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

<table>
<thead>
<tr>
<th>Section</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2016 &amp; Q1 2017 Key Highlights</td>
<td>Pg 4-10</td>
</tr>
<tr>
<td>Financial Review</td>
<td>Pg 11-16</td>
</tr>
<tr>
<td>Risk Management</td>
<td>Pg 17-21</td>
</tr>
<tr>
<td>Strategy</td>
<td>Pg 22-25</td>
</tr>
<tr>
<td>Outlook &amp; Guidance</td>
<td>Pg 26-30</td>
</tr>
<tr>
<td>Appendix</td>
<td>Pg 32-36</td>
</tr>
</tbody>
</table>
FY 2016 & Q1 2017 Key Highlights
Recessionary environment through 2016 with a gradual economic recovery expected in 2017

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

Data source: CBN, NBS and FBNHoldings Investor relations
Regulatory intensity amidst challenging macroeconomic and operating environment

REGULATORY DEVELOPMENTS

2016
• Introduction of a current account maintenance fee following the discontinuation of the COT
• 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

Asymmetric corridor at +200/500bps

Nov'15  Jan'16  Mar'16  May'16  July'16  Sep'16  Nov'16  Jan'17  Mar'17

Monetary Policy Rate  Cash Reserve Ratio  Liquidity ratio

11%  11%  12%  12%  14%  14%  14%  14%  22.50%

30%  30%  30%  30%  30%  30%  30%  30%  30%
Strong earnings in a challenging operating environment as we address legacy asset quality

**INCOME STATEMENT**

**Gross earnings**
- FY16: N581.8bn
- Q117: N141.0bn

**Net interest income**
- FY16: N304.4bn
- Q117: N80.3bn

**Operating income**
- FY16: N469.9bn
- Q117: N104.5bn

**Impairment charge for credit losses**
- FY16: N226.0bn
- Q117: N28.8bn

**Non-interest income**
- FY16: N165.5bn
- Q117: N24.2bn

**Operating expenses**
- FY16: N220.9bn
- Q117: N55.7bn

**Profit before tax**
- FY16: N22.9bn
- Q117: N19.9bn

**Profit after tax**
- FY16: N17.1bn
- Q117: N16.1bn

**STATEMENT OF FINANCIAL POSITION**

**Total assets**
- FY16: N4,736.8bn
- Q117: N4,984.6bn

**Loans & advances (net)**
- FY16: N2,083.9bn
- Q117: N2,062.7bn

**Customer deposits**
- FY16: N3,104.2bn
- Q117: N3,093.4bn

**Total Equity**
- FY16: N582.5bn
- Q117: N601.3bn

**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 N248.9billion 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

1 Profit after tax relate to continued operations for FY 2016
Improving performance at the core of building a solid foundation for the long term

**KEY RATIOS**

<table>
<thead>
<tr>
<th>Ratio</th>
<th>FY16</th>
<th>Q117</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost to income ratio</td>
<td>47.0%</td>
<td>53.3%</td>
</tr>
<tr>
<td>Liquidity ratio</td>
<td>52.7%</td>
<td>53.5%</td>
</tr>
<tr>
<td>Cost of funds</td>
<td>2.8%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Post-tax ROAE</td>
<td>3.0%</td>
<td>10.9%</td>
</tr>
<tr>
<td>CAR (Basel 2)</td>
<td>17.8%</td>
<td>18.1%</td>
</tr>
<tr>
<td>Gross loans to deposits</td>
<td>77.1%</td>
<td>77.8%</td>
</tr>
<tr>
<td>Net interest margin</td>
<td>8.8%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Post-tax ROAA</td>
<td>0.4%</td>
<td>1.3%</td>
</tr>
<tr>
<td>NPL ratio</td>
<td>24.4%</td>
<td>26.0%</td>
</tr>
<tr>
<td>Cost of risk</td>
<td>10.4%</td>
<td>4.8%</td>
</tr>
<tr>
<td>NPL coverage</td>
<td>57.3%</td>
<td>58.8%</td>
</tr>
<tr>
<td>Earnings yield</td>
<td>11.7%</td>
<td>11.7%</td>
</tr>
</tbody>
</table>

**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

---

1 58.0% adjusting for revaluation gains (FY 2015: 65.3%) 2 FirstBank (Nigeria) 3 Profit after tax from continued operations: 4 For 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

**COMMERCIAL BANKING**
- FY 2016 gross earnings: N535.5bn (FY 2015: N465.8bn)
- FY 2016 profit before tax of N10.7bn (FY 2015: N10.2bn)
- Q1 2017 gross earnings of N128.5bn (Q1 2016: N100.2bn)
- Q1 2017 profit before tax of N16.4 (FY 2015: N20.7bn)

**MERCHANT BANKING AND ASSET MANAGEMENT**
- FY 2016 gross earnings: N37.8bn (FY 2015: N33.3bn)
- FY 2016 profit before tax of N13.7bn (FY 2015: N10.3bn)
- Q1 2017 gross earnings of N8.8bn (Q1 2016: N5.5bn)
- Q1 2017 profit before tax of N2.7bn (FY 2015: N1.2bn)

**INSURANCE**
- FY 2016 gross earnings: N12.5bn (FY 2015: N10.5bn)
- FY 2016 profit before tax of N3.4bn (FY 2015: N2.3bn)
- Q1 2017 gross earnings of N3.2bn (Q1 2016: N2.6bn)
- Q1 2017 profit before tax of N0.8bn (Q1 2016: N0.9bn)

The numbers for the business segments are pre-consolidated numbers.
Key themes impacting our business

1. Decline in international oil price constrained projected cash flows of obligors
2. Cash flows were further restrained by the crises in the Niger Delta region
3. Lengthened tenor of asset size
4. Restructuring of facilities to match cashflows
5. Increase in oil price and production following OPEC’s production cut as well as improvement in the Niger delta

FY 2016 KEY HIGHLIGHTS
FINANCIAL REVIEW
RISK MANAGEMENT
STRATEGY
OUTLOOK & GUIDANCE
APPENDIX

5. Maintained an opex growth rate below inflation rate - a direct result of the effective cost savings measures adopted
   • Focused on process optimisation through automation
   • Centralisation of shared service

4. FirstBank’s capital position enhanced through increased balance sheet management and profit retention
   • Focused on driving transaction led banking services
   • Capital position watched closely and rolled into our strategy planning cycle

3. Asset quality
   • Strengthening the risk governance and architecture with changes in key risk personnel – appointed a new Chief Risk Officer
   • Increased provisioning on risk assets as required
   • More stringent focus on risk assessment criteria
   • Remediation actions taken within the context of cashflows

2. Currency devaluation
   • Currency movement negatively impacting asset quality and operational costs
   • Impact moderated by revaluation gains
   • Focused on reducing the FCY net portfolio in dollar terms
   • FCY exposure reduced by matured FX forwards during the year
   • Market access and subtle CBN policy shifts improving FCY liquidity

1. Oil price and production decline
   • Decline in international oil price constrained projected cash flows of obligors
   • Cash flows were further restrained by the crises in the Niger Delta region
   • Lengthened tenor of asset size
   • Restructuring of facilities to match cashflows
   • Increase in oil price and production following OPEC’s production cut as well as improvement in the Niger delta
### Income statement

<table>
<thead>
<tr>
<th>Nbn</th>
<th>FY 15</th>
<th>FY 16</th>
<th>y-o-y</th>
<th>Q1 16</th>
<th>Q1 17</th>
<th>y-o-y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross earnings</td>
<td>502.7</td>
<td>581.8</td>
<td>15.7%</td>
<td>107.5</td>
<td>141.0</td>
<td>31.2%</td>
</tr>
<tr>
<td>Net interest income</td>
<td>265.2</td>
<td>304.4</td>
<td>14.8%</td>
<td>63.9</td>
<td>80.3</td>
<td>25.7%</td>
</tr>
<tr>
<td>Non-interest income</td>
<td>97.9</td>
<td>165.5</td>
<td>68.9%</td>
<td>21.9</td>
<td>24.2</td>
<td>10.4%</td>
</tr>
<tr>
<td>Operating income(^1)</td>
<td>363.1</td>
<td>469.9</td>
<td>29.4%</td>
<td>85.8</td>
<td>104.5</td>
<td>21.8%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>222.7</td>
<td>220.9</td>
<td>-0.8%</td>
<td>50.9</td>
<td>55.7</td>
<td>9.3%</td>
</tr>
<tr>
<td>Pre-provision operating profit(^2)</td>
<td>140.4</td>
<td>248.9</td>
<td>77.4%</td>
<td>34.8</td>
<td>48.8</td>
<td>40.2%</td>
</tr>
<tr>
<td>Impairment charge</td>
<td>118.8</td>
<td>226.0</td>
<td>90.3%</td>
<td>12.8</td>
<td>28.8</td>
<td>126%</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>21.6</td>
<td>22.9</td>
<td>6.3%</td>
<td>22.1</td>
<td>19.9</td>
<td>-9.5%</td>
</tr>
<tr>
<td>Income tax</td>
<td>6.0</td>
<td>5.8</td>
<td>-3.9%</td>
<td>1.3</td>
<td>3.8</td>
<td>187.3%</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>15.5</td>
<td>17.1</td>
<td>10.3%</td>
<td>20.7</td>
<td>16.1</td>
<td>-22.1%</td>
</tr>
</tbody>
</table>

### Statement of financial position

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

\(^1\) Definition provided in the appendix;

### Key ratios\(^1\)

<table>
<thead>
<tr>
<th>FY 15</th>
<th>FY 16</th>
<th>Q1 16</th>
<th>Q1 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest margin(^1)</td>
<td>8.1%</td>
<td>8.8%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Cost to income(^1)</td>
<td>61.3%</td>
<td>47.0%</td>
<td>59.4%</td>
</tr>
<tr>
<td>Cost of funds</td>
<td>3.7%</td>
<td>2.8%</td>
<td>2.3%</td>
</tr>
<tr>
<td>NPL(^1)</td>
<td>18.1%</td>
<td>24.4%</td>
<td>21.5%</td>
</tr>
<tr>
<td>NPL coverage(^1)</td>
<td>40.2%</td>
<td>57.3%</td>
<td>37.4%</td>
</tr>
<tr>
<td>Cost of risk</td>
<td>5.7%</td>
<td>10.4%</td>
<td>2.6%</td>
</tr>
<tr>
<td>ROaE(^1)</td>
<td>2.8%</td>
<td>3.0%</td>
<td>14.4%</td>
</tr>
<tr>
<td>ROaA(^1)</td>
<td>0.4%</td>
<td>0.4%</td>
<td>2.0%</td>
</tr>
<tr>
<td>CAR – FirstBank (Nigeria) - Basel 2</td>
<td>17.1%</td>
<td>17.8%</td>
<td>17.2%</td>
</tr>
<tr>
<td>Tier 1 CAR – FirstBank (Nigeria) - Basel 2</td>
<td>13.3%</td>
<td>13.9%</td>
<td>13.3%</td>
</tr>
<tr>
<td>CAR – FBN Merchant Bank - Basel 2</td>
<td>23.0%</td>
<td>22.6%</td>
<td>23.6%</td>
</tr>
<tr>
<td>Gross loans to deposits(^3)</td>
<td>65.9%</td>
<td>77.1%</td>
<td>67.5%</td>
</tr>
</tbody>
</table>
Maintained cost management drive amidst inflationary pressure

FY 2016 KEY HIGHLIGHTS
FINANCIAL REVIEW
RISK MANAGEMENT
STRATEGY
OUTLOOK & GUIDANCE
APPENDIX

Operating expenses (Nbn)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Operating expenses (Nbn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 15</td>
<td>N52.3</td>
</tr>
<tr>
<td>Q1 16</td>
<td>N51.0</td>
</tr>
<tr>
<td>Q2 16</td>
<td>N53.4</td>
</tr>
<tr>
<td>Q3 16</td>
<td>N57.5</td>
</tr>
<tr>
<td>Q4 16</td>
<td>N59.2</td>
</tr>
<tr>
<td>Q1 17</td>
<td>N55.7</td>
</tr>
</tbody>
</table>

Operating income (Nbn)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Operating income (Nbn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 15</td>
<td>N84.9</td>
</tr>
<tr>
<td>Q1 16</td>
<td>N85.8</td>
</tr>
<tr>
<td>Q2 16</td>
<td>N134.3</td>
</tr>
<tr>
<td>Q3 16</td>
<td>N113.8</td>
</tr>
<tr>
<td>Q4 16</td>
<td>N136.0</td>
</tr>
<tr>
<td>Q1 17</td>
<td>N104.5</td>
</tr>
</tbody>
</table>

Non-interest income/operating income
Steady growth in assets through increased treasury activities as we enhance revenue generating platforms.

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

**Funding by type Nbn**

<table>
<thead>
<tr>
<th></th>
<th>Deposits from Banks</th>
<th>Deposits from customers</th>
<th>Other liabilities</th>
<th>Financial investment liabilities</th>
<th>Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>FBNHoldings</td>
<td>N4,152</td>
<td>145 3%</td>
<td>2,971 72%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N4,106</td>
<td>200 5%</td>
<td>2,835 69%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N4,756</td>
<td>395 6%</td>
<td>3,097 65%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N5,012</td>
<td>3,78 8%</td>
<td>3,296 66%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N4,692</td>
<td>416 9%</td>
<td>3,104 66%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N4,932</td>
<td>552 11%</td>
<td>3,093 63%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 15</td>
<td>145 3%</td>
<td>2,971 72%</td>
<td>2,835 69%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1 16</td>
<td>200 5%</td>
<td>3,097 65%</td>
<td>3,296 66%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H1 16</td>
<td>395 6%</td>
<td>3,104 66%</td>
<td>3,093 63%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9M 16</td>
<td>416 9%</td>
<td>3,093 63%</td>
<td>3,093 63%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 16</td>
<td>552 11%</td>
<td>3,093 63%</td>
<td>3,093 63%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1 17</td>
<td>2,971 72%</td>
<td>2,835 69%</td>
<td>3,097 65%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Deposits by currency Nbn**

<table>
<thead>
<tr>
<th></th>
<th>FCY</th>
<th>LCY</th>
</tr>
</thead>
<tbody>
<tr>
<td>FBNHoldings</td>
<td>N2,970</td>
<td>N3,097</td>
</tr>
<tr>
<td></td>
<td>429 14%</td>
<td>2,542 86%</td>
</tr>
<tr>
<td></td>
<td>343 12%</td>
<td>2,492 88%</td>
</tr>
<tr>
<td></td>
<td>467 15%</td>
<td>2,630 85%</td>
</tr>
<tr>
<td></td>
<td>609 18%</td>
<td>2,687 82%</td>
</tr>
<tr>
<td></td>
<td>565 18%</td>
<td>2,540 82%</td>
</tr>
<tr>
<td>FY 2016</td>
<td>498 16%</td>
<td>2,596 84%</td>
</tr>
</tbody>
</table>

**Deposits by SBU Nbn**

<table>
<thead>
<tr>
<th></th>
<th>Retail banking</th>
<th>Private banking</th>
<th>Corporate banking</th>
<th>Commercial banking</th>
</tr>
</thead>
<tbody>
<tr>
<td>FBNHoldings</td>
<td>N2,400</td>
<td>297 12%</td>
<td>55 3%</td>
<td>287 13%</td>
</tr>
<tr>
<td></td>
<td>N2,278</td>
<td>260 10%</td>
<td>41 2%</td>
<td>219 9%</td>
</tr>
<tr>
<td></td>
<td>N2,344</td>
<td>142 6%</td>
<td>26 1%</td>
<td>116 5%</td>
</tr>
<tr>
<td></td>
<td>N2,528</td>
<td>102 4%</td>
<td>29 1%</td>
<td>76 3%</td>
</tr>
<tr>
<td></td>
<td>N2,491</td>
<td>151 6%</td>
<td>35 2%</td>
<td>206 9%</td>
</tr>
<tr>
<td></td>
<td>N2,516</td>
<td>182 7%</td>
<td>32 2%</td>
<td>263 9%</td>
</tr>
<tr>
<td>FY 15</td>
<td>2,971 72%</td>
<td>2,835 69%</td>
<td>3,097 65%</td>
<td>3,296 66%</td>
</tr>
<tr>
<td>Q1 16</td>
<td>1,642 59%</td>
<td>1,669 63%</td>
<td>1,756 58%</td>
<td>1,799 56%</td>
</tr>
<tr>
<td>H1 16</td>
<td>1,589 45%</td>
<td>1,669 45%</td>
<td>1,756 45%</td>
<td>1,799 45%</td>
</tr>
<tr>
<td>9M 16</td>
<td>2,400 76%</td>
<td>1,642 45%</td>
<td>1,669 43%</td>
<td>1,756 45%</td>
</tr>
<tr>
<td>FY 16</td>
<td>2,278 45%</td>
<td>1,642 45%</td>
<td>1,669 43%</td>
<td>1,756 45%</td>
</tr>
<tr>
<td>Q1 17</td>
<td>2,344 44%</td>
<td>1,642 45%</td>
<td>1,669 43%</td>
<td>1,756 45%</td>
</tr>
</tbody>
</table>

**Funding by type Nbn**

<table>
<thead>
<tr>
<th></th>
<th>Current accounts</th>
<th>Savings accounts</th>
<th>Term deposits</th>
<th>Domiciliary accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>FBNHoldings</td>
<td>N2,970</td>
<td>N2,835</td>
<td>N3,097</td>
<td>N3,104</td>
</tr>
<tr>
<td></td>
<td>429 14%</td>
<td>343 12%</td>
<td>467 15%</td>
<td>609 18%</td>
</tr>
<tr>
<td></td>
<td>2,542 86%</td>
<td>2,492 88%</td>
<td>2,630 85%</td>
<td>2,687 82%</td>
</tr>
<tr>
<td></td>
<td>565 18%</td>
<td>2,540 82%</td>
<td>2,596 84%</td>
<td></td>
</tr>
<tr>
<td>FY 2016</td>
<td>498 16%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1 16</td>
<td>2,542 86%</td>
<td>2,492 88%</td>
<td>2,630 85%</td>
<td>2,687 82%</td>
</tr>
<tr>
<td>H1 16</td>
<td>467 15%</td>
<td>609 18%</td>
<td>2,540 82%</td>
<td>2,596 84%</td>
</tr>
<tr>
<td>9M 16</td>
<td>609 18%</td>
<td>2,596 84%</td>
<td>498 16%</td>
<td></td>
</tr>
<tr>
<td>FY 16</td>
<td>343 12%</td>
<td>2,542 86%</td>
<td>2,492 88%</td>
<td>2,630 85%</td>
</tr>
<tr>
<td>Q1 17</td>
<td>429 14%</td>
<td>343 12%</td>
<td>467 15%</td>
<td>609 18%</td>
</tr>
</tbody>
</table>

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. SBUs: Corporate banking; private organisations with annual revenue > N5bn but < N10bn, and midsize and large corporate clients with annual revenue > N10bn but with a key man risk. Commercial Banking comprising clients with annual turnover > N500mn and N10bn. Institutional banking (now within Corporate Banking effective January 2016): multinationals and corporate clients with revenue > N10bn. 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 < N50mn as well as small business and Local governments with annual turnover < N500mn.
Our liquidity position remains strong with improving efficiency in balance sheet management.

### Balance sheet efficiency

<table>
<thead>
<tr>
<th></th>
<th>FY 15</th>
<th>Q1 16</th>
<th>H1 16</th>
<th>9M 16</th>
<th>FY 16</th>
<th>Q1 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leverage (times)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross loans to deposits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liquidity</td>
<td>65.9%</td>
<td>67.5%</td>
<td>75.2%</td>
<td>75.1%</td>
<td>77.1%</td>
<td>77.8%</td>
</tr>
</tbody>
</table>

### Capital ratios

**FirstBank (Nigeria) and FBN Merchant Bank**

<table>
<thead>
<tr>
<th></th>
<th>FY 15</th>
<th>Q1 16</th>
<th>H1 16</th>
<th>9M 16</th>
<th>FY 16</th>
<th>Q1 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total RWA (N'bn)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tier 1 capital ratio</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CAR - FBN</td>
<td>23.0%</td>
<td>24.9%</td>
<td>27.9%</td>
<td>28.9%</td>
<td>22.6%</td>
<td>26.4%</td>
</tr>
<tr>
<td>CAR - FBN Merchant</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CAR - FBN</td>
<td>17.1%</td>
<td>17.2%</td>
<td>15.4%</td>
<td>15.4%</td>
<td>17.8%</td>
<td>18.1%</td>
</tr>
</tbody>
</table>

### RWA components

**FirstBank (Nigeria)**

<table>
<thead>
<tr>
<th></th>
<th>FY 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market risk</td>
<td></td>
</tr>
<tr>
<td>Q1 16: 6.2%</td>
<td></td>
</tr>
<tr>
<td>[FY16: 5.4%]</td>
<td></td>
</tr>
<tr>
<td>Operational risk</td>
<td></td>
</tr>
<tr>
<td>Q1 17: 21.4%</td>
<td></td>
</tr>
<tr>
<td>[FY16: 21.4%]</td>
<td></td>
</tr>
<tr>
<td>Credit risk</td>
<td></td>
</tr>
<tr>
<td>Q1 17: 71.8%</td>
<td></td>
</tr>
<tr>
<td>[FY16: 73.2%]</td>
<td></td>
</tr>
</tbody>
</table>

**Q1 17: ₦2.8tn**

### CAR & Liquidity

**Liquidity (FirstBank- Nigeria)**

<table>
<thead>
<tr>
<th></th>
<th>FY 15</th>
<th>Q1 16</th>
<th>H1 16</th>
<th>9M16</th>
<th>FY16</th>
<th>Q117</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>23.0%</td>
<td>24.9%</td>
<td>27.9%</td>
<td>28.9%</td>
<td>22.6%</td>
<td>26.4%</td>
</tr>
</tbody>
</table>

**Capital Adequacy (FBNM)**

<table>
<thead>
<tr>
<th></th>
<th>FY 15</th>
<th>Q1 16</th>
<th>H1 16</th>
<th>9M16</th>
<th>FY16</th>
<th>Q117</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>51.9%</td>
<td>55.8%</td>
<td>53.2%</td>
<td>57.9%</td>
<td>52.7%</td>
<td>53.5%</td>
</tr>
</tbody>
</table>

### Definition provided in the appendix
Risk Management
Sectoral breakdown of loans and advances to customers

Q1 2017 FirstBank (Nigeria) gross loans by sectors

- Manufacturing 11.1% [10.6%]
- Construction 4.1% [4.1%]
- General commerce 3.5% [3.4%]
- Information and communication 4.4% [4.5%]
- Real estate activities 7.4% [6.5%]
- Oil & Gas Upstream 20.3% [21.3%]
- Oil & Gas Downstream 14.3% [14.1%]
- Oil & Gas Services 7.2% [6.8%]
- Government 9.6% [9.9%]
- Consumer 5.4% [6.0%]
- Others 5.9% [7.1%]
- General 1.2% [1.3%]
- Power and Energy 5.1% [4.0%]

Q1 2017 FBN-MBAM gross loans by sectors

- Manufacturing 32.8% [26.4%]
- Construction 0.1% [0.1%]
- Transportation and Storage 0.5% [0.5%]
- Information and Communication 7.2% [6.1%]
- Finance and insurance 12.5% [10.8%]
- Real estate activities 5.4% [11.8%]
- Oil & gas upstream 41.4% [38.5%]
- Government 0.0% [5.4%]
- General 0.0% [0.4%]

• 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 < N50mn; 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
Loans and advances by maturity

FirstBank (Nigeria)

<table>
<thead>
<tr>
<th>Period</th>
<th>0 -30 days</th>
<th>31-60 days</th>
<th>&gt;61 days</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 15</td>
<td>6.4%</td>
<td>5.1%</td>
<td>93.2%</td>
</tr>
<tr>
<td>Q 16</td>
<td>2.9%</td>
<td>5.1%</td>
<td>93.9%</td>
</tr>
<tr>
<td>H1 16</td>
<td>2.4%</td>
<td>5.1%</td>
<td>95.4%</td>
</tr>
<tr>
<td>9M 16</td>
<td>1.9%</td>
<td>5.1%</td>
<td>96.9%</td>
</tr>
<tr>
<td>FY 16</td>
<td>2.9%</td>
<td>5.1%</td>
<td>95.5%</td>
</tr>
<tr>
<td>Q1 17</td>
<td>0.5%</td>
<td>5.1%</td>
<td>94.3%</td>
</tr>
</tbody>
</table>

Ageing analysis of performing loans and advances

FirstBank (Nigeria)

Loans and advances by type

FirstBank (Nigeria)

<table>
<thead>
<tr>
<th>Type</th>
<th>FY 15</th>
<th>Q 16</th>
<th>H1 16</th>
<th>9M 16</th>
<th>FY 16</th>
<th>Q1 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overdrafts</td>
<td>55.2%</td>
<td>48.3%</td>
<td>43.9%</td>
<td>51.9%</td>
<td>48.9%</td>
<td>58.6%</td>
</tr>
<tr>
<td>Term Loans</td>
<td>37.0%</td>
<td>47.5%</td>
<td>51.9%</td>
<td>54.8%</td>
<td>57.5%</td>
<td>58.6%</td>
</tr>
<tr>
<td>Commercial loans</td>
<td>7.8%</td>
<td>4.2%</td>
<td>4.2%</td>
<td>4.9%</td>
<td>3.5%</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

Loans and advances by currency

FirstBank (Nigeria)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FCY</td>
<td>N1,595bn</td>
<td>N1,560bn</td>
<td>N1,861bn</td>
<td>N1,960bn</td>
<td>N1,933bn</td>
<td>N1,953bn</td>
</tr>
<tr>
<td>LCY</td>
<td>N1,595bn</td>
<td>N1,560bn</td>
<td>N1,861bn</td>
<td>N1,960bn</td>
<td>N1,933bn</td>
<td>N1,953bn</td>
</tr>
</tbody>
</table>

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

OUTLOOK & GUIDANCE

APPENDIX
Adequate provisioning on delinquent loans with revamped credit processes

Asset quality ratios - FBNHoldings

Q1 2017 NPL exposure by sector - FirstBank (Nigeria)

- 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]

7 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
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

Customer selection
World check
Enhanced obligor profiling
Third party subject matter professionals
Transaction structuring
Structure with a view to sell down
Adherence to lending conditions
Management & Monitoring
Enhancing middle level office for approvals and increase board oversight
Remediation
Account by Account monitoring and reporting
Recovery
Aggressive recovery initiatives with credit agents
Aligning strategy to meet customers’ needs

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
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

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

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

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 mobile transactions; currently at 110m+
• Strengthened technology infrastructure to drive efficiency across all areas of the business
• Increasing contribution from e-banking

Create digital competency to enhance revenue and service delivery
FBNHoldings at a glance

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 100 million 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
- Market share of active accounts: **19.0%** (FY 2016) vs **18.5%** (FY 2015)

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
- Market share in Deposits and Total assets: **~18%** [Market share on Loan and advances circa 13%]
- Fast growing USSD**2** banking service

*Company filings 2 USSD – Unstructured Supplementary Service Data
*Source - Company filings, Competitor analysis, CBN statistical bulletin, National Bureau of Statistic (NBS), 2016 Financial Stability Report
Outlook & Guidance
### Profitability and efficiency metrics

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

1. In 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
### FY 2016 KEY HIGHLIGHTS

#### Financial Review

<table>
<thead>
<tr>
<th></th>
<th>FY 2016 ((\text{\textcurrency\text{bn}}))</th>
<th>Q1 2017 ((\text{\textcurrency\text{bn}}))</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>405.3</td>
<td>114.1</td>
</tr>
<tr>
<td>Interest expense</td>
<td>100.8</td>
<td>33.8</td>
</tr>
<tr>
<td>Non-interest income</td>
<td>165.5</td>
<td>24.2</td>
</tr>
<tr>
<td>Net revenue</td>
<td>469.9</td>
<td>104.5</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>220.9</td>
<td>55.7</td>
</tr>
<tr>
<td>PPOP</td>
<td>249.0</td>
<td>48.8</td>
</tr>
<tr>
<td>Impairment Charge</td>
<td>226.0</td>
<td>28.8</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>23.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Tax</td>
<td>5.8</td>
<td>3.8</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>17.1</td>
<td>16.1</td>
</tr>
</tbody>
</table>

#### Y-o-Y Growth

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>Q1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>29.4%</td>
<td>36.7%</td>
</tr>
<tr>
<td>Interest expense</td>
<td>14.8%</td>
<td>72.7%</td>
</tr>
<tr>
<td>Non-interest income</td>
<td>14.8%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Net revenue</td>
<td>40.2%</td>
<td>21.8%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>0.8%</td>
<td>9.3%</td>
</tr>
<tr>
<td>PPOP</td>
<td>77.4%</td>
<td>40.2%</td>
</tr>
<tr>
<td>Impairment Charge</td>
<td>90.3%</td>
<td>126.0%</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>9.5%</td>
<td>9.5%</td>
</tr>
<tr>
<td>Tax</td>
<td>6.3%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>3.9%</td>
<td>10.3%</td>
</tr>
</tbody>
</table>

---

1. Definition provided in the appendix
Gross earnings breakdown (₦bn)

- Interest Income
- Non Interest Income

Non-interest income breakdown (₦bn)

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

Net interest margin drivers

- Deposits cost
- Asset yield
- Cost of funds
- Securities yield
- Loan yield
- Net interest margin (NIM)

FY 2016 KEY HIGHLIGHTS
FINANCIAL REVIEW
RISK MANAGEMENT
STRATEGY
OUTLOOK & GUIDANCE
APPENDIX

1) Non-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.
Asset Diversification

FBNHoldings gross loans by business groups

- Commercial Banking
- Merchant Banking & Asset Management

Q117: 98.3%
Q117: 1.7%

FY2016: ₦2.08tn

FirstBank (Nigeria) & Subsidiaries gross loans by SBU

FirstBank (Nigeria) gross loans by SBU

- Institutional banking
- Corporate banking
- Private banking
- Retail banking
- Public sector
- Commercial Banking
- Treasury/Financial Institutions

FirstBank (Nigeria) core consumer / retail product portfolio

- Consumer auto loan 1.4% [FY16: 1.5%]
- Home loans 12.4% [FY16: 14.3%]
- Personal loans 72.7% [FY16: 70.4%]
- Asset acquisition 0.0% [FY16: 0.0%]
- Retail overdrafts/Term loans 13.5% [FY16: 13.8%]

FY2016 KEY HIGHLIGHTS

OUTLOOK & GUIDANCE

RISK MANAGEMENT

FINANCIAL REVIEW

FY 2016 KEY HIGHLIGHTS

FINANCIAL REVIEW

RISK MANAGEMENT

APPENDIX

FBNHoldings’s gross loans include intercompany adjustments
Others include FBN Mortgages, FBNBank Ghana, FBNBank Guinea, FBNBank The Gambia, FBNBank Sierra Leone, FBNBank Senegal

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
Q1 2017 NPL ratio by sector - FirstBank (Nigeria)

Transportation: 80.7%  
O&G downstream: 61.2%  
O&G upstream: 36.8%  
General: 61.5%  
O&G services: 25.0%  
General commerce: 23.5%  
Consumer: 9.1%  
Construction: 9.3%  
Manufacturing: 5.8%  
Others: 6.9%  

Loan book sector exposures (%)
Breakout of loans and advances by type of collateral

First Bank (Nigeria)

- **Secured against real estate**: 58.2%
- **Secured by shares of quoted companies**: 50.5%
- **Otherwise secured**: 43.9%
- **Unsecured**: 44.0%

**Key Highlights**

- **FY 2016 Key Highlights**
  - Financial Review
  - Outlook & Guidance
  - Strategy
  - Appendix

- **Oil & Gas NPLs**
  - FirstBank (Nigeria)
  - NPLs by SBU Nbn
  - FirstBank (Nigeria)

- **Retail Banking**
  - Corporate Banking
  - Treasury & Financial Institutions
- **Public Sector**
  - Private Banking
- **Institutional Banking**
  - Commercial Banking

- **New SBU Structure Effective**
  - Retail Banking
  - Corporate Banking
  - Treasury & Financial Institutions
  - Public Sector
  - Private Banking
  - Institutional Banking
  - Commercial Banking

- **Secured**
  - Against real estate
  - Shares of quoted companies
  - Otherwise secured
  - Unsecured

**O&G services**

- **2015**
  - 39.0%
- **Q1 16**
  - 1.0%
- **H1 16**
  - 46.4%
- **9M 16**
  - 51.6%
- **FY 16**
  - 50.6%
- **Q1 17**
  - 51.2%

**O&G downstream**

- **2015**
  - 53.0%
- **Q1 16**
  - 1.5%
- **H1 16**
  - 45.0%
- **9M 16**
  - 45.5%
- **FY 16**
  - 45.5%
- **Q1 17**
  - 45.5%

**O&G upstream**

- **2015**
  - 39.2%
- **Q1 16**
  - 3.9%
- **H1 16**
  - 39.0%
- **9M 16**
  - 39.0%
- **FY 16**
  - 39.0%
- **Q1 17**
  - 39.0%

**Otherwise secured**

- **2015**
  - 1.8%
- **Q1 16**
  - 2.9%
- **H1 16**
  - 3.1%
- **9M 16**
  - 3.9%
- **FY 16**
  - 1.8%
- **Q1 17**
  - 0.1%

**Unsecured**

- **2015**
  - 33.1%
- **Q1 16**
  - 33.1%
- **H1 16**
  - 33.1%
- **9M 16**
  - 33.1%
- **FY 16**
  - 33.1%
- **Q1 17**
  - 33.1%

---

1. Otherwise secured refers to credits secured through cash/treasury bills, guarantees/receivables 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

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

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

Senegal
Name: FBNBank Senegal
Type: Licensed Bank
Established: 1996
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

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

Democratic Republic of Congo
Name: FBNBank DRC
Type: Licensed Bank
Established: 1994
Products / Services: Commercial Banking

The Gambia
Name: FBNBank The Gambia
Type: Licensed Bank
Established: 2004
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
Definition of terms

- 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)