

## **Building Africa's Global Bank**

### **United Bank for Africa Plc**

Tony Elumelu, Group Managing Director & CEO

UBA 2007 Investors Forum

Lagos

3 December 2007

## Forward looking statements

Presentation and subsequent discussion may contain certain forward-looking statements with respect to the financial condition, results of operations and business of the Group. These forward-looking statements represent the Group's expectations or beliefs concerning future events and involve known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

# Exceeding expectations



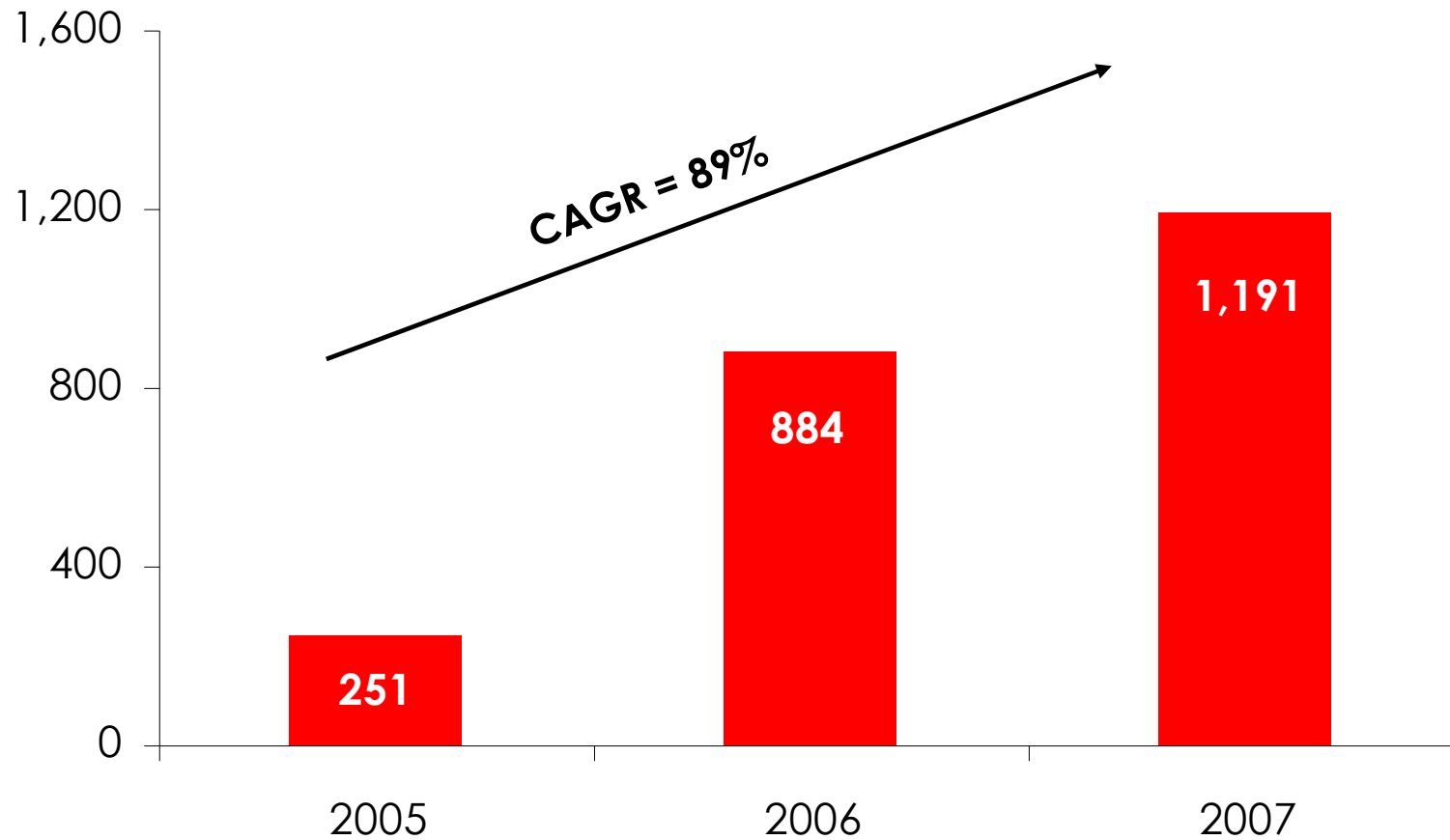
	Result		Forecast
Balance sheet	N1.6 trillion	↑ 18%	N1.4 trillion
Capital Adequacy	25%	↑ 5%	20%
Profit Before Tax	N29.5 billion	↑ 43%	N20.7 billion
Earnings per share	N2.61	↑ 40%	N1.87
Dividend per share	N1.20	↑ 20%	N1.00

# 2007 Scorecard

# Largest financial services provider in Nigeria



## Assets (N billion)



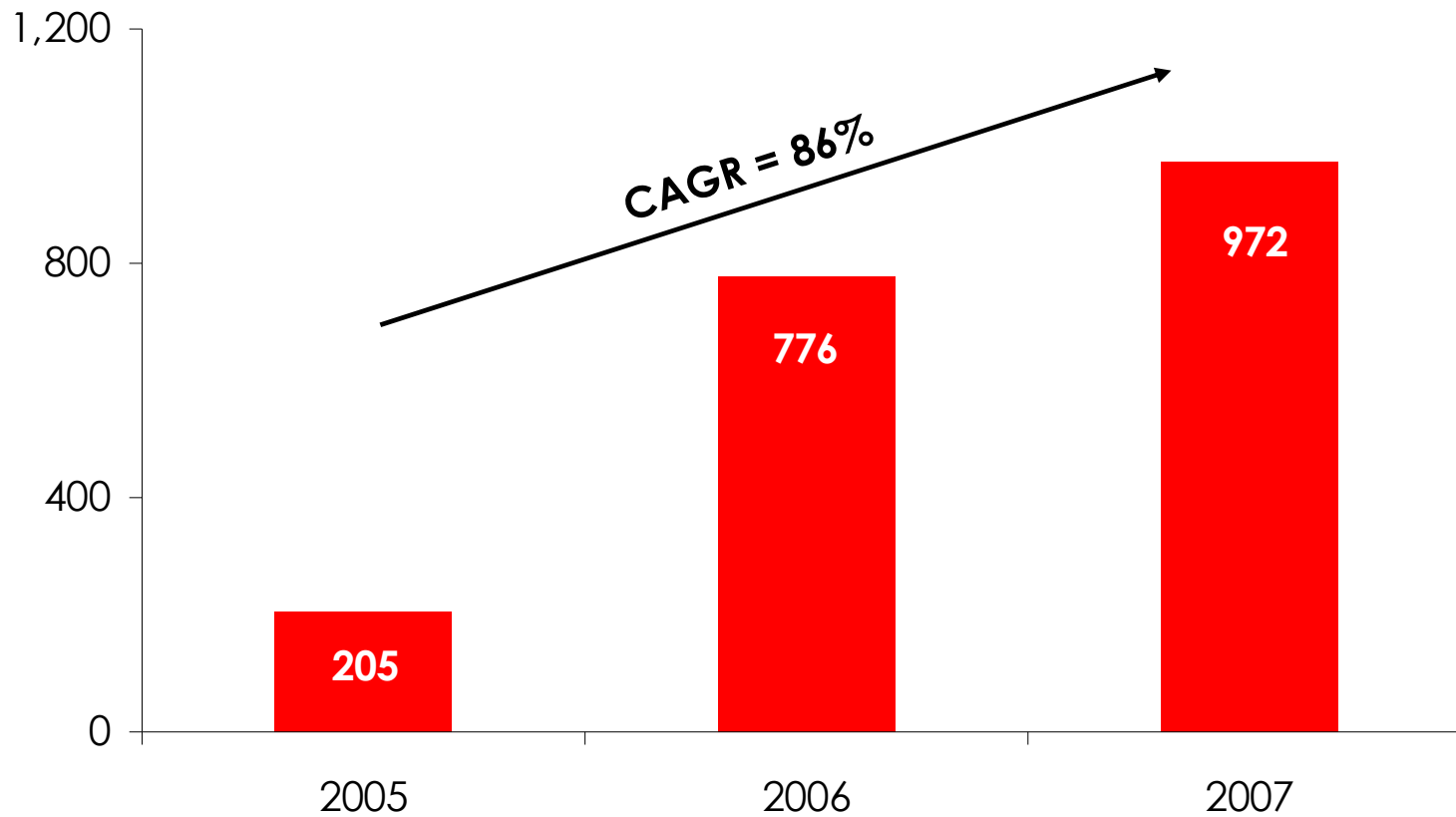
Note: UBA changed its financial year end from March to September in 2006. September 2006 results represent 18 months of trading

[www.ubagroup.com](http://www.ubagroup.com)

# Retail deposit taking institution



## Deposits (N billion)



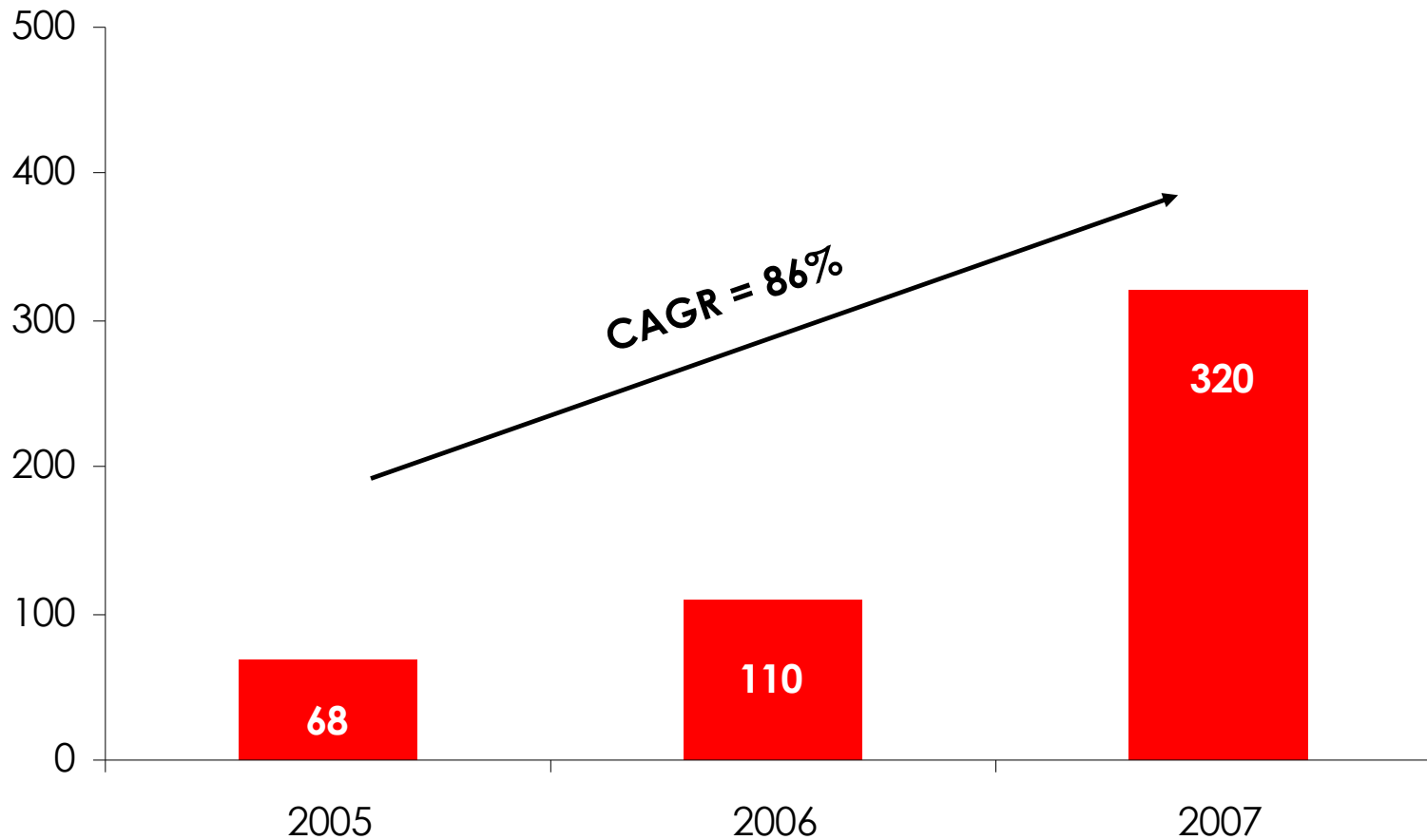
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# Rapidly growing loan book



## Loans & advances (N billion)



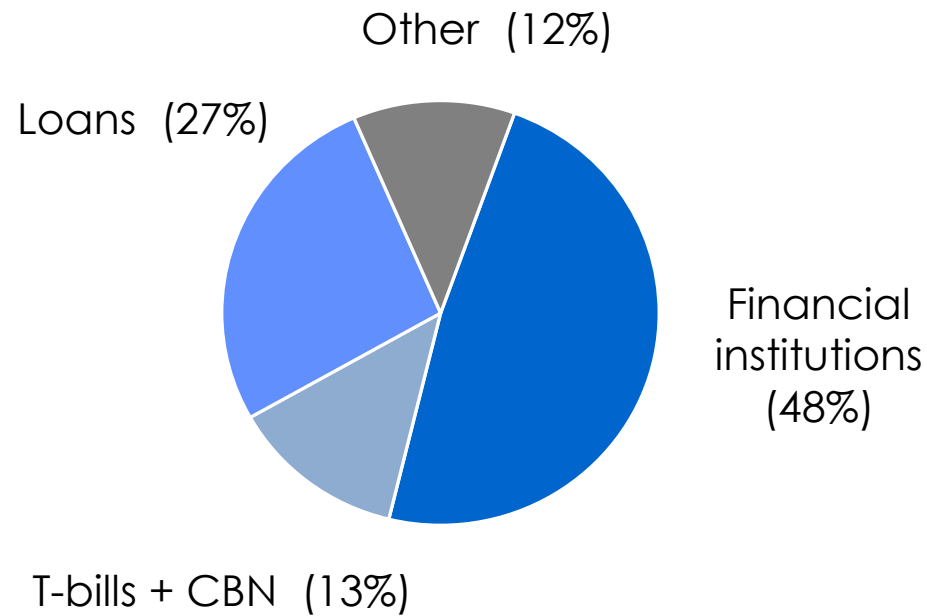
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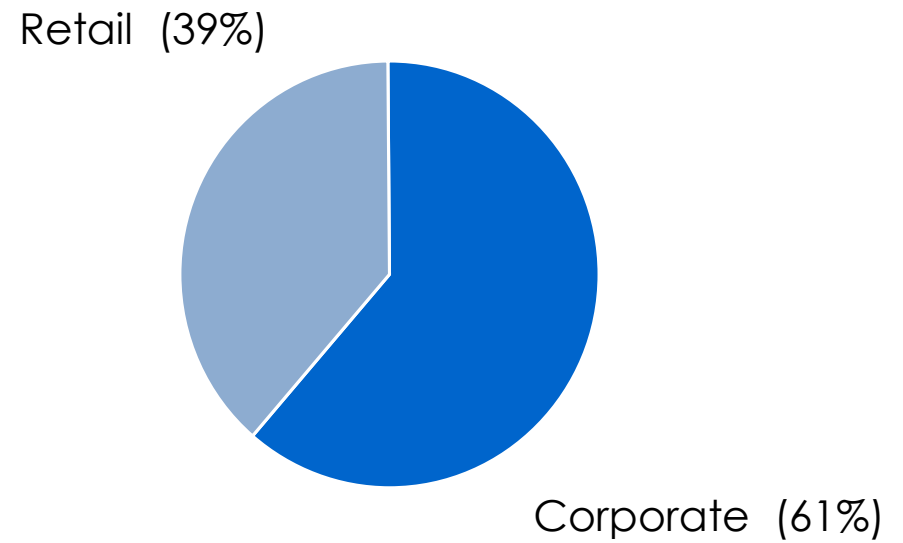
# High quality asset base



## Assets by type



## Loans by type<sup>1</sup>

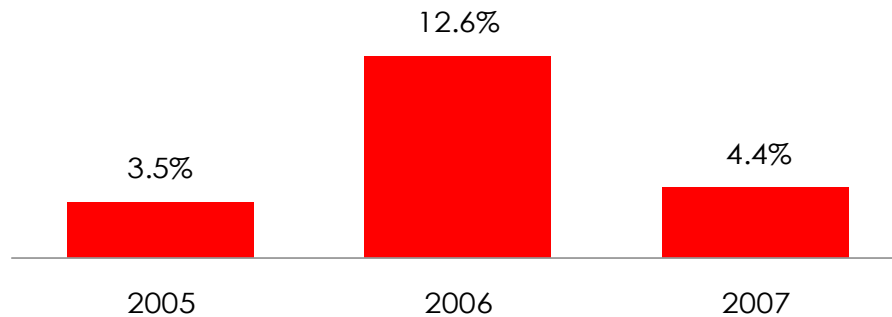


<sup>1</sup> Erratum: presentation at the Investor Forum incorrectly stated this split was 45/55.

# Steady improvement in asset quality



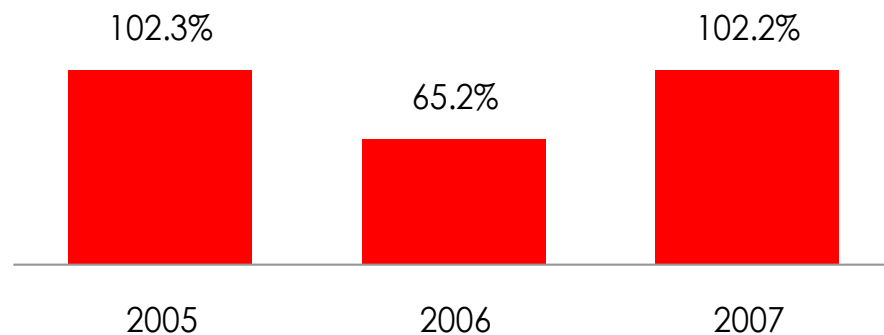
## NPL ratio<sup>1</sup>



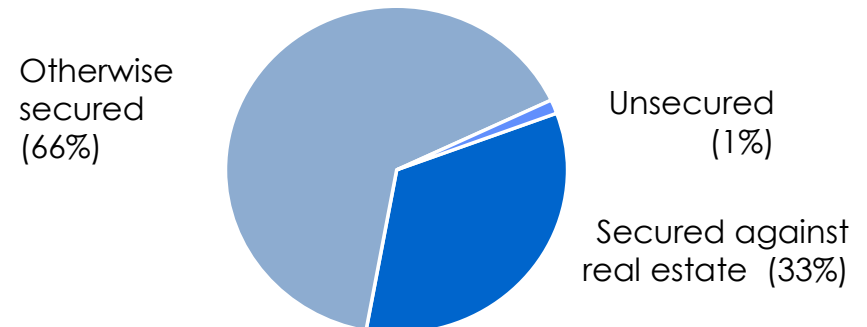
## Comments

- Spike in 2006 due to merger provisions
- Improvement in 2007 due to strong risk management and aggressive recoveries
- Average maturity of the portfolio is less than one year
- Provisions in line with regulatory prudential guidelines

## Coverage ratio<sup>2</sup>



## Proportion of secured loans



Note: Change of financial year end in 2006 from March to September. 2006 results represent 18 months of trading

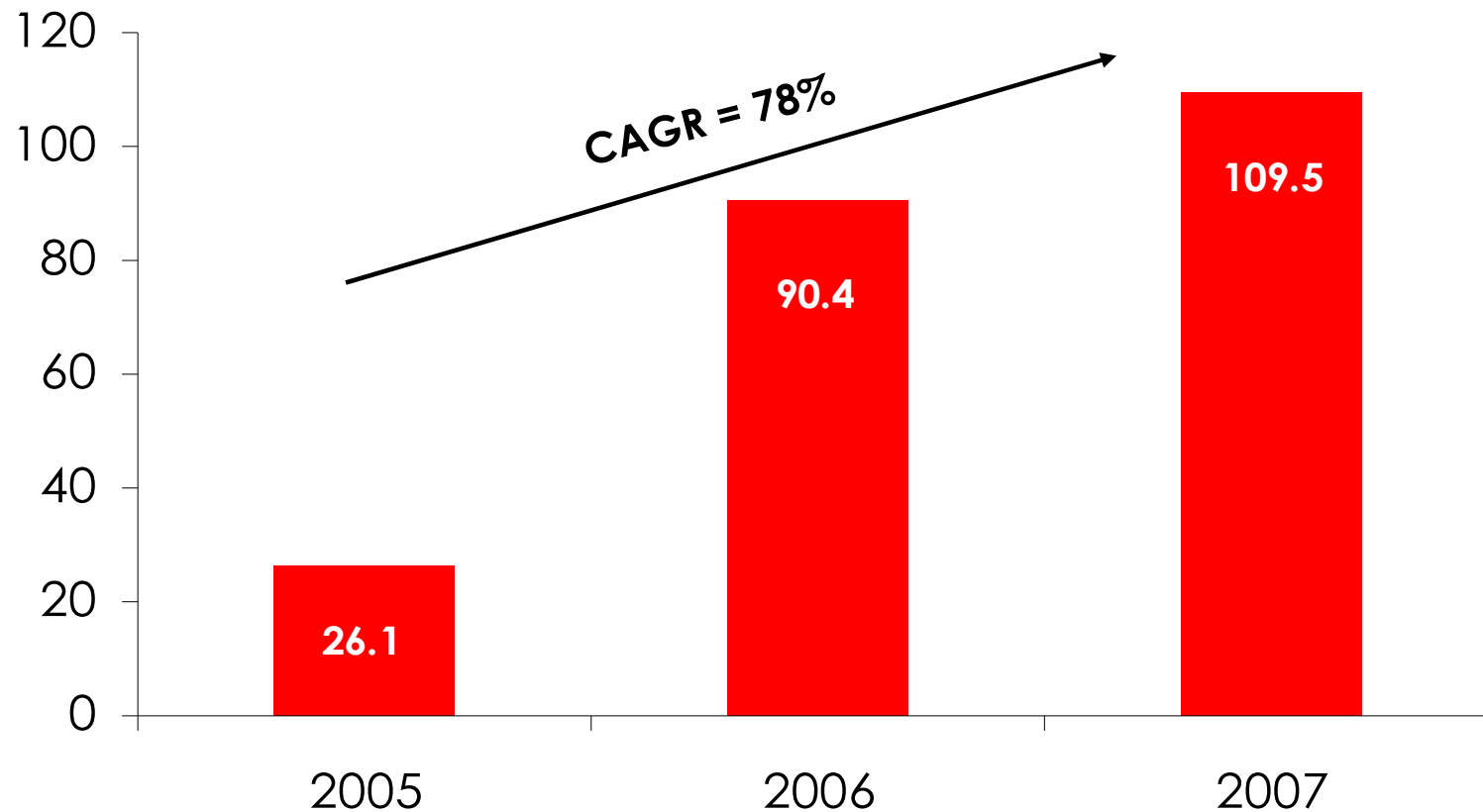
<sup>1</sup> NPL ratio defined as non-accrual portion of overdue loans as a percentage of gross loans

<sup>2</sup> Coverage ratio defined as provisions for loan losses as a percentage of non-performing loans. Provisions include interest in suspense

# Measured top-line growth



## Gross earnings (N billion)



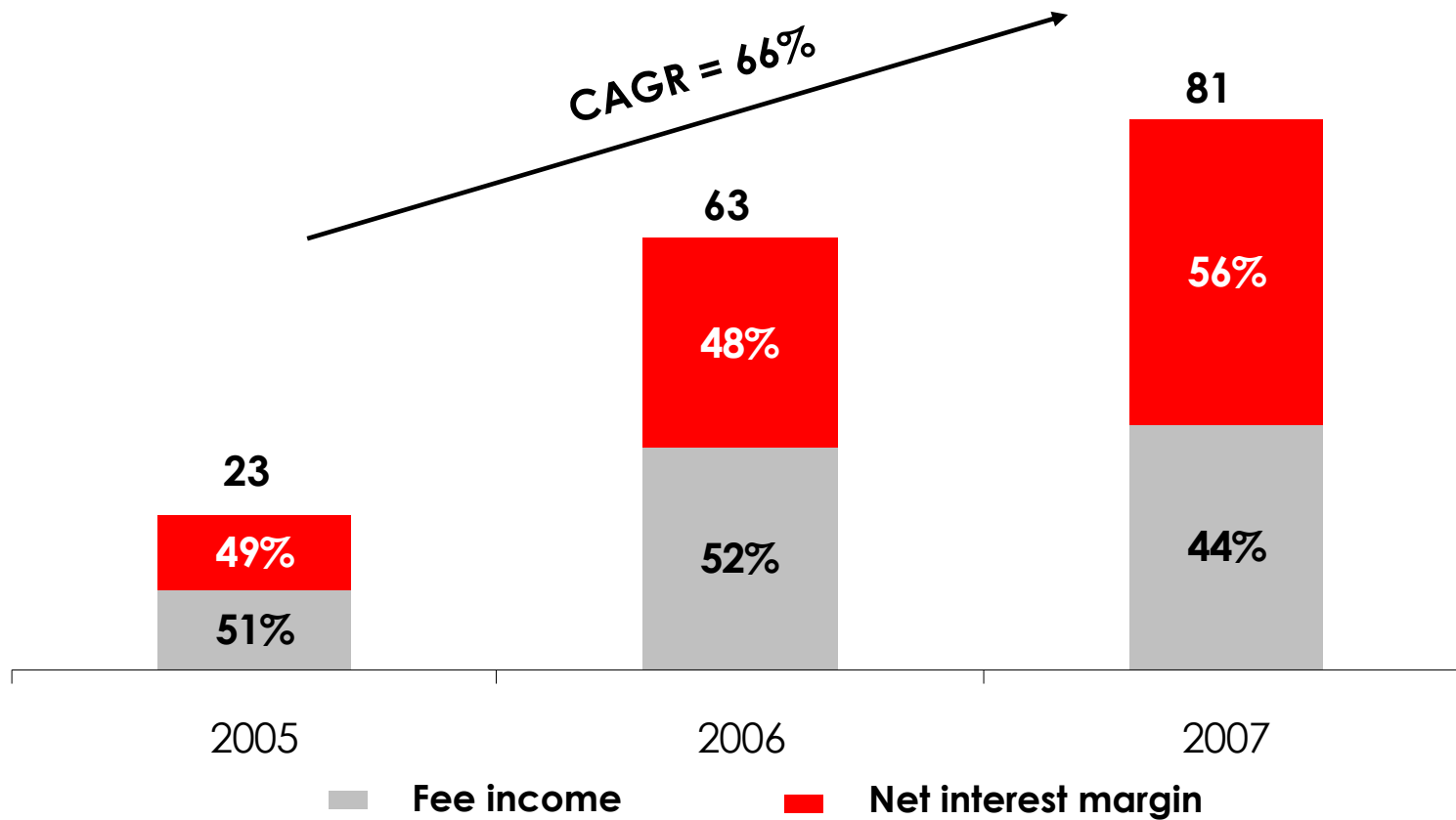
Note: UBA changed its financial year end from March to September in 2006. September 2006 results represent 18 months of trading

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# Healthy interest margins and fee income



## Operating income (N billion)

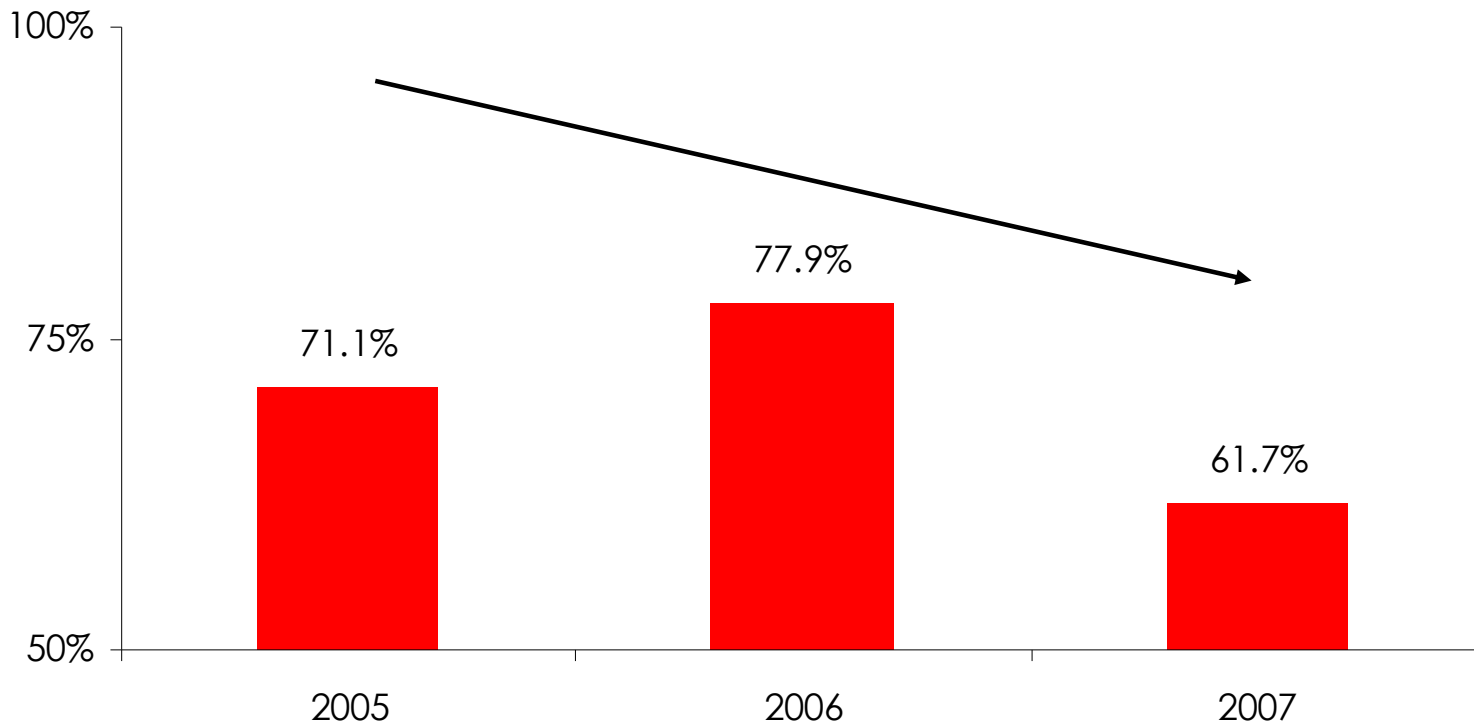


Note: UBA changed its financial year end from March to September in 2006. September 2006 results represent 18 months of trading

# Strong cost control



## Cost-to-income ratio



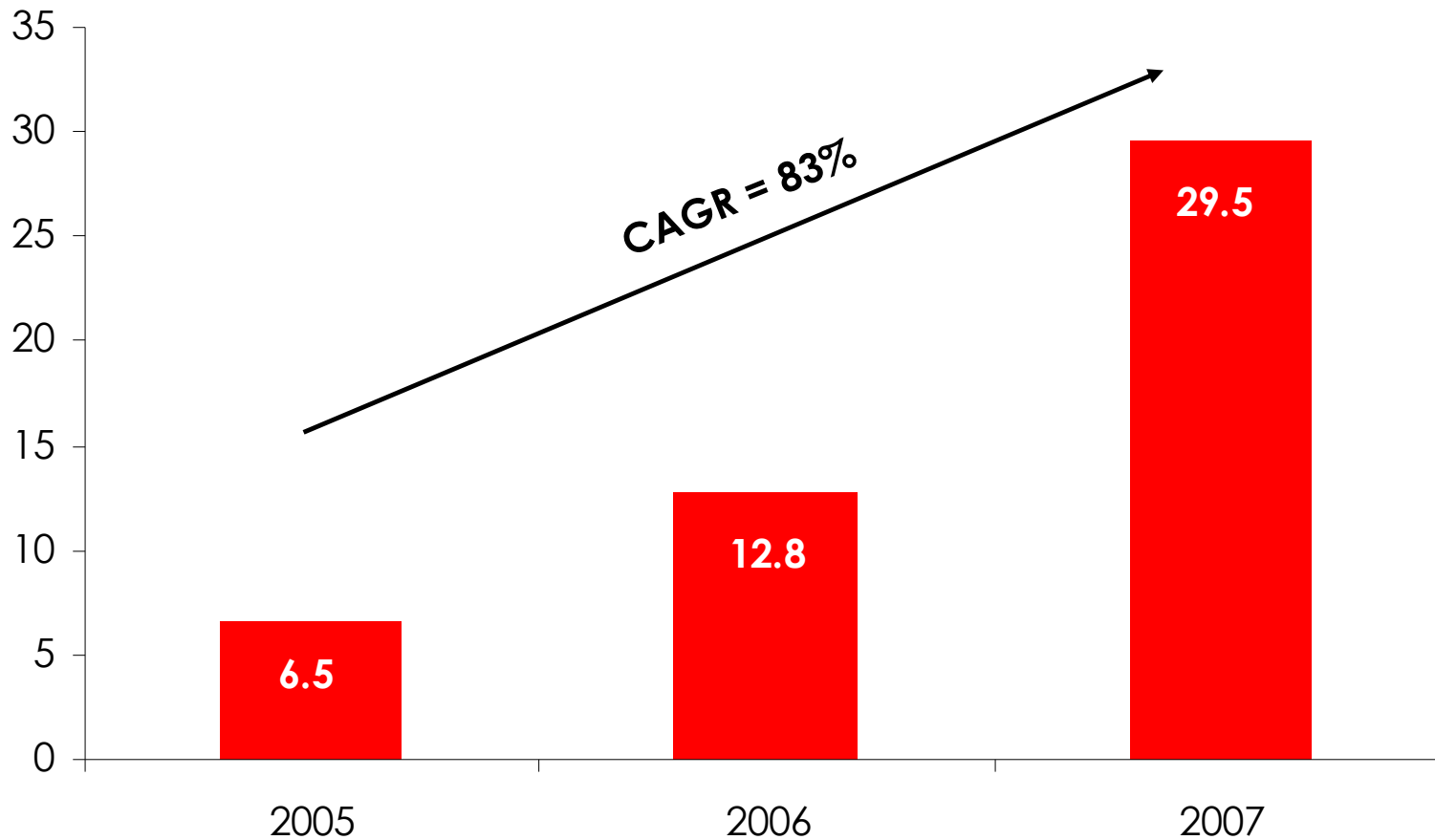
Note: UBA changed its financial year end from March to September in 2006. September 2006 results represent 18 months of trading

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# Rapid profit growth



## Profit before tax and exceptional items (N billion)



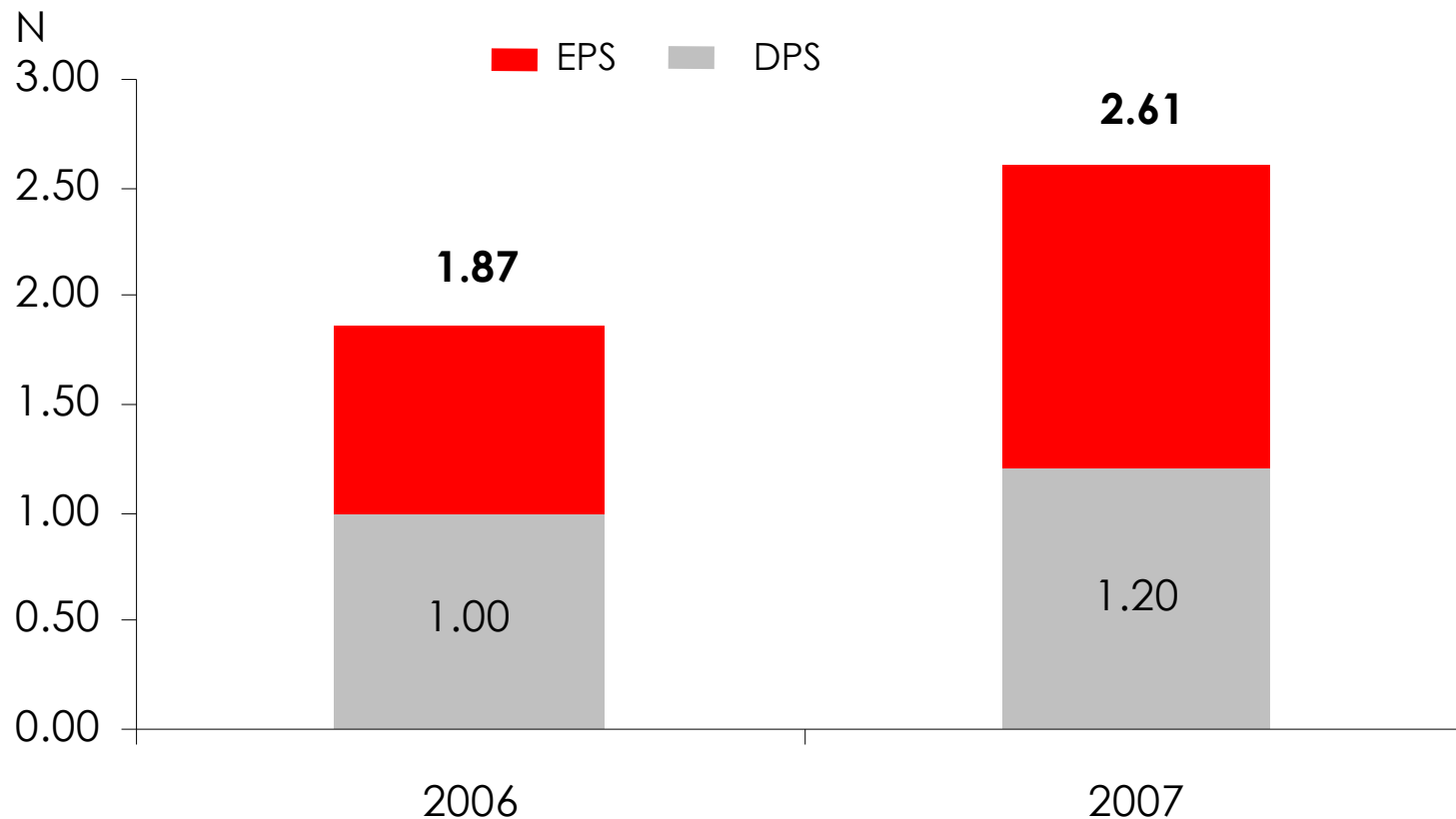
Note: UBA changed its financial year end from March to September in 2006. September 2006 results represent 18 months of trading

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# Delivering shareholder returns



## Earnings & dividends per share (N)



Note 1: UBA changed its financial year end from March to September in 2006. September 2006 results represent 18 months of trading

Note 2: 2007 EPS based on weighted average number of shares outstanding over the year

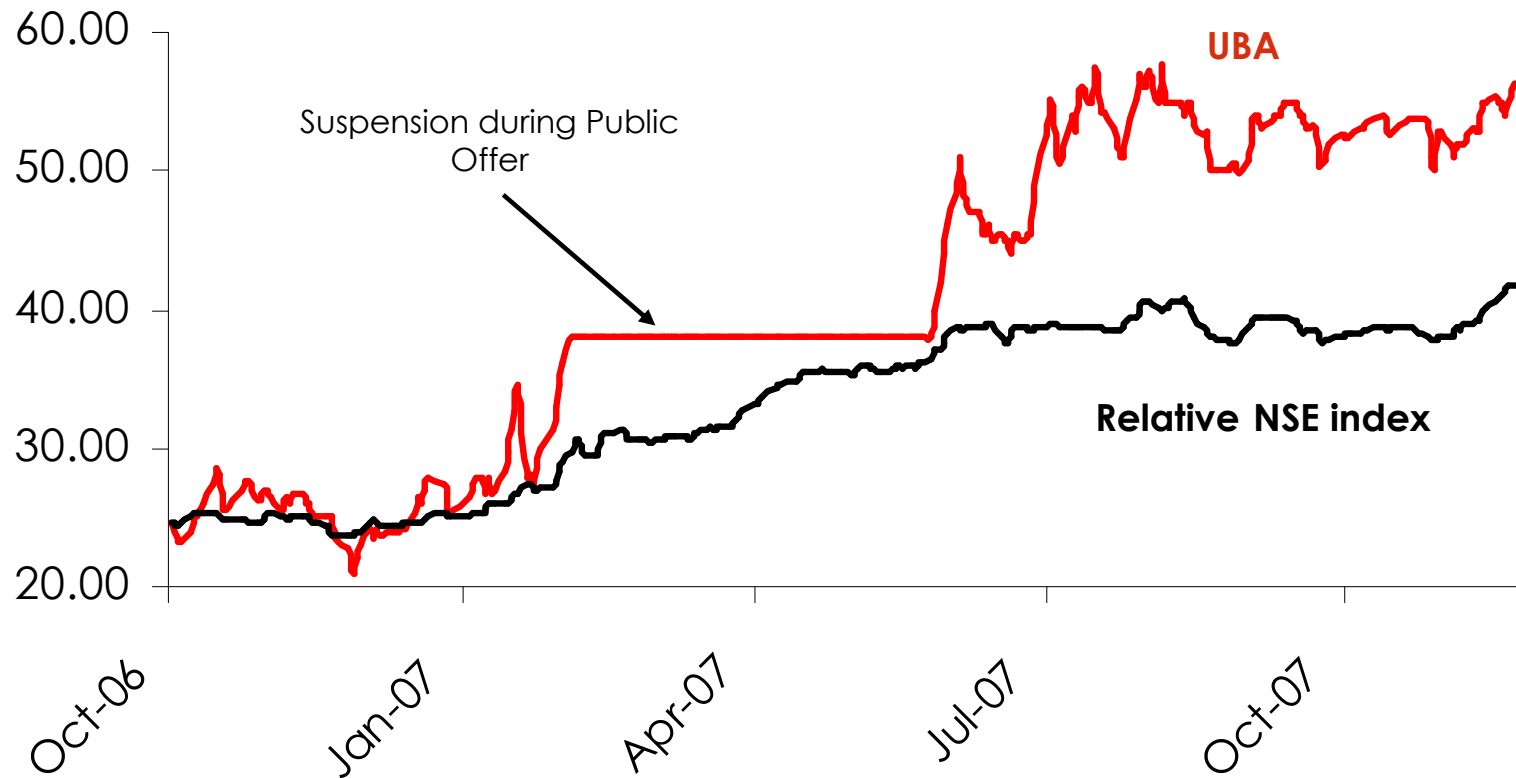
Note 3: DPS to be ratified at AGM on 18 January

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# High share price growth

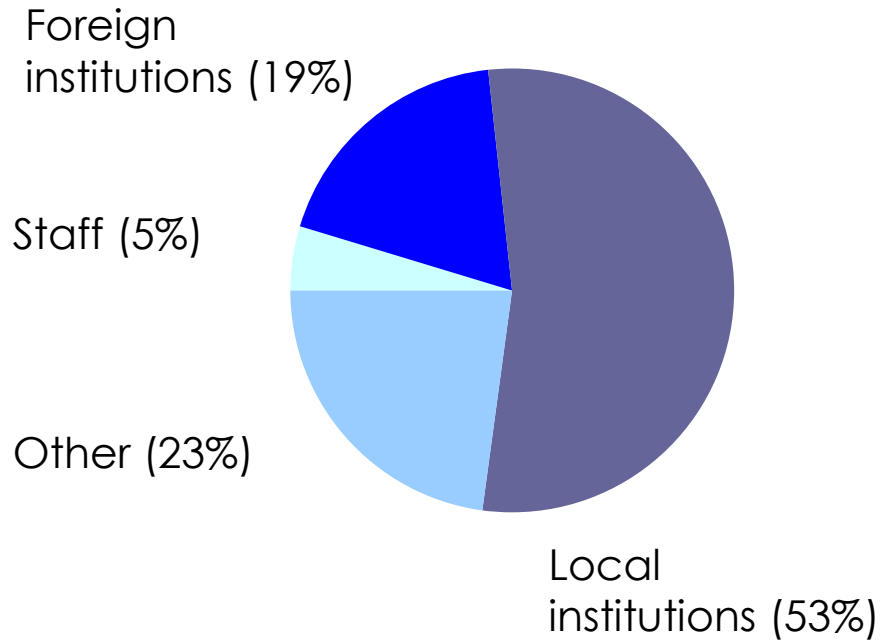


## Share price performance (N)



# Capital structure

## Shareholders



## Comments

- 11,496,779,980 fully diluted outstanding shares including 205,600,000 shares pending listing
- Foreign institutions include IFC and African DB

## Ratios

- Total Balance sheet: N1.6 trillion
- CAR: 25% (min. 10%)
- SHF: 168 billion

Note: shareholder split is UBA estimate based on Registry records

# International expansion



**UBA Capital London**

## **UBA West Africa**

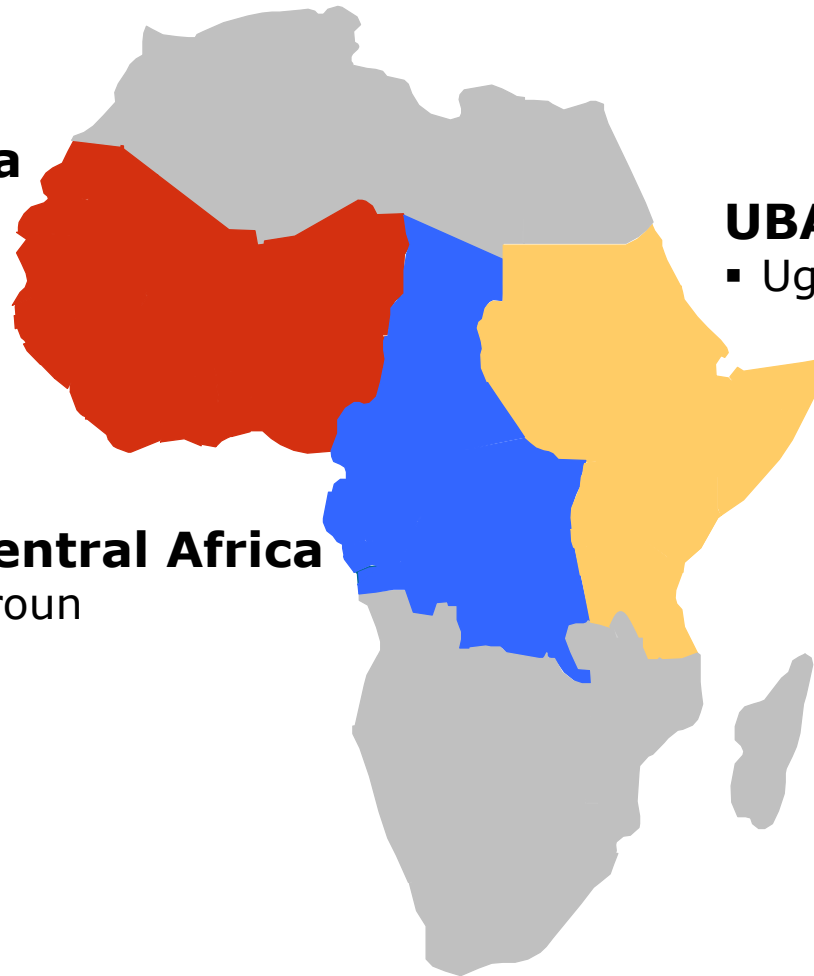
- Nigeria
- Ghana
- Cote d'Ivoire
- Liberia
- Sierra Leone
- Burkina Faso

## **UBA Central Africa**

- Cameroun

## **UBA East Africa**

- Uganda



**UBA New York**

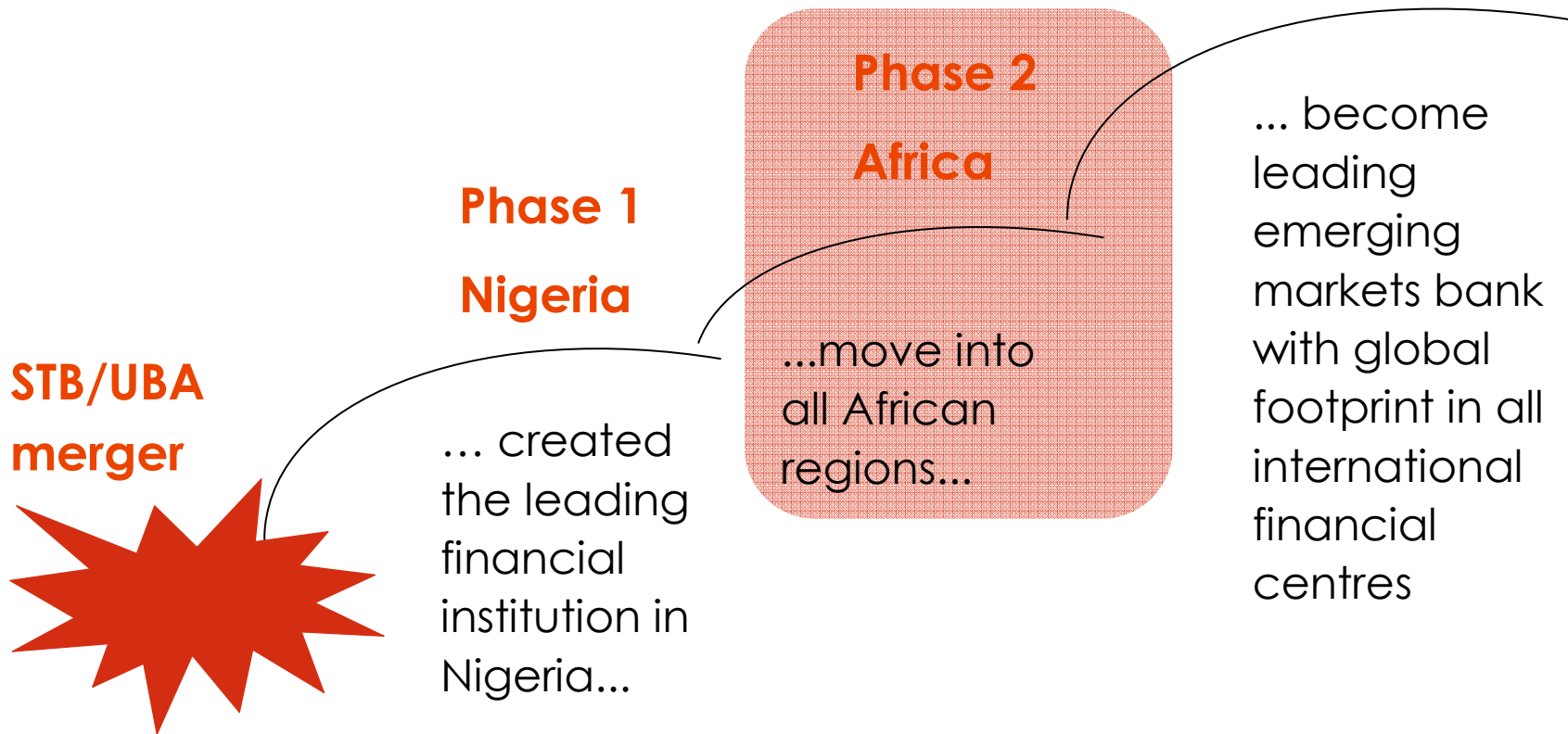
[www.ubagroup.com](http://www.ubagroup.com)

**Future outlook (2007-2010)**

# Overall strategic approach



3 escalating levels of focus:



# 3-year strategic intent (2010)

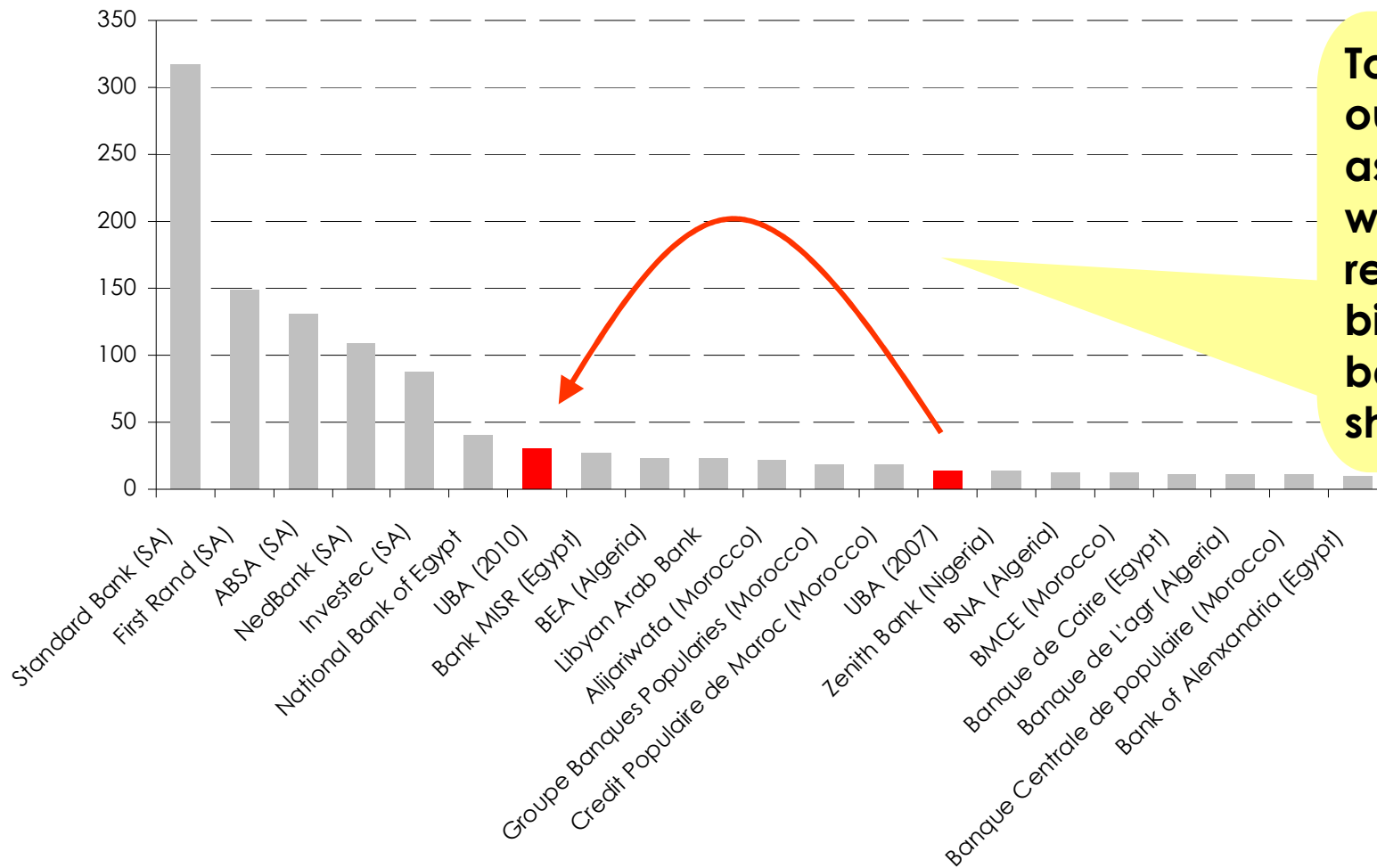


Parameters	Objectives
<b>Nigerian Ranking</b> Size: <ul style="list-style-type: none"><li>Total assets</li><li>Deposit base</li><li>Gross earnings</li><li>Branch/ATM network</li></ul> Profitability: <ul style="list-style-type: none"><li>PBT</li><li>ROE</li></ul> Enterprise Value: <ul style="list-style-type: none"><li>Market capitalization</li></ul>	<b># 1</b>
<b>Sub-Saharan Africa Ranking</b>	<b>Top 6</b>
<b>Global Ranking</b>	<b>Top 300</b>
<b>African Presence</b>	<b>30 countries</b>
<b>Global Ranking</b>	<b>Offices in at least 8 leading emerging/ global markets</b>

# Top 6 bank in Sub-Saharan Africa



## Balance sheet (US\$ billion)



To achieve our African aspiration we need to reach US\$30 billion balance sheet

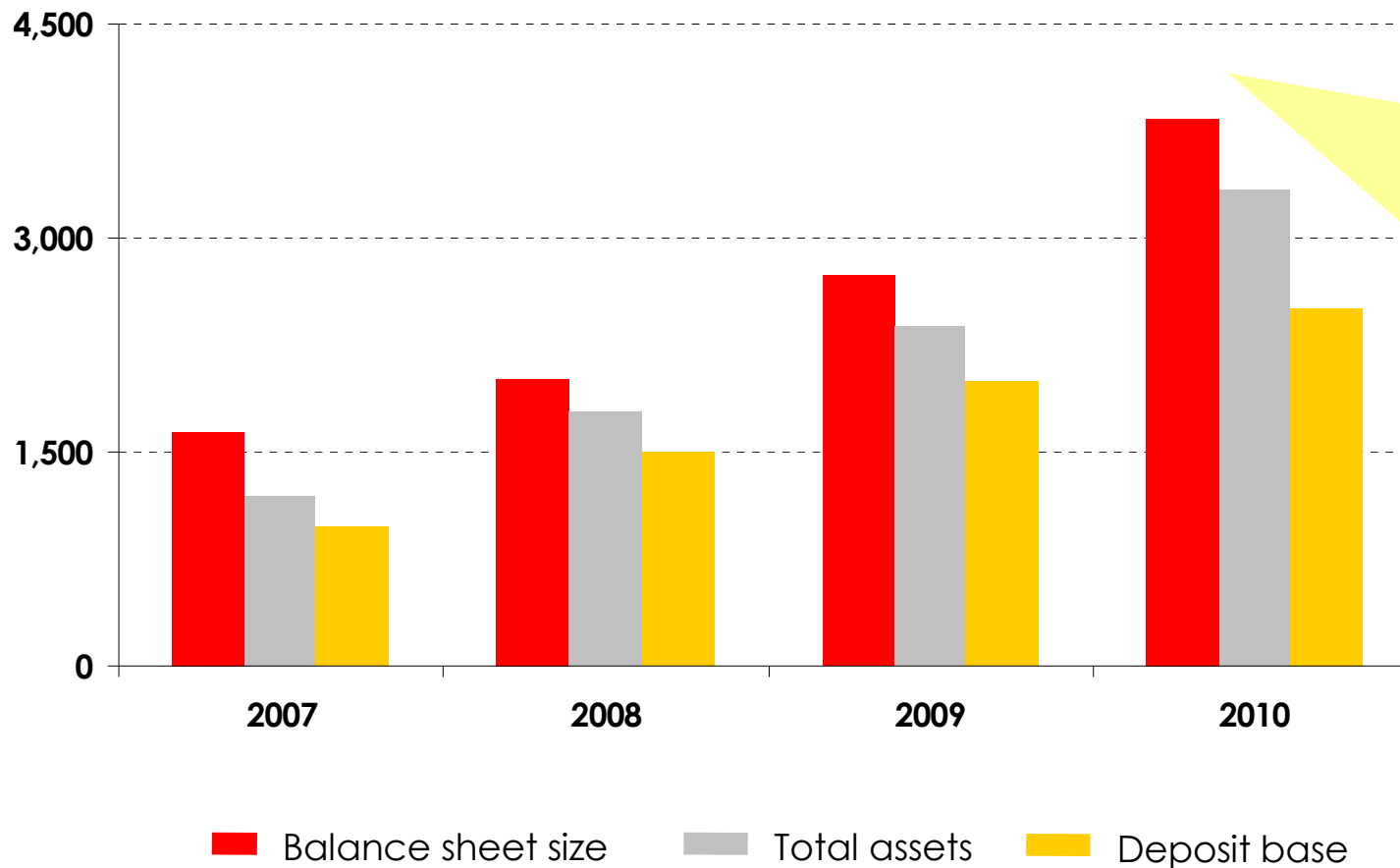
Source: UBA average growth rate projections

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# 3-year financial goals



## Balance sheet (N billion)

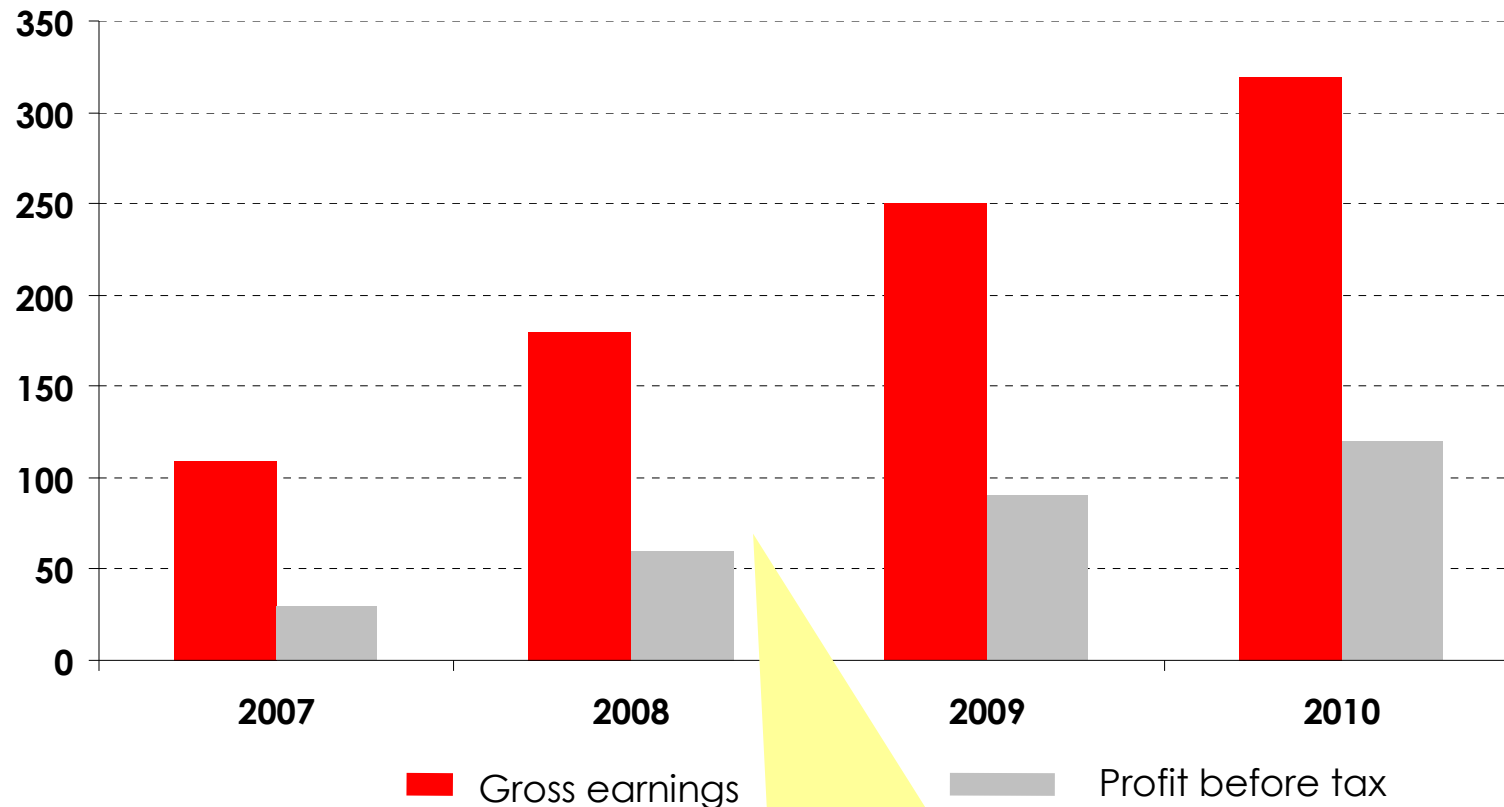


### CAGR:

- 33% for balance sheet
- 41% for total assets
- 37% for deposit base

# 3-year financial goals

## Earnings (N billion)



**CAGR of:**

- 43% for gross earnings
- 59% for PBT

**More than just a bank**

# A bank holding company



## Nigeria Banking

- Corporate banking
- Energy banking
- Prestige banking
- Consumer banking
- Commercial banking
- Institutional banking
- Transaction banking

## Investment Banking

- Global markets
- Asset management
- Trustees
- Custodians
- Stockbrokers
- Registrars
- Merchant banking

## Retail Banking

- Microfinance bank
- Retail financial services

## International Banking

- North/ West/ Central Africa
- East/ South Africa
- Europe/ Americas/ Asia/ Middle East

## Insurance

- Life insurance
- Insurance broking



# AFRICA'S GLOBAL BANK

