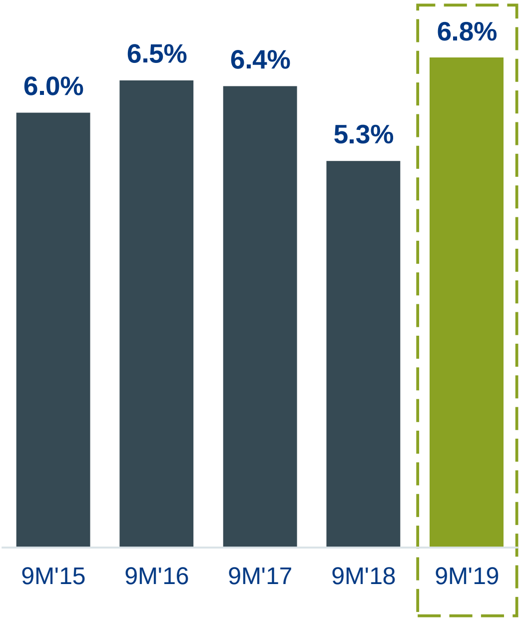
Improved yields in the period resulted in 110bps y/y increase in yields on interest bearing assets to 13%. We will continue to maintain our traditional levels north of 12%

Cost of Funds (CoF)



Average Cost of Funds decreased by 40bps y/y to 5.2%, benefiting from lower cost of fund of acquired and growing low cost deposit base. This tracks slightly higher than the FY'19 guidance advised of 5%

Net Interest Margin (NIM)

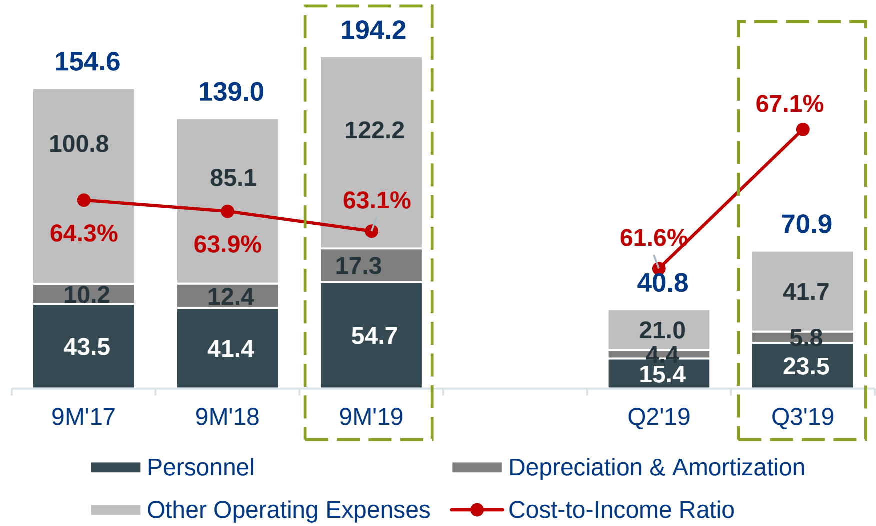


- Net Interest Margin increased by 150bps y/y to 6.8%, benefiting from the significant increase in yields and reduction in the cost of funds. This is ahead of our FY'19 guidance of 6%

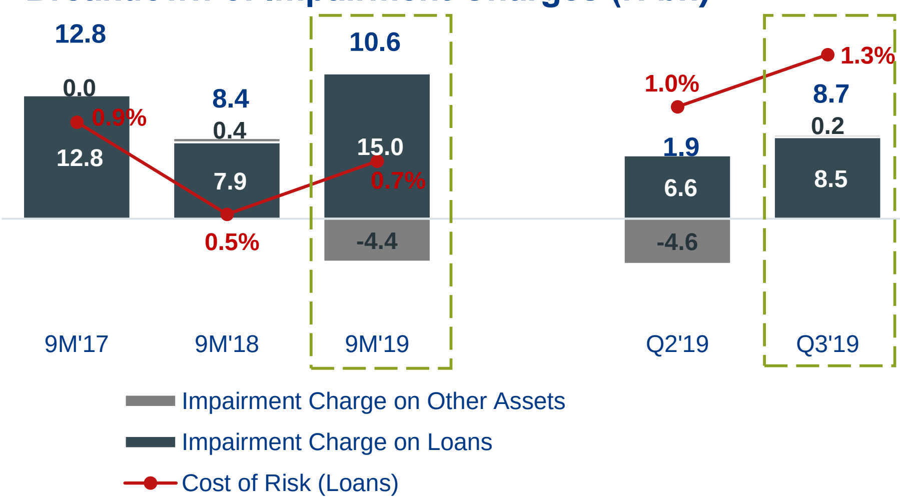
* Access Bank Stand-alone Q1'19 Margins

OPEX & Impairment Analysis

Operating Expenses (₦'bn)



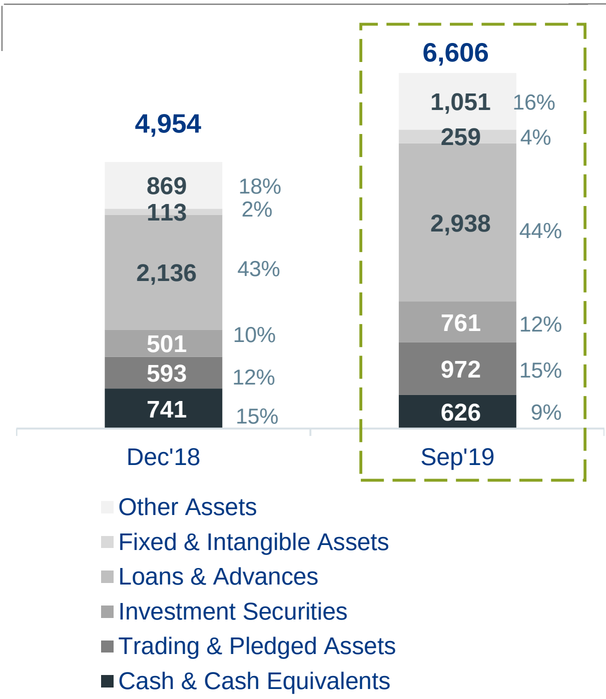
Breakdown of Impairment Charges (₦'bn)



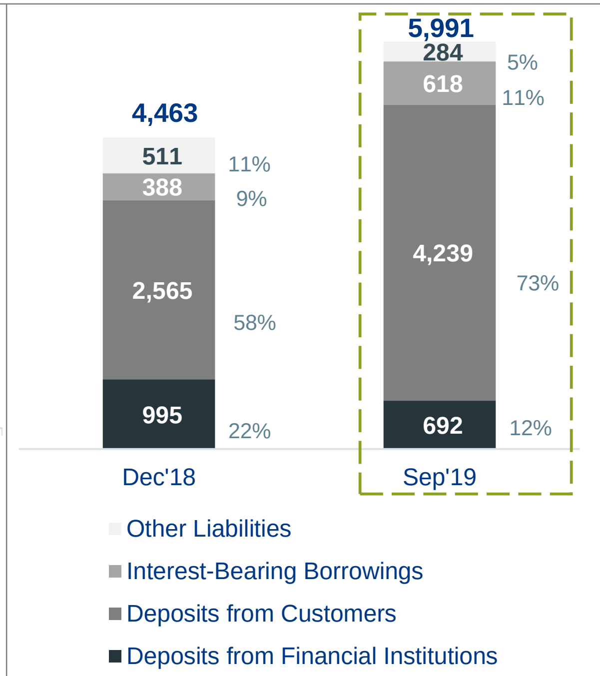
- Growth in Operating expense by 34% y/y to ₦194.2bn, reflecting the impact of the enlarged franchise (9M'18; ₦139bn)
- ₦7bn of total Operating Expenses relates to merger cost, comprising of professional fees, regulatory charges, branding, etc.
- Key drivers include:
  - +421% y/y increase in Professional fees to ₦7.6bn (9M'18; ₦1.5bn)
  - +88% y/y increase in Communication expenses to ₦3.3bn (9M'18; ₦1.7bn)
  - +82% y/y growth in Administrative cost to ₦14.1bn (9M'18; ₦7.7bn)
  - +76% y/y increase in Recruitment and Training costs to ₦4.1bn (9M'18; ₦2.3bn)
  - +74% y/y growth in Advertisement and Marketing expenses to ₦5.9bn (9M'18; ₦3.4bn)
  - +58% growth in outsourcing cost to ₦10.3bn (9M'18; ₦6.5bn)
  - +32%y/y increase in Personnel Expenses to ₦54.7bn (9M'18; ₦41.4bn)
- Cost to Income ratio continued its descent by 80bps y/y to 63.1% (9M'18: 63.9%), benefiting from continued adoption of cost reduction strategies and stronger revenue in the period
- Cost-to-Income ratio increased QoQ by 560bps, reflecting the full impact of the expanded franchise and cost of the merger
- Expected Credit Loss charge on loans stood at ₦15bn in 9M'19, +90% y/y (9M'18: ₦7.9bn), on account of the Bank's risk assets from the business combination
- Cost of risk increased by 20bps y/y to 0.7% in 9M'19 (9M'18: 0.5%) due to an enlarged loan portfolio

Balance Sheet Snapshot

Asset Mix (₦'bn)



Total Liabilities (₦'bn)



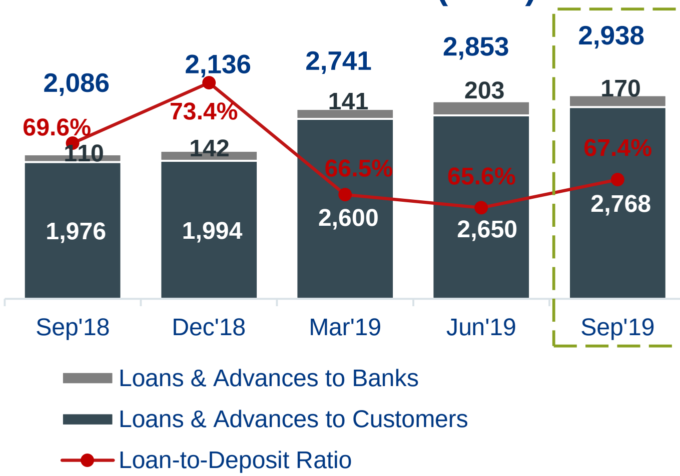
- Enlarged balance sheet resulting from the merger, comprising of interest earning assets and non-interest earning assets of 73% and 23% respectively
- Total assets grew 33% to ₦6.61trn as at Sep'19 (Dec'18: ₦4.95trn)
- Net Loans and advances of ₦2.94trn, up 38% ytd (Dec'18: 2.14trn), reflecting the impact of loan portfolio acquired from the merger
- Improved deposit mix with low cost deposits accounting for 54%, as Customer deposits grew 65% ytd to ₦4.24trn in Sep'19 from ₦2.57trn in Dec'18

Capital Adequacy	Liquidity	NPL Ratio[1]	NPL Coverage[2]
20.3%	48.4%	6.3%	116%
Dec'18: 19.9%	Dec'18: 50.9%	Dec'18: 2.5%	Dec'18: 160%

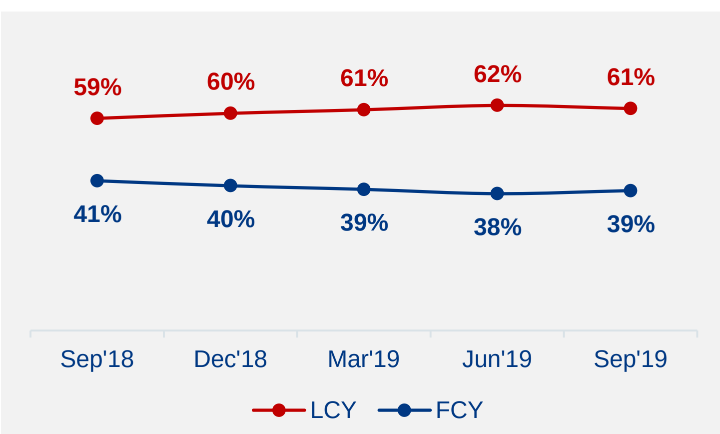
(1) NPL Ratio is calculated as Total Impaired Loans to Banks and Customers divided by Total Gross Loans in the period
(2) NPL Coverage Ratio is calculated as Total Allowances(including regulatory risk reserves) for Impairment Losses in the period divided by Total Non-Performing Loans

Loan Analysis

Net Loans and Advances (₦'bn)

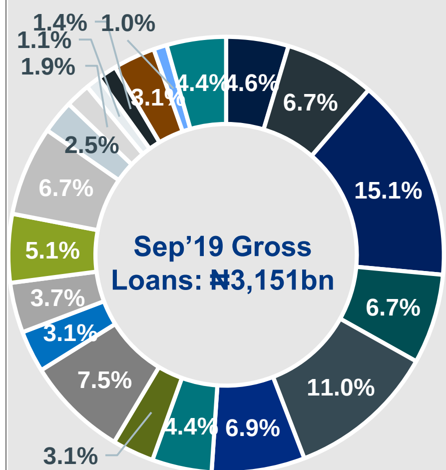


Loans by Currency



(1) The following sectors are included in "Others": Education, Conglomerates, Basic Metal Products and Flourmills & Bakeries

Gross Loan Distribution by Sector

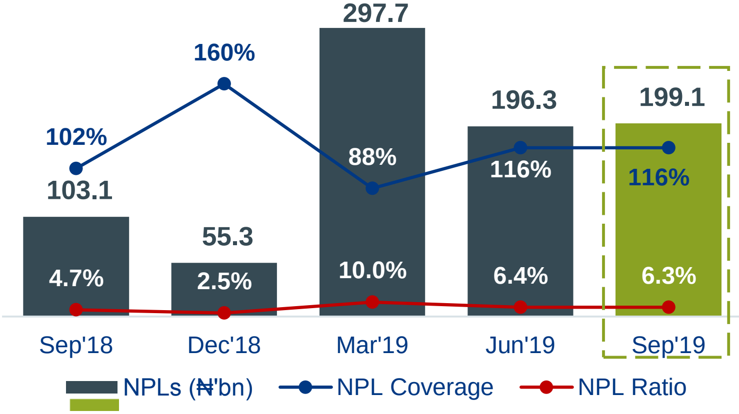


Sector	Sep'19	Dec'18
Oil & Gas - Services	15.1%	11.1%
Oil & Gas - Upstream	6.7%	6.4%
Oil & Gas - Downstream	4.6%	4.4%
Oil & Gas Refinery	1.4%	1.9%
General Commerce	11.0%	12.2%
Real Estate	7.5%	10.1%
Government	6.9%	10.4%
Finance & Insurance	6.7%	8.1%
Construction	6.7%	7.8%
General	5.1%	3.8%
Info.& Comm.	4.4%	2.6%
Others	4.4%	3.4%
Steel	3.7%	4.1%
Transportation	3.1%	5.1%
Manufacturing - Others	3.1%	4.1%
Food Manufacturing	3.1%	0.5%
Conglomerates	2.5%	1.7%
Power and Energy	1.9%	0.4%
Agriculture	1.1%	0.8%
Cement	1.0%	1.1%

- Net loans and advances of ₦2.94trn as at Sep'19 (Dec'18: ₦2.14trn), up 38% ytd reflecting the impact of the merger
- Increase in loan book largely driven by exposure to the Oil & Gas, General, Information and Communication, Food manufacturing sectors
- FCY exposures declined slightly by 100bps to 39% (Dec'18: 40%) of the total loan portfolio in the period, due to increase in loan book size
- Loan-to-deposit ratio stood at 67.4% as at Sep'19 (revised Dec'18: 73.4%), including the 150% charge on mortgage loans

Asset Quality

NPL Analysis

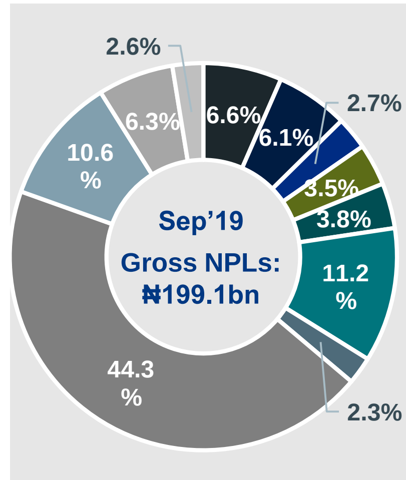


- Continued improvement in Asset quality following the merger on the back of robust risk management approach
- NPL ratio down 10bps q/q to 6.3% in Sep'19, as a result of an additional ₦8bn recovery on existing loans, loan write offs coupled with a 42% ytd increase in gross loan
- Adequate NPL coverage ratio (including regulatory risk reserves) of 116% in the period, (Dec'18: 160%)

(1) Measures the portion of the total credit exposure by sector that is impaired. **Formula:** $NPL_{(Sector)}$ / Total Gross $Loans_{(Sector)}$

(2) The following sectors are included in "Others[(2)]": Education, information and communication, Conglomerates, Food Manufacturing, Real Estate Activities, Transportation & Storage and Power and Energy

NPL Distribution by Sector



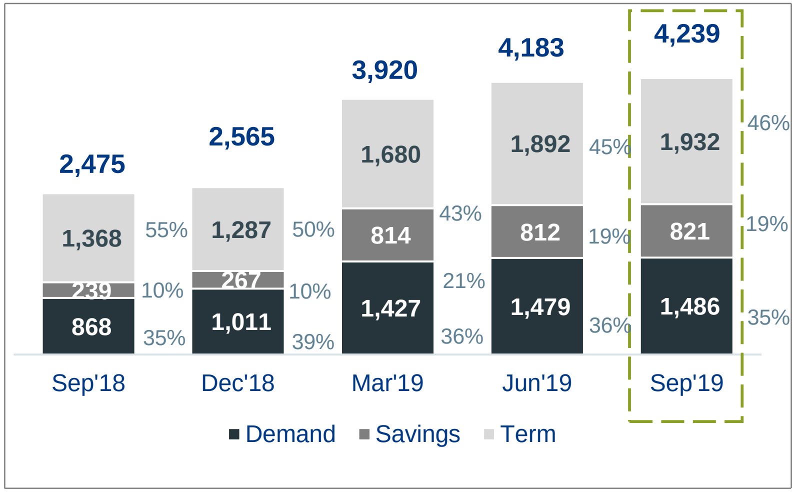
Sector	Sep'19	Dec'18
Oil and Gas Services	44.3%	1.7%
General Commerce	11.2%	27.1%
Oil & Gas - Upstream	10.6%	0.0%
Manufacturing - Others	6.6%	12.6%
Steel Rolling Mills	6.3%	19.8%
Oil & Gas - Downstream	6.1%	5.0%
General	3.8%	13.0%
Construction	3.5%	7.3%
Others[(2)]	2.7%	2.8%
Finance and Insurance	2.6%	8.9%
Agriculture	2.3%	1.9%

NPL Ratio by Sector[(1)]

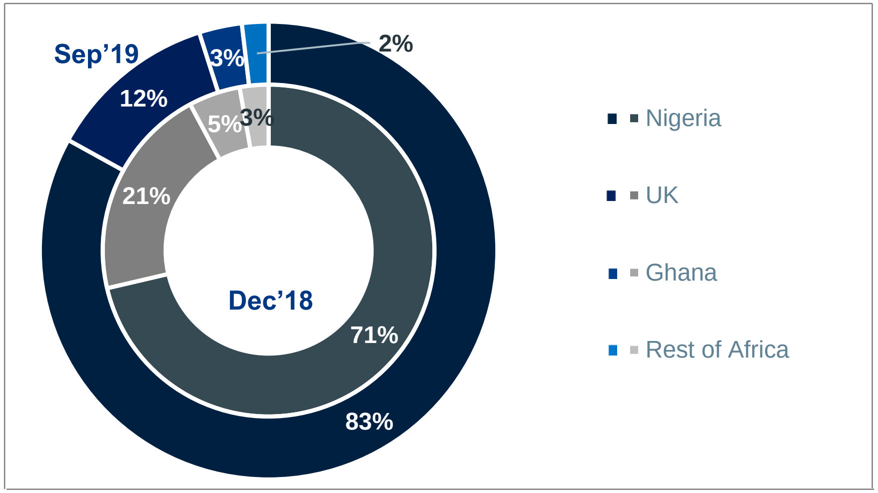
	Sep'19	Dec'18
Oil and Gas Services	18.5%	0.4%
Oil & Gas – Upstream	10.0%	0.0%
Oil & Gas - Downstream	8.3%	2.9%
Agriculture	13.7%	6.2%
Manufacturing - Others	13.4%	7.7%
Steel Rolling Mills	10.8%	11.9%
General Commerce	6.4%	5.5%
General	4.7%	8.4%
Construction	3.3%	2.3%
Finance and Insurance	2.4%	2.7%
Others[(2)]	0.5%	0.2%

Deposit Analysis

Customer Deposits (₦'bn)



Deposits Contribution by Region



- Customer deposits increased 65% to ₦4.24trn in the period (Dec'18: ₦2.57trn) resulting from the effect of the merger
- CASA[1] account deposits grew 81% ytd to ₦2.31trn (Dec'18: ₦1.28trn), largely as a result of the merger, as well as continuous and deliberate mobilization for sustainable low cost deposit leveraging on innovative digital technology
- Subsidiaries contributions accounted for 17% of total group deposits of ₦1.01bn in Sep'19 (Dec'18: ₦1.07trn)
- UK and Ghana jointly accounting for 89% of total subsidiary deposits and 15% of total deposits (Dec'18: 26%)

(1) CASA: Current Accounts and Savings Accounts

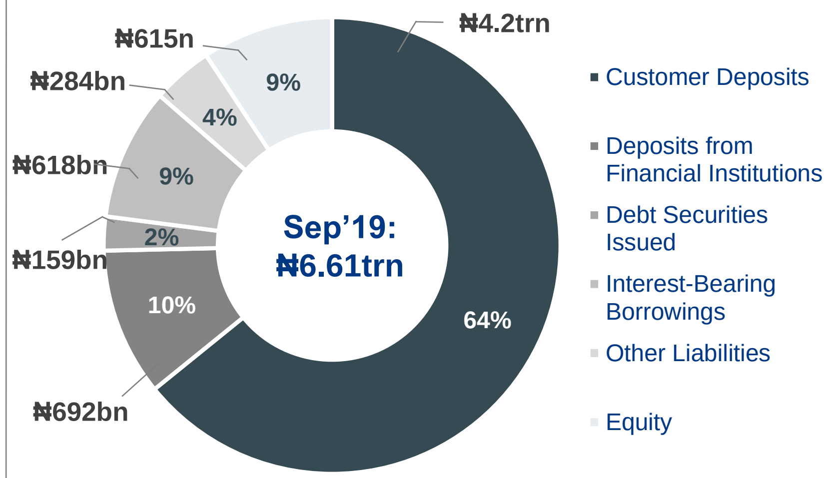
Capital & Liquidity

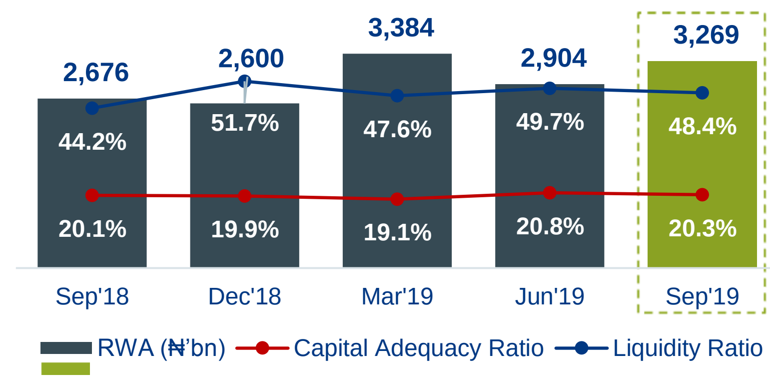
Capital Adequacy Computation – Basel II

Underlying in ₦'m	Sep'19(1)	Sep'19	Dec'18	%Δ
Tier I Capital	638,097	519,216	448,205	16
Tier II Capital	143,440	143,440	69,096	108
Total Regulatory Capital	781,538	662,657	517,301	**28**
Credit Risk	2,662,159	2,662,159	2,163,733	23
Operational Risk	534,629	534,629	417,782	28
Market Risk	72,426	72,426	18,585	290
Risk-Weighted Assets	3,269,215	3,269,215	2,600,099	**26**
Capital Adequacy				
Tier I	19.5%	15.9%	17.2%	
Tier II	4.4%	4.4%	2.7 %	
Total	23.9%	20.3%	19.9 **%**	

- Capital adequacy remained well above regulatory minimum as CAR improved by 40bps ytd to 20.3% (Dec'18: 19.9%)
- Tier II capital increased by 108% ytd largely driven by capital raising exercises executed within the period, comprising of a ₦30bn local bond and $250mn multilateral loan
- 26% ytd growth in RWA. However, increase in total eligible capital was more than sufficient to cushion the effect of the growth in RWA on Capital Adequacy Ratio
- Taking into consideration IFRS 9 transitional adjustment on capital, Capital adequacy ratio improved by 400bps to 23.9%
- Liquidity ratio(2) in the period of 48.4% (Dec'18: 50.9%) remained well in excess of the regulatory minimum

Funding Sources





(1) Capital Adequacy computation showing adjusted impact of regulatory transition arrangement of IFRS 9 implementation
(2) Calculated as Total Liquid Assets (cash and cash equivalents, treasury bills, trading assets and government bonds) divided by Total Deposits

4. SBU Performance Review

Strategic Business Units

	Segment Focus	Products & Services
CORPORATE & INVESTMENT BANKING	• Multinational, well-structured large companies with annual turnover exceeding ₦10 billion • Segments include: - Cement & Construction - Telecommunications - Manufacturing - Financial Institutions - Downstream Oil & Gas - Upstream Oil & Gas - Transportation - Agriculture	• Financial advisory • Trade/structured finance • Treasury
COMMERCIAL BANKING	• Incorporated companies with an annual turnover greater than ₦5 billion, but less than ₦10 billion • Customer segments include: - Federal, State and Local Government MDA's - Corporate and Investment Banking Value Chain - Asian Companies - Local Corporates	• Cash management • Tailored lending scheme (value chain) • Liquidity management • Trade finance • Advisory services
BUSINESS BANKING	• Companies, Small and Medium Enterprises with annual turnover less than ₦450 million to ₦5 billion • Products are tailored to cater to small and other types of less structured businesses	• Payroll management • Trade finance • Payment & collections • Financial advisory • Asset finance
RETAIL BANKING	• The Division caters to the following classes of individuals: - Affluent Professionals - Employees in the Value Chain - Informal Traders - High Net-worth Individuals (HNI) - Ultra-High Net-worth Individuals (UHNI) - Students - Pensioners	• Specialized savings account • Current and investment accounts • Personal loans, advances and mortgages

5. Retail Strategy and Performance Review

Six Key Elements of our 2018-2022 Strategy

Access Bank's path to #1 in Nigeria and the world's most respected African Bank is built on six elements that will define its DNA

Retail Banking Growth & Wholesale Bank Consolidation

Universal Payments Gateway

Digital Led

World's Most Respected African Bank

Global Collaboration

Customer Focused

Analytics-driven Insights & Robust Risk Management

Key dependencies

Robust risk management and compliance

Organizing for growth

Flawless execution

International Expansion Strategy

Access Bank subsidiaries will be organised around strategic clusters driven by similar strategic themes, but with strong collaborations across clusters

Segments

Segment	Countries
Global financial gateways	United Kingdom, Hong Kong
Trade Hubs	Dubai, Lebanon, China, Mumbai
Key Africa markets	Ghana, Kenya, Rwanda, Zambia, Angola, South Africa, Tanzania, Mozambique, Cameroun, Cote D'Ivoire
Rest of Africa	Gambia, Sierra Leone, DRC

Key strategic pillars

- Correspondent banking
- High and Ultra High net worth Private banking
- Access to foreign banking and transacting for franchise customers

- Trade finance focusing prioritizing key commodities and clients in operating countries
- E2E solutions for corporate clients including payroll mgt.

- Increase market share of top 100 corporates
- Best-in-class transaction banking platform
- Value chain business banking
- Leading digital banking brand

- Drive retail banking with digital and payments
- Establish Access bank as the key intermediary for remittances, trade and FX

Creating Africa's Gateway to the World

To achieve our goal of creating the Africa's gateway to the world, we will have presence in major trade and payment hubs in Africa.

African Monetary Zones

Anglophone West Africa (AWA)
- Gambia
- Sierra Leone
- Liberia
- Ghana
- Nigeria

Francophone West Africa (UEMOA)
- Togo
- Benin
- Mali
- Chad
- Senegal
- Guinea
- Mauritania
- Cameroon
- Burkina Faso
- Cote d'Ivoire

Central, Eastern and Southern Africa (CESA)
- South Africa
- Kenya
- Angola
- Mozambique
- Tanzania, etc.

Current African Footprint

Retail Banking Overview

Our Brand Promise
….More than Banking

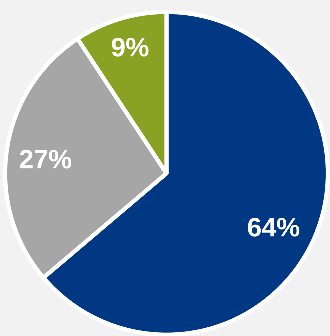
Access Bank's retail strategy is targeted at significant growth in consumer banking and MSME segments by:

- Building customer loyalty
- Developing innovative products
- Delivering unmatched customer service experience

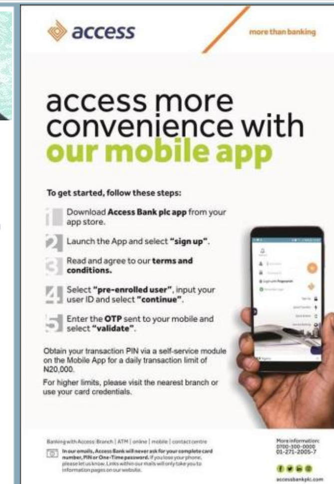
The retail banking division is structured into **two distinct customer segments serving over 30 million retail customers**

CONSUMER BANKING			EMERGING BUSINESSES		
Mass market	Mass Affluent	Private Banking	Micro Enterprise	Small Enterprise	Medium Enterprise

Retail CASA Volume (%)



VALUE PROPOSITION



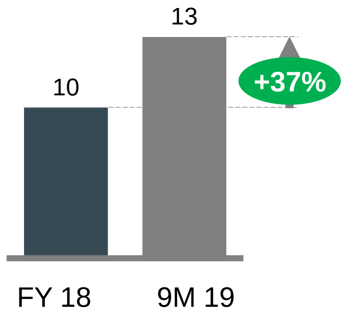
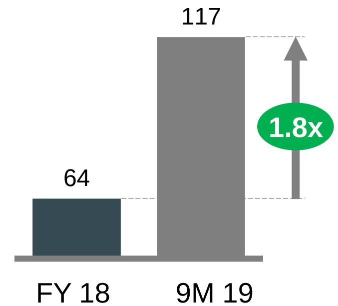
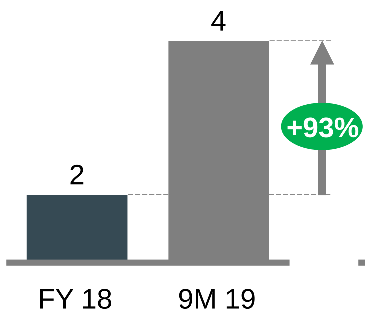
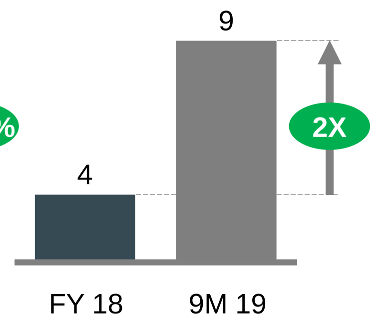
Financial Inclusion

18,651 agents providing financial inclusive banking services through our DSA, BETA and CLOSA initiatives

85% of **561,150** Accounts Opened within the period through various Financial Inclusion initiatives

Financial Inclusion Strides

Our focus to bank the unbanked through agency banking and partnerships with telcos has facilitated transactions worth ~ ₦126bn in nine months, showing trust in the banking channels

Agent type	Transaction Count 'mn	Value of transactions ₦'bn
DSAs Beta Closa		
Telco partnerships		

Impact

~₦126bn	Value of total transactions in 9M'19 , a 184% ytd growth from FY'18
~345,000	Accounts opened under the agency banking initiative YTD
~3,000	DSA and Beta Agents as at Sep'19, with a transaction count and volume of 905,000 and ₦26.6bn respectively
~15,000	Agents as at Sep'19 (with a transaction count and volume of 12mn and ₦87.7bn respectively

access CLOSA

*901# BANKING MADE EASY

Dreamville

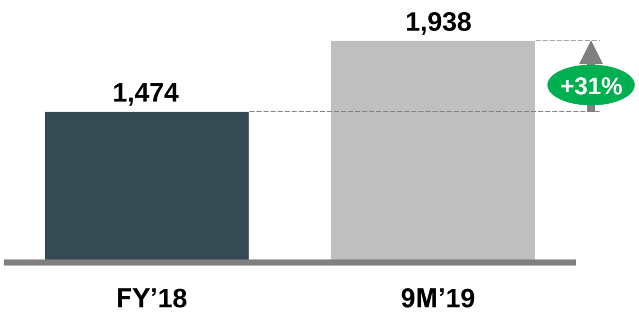
DiamondXtra

Digital Loan Highlights

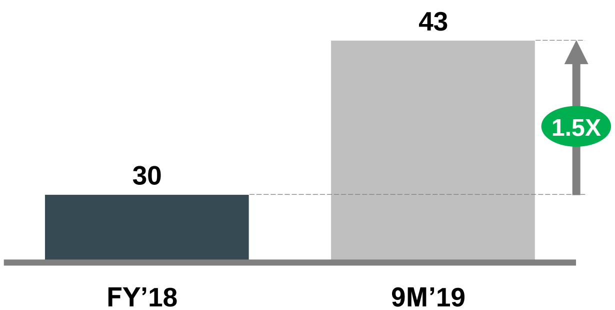
Leveraging digital technology, we disbursed an average of ~159mn to ~7,114 customers daily as we continue to make available channels of opportunities to eligible customers, leading to diversification and to further de-risk our loan portfolio

Count and value

Count, '000



Value, ₦'bn



Impact

Statistics

- ~₦43 billion digital loan disbursement as at Sep'19, a 90% ytd growth from ₦84bn in Dec'18
- ~7000 digital loan customers daily, +71% ytd growth from 4,149 in Dec'18
- Enables the bank to diversify and de-risk its portfolio, with the addition of device financing and the flexibility to include more loan product offerings
- 4 Product offering comprising of PayDay loan, Small Ticket Personal Loan, Salary Advance and Device Financing

Convenience

- Customers can access payday loans through mobile phones in < 1 minute using a USSD code
- Accessible to different types of earners- self employed and non self employed

Retail Channels Statistics

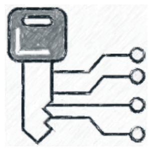
All channels experienced growth YTD from FY'18 (pre merger) to 9M'19 (post merger); cards, mobile and USSD are the most popular

- Our market leading propositions are designed with the customer at the center
- Our customers have trusted our digital platforms resulting into significant growth

Channels	Count FY'18 (mn)	Count 9M'19 (mn)	YTD Growth	Value FY'18(₦'bn)	Value H19 (₦'bn)	YTD Growth
Debit/Credit Card	147	429	192%	1,437	3,971	176%
POS	27	44	64%	249	365	46%
Mobile & Internet Banking	83	188	127%	2,692	11,226	317%
ATM	112	143	28%	1,119	1,382	23%
USSD	48	317	560%	84	652	676%
Agency Banking	11	17	55%	68	126	85%
Digital Loan	1.5	1.9	27%	31	43	39%
Total	430	1,140	165%	5,680	17,765	213%

Retail Outlook

Looking into the near future, the department plans to focus on building capabilities, maximizing use of data and analytics, growing reach and presence



A Improving our digital capabilities

- Continue enhancing our product and solutions offering on all our digital channels
- Transition branches to be financial advisory centers as more customers make use of our digital platforms

B Maximize use/ data and analytics

- Offer personalized products and solutions through the use of data and analytics
- Identify and prevent cybercrimes; protecting our customers making use of digital platforms e.g., use of speech recognition
- Use of artificial intelligence to serve customers more cost effectively e.g., robotics process is being used to automate processes

C Leverage our value propositions

- Take advantage of our strong retail value proposition to acquire and serve our customers better
- Enhance our relationship management capabilities for our affluent and private banking sub-segments
- Expand our support to women entrepreneurs through partnership with the state governments

D Expanding reach and presence

- Expand our agency banking network and reach more of the unbanked population in the rural areas and urban centres with limited coverage
- Improve service offering in the financial inclusion segment through increased product and solutions access on the existing telcos partnerships

6. Subsidiary Performance Review

Subsidiary Performance Overview

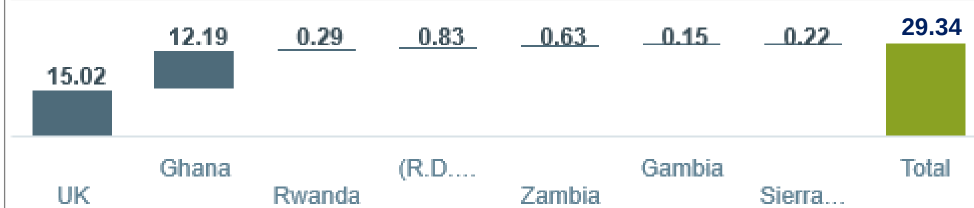
Financial Highlights

Underlying in ₦'million	United Kingdom	Ghana	Rwanda	R. D. Congo	Zambia	Gambia	Sierra Leone
Operating Income	22,516	22,391	2,515	4,314	2,446	740	774
Profit Before Tax	15,019	12,193	290	825	633	154	222
Total Assets	840,809	268,013	35,820	54,042	36,362	14,340	7,831
Loans and Advances	578,580	57,738	9,698	15,298	4,271	1,269	777
Total Deposits	717,121	180,232	29,096	38,710	27,898	9,658	5,830

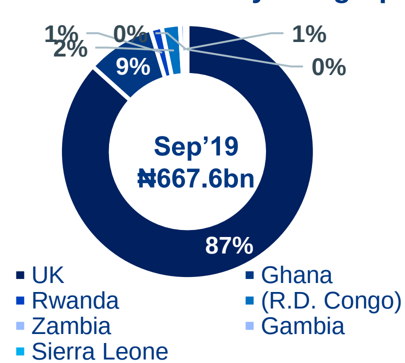
Key Messages

- Subsidiaries contribution to the group's performance stood at 28%y/y flat, recording total subsidiaries' PBT of ₦29.3bn up 29% y/y (9M'18: ₦22.7bn)
- UK and Ghana accounted for 93% of total 9M'19 subsidiaries' PBT (9M'18: 90%), with a Return on Equity of 15% and 31% respectively
- Total loans for subsidiaries stood at ₦667.6bn (+33% YTD), contributing 23% of total net loans for the group
- Total deposits from subsidiaries amounted to ₦1.01trn, contributing 20% of total group deposits
- Total assets from subsidiaries stood at ₦1.26trn

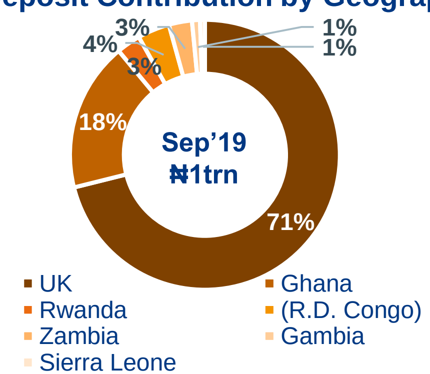
Profit Before Tax by Subsidiary (₦'bn)



Loan Contribution by Geography



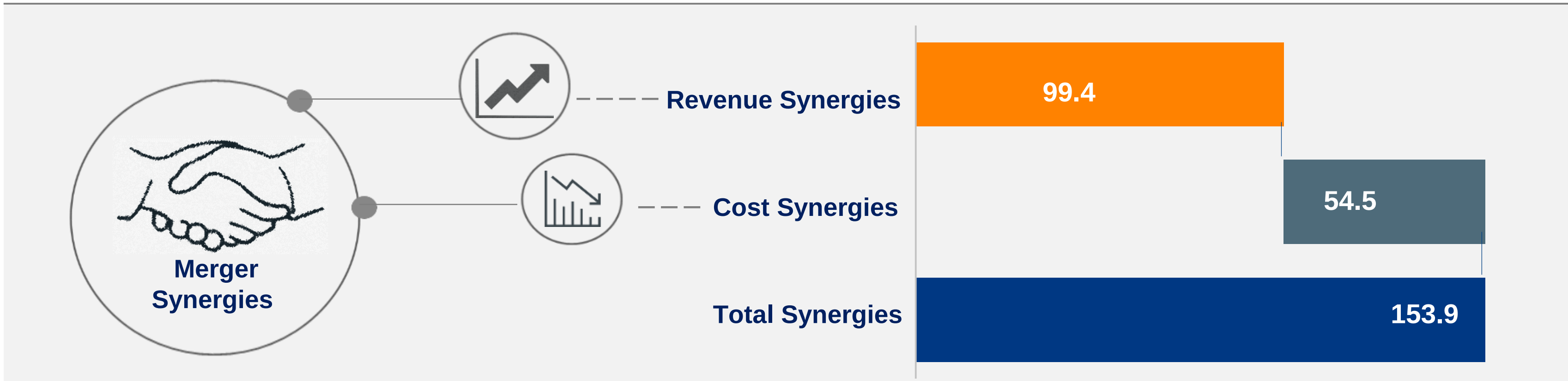
Deposit Contribution by Geography



7. Merger Update

Synergy Realization

2019-2021 Run Rate and One- Off Synergies
NGN, billions



Key Synergies Realized as at September 2019

		Synergy Value, NGN, million
Risk Management	Loan Recoveries	22,428
Treasury	Mobilization of low cost liability funds	11,900
Enterprise Business	Sale of assets and contract renegotiation	4,752
External Communications	Significant savings in advertising and promotions costs	1,214
IT	IT integration, data center consolidation e.g. Duplicate software, programs, and infrastructure	885
Financial Control	Depreciation Rate Alignment, elimination of audit and credit rating fees	584
Customer Experience	Removal of annual REAL maintenance fee	468
Branch & Retail Ops	Savings on CBN Cash Deposit and Bullion Transportation Fees	391

System Integration

The final IT merger (Day 2) involved full migration of Access Bank and former Diamond Bank data to a unified environment in order to operate as one bank

Background

- Consolidation of the core banking platform across Access and Diamond banks was at the heart of realizing the strategic objectives of the merger
- The consolidation effort addressed 6 IT elements:

Infrastructure	Provisioning of new hardware infrastructure
Data Migration	Migrating DBL core banking data into the Access core banking platform
Interface Development	Interfacing retained DBL applications with the consolidated core banking platform
Retrofit of Enhancements	Retrofitting Access core banking platform with enhancements from the DBL core banking platform
Testing	Full stack testing (functional and non-functional) of the consolidated core banking platform and integrated applications
Cutover	Cutover of consolidated platform and applications into production

The result: Significant improvement in performance e.g., lower ATM and POS failure rates than before

Constant communication to customers

Customer experience management

Audit and financial controls

Branch operations war room

8. Q4 2019 Outlook

Q4 2019 Outlook

Improve Asset Quality	▪ Continue aggressive recovery drive ▪ Continue to pay close attention to the loan book
Increase Transaction Banking Income	▪ Migrate our customers to alternative channels ▪ Create strong awareness of our flagship retail products
Retail deposit growth	▪ Intensify low-cost deposit drive to reduce funding costs, thereby enhancing liquidity and margins
Optimise Operational Efficiency	▪ Enhance productivity across our branches and staff ▪ Extract value from existing accounts by (i) improving cross sell ratio, (ii) reducing the level of unfunded accounts and (iii) increasing the level of transacting accounts
Cost Management	▪ Improve operating efficiency by aggressively executing strategic cost saving initiatives
Merger Synergies	▪ Continue to drive merger synergies across the respective segments

FY 2019 Financial Targets

		2019 Targets
PROFITABILITY	Return on Equity (%)	20.0
ASSET QUALITY	Cost of Risk (%)	≤1.2
	NPL Ratio (%)	≤10.0
EFFICIENCY	Cost-to-Income Ratio (%)	≤60.0
	Net Interest Margin (%)	6.0
	Cost of Funds (%)	≤5.0
PRUDENTIAL RATIOS	Capital Adequacy Ratio (%)	≥20.0
	Loan-to-Deposit Ratio (%)	>65.0
	Liquidity Ratio (%)	≥50.0

Thank you