

Investor Briefing

For Full Year 2009 and First Quarter 2010

By
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UBA PLC

April 27, 2010

Disclaimer

This presentation contains certain financial information, opinions and forecast on the operations and business of UBA PLC.

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Important Disclosures

- In line with the provisions of the Central Bank of Nigeria (CBN) that all Nigerian banks should have a uniform financial reporting date of December, UBA PLC operated for fifteen months during its last financial year which ended on 31st December 2009.
- This presentation reviews both the financial performance for the year ended 31 December 2009 and the first quarter ended 31 March 2010
- The 15-month period is equivalent for five (5) quarters
- FY means “Full Year”
- FY-09 Rebased is the annualized figures for 2009 (80% of the 15-month P&L figures)
- 1Q, 2Q, 3Q, 4Q and 5Q are quarterly results within the financial period
- EI means “Exceptional Items”
- ROaE means “Return on Average Equity”
- ROaA means “Return on Average Assets”
- CAR means “Capital Adequacy Ratio”
- LR means “Liquidity Ratio”
- Excl-Nigeria – “outside Nigeria” or “group excluding Nigeria”

Outline

- **UBA's Financial Performance**
- **Operating/Regulatory Environment**
- **About UBA**
- **Outlook**
- **Q & A**

**FULL YEAR 2009
(FY09)
FINANCIAL ANALYSIS**

Outline

UBA's Financial Performance For FY09

- Highlights
- Revenue
- Profitability
- Balance Sheet
- Efficiency
- Liquidity and Asset Quality
- Funding and Capital Adequacy

Financial Highlights

PARAMETERS	FY09	FY08	% Change
	ACTUAL (N'BN)	ACTUAL (N'BN)	FY09/FY08
GROSS EARNINGS	246.7	169.8	45%
PROFITS B/F PROV, EX ITEMS & TAX	51.8	59.4	-13%
PROVISIONS	38.2	2.6	1359%
EXCEPTIONAL ITEMS	7.0	8.8	-20%
PBT AFTER EX ITEMS	6.6	48.0	-86%
BALANCE SHEET SIZE	2,238	2,290	-2%
TOTAL ASSETS	1,548	1,673	-7%
LOANS & ADVANCES	607	429	41%
DEPOSITS	1,246	1,333	-7%
SHAREHOLDERS' FUNDS	187	195	-4%
NET INTEREST MARGIN	7.4%	5.9%	
ROaE	1.0%	22.6%	
LIQUIDITY RATIO	44.6%	42.0%	
CAPITAL ADEQUACY RATIO	16.3%	22.2%	
NPL RATIO	8.7%	3.5%	
COVERAGE RATIO	71%	87%	

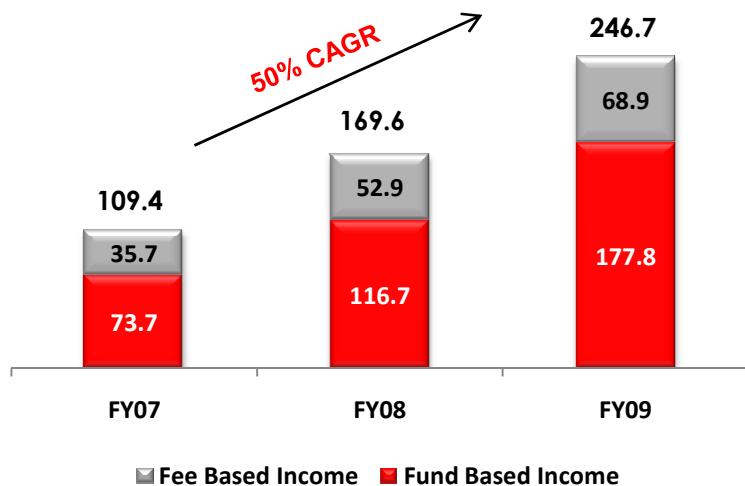
Outline

UBA's Financial Performance For FY09

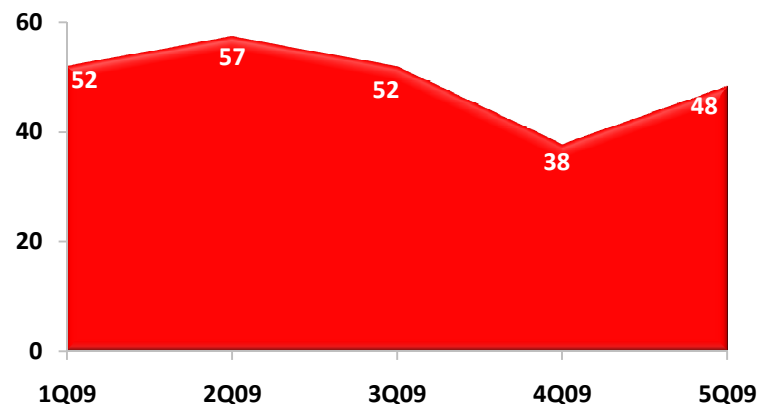
- **Highlights**
- **Revenue**
- **Profitability**
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Revenue Trend

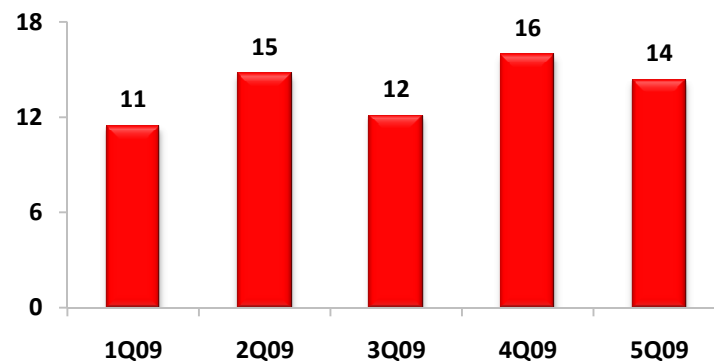
Strong Topline Growth (N'bn)



Qtrly Revenue Streams Returning (N'bn)



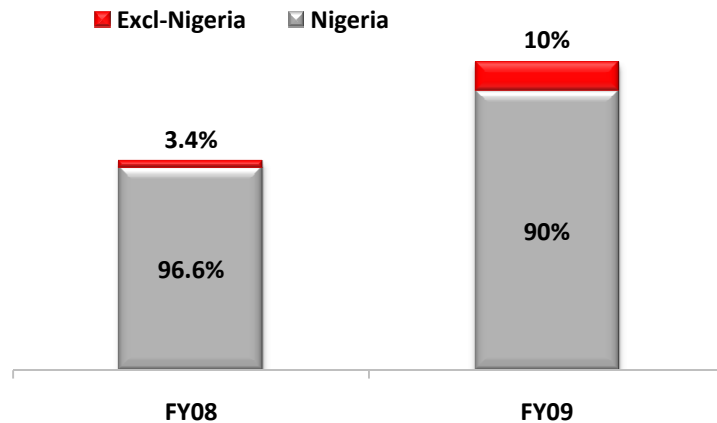
Qtrly Fee Based Income Improves (N'bn)



- **Gross Earnings growth trajectory sustained, 50% CAGR**
- **Revenues closer to quarterly run rate in 5Q09**
 - Dip in 4Q09 resulted from interest rate concession on restructured loans
- **Growth in fee based income impact revenue**
 - Driven largely by COT, Forex and Fee incomes

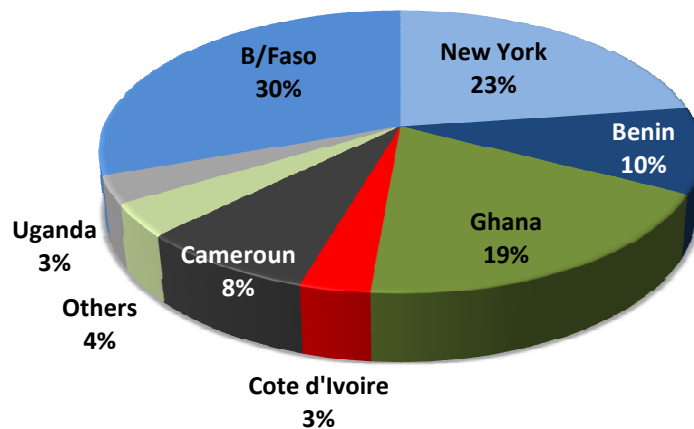
Revenue Mix

Revenue Mix, By Geography

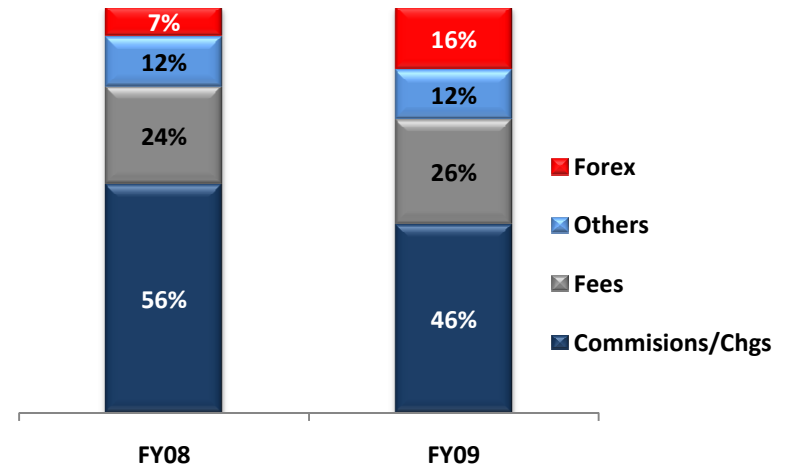


- Excl- Nigeria operations maintain 10% contribution to revenue (3.4% in FY08)
- B/Faso, New York and Ghana constitute 72% of ex-Nigeria revenues
- Slight change fee based income mix
 - Forex now 16% of fee based income (7% in FY08)
 - Contribution from commissions/chgs down 10 bpts to 46%

Revenue Mix, UBA Africa and N/York



Fee Based Income Mix



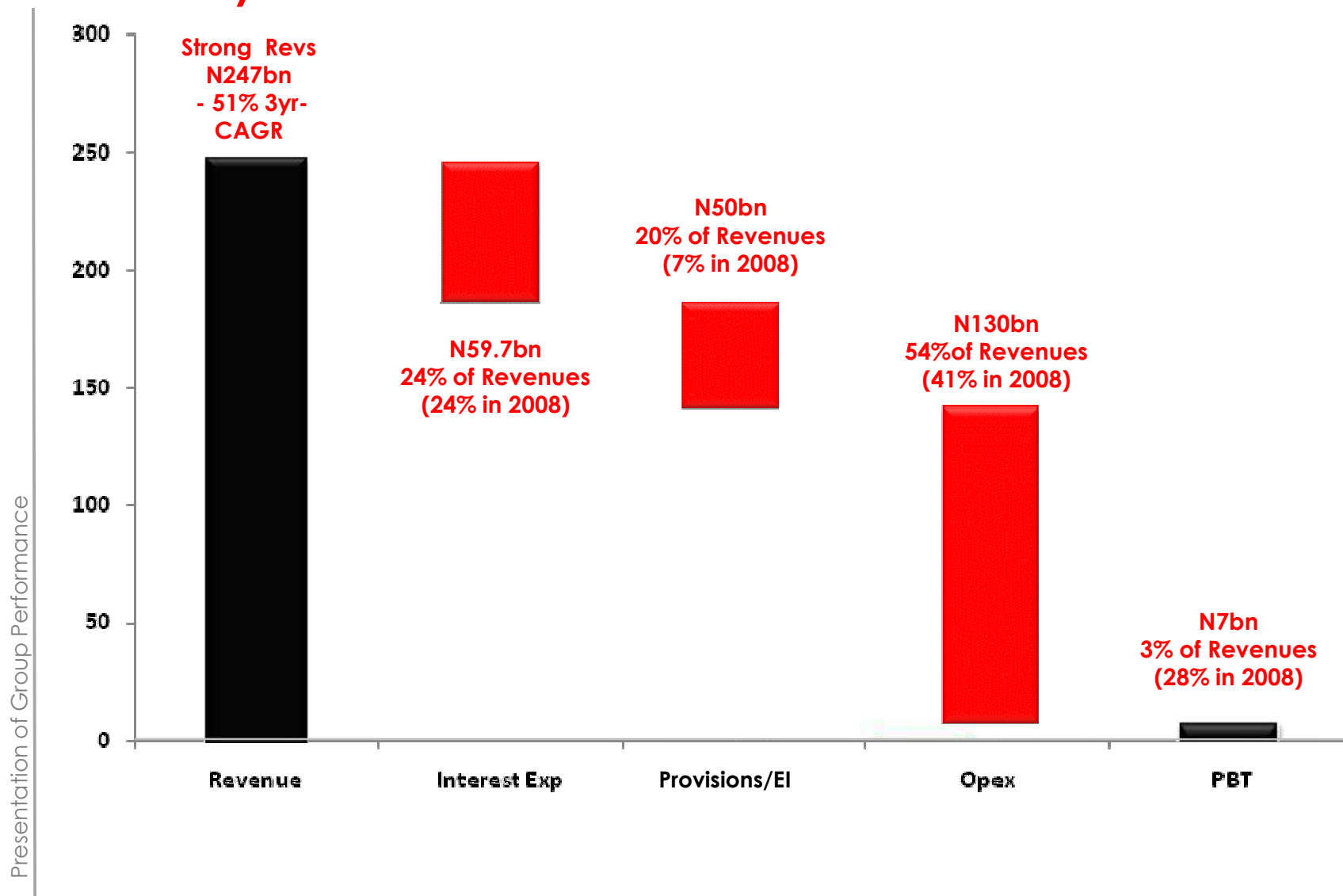
Full Year 2009 Financial Review

Outline

UBA's Financial Performance For FY09

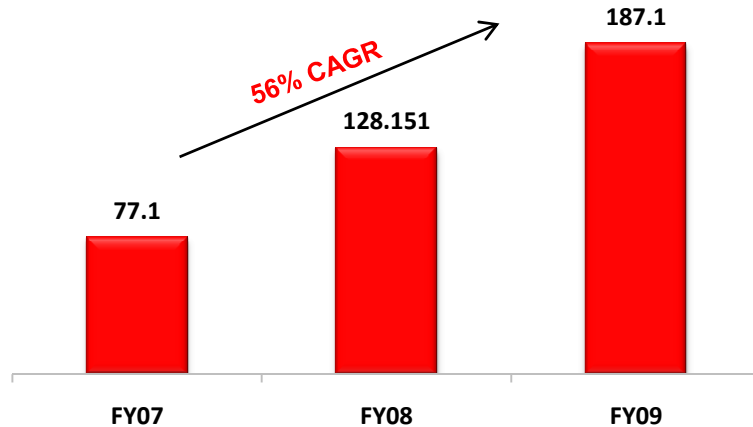
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Profit Analysis... 1

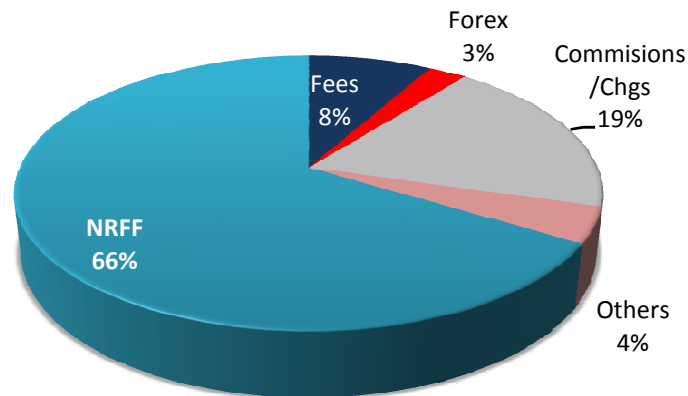


Profits Analysis....2

Strong Growth in Operating Income (N'bn)



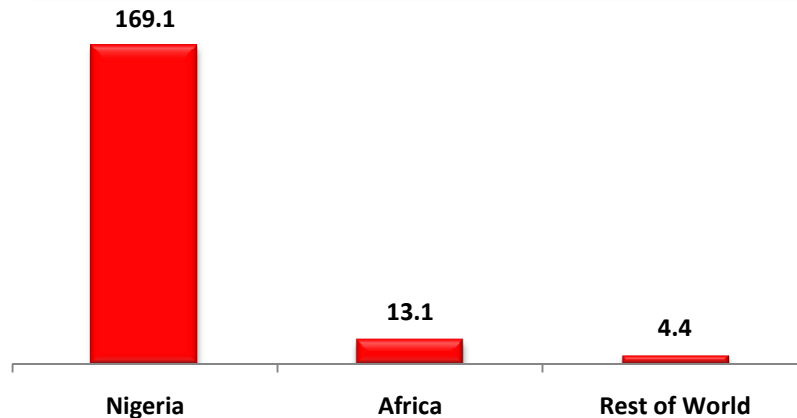
Breakdown of Operating Income



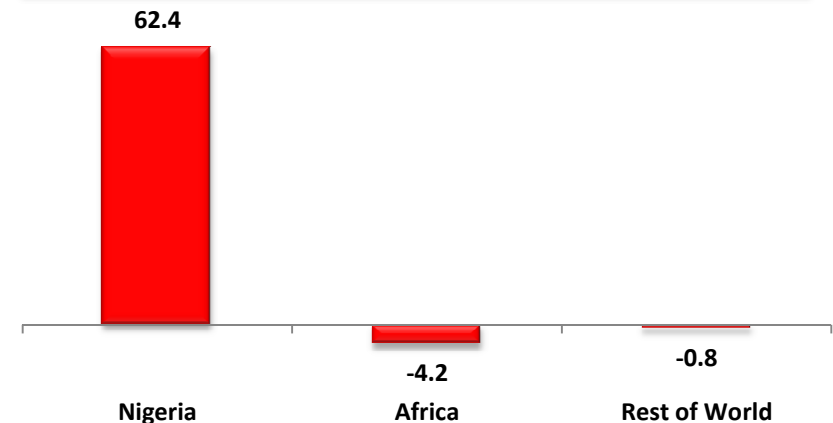
- Strong growth in Operating Income, 56% CAGR.
- More contribution from NRFF at 66% (58% in 2008)
- PBT after exceptional items dips year on year due to Exceptional Provs. & Special assets' write-off
 - Provision for loan losses – N38bn
 - Special assets' write-off – N7bn
- ...resulting in a modest PBT of N7.5bn
 - Recovery in profits expected in FY10

Profits Analysis....3, By Geography

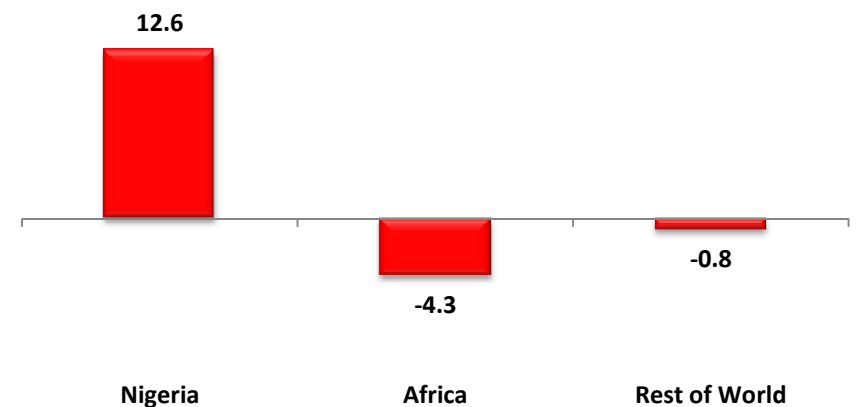
Operating Income, By Geography (N'bn)



PBT Before Prov/EI, By Geography (N'bn)



PBT After Prov/EI, By Geography (N'bn)



Presentation of Group Performance

- **Operating Incomes reported across business geographies**
 - **Underlying strong potential**
- **Losses reported from excl-Nigeria operations due to slow business momentum and high charges for pre-operating expenses**
- **Eight Subsidiaries commenced operations last year.**

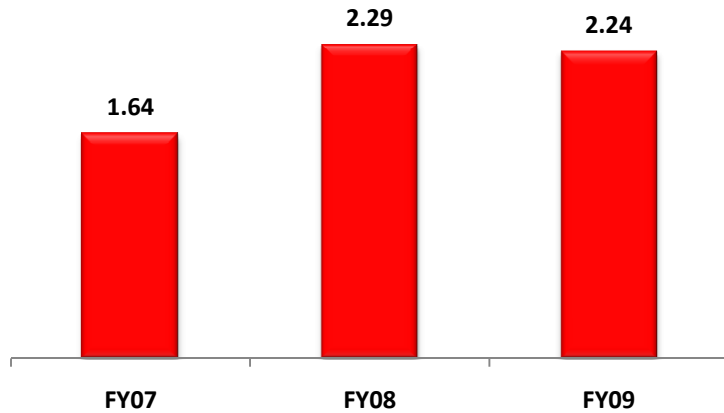
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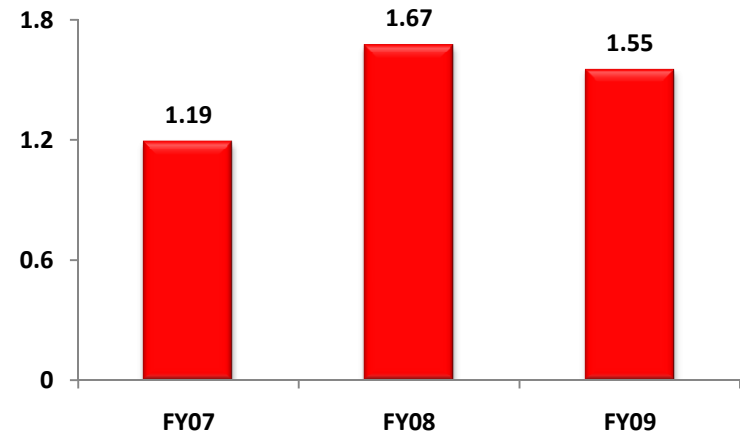
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Total Asset and Contingents

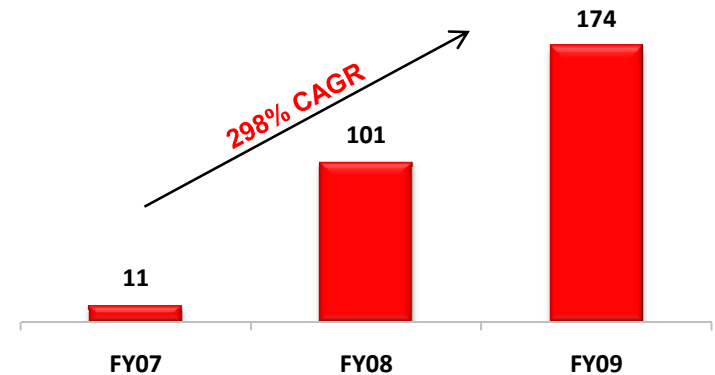
Stable Balance Sheet Size (N'trn)



Stable Total Assets (N'trn)



Total Assets Grow in Other Africa Subs (N'bn)

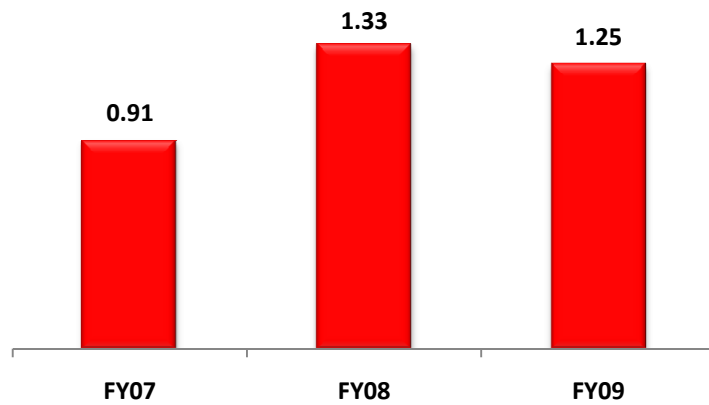


Presentation of Group Performance

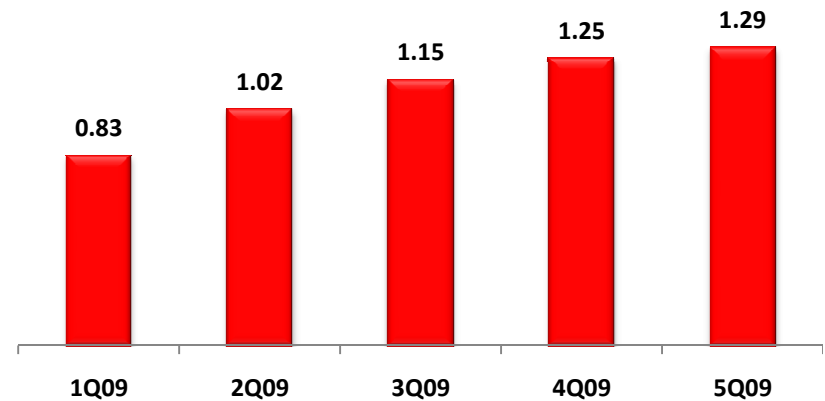
- **Stability in 2009 despite industry challenges**
 - Balance sheet size flat
 - Total Asset also slipped to N1.6trn
- **Our Africa operations now larger...**
 - Total assets grew at 298% CAGR to N174bn in two years
 - Outpost increase to 16

Deposit Base

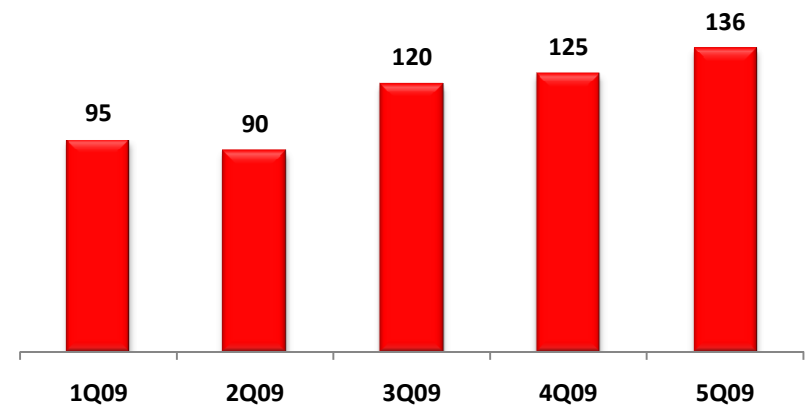
Stable Deposits (N'trn)



Qtrly Trend in Group Deposits (N'trn)



Qtrly Trend in UBA Africa Deposits (N'bn)

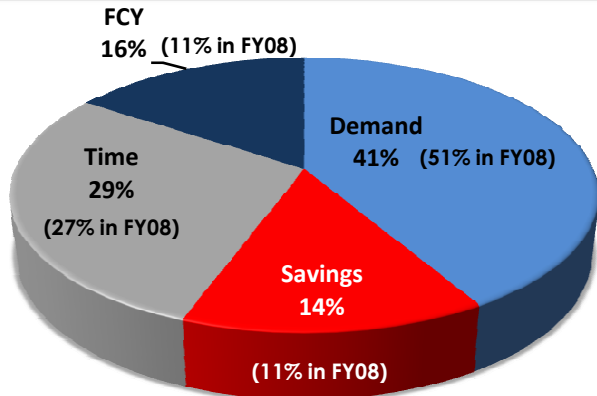


- Stable deposits in spite of hostile operating environment in 2009
- Consistent growth QoQ through 2009
- Sustained uptrend in UBA Africa deposits

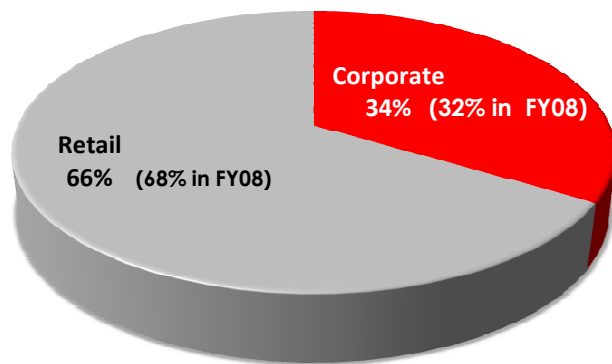
Presentation of Group Performance

Deposit Mix

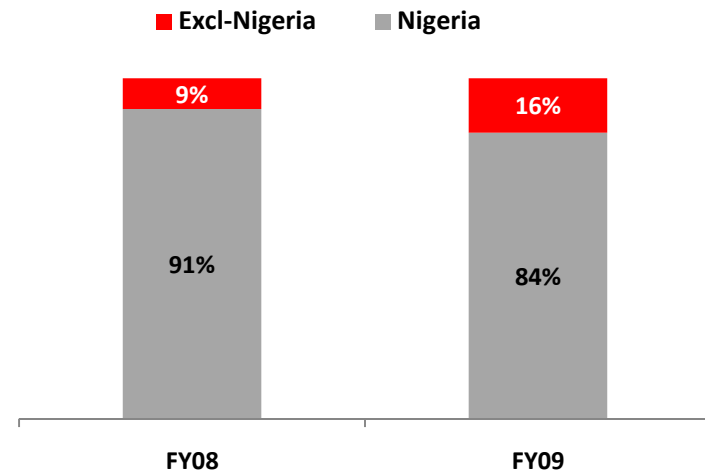
Deposit Mix, By Type



Deposit Mix, By Class



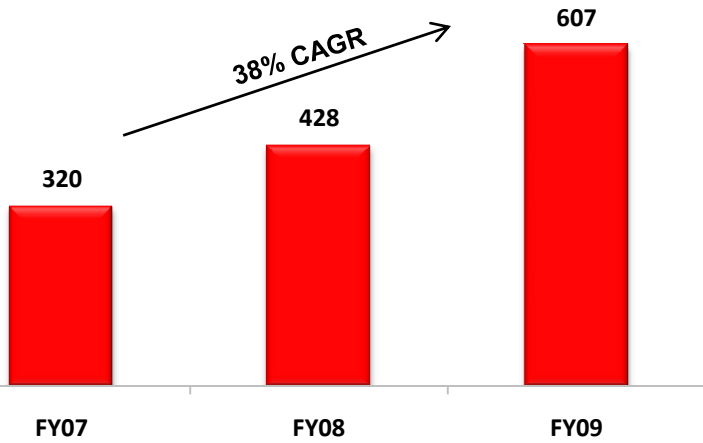
Deposit Mix, By Geography



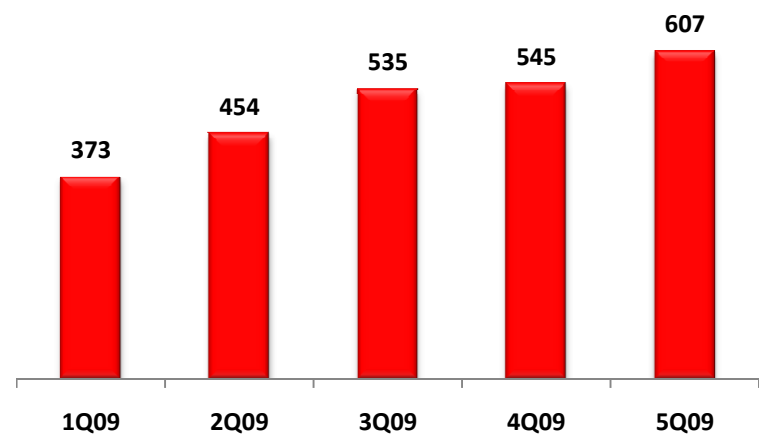
- Low cost deposit account for 71% of total deposit, but purchased funds increase slightly to 29%
- Contributions from outside Nigeria now 16% (9% in FY08)
- Retail customers still account for bulk of group deposits at 66%

Group Lending

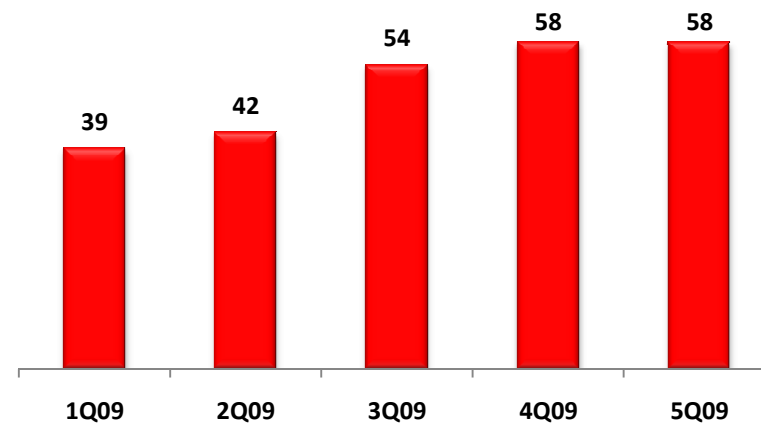
Loans (N'bn)



Loans, Qtrly Trend (N'bn)



Qtrly Trend in Loans, UBA Africa (N'bn)

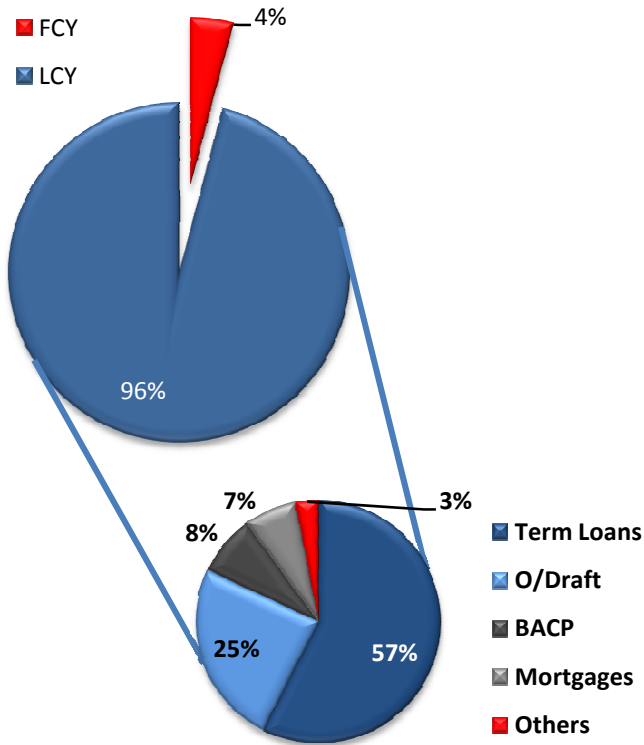


- Strong loan growth (38% CAGR)
- Sustained uptrend in net loans through 2009. Most loans are to corporates
- Growth also maintained in UBA Africa

Presentation of Group Performance

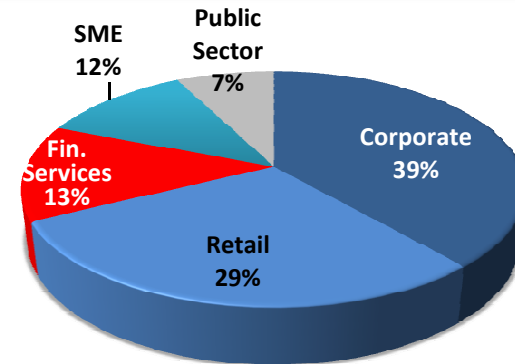
Lending Portfolio

Lending, By Type and Currency



- Foreign currency lending only 4% of loan book
- Bulk of local currency lending are term loans
- Lending is largely to corporate and retail (81%)
- Consumer, upstream oil and telecom sectors lead

Lending Portfolio, By Class



Lending Portfolio, Sector Distribution

Personal & Professional	18%
Oil & Gas	16%
Telecoms	10%
Real Estate & Construction	9%
Manufacturing	8%
Transportation	8%
Financial Services	7%
General Commerce	7%
Capital Market	6%
Government	5%
Agriculture	4%
Others	2%

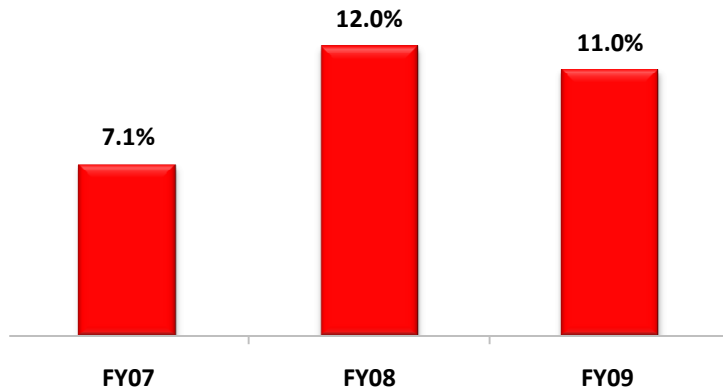
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Quality of earning assets...

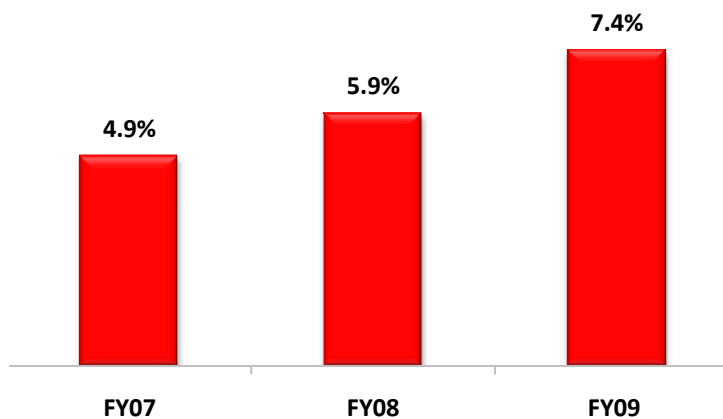
Strong Yield on Earning Assets



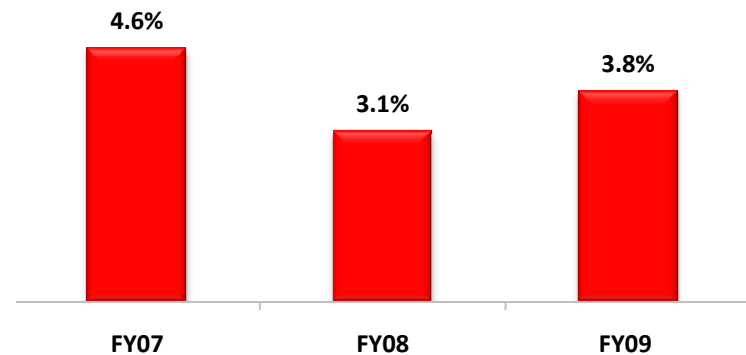
Fund based income remains strong

- Annualized Yield on earning assets up to 11 %
- Solid Net Interest Margins of 7.4%
 - Taking a cue from strong yield on earning assets
- Annualized cost of funds up 60 bpts to 3.8%

Net Interest Margins Improve



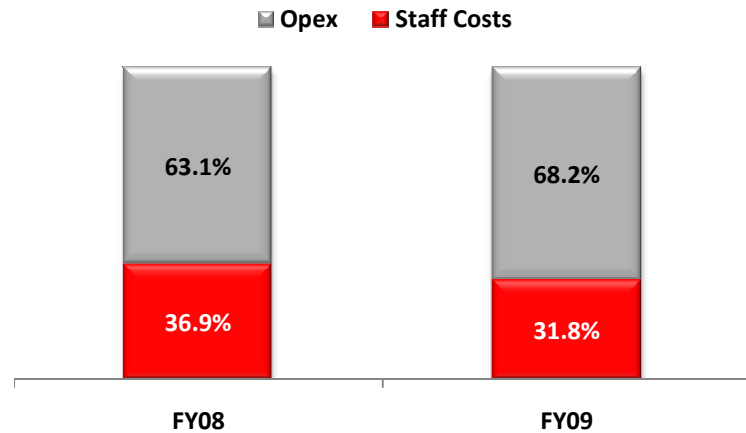
Cost of Funds



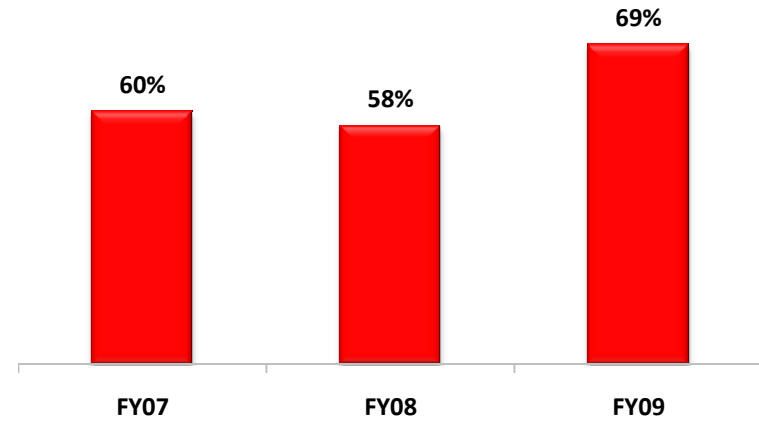
Presentation of Group Performance

Cost Analysis

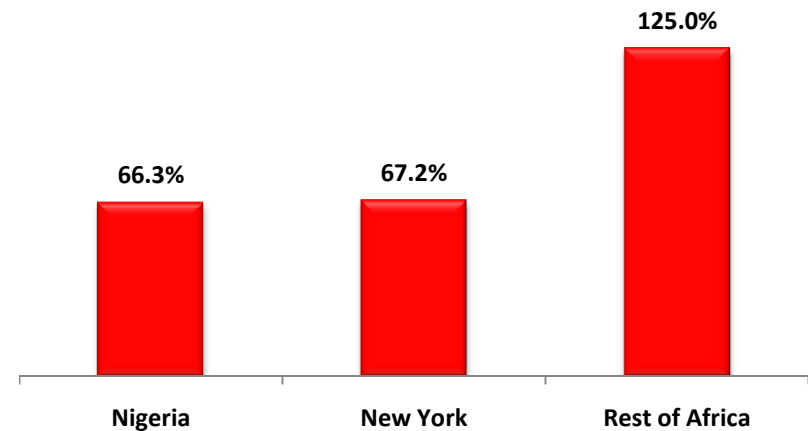
Staff Cost reducing



Below par Group-wide Cost to Income Ratio in 5Q09



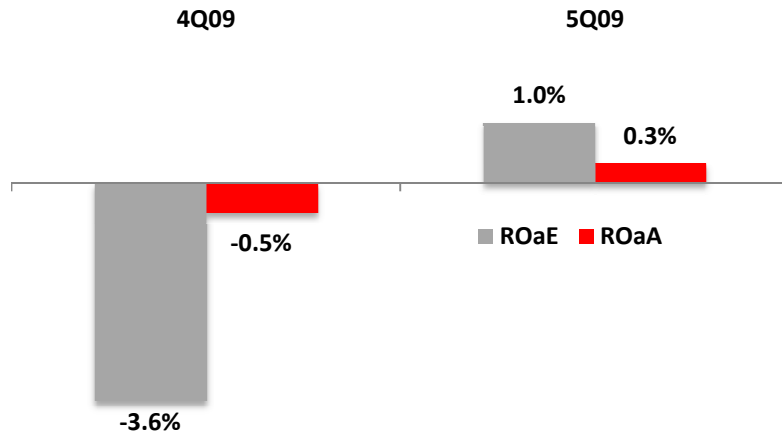
Cost to Income Ratio, By Geography



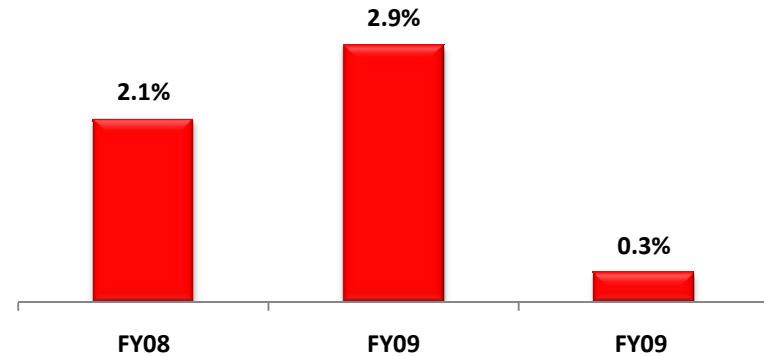
- Staff costs to total costs reduce: benefits of group-wide staff optimization
- Cost to income ratio high at 69% due to UBA Africa's pre-op costs
 - Medium term target remains 55%
- GSS taking firm route in Nigeria
 - To be rolled out in Africa

Concerted management initiatives yield benefits

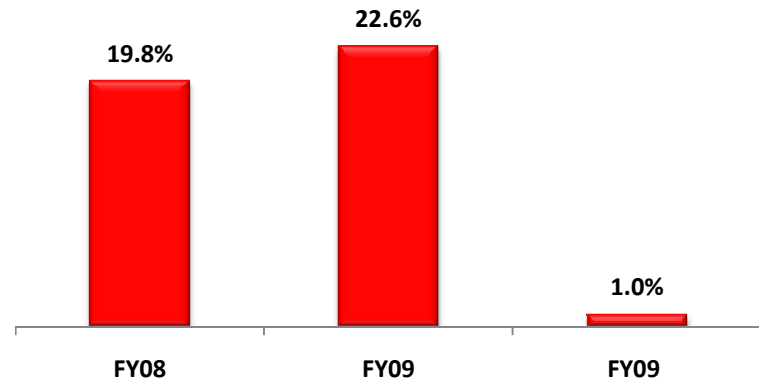
Returns Recover After Dip in 4Q09



Return on Average Assets



Return on Average Equity



- Return on Investments turn positive after the dip in 4Q09.
 - ROaA reverses to 0.3%, while ROaE closed at 1% in 5Q09
- Sustained recovery expected during 2010

Presentation of Group Performance

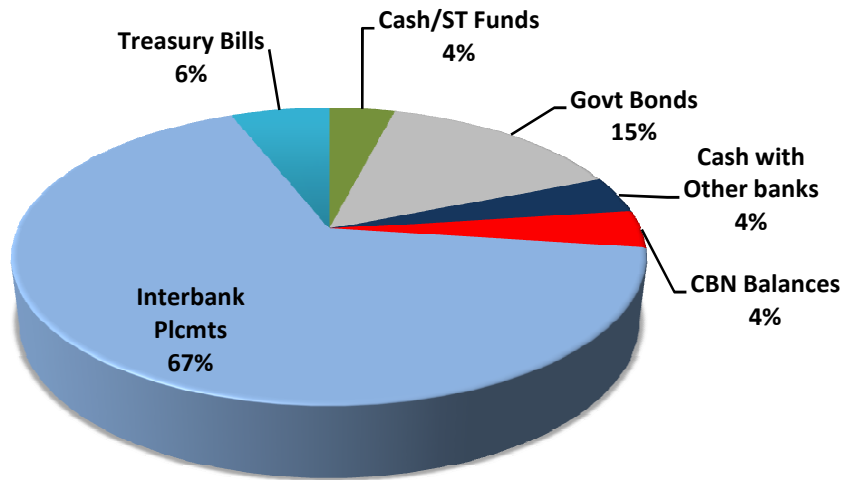
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UBA's Financial Performance For FY09

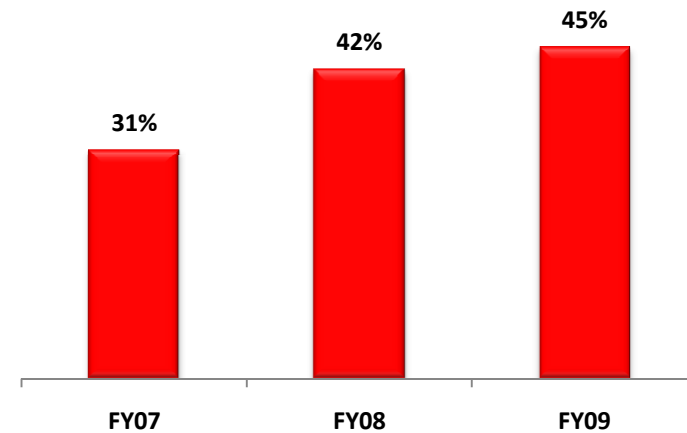
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Liquidity

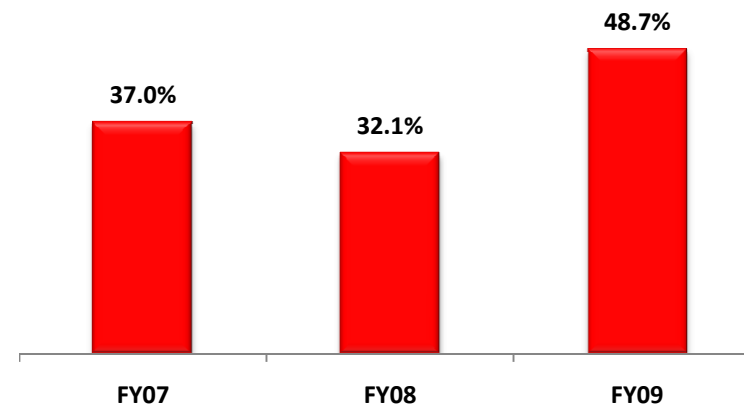
Liquid Assets



Liquidity Ratio



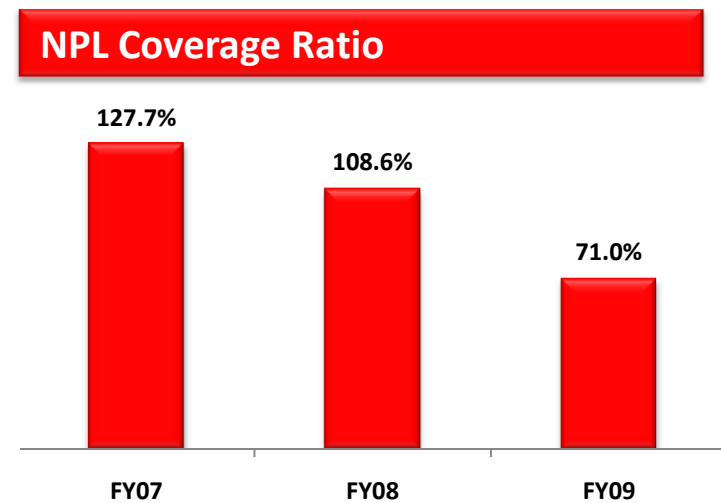
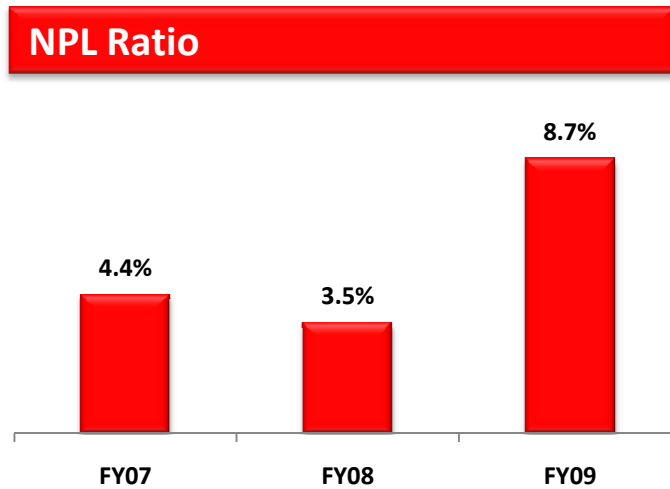
Loan to Deposit Ratio



- **Highly liquid balance sheet**
 - **Liquidity Ratio up to 45%**
 - **19% above regulatory threshold of 25%**
- **Interbank placements (guaranteed by CBN) account for the bulk of liquid assets at 67%**
- **Loan to deposit of 49% provides room for lending growth**

Presentation of Group Performance

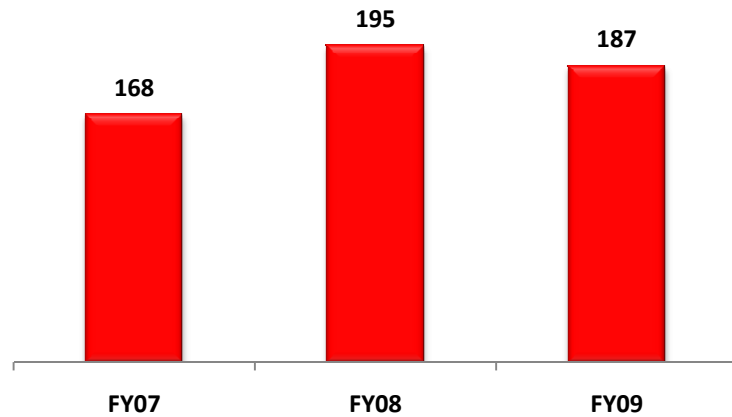
Asset Quality



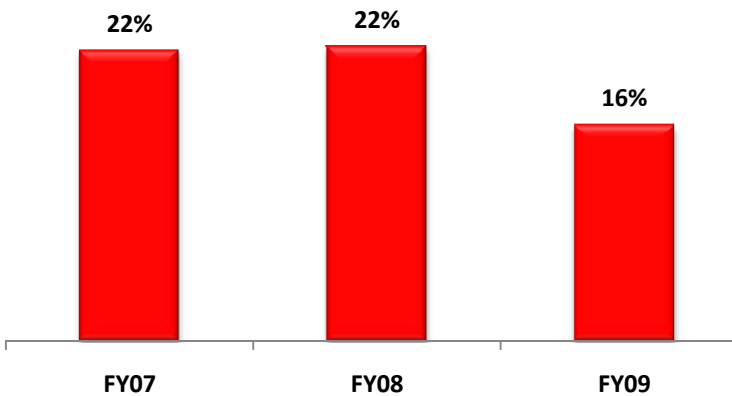
- **NPL ratio weakened in 2009 to 8.7%**
 - **Due to challenging operating landscape**
 - **Medium term target remains 5%**
- **Coverage ratio weakened to 71%**

Funding and Capital Adequacy

Shareholders' Funds (N'bn)



Capital Adequacy Ratio



- CAR down to 16% due to exceptional write-offs. Medium term target is 20%

**FIRST QUARTER 2010
(1Q10)
FINANCIAL ANALYSIS**

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Financial Highlights

PARAMETERS	3MTHS (MAR-10)	3MTHS (MAR-09)	% Change
	ACTUAL (N'BN)	ACTUAL (N'BN)	FY09/FY08
GROSS EARNINGS	48.2	57.3	-16%
PROFITS B/F TAX & EX ITEMS	5.3	11.8	-56%
EXCEPTIONAL ITEMS	(1.8)	(2.1)	-18%
PBT AFTER EX ITEMS	3.5	9.7	-64%
	31-Mar-10	31-Dec-09	% Change
BALANCE SHEET SIZE	2,489	2,238	11%
TOTAL ASSETS	1,665	1,548	8%
LOANS & ADVANCES	590	607	-3%
DEPOSITS	1,357	1,246	9%
SHAREHOLDERS' FUNDS	189	187	1%
NET INTEREST MARGIN	6.3%	7.4%	
ROαE	3.4%	1.0%	
LIQUIDITY RATIO	43.0%	44.6%	
CAPITAL ADEQUACY RATIO	16.0%	16.0%	
NPL RATIO	9.0%		
COVERAGE RATIO	81%		

First Qtr 2010 Financial Review

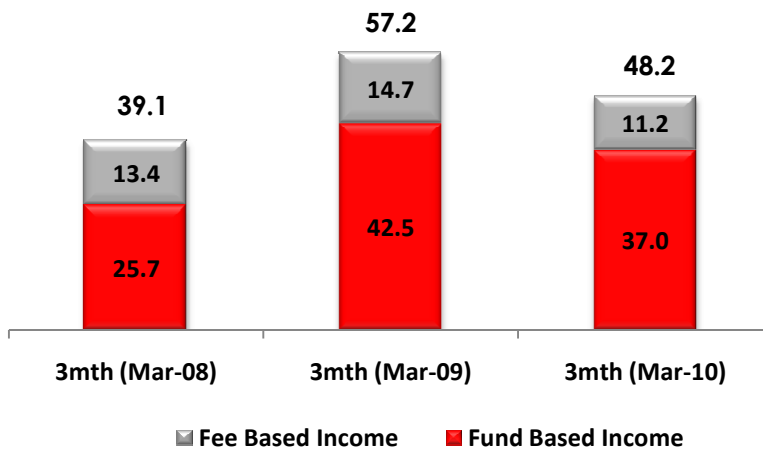
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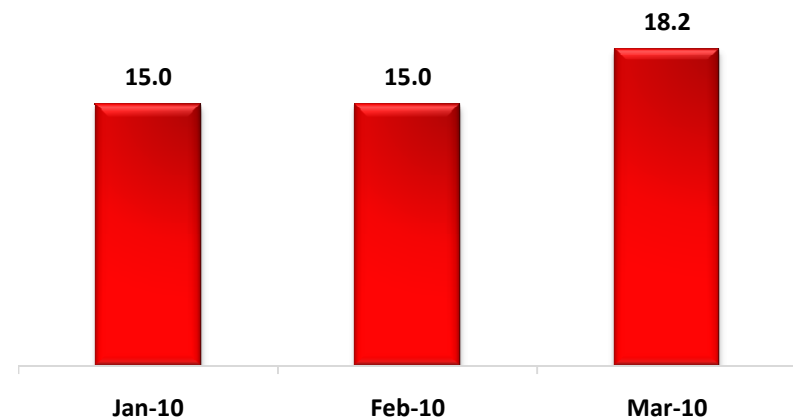
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Revenue Trend

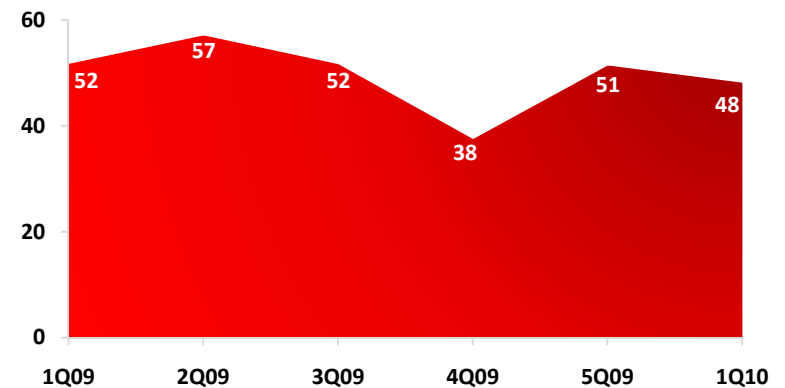
Gross Income (N'bn)



Monthly Revenues (N'bn)



Volatile Revenues, last Six Qtrs (N'bn)



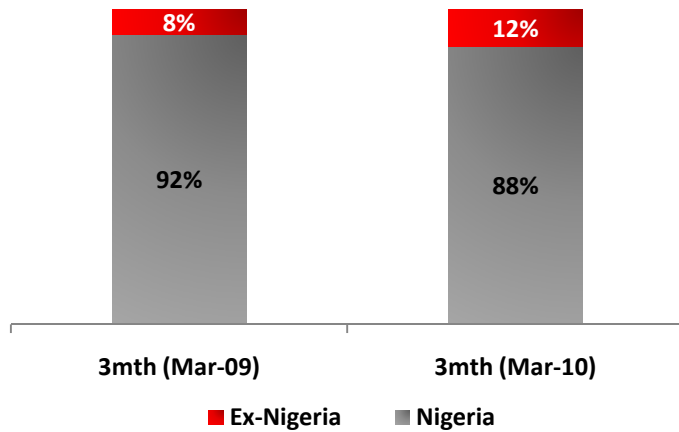
First Qtr 2010 Financial Review

Presentation of Group Performance

- **Gross Earnings decline YoY**
 - ...24% dip in fund based income due to decline in loans/placements margins
 - 2yr CAGR of 11.4% achieved...
- **Revenues closer to quarterly run rate in 1Q10**
- **Monthly revenue run rate returning in Mar-10**

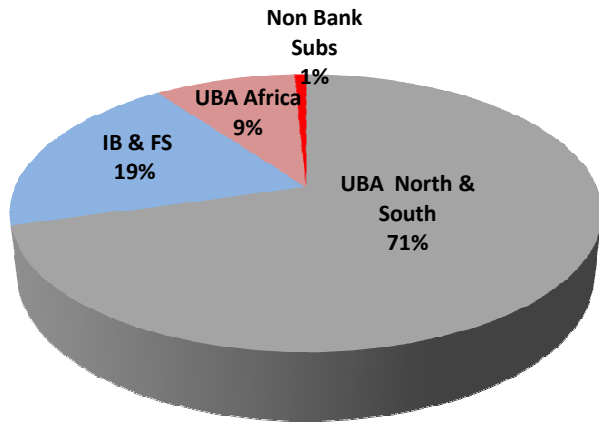
Revenue Mix

Revenue Mix, By Geography

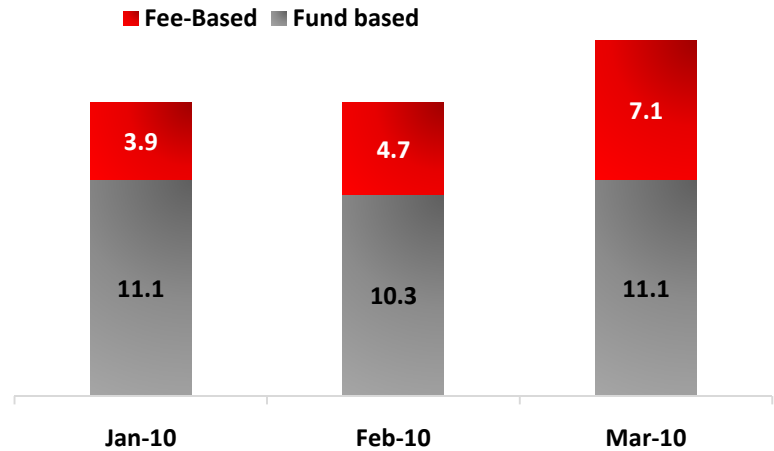


- Contribution from outside Nigeria rises to 12% (8% in 3mth to Mar-09)
- Nigeria excluding IB & FS still the key driver of revenues – 71% contribution
- Fund based revenue fairly stable so far in 2010, but fee incomes leapt in Mar-10 due to growth in bonds trading

Revenue Mix, SBUs



Strong Fee-Based Income in Mar-10 (N'bn)



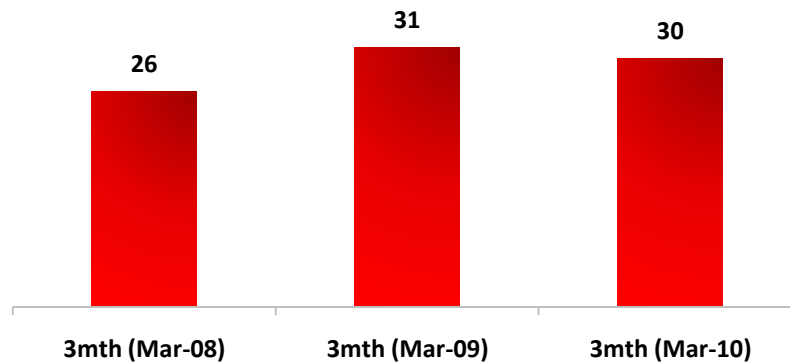
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UBA's Financial Performance For 1Q10

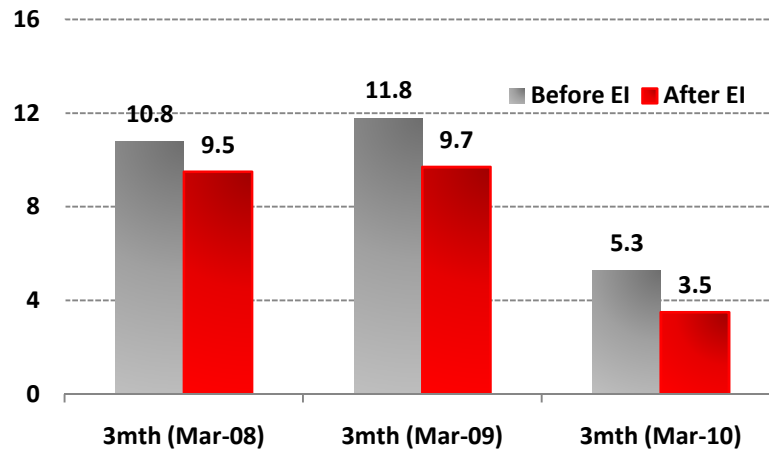
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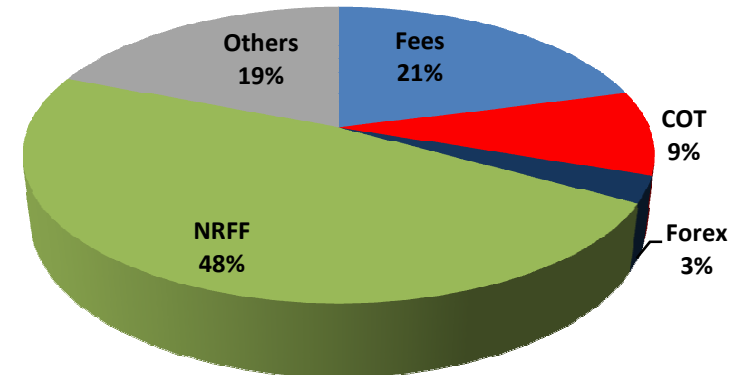
Operating Income (N'bn)



Profits Before Tax (N'bn)



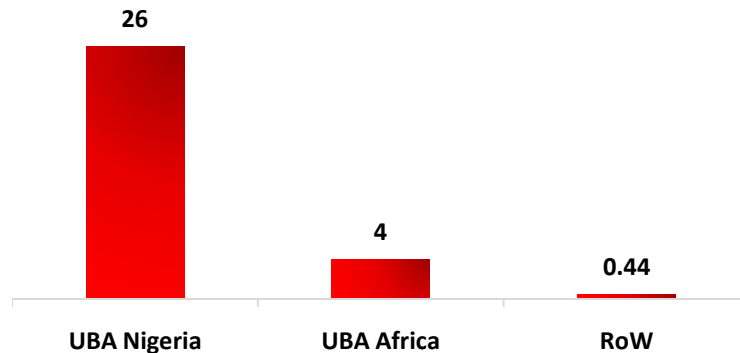
Breakdown of Operating Income



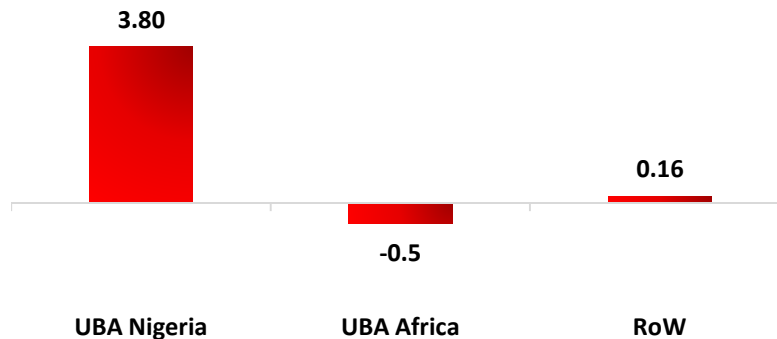
- Operating income stable YoY – 2yr CAGR of 7.4% achieved.
- Contribution from NRFF slips to 48% (53% in 2009)...decline in fund-based income
- Weak PBT resulted from margin shrinkage and higher than expected OPEX
- Jan –March performance is typically low for the bank every year due to slow business levels

Profits Analysis....2, By Geography

Operating Income, By Geography (N'bn)



PBT after Ex-Items, By Geography (N'bn)



- Underlying business in Nigeria is profitable – 85% of group operating income
- Africa and RoW also reported operating income...
- But OPEX in Africa still stronger than incomes, hence negative PBT
 - 7 countries are still in their first year of operations
 - Need to drive topline in Africa very expedient

Presentation of Group Performance

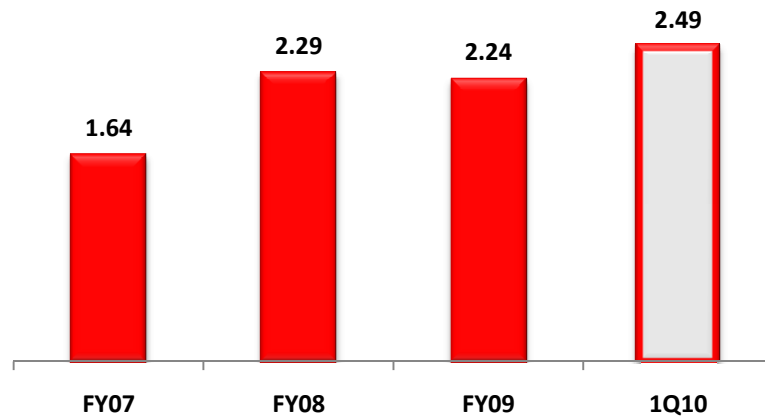
Outline

UBA's Financial Performance For 1Q10

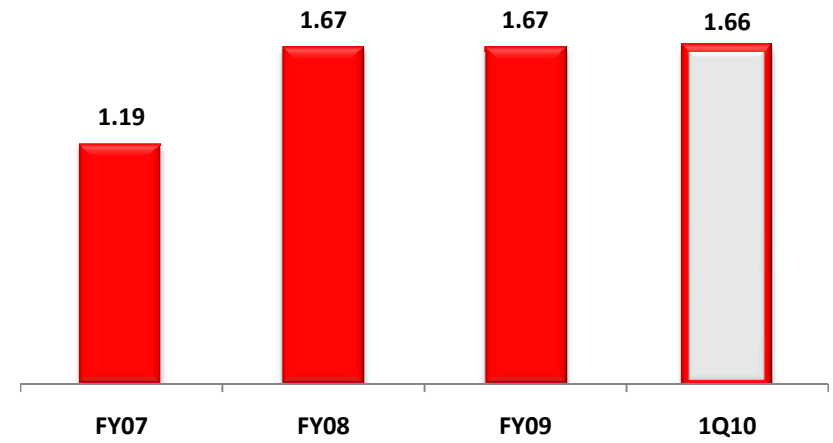
- **Highlights**
- **Revenue**
- **Profitability**
- **Balance Sheet**
- **Efficiency**
- **Liquidity and Asset Quality**
- **Funding and Capital Adequacy**

Total Asset and Contingents

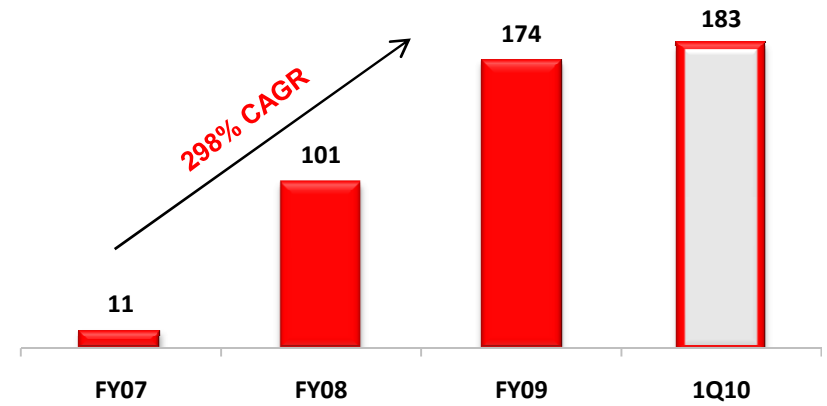
Balance Sheet Size improves (N'trn)



Stable Total Assets (N'trn)



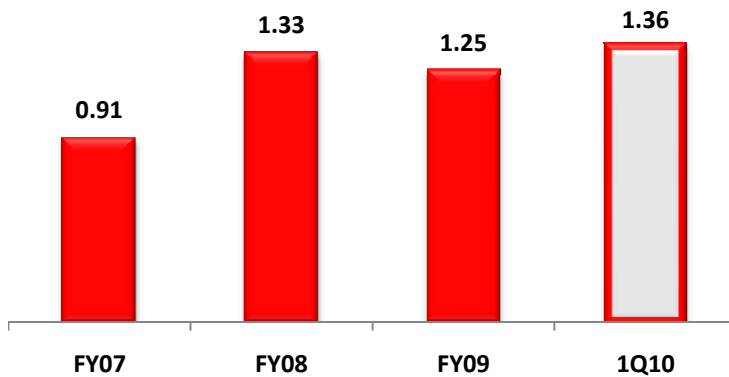
Total Assets Grow in Other Africa Subs (N'bn)



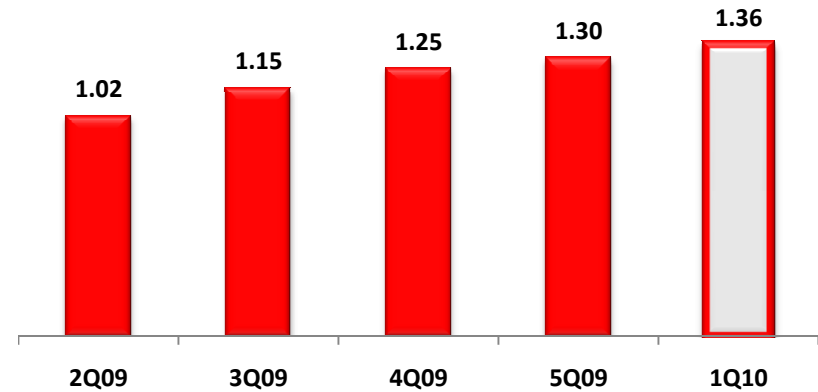
- **Bigger and stronger in 2010 after industry challenges of 2009**
 - Balance sheet up 11% since Dec-09 to N2.5trn
 - Total Asset also stable at N1.66trn
- **Our Africa operations also larger...**
 - Total assets grew at 298% CAGR to N174bn in two years
 - And now higher by N9bn as at Mar-10

Deposit Base

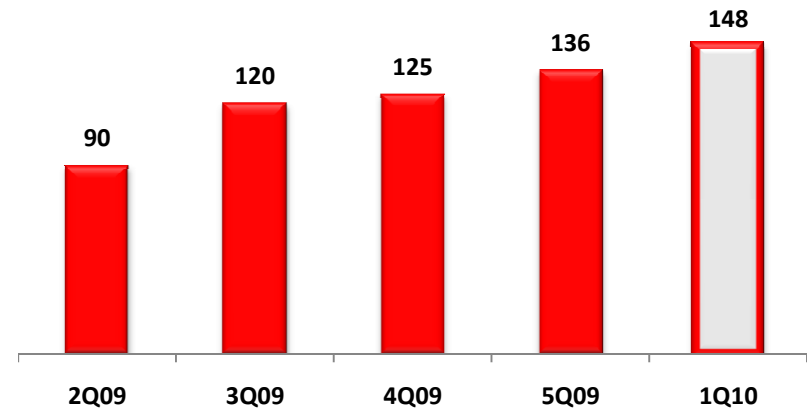
Growth in Deposits (N'trn)



Qtrly Trend in Group Deposits (N'trn)



Qtrly Trend in UBA Africa Deposits (N'bn)

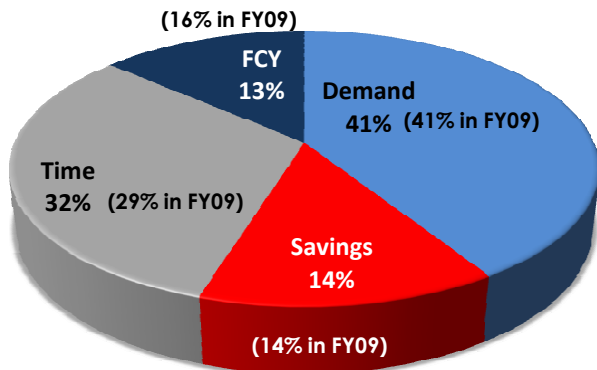


- Strong deposit generation in 2010, up by 9% from Dec-09 position
- Consistent growth QoQ through 2009 and 2010
- Sustained uptrend in UBA Africa deposits also

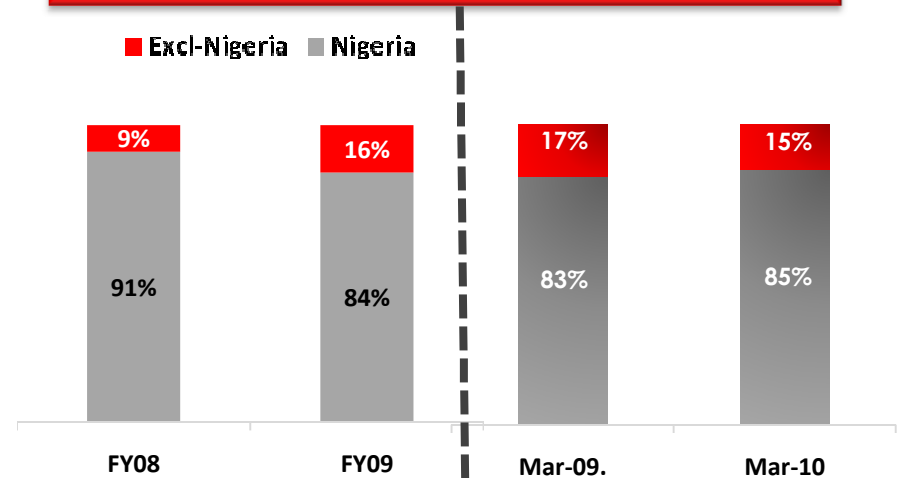
Presentation of Group Performance

Deposit Mix

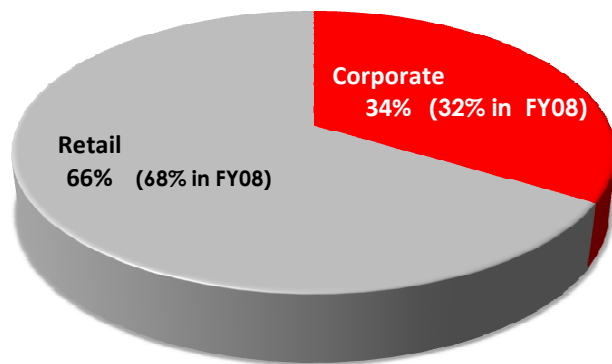
Deposit Mix as at Mar-10, By Type



Deposit Mix, By Geography



Deposit Mix, By Class

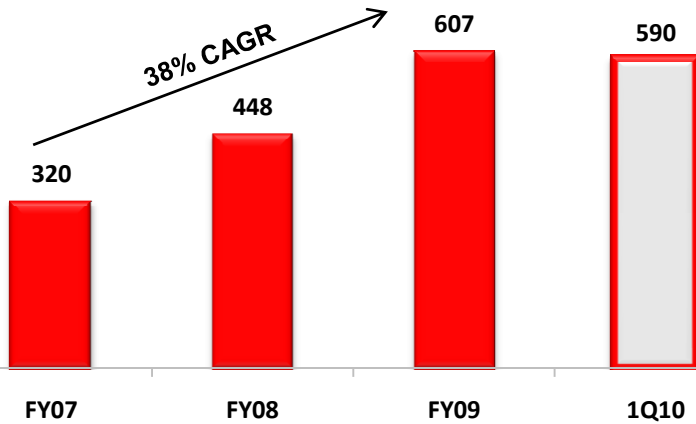


- Low cost deposit account for 71% of total deposit, Tenored deposits now also cheaper
- Contributions from outside Nigeria stable at 15%
- Retail customers still account for bulk of group deposits at 66%, Corporate deposits inch up by 2%

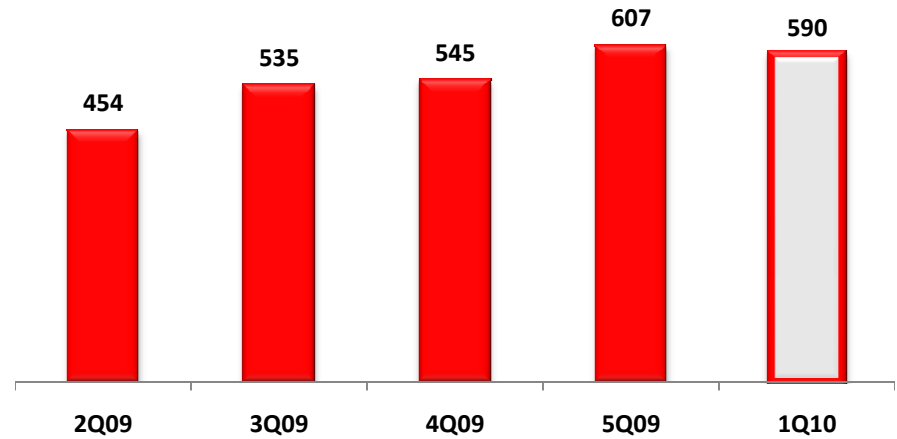
Presentation of Group Performance

Group Lending

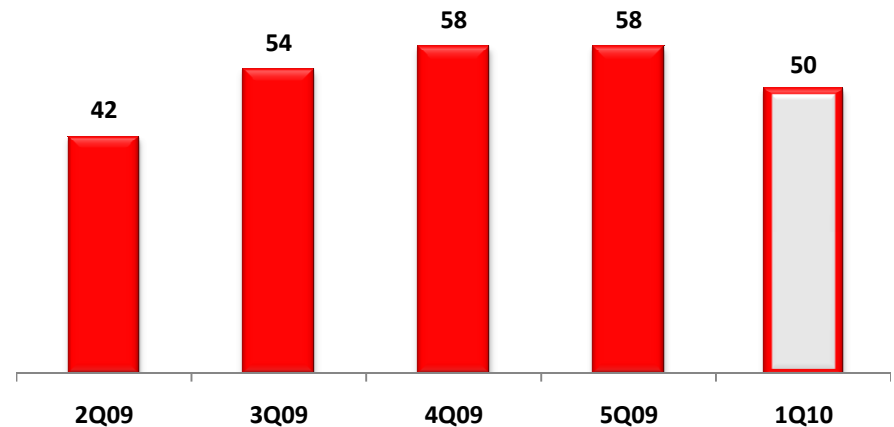
Loans (N'bn)



Loans, Qtrly Trend (N'bn)



Qtrly Trend in Loans, UBA Africa (N'bn)

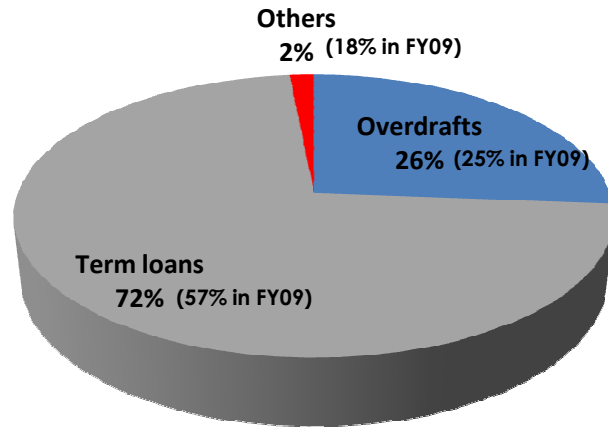


Presentation of Group Performance

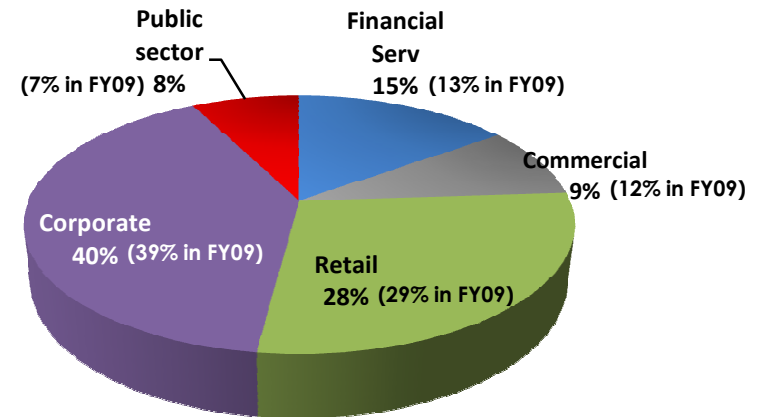
- Lending slipped in 1Q10 due to lull in business, challenging landscape.
- Decline in loan book also recorded in UBA Africa, down 14% from Dec-09 position due to repayments
- Business tempo/loan portfolio is expected to pick up now that Govt has signed off 2010 budget.

Lending Portfolio

Lending Portfolio, By Type



Lending Portfolio as at Mar-10, By Class



Lending Portfolio, Sector Distribution

Sector	Amt (N'bn)	Prop (%)
Personal/Prof	120.3	22%
Oil & Gas	93.9	17%
Financial Serv.	80.6	15%
Transport/Gen Comm	58	11%
Real Estate/Constr.	53.3	10%
Govt.	41.4	8%
Telecoms	40.7	7%
Agric	26.1	5%
Manufacturing	23.9	4%
Others	8.2	2%

- Bulk of loan book are tenored
 - 72% in Mar-10 (57% in FY09)
- Lending is largely to corporate (72%)
- Consumer, upstream oil and telecom sectors lead

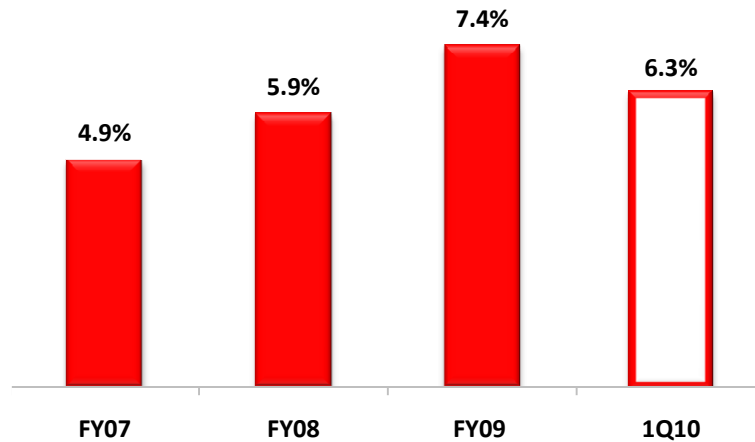
Outline

UBA's Financial Performance For 1Q10

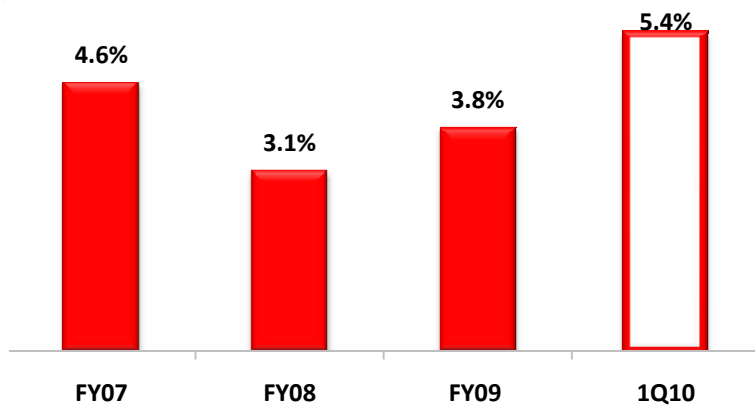
- Highlights
- Revenue
- Profitability
- Balance Sheet
- Efficiency
- Liquidity and Asset Quality
- Funding and Capital Adequacy

Margin erosion...

Net Interest Margins Improve



Cost of Funds



Fund based income remains strong

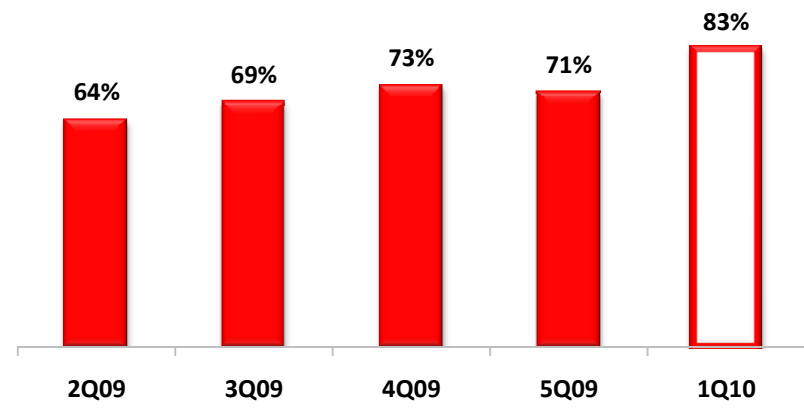
- Annualized Yield on earning assets up to 12.3% in Mar-10 (11% in Dec-09)
- Depressed yields
 - Due to higher cost of funds
- Annualized cost of funds now 5.4% in Mar-10 (3.8% in Dec-09)

Cost Analysis

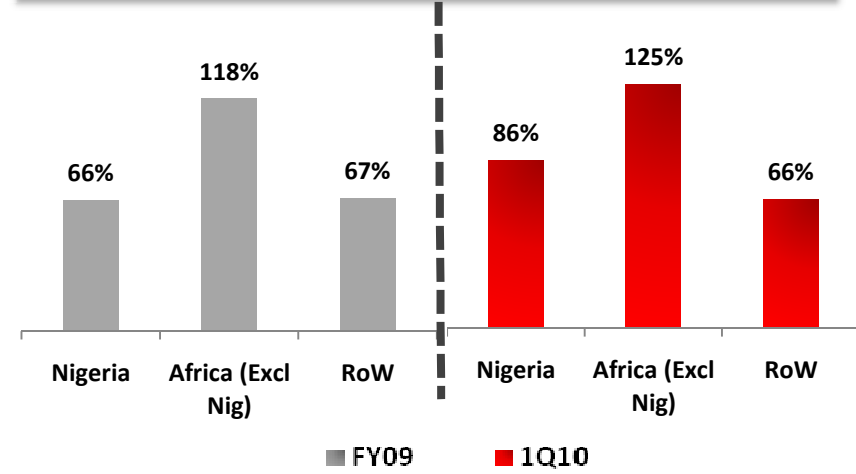
Presentation of Group Performance

- **Cost to income ratio high at 83% due to UBA Africa's pre-op cost and Provisions**
 - **Medium term target remains 55%**
 - **Terminal benefits to optimized staff**
- **GSS taking firm route in Nigeria**
 - **To be rolled out in Africa**

Below par Group-wide Cost to Income Ratio in 1Q10

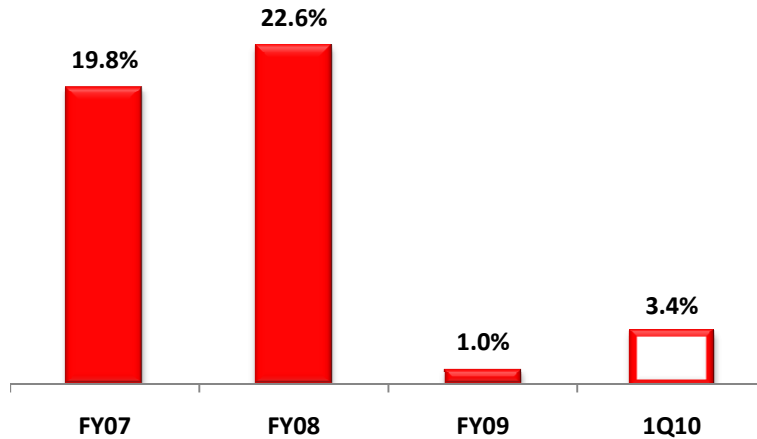


Cost to Income Ratio, By Geography

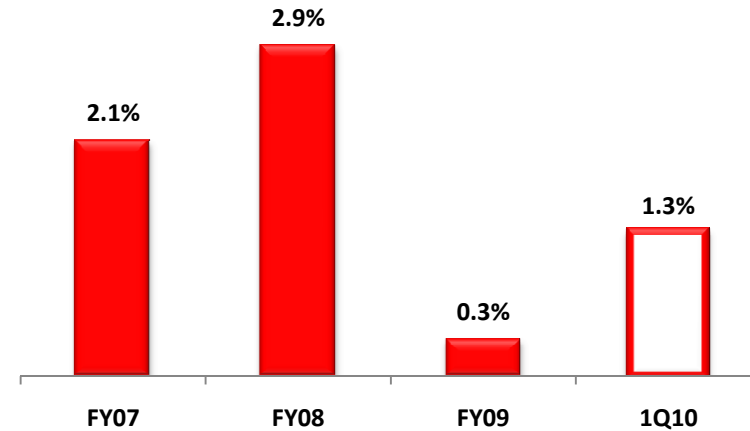


Concerted management initiatives to yield desired benefits

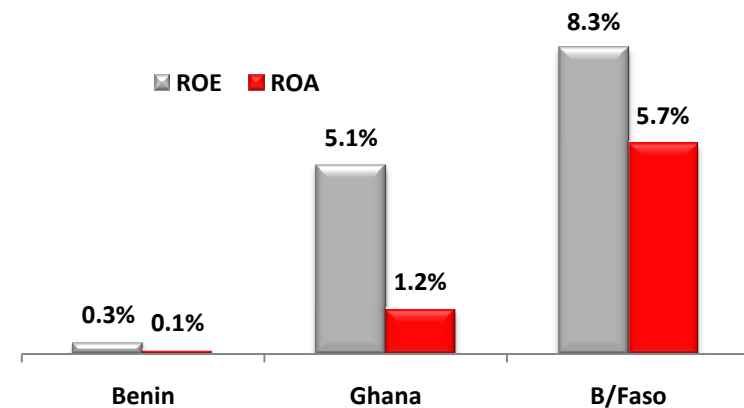
Return on Average Equity



Return on Average Assets



Returns in selected African Countries (Mar-10)



- Returns improved in 1Q10
 - ROaE and ROaA for 1Q10 were based on annualized (last 12mths) profits
 - Sustained improvements expected during remaining quarters of 2010
 - Good returns in some of our subsidiaries in 1Q10

Presentation of Group Performance

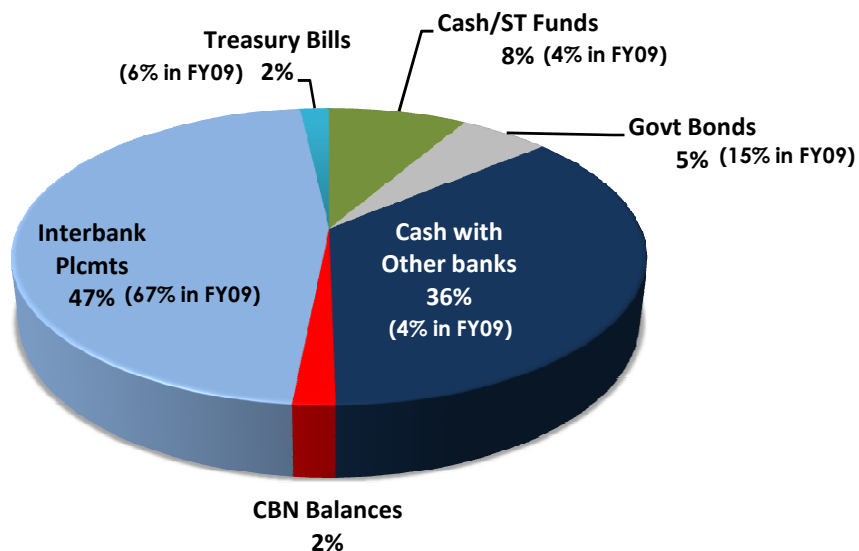
Outline

UBA's Financial Performance For 1Q10

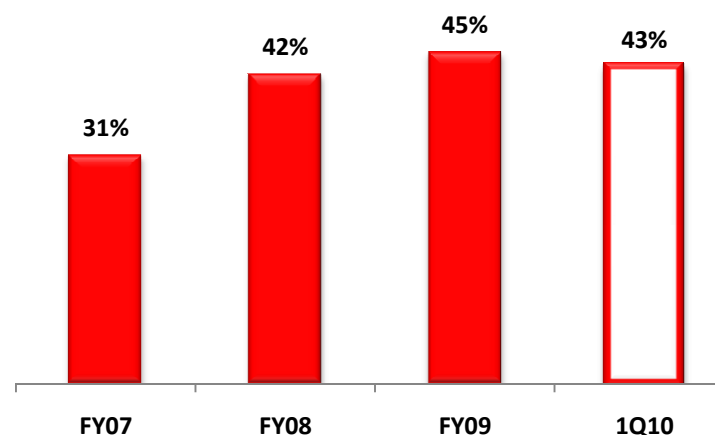
- **Highlights**
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- **Efficiency**
- **Liquidity and Asset Quality**
- **Funding and Capital Adequacy**

Liquidity

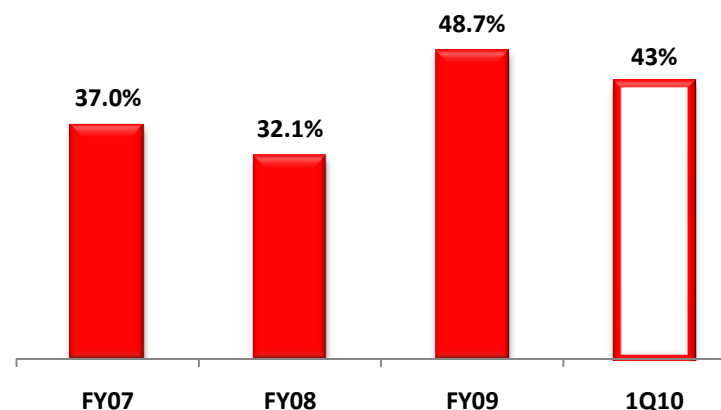
Liquid Assets



Liquidity Ratio

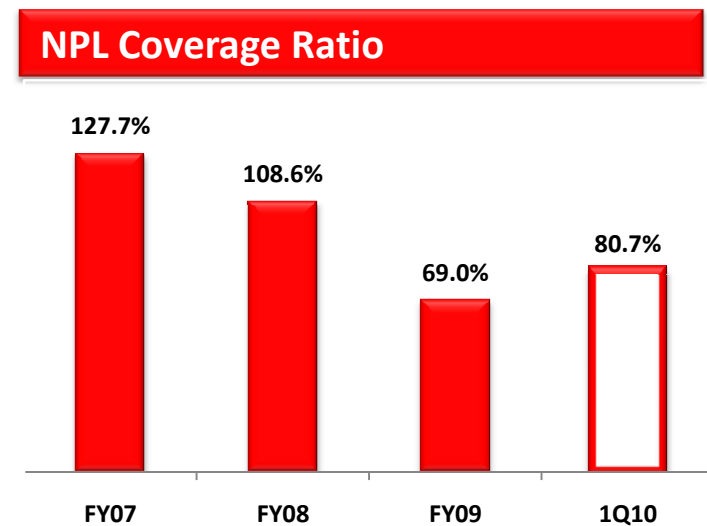
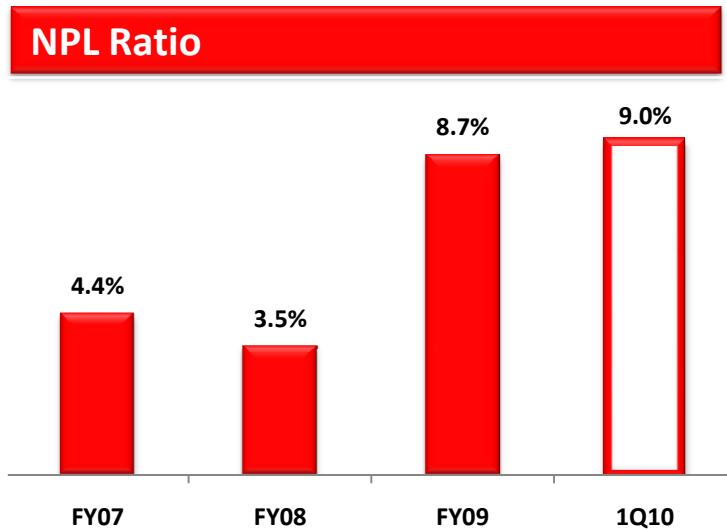


Loan to Deposit Ratio



- **Highly liquid balance sheet**
 - Bank placements are 83% of liquid assets (71% in FY09)
 - Govt securities now constitute 7%
- Liquidity ratio fairly stable at 43%
- Loan to deposit down to 43% (49% in FY09)
 - Strong room for lending growth
- Decline in PBT partly came here.

Asset Quality



- **Weaker NPL ratio of 9% in 1Q10 (8.7% in FY09)**
 - **Due to decline in loan book and,**
 - **challenging operating landscape**
 - **Medium term target remains 5%**
- **Coverage ratio improved in 1Q10 over FY09 levels to 81%**

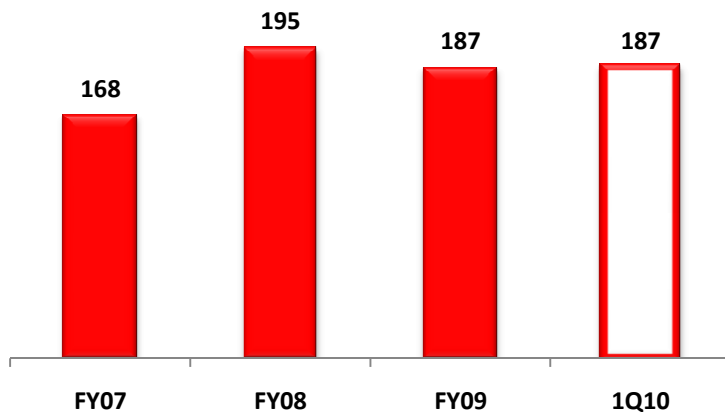
Outline

UBA's Financial Performance For 1Q10

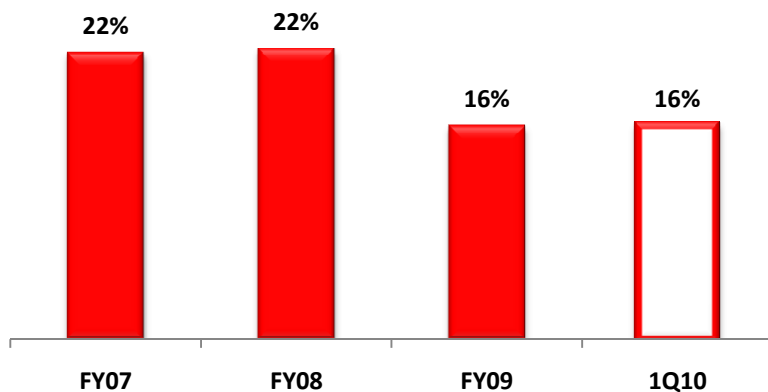
- **Highlights**
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Funding and Capital Adequacy

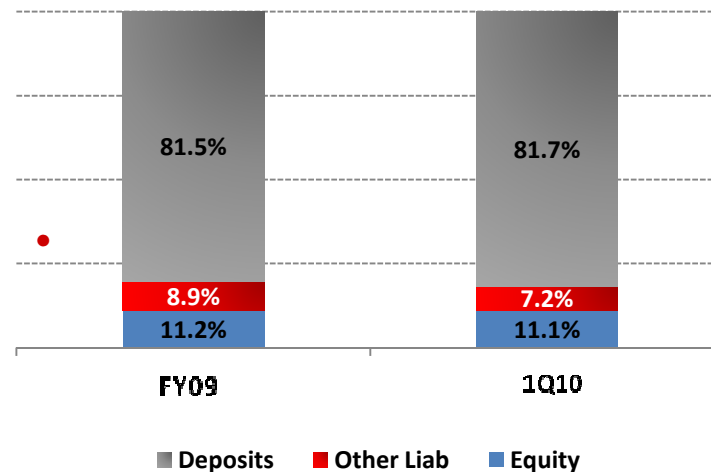
Shareholders' Funds (N'bn)



Capital Adequacy Ratio



Funding Mix

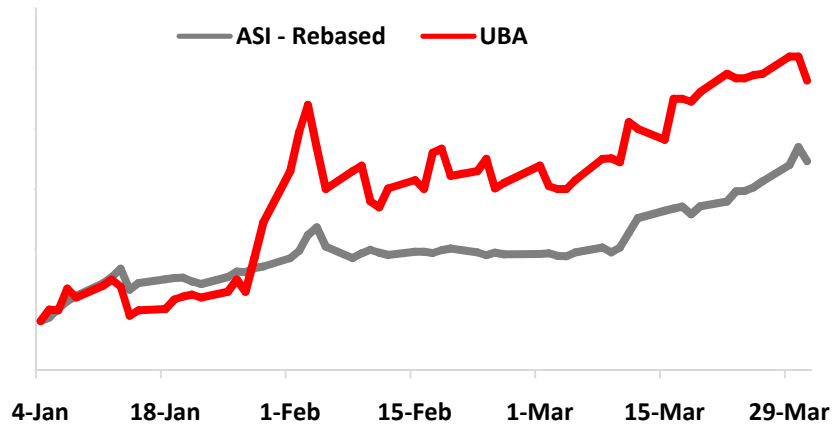


- Owners' equity stable at N187bn
- CAR of 16% is 6% above 10% legal minimum – our target is 20%
- Funding driven largely by deposits
 - Longer tenored capital (Equity and Debt) critical for viable growth

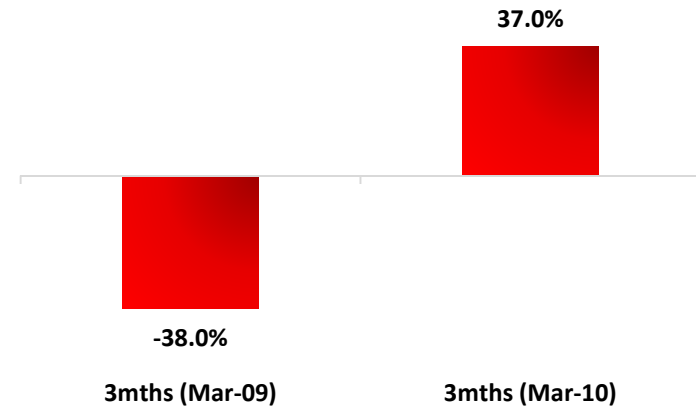
Presentation of Group Performance

Equity and Enterprise Value

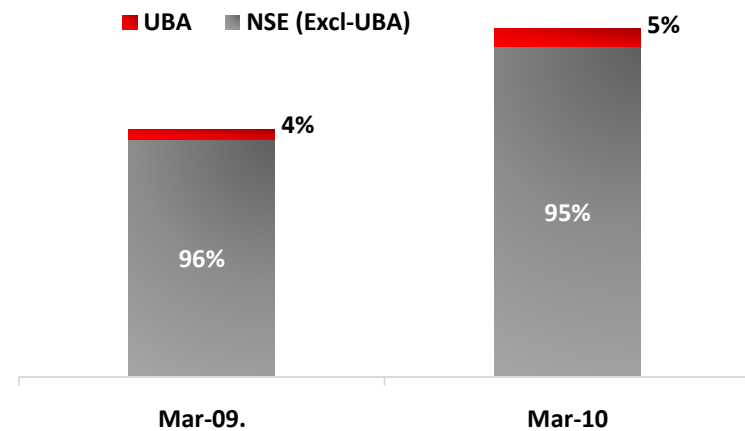
UBA Outperforms the ASI in 3mths to Mar-10



Share Price Performance



Share of Agg. Market Cap Increases



- UBA outpaced the market index since Feb-10
- As share price gains 37% in 3mths to Mar-10
- Resulting in increased contribution to aggregate market – now 5% (4% in Mar-09)

Presentation of Group Performance

Outline

- **UBA's Financial Performance**
- **Operating/Regulatory Environment**
- **About UBA**
- **Outlook**
- **Q & A**

Outline

Operating/Regulatory Environment

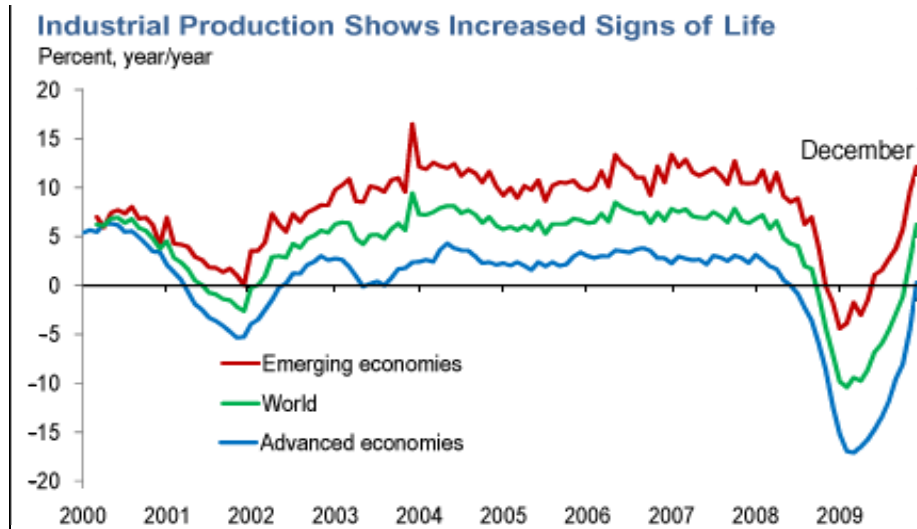
- Global Trends/SSA Economy
- **Local Economy/Banking Industry Overview**

Outline

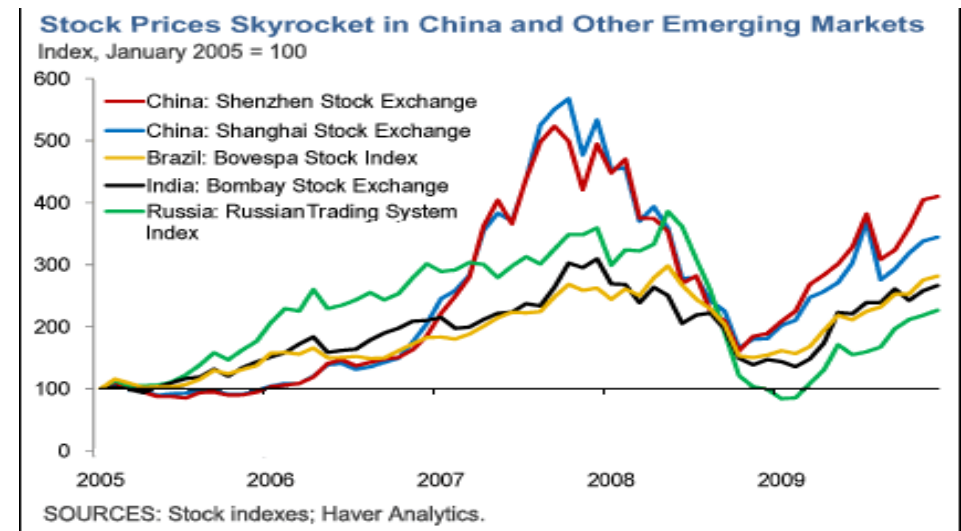
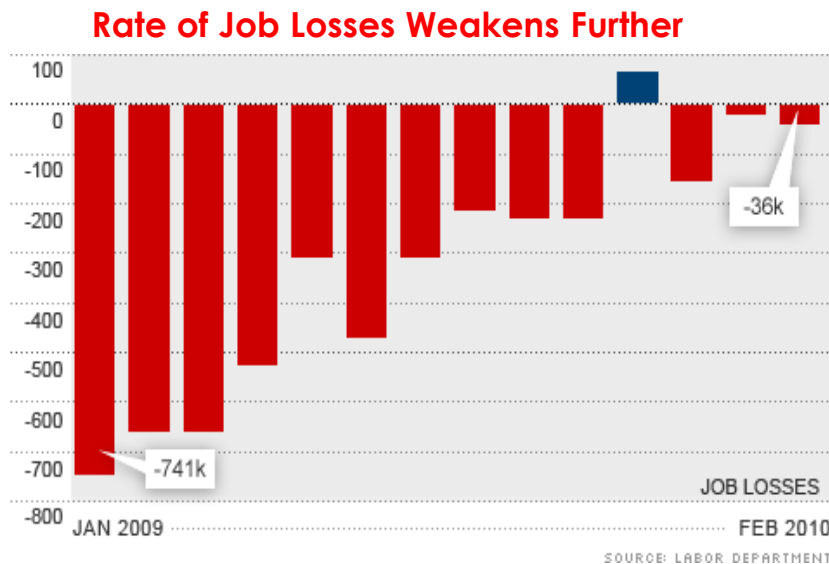
Operating/Regulatory Environment

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- **Local Economy/Banking Industry Overview**

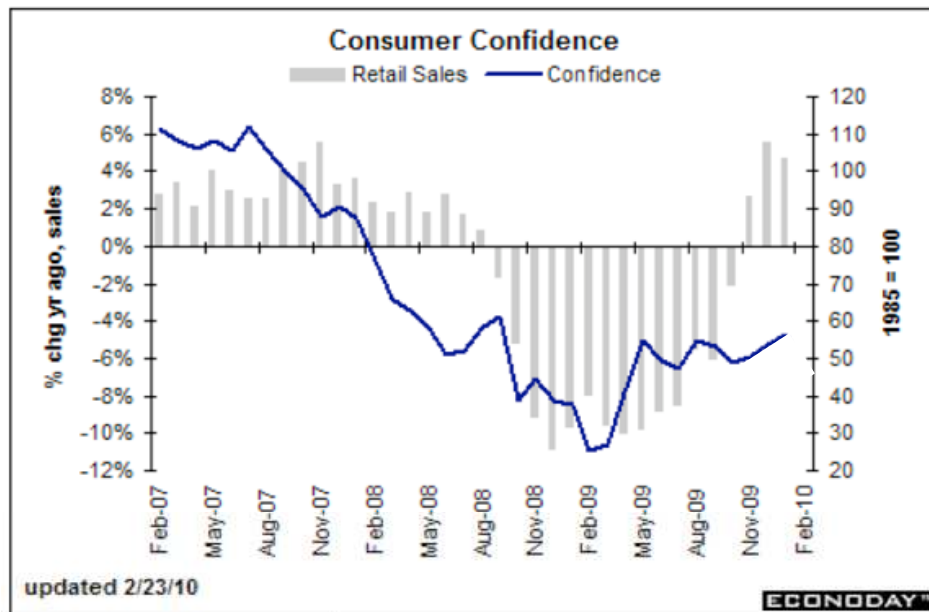
Sustained Recovery in Global Economy...



- Industrial production trending up
- As global aggregate demand improves
- Rate of job losses continues to decline
- Strong recovery in equity markets



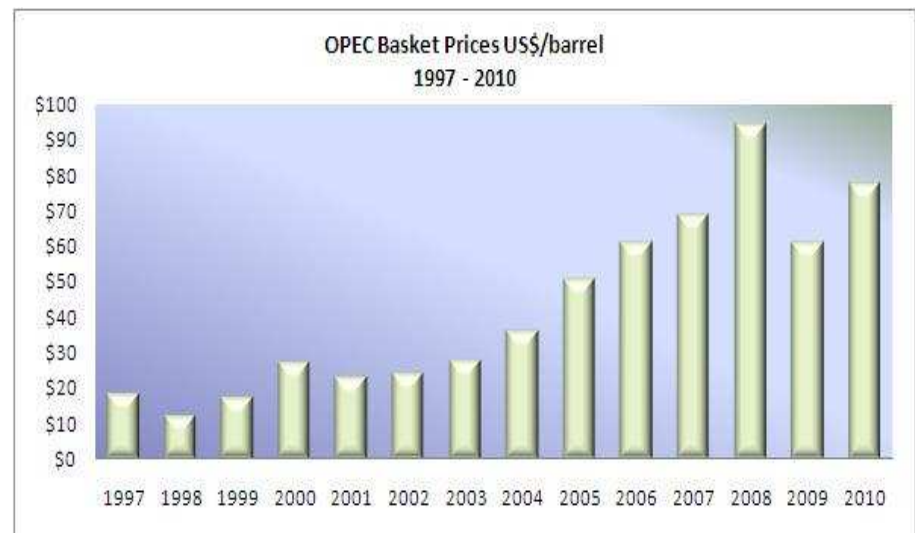
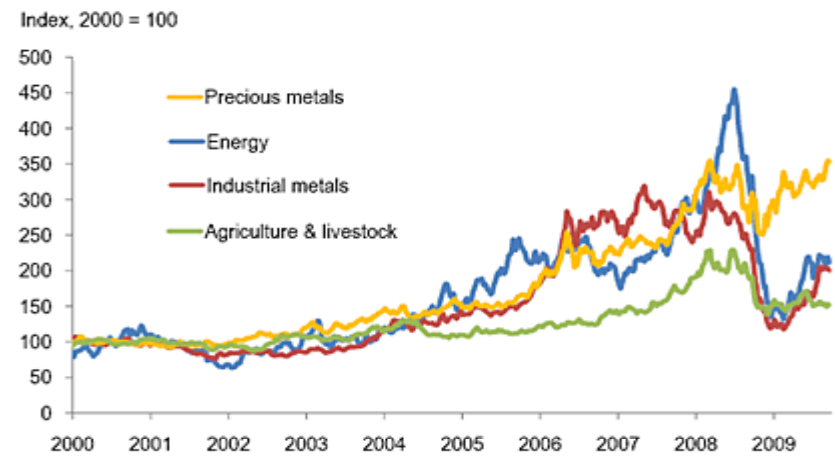
Hope for SSA as commodity prices sustain uptrend



Data Source: *Haver Analytics*

- Crude oil trading beyond 2009 levels
- Metals, agric and livestock also strong
- As overall confidence improves

Chart 5
Commodity Prices Are Rebounding



Outline

Operating/Regulatory Environment

- **Global Trends/SSA Economy**
- **Local Economy/Banking Industry Overview**

Nigeria's Recent Macro Posture!

Key Macro Indicators			
Indicator	1Q 2009	1Q 2010	Commentaries
GDP (%)	4.6	6.9	<ul style="list-style-type: none"> • Recovery in oil price/output • Increased government spending • Growth in Agriculture output
Inflation (%)	14.4	12.3	<ul style="list-style-type: none"> • Slow credit growth and stability in food inflation • Decline in core inflation
MPR (%)	9.75	6.0	<ul style="list-style-type: none"> • In line with CBN's expansionary monetary policy measures • Held at 6% but with an asymmetric corridor of 6% (@ +2/-4%) through 2009 • Initiative expected to increase credit to the system
Exchange Rate (N/US\$)	146.0	148.3	<ul style="list-style-type: none"> • Increase in Forex demand • Low foreign portfolio investments
External Reserves (\$bn)	50.6	40.5	<ul style="list-style-type: none"> • Forex management would depend largely on fiscal discipline
M2 (N'trillion)	9.17	10.6	<ul style="list-style-type: none"> • Enhanced banking penetration • Availability of various bank product offerings
Equity Market Cap (N'tr)	4.50	6.52	<ul style="list-style-type: none"> • Recovery in stock prices • Improving corporate results • Weak interest on deposits • Gradual inflow of foreign investments

Overview of Industry Regulation

- Financial reporting and corporate governance standards enforced
- Risk based and consolidated supervision pursued
- Waiver on 1% general provision extended till Dec-10
- Draft revised prudential guidelines to released
- Interbank placements guarantee extended till 31Dec10
- MoU signed between CBN and Malaysian Central Bank on information sharing
- Banks to be categorized into banks with different capital/other requirements
 - (international, regional, national and specialized banks)
- Holding company business model introduced to replace universal banking model
- Expression of Interest on CBN managed banks at second stage
- MPR assymetric rates now 1% and 8% for takings and placements by the CBN.
 - Designed to encourage lending
 - Impact on highly liquid banks very high
- Progress on AMC bill at the National Assembly – Proposed capital base of \$67million and jointly funded by the CBN and Ministry of Finance
- N500bn channeled thru the Bank Of Industry to banks for on-lending to banks to refinance SME and infrastructure loans.

Outline

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About us

Who we are

United Bank for Africa Plc (“UBA”) is the leading financial services institution in West Africa. Listed on the Nigerian Stock Exchange, UBA is rapidly evolving into a pan African full service financial institution

The Bank’s history dates back to 1948 when the British and French Bank Ltd (BFB) commenced business in Nigeria. Following Nigeria’s independence, UBA was incorporated in 1961 to take over the business of BFB.

Our Vision

To be an undisputed leading and dominant financial services institution in Africa

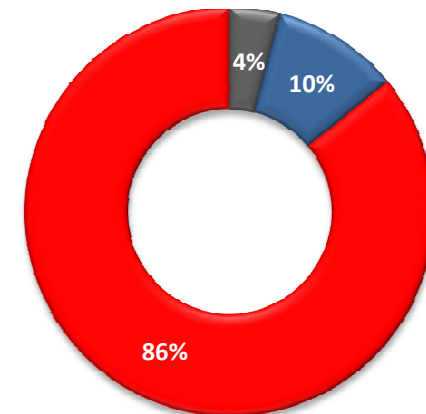
Our Mission

To be a role model for African businesses by creating superior value for all our stakeholders, abiding by the utmost professional and ethical standards, and by building an enduring institution

Our core Values

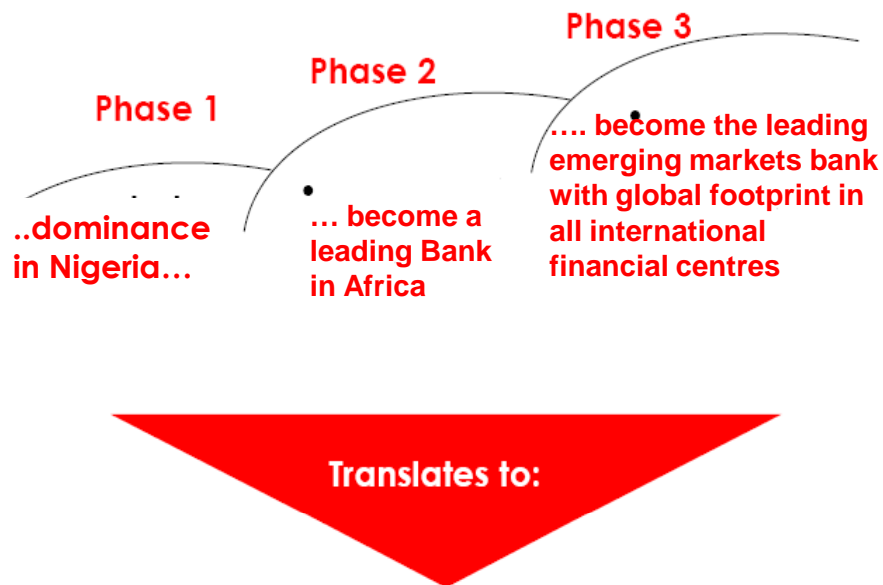
- H - Humility
- E - Empathy
- I - Integrity
- R - Resilience

Shareholding Structure



■ Govt ■ Foreign ■ Other Nigerians

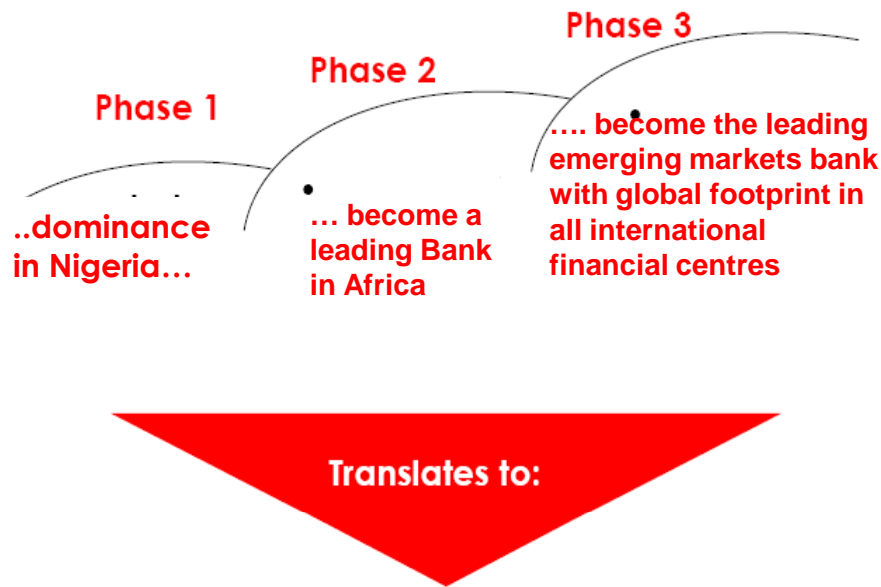
Strategic Thrust...I



Establishing a global brand that will become the leading bank in emerging markets, whilst remaining the bank of choice for Africans and African businesses globally

- **Dominance in Nigeria**
 - 20% market share (Market cap, Bal Sheet size, profits and presence); current levels is 13%
 - Extensive branch network
 - Wider ATM and POS distribution channels
 - Wide array of products
- **Leading bank in Africa**
 - Rank as No.6 Bank in market share (Bal sheet size, market cap, profits and presence)
 - Pursue embedded strategy
 - Focus on Sub Saharan Africa (excl. South Africa)
 - Organic and acquisition growth strategy
 - Stratify Africa into four blocks with significant presence in each
- **Global presence**
 - Extend footprint to key financial centres (Abu Dhabi, Guangzhou) already in New York, GCI, UK and Paris
 - Leverage on global infrastructure and human capital resources

Strategic Thrust...II

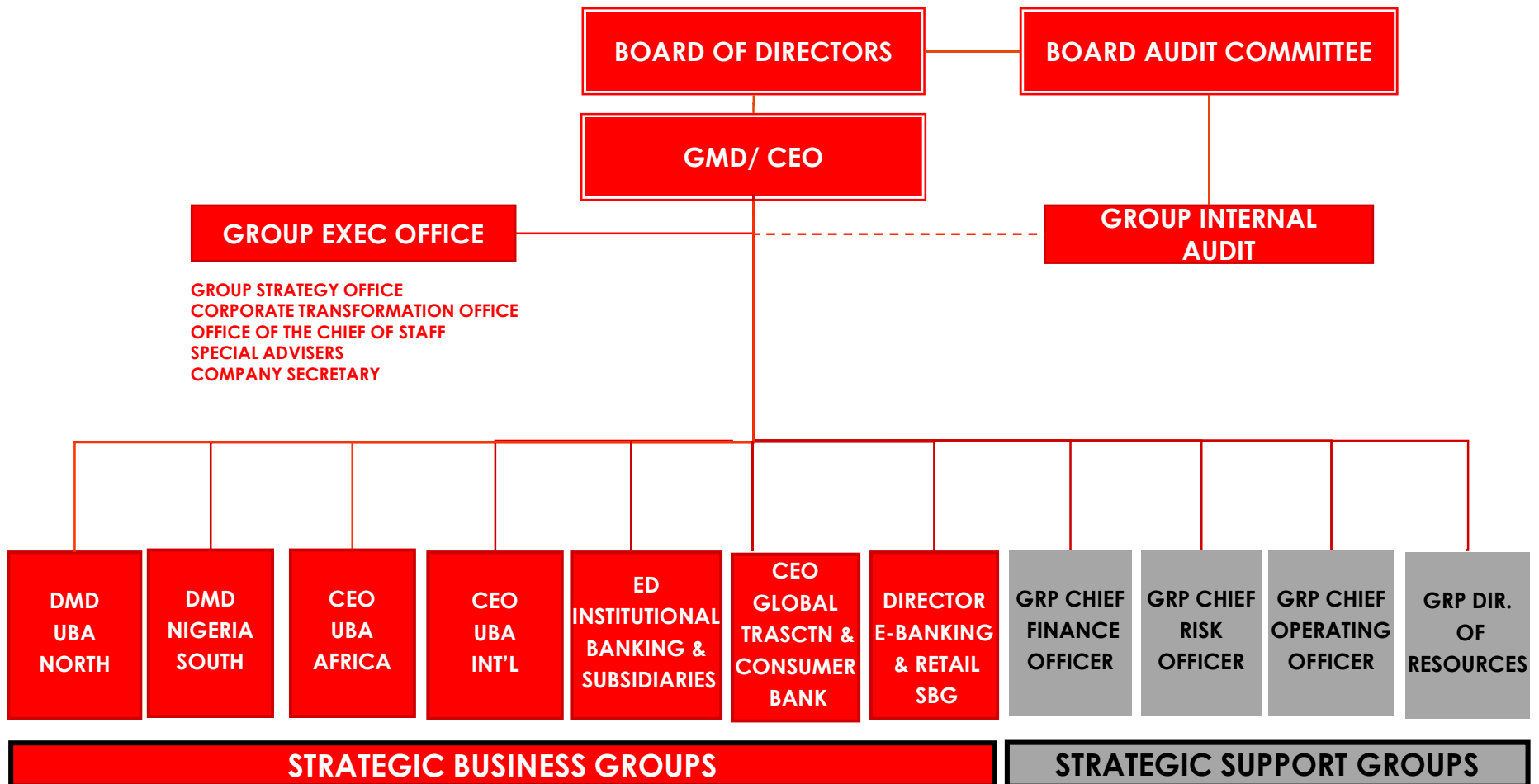


Establishing a global brand that will become the leading bank in emerging markets, whilst remaining the bank of choice for Africans and African businesses globally

- **Low cost retail banking**
 - **Cost to income ratio of 55% by 2012**
 - **Net Interest Margin of 6%**
 - **Cost of funds – 3%**
 - **Thru:**
 - **Leveraged economies of scale from our wide branch, ATM and POS network**
 - **Group Shared Services platform to extract value**
 - **IT transformation**
 - **Mobile banking**
 - **E-banking solutions**
- **Entrench sound risk mgt and strong corporate governance standards**
 - **Best practice Corp Governance**
 - **ERM framework**
 - **Full adoption of Basel 2 accord**
 - **Regular ICAAP**
 - **Investment in global expertise, tools, systems, risk MIS capabilities, training, etc**

Group Org Structure...

- Flat
- Designed to facilitate speedy decision making, entrepreneurship & effective corporate support



Strong Governance Framework

Responsible for:

Setting & approval of:

- Risk philosophy
- Risk mgt principles
- Risk appetite & tolerance

Implementation of:

- Risk Mgt principles

Approving of

- Risk policies
- Risk limits

Oversight of:

- Risk profile of the group
- Risk limits per business unit/subsidiary & risk type
- Control & compliance environment

Management of:

- All risk exposures in the Business unit/subsidiary



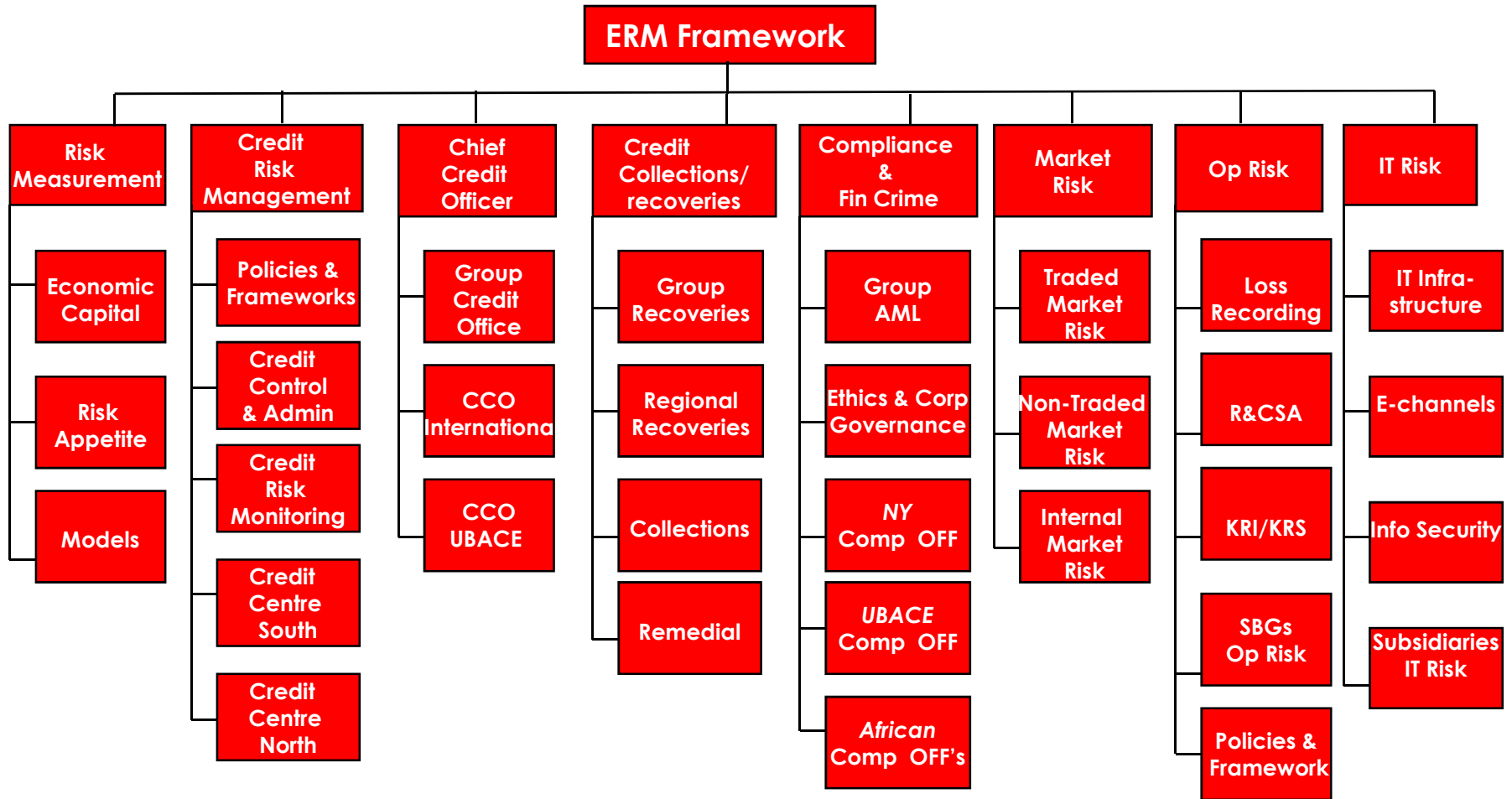
Accountable to:

- Stakeholders
 - Regulators
 - The community
-
- Board of Directors
 - Regulators
 - Stakeholders
-
- Board of Directors
 - Group Risk Committee
 - The GMD/CEO
-
- Group Chief Risk Officer (GCRO)
 - Chief Credit Officer
 - Chief Inspector

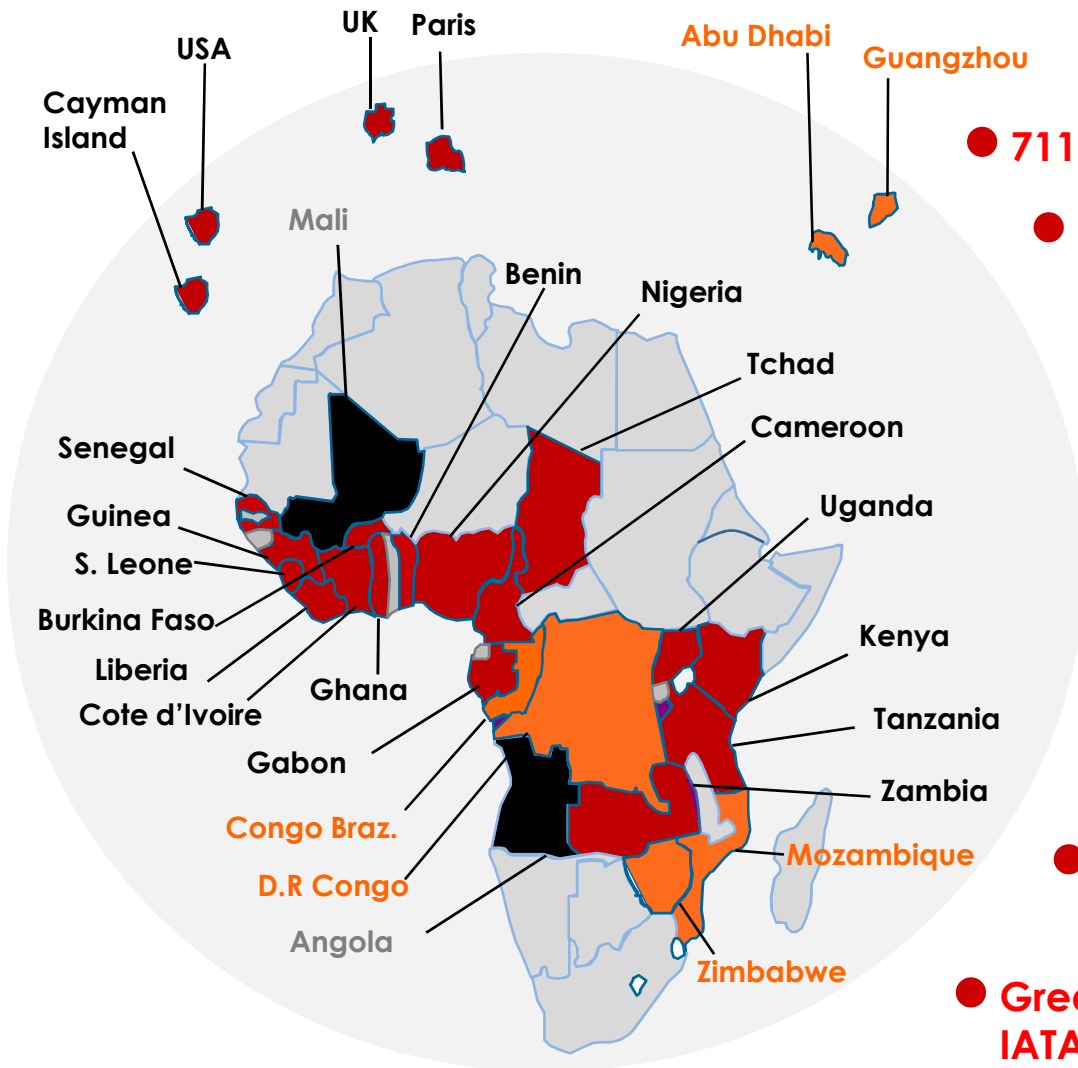
Risk Management Goals

- **Speedy implementation of Basel II enterprise risk management framework and IFRS** -(IFRS near completion, Basel 2 ongoing)
- **Regular Internal Capital Adequacy Assessment Process (ICAAP) – Commenced in 2H09**
- **Stress Testing (Internal/CBN) driving risk appetite decisions - Commenced in 2H09**
- **Pursue a well diversified risk asset portfolio – In place**
- **Significant investment in international expertise, tools, systems, risk MIS capabilities, training, etc to enabled more pro-active risk mitigation decisions – On-going**
- **Enhancing our loan collections and recovery capabilities: On-going**
- **Conservative provisioning stance – On-going**
- **Ensuring top line growth momentum continues with high income buffer and provision coverage to absorb further volatility in impairments - On-going**

Enterprise Risk Management (ERM) Structure...



Our Footprint/Developments...



- 711 branches (14% market share)
- 1,687 ATMs (20% market share)
- 1,230 POS Term (Industry leader)
- Over 200 banking products; a wide array for ease of choices
- Over 7.2mn accounts (24% market share)
- Operations in 16 African countries
- Presence in 3 countries outside Africa
- Operations to commence soon in 4 ...
...seeking approval in 2 others
- Great Partnerships:
IATA, CRC, ATMC, Interswitch, Moneygram
, W/Union etc
- Speedy appointment of new CEO

■ Operational
 ■ License Obtained
 ■ Approval in Progress

Our Key Strengths



Outline

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Outlook for the Operating Environment...I

- IMF projects 4.2% growth in world GDP for 2010, SSA to grow by 4.7% and Nigeria to expand by 7.0%
- Global lending and liquidity to improve
- Africa to receive more capital flows
- Oil price to remain strong at between \$75-85 per barrel on the back of global demand
- System liquidity to strengthen in Nigeria
 - Expansionary budget of N4.6tr approved for 2010
 - Excess crude savings (budget benchmark is \$57/barrel)
 - Spending on elections expected
 - Low interest rates to induce borrowing

Outlook for the Operating Environment...II

- **Macro conditions to be impacted**
 - Aggregate prices to come under pressure
 - Exchange rates to remain stable
 - Foreign reserves to improve with increased fiscal discipline
- **CBN to strengthen regulatory oversight ([please see more detail of 10-year roadmap](#))**
 - To build the next phase for banking reforms on four pillars: enhance quality of banks, establish financial stability, enable a healthy financial sector and ensure the financial sector contribute to the real economy
 - To introduce new prudential guidelines and enforce better disclosure
 - To sell managed banks and establish an Asset Management Corporation
 - Pursue Risk Based and Consolidated supervision
 - To manage liquidity, price stability, exchange rate and interest rates
- **Further industry consolidation expected...hope alive for recovery in 2010**
 - Reduced NPL provisioning in 2010
 - Improved profit trends
 - Lending to grow as business confidence improves
- **Stock market rebound imminent – AMC on track**

Outlook for UBA

- **Sustain strong corporate governance and risk management frameworks and practices**
- **Sustain our current strategy despite CEO transition**
- **Sustain strong Liquidity and Capital Adequacy**
 - Capital raising on track
 - Regular ICAAP/Stress tests
- **Aggressively pursue efficiencies**
 - Group Shared Shares/Low Cost Strategy
 - IT transformation/E-Banking products/platforms
 - CIR of 58%/ROaA of 3%
- **Increased focus on Profitability and value creation**
 - Improved ROaE especially across Africa – 15% expected group wide
 - NPL ratio of 5%
 - Low cost deposit at 75% of total deposit base
 - Upsurge in Loan to the corporate clients now that the FGN budget is in place. (to leverage our strong liquidity and LDR elbow room)

Thank You

Q & A

Appendix

Brief history of UBA

- 1949 French & British Bank Limited (“FBB”) commences business
- 1961 Incorporation of UBA to take over the banking business of the FBB
- 1970 IPO on the NSE
- 1984 Establishment of NY branch
- 1998 GDR programme established
- 2004 Establishment of UBA Ghana
- 2005 Merger with Standard Trust Bank
Acquisition of Continental Trust Bank
New senior management team in place
- 2006 Purchase & assumption of Trade Bank out of liquidation
- 2007 Successful Public Offer and Rights Offer
Purchase & assumption of 3 liquidated banks: City Express Bank, Metropolitan Bank & African Express Banks
Investment in Afrinvest in UK (re-branded UBA Capital)
- 2008 Purchase & assumption of 2 liquidated banks: Gulf Bank & Liberty Bank
Establishment of UBA Cameroun, UBA Cote d’Ivoire, UBA Uganda, UBA Sierra Leone & UBA Liberia
Launch of UBA Microfinance Bank
Launch of UBA FX Mart (Bureau de change)
Acquisition of 51% of Banque Internationale du Burkina Faso
- 2009 Representative office in Paris, France
Operations commenced in Senegal
Subsidiary in Chad commenced operations
Operations commenced in Kenya
Tanzania opened its doors to the public
Gabon was added as one of our operating countries
- 2010 Zambia resumes operations
Business began in Guinea