

# STATEMENT TO THE NIGERIAN STOCK EXCHANGE AND THE SHAREHOLDERS ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

The Board of Directors of UBA Plc is pleased to announce the Group's results for the year ended December 31, 2016

## CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

As at December 31, 2016

	GROUP		BANK	
	2016 N'million	2015 N'million	2016 N'million	2015 N'million
<b>ASSETS</b>				
Cash and bank balances	760,930	655,371	610,910	590,774
Financial assets held for trading	52,295	11,249	52,295	11,249
Derivative assets	10,642	1,809	10,642	1,809
Loans and advances to banks	22,765	14,600	23,850	14,591
Loans and advances to customers	1,505,319	1,036,637	1,090,355	822,694
Investment securities	970,392	856,870	533,016	548,203
Other assets	37,849	40,488	31,192	22,528
Investment in equity-accounted investee	2,925	1,770	1,770	1,770
Investments in subsidiaries	93,932	88,825	70,702	65,767
Property and equipment	14,361	11,369	80,252	80,145
Intangible assets	33,060	33,168	4,905	4,954
Deferred tax assets			29,696	31,853
<b>TOTAL ASSETS</b>	<b>3,504,470</b>	<b>2,752,422</b>	<b>2,539,585</b>	<b>2,216,337</b>
<b>LIABILITIES</b>				
Derivative liabilities	14	327	14	327
Deposits from banks	109,080	61,066	30,484	350
Deposits from customers	2,485,610	2,081,704	1,698,859	1,627,060
Other liabilities	110,596	54,885	72,901	34,219
Current tax liabilities	5,134	6,488	522	634
Borrowings	259,927	129,896	259,927	129,896
Subordinated liabilities	85,978	85,620	85,978	85,620
Deferred tax liabilities	62	15	-	-
<b>TOTAL LIABILITIES</b>	<b>3,056,401</b>	<b>2,420,001</b>	<b>2,148,485</b>	<b>1,878,106</b>
<b>EQUITY</b>				
Share capital	18,140	18,140	18,140	18,140
Share premium	117,374	117,374	117,374	117,374
Retained earnings	138,623	113,063	110,152	100,900
Other reserves	160,714	77,250	145,234	101,817
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>	<b>434,851</b>	<b>325,827</b>	<b>390,900</b>	<b>338,231</b>
Non-controlling interests	13,218	6,794	-	-
<b>TOTAL EQUITY</b>	<b>448,069</b>	<b>332,621</b>	<b>390,900</b>	<b>338,231</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,504,470</b>	<b>2,752,422</b>	<b>2,539,585</b>	<b>2,216,337</b>

The consolidated and separate financial statements were approved by the directors on January 27, 2017



Ugo A. Nwaghoah  
Group Chief Financial Officer  
FRC/2012/ICAN/0000000272



Tony O. Eumeli, COO  
Chairman, Board of Directors  
FRC/2013/CIBN/00000002590



Kennedy Uzoko  
GMD/CEO  
FRC/2013/IODN/00000015087

## REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF UNITED FOR AFRICA PLC

Report of the independent auditor on the summary financial statements  
To the members of United Bank for Africa Plc

Report on the summary consolidated and separate financial statements

**Opinion**  
The summary consolidated and separate financial statements (the "summary financial statements"), which comprise the summary consolidated and separate financial statements for the year ended 31 December 2016 and the summary consolidated and separate financial statements for the comparative period for the year ended 31 December 2015, were prepared in accordance with the audited consolidated and separate financial statements (the "audited financial statements") of United Bank for Africa Plc (the "Bank") and its subsidiary companies (together the "Group") for the year ended 31 December 2016.

In our opinion, the accompanying summary financial statements are consistent in all material respects, with the audited financial statements, in accordance with the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act.

**Summary financial statements.**  
The summary financial statements do not contain all the disclosures required by the International Reporting Standards, the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act, the Banks and Other Financial Institutions Act and other relevant Central Bank of Nigeria circulars applied in the preparation of the audited financial statements of the Group and Bank. Therefore, reading the summary financial statements and the auditor's report thereon, is not a substitute for reading the audited financial statements and the auditor's report thereon.

**The audited financial statements and our report thereon**  
We expressed an unmodified audit opinion on the audited financial statements in our report dated 24 March 2017. That report also includes the auditor's observations on matters that, in our professional judgment, were of major significance in our audit of the financial statements of the current year.

**Directors' responsibility for the summary financial statements.**  
The summary financial statements in accordance with the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act.

**Auditor's responsibility**  
Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act (the "requirements").

**Report on other legal and regulatory requirements**  
In accordance with our audit report on the consolidated and separate financial statements of United Bank for Africa Plc, we confirm that:

- We did not report any exceptions under the sixth schedule of the Companies and Allied Matters Act;
- The Bank has disclosed the information required by the Central Bank of Nigeria circular on insider related credits; and
- The Bank paid penalties in respect of contraventions of the relevant Central Bank of Nigeria circulars during the year ended 31 December 2016.



Samuel Abu  
Chartered Accountant  
Lagos, Nigeria

Engagement Partner: Samuel Abu  
FRC/2013/ICAN/0000000195



24 March 2017

## CONSOLIDATED AND SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2016

	GROUP		BANK	
	2016 N'million	2015 N'million	2016 N'million	2015 N'million
<b>Gross earnings</b>	<b>383,647</b>	<b>314,844</b>	<b>269,895</b>	<b>247,378</b>
Interest income	263,970	229,629	177,313	185,919
Interest expense	(98,770)	(96,030)	(68,525)	(83,161)
<b>Net interest income</b>	<b>165,200</b>	<b>133,599</b>	<b>108,788</b>	<b>102,758</b>
Net impairment loss on loans and receivables	(27,688)	(5,053)	(25,521)	(3,491)
<b>Net interest income after impairment on loans and receivables</b>	<b>137,512</b>	<b>128,546</b>	<b>83,267</b>	<b>99,267</b>
Fee and commission income	73,199	61,892	49,836	42,103
Fee and commission expense	(13,988)	(8,557)	(11,139)	(6,740)
Net trading and foreign exchange income	43,820	20,366	32,678	12,615
Other operating income	2,658	2,957	10,068	6,741
Employee benefit expenses	(64,614)	(57,446)	(45,501)	(42,033)
Depreciation and amortisation	(8,650)	(7,948)	(6,281)	(6,281)
Other operating expenses	(79,237)	(71,226)	(57,279)	(54,937)
Share of loss of equity-accounted investee	(63)	(110)	-	-
<b>Profit before income tax</b>	<b>90,642</b>	<b>68,654</b>	<b>57,649</b>	<b>50,735</b>
Income tax expense	(18,378)	(8,800)	(10,108)	(3,093)
<b>Profit for the year</b>	<b>72,264</b>	<b>59,854</b>	<b>47,541</b>	<b>47,642</b>
<b>Other comprehensive income</b>				
Items that will be reclassified to the income statement:				
Exchange differences on translation of foreign operations	38,960	(1,937)	-	-
Fair value gains on available-for-sale investments:				
Net fair value gain during the year	28,114	7,310	28,084	7,324
Net amount transferred to income statement	(1,188)	795	(1,188)	795
Other comprehensive income	<b>65,886</b>	<b>6,168</b>	<b>26,896</b>	<b>8,119</b>
<b>Total comprehensive income for the year</b>	<b>138,150</b>	<b>66,022</b>	<b>74,437</b>	<b>55,761</b>
<b>Profit attributable to:</b>				
Owners of Parent	69,404	58,604	47,541	47,642
Non-controlling interest	2,860	1,050	-	-
<b>Profit for the year</b>	<b>72,264</b>	<b>59,854</b>	<b>47,541</b>	<b>47,642</b>
<b>Total comprehensive income attributable to:</b>				
Owners of Parent	130,783	65,108	74,437	55,761
Non-controlling interest	7,367	714	-	-
<b>Total comprehensive income for the year</b>	<b>138,150</b>	<b>66,022</b>	<b>74,437</b>	<b>55,761</b>
Earnings per share attributable to owners of the parents:				
<b>Basic and diluted earnings per share (Naira)</b>	<b>2.04</b>	<b>1.79</b>	<b>1.31</b>	<b>1.36</b>
Total impaired Loans and Advances	60,506	18,302	54,840	6,579
Total impaired Loans and Advances to gross risk assets (%)	3.89%	1.72%	4.90%	0.79%

Reports on the Resolution of Customers' Complaints  
Below is a breakdown of complaints received by the Bank during the financial year ended December 31, 2016.

Description	Number	Amount Claimed (N'000)	Amount Refunded (N'000)
	Pending Complaints brought forward from prior year	4,252	3,386
Resolved Complaints	362,511	41,171	-
Unresolved Complaints	360,749	43,329	576
<b>Unresolved Complaints pending with the Bank carried forward</b>	<b>6</b>	<b>81</b>	<b>-</b>
% of Complaints/Transaction Volume	6,008	1,147	-
	0.27%	-	-

The summary financial statements disclosed were derived from the full financial statements of United Bank for Africa Plc (the "Bank") and its subsidiaries (together "the Group") for the year ended 31 December 2016 and cannot be expected to provide a full understanding of the financial performance, financial position and cash flows of the Bank and its subsidiaries. We have provided an unqualified opinion on the full financial statements for the year ended 31 December 2016 from which these summary financial statements were derived.

The Bank's auditor made a report under section 359 of the Companies and Allied Matters Act. The full financial statements from which these summary financial statements were derived are available on the website of the Bank. The electronic copy can also be obtained on the Bank's website at www.ubagroup.com/ir.

The summary financial information and specific disclosures are published in compliance with the requirements of Section 27 of BOTIA.