

Access Bank Plc. Group Unaudited IFRS Results for the Nine Months ended 30 September 2016

LAGOS, NIGERIA – 28 October 2016 – Access Bank Plc., (Bloomberg: **ACCESS NL** / Thomson Reuters: **ACCESS.LG**) (“Access Bank” or the “Bank”), the full service commercial bank with headquarters in Nigeria and with operations across Sub-Saharan Africa, the UK, Asia and the Middle East, announces its unaudited results for the nine months ended 30 September 2016.

Group Managing Director / Chief Executive Officer’s Review

“Access Bank’s performance in the first three quarters of this year remained strong and consistent, reflecting a stable business with the capacity to deliver sustainable returns, particularly during a period underlined by significant macro headwinds. The Group recorded a 19% growth in pre-tax profits to ₦72.0bn and a net interest income growth of 40% to ₦106.4bn, benefiting from enhanced business efficiency as a result of the effective execution of our long-term strategy.

Against the macro economic backdrop, we maintained stable asset quality, recording NPL and cost of risk ratios of 2.1% and 0.9%, respectively. Our capital and liquidity position remained adequately above regulatory levels, as we continued to implement a disciplined capital plan, ensuring sufficient levels of profit retention to support our growth. In addition to capital enhancement, the recently concluded \$300 million senior unsecured debt issue allows us optimise and enhance our foreign currency funding capacity whilst strengthening our balance sheet.

We remain committed to our cost containment plan, as we strive to balance operational efficiency with earnings growth in a constrained environment.

The Bank will remain resilient in the achievement of its strategic imperatives; maximizing our strong market position and solid capital base, while leveraging digital innovation to improve service touchpoints as we sharpen our retail play with emphasis on cheaper funding sources.”

– Herbert Wigwe, GMD/CEO

Financial Performance Review

Revenue and Profitability

- **Gross Earnings** of ₦274.5 billion in 9M 2016, up 7% y/y from ₦257.6 billion in 9M 2015
- **Interest Income** up 17% y/y to ₦181.2 billion in 9M 2016 from ₦155.4 billion in 9M 2015 on the back of continued growth in the Bank’s core business
- **Non-Interest Income** of ₦92.9 billion (9M 2015: ₦102.2 billion); largely driven by improved fee and commission income and revaluation of the derivative book, offsetting the decline in trading income
- **Operating Income** grew 12% to ₦199.3 billion in 9M 2016 from ₦178.1 billion in the corresponding period of 2015
- **Profit Before Tax (PBT)** up 19% to ₦72.0 billion in the period from ₦60.4 billion in 9M 2015
- **Profit After Tax (PAT)** of ₦57.1 billion, up 19% in 9M 2016 compared to ₦48.1 billion in 9M 2015
- **Return on Average Equity (ROAE)** of 18.8% in 9M 2016 (9M 2015: 20.4%)

Balance Sheet

- **Loans and Advances** closed at ₦1.84 trillion in 9M 2016, up 30%, from ₦1.41 trillion in December 2015 largely due to the Naira depreciation
- **Total Assets** of ₦3.39 trillion, up 31% compared to ₦2.59 trillion in December 2015
- **Customer Deposits** grew 25% to ₦2.10 trillion from ₦1.68 trillion in December 2015
- **Capital Adequacy Ratio (CAR)** remained solid at 19.0% as at September 2016, well above the regulatory minimum

Asset Quality

- The percentage of **non-performing loans to total gross loans** stood at 2.1% (Dec 2015: 1.7%), reflecting stable asset quality
- **NPL Coverage Ratio** remained strong at 209.5% in the period, compared with 216.4% as at December 2015
- **Impairment Charges** of ₦12.3 billion from ₦11.6 billion in 9M 2015. **Cost of Risk** improved to 0.9% in 9M 2016 (9M 2015: 1.0%)

Operational Efficiency

- **Net Interest Margin (NIM)** up 50bps y/y to 6.5% in 9M 2016 (9M 2015: 6.0%)
- Improvement in **Cost of Funds** (↓160 y/y) to 4.0% in the period from 5.6% in 9M 2015
- **Cost to Income Ratio (CIR)** improved 190bps y/y to 57.7 % in 9M 2016 (9M 2015: 59.6%) on the back of strong income growth during the period

Operational Highlights

- Successfully raised \$300 million senior unsecured notes listed on the Irish Stock Exchange
- Awarded:
 - Best Bank Transformation in the Euromoney 2016 Awards for Excellence
 - EMEA Finance 2016 African Banker Awards:
 - Best Bank (Nigeria)
 - Corporate Social Responsibility (Pan-Africa)
 - CEO of the Year (Pan-Africa)
 - 2016 Business Day Banking Awards:
 - Bank of the Year
 - Best CEO
 - Outstanding Business Sustainability in the 2016 Karlsruhe Sustainable Finance Awards

Financial Highlights

Income Statement <i>(in millions of Naira)</i>	9M 2016	9M 2015	Δ
Gross Earnings	274,468	257,590	7%
Interest Income	181,211	155,361	17%
Net Interest Income	106,374	75,897	40%
Non-Interest Income	92,889	102,198	(9%)
Operating Income	199,263	178,094	12%
Operating Expenses	114,923	106,171	8%
Profit Before Tax	72,004	60,372	19%
Profit for the Period	57,095	48,093	19%
Earnings Per Share (k)	198	201	(1%)
Balance Sheet <i>(in billions of Naira)</i>	Sep. 2016	Dec. 2015	Δ
Loans and Advances	1,837	1,409	30%
Total Assets	3,390	2,591	31%
Customer Deposits	2,099	1,683	25%
Shareholders' Fund	443	368	20%
Key Ratios	9M 2016	9M 2015	Δ
Return on Average Equity (%)	18.8	20.4	↓ 1.6
Return on Average Assets (%)	2.5	2.8	↓ 0.3
Net Interest Margin (%)	6.5	6.0	↑ 0.5
Cost of Funds (%)	4.0	5.6	↓ 1.6
Yield on Assets (%)	11.0	12.3	↓ 1.3
Cost-to-Income Ratio (%)	57.7	59.6	↓ 1.9
Capital Adequacy Ratio (%)	19.0	21.7	↓ 2.7
Liquidity Ratio (%)	39.0	36.3	↑ 2.7
Loan-to-Deposit Ratio (%)	71.5	70.9	↑ 0.6
Non-Performing Loans Ratio (%)	2.1	1.7	↑ 0.4
Cost of Risk (%)	0.9	1.0	↓ 0.1
Coverage (%)	209.5	196.0	↑ 13.5



ABOUT ACCESS BANK

Access Bank Plc. is a full service commercial Bank operating through a network of 368 branches and service outlets located in major centres across Nigeria, Sub Saharan Africa, and the United Kingdom with representative offices in China, Lebanon and the UAE.

Listed on the Nigerian Stock Exchange in 1998, the Bank serves its various markets through four business segments: Personal, Business, Commercial and Corporate & Investment Banking. The Bank has over 830,000 shareholders including several Nigerian and International Institutional Investors and has enjoyed what is arguably Africa's most successful banking growth trajectory in the last twelve years ranking amongst Africa's top 20 banks by total assets and capital in 2016.

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

Conference Call Invitation

Access Bank Plc. Group Unaudited IFRS Results for the Nine Months ended 30 September 2016

Access Bank Plc. (Bloomberg: Access NL) will be hosting an audio conference call for investors and analysts on **01 November 2016** at **14.00hrs** Lagos (**9.00hrs** New York, **14.00hrs** London, **15.00hrs** Johannesburg) with its Executive Management to announce the Bank's unaudited results for the nine months ended 30 September 2016. There will be an opportunity at the end of the call for Management to take questions from participants.

Website

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

Webcast

You can access the webcast using this link:

<http://services.choruscall.eu/links/accessbankplc161101.html>

Audio Conference

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

Nigeria	+234 1 903 0040
United Kingdom – Toll Free	+44 808 162 4061
United States of America – Toll Free	+1 855 481 5362

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

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