

Consolidated and Separate Statements of Financial Position

As at

	Notes	Group	Bank
		31 March 2012	
<i>In millions of Nigerian Naira</i>			
ASSETS			
Cash and cash equivalents	9	550,806	406,160
Non-pledged trading assets	10	93,487	217
Loans and advances to banks	11	23,325	23,325
Loans and advances to customers	12	680,383	578,709
Investments in equity accounted investee		10,529	10,843
Investments in subsidiaries	13	-	56,695
Investment securities	14	570,967	507,797
Property and equipment		48,371	40,247
Intangible assets		9,516	5,711
Deferred tax assets		23,640	24,106
Other assets	15	108,739	94,265
TOTAL ASSETS		2,119,763	1,748,075
LIABILITIES			
Deposits from banks		67,725	48,722
Deposits from customers	16	1,533,107	1,279,250
Managed funds		54,275	-
Current tax liabilities		3,607	1,984
Deferred tax liabilities		20	-
Other borrowed funds		176,143	176,143
Other liabilities	17	103,755	61,979
TOTAL LIABILITIES		1,938,632	1,568,078
EQUITY			
Share capital and share premium	18	124,423	124,423
Retained earnings		11,861	16,874
Other regulatory reserve		1,604	1,604
Other reserves		39,641	37,096
		177,528	179,997
EQUITY ATTRIBUTABLE TO EQUITY - HOLDERS OF THE BANK			
Non-controlling interest		3,603	-
TOTAL EQUITY		181,131	179,997
TOTAL LIABILITIES AND EQUITY		2,119,763	1,748,075

Consolidated and Separate Statements of Comprehensive Income

	<i>Notes</i>	Group	Bank
		3 months to Mar. 2012	
<i>In millions of Nigerian Naira</i>			
Gross earnings		53,864	42,318
Interest income	2	36,833	30,676
Interest expense	2	(14,485)	(12,388)
Net interest income		22,348	18,288
Net fee and commission income	3	11,099	7,879
Net trading income	4	4,177	2,469
Other operating income	5	1,575	1,116
		16,851	11,464
Operating income		39,198	29,752
Net impairment gain/(loss) on financial assets	6	2,249	1,428
Personnel expenses		(9,012)	(6,349)
Depreciation and amortisation		(2,375)	(1,823)
Other operating expenses		(14,213)	(11,012)
		15,847	11,996
Share of profit/(loss) of equity accounted investee		173	-
Profit before income tax		16,020	11,996
Income tax expense	8	(2,242)	(1,679)
Profit for the period		13,778	10,317
Other comprehensive income, net of income tax			
Foreign currency translation differences for foreign operations		(831)	-
Fair value (losses)/gains on available-for-sale investments		(4)	(4)
Other comprehensive income for the period		(835)	(4)
Total comprehensive income for the period		12,943	10,313
Profit attributable to:			
Equity holders of the Bank		13,440	10,317
Non-controlling interest		338	-
Profit/(loss) for the period		13,778	10,317
Total comprehensive income attributable to:			
Equity holders of the Bank		12,912	10,313
Non-controlling interest		31	-
Total comprehensive income for the period		12,943	10,313

1 General Information

The Bank was incorporated in Nigeria as a limited liability company on 23 February 1961 under the Companies Ordinance [Cap 37] 1922. Following the consolidation reforms introduced and driven by the Central Bank of Nigeria in 2004, the Bank merged with Standard Trust Bank Plc on 1 August 2005 and subsequently acquired Continental Trust Bank Limited on 31 December, 2005.

2 Net interest income

<i>In millions of Nigerian Naira</i>	Group	Bank
	3 months to	
	Mar. 2012	
Interest income		
Cash and cash equivalents	1,984	1,400
Loans and advances to banks and customers	18,973	15,562
Investments securities	15,876	13,714
Total interest income	36,833	30,676
Interest expense		
Deposits from banks	(448)	(114)
Deposits from customers	(11,446)	(9,683)
Other borrowed funds	(2,591)	(2,591)
Total interest expense	(14,485)	(12,388)

3 Net fee and commission income

<i>In millions of Nigerian Naira</i>	Group	Bank
	3 months to	
	Mar. 2012	
Fee and commission income		
Retail and corporate banking fees & commissions	6,772	5,663
Investment banking fees	580	-
Other fees and charges	3,927	2,394
Total fee and commission income	11,279	8,057
Fee and commission expense		
E-card processing fees	114	113
Others	67	65
	181	178
	11,099	7,879

Corporate banking fees and commissions are charged to corporate customers. They exclude any other fees used in calculating the adjusted effective interest rate on the principal facility to which they were charged.

4 Net trading income

<i>In millions of Nigerian Naira</i>	Group	Bank
	3 months to Mar. 2012	
Fixed income securities	6	6
Equities	55	-
Foreign exchange gain	4,116	2,463
	<u>4,177</u>	<u>2,469</u>

Net trading income includes the gains and losses arising both on the purchase and sale of trading instruments

5 Other operating income

<i>In millions of Nigerian Naira</i>	Group	Bank
	3 months to Mar. 2012	
Dividends on available-for-sale equity securities	876	876
Rental income	145	133
Others	554	107
	<u>1,575</u>	<u>1,116</u>

6 Impairment loss on financial assets

<i>In millions of Nigerian Naira</i>		
Impairment losses on loans and advances		
-specific impairment	5,163	4,940
-portfolio impairment	(3,551)	(3,537)
Recoveries on loans and advances	1,026	366
Write-offs on loans and advances	(361)	(361)
Impairment loss on available for sale financial assets	79	20
Impairment loss on other assets	(107)	-
	<u>2,249</u>	<u>1,428</u>

8 Income tax expense

Recognised in the profit or loss

In millions of Nigerian Naira

Current tax expense		
Current year	1,602	1,200
Deferred tax expense		
Origination and reversal of temporary differences	640	479
Total income tax expense	<u>2,242</u>	<u>1,679</u>

Group Bank
Mar. 2012

9 Cash and cash equivalents

In millions of Nigerian Naira

Cash and balances with banks	201,519	170,553
Unrestricted balances with central bank	59,164	29,393
Money market placements	290,123	206,214
	<u>550,806</u>	<u>406,160</u>

10 Non-pledged trading assets

In millions of Nigerian Naira

Government bonds	57,642	217
Treasury bills	35,845	-
	<u>93,487</u>	<u>217</u>

These transactions have been conducted under terms that are usual and customary to standard lending and securities borrowing activities. There were no financial assets pledged as collateral for liabilities.

11 Loans and advances to banks at amortised cost

In millions of Nigerian Naira

Group Bank
Mar. 2012

Gross amount	23,436	23,436
Portfolio impairment	(111)	(111)
	<u>23,325</u>	<u>23,325</u>

12 Loans and advances to customers at amortised cost

In millions of Nigerian Naira

Loans to corporate entities and other organizations	701,222	588,831
Specific impairment	(9,723)	(4,497)
Portfolio impairment	(11,116)	(5,625)
	<u>680,383</u>	<u>578,709</u>

13 Investment in subsidiaries

In millions of Nigerian Naira

				Bank	Bank
				Mar. 2012	Dec. 2011
	Year of acquisition/commencement	Holding	Country		
UBA Ghana Limited (see (i) below)	2004	91%	Ghana	8,048	8,048
UBA Cameroun SA (see (i) below)	2007	100%	Cameroun	1,845	1,845
UBA Cote d'Ivoire (see (i) below)	2008	100%	Cote d'Ivoire	4,850	4,850
UBA Liberia Limited (see (i) below)	2008	100%	Liberia	1,795	1,795
UBA (SL) Limited (see (i) below)	2008	100%	Sierra leone	1,269	1,269
UBA Uganda Limited (see (i) below)	2008	100%	Uganda	2,718	2,718
Banque International Du Burkina Faso (see (i) below)	2008	57%	Burkina Faso	5,352	5,352
UBA Retail Financial Services Limited (RFS) (see (i) below)	2008	100%	Nigeria	667	667
UBA Asset Management Limited (see (ix) below)	1964	100%	Nigeria	403	403

13 Investment in subsidiaries - cont'd

<i>In millions of Nigerian Naira</i>	Year of acquisition/commencement	Holding	Country	Bank	Bank
				Mar. 2012	Dec. 2011
UBA Capital (Africa) Limited (see (iii) below)	2005	100%	Nigeria	2,000	2,000
UBA Chad SA (see (i) below)	2009	100%	Chad	2,210	2,210
UBA Senegal (SA) (see (i) below)	2009	100%	Senegal	2,400	2,400
Continental Bank Benin (see (i) below)	2008	76%	Benin Republic	6,726	6,726
UBA FX Mart Limited (see (v) below)	2008	100%	Nigeria	502	502
UBA Pensions Custodian Limited (see (v) below)	2004	100%	Nigeria	2,000	2,000
UBA Kenya Bank Limited (see (i) below)	2009	100%	Kenya	1,770	1,770
UBA Insurance Brokers Limited (see (vi) below)	2006	100%	Nigeria	5	5
UBA Zambia Limited (see i below)	2010	100%	Zambia	1,770	1,770
UBA Tanzania Limited (see i below)	2010	100%	Tanzania	1,770	1,770
UBA Gabon Limited (see i below)	2010	100%	Gabon	1,996	1,996
UBA Guinea Limited (see i below)	2010	100%	Guinea	1,475	1,475
UBA Congo DR (see i below)	2011	100%	Congo CRC	1,346	1,346
UBA Congo Brazaville (see i below)	2011	100%	Congo Brazavi	3,024	3,024
UBA Mozambique (see i below)	2011	100%	Mozambique	754	754
				56,695	56,695

- (i) UBA Ghana Limited, UBA Cameroon SA, UBA Cote d'ivoire, UBA Liberia, UBA Uganda, Banque International Du Burkina Fasso, UBA Chad SA, UBA Senegal SA, Continental Bank Benin, UBA Kenya, UBA Zambia, UBA Tanzania, UBA Gabon, UBA Guinea Limited, UBA Mozambique, UBA Congo Brazaville and UBA Congo DRC are engaged in the business of banking and provide corporate, commercial, consumer and international banking, trade services, cash management and treasury services.
- (ii) UBA Asset Management Limited is engaged in the business of management and administration of funds, trusteeship business; receivership/liquidation; agency business; property management; Mortgage; capital raising; royalty; venture capital fund activities; corporation registration; wholesale portfolio and other financial services to individuals, corporate bodies and the Government (shares, stocks, debentures, bonds & loans). It was incorporated on 1 June 1964 and commenced operations on same day.
- (iii) UBA Capital (Africa) Limited is engaged in securities registrars business, incorporation and IPO underwriting, securities trading, profit sharing and joint venture, securities agency, land and property development business, issuing house functions, capitalists and financiers, hire purchase and credit finance, and spin-offs. It was incorporated on 19 August 2005 and commenced operations same day.
- (iv) UBA FX Mart is engaged to carry on business as BDC proprietors, deal in foreign currency and traveller's cheques, agency business, mortgage property business, and capital raising. It was incorporated on 30 January 2008 and commenced operations on 22 May 2008.
- (v) UBA Pensions Custodian Limited was incorporated on 30 September 2005. It obtained an operating license on 20 February 2006 and commenced operations on 3 May 2006. Its principal activities include the provision of the custody of pension assets, to hold and deal in such assets in accordance with the directives of the Pension Fund Administrators and the National Pension Commission in conformity with the Pensions Reforms Act 2004.
- (vi) UBA Insurance Brokers Limited was incorporated under the Companies and Allied Matters Act, CAP C20, LFN 2004, as a limited liability company on 1 September 2006 and commenced operations on 1 April 2007. It engages in the business of insurance as well as general advisory and consulting service.

14 Investment securities

<i>In millions of Nigerian Naira</i>	Group	Bank
	Mar. 2012	
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Investment securities	570,967	507,797
<i>Available-for-sale investment securities comprise:</i>		
Treasury bills	70,901	36,880
Equity	54,309	24,783
Less: specific allowance for impairment	(2,902)	(1,299)
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	122,308	60,364
<i>Held-to-maturity investment securities comprise:</i>		
Treasury bills	40,380	40,380
Bonds	408,279	407,053
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	448,659	447,433
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Included in investment securities are bonds amounting to N52.25billion and treasury bills amounting to N17.15billion pledged with the Central Bank of Nigeria, other financial institutions and third parties as collateral for various transactions.

15 Other assets

<i>In millions of Nigerian Naira</i>	Group	Bank
	Mar. 2012	
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Accounts receivable and prepayments	33,803	22,994
Restricted deposits with central bank (see (i))	73,442	72,104
Others	4,608	632
Provision for Impairment on other assets	(3,114)	(1,465)
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	108,739	94,265
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- (i) This represents cash reserve requirement with central banks of the countries in which the Group operates, and are not available for use in the Group's day-to-day operations.

16 Deposits from customers

<i>In millions of Nigerian Naira</i>	Group	Bank
	Mar. 2012	
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<i>Retail customers:</i>		
Term deposits	109,459	99,585
Current deposits	176,357	116,184
Savings	236,610	223,401
<i>Corporate customers:</i>		
Term deposits	230,314	200,339
Current deposits	780,367	639,741
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	1,533,107	1,279,250
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17 Other liabilities

<i>In millions of Nigerian Naira</i>		
Contributions to defined contribution plans	795	795
Creditors and accruals	84,950	47,032
Foreign currency transfers payable	92	88
Other credit balances	6,497	4,619
Other current liabilities	11,421	9,445
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	103,755	61,979
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