

## Access Bank Plc. Group Unaudited Results for the three months ended 31 March 2016

**LAGOS, NIGERIA – 25 April 2016** – Access Bank Plc., (Bloomberg: **ACCESS NL** / Thomson Reuters: **ACCESS.LG**) (“Access Bank” or the “Bank”), the full service commercial bank with headquarters in Nigeria and with operations across Sub-Saharan Africa, the UK, Asia and the Middle East, announces its unaudited results for the period ended 31 March 2016.

### Group Managing Director / Chief Executive Officer’s Review

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*I am pleased with the Group’s solid first quarter performance characterised by improved margins and strong profit growth despite prevalent macro headwinds and a slowed economy. Today, we are realising the benefits of initiatives that were deployed last year in the retail banking space, evidenced by the rapid adoption and utilisation of our enhanced digital platforms. This translated to growth in our retail-related fee and commission income.*

*As we cautiously grow our loan portfolio in light of macro realities, we will continue to uphold the highest standards of risk management in order to sustainably maintain asset quality within acceptable limits.*

*We are encouraged by these results, and in the coming quarters, we will intensify the implementation of our strategic cost reduction initiatives in order to improve our bottom-line. We will also explore and activate other innovative avenues to expand our digital banking proposition so as to achieve improved revenues and deliver sustainable shareholder value in the long term.*

– Herbert Wigwe, GMD/CEO

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### Financial Performance Review

#### Revenue and Profitability

- Gross Earnings totaled ₦80.3bn in Q1 2016, up 5% y/y (Q1 2015: ₦76.8bn), with interest income and non-interest income contributing 69% and 31%, respectively
- Interest Income grew by 19% y/y to ₦55.4bn in Q1 2016 from ₦46.4bn in Q1 2015
- Non-Interest Income stood at ₦24.7bn in Q1 2016, down 19% from ₦30.4bn in Q1 2015, as significant growth in fees and commission income largely offset the drop in net trading income
- Operating Income increased to ₦59.4bn in Q1 2016 (+10% y/y) when compared with ₦54.0bn in the corresponding period of 2015
- Profit Before Tax (PBT) for the period rose to ₦22.6bn, representing a 37% y/y growth when compared to ₦16.5bn in Q1 2015
- Profit After Tax (PAT) up 42% y/y to ₦19.4bn in Q1 2016 from ₦13.7bn in Q1 2015
- Return On Average Equity (ROAE) of 20.7% in Q1 2016 from 19.2% in Q1 2015

#### Balance Sheet

- Loans and Advances up 4% to ₦1.47trn as at March 2016 (December 2015: ₦1.41trn)
- Customer Deposits totaled ₦1.80trn in the period, a 7% increase from ₦1.68trn in December 2015
- Total Assets stood at ₦2.75trn as at March 2016, up 6% from ₦2.59trn in December 2015
- Capital Adequacy Ratio (CAR) stable at 19.6% in Q1 2016

#### Asset Quality

- Non-performing loans to total gross loans stable at 1.7% in Q1 2016
- Coverage Ratio (with regulatory risk reserves) stood at 214.5% as at March 2016 (December 2015: 216.4%)
- Cost of Risk improved to 0.6% in Q1 2016 from 1.0% in Q1 2015; Impairment Charges decreased to ₦2.4bn in the period from ₦3.9bn in Q1 2015

#### Operational Efficiency

- Cost-to-Income Ratio (CIR) down 430bps to 57.9% in Q1 2016 (Q1 2015: 62.2%) on the back of stronger earnings recorded in the period
- Operating Expenses inched up marginally by 2% y/y to ₦34.4bn in Q1 2016 (Q1 2015: ₦33.6bn), but declined by 13% q/q (Q4 2015: ₦39.4bn) reflecting the positive impact of the implementation of the Bank's strategic cost reduction initiatives
- Net Interest Margin (NIM) increased to 7.1% in Q1 2016 from 5.9% in Q1 2015, as Cost of Funds (CoF) improved significantly to 3.7% (-140bps y/y) from 5.1% in Q1 2015

#### Group Financial Highlights

Income Statement (in millions of Naira)	Q1 2016	Q1 2015	Δ
Gross Earnings	80,271	76,792	5%
Interest Income	55,437	46,415	19%
Net Interest Income	34,623	23,593	47%
Non-Interest Income	24,737	30,366	(19%)
Operating Income	59,360	53,959	10%
Operating Expenses	34,378	33,573	2%
Profit Before Tax	22,583	16,518	37%
Profit for the Period	19,419	13,668	42%
Earnings Per Share (k)	60	68	(12%)

Balance Sheet (in billions of Naira)	Mar. 2016	Dec. 2015	Δ
Total Assets	2,748	2,591	6%
Loans and Advances	1,469	1,409	4%
Customer Deposits	1,803	1,683	7%
Shareholders' Fund	382	368	4%

Key Ratios	Q1 2016	Q1 2015	Δ
Return on Average Equity (%)	20.7	19.2	↑ 1.5
Return on Average Assets (%)	2.9	2.6	↑ 0.3
Net Interest Margin (%)	7.1	5.9	↑ 1.2
Cost of Funds (%)	3.7	5.1	↓ 1.4
Yield on Assets (%)	11.4	11.7	↓ 0.3
Cost-to-Income Ratio (%)	57.9	62.2	↓ 4.3
Capital Adequacy Ratio (%)	19.6	19.6	-
Liquidity Ratio (%)	37.6	34.6	↑ 3.0
Loan-to-Deposit Ratio (%)	69.5	73.7	↓ 4.2
Non-Performing Loans Ratio (%)	1.7	2.1	↓ 0.4
Cost of Risk (%)	0.6	1.0	↓ 0.4
Coverage (%)	214.5	165.0	↑ 49.5

#### Investor Enquiries

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## **ABOUT ACCESS BANK**

Access Bank Plc. is a full service commercial Bank operating through a network of 374 branches and service outlets located in major centres across Nigeria, Sub Saharan Africa, and the United Kingdom with representative offices in China and the UAE.

Listed on the Nigerian Stock Exchange in 1998, the Bank serves its various markets through four business segments: Personal, Business, Commercial and Corporate & Investment Banking. The Bank has over 830,000 shareholders including several Nigerian and International Institutional Investors and has enjoyed what is arguably Africa's most successful banking growth trajectory in the last twelve years ranking amongst Africa's top 20 banks by total assets and capital in 2015.

As part of its continued growth strategy, Access Bank is focused on mainstreaming sustainable business practices into its operations. The Bank strives to deliver sustainable economic growth that is profitable, environmentally responsible and socially relevant.

## **Conference Call Invitation**

### **Access Bank Plc. Group Unaudited First Quarter Results Call with Investors and Analysts**

Access Bank Plc. (Bloomberg: Access NL) will be hosting an audio conference call for investors and analysts on **28 April 2016** at **15:00hrs** Lagos (**10:00hrs** New York, **15:00hrs** London, **16:00hrs** Johannesburg) with its Executive Management to announce the Bank's unaudited results for the period ended 31 March 2016. There will be an opportunity for Management to take questions from investors and analysts during the call.

#### **Website**

The presentation will be made available on the IR portal of the Bank's website prior to the call.

#### **Webcast**

You can access the webcast using this link:

<http://services.choruscall.eu/links/accessbankplc160426.html>

#### **Audio Conference**

We encourage you to pre-register for the audio conference call via the following link:

<http://goo.gl/7XUKTV>

The audio conference call can be accessed by dialling the following numbers:

Nigeria	+234 1 903 0040
United Kingdom – Toll Free	+44 (0) 808 162 4061
United States of America – Toll Free	+1 855 481 5362
South Africa – Toll Free	+27 (0) 800 200 648
Other Countries (International)	+27 11 535 3600
	+27 10 201 6800

Participants should register for the call at least five minutes before the start of the presentation. For those who are unable to listen to the live call, a digital recording will be hosted on the company's website after the event.

For further information please contact:

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