

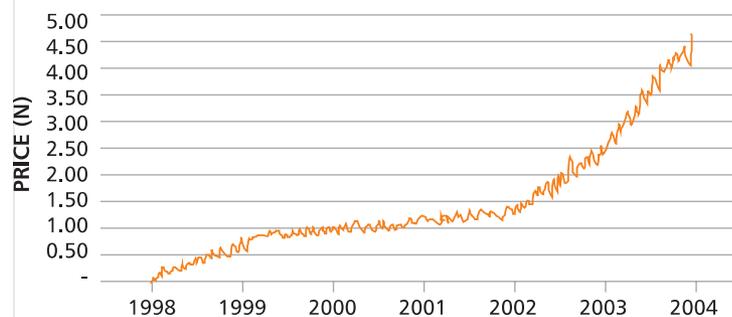


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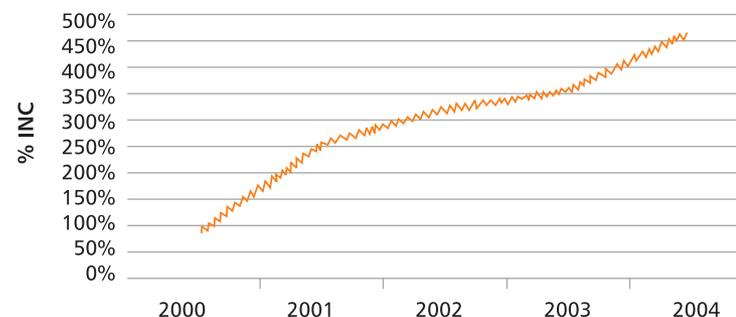
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Investor Scorecard

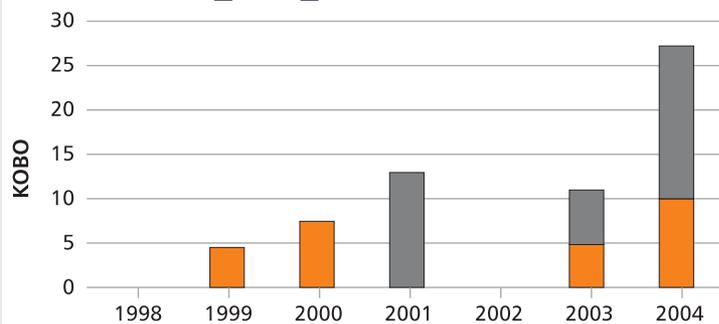
ACCESS BANK SHARE PRICE



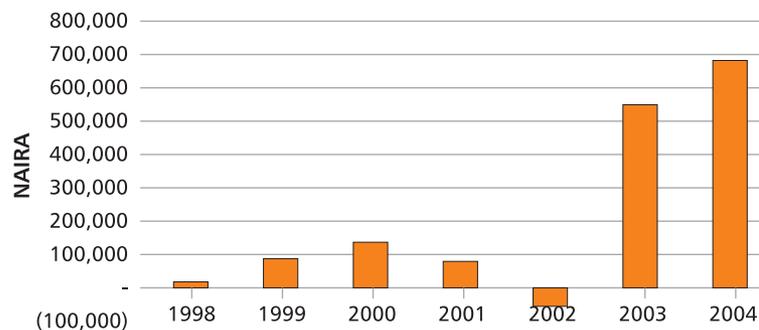
% INCREASE ON ACCESS BANK OVER A FIVE YEAR PERIOD



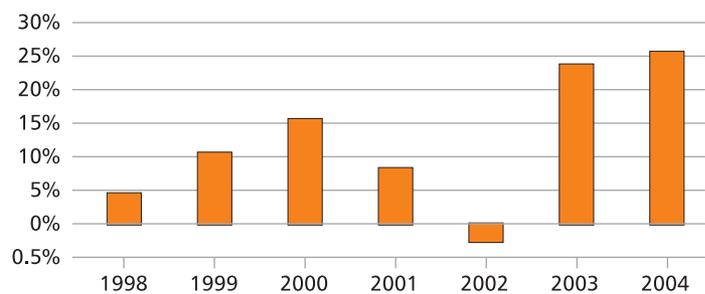
DIVIDEND & BONUS GROWTH



PROFIT AFTER TAX ('000)



RETURN ON EQUITY





The Quest for Excellence

Access Bank's 2004 financial performance has been most satisfactory in an environment that is becoming more difficult for Financial Institutions. The superior quality of our earnings and our continued growth in market share have established that there is more to Access Bank than providing spectacular short term results.

The power of our transformation strategy and the quality of people that run our various businesses have allowed us to reinvent Access Bank Plc as a leading Bank that is setting the agenda for the Nigerian Banking Industry.

The quest to insert a mark of excellence into all facets of our bank's operations has compelled us to take several bold steps sometimes to the extent of pursuing strategies or introducing initiatives, which no Nigerian Bank has previously attempted to do.

Our pioneering spirit has been rewarded with tremendous success, thus confirming our belief that the customer will always prefer world – class products and services. A number of our customers and indeed other Nigerians have sought to understand How & Why Access Bank Plc has transformed 'For Good' so fundamentally and in such a short space of time! Please permit us to share with you briefly some of the secrets behind our transformation.

Our Unique Culture

We take great pride in the fact that our vision, mission and values are not the sole property of the leadership of our Bank. They belong to each and every staff, from the Doorman at our Gombe Branch to the Tea Girl at the Head Office. Our people identify with our business philosophy and have elected overwhelmingly to play their parts to make it a reality.

The Quest for Excellence

At all fronts, our people have demonstrated a thirst for quality performance and the burning hunger to excel. The strength and depth of our unique culture serves as the source of inspiration and motivation to all of us.

Our Customer Driven Business Model

We believe that to compete and survive in today's customer driven economy where buyers of financial services have become more sophisticated and better informed, a financial services institution needs to put the customer at the center of all it does. Our initiatives geared towards creating a 'wow' customer experience at all points of contact with our bank have been extremely well received by users of banking services in Nigeria. Our introduction of a world-class high quality customer account statement for all our customers is just one of several pioneering initiatives which have redefined the concept of service in Nigeria. We take great interest in the fact that these initiatives have been replicated by a number of our competitors and have become benchmarks by which service is now perceived by all.

Winning Through Expertise & Specialization

At a time when many of our bigger competitors are rationalizing their specialist

businesses and focusing on size as their principal source of competitive advantage, we have set out on a contrary path. We believe that specialist and expert banking professionals are better able to get close to their customers, understand their needs and add real value to their customers.

Through our various Market Focused Relationship Managers, we have become more agile and responsive than our competitors in addressing the specific needs of distinct customer segments. Similarly our Product expertise particularly in the areas of Cash Management, Corporate Finance and Trade Finance, provide us with the capacity to deliver world-class solutions to our customers, indeed the high intellectual content that is brought to bear at Access Bank in providing solutions to hitherto impossible challenges, has led the market to give us the sobriquet 'the University of Banking'!

Building and Sustaining a World Class Corporate Identity

'Identity is formed by an organization's history, its beliefs and philosophy, the nature of its technology, its ownership, its people, its ethics and culture and its strategies'.

At Access Bank Plc, we have taken careful and deliberate steps to ask the question - Who am

I? The answer to this question forms the essence of our corporate identity. We have adopted international best practices to promote our identity. We have also made it clear to all our publics, who we are and what they should expect from us in every encounter, particularly the things that mark us as different in the financial services sector.

We are gratified to note that our corporate reputation is fast becoming a key source of competitive advantage, as can be seen by the quality and number of first class international financial institutions that have chosen to partner with Access Bank to execute their lending programmes in Nigeria. We have therefore put in place specific measures to protect the integrity and value of our brand in the marketplace and ensure that we do our nation proud as its most proficient representative in the global financial community.

What Next?

In the course of the past 2 years we have pursued, overhauled and recorded significant market share gains in the banking industry to the point where we have moved from the '4th Division' to the upper echelons of the '1st Division'. So far so good!





The Quest for Excellence

The Central Bank of Nigeria has recently embarked on a drive to rationalize the number of banks operating in the country by setting a target for banks to increase their shareholders funds to N25 billion by December, 2005. This initiative will effectively force consolidation in the industry and reduce the number of licenced banks operating in Nigeria.

We see this as the opportunity for us to achieve our objective of becoming one of the top 5 banks in Nigeria well within our year 2007 target date

We therefore move forward into the coming year confident that we will surpass ourselves; we will do the right things at the right time at the right place and pass through this phase of consolidation with flying colours!

In our usual tradition, we extend our appreciation to our customers, shareholders, regulators and other stakeholders who have believed in us and continue to support us. We also take this opportunity to bid farewell to Dr. Joseph Oladele Sanusi, as he retires from a stellar performance as the Governor of the Central Bank Of Nigeria.

Finally we give thanks to the Almighty for all he has made possible in our lives and the life of our institution.

God Bless.


Aigboje Aig-Imoukhuede
Managing Director/Chief Executive


Herbert Wigwe
Deputy Managing Director

Creating Value For Our Customers

At Access Bank we see value strictly from the view that our products and services must deliver cost savings to our customers, or increase their capacity to generate more revenues. The total effect is that our customers businesses should become more profitable for dealing with us. In every sense, we seek to go beyond the ordinary, to deliver the perceived impossible in the quest for excellence.

We have hosted several sector-focused forums to enable our existing and prospective customers learn of best practices, share experiences with peers, and freely interact with regulators and policy formulators. The action steps generated from these interactions have already begun to impact positively on our

customers businesses. Also the various training programmes on financial products and services such as Trade Finance etc, which we have organized for our customers in the public sector have gone a long way in developing their capacity to deliver value to a more demanding Nigerian public.

We collaborated closely with the Nigerian Maritime Authority to develop a functional framework for the implementation of the newly enacted Cabotage legislation. Local shipping companies, who are the beneficiaries of this piece of legislation, agree totally that the implementation framework completely addresses the operational and funding issues intended to be resolved by the law. We stand

prepared to also lead the financial sector through workable financial arrangements, which will benefit intending vessel owners.

At significant financial cost to our bank, we engaged a local software development company to incubate 'Clirec', which is a software application that enables users reconcile their bank statements in seconds. We have made this software available to customers free of charge including the cost of set up and training of their employees. The total effect of this initiative can be seen in the valuable man-hours saved from the avoidance of potential financial losses from long dated unreconciled items.



Boeing 727 Aircraft financed by Access Bank Plc for Allied Air Limited.



Protea Hotel, Victoria Island.



Creating Value For Our Customers

We have established strong partnerships with a number of first class foreign financial institutions towards the creation of trade finance lines of credit for our customers, particularly in the oil and gas sector. We are today a major enabler of import and export transactions between Nigeria and the Rest of the World.

To deliver similar value for customers with long term funding needs, we collaborated with financial agencies such as Afrexim, US Exim, de Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO) and European Investment Bank (EIB). Facilities have been created for customers in oil & gas, aviation, telecoms sectors. We are proud to have made a significant and positive impact in the lives of our customers.



Alhaji Aliko Dangote and Executive Management of Access Bank Plc visit Obajana Cement Works site.

Dangote Cement
Today, Dangote Industries Limited controls about 40% of the total supply of cement in the Nigeria market through their import and bagging activities. They however seek to transform themselves from a cement importer/bagger to a manufacturer with an installed capacity of 8 million metric tons and a market share of about 57%. To achieve this goal, the company is investing in the establishment of three (3) cement-manufacturing plants in Kogi, Cross Rivers and Ogun States. The company has equally incorporated three new companies to warehouse these investments. Access Bank Plc is deploying its value creation model on the achievement of Dangote Cement's goal.

Board of Directors



M. Ayo Oni
Chairman

Mr. Ayo Oni is a Chartered Accountant. A fellow of both the Institute of Chartered Accountants of Nigeria (ICAN) and the Institute of Chartered Accountant in England and Wales. He was one time President of ICAN. He retired in 1994 as Managing Partner of Ernst & Young/Osindero, Oni & Lasebikan (Chartered Accountants) and is currently into consultancy services. Mr. Oni serves on the Board of a number of companies including Dunlop Nigeria Plc.



Aigboje Aig-Imoukhuede
Managing Director/CEO

Mr. Aigboje Aig - Imoukhuede is a law graduate of the University of Benin and an Alumnus of Harvard Business School. He was called to the Nigerian Bar in 1987. He has over 18 years banking experience principally from Guaranty Trust Bank where he resigned as Executive Director to become Managing Director of Access Bank Plc. Aig is leading an accomplished management team committed to repositioning the bank as one of Nigerian's leading financial institution by year 2007.



Herbert Wigwe
Deputy Managing Director

Mr. Herbert Wigwe holds a B.Sc Degree in Accountancy from the University of Nigeria Nsukka and a Masters Degree in Banking and International Finance from the University College of North Wales. An alumnus of Harvard Business School, he is a fellow of the Institute of Chartered Accountants of Nigeria. He left Guaranty Trust as an Executive Director together with Aig to champion the transformation of the institution.



Board of Directors



HRH, Oba Shafi A. Sule

Oba Sule is a Fellow of both the Chartered Institute of Bankers (England and Wales) and Chartered Institute of Bankers of Nigeria as well as Fellow, Nigeria Institute of Management. His banking experience spans over 30 years. He retired in 1990 as the MD/CEO of Nigeria-Arab Bank Limited (now Assurance Bank of Nigeria Plc). A one time President / Chairman of the Council the Chartered Institute of Bankers of Nigeria (1981-1985), Oba Sule is the Chairman of Femstar Limited.



Cosmas M. Maduka

As an astute businessman, Dr. Cosmas Maduka D.BA (Honoris Causa UNN) has contributed immensely towards the growth and development of the nation. He is an industrialist and philanthropist of great repute. He has attended various training programmes within and outside the country on diverse business fields. He is currently the President / Chairman of the Board of Coscharis Group.



Gbenga Oyebode

Gbenga Oyebode is the Managing Partner of Aluko & Oyebode (Barristers, Solicitors and Trademark Agents) and in that capacity coordinates the various practice areas of the firm. He is Chairman, Okomu Oil Palm Plc and serves on the board of MTN Nigeria and Crusader Insurance Plc. Mr. Oyebode was educated at University of Ife (LL.B Honors), University of Pennsylvania, Philadelphia (LL.M Honors). He is a Barrister & Solicitor of the Supreme Court of Nigeria and an Attorney –at law of the Supreme Court of New York State.



Adekunle Disu

Mr. Adekunle Disu is an Economics graduate of New Mexico State University, La Cruces, United States of America. He also holds a Diploma in Marketing of Cranfield University, Bedfordshire, U.K as well as Diploma in Modern Petroleum Distribution & Loss Control from the College of Petroleum Studies Oxford, U.K. Mr. Disu spent the early years of his career in the Nigerian National Petroleum Cooperation (NNPC), which he left as a senior officer after about ten years of meritorious service.

Management Team



Tek Koroye

General Manager, Operations and Information Technology

Okey Nwuke

General Manager, Commercial Banking
Consumer Banking and Public Sector

Ademola Oladaiye

Deputy General Manager, Central Processing

Angela Ebagua

Deputy General Manager, Commercial Banking

Sina Joseph

Assistant General Manager, Information
Technology

Victor Etuokwu

Assistant General Manager, Branch
and Cash Management Services

Bolaji Agbede

Assistant General Manager,
Consumer Banking

Yomi Akapo

Assistant General Manager, Corporate Banking

Obinna Nwosu

Assistant General Manager, Commercial
Banking



Management Team



Iyabo Soji-Okusanya
Senior Manager, Commercial Banking

Kelechi Nwagbara
Senior Manager, Commercial Banking

Yinka Tihamiyu
Senior Manager, Systems and Control

Sina Monehin
Senior Manager, Commercial Banking

Tunde Balogun
Senior Manager, Public Sector

Roosevelt Ogbonna
Senior Manager, Corporate Banking

Sufiyanu Garba
Senior Manager, Commercial Banking

Tunde Jenrola
Senior Manager, Commercial Banking

Arese Alonge
Senior Manager, Financial Institutions

Building Capacity in Our People

Companies rated as leaders in their people practices produce, on average, significantly higher returns to shareholders than their peers. Superior executive leadership and an effervescent culture result in better performance. This is why at Access Bank Plc we have placed emphasis on creating a unique culture founded on values of Excellence, Ethics, Trust, Teamwork, Continuous Learning and a Passion for Customers.

From April 2002, we commenced the process of developing organizational programmes to harness the commitment as well as the competencies of our people. These on-going programmes are designed to unlock the latent potential of a highly intelligent work force who are recruited based on characteristics that have been predetermined to correlate with our corporate vision, mission and business objectives.

To compete and survive in the fiercely contested arena that the Nigerian Banking industry has developed into, we have made major investments in capacity, by building structures of world class standard.

The Access Bank School of Banking Excellence has evolved into a Learning Center, which ensures that our people develop into world-class professionals. Perhaps it is no wonder that today Access Bank Plc is known in the industry as the University Of Banking.

Access Bank Plc is a performance driven organization with a strong commitment to its people. We are continuously reviewing our employee compensation to ensure that we remain amongst the top 'payers' in the financial services industry. Exceptional performance is celebrated and exceptionally rewarded.



Our 'Wedding Album'

Technology

Success in the highly competitive financial services sector often depends on how fast an organization can react to opportunities and market changes. At Access Bank Plc, through constant investment in our technology resources and infrastructure, our business processes are continuously re-engineered to provide optimal value for the customer. The result is that we respond proactively to every market challenge, translating challenges into customer value.

Flexcube

In October 1999, Access Bank Plc became the first Nigerian Bank to utilize the FLEXCUBE Banking Application to support its banking operations. FLEXCUBE is an end-to-end, integrated product suite for universal banking.

Flexcube has evolved over the years in response to changes in the global financial world. The most recent version is Flexcube 6.2 "a state of the art banking solution".

Consistent with our desire to bring world class banking to our customers and after an extensive due diligence review by KPMG International, we decided to upgrade our existing Flexcube Application to the latest version 6.2, a browser-enabled version.

This ground-breaking upgrade positions Access Bank as the first bank in Africa to implement the latest version of Flexcube and the second user in the world after one of India's biggest



Technology

banks – Syndicate Bank. By this feat, Access Bank Plc has put Nigeria at the forefront of World-class banking services.

To effectively carry out this upgrade, we have invested significantly in state of the art telecommunications infrastructure. The entire organization is also undergoing rigorous training and exposure both locally and overseas.

Electronic Bill Presentment and Payment

Electronic Bill Presentment and Payment (EBPP) allows the electronic presentation of statements, bills, invoices, and related information sent by a company to its customers, and corresponding payment for goods or services. This solution provides our corporate names and their customers with new methods to deliver and access billing information.

Electronic Invoice Presentment and Payment

Electronic Invoice Presentment and Payment (EIPP) is the process by which companies present invoices through the Internet and make payments to one another for goods and services.

Internet Banking

The Internet is increasingly playing crucial roles in service delivery. We are all witnesses to the emergence of Internet banks, which do not

have physical office locations, and yet provide full range of banking services via remote access.

At Access Bank Plc, we have rebuilt our website to become our most versatile branch in terms of customer interaction and information dissemination. We have created a framework to continually fine tune and upgrade our website to provide excellent service delivery and customer satisfaction.

Infopool

During 2003/2004 financial year, we developed a digital nervous system called Infopool IS (Infopool Information System). Access Infopool is a state of the art data mining and business intelligence tool that puts customer and account information within the reach of our customers, from the comfort of their homes and offices.

Electronic Funds Transfer

As part of our commitment to be a platform for our customers' success, we have extended our award winning Internet banking platform to support Transaction Initiation.

Our Electronic Funds Transfer (EFT) platform, allows our customers to initiate transactions from the comfort of their offices and homes. Customers can do account to account transfer, account to third party transfer, inter-bank

transfer via AccessNEFT, and bulk payments. Bulk payments are especially useful for large corporate organizations and government parastatals that make payments to large number of beneficiaries spread across different banks.



Flexcube - Number 1 Banking Application

Customer Care

We have come to understand that companies who are best at winning and keeping their customers make the most profits. This provided the impetus for us to establish and empower a Customer Care Department devoted to ensuring that our marketing, sales and service delivery process result in a 'wow' experience for our customers.

Through extensive formal training and strategic partnerships with world-class organizations, we are building our capacity to create a unique experience for our customers at all points by which they come into contact with our organization.

Keeping In Touch Initiatives

We maintain a constant dialogue between our ourselves and our customers. We have used all our customer touch points to strengthen our relationships and provide them with an unparalleled service experience.

Our real time communication of critical business information through SMS on the GSM networks whereby our customers' CBN Dutch Auction Results and other information are disseminated to our customers, is another initiative which has been emulated by a

number of our competitors.

Unique to us remains our monthly Customer Digest, a newsletter to keep customers up to date on happenings in the Bank and the economy. Our initiatives geared towards celebrating important events with our customers, for example Valentines Day, Mother's Day, Children's Day etc stand out as a refreshing dimension to the concept of client relationship management.

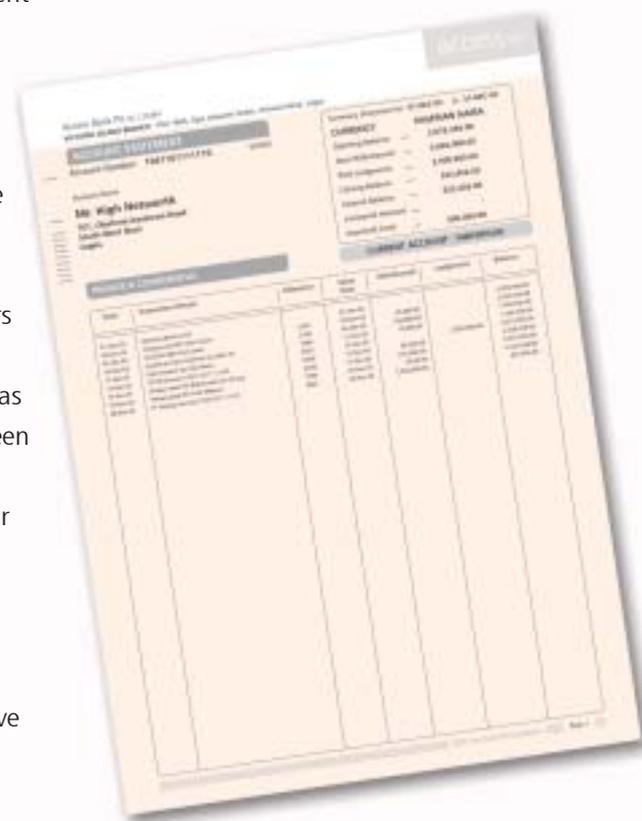
Sustaining the Momentum

Our ability to sustain the momentum we are building is enhanced through regular and rigorous training of all our people. We have encouraged a large number of our customers to serve as Mystery Shoppers. The feedback from the Mystery Shoppers have been used as a performance management tool and has been extremely effective in getting all our people from the Doorman to the Managing Director totally aligned with our customer care objectives.

By developing meaningful relationships and meeting the needs of our customers, we have significantly increased our share of our customers' businesses and signed on

thousands of customers over the last financial year as a result of positive word of mouth marketing from delighted customers.

Today, we have become the reference point in Nigeria for our customer care culture. We are already the subject of a case study: "Beyond Philosophy of Customer Care" by a leading international Customer Service Consulting Practice.

The image shows a document titled "Statement Format" which appears to be a financial statement. It features a header section with "Statement Format" and "Access Bank Plc" visible. Below the header, there are several sections including "Summary Statement" and "Statement of Financial Position". The main body of the document consists of multiple tables with columns for various financial metrics and rows for different periods or categories. The document is presented as a photograph of a printed page, slightly tilted.

Our new Statement Format



Corporate Governance

In recognition of the critical and important role of corporate governance in the success or failure of companies worldwide, there has been increased focus on corporate governance in terms of structures, processes, systems and practices, which drive the conduct of businesses. This is with a view to ensuring credibility, transparency, accountability as well as maintaining an effective channel of information disclosure that would foster good corporate performance.

In order to ensure that companies operating in the country align with international best practices, the Nigerian Securities and Exchange Commission in collaboration with the Corporate Affairs Commission in year 2000 set up a committee to recommend and fashion out a Code of Corporate Governance Practices for companies operating in the country. Similarly, the Central Bank of Nigeria also set up a committee to fashion the best code of Corporate Governance practices. The committee recommended a Code of Corporate Governance, which all financial institutions were enjoined to adopt by ensuring that their internal corporate governance codes are consistent with its provisions and are in line with existing laws and regulations.

At Access Bank, we have continuously imbibed the highest standards of corporate governance and best practices far and above the standards recommended by the regulatory authorities. Our business and operations are conducted and directed in an open and

transparent manner in line with international best practices and in accordance with the provisions of the relevant laws.

In recognition of the bank's unique standards/principles, it has continued to receive commendations and accolades from the regulatory authorities for maintaining high standards of Corporate Governance thereby becoming a reference for other financial institutions in the country.

In line with the Bank's quest to maintain the highest standards and to make its Internal Audit independent, the Board in the course of the year approved a Charter on the Bank's Internal Audit. The Charter isolates and insulates the Internal Audit Department from the control or influence of the Executive Management and also frees staff within the internal audit units from operational and management responsibility that could impair their ability to make independent reviews of all aspects of the bank's operations thereby making the department independent. Under the charter, the Internal Auditors report directly to the Board.

The oversight functions of the Board of Directors are performed through its various committees. Presently, there are three Board Committees namely: Board Audit Committee, Board Credit & Finance Committee and Board Committee on Human Resources. These committees are constituted as follows:

AUDIT COMMITTEE:

Mr. Gbenga Oyebode
Mr. Adekunle Disu
Mr. Aigboje Aig – Imoukhuede
Mr. Herbert Wigwe

BOARD CREDIT & FINANCE COMMITTEE:

HRH, Oba S.A Sule
Mr. Cosmas Maduka
Mr. Gbenga Oyebode
Mr. Adekunle Disu
Mr. Aigboje Aig – Imoukhuede
Mr. Herbert Wigwe

BOARD COMMITTEE ON HUMAN RESOURCES:

HRH, Oba S.A Sule
Mr. Gbenga Oyebode
Mr. Aigboje Aig – Imoukhuede
Mr. Herbert Wigwe

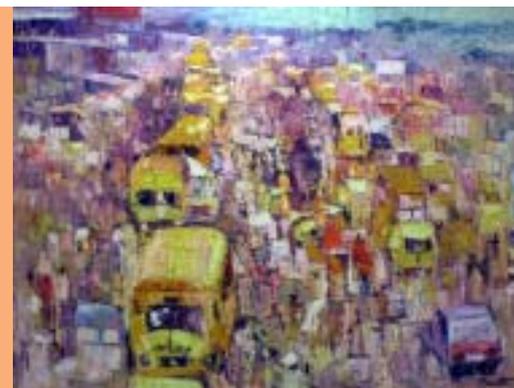
In compliance with Section 359 of the Company and Allied Matters Act, the Bank has a standing Shareholders Audit Committee constituted by the following members:

Mr. Dere Otubu
Alhaji Ibrahim Dankwambo
Mr. Kayode Ayeni
Mr. Gbenga Oyebode
Mr. Cosmas Maduka
Mr. Adekunle Disu

Corporate Social Responsibility

Corporations have felt the compulsion to engage in activities that can be classified as charitable, activities that seek to engage the stakeholders and ensure the community benefits by virtue of the location of the corporation within the boundaries of the community.

Government's diminishing capacity provides further impetus for corporations to fill the gap where government is unable to provide fully for the infrastructural needs of the society. In addition to filling the gap created by government's inability, Corporate Social Responsibility also creates an avenue for corporations to show their gratitude to their stakeholders and their host community.



In order to sharply focus our limited resources to get the maximum impact, we have created a road map to guide our corporate social responsibility activities:

Concern for and Investment in the environment

We are fervent believers in the wise saying that 'Charity Begins At Home'. This belief instructed our decision to lead the consortium of organizations that reconstructed Oyin

Jolayemi Street in Victoria Island. We've backed our concern for the environment with resources and we intend to continue. Our quest to better our environment will cover all activities which improve the healthiness and functionality of our physical neighborhood.

Support for the promotion and development of the Nigerian economy
We are passionate about Nigeria and its potentials to truly become one of Africa's

leading lights. Our passion for Nigeria and its economy will continue to dictate our support for forums, events and activities that seek to promote Nigeria and the Nigerian economy.

Development of Education - Provision Of Infrastructure, Talent Spotting & Capacity Development

Education is universally acknowledged as a key-liberating factor in the life of man. We will focus on the provision of hostels in preferred



Paintings from Access Bank Plc's Art Collection.



Corporate Social Responsibility



universities; classroom blocks in states where we can develop a deep and mutually rewarding relationship with the appropriate authorities. We will also devote a significant portion of our corporate social responsibility budget to talent spotting and capacity development.

Support for the Arts (especially young and promising Nigerian Art Practitioners)

Appreciation for artworks is a pursuit that expands the horizon of the individual. We have therefore taken a conscious decision to support both established Nigerian artists and the up and coming ones. We will acquire and display their artworks in our business premises and showcase these works to the world, thereby highlighting their talents and the beauty of these artworks. We believe that value is created and maximized when we meet the needs of our

stakeholders. By meeting these needs, our community becomes better because we are in it. By developing the potential of our people, they become better-fulfilled people, whose impact will be directly felt in the community and the country. By sustaining jobs and livelihood, our business creates wealth. These actions show our commitment to be recognized as leaders in Corporate Citizenship.



Our Network



Our New Apapa Branch



Our Network cont'd

HEAD OFFICE

Access Bank Plc.
Plot 1665, Oyin Jolayemi Street
Victoria Island, Lagos.
Tel: 234(01) 4619264-9
Fax: 234 (01) 461 8813
<http://www.accessbankplc.com>
e-mail: info@accessbankplc.com

ABA

69, Azikiwe, Aba
Abia State.
Tel: 082-222965

ABEOKUTA

14, Labulu Street
Oke Ifewo, Abeokuta.

ABUJA

Plot 1175, Aminu Kano Crescent
Wuse II, Abuja.
Tel: 09-523290

AGUDA

Plot 1/3, Enitan Street, Aguda,
Ondo Surulere, Lagos.
Tel: 01-4804174

AKURE

17, Oyemekun Road, Akure,
Ondo State.
Tel: 034-244936

APAPA

4, Burma Road, Apap,
Lagos.
Tel: 01-5875834

APAPA 2

10, Commercial Road,
Apapa, Lagos.

ASABA

304, Nnebisi Road,
Asaba.
Tel: 056-282907

BAUCHI

24, Murtala Muhammed Way
Bauchi

BENIN CITY

45, Akpakpava Street, Benin City,
Edo State.
Tel: 082-2230113

BROAD STREET

115/117, Broad Street, Lagos.
Tel: 01-2667360

CALABAR

45, Murtala Muhammed Highway,
Calabar.
Tel: 087-238873

ENUGU

46, Ogui Road,
Enugu.
Tel: 042-257802

GOMBE

8, New Market Road,
Gombe
Tel: 072-221369, 221649, 2239569

IBADAN

Plot 1, Old Dugbe Market Scheme,
Dugbe Market, Ibadan.
Tel: 02-2414963

IDEJO

Plot 1617A, Danmole/Idejo Street,
Victoria Island, Lagos.
Tel: 01-461350-9

IDUMOTA

16, Obun-Eko Street,
Idumota, Lagos.
Tel: 01-4800789

IKEJA

Access Bank House,
84, Allen Avenue, Ikeja, Lagos.
Tel: 01-4938007-9, 4938011

IKORODU

7, Ayangburen Road,
Ikorodu, Lagos.
Tel: 01-7781246

ILASAMAJA

Plot 1 Block A,
Ilasamaja Ind. Estate,
Ilasamaja.
Tel: 01-8124228

ILORIN

Stadium Shopping Complex
Taiwo Road, Ilorin.

JOS

28A, Rwang Pam Road,
Jos.
Tel: 073-452111

KADUNA

16/20, Bide Road,
Off Yakubu Gowon Road,
Kaduna.
Tel: 062-214551-2

KATSINA

IBB Way, Katsina
(Direct Opposite Intercity Bank)
Katsina.

MAKURDI

5, Ogiri Oko Road,
GRA, Makurdi

Our Network Cont'd

MAIDUGURI

Sir Kashmir Ibrahim Way,
Maiduguri.
Borno State.

MINNA

1, Bank Road
NICON Building
Niger State.

KANO

12B, Post Office Road
Kano.
Tel: 064-640747-9

ONIKAN

30, King George,
V/Road,
Onika, Lagos.
Tel: 01-2641504

ONITSHA

62, New Market Road,
Onitsha,
Anambra State.
Tel: 046-215368, 212153, 212149

OSOGBO

Plot 2, Aiyedun Layout,
(Near Governor's Office)
Gbongan Road, Osogbo
Tel: 035-243727

OWERRI

14, Orlu Road/Plot RP/44
Government Station Layout
Owerri.
Tel: 084-489648

PORT-HARCOUT I

Plot 10, Trans Amadi Ind. Layout
(Near Erijoy Hotel)
Port-Harcourt
Tel: 084-489648

PORT-HARCOURT II

329A, Olu Obasanjo Road,
Port-Harcourt.
Tel: 084-238379

SOKOTO

Plot Maiduguri Road
Opposite Afribank
Sokoto.

TIN CAN

Tin Can Island Port,
Admin. Premises
Apapa, Lagos.
Tel: 01-4708251

UYO

21/23, Gibbs Road
Off Oron
Uyo.

WAMBAI

22, Ibrahim Babangida Way
Kofar Wambai Market,
Kano State.
Tel 064-646716, 646729, 646709

WARRI

57, Effurun/Sapele Road,
Warri.
Tel: 053-321076

YOLA

Lamido Admawa Road
Near Central Bank of Nigeria
Yola.



Corporate Directory

REGISTERED OFFICE

Access Bank Plc
Plot 1665, Oyin Jolayemi Street
Victoria Island
Lagos

AUDITORS

KPMG PROFESSIONAL SERVICES
22A, Gerrard Road, Ikoyi
Lagos

REGISTRARS

WEMA REGISTRARS LIMITED
2nd Floor, A.G. Leventis Building
42/43 Marina, Lagos

CORRESPONDENT BANKS

ANZ BANKING GROUP LIMITED
Minerva House
Montague Close,
London SE1 9DH
U.K.

CITIBANK LONDON
Citigroup Centre
Canada Square, Canary Wharf
London E14 5LB UK

BANQUE BELGOLAISE BANK
6th Floor, camomile Court
Camomile Street
London EC3A 7PP
U.K

CITIBANK NEW YORK N.A
111 Wall Street
19th Floor / Zone 1
New York NY 10043
U.S.A.
HSBC BANK PLC
HSBC Place,
6-9 Riviera Road, Houghton, 2198
P.O. Box 3248, Parklands, 2121,
South Africa

BNP PARIBAS (SUISSE) SA
ECEP Bank Group Geneva
11 Quai des Berges
1201 Geneva
Switzerland.

BNP PARIBAS PARIS
Corporate & Financial Institutions
37 Place du Marche Saint-Honore-75031
Paris Cedex 01
France





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Notice of Annual General Meeting

NOTICE IS HEREBY given that the Fifteenth Annual General Meeting of Access Bank PLC will hold at the Lagoon Restaurant, Ozumba Mbadiwe Avenue, Victoria Island, Lagos on August 30, 2004 at 11:00a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and consider the report of the Directors, the Balance Sheet, together with the Profit and Loss Account and the Auditors' Report thereon, for the period ended March 31, 2004.
2. To declare a dividend
3. To elect/re-elect Directors
4. To authorize the Directors to fix the remuneration of the Auditors
5. To elect/re-elect members of the Audit Committee

SPECIAL BUSINESS

A. To consider and if thought fit, pass the following resolutions as ordinary resolutions:

6. "That the Directors' fee for the year ending March 31, 2005 be and is hereby fixed at N600,000.00 (six hundred thousand Naira only)".
7. "That following the recommendation of the Directors, pursuant to Article 32 of the Bank's Article of Association, the sum of ₦500,000,000.00 (five hundred million Naira only), standing to the credit of the Bank's Bonus Issue Reserve Account be and is hereby capitalized into 1,000,000,000 (one billion) ordinary shares of 50 (fifty) Kobo each and appropriated to the members whose names appear in the Register of Members, at the close of business on August 11, 2004 in the proportion of one (1) new share for every three (3) shares registered in such members' name on that date, subject to the approval of the appropriate authorities, the shares so distributed being treated for all purposes as capital and not as income, ranking pari passu with the existing shares of the Bank, provided that the shares issued pursuant to this resolution shall not rank for dividend declared on August 30, 2004".

B. To consider and if thought fit, pass the following resolutions as special resolutions:

8. "That the authorized share capital of the Bank be and is hereby increased from ₦2,000,000,000.00 (two billion Naira only) to ₦3,000,000,000.00 (three billion Naira only) by the creation of 2,000,000,000 (two billion) Ordinary shares of 50 kobo each, ranking pari passu in all respect with the existing shares of the Bank".
9. "That the Directors be and are hereby authorized pursuant to Article 32 of the Bank's Articles of Association, to issue by way of public offer, at a date and upon terms and conditions to be determined by the Directors, a maximum of 2,000,000,000 ordinary shares of 50 kobo each, ranking pari-passu with the existing shares of the Bank, and the Directors are further authorized to allot by way of preferential allotment not more than 50% of the shares being offered subject to the approval of the appropriate authorities".
10. "That the Directors be and are hereby authorized that in the event of over-subscription of the shares to be issued to the public, the excess funds shall be capitalized and additional shares allotted to the extent that can be accommodated by the Bank's unissued share capital".
- 11(a). "That the Memorandum and Articles of Association of the Bank be amended by deleting the words "The Share Capital of the Bank is ₦2,000,000,000.00 (two billion Naira only), divided into 4,000,000,000 (four billion) shares of 50 (fifty) kobo each" from clause 6 of the Bank's Memorandum and Article 7 of the Articles of Association and substituting thereof the following words "The Share Capital of the Bank is ₦3,000,000,000.00 (three billion Naira only) divided into 6,000,000,000 (six billion) Shares of 50 kobo each".
- 11(b). "That the Memorandum of Association of the Bank be amended by the incorporation of a new sub-clause 8, Clause 6 of the Bank's Memorandum of Association as follows: By a special resolution dated August 30, 2004, the Authorised Share Capital of the Bank was increased from ₦2,000,000,000.00 (two billion Naira only) to ₦3,000,000,000.00 (three billion Naira only) by the creation of 2,000,000,000 (two billion) Ordinary shares of 50 kobo each ranking in all respects pari passu with the existing 4,000,000,000 (four billion) Ordinary shares of the Bank."



Notice of Annual General Meeting cont'd

PROXY

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy in his/her stead. A proxy need not be a member of Access Bank PLC. To be valid, the proxy form attached must be completed, signed and deposited at the office of the Registrar, Wema Registrars Limited, 2nd Floor, A.G. Leventis Building, 42/43, Marina, Lagos not less than 48 hours prior to the time of the meeting. A blank proxy form is attached to the Annual Report.

DATED THIS 11TH DAY OF JULY 2004

BY ORDER OF THE BOARD



FATAI OLADIPO
Company Secretary
Plot 1665, Oyin Jolayemi Street
Victoria Island
Lagos



NOTES:

Dividend

If approved, a dividend of 10 kobo for every unit of share will be payable to shareholders whose names appear in the Register of Members at close of business on August 11, 2004. Dividend warrants will be made available to shareholders present at the meeting or otherwise posted on August 30, 2004.

Closure of Register of Members

The Register of Members and Transfer Books will be closed on Thursday, August 12, 2004 to enable the Registrar prepare for the payment of dividend and allotment of bonus shares.

Audit Committee

In accordance with Section 359 (5) of the Companies and Allied Matters Act, 1990, any member may nominate a shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting.

Chairman's Statement

It is with great pleasure that I welcome you to our Bank's 15th Annual General Meeting and to present to you the Bank's Financial Statements for the financial year ended March 31, 2004.

Operating Environment

The Bank's 2003/2004 financial year commenced just as economic activities began to accelerate following the uncertainty associated with the national elections, which took place in the April 2003. Although the FGN continued to borrow heavily from the Nigerian Banking Sector to finance its perennial budget deficit, the continuous rise in the price of crude oil improved the nation's Balance of Payments position with the external reserve at its highest level for the past ten years. The introduction of fuel tax in the first quarter of 2004 and increase in the price of refined crude oil in the International market in the second quarter of 2004 also impacted the pump price of petroleum products which further increased the cost of doing business in Nigeria. The FGN also accessed the capital market to finance for its budgetary deficits by issuing bonds listed on the Nigerian Stock Exchange. This initiative is a positive departure from the much criticized practice of way and means of borrowings through the issuance of treasury bills and if continued will relieve the CBN of the burden of funding the nation's domestic deficit as well as limit the volume of aggregate bank credit availed to the government.

The Gross Domestic Product (GDP) for 2003 was estimated at USD53.2 billion showing a 14% increase against the previous year. However the real GDP growth was estimated at 3.5%. The fiscal policies of government remained highly expansionary this adversely affected government's ability to achieve its objective of single digit inflationary figure. Inflation rate reduced marginally from 13.6% in 2002 to 13.5% in 2003, but has increased to 17.1% as at March 2004. However, the Naira has remained fairly stable against the US dollar.

The CBN maintained a contractionary monetary policy stance during the year and controlled money supply mainly through the weekly sale of Nigerian Treasury Bills. In addition to the reduction in Minimum Re-discounting Rate (MRR) from 16.5% to 15%, the banker's committee's agreement to place a ceiling on lending rates combined to cause massive erosion in the Net Interest Margin of all licensed banks thus affecting

their profit margins. The difficult operating environment was further compounded by the panic withdrawals of deposits by members of the public triggered by the CBN's decision to prevent a number of banks from participating in the clearing system. It is interesting to note that the reform of the clearing system through the appointment of settlement banks has brought back a measure of confidence and credibility to the banking sector. The planned introduction of the Real Time Gross Payment System is expected to reduce the cost and risks currently associated with large value payments while also increasing the efficiency of the payment system.

Financial Performance

In spite of the intense competition and uncertainties, which characterized the industry during the financial year, the Bank still achieved impressive results. The Bank's liquidity position met and exceeded industry standards. Our investment in treasury bills increased by 318% from N1.86 billion in 2002/03 to N7.78 billion in the year under review. The quality of the Bank's risk asset portfolio also improved in comparison to the previous financial year as shown in the proportion of non-performing loans which accounted for only 7% of the Bank's total risk asset portfolio compared with 11% in the previous financial year. The Bank achieved a gross earnings figure of N5.52 billion which represents a 25% improvement over the previous year's performance. However, due to our efforts to ensure that we maintain a very high quality risk asset portfolio and our decision to invest a large proportion of our deposits in Nigerian Treasury Bills, our earnings were dampened by the effect of the lower Net Interest Margin.

Dividend and Scrip Issue

The sum of N300 million is being recommended by the Board of Directors as dividend payment for the year ended March 31 2004. This translates to a 10 kobo dividend on every 50 kobo ordinary share. The approval of the shareholders is hereby sought for this recommendation.

In addition, the board is also recommending for your approval at this meeting, the capitalization of N500 million from the bonus issue reserve to be appropriated for a bonus issue in the proportion of one new share for every three shares currently held.



Market Positioning

Last year, you were all witnesses to the launching of the bank's new corporate identity. As part of our strategies to reposition Access Bank in the eyes of our various publics, several additional initiatives were unveiled in the course of the year and I am pleased to inform you that they have been most successful.

Information Technology

The Bank has commenced the upgrade of its core banking application software FLEXCUBE to the most advanced version available globally. It is expected that when we cut over to the upgraded version, our service delivery platform will vastly improve thus enabling us meet and exceed our customers' expectations. We have also upgraded the Bank's Wide Area Communication Link from 19.2 kilobytes per second to 64 kilobytes per second to enhance the speed of routing through the Bank's network.

Branch Development

3 new branches commenced business during the year, namely: Calabar, Onitsha and Gombe, in addition to the newly established branches. The first phase of the Bank's branch expansion and renovation project was completed. This covered the relocation of the Broad Street branch and the renovation of most of the existing branches. The Bank intends to establish 12 additional branches in order to be fully represented in the national payment system.

Business Development

The Consumer Banking arm of the Bank commenced business during the year with a mandate to increase the Bank's share of the retail end of the market. In addition, the bank became a member of the Valucard consortium and was appointed, as a Western Union Money Transfer sub-agent thus enabling the bank become a one-stop solution provider for its customers. The Bank was also one of the only two banks appointed as a Participating Banks Clearing Centre thus creating a platform for us to achieve our objectives for the settlement system. In addition to our existing correspondent banks, the Bank established a relationship with B.N.P Paribas in Paris and Geneva to increase the scope and coverage of the Bank's international trade business. The Bank has also strengthened its relationships with international organizations, which include the Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (F.M.O) and the European

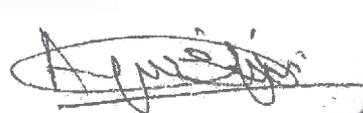
International Bank (EIB) to enable it meet the long-term funding needs of its customers.

Human Capital Development

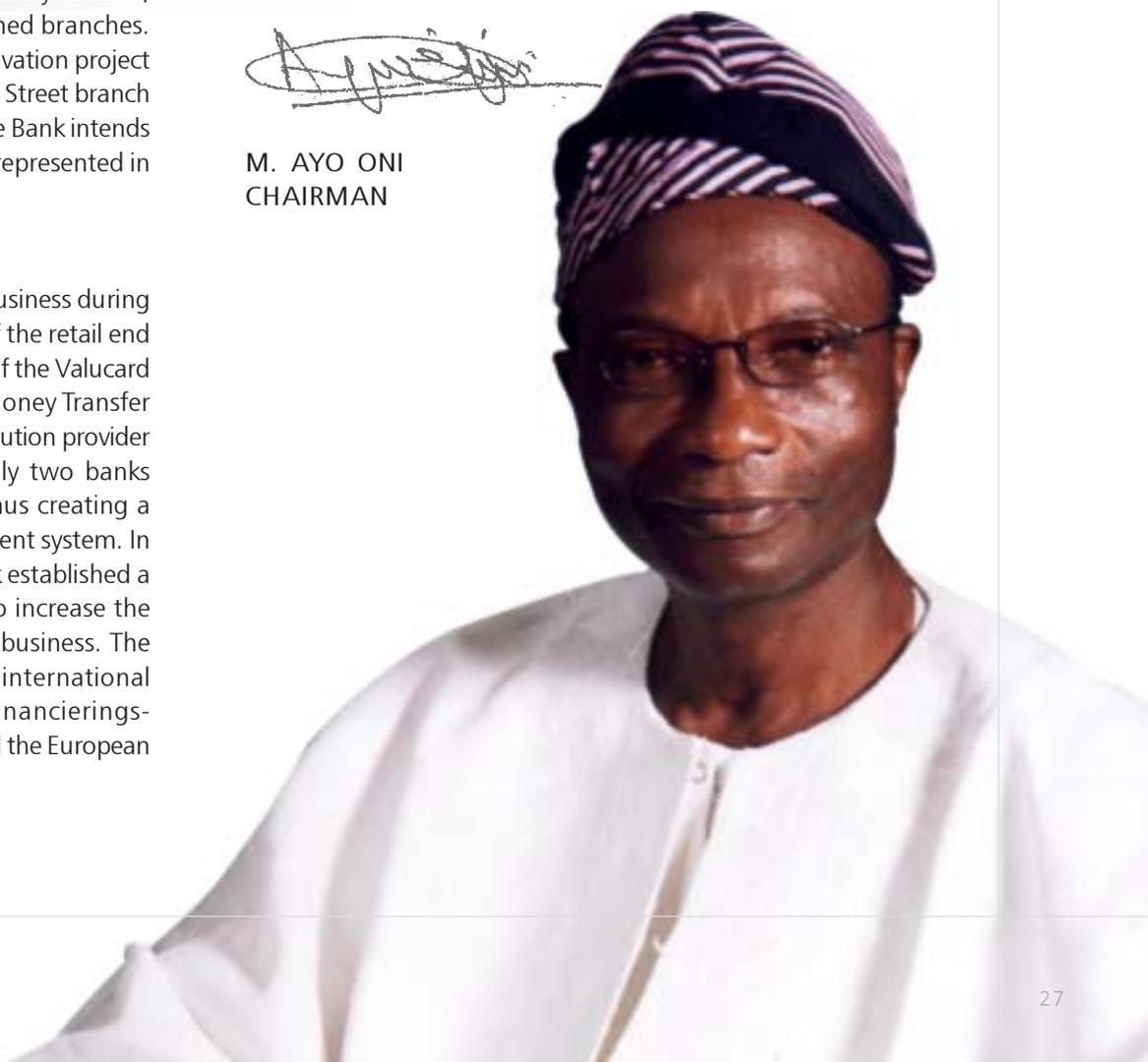
The Bank continues to invest in human capital development. Four sets of Entry Level Executive Trainees emerged from the Access Bank School of Banking Excellence in addition to two sets of graduate interns. The Bank also continues to invest first class training opportunities (local and foreign) for its employees in consonance with the Bank's shared value of continuous learning and capacity building.

Conclusion

The financial year was no doubt a very challenging one, but the loyalty of our customers, management and staff has been tremendous, resulting in the commendable performance of the Bank. I wish to thank them all for their relentless efforts and hard work in our bid to build a world-class financial services institution.



M. AYO ONI
CHAIRMAN



Report of the Directors for the year ended 31 March 2004

The Directors have pleasure in presenting their annual report together with the audited financial statements of Access Bank Plc, for the year ended 31 March 2004.

Legal Form and Principal Activity:

The Bank was incorporated as a private limited liability company on 8 February 1989 and commenced business on 11 May 1989. The Bank was converted to a public limited liability company on 24 March 1998 and its shares were listed on the Nigerian Stock Exchange on 18 November 1998. The Bank was issued a universal banking license by the Central Bank of Nigeria on 5 February 2001.

The principal activity of the Bank continues to be the provision of money market activities, retail banking, granting of loans and advances, equipment leasing, corporate finance and foreign exchange operations.

Operating Results:

Highlights of the Bank's operating results for the year under review are as follows:

	2004 N'000	2003 N'000
Profit on ordinary activities before exceptional charge and taxation	951,750	1,010,805
Exceptional charge	-	(200,166)
Profit before taxation	<u>951,750</u>	<u>810,639</u>
Taxation	(314,277)	(254,066)
Profit after taxation	<u>637,473</u>	<u>556,573</u>
Transfer to statutory reserve	(191,242)	(166,972)
Transfer to small and medium industries reserve	(95,175)	(81,064)
Proposed dividend	(300,000)	(135,000)
Retained profit for the year	<u>51,056</u>	<u>173,537</u>
Shareholders' funds	<u>2,702,830</u>	<u>2,365,357</u>
Earnings per share		
- adjusted	21k	19k
- unadjusted	21k	21k
Dividend per share		
- adjusted	10k	4.5k
- unadjusted	10k	5k



Report of the Directors cont'd

Directors and their Interests:

The Directors who held office during the year, together with their direct and indirect interests in the shares of the Bank, are as follows:

	Number of Ordinary Shares of 50k each held as at			
	31 March 2004		31 March 2003	
	Direct	Indirect	Direct	Indirect
M. Ayo Oni - (Chairman)		12,777,777	-	11,500,000
Pastor A. W. Odunaiya (Vice Chairman) (resigned on 28 August 2003)	47,777,777	-	70,000,000	-
A.I. Aig-Imoukhuede - (Managing Director)	68,669,978	317,720,604	61,802,980	236,103,782
H. O. Wigwe (Deputy Managing Director)	68,669,978	317,720,604	61,802,980	236,103,782
H.R.H. Oba S. A. Sule	19,291,666	152,787,424	17,362,500	137,508,682
C. M. Maduka	-	262,242,797	-	480,093,476
A. Disu	-	27,777,777	-	25,000,000
G. Oyebo	32,044,360	-	18,865,640	-

There was no change in the shareholding of any of the Directors up till 18 May, 2004.

Analysis of Shareholding.

Range	2004		2003	
	Number of Shareholders	% of Shareholding	Number of Shareholders	% of Shareholding
1-10,000	12,325	1	10,475	1
10,001-1,000,000	3,777	8	2,284	7
1,000,001-10,000,000	134	11	107	12
10,000,001 and above	37	80	51	80
	<u>16,273</u>	<u>100</u>	<u>12,917</u>	<u>100</u>

The shareholding of the following companies in the Bank as at 31 March 2004 in which some directors held interests are as follows:

Directors	Shareholder	31 March 2004		31 March 2003	
		Number of Shares held	% Shareholding	Number of Shares held	% Shareholding
Dr. Cosmas Maduka	Coscharis Motors Limited)	262,242,797	8.74%	480,093,473	17.78
Dr. Cosmas Maduka	Cocheds Agro Ind. Limited)				
Dr. Cosmas Maduka	Cosset Farms Ltd.)				
Dr. Cosmas Maduka	Leo Tessa Ind. Ltd.)				
Dr. Cosmas Maduka	Chacom Nig. Ltd.)				

Report of the Directors cont'd

Directors	Shareholder	31 March 2004		31 March 2003	
		Number of Shares held	% of Shareholding	Number of Shares held	% of Shareholding
Aigboje Aig-Imoukhuede & Herbert Wigwe	United Alliance Co. Limited	635,441,208	21.18	472,207,564	17.49
HRH Oba S.A. Sule	SDS Ltd.	172,074,090	5.74	154,871,182	5.74

In addition to the above, Access Bank Staff Investment Trust Scheme has 299,209,925 shares of the Bank representing 9.97% of the Bank's issued share capital.

Except for the above, no individual shareholder held up to 5% of the issued share capital as at 31st March, 2004.

Dividend

The Board recommends for the approval of the shareholders, the payment of a dividend of 10 kobo per 50 kobo ordinary share (2003: 5 kobo) The dividend is subject to deduction of withholding tax.

Fixed Assets:

Information relating to changes in the fixed assets of the Bank is given in Note 8 to the financial statements.

Donations and Charitable Gifts:

Donations and gifts to charitable organization during the year amounted to ₦2,640,000 (2003: ₦14,465,000) as follows:

Beneficiary	₦'000
Murtala Mohammed Foundation Centre	1,000
Fate Foundation	750
Gidamiyar Enterprises	500
Chartered Insurance Institute of Nigeria	200
Women in Management and Business	100
Sponsorship of lecture on Breast Cancer Therapy	50
Greek Community Day	40
	2,640

Health and Safety at Work:

Health and safety regulations are in force within the premises of the Bank. The Bank provides subsidy towards transportation, housing, lunch and medicals to all levels of employees. Incentive schemes designed to meet the circumstances of each individual are implemented whenever appropriate. These schemes include bonus, promotions, employees share investment trust etc.

Employment of Disabled Persons:

The Bank has a non-discriminatory policy on the consideration of applications for employment, including those received from disabled persons. All employees are given equal opportunities to develop themselves. The Bank's policy is that the highest qualified and most experienced persons are recruited for appropriate job levels irrespective of an applicant's state of origin, ethnicity, religion or physical condition.

As at 31 March 2004, there was no disabled person on the employee list of the Bank.

Employee Involvement and Training:

The Bank places a high premium on the development of its manpower and consults with employees on matters affecting their well being. Formal and informal channels of communication are employed in keeping staff abreast of various factors affecting the performance of the Bank.

The Bank draws extensively on training programs around the world. Training courses were offered to employees both locally and overseas in the year under review.

Auditors:

KPMG Professional Services have indicated their willingness to continue in office as auditors in accordance with Section 357(2) of the Companies and Allied Matters Act, 1990.



BY ORDER OF THE BOARD
FATAI OLADIPO
COMPANY SECRETARY/LEGAL ADVISER

18 May 2004



Statement of Directors' Responsibilities

This statement, which should be read in conjunction with the Auditor's report, is made with a view to setting out for shareholders, the responsibilities of the directors of the Bank with respect to the financial statements.

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act 1990, and Sections 24 and 28 of the Banks and Other Financial Institutions Act 1991, the Directors are responsible for the preparation of annual financial statements which give a true and fair view of the state of affairs of the Bank and its profit or loss for the financial year.

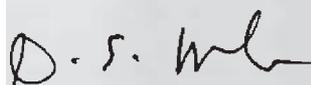
The responsibilities include ensuring that:

- a) Appropriate internal controls are established both to safeguard the assets of the Bank and to prevent and detect fraud and other irregularities.
- b) The Bank keeps proper accounting records which disclose with reasonable accuracy the financial position of the Bank, and which have been prepared using suitable accounting policies that have been consistently applied and ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act, 1990 and Banks and Other Financial Institutions Act, 1991.
- c) The Bank has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and all applicable accounting standards have been followed; and
- d) It is appropriate for the financial statements to be prepared on a going concern basis unless it is presumed that the Bank will not continue in business.

Report of the Audit Committee To the members of Access Bank Plc

In accordance with the provisions of Section 359(6) of the Companies and Allied Matters Act, 1990, the members of the Audit Committee of Access Bank Plc hereby report on the financial statements for the year ended 31 March 2004 as follows:

- * We have exercised our statutory functions under section 359 (6) of the Companies and Allied Matters Act 1990 and acknowledge the co-operation of management and staff in the conduct of these responsibilities.
- * We are of the opinion that the accounting and reporting policies of the Bank are in agreement with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the year ended 31 March 2004 were satisfactory and reinforce the Bank's internal control systems.
- * We are satisfied that the Bank has complied with the provisions of Central Bank of Nigeria Circular BSD/1/2004 dated 18 February 2004 on "Disclosure of insider related credits in the financial statements of banks". We hereby confirm that an aggregate amount of ₦767,281,000 was outstanding as at 31 March 2004 all of which are performing.
- * We have deliberated the findings of the auditors who have confirmed that necessary cooperation was received from management in the course of their statutory audit and we are satisfied with management's responses thereon and with the effectiveness of the Bank's system of accounting and internal control.



ORITSEDERE OTUBU
Chairman, Audit Committee

19 May 2004

Members of the Audit Committee are:

Oritsedere Otubu	Chairman
Kayode Ayeni	Member
Ibrahim H. Dankwanbo	Member
Cosmas Maduka	Member
Gbenga Oyebode	Member
Kunle Disu	Member

In attendance:
Fatai Oladipo



Report of the Auditors



P.O. Box 51204
Ikoyi, Lagos,
Nigeria

22a, Gerrard Road
Ikoyi, Lagos,
Nigeria

Telephone + 234(1)2694660-4
+ 234(1)2696040-4
+ 234(1)2692635
Fax +234(1)2691248
www.kpmg.com

To the Members of Access Bank Plc:

We have audited the balance sheet of Access Bank Plc ("the Bank") as at 31 March 2004 and the related profit and loss account and statement of cash flows for the year then ended set out on pages 16 to 35, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 14 and 15.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities in relation to the financial statements, the Directors are responsible for the preparation of the financial statements. It is our responsibility to express an independent opinion, based on our audit, on the financial statements prepared by the Directors.

Basis of opinion

We conducted our audit in accordance with international standards on auditing. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Bank's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary, including adequate returns from branches not visited by us, in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements, and assessed whether the Bank's books of account had been properly kept.

Banks and Other Financial Institutions Act (BOFIA) 1991

To the best of our knowledge and based on the representation we received, the Bank paid penalties for contraventions of BOFIA in 2001 during the year. Details of these are stated in Note 32 of the financial statements.

Opinion

In our opinion,

- i. the Bank's books of account have been properly kept;
- ii. the financial statements referred to above, which are in agreement with the books of account, give a true and fair view of the state of affairs of the Bank as at 31 March 2004 and of its profit and cash flow for the year then ended and comply with the Banks and Other Financial Institutions Act, 1991, relevant circulars issued by the Central Bank of Nigeria, relevant Statements of Accounting Standards in Nigeria and the Companies and Allied Matters Act, 1990.

KPMG

18 May 2004



Statement of Accounting Policies

A summary of the principal accounting policies, applied consistently throughout the current and preceding year, is set out below.

(a) Basis of accounting

The financial statements are prepared under the historical cost convention.

(b) Recognition of interest income

Interest income is recognized on an accrual basis, except for interest overdue for more than 90 days, which is suspended and recognized only to the extent that cash is received. Lease finance income is amortised over the lease period to achieve a constant rate of return on the outstanding net investment.

(c) Recognition of fees, commissions and other income

Fees and commissions, where material, are amortised over the life of the related service. Otherwise fees, commissions and other income are recognized as earned upon completion of the related service.

(d) Loans and advances

Loans and advances are stated net of provisions. A specific risk provision for loan impairment is established to provide for management's estimate of credit losses as soon as the recovery of an exposure is identified as doubtful. This provision is made for each account that is not performing in accordance with the terms of the related facility. This is in accordance with the Statement of Accounting Standards for Banks and Non-Bank Financial institutions (SAS 10) issued by the Nigerian Accounting Standards Board and the Prudential Guidelines issued by the Central Bank of Nigeria.

A provision of at least 1% is made for all performing accounts to recognize losses in respect of risks inherent in any credit portfolio.

When a loan is deemed not collectible, it is written off against the related provision and subsequent recoveries are credited to the income statement.

(e) Advances under finance lease

Advances under finance leases are stated net of unearned lease finance income. Lease finance income is recognised in a manner, which provides a constant yield on the outstanding net investment over the lease period.

In accordance with the Prudential Guidelines for licensed banks, specific provision is made on leases that are non-performing, while a general provision of at least 1% is made on the aggregate net investment in the finance lease.

(f) Fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on a straight-line basis to write-off fixed assets over their estimated useful lives at the following annual rates:

Freehold land and buildings	-	2%
Leasehold improvements	-	Over the period of the lease
Furniture, fixtures and equipment	-	20%
Motor vehicles & generators	-	25%

Gains or losses on the disposal of fixed assets are included in the profit and loss account



Statement of Accounting Policies cont'd

(g) Equipment on lease

Equipment on lease is stated at cost less accumulated depreciation. Depreciation on the equipment on lease is at the same rate of the Bank's class of fixed assets in compliance with the Statement of Accounting Standards 11 - Accounting for leases.

(h) Taxation

Income tax payable is provided on taxable profits at the current rate.

Deferred tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Tax rates enacted or substantively enacted at the balance sheet date are used to determine deferred tax.

(i) Foreign currency items

Transactions denominated in foreign currencies are translated into Naira at the rates of exchange ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are converted into Naira at the rates of exchange prevailing at year end (or, where appropriate, the rate of the related forward contract). Gains or losses arising from changes in the rates of exchange subsequent to the dates of the transactions are accounted for in the profit and loss account.

(j) Investments

Short-term investments are stated at face value. Unearned income is deferred and amortised as earned. Any diminution in value is recognised as appropriate. Long-term investments comprise debt and equity securities which the Bank intends to hold to maturity. Interest received on the debt securities during the year is reported as part of interest income. A change in market value is taken into account only if it is considered to be permanent.

(k) Performance bonds and guarantees

Performance bonds and guarantees are accounted for as off-balance sheet items and disclosed as contingent liabilities.

(l) Guaranteed commercial papers and Banker's Acceptances

These are third party instruments for which the Bank merely intermediates between the investors and the issuers. These are accounted for as off-balance sheet items and disclosed as contingent liabilities. Only the related commission is recognised as income in the year.

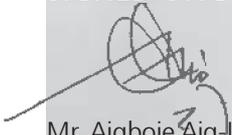
(m) Retirement benefits

The Bank operates a defined contribution pension scheme. Employees are entitled to join the scheme on confirmation of their employment. The employees' and the Bank's contributions are 2.5% and 7.5% of employees' annual basic salary respectively. Employee benefits under this scheme are paid as a lump sum on retirement based on the employees' years of service.

Balance Sheet As at 31 March 2004

	Notes	2004 N'000	2003 N'000
ASSETS:			
Cash and short-term funds	1	5,527,375	7,682,782
Short-term investments	2	7,777,742	1,859,887
Loans and advances	3	11,461,571	6,505,420
Other facilities	4	463,790	-
Advances under finance lease	5	45,437	2,874
Other assets	6	2,898,153	4,468,327
Long-term investments	7	307,000	257,000
Fixed assets	8	1,843,687	1,400,052
Equipment on lease	9	1,016,752	405,698
TOTAL ASSETS		31,341,507	22,582,040
LIABILITIES:			
Deposits and other accounts	10	22,724,035	9,308,990
Due to banks	11	849,947	1,356,799
Other facilities	12	468,475	-
Other liabilities	13	3,854,666	9,148,258
Taxation payable	14	215,335	153,519
Dividend payable	15	300,000	135,000
Deferred taxation	14	226,219	114,117
TOTAL LIABILITIES		28,638,677	20,216,683
NET ASSETS		2,702,830	2,365,357
CAPITAL AND RESERVES:			
Share capital	16	1,500,000	1,350,000
Bonus issue reserve	17	500,000	150,000
Share premium	18	-	329,536
Statutory reserve	19	487,785	296,543
Small and medium industries reserve	20	187,847	92,672
General reserve	21	27,198	146,606
SHAREHOLDERS' FUNDS		2,702,830	2,365,357
Acceptances, bonds, guarantees and other obligations for the account of customers	22	13,125,940	6,376,970

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:


Mr. Aigboje Aig-Imoukhuede


Mr. Gbenga Oyebo

)
)
) Directors
)
)

Approved by the Board of Directors on 18 May, 2004.
The accompanying notes form an integral part of these balance sheets.



Profit and Loss Account For the year ended 31 March 2004

	Notes	2004 ₤'000	2003 ₤'000
GROSS EARNINGS		5,515,086	4,367,887
INTEREST AND DISCOUNT INCOME	23	2,745,858	2,529,643
INTEREST EXPENSE	24	(1,445,333)	(1,183,006)
Provision for risk assets	25	1,300,525 (357,658)	1,346,637 (360,446)
NET INTEREST MARGIN (Provision)/write back on other assets and long-term investments	25	942,867 (28,253)	986,191 32,545
OTHER INCOME	26	2,769,228	1,838,244
Operating expenses		3,683,842 (2,732,092)	2,856,980 (1,846,175)
Profit on ordinary activities before exceptional charge and taxation		951,750	1,010,805
Exceptional charge	27	-	(200,166)
PROFIT BEFORE TAXATION	27	951,750	810,639
Taxation	14	(314,277)	(254,066)
PROFIT AFTER TAXATION		637,473	556,573
APPROPRIATIONS:			
Transfer to statutory reserve	19	(191,242)	(166,972)
Transfer to small and medium industries reserve	20	(95,175)	(81,064)
Dividend	15	(300,000)	(135,000)
Transfer to general reserve	21	(51,056)	(173,537)
		-	-
Earnings per share		21k	21k
- unadjusted		21k	19k
- adjusted			
Dividend per share		10k	5k
- unadjusted		10k	4.5k
- adjusted			

The accompanying notes form an integral part of these profit and loss accounts.

Statement of Cash Flows For the year ended 31 March 2004

	Notes	2004 £'000	2003 £'000
Net cash flow from operating activities			
Before changes in operating assets	29	1,851,061	1,444,588
Changes in operating assets	30	(2,101,732)	3,872,755
Income tax paid	14	(140,359)	(63,789)
		<u> </u>	<u> </u>
Net cash (out)/in flow from operating activities		(391,030)	5,253,554
		<u> </u>	<u> </u>
Investing Activities:			
Purchasing of fixed assets	8	(771,960)	(686,991)
Proceeds from sale of fixed assets		9,045	24,773
Purchase of lease equipment		(816,462)	(453,140)
Purchase of investments		(50,000)	(250,000)
		<u> </u>	<u> </u>
Net cash out flow from investing activities		(1,629,377)	(1,365,358)
		<u> </u>	<u> </u>
Financing Activities:			
Dividend paid		(135,000)	-
		<u> </u>	<u> </u>
		(13,000)	-
		<u> </u>	<u> </u>
Net (decrease)/increase in cash and cash equivalents		(2,155,407)	3,888,196
Cash and cash equivalents, beginning of year		7,682,782	3,794,586
		<u> </u>	<u> </u>
Cash and cash equivalents, end of year		5,527,375	7,682,782
		<u> </u>	<u> </u>

The accompanying notes form an integral part of these statements of cash flows.



Notes to the Financial Statements For the year ended 31 March 2004

1. Cash and Short-term Funds:

(a) Cash and short-term funds comprise:

	<u>2004</u> ₦'000	<u>2003</u> ₦'000
Cash	851,050	514,258
Balances held with the Central Bank of Nigeria:		
- Current account	622,671	1,480,568
- Cash reserve	921,656	556,102
- Investment account (see note (d))	11,608	-
Balances held with other banks and financial institutions in Nigeria:		
- Current account	725	2,938
- Placements with other banks and discount houses	1,165,829	130,000
Balances held with banks outside Nigeria	1,953,836	4,998,916
	<u>5,527,375</u>	<u>7,682,782</u>

(b) The maturity profile of placements with other banks and discount houses is as follows:

	<u>2004</u> ₦'000	<u>2003</u> ₦'000
Under 1 month	<u>1,165,829</u>	<u>130,000</u>

(c) Included in balances held with banks outside Nigeria are balances held on behalf of customers to cover letter of credit transactions of ₦1,168,232,739 (2003: ₦3,969,061,000). The corresponding liability for this amount is included in other liabilities (see Note 13).

(d) This represents the amounts debited to the bank's current account by the Central Bank of Nigeria for investment in treasury bills until invested by the bank in small and medium industries.

Notes to the Financial Statements cont'd

2. Short-term Investments:

Short-term investments represent:

	2004 ₦'000	2003 ₦'000
Nigerian Government Treasury Bills	7,777,742	1,859,887

3. Loans and Advances:

(a) The classification of loans and advances is as follows:

Secured against real estate	4,429,837	4,043,746
Otherwise Secured	7,336,767	2,719,679
Unsecured	574,438	371,246

	<u>12,341,042</u>	<u>7,134,671</u>
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Provisions:

- Specific	(569,996)	(451,490)
- General	(114,737)	(63,598)
- Interest in suspense	(194,738)	(114,163)

	<u>11,461,571</u>	<u>6,505,420</u>
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(b) The movement on the provisions account during the year was as follows:

Specific provision:		
Beginning of year	451,490	500,556
Transfer to other assets (see note 6b)	-	(94,637)
Provision no longer required	(143,635)	(37,607)
Provisions during the year	429,939	377,357
Provisions on loans written-off during the year	(167,798)	(294,179)

End of year	<u>569,996</u>	<u>451,490</u>
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Notes to the Financial Statements cont'd

	2004 ₦'000	2003 ₦'000
General provision:		
Beginning of year	63,598	42,503
Provision during the year	51,139	21,095
End of year	<u>114,737</u>	<u>63,598</u>
Interest in suspense:		
Beginning of year	114,163	187,932
Interest suspended during the year	181,374	87,358
Interest recovered	(46,393)	(22,838)
Interest written-off	(54,406)	(138,289)
End of year	<u>194,738</u>	<u>114,163</u>
(c) The maturity profile of loans and advances is as follows:		
Under 1 month	6,218,318	3,070,536
1 - 3 months	1,110,496	641,091
3 - 6 months	1,795,355	159,724
6 - 12 months	1,625,880	896,665
Over 12 months	1,637,899	2,366,655
	<u>12,387,948</u>	<u>7,134,671</u>
(d) The analysis of loans and advances by performance is as follows:		
Performing	11,473,734	6,359,797
Non-performing	914,214	774,874
	<u>12,387,948</u>	<u>7,134,671</u>

4. Other Facilities

- (a) The Bank acts as an intermediary for Africa Export-Import Bank (Afrexim) in respect of credits disbursed (see Note 12). The classification of the outstanding balance by type as at year-end is as follows:

	2004 ₦'000	2003 ₦'000
Loans	468,475	-
General provision	(4,685)	-
	<u>463,790</u>	<u>-</u>

- (c) The maturity profile of other facilities is as follows:

Over 12 months	<u>468,475</u>	<u>-</u>
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- (d) All the facilities were performing as at the balance sheet date.

5. Advances under finance lease:

- (a) Advances under finance lease comprise:

Gross investment	55,153	3,275
Unearned income	(9,257)	(372)
	<u>45,896</u>	<u>2,903</u>
Net investment	45,896	2,903
Less general provisions	(459)	(29)
	<u>45,437</u>	<u>2,874</u>

- (b) The movement on provisions on advances under finance lease during the year was as follows:

General provision:		
Beginning of year	29	428
Provision/(write-back) during the year	430	(399)
	<u>459</u>	<u>29</u>

- (c) The maturity profile of advances under finance lease is as follows:

Under 1 month	247	-
1-3 months	4,239	-
3-6 months	17,047	-
6 - 12 months	15,373	2,903
Over 12 months	8,990	-
	<u>45,896</u>	<u>2,903</u>



Notes to the Financial Statements cont'd

(d) All advances under finance lease were performing as at the end of the year.

6. Other Assets:

(a) Other assets comprise:

	2004 ₤'000	2003 ₤'000
OBB Treasury Bills (see note (c) below)	1,900,000	4,100,000
Prepaid interest and discounts	123,293	64,032
Interest receivable	74,723	27,602
Prepayments	385,836	218,806
Other receivables	476,284	104,287
	<hr/>	<hr/>
Provision	2,960,136 (61,983)	4,514,727 (46,400)
	<hr/>	<hr/>
	<u>2,898,153</u>	<u>4,468,327</u>
	<hr/> <hr/>	<hr/> <hr/>
(b) The movement on the provision on other assets during the year was as follows:		
Beginning of year	46,400	106,068
Transfer from loan loss provision (see note 3.6)	-	94,637
Write back during the year	(9,578)	(33,353)
Provision during the year	37,831	-
Provision written off during the year	(12,670)	(120,952)
	<hr/>	<hr/>
End of year	<u>61,983</u>	<u>46,400</u>
	<hr/> <hr/>	<hr/> <hr/>

(c) OBB Treasury Bills represent treasury bills pledged as security against open buy back interbank takings.

7. Long-term Investments:

(a) Long-term investments comprise:

	<u>2004</u>	<u>2003</u>
	₦'000	₦'000
Nigerian Automated Clearing System (see (c) below)	7,000	7,000
₦15 billion Second Lagos State Government Floating Redeemable Bond 2005/2009 (see note (d) below)	250,000	250,000
17.75% ₦30 billion First Federal Government Bond 2006 (see note (e) below)	50,000	-
	<u>307,000</u>	<u>257,000</u>

(b) The movement on the provision on long-term investments during the year was as follows:

Beginning of year	-	8,232
Provisions during the year	-	808
Transfer to accumulated depreciation: Leasehold land and improvement	-	(9,040)
	<u>-</u>	<u>-</u>
End of year	<u>-</u>	<u>-</u>

(c) This represents the Bank's investment in Nigerian Automated Clearing System.

(d) This represents the Bank's investment of 2,500,000 units of ₦100 each in the ₦15 billion Second Lagos State Government Floating Rate Redeemable Bond 2005/2009.

(e) This represents the Bank's investment of 50,000 units of ₦1,000 each in the 17.75% Federal Government of Nigeria Bond 2006.



Notes to the Financial Statements cont'd

8. Fixed Assets:

(a) The movement on these accounts during the year was as follows:

	Construction in progress ₦'000	Freehold, leasehold land and improvement ₦'000	Furniture Fittings & Equipment ₦'000	Motor vehicles ₦'000	Total ₦'000
COST:					
Beginning of year	300,445	509,425	830,235	377,586	2,017,691
Additions	125,131	304,988	279,825	62,016	771,960
Disposals	-	-	(5,145)	(24,650)	(29,795)
Reclassification to Other Assets	(11,288)	-	-	-	(11,288)
End of year	<u>414,288</u>	<u>814,413</u>	<u>1,104,915</u>	<u>414,952</u>	<u>2,748,568</u>
ACCUMULATED DEPRECIATION:					
Beginning of year	-	108,607	379,016	130,016	617,639
Charge for the year	-	46,213	179,213	86,488	311,914
Disposals	-	-	(3,927)	(20,745)	(24,672)
End of year	<u>-</u>	<u>154,820</u>	<u>554,302</u>	<u>195,759</u>	<u>904,881</u>
NET BOOK VALUE:					
End of year	<u>414,288</u>	<u>659,593</u>	<u>550,613</u>	<u>219,193</u>	<u>1,843,687</u>
Beginning of year	<u>300,445</u>	<u>400,818</u>	<u>451,219</u>	<u>247,570</u>	<u>1,400,052</u>

(b) No leased movable assets are included in the above fixed assets.

(c) Authorised and contracted capital commitments as at the balance sheet date amounted to ₦59,097,452 (2003: ₦6,291,576).

Notes to the Financial Statements cont'd

9. Equipment on lease:

The movement on this account during the year was as follows:

	2004 ₹'000	2003 ₹'000
Cost:		
Beginning of year	453,140	-
Additions	816,462	453,140
End of year	<u>1,269,602</u>	<u>453,140</u>
Accumulated depreciation:		
Beginning of year	47,442	-
Charge for the year	205,408	47,442
End of year	<u>252,850</u>	<u>47,442</u>
Net book value:		
End of year	<u><u>1,016,752</u></u>	<u><u>405,698</u></u>

10. Deposits and Other Accounts:

(a) Deposits and other accounts comprise:

Demand	15,011,490	5,263,552
Savings	654,712	627,172
Term and call	7,057,833	3,418,266
	<u>22,724,035</u>	<u>9,308,990</u>

(b) The maturity profile of deposits and other accounts is as follows:

Under 1 month	21,293,426	8,408,358
1 - 3 months	1,395,628	878,610
3 - 6 months	31,694	19,953
6 - 12 months	3,287	2,069
	<u>22,724,035</u>	<u>9,308,990</u>



Notes to the Financial Statements cont'd

11. Due to banks:

Balances due to banks comprise:

	2004 N'000	2003 N'000
Secured interbank takings	849,947	1,356,799
	<u>849,947</u>	<u>1,356,799</u>
The maturity profile of secured inter-bank takings is as follows:		
Under 1 month	849,947	1,356,799
	<u>849,947</u>	<u>1,356,799</u>

12. Other Facilities:

(a) Other facilities represents obligation to Afrexim in respect of the Bank's role as an intermediary (see Note 4) in the disbursement of credits.

Due to African Export-Import Bank (Afrexim)	468,475	-
	<u>468,475</u>	<u>-</u>

(b) The maturity profile of amounts received from Afrexim stated in (a) above for on-lending is as follows:

Over 12 months	468,475	-
	<u>468,475</u>	<u>-</u>

13. Other Liabilities:

Other liabilities comprise:

Foreign currency denominated liabilities in respect of customers' obligations (see Note 1(c))	1,168,233	3,969,061
OBB Takings (see note 6(c))	1,900,000	4,100,000
Interest payable	14,080	23,824
Accrued expenses	17,240	53,370
Managers' cheques	186,447	637,506
Unearned income	128,997	134,752
Others	439,669	229,745
	<u>3,854,666</u>	<u>9,148,258</u>
	<u>3,854,666</u>	<u>9,148,258</u>

14. Taxation Payable:

(a) The movement on this account during the year was as follows:

Beginning of year	153,519	69,249
Payments during the year	(140,359)	(63,789)
Current year charge (see Note (c) below)	202,175	148,059
	<u>215,335</u>	<u>153,519</u>
End of year	<u>215,335</u>	<u>153,519</u>

Notes to the Financial Statements cont'd

(b) The movement on deferred tax account during the year was as follows:

	2004 N'000	2003 N'000
Beginning of year	114,117	8,110
Charge for the year	112,102	106,007
End of year	<u>226,219</u>	<u>114,117</u>

(c) The tax charge for the year comprises:

Income tax	168,581	124,580
Education tax	33,594	23,479
Deferred tax charge	<u>202,175</u> <u>112,102</u>	<u>148,059</u> <u>106,007</u>
	<u>314,277</u>	<u>254,066</u>

The current tax charge has been computed at the current company income tax rate of 30% (2003: 30%) plus 2% (2003: 2%) Education Levy for the year on the profit for the year after adjusting for certain items of income and expenditure which are not deductible or chargeable for tax purposes.

15. Dividend Payable:

The movement on this account during the year was as follows:

Beginning of year	135,000	-
Proposed dividend	300,000	135,000
Payments during the year	(135,000)	-
End of year	<u>300,000</u>	<u>135,000</u>

The proposed dividend of 10 kobo per 50k share (2003: 5k per share) is payable on 3 billion ordinary shares of 50k each issued as at 31 March 2004, net of applicable withholding tax, in accordance with prevailing legislation. The tax withheld will be paid over to the relevant tax authorities.

16. Share Capital:

Share capital comprises:

Authorised:

4,000,000,000 (2003: 4,000,000,000) ordinary shares of 50k each	<u>2,000,000</u>	<u>2,000,000</u>
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Issued and fully paid:

3,000,000,000 (2003: 2,700,000,000) ordinary shares of 50k each	<u>1,500,000</u>	<u>1,350,000</u>
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Notes to the Financial Statements cont'd

The movement on this account during the year was as follows:

	2004 ₦'000	2003 ₦'000
Beginning of year	1,350,000	1,350,000
Bonus issue capitalized (See note 17)	150,000	-
	<u>1,500,000</u>	<u>1,350,000</u>
End of year	<u>1,500,000</u>	<u>1,350,000</u>

17. Bonus Issue Reserve:

The movement on this account during the year was as follows:

Beginning of year	150,000	-
Transfer from share premium (see note 18)	329,536	150,000
Transfer to paid up share capital (See note 16)	(150,000)	-
Transfer from general reserve	170,464	-
	<u>500,000</u>	<u>150,000</u>
End of year	<u>500,000</u>	<u>150,000</u>

The Directors of the Bank have proposed a bonus issue of 1,000,000,000 ordinary shares of 50k each to the existing shareholders in the ratio of one new share for every three shares held. Accordingly, an amount of ₦500,000,000 has been transferred to the Bonus Issue Reserve account.

18. Share premium:

Beginning of year	329,536	479,536
Transfer to bonus issue reserve (see note 17)	(329,536)	(150,000)
	<u>-</u>	<u>329,536</u>
End of year	<u>-</u>	<u>329,536</u>

19. Statutory reserve:

The movement on this account during the year was as follows:

Beginning of year	296,543	129,571
Transfer from profit and loss account	191,242	166,972
	<u>487,785</u>	<u>296,543</u>
End of year	<u>487,785</u>	<u>296,543</u>

In accordance with existing legislation, 30% (2003: 30%) of profit after taxation of the Bank has been transferred to statutory reserve.

20. Small and medium Industries reserve:

The movement on this account during the year was as follows:

	2004 ₦'000	2003 ₦'000
Beginning of year	92,672	11,608
Transfer from profit and loss account	95,175	81,064
End of year	<u>187,847</u>	<u>92,672</u>

In accordance with Monetary, Credit, Foreign Trade & Exchange Policy Guidelines for 2001 fiscal year of the Central Bank of Nigeria, 10% of profit before taxation for the year ended 31 March 2004 (2003: 10%) has been transferred to small and medium industries reserve.

21. General reserve:

The movement on this account during the year was as follows:

Beginning of year	146,606	(26,931)
Transfer from profit and loss account	51,056	173,537
Transfer to bonus issue reserve (see note 17)	(170,464)	-
End of year	<u>27,198</u>	<u>146,606</u>

22. Acceptances, Bonds, Guarantees and Other Obligations:

These comprise:

(a) Amounts for the account of customers

Guaranteed BAs/CPs	2,670,937	4,403,988
Transaction-related bonds and guarantees	3,572,667	1,649,414
Letters of Credit	6,882,336	323,568
	<u>13,125,940</u>	<u>6,376,970</u>

(b) Litigation

There are litigation claims against the Bank as at 31 March 2004 amounting to ₦805 million (2003: ₦384.7 million). These claims arose in the normal course of business and are being contested by the Bank. The Directors, having sought advice of professional legal counsel, are of the opinion that no significant liability will crystallise from these cases.

No provisions are therefore deemed necessary for these claims.



Notes to the Financial Statements cont'd

23. Interest and Discount Income:

Interest and discount income comprise:

	2004 ₦'000	2003 ₦'000
Source:		
Lending to banks and other financial institutions	50,794	48,841
Lending to non-bank customers	1,893,938	1,929,852
Interest Income on Securities trading	801,126	550,950
	<u>2,745,858</u>	<u>2,529,643</u>
Geographical location:		
Earned in Nigeria	2,752,029	2,525,630
Earned outside Nigeria	4,359	4,013
	<u>2,756,388</u>	<u>2,529,643</u>

24. Interest Expense:

Interest expense comprises:

Source:

Borrowing from banks	129,937	145,822
Borrowing from non-bank depositors	800,556	501,380
Interest expense on Securities trading	514,840	535,804
	<u>1,445,333</u>	<u>1,183,006</u>
Geographical location:		
Paid in Nigeria	1,427,045	1,168,037
Paid outside Nigeria	18,288	14,969
	<u>1,445,333</u>	<u>1,183,006</u>

25. Provision:

(a) Provision for risk assets comprise:

Loans and advances:

- Specific	286,304	339,750
- General	51,139	21,095
	<u>337,443</u>	<u>360,845</u>
Other facilities	4,685	-
Provision/(Write back) for advances under finance lease	430	(399)
Loan amount written off	15,100	-
	<u>357,658</u>	<u>360,446</u>

Notes to the Financial Statements cont'd

(b) Provision for other assets and long-term investments comprise:

	2004 ₦'000	2003 ₦'000
Other assets (see note 6(b))		
- Write back during the year	(9,578)	(33,353)
- Provision during the year	37,831	-
	<u>28,253</u>	<u>(33,353)</u>
Long-term investments (see note 7(b))	-	808
Net provision	<u>28,253</u>	<u>(32,545)</u>
26. Other Income:		
Other income comprises:		
Income from foreign exchange transactions	391,749	178,848
Commissions	1,092,655	821,966
Fees	725,208	584,550
Lease rental	517,076	228,554
Other income	42,540	24,326
	<u>2,769,228</u>	<u>1,838,244</u>
27. Profit before Taxation		
(a) General:		
Profit before taxation for the year is stated after charging/(crediting) the following:		
Depreciation on fixed assets	311,914	247,333
Depreciation on equipment on lease	205,408	47,442
Auditors' remuneration	14,000	11,000
Deposit insurance premium	90,538	58,426
(Profit)/loss on disposal of fixed assets	(3,922)	11,273
	<u>627,938</u>	<u>375,474</u>

The auditors' remuneration for the year is for two audits – half year and full year audits of the Bank.



Notes to the Financial Statements cont'd

- (b) Exceptional charge
The exceptional charge in the prior year related to restructuring costs.

(c) Staff and directors' costs:

- i. Employees' cost including those of executive directors, during the year amounted to:

	<u>2004</u>	<u>2003</u>
	N'000	N'000
Wages and salaries	885,843	729,395
Other pension costs	10,450	6,140
	<u>896,293</u>	<u>735,535</u>

- ii. The average number of persons employed during the year was:

	Number	Number
Managerial	60	69
Other staff	256	258
	<u>316</u>	<u>327</u>

- iii. Employees, other than directors, earning more than N60,000 per annum, whose duties were wholly or mainly discharged in Nigeria, received emoluments (excluding pension contributions and certain benefits) in the following ranges:

	<u>2004</u>	<u>2003</u>
	Number	Number
N110,001 - N120,000	-	6
N240,001 - N250,000	6	-
N610,001 - N620,000	2	-
N900,001 - N910,000	-	82
N1,190,001 - N1,200,000	104	-
N1,390,001 - N1,400,000	-	71
N1,830,001 - N1,840,000	-	80
N1,890,001 - N1,900,000	49	-
N2,200,001 - N2,210,000	-	31
N2,390,001 - N2,400,000	54	-
N2,880,001 - N2,890,000	-	16
N2,840,001 - N2,850,000	30	-
N3,440,001 - N3,450,000	24	-
N3,670,001 - N3,680,000	-	18
N3,940,001 - N3,950,000	16	-
N3,980,001 - N3,990,000	-	5
N5,390,001 - N5,400,000	10	11
N5,990,001 - N6,000,000	12	-
N6,590,001 - N6,600,000	-	1
N6,990,001 - N7,000,000	4	-
N7,550,001 - N7,560,000	-	2
N8,640,001 - N8,650,000	1	-
N9,090,001 - N9,100,000	-	2
N10,090,001 - N10,100,000	2	-
N10,100,001 - N10,110,000	2	-
	<u>316</u>	<u>327</u>

(c) Directors' remuneration:

Remuneration paid to directors of the Bank (excluding pension contributions and other benefits) was as follows:

	2004 ¥'000	2003 ¥'000
Fees as directors	359	471
Other emoluments:		
Executive directors	28,610	28,610
Other directors	13,216	20,850
	<u>42,185</u>	<u>49,931</u>
The directors' remuneration shown above includes:		
Chairman	<u>2,250</u>	<u>2,141</u>
Highest paid director:	<u>14,555</u>	<u>14,555</u>

The emoluments of all other directors fell within the following ranges:

	2004 Number	2003 Number
¥2,500,001 - ¥3,000,000	6	10
¥3,000,001 - ¥3,010,000	-	-
¥14,050,001 - ¥14,060,000	<u>2</u>	<u>2</u>

28. Earnings and Dividend per Share:

Adjusted earnings and dividend per share are based on the profit after taxation and the dividend for the year respectively and on 3,000,000,000 ordinary shares in issue during the year.

29. Net cash flow from operating activities before changes in operating assets:

This comprises:

Profit before taxation	951,750	810,639
Adjustments to reconcile profit before taxation to net cash flow from operations:		
- depreciation on fixed assets	311,914	247,333
- depreciation on equipment on lease	205,408	47,442
- (profit)/loss on disposal of fixed assets	(3,922)	11,273
- provision for risk assets	357,658	360,446
- provision/(write-back) on other assets and long-term investments	28,253	(32,545)
Net cash flow from operating activities	<u>1,851,061</u>	<u>1,444,588</u>



Notes to the Financial Statements cont'd

30. Changes in operating assets:

This comprises:

	<u>2004</u>	<u>2003</u>
	₦'000	₦'000
(Increase)/decrease in operating assets:		
- Short-term investments	(5,917,855)	(190,397)
- Loans and advances	(5,308,694)	(2,617,568)
- Advances under finance lease	(42,993)	39,976
- Other assets	1,541,921	(3,851,505)
- Reclassification to other assets	11,288	-
Increase/(decrease) in operating liabilities:		
- Deposits and other accounts	13,415,045	2,833,654
- Due to banks	(506,852)	1,356,799
- Other liabilities	(5,293,592)	6,301,796
	<u>(2,101,732)</u>	<u>3,872,755</u>

31. Related Party Transactions:

During the year, the Bank granted various credit facilities to companies whose directors are also directors of Access Bank Plc at rates and terms comparable to other facilities in the Bank's portfolio. An aggregate of ₦767,281,000 as at 31 March 2004 (2003: ₦1,440,333,474) was outstanding on these various facilities at the end of the year, all of which were performing.

32. Contraventions:

The Bank paid penalties in the year in respect of 2001 contraventions of the Banks and Other Financial Institutions Act 1991.

<u>Nature of Contravention</u>	Penalty paid ₦'000
Forfeiture of the undeserved gains made from ineligible foreign exchange transactions in 2001	16,828
Non-disclosure of the nostro account the bank used for the ineligible foreign exchange transactions in 2001	1,000
	<u>17,828</u>

33. Prior-year Comparatives

Certain prior year balances have been reclassified in line with current year classifications.

Statements of Value Added

	2004 ₤'000	%	2003 ₤'000	%
Gross earnings	5,515,086		4,367,887	
Interest expense	(1,445,333)		(1,183,006)	
	<u>4,069,753</u>		<u>3,184,881</u>	
Provision on risk assets	(357,658)		(360,446)	
Write back on other assets and investments	(28,253)		32,545	
Bought-in materials and services	(1,318,477)		(1,016,031)	
	<u>2,365,365</u>	<u>100</u>	<u>1,840,949</u>	<u>100</u>
Applied to pay:				
Employee costs	896,293	38	735,535	40
Government as taxes	314,277	13	254,066	14
Shareholders as dividend	300,000	13	135,000	7
Retained in the business:				
- Depreciation	517,322	22	294,775	16
- Profit for the year (including statutory and small-scale industries reserves)	337,473	14	421,573	23
	<u>2,365,365</u>	<u>100</u>	<u>1,840,949</u>	<u>100</u>



Five-Year Financial Summary

	2004 N'000	2003 N'000	2002 N'000	2001 N'000	2000 N'000
ASSETS:					
Cash and short-term funds	5,527,375	7,682,782	3,794,586	2,133,916	3,215,513
Short-term investments	7,777,742	1,859,887	1,669,490	1,532,444	534,952
Loans and advances	11,461,571	6,505,420	4,248,697	2,794,614	3,127,024
Other facilities	463,790	-	-	-	-
Advances under finance lease	45,437	2,874	42,451	-	36,349
Other assets	2,898,153	4,468,327	583,469	708,516	865,431
Long-term investments	307,000	257,000	114,018	122,250	115,250
Fixed assets	1,843,687	1,400,052	890,230	736,217	540,041
Equipment on lease	1,016,752	405,698	-	-	-
	<u>31,341,507</u>	<u>22,582,040</u>	<u>11,342,941</u>	<u>8,027,957</u>	<u>8,434,560</u>
LIABILITIES:					
Deposits and other accounts	22,724,035	9,308,990	6,475,336	4,859,315	4,400,596
Due to banks	849,947	1,356,799	-	563,357	151,000
Other facilities	468,475	-	-	-	-
Other liabilities	3,854,666	9,148,258	2,846,462	1,627,886	2,906,394
Taxation payable	215,335	153,519	69,249	57,906	44,820
Dividend payable	300,000	135,000	-	-	90,000
Deferred taxation	226,219	114,117	8,110	-	-
	<u>28,638,677</u>	<u>20,216,683</u>	<u>9,399,157</u>	<u>7,108,464</u>	<u>7,592,810</u>
NET ASSETS:	<u>2,702,830</u>	<u>2,365,357</u>	<u>1,943,784</u>	<u>919,493</u>	<u>841,750</u>
CAPITAL AND RESERVES:					
Share capital	1,500,000	1,350,000	1,350,000	600,000	600,000
Bonus issue reserve	500,000	150,000	-	150,000	-
Share premium	-	329,536	479,536	-	115,882
Statutory reserves	487,785	296,543	129,571	129,571	106,248
Small and medium industries reserve	187,847	92,672	11,608	11,608	-
General reserve	27,198	146,606	(26,931)	28,314	19,620
	<u>2,702,830</u>	<u>2,365,356</u>	<u>1,943,784</u>	<u>919,493</u>	<u>841,750</u>
Commitments and Contingencies	<u>13,125,940</u>	<u>6,376,970</u>	<u>2,735,705</u>	<u>1,318,690</u>	<u>1,410,698</u>
Total Assets and Contingencies	<u>44,467,447</u>	<u>28,959,010</u>	<u>14,078,646</u>	<u>9,346,647</u>	<u>9,845,258</u>
Gross earnings	<u>5,515,086</u>	<u>4,367,887</u>	<u>2,604,378</u>	<u>1,589,555</u>	<u>1,195,616</u>
Profit/(loss) on ordinary activities before exceptional charge	951,750	1,010,805	(17,947)	116,081	166,594
Exceptional charge	-	(200,166)	-	-	-
Profit/(loss) before taxation	951,750	810,639	(17,947)	116,081	166,594
Profit/(loss) after taxation	637,473	556,573	(55,245)	77,743	130,079
Dividend	300,000	135,000	-	-	90,000
Earnings/(loss) per share	21k	21k	(2k)	6k	11k
Dividend per share	10k	5k	-	-	7.5k
Number of ordinary shares of 50k	3,000,000	2,700,000	2,700,000	1,200,000	1,200,000

Shareholders' Information

The Bank was registered as a private limited liability company on 8 February, 1989 and commenced business on 11 May, 1989. The Bank was converted to a public limited liability company on 24 March, 1998 and was listed on the Nigerian Stock Exchange on 18 November, 1998. Since the listing, the Bank has paid dividends and issued bonus shares as indicated hereunder.

Gross Earnings

Financial Year Ended	Dividend Number	Final or Interim	Amount Declared	Gross Unclaimed Amount	Amount Paid per 50k Share
31/03/1999	01	Final	54,000,000	2,433,306.70	4.5k
31/03/2000	02	Final	90,000,000	4,306,780.80	7.5k
31/03/2003	03	Final	135,000,000	8,950,608.72	5k

Scrip Issue

Date	Description	No. of ordinary shares	Amount capitalised	Ratio
11/05/1998	Public issue for cash	660,000,000	462,000,000	-
21/09/2001	Bonus	300,000,000	150,000,000	1 for 4
23/09/2001	Public issue for cash	1,200,000,000	1,200,000,000	-
31/03/2003	Bonus	300,000,000	150,000,000	1 for 9

Unclaimed Dividends/Certificates

Our records indicate that some dividend warrants and bonus share certificates have been returned unclaimed for various reasons. A list of unclaimed dividends is attached to this Annual Report. Please contact the Registrar (Wema Registrars Limited, A.G. Leventis Building, 2nd Floor, 42/43, Marina, Lagos) for the re-issuance of any unclaimed dividend warrant, or unclaimed certificate.



Proxy Form

15th Annual General Meeting to be held at the Lagoon Restaurant, Ozumba Mbadiwe Avenue, Victoria Island, Lagos on 30th August, 2004 at 11:00a.m.

I/We

being a member/members of Access Bank plc hereby appoint

or failing him Mr. Michael Oni, or failing him Mr. Aigboje Aig-Imoukhuede, as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Bank to be held on 30th August, 2004, and at any adjournment thereof.

Dated this.....day of.....2004

Name of Shareholder

Signature of Shareholder

NUMBER OF SHARES		
RESOLUTIONS	FOR	AGAINST
1. To declare a dividend		
2. To elect/elect Directors		
3. To authorise the Directors to fix the auditors remuneration		
4. To elect/re-elect members of the Audit Committee		
5. To Fix Directors fee		
6. To authorise a bonus share		
7. To authorise increase of share capital		
8. To authorise a public offer		
9. To capitalise excess funds		
10. To amend memorandum and articles of association		

Please indicate with an "X" in the appropriate box how you wish your votes to be cast on the resolutions set above. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.

IMPORTANT

- Before posting the above form proxy, please tear off this part and retain it. A person attending the Annual General Meeting of the Bank or his proxy should produce this card to secure admission to the meeting.
 - A member of the Bank is entitled to attend and vote at the Annual General Meeting of the Bank. He is also entitled to appoint a proxy to attend and vote instead of him, and in this case, the above card may be used to appoint a proxy.
 - In line with best Industry practice, the names of two Directors of the Bank have been entered on the form of proxy to ensure that someone will be at the meeting to act as your proxy, but if you wish, you may insert in the blank space on the form (marked*) the name of any person, whether a member of the Bank or not, who will attend and vote on your behalf instead of one of the Directors named.
 - The above proxy, when completed, must be deposited at the office of the Registry, Wema Registrars Limited, 2nd Floor, A.G. Leventis Building, 42/43 Marina, Lagos, not less than 48 Hours before the time fixed for the meeting.
 - It is a requirement of the law under the Stamp Duties Act, Cap 411, Laws of the Federation of Nigeria, 1990, that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of Shareholders must bear a stamp duty.
 - If the form of proxy is executed by a Company, it should be sealed under its Common Seal or under the hand and seal of its Attorney.
- Signature of the person attending.

ADMISSION CARD

Annual General Meeting to be held on 30th August, 2004 at Lagoon Restaurant, Ozumba Mbadiwe Avenue, Victoria Island Lagos at 11:00 a.m.

Name of Shareholder (in BLOCK CAPITALS)

Number of Shares



