

S&P ASSIGNS 'B/B' RATINGS AND STABLE OUTLOOK ON UBA PLC; MATCHING THE NIGERIAN SOVEREIGN RATING

Lagos, Nigeria – May 19, 2017

Standard and Poor's (S&P) assigns 'B' long term and 'B' short term global scale counterparty credit ratings to the United Bank for Africa PLC (UBA).

UBA's ratings match the latest S&P rating of Nigerian sovereign debt.

S&P highlighted UBA's market position, supported by its strong franchise in the corporate and retail segments in Nigeria, its geographic diversification, with operations across 19 countries in Sub Saharan Africa (SSA) and that it is the only Sub Saharan African bank with operations in the United States, in addition to presence in the United Kingdom and France.

S&P noted; "We expect that UBA's earnings will be resilient despite the economic slowdown in Nigeria. We believe the bank's capital and earnings under our risk adjusted capital and earnings framework will remain moderate over the next 12-18 months, with its capital adequacy ratio remaining well above minimum regulatory requirements."

S&P further noted "UBA's capital adequacy ratio was 19.7% at year-end 2016, which is well above the regulatory minimum of 15%, and we believe it will remain stable over the next 12-18 months. Notably, the well capitalized position of UBA reflects its strong profitability, as well as the Bank's sound and prudent risk management practice. S&P assesses UBA's risk position as adequate and posits that the ratings of 'B' reflects its expectation that the group will exhibit broadly stable asset quality in the next 12 months. The global rating agency anticipates that UBA's credit losses will decline to about 1.0% in 2017-2018.

Reflecting UBA's continued market share gain in low cost, stable deposits, which account for 79% of total customer deposits as at 31 December, 2016, UBA's funding and liquidity levels continued to strengthen, as reflected in its average liquidity ratio of 42%, a net stable funding ratio of 143%, a stable cost of funding of 3.7% and broad liquid assets cover over short term wholesale funding of 4x as of Dec 31, 2016. S&P, in its assessment, considered the bank's funding to be well above average and its liquidity as adequate.

EDITOR'S COMMENT

United Bank for Africa Plc is a leading Pan-African financial institution, offering banking services to more than fourteen million customers across over 1,000 business offices and customer touch points in 19 African countries. With presence in New York, London and Paris, UBA is connecting people and businesses across Africa through retail, commercial and corporate banking, innovative cross border payments and remittances, trade finance and ancillary banking services.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

From time to time, the Bank makes written and/or oral forward-looking statements in press releases and other communications. In addition, representatives of the Bank may make forward-looking statements orally to analysts, investors, the media and others. All such statements are intended to be forward looking statements. Forward looking statements include, but are not limited to, statements regarding the Bank's objectives and priorities for 2017 and beyond and strategies to achieve them, and the Bank's anticipated financial performance. Forward looking statements are typically identified by words such as "will", "should", "believe", "expect", "anticipate", "intend", "estimate", "may" and "could".

By their very nature, these statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, general and specific. Especially in light of the uncertainty related to the financial, economic and regulatory environments, such risks and uncertainties – many of which are beyond the Bank's control and the effects of which are difficult to predict – may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Risk factors that could cause such differences include: credit, market (including equity, commodity, foreign exchange, and interest rate), liquidity, operational, reputational, insurance, strategic, regulatory, legal, environmental, and other risks. All such factors should be considered carefully, as well as other uncertainties and potential events, and the inherent uncertainty of forward looking statements, when making decisions with respect to the Bank and we caution readers not to place undue reliance on the Bank's forward looking statements.

Any forward looking statements contained in this press release represent the views of management only as of the date hereof and are presented for the purpose of assisting the Bank's investors and analysts in understanding the Bank's financial position, objectives and priorities and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf, except as required under applicable securities legislation.