

Nine Months 2012

Strategic Overview

Phillips Oduoza, Group Managing Director/CEO

Thank you so much Kayode, and thanks everyone for joining us this afternoon.

Ugo is going to take you through the nine months group results in detail and Gabriel Edgal will give a short overview of UBA Africa. I would like to first give you my thoughts on the third quarter.

I can comfortably affirm to you that, with the results posted by the bank for the period, we are fully on course to delivering on all the key financial indicators we guided at the beginning of the year 2012.

Over the same period last year, the Bank improved on Gross Earnings by 21.4%; PBT by 376%; and PAT by 430%. We achieved these by challenging ourselves to work harder and capture a higher share of our competitive market. This, for us is non - negotiable as we are steadily on the path to making our bank 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.

In Nigeria, we recorded an impressive growth in deposits, whilst keeping funding costs relatively low, despite the rise in interest rates across the third quarter. We also saw increased contributions across key financial parameters in our pan African business.

Overall, the underlying fundamentals of our business remain strong and based on the successful delivery of a good set of results so far, we remain optimistic for the year as a whole.

- Return on Equity is at 27%,
- Cost income ratio is at 61.6%,
- The group Capital Adequacy Ratio (CAR) as at September 30, 2012 improved to 24%. The Capital Adequacy Ratio is far above the stipulated regulatory threshold of 10%.

Let me now spend a few moments on our business.

In Africa:

- Revenue contribution improved to 23% versus 22% in 1H 2012;

Total profit was N5.5bn from Africa

- Our Ghanaian business led the contribution from Africa, contributing half of the total profits from Africa;
- Deposit base now at N224.5bn, which is 6.4% higher than the N211bn recorded first half of 2012.

Having created a unique platform for supporting business across sub Saharan Africa, our team continues to develop innovative products and services to help create a wonderful customer experience whenever our customers find themselves in our extensive service points Group wide.

Our Bank is also pushing new frontiers in e-Banking as we believe innovative solutions from e-Banking represents one of the key ways of reaching the unbanked in sub-

Saharan Africa. The successes of our e-Banking products like Africash and Afritrade in Nigeria and the rest of Africa reinforces our belief around the unique role e-Banking plays in the overall strategy of sustaining profitability Bank wide.

The following are the key drivers of our strong earnings this quarter:

- Africa contribution to revenue rose from 19% in Q1 to 22% in H1 and now 23% in the first nine months of the year;
- There was an increase of 7.7% on net fees and commission from first half 2012 to nine months of operation this year 2012 as we continue to capture a larger percentage of intra-Africa trades and remittances through our Africash and Afritrade product;
- We were able to keep Cost to Income ratio around 61% at 9M 2012, from 79.30% in 9M 2011 due to increase in operating income and the successful deployment of our cost containment strategy;

- Our Deposit grew by 12% over the period, of which almost 82% are low cost funds.

We strongly believe that we will be able to consolidate on effective ways of delivering even better returns in the last quarter of this year.

I will now give you the latest update on the Air Nigeria loan ("the loan"), which I know most of you may have been thinking about:

- We are and the customer are in discussion as regards the loan;
- The discussion is at an advanced stage;
- Pending the final resolution of the loan, we took a specific impairment charge in line with IFRS;
- We believe the specific impairment charge already taken will reverse this quarter at the closure of negotiations but as a prudent organization, we have

taken a specific impairment charge in our nine months statement of comprehensive income;

Outlook

Now, looking forward, we expect to finish 2012 on a strong note. We're pleased to be on track to meeting our EPS objective this year.

We expect more contribution from the non interest income portion of our revenue streams as we continue to integrate ourselves into the sub Saharan African business community.

Let me remind you that we are on track to delivering the decent dividends which we promised at the beginning of the year.

To Conclude

Generally, It was a great quarter for us. I'm pleased with our results today, I'm proud of the management team's performance, and I'm absolutely confident in our ability

to strike the right balance between managing our cost base and continuing to invest for the future.

We have been resilient so far by staying focused, executing our business strategy, investing for the long term and exploiting the growth opportunities for which we are very well positioned.

Now, let me turn the call over to Ugo for the detail of the nine months result. Thank you.

Call Closing

Let me close by thanking everyone on our call today, especially analysts and investors that asked questions as well as sort clarifications on issues that were not clear.

We remain focused on our journey to make our Bank the undisputed leading and dominant financial services institution in Africa.

Once again I thank you all for joining us this evening. Have a pleasant weekend ahead.