



## Access Bank Plc

### Audited results for the period ended 31 December 2009 and Unaudited First Quarter 2010

#### ACCESS BANK PLC NINE MONTHS PERFORMANCE AFFECTED BY EXCEPTIONAL PROVISIONS, OPTIMISTIC OUTLOOK BASED ON FIRST QUARTER RESULTS

**LAGOS, NIGERIA – 29 April 2010 – Access Bank Plc, (Bloomberg: ACCESS NL / Reuters: ACCESS.LG ) (“Access Bank” or the “Bank”), the full service commercial bank with headquarters in Nigeria and with operations across eight African nations and in the United Kingdom announces its audited results for the nine months ended 31 December 2009 and unaudited results for the 1<sup>st</sup> Quarter 2010.**

Speaking from the Bank’s headquarters in Lagos, Aigboje Aig-Imoukhuede, CEO of Access Bank, said: “Our 9 month financial year ended December 2009 coincided with a tumultuous period for the Nigerian Banking Sector. Our earnings were impacted by the necessity for large exceptional provisions which we were unable to absorb fully in the 9 months period. Notwithstanding the resulting net loss, we closed the year in a very strong financial position with levels of capital and liquidity far higher than required by both local and global standards. We have made tremendous progress in reducing our levels of classified loans and are confident that our strengthened risk management framework will ensure earning resilience to any future stress factors.

I am pleased to report that our 1<sup>st</sup> Quarter 2010 results indicate that Access Bank has emerged from this difficult period with strong business fundamentals and in a vantage position to take advantage of the new banking landscape. We are particularly thrilled that our efficiency driven initiatives around cost of funds, cost of risk and cost to income are paying off across our Group operations.

#### **Financial Highlights**

##### *9 Months Ended December 2009*

- Bonus Issue of ( 1) for every (10) shares
- Gross Earnings steady at N66.1 billion
- Exceptional Provisions of N21.5billion
- Recoveries of N14billion
- Loss before tax of N3.5 billion
- Loans down 15% to N391 billion
- Deposits up by 18% to N442.1 billion
- Loan to Deposits ratio down to 88%
- Sound Capital Adequacy at 26.5%
- Strong Liquidity ratio of 40%

##### *1<sup>st</sup> Quarter Ended March 2010*

- Gross Earnings of N27.8 billion an increase of
- Profit before tax of N5.2billion an increase of
- Loans and Advances down 14% to N362 billion
- Deposits down 5% to N434billion
- Capital Adequacy Ratio of 29%
- NPL ratio improves from 16.8% to 8%
- Cost of funds improves by 400 bps
- Liquidity Ratio of 42%

## Operational Highlights

- Enlarged presence in retail banking market
- Access UK now established as Centre for Access Group Trade Finance
- Commenced the Implementation of Basel II and IFRS compliance projects
- Implemented Funds Transfer Pricing and Risk Based Pricing Frameworks
- Implemented Centralised Cost Management and Group shared services Frameworks

### Business Unit Performance:

	Institutional Banking	Commercial Banking	Investment Banking	Retail Banking
Gross Earnings	N24.7bn +52.5%*	N22.5bn +16.1%*	N8.0bn +91.1%*	N9.9bn +308.7%*
(Loss)/Profit Before Tax	(N4.7bn) profit 12.9bn*	(N1.8bn) profit 6.1bn*	N2.7bn -26.4%*	N163mn -82.5%*

\*compared with the nine-months ended 31<sup>st</sup> December 2008

Okey Nwuke, ED Institutional Banking “Our top line earnings were underpinned by growth in market share of FMCG and oil and gas sectors. We achieved this by leveraging on our superior product knowledge and efficient electronic cash management services. This year we will aggressively pursue risk assets growth to local and multinational blue chip customers while pursuing recoveries. The economic uncertainties facing Nigerian corporate provide us with a great opportunity to further increase market share through our unique value proposition.”

Obeahon Ohiwari, ED Commercial Banking “I am pleased that we achieved healthy growth in our gross earnings in the course of 2009. This combined with a reduction in our operating expenses means we delivered positive operating profitability in a year marked by rising cost of funds and heightened credit risk. Our one bank strategy helped us gain market share across geographies and as our new branches began to gain momentum in 2009 collections of lower cost deposits accelerated. We are also delighted that our efforts to recover NPLs produced a significant improvement in asset quality in the last quarter of 2009”

Ebenezer Olufowose, ED Investment Banking: “2009 was an excellent year for our treasury business. Activity in the currency market and more recently the money markets created streams of profit making opportunities for our dealing room. Our ability to proactively anticipate economic direction during times of foreign exchange and interest rate volatility pays testimony to the effectiveness of our risk management framework and excellent research capabilities. In corporate finance we experienced a negative performance due to underwriting losses, Going forward we intend to focus on the emerging opportunities in project and debt finance markets”.

Victor Etoukwu GM Retail Banking: “Retail Banking gross earnings enjoyed trip digit growth during the period a strong indicator of the important role we will play in Access Bank’s future performance. We will make significant marketing investment in our savings products and card services that should emerge as leaders in our extensive product range. We intend to streamline our Retail operations in line with our cost efficiency initiatives to ensure that our triple digit earning growth flows directly to our bottom line in 2010.”

## **Conference Call for Results**

Access Bank will be hosting a teleconference call for analysts and investors on Tuesday 4th May 2010 at 13.30 BST (8.30am New York/ 1.30pm London/ 1.30pm Lagos/ 2.30pm Johannesburg & Cape Town) with its senior management to announce Access Bank Plc's full year results for the nine month period ended 31 December 2009 and Unaudited First Quarter 2010 Results. There will also be an opportunity at the end of the call for management to take questions from investors and analysts.

The teleconference call facility can be accessed by dialing:

**+44 (0)20 7138 0840** in the UK

**+1 718 354 1152** in the US

And then entering the following confirmation code: **72 64 195**

- Participants should register for the call at least five minutes before the start of the presentation.

The presentation will be posted to Access Bank's website on the morning of the 4th May at [www.accessbankplc.com](http://www.accessbankplc.com) (go to 'Inside Access', 'Investor Relations', 'Publications & Presentations')

If you have any queries please do not hesitate to contact Africa Practice or Financial Dynamics on the contact numbers listed below.

### **FOR FURTHER INFORMATION:**

#### **Access Bank plc**

Seyi Kumapayi (Chief Financial Officer) +234 802 313 0935

#### **APFD (Investor Relations advisers)**

Nick Chambers +234 702 846 8082

Paul Marriott +44 207 269 7252

***Notes to editors:***

**About Access Bank plc**

Access Bank plc is a full service commercial bank operating through a network of over 110 branches and service outlets located in all major commercial centres and cities across Nigeria and in 7 African Nations and the United Kingdom.

Access Bank Plc was incorporated in 1989 as a private limited liability company with ownership residing with Nigerians and Nigerian institutional investors. The Bank was subsequently listed on the Nigerian Stock Exchange in 1998. In January 2002, it was successfully recapitalized and consequently came under its current leadership.

Access Bank Plc was one of the first Nigerian Banks to successfully comply with the Central Bank of Nigeria's banking consolidation policy through the acquisition of two banks: : Capital Bank International Plc and Marina International Bank Ltd. The group has enjoyed what is arguably Africa's most successful banking growth trajectory in the last ten years ranking amongst the top 20 banks by total assets and capital in 2009.

More information can be found at [www.accessbankplc.com](http://www.accessbankplc.com)

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