

Access Bank Plc. Group Unaudited Results for the first quarter ended 31 March 2018

“The group delivered resilient results with gross earnings of ₦137 billion and profit after taxes of ₦22 billion, underscoring our ability to deliver sustainable earnings.

We have begun the implementation of key elements of our strategy, and I am excited at the prospects in the coming months. A key part of this is the continued execution of our retail market penetration initiatives, as it remains a strong catalyst to the sustainability of non-funded income growth. In addition, we remain focused on consolidating our market position in the corporate and commercial banking segment.

I am equally pleased to report on the performance of our subsidiaries, who contributed 26% of group profits, highlighting the effective execution of our subsidiarization strategy.

During the period, liquidity and capital adequacy ratios of 41.3% and 19.3% remained well in excess of the minimum statutory requirements.

The implementation of cost measures show great promise, as we wind down expensive structured funding, and also increase our retail penetration. We have also commenced a strategic operating cost reduction program which will see operating cost moderate for the rest of the year.

Our priority for the rest of the year, will be to focus on our retail offerings as we continue to see the benefits of the initiatives intensify over the next few months.” -

Herbert Wigwe, GMD/CEO

FINANCIAL REVIEW FOR THE FIRST QUARTER ENDED 31 MARCH 2018

Gross Earnings rose 19% to ₦137.5bn in Q1 2018, (Q1 2017: ₦116.0bn), with interest and non-interest income contributing 70% and 30% respectively. Interest Income grew by 20% y/y to ₦95.6bn in Q1 2018 from ₦79.3bn in Q1 2017. Non-Interest Income of ₦41.8bn (+15% y/y) in Q1 2018 from ₦36.5bn in Q1 2017. Profit before Tax (PBT) for the period of ₦27.4bn while Profit After Tax (PAT) was down 1% y/y to ₦22.1 from ₦22.4bn in Q1 2017. Return on Average Equity (ROAE) of 18.2% and Return on Asset of 2.1% in Q1 2018.

The asset base of the Bank remained strong and robust with growth of 7% in total assets to ₦4.38trn in March 2018 from ₦4.10trn in December 2017. Loans and Advances totaled ₦2.1trn as at March 2018 (December 2017: ₦2.06trn). Customer deposits increased by 12% to ₦2.51trn in March 2018, from ₦2.25trn in December 2017. Capital Adequacy of 19.3% and liquidity ratios of 41.3%, remained consistently above the regulatory minimum requirement.

Non-performing loans stood at 4.7% as at March 2018 (December 2017: 4.8%). Cost of risk increased marginally to 0.9% in Q1 2018 from 0.7% in Q1 2017 on the back of prudent risk management practices during the period.

Net Interest Margin (NIM) of 5.8% in Q1 2018 from 6.7% in Q1 2017, while Cost of Funds (CoF) increased 70bps y/y to 5.8% from 5.1% in Q1 2017. Yield on Asset of 12.4%, down 10bps from 12.5% in Q1 2017 and Cost-to-Income Ratio (CIR) stood at 62.5% in Q1 2018 (Q1 2017: 61.0%).

Group Financial Highlights

Income Statement

In ₹mn (unless stated otherwise)	Q1 2018	Q1 2017 ⁽²⁾	Δ
Gross Earnings	137,535	115,941	19%
Interest Income	95,594	79,333	20%
Net Interest Income	44,653	42,737	4%
Non-Interest Income	41,796	36,481	15%
Operating Income	86,450	79,408	9%
Operating Expenses	54,050	48,425	12%
Impairment charges	4,961	3,197	55%
Profit before Tax	27,439	27,596	(1%)
Profit for the Period	22,116	22,407	(1%)
Earnings per Share (k)	77	79	(3%)

Balance Sheet

In ₹bn (unless stated otherwise)	Mar. 2018	Dec. 2017	Δ
Loans and Advances	2,077	2,064	1%
Total Assets	4,378	4,102	7%
Customer Deposits	2,506	2,245	12%
Shareholders' Fund	454	515	(12%)

Key Ratios

In (%)	Q1 2018	Q1 2017 ⁽²⁾	Δ
Return on Average Equity	18.2	19.4	(1.2)
Return on Average Assets	2.1	2.6	(0.5)
Net Interest Margin	5.8	6.7	(0.9)
Cost-to-Income Ratio	62.5	61.1	1.4
Capital Adequacy Ratio	19.3	21.0	(1.7)
Liquidity Ratio	41.3	46.3	(5.0)
Loan-to-Deposit Ratio	60.7	73.4	(12.7)
Non-Performing Loans Ratio	4.7	2.2	2.5
Cost of Risk	0.9	0.7	0.2



For further information please contact:

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Access Bank Plc. (Bloomberg: Access NL) will be hosting an audio conference call for analysts and investors on **27 April 2018** at **14:00hrs** Lagos (**09:00hrs** New York, **14:00hrs** London, **15:00hrs** Johannesburg)

Click to access the [webcast](#) made available on the IR portal of the Bank's website

Audio Conference

Please click on this [Registration link](#) to pre-register for the call and receive dial-in information.

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

Nigeria	+234 1 903 0040
South Africa	+27 10 201 6700
United Kingdom – Toll Free	+44 333 300 1417
United States of America – Toll Free	+1 508 924 4325

ABOUT ACCESS BANK

Access Bank is a full service commercial bank operating through branches and service outlets located in major centres primarily across Nigeria and sub-Saharan Africa, as well as the United Kingdom (extension to United Arab Emirates (Dubai)), with representative offices in China, Lebanon, and India. The Group provides a wide range of banking and other financial services to over 9 million customers from 392 branches and service centres.

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

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



The information presented herein is based on sources which Access Bank Plc. (the "Bank") regards dependable. This presentation may contain forward looking statements. These statements concern or may affect future matters, such as the Bank's economic results, business plans and strategies, and are based upon the current expectations of the directors. They are subject to a number of risks and uncertainties that might cause actual results and events to differ materially from the expectations expressed in or implied by such forward looking statements. Factors that could cause or contribute to differences in current expectations include, but are not limited to, regulatory developments, competitive conditions, technological developments and general economic conditions. The Bank assumes no responsibility to update any of the forward-looking statements contained in this presentation.