



1H 2013 – Earnings Press Release

This 1H 2013 Earnings Press Release should be read in conjunction with our unaudited half year 2013 consolidated financial results, both included in this Earnings Press Release and also available on our website at <http://www.ubagroup.com/ir/>. This analysis is dated July 29, 2013. Unless otherwise indicated, all amounts are expressed in Nigerian Naira, and have been primarily derived from the Bank's annual or interim consolidated financial statements prepared in accordance with the International Financial Reporting Standards. Additional information relating to the Bank is available on the Bank's website <http://www.ubagroup.com>.

1H 2013 FINANCIAL HIGHLIGHTS:

Income Statement for 1H 2013 compared with 1H 2012;

- Profit before Tax was ₦33.2billion, compared with ₦30.4billion (an increase of 9.2%)
- Profit for the period was ₦28.4billion, compared with ₦25.8billion (an increase of 10.1%)
- Total Comprehensive Income attributable to equity holders was ₦29.7billion, compared with ₦26.2billion (an increase of 13.4%).

Statement of Financial Position for 1H 2013 compared with FY 2012;

- Total Assets was ₦2,429.8billion, compared with ₦2,272.9billion (an increase of 6.9%)
- Total deposits was ₦2,017.5billion, compared with ₦1,777.8billion (an increase of 13.5%)
- Total Equity was ₦207.6billion, compared with ₦192.5billion (an increase of 7.8%)

1H 2013 (ITEMS OF NOTE)

- Comparing 1H 2013 with 1H 2012, there was a 16.8% increase in gross earnings; representing approximately ₦18.1billion additional revenue.
- Net loans grew by 14.6% from ₦664.4billion in Q1 2013 to ₦761.2billion in 1H 2013, in line with management's guidance for FY 2013.

1H 2013 COMPARATIVE FINANCIAL ANALYSIS & RATIOS:

Financial Metric (N' Billion)	1H'13	1H'12	Change
Gross Earnings	126.0	107.9	16.8%
Net Interest Income	53.4	45.6	17.1%
Non-interest Income	37.4	34.1	9.7%
Operating Income	88.5	78.7	12.5%
Operating Expenses	(54.8)	(48.8)	12.3%
Profit/(Loss) Before Tax	33.2	30.4	9.2%
Profit/(Loss) After Tax	28.4	25.8	10.1%
	1H'13	FY 12	Change
Total Assets	2,429.8	2,272.9	6.9%
Total Deposits	2,017.5	1,777.8	13.5%

Key Ratios	1H'13	1H'12
Net Interest Margins	5.8%	6.1%
Cost of Funds	3.3 %	3.4%
Cost-to-Income Ratio	62.0%	62.0%
Return on Assets	2.4%	2.6%
Return on Equity	28.4%	28.1%
Loan-to-Deposit Ratio	37.7%	49.0%
Liquidity Ratio	53.5%	59.7%
Capital Adequacy Ratio	22.3%	23.7%
BVPS	629k	605k
EPS (Annualised)	172K	156k

Lagos, July 29, 2013 – United Bank for Africa Plc (“UBA” or “the Bank”) today announced its unaudited financial results for the half year ended June 30, 2013. Total comprehensive income of ₦29.7billion was achieved, representing an increase of 13.4% over the ₦26.2billion achieved in the corresponding period.

"We are pleased with our first half 2013 financial results; having operated under the revised CBN guideline on bank charges in the second quarter of the year, I am glad to announce that our plans to minimise the effect of the reduced fees and commissions are working. Our business fundamentals are improving with increased revenues from loans growth, stable funding costs arising from cheap deposits mobilization and improved asset quality.

We will focus on driving our business to gain market share and optimize our balance sheet to enable us deliver value to our stakeholders." said Mr. Oduoza, UBA's Group Managing Director and Chief Executive Officer.

Consolidated and Separate Statement of Comprehensive Income

<i>In millions of Nigerian Naira</i>	Group	
	6 months to	
	June. 2013	June. 2012
Gross earnings	125,981	107,913
Interest income	88,624	73,816
Interest expense	(35,217)	(28,206)
Net interest income	53,407	45,610
Fee and commission income	24,594	22,906
Fee and commission expense	(2,309)	(1,031)
Net fee and commission income	22,285	21,875
Net trading income	7,430	9,182
Other operating income	5,333	2,009
Total non-interest income	35,048	33,066
Operating income	88,455	78,676
Net impairment (loss)/gain on financial assets	(399)	379
Net operating income after net impairment loss on financial assets	88,056	79,055
Personnel expenses	(19,265)	(17,287)
Depreciation and amortisation	(3,505)	(4,612)
Other operating expenses	(32,038)	(26,888)
Total operating expenses	(54,808)	(48,787)
Share of profit of equity accounted investee	-	141
Profit before income tax	33,248	30,409
Income tax expense	(4,839)	(4,562)
Profit for the period from continuing operations	28,409	25,847
Profit for the period from discontinued operations	-	1,219
Profit for the period	28,409	27,066
Other comprehensive income, net of income tax		
Foreign currency translation differences for foreign operations	1,960	(625)
Fair value losses on available-for-sale investments	(621)	(206)
Net change in fair value		
Other comprehensive income for the period	1,339	(831)
Total comprehensive income for the period	29,748	26,235
Profit attributable to:		
Owners of the Bank	27,719	26,351
Non-controlling interest	690	715
Profit/(loss) for the period	28,409	27,066

Consolidated and Separate Statement of Financial Position

As at	Group	
	Jun-13	Dec-12
<i>In millions of Nigerian Naira</i>		
ASSETS		
Cash and bank balances	764,615	714,11
Financial assets held for trading	1,875	45
Loans and advances to banks	27,719	28,51
Loans and advances to customers	733,461	658,92
Investment securities	764,566	680,81
Other assets	28,444	18,59
Property and equipment	70,203	70,74
Intangible assets	7,940	7,56
Deferred tax assets	30,969	29,62
Non-current assets held for distribution	-	63,56
TOTAL ASSETS	2,429,792	2,272,92
LIABILITIES		
Derivative liabilities	166	12
Deposits from banks	51,218	57,78
Deposits from customers	1,966,263	1,720,00
Current tax liabilities	5,478	1,27
Deferred tax liabilities	7	5
Subordinated liabilities	55,572	53,71
Borrowings	60,356	114,52
Other liabilities	83,129	81,43
Liabilities held for distribution	-	51,53
TOTAL LIABILITIES	2,222,189	2,080,45
EQUITY		
Share capital and share premium	124,423	124,42
Retained earnings	62,393	49,57
Other reserves	16,450	15,11
	203,266	189,10
EQUITY ATTRIBUTABLE TO EQUITY - HOLDERS OF THE BANK		
Non-controlling interest	4,337	3,36
TOTAL EQUITY	207,603	192,46
TOTAL LIABILITIES AND EQUITY	2,429,792	2,272,92

Conclusion

“UBA’s half year results represent another bold step by the bank in its pursuit of industry leadership. The decisions we have taken so far are paying off, having recorded an improvement in revenue, as indicated in our guidance for the year. We were also encouraged by the growth in our Africa subsidiaries, which benefited from the strategic business alignment that has commenced. Thirteen of our eighteen bank subsidiaries recorded profit in the first half of the year.

“The results reflect continued improvement in asset quality; disciplined expense management and an articulated execution of our three year strategic plan. We are well positioned for growth based on our solid balance sheet footing, robust capital and liquidity positions. We continue to benefit from the successful execution of quality relationship management process which is driving client acquisition and engagement. To maintain the positive momentum, we will continue to harness new efficiency initiatives, increase lending to key growth sectors of the economy, continuously develop our platforms to sustain synergies among the Bank’s African subsidiaries and identify viable opportunities to leverage our strong capital position and make the right investments in our business.”

“While economic growth remains modest, there are signs that business returns will be much better. Our customers are the reasons we are in business, and we will not relent on our efforts to seek new and innovative ways of delivering unique and value adding products to meet their banking needs” said Phillips Oduoza, Group Managing Director and Chief Executive Officer, UBA.

PRESENTATION OF FINANCIAL RESULTS – TELECONFERENCE CALL INVITATION

Please accept our invitation to attend a teleconference call with our top Management, as they present the half year 2013 unaudited financial results.

The results presentation can be downloaded from the UBA Group website in the morning of Monday, August 5, 2013, via the following link: <http://www.ubagroup.com/ir/>

Kindly dial-in five minutes before start time. Full detail of the call is shown below.

CONFERENCE CALL DETAILS	
Conference Name	UBA's First Half 2013 Results Presentation
Chairperson's Name	Phillips Oduoza (Group Managing Director/CEO)
Additional Speakers	Ugochukwu Nwaghodoh (Group Chief Financial Officer)
In attendance	Kennedy Uzoka (DMD, Resources), Apollos Ikpobe (DMD, Domestic Bank), Emmanuel Nnorom (CEO, UBA Africa), Dan Okeke (ED, South and East Bank), Emeke Iweriebor (ED, Lagos and West Bank); Ayodeji Adigun (Director of Strategy and Business Transformation); Kayode Fadahunsi (Director, Investor Relations)
Call Date	Monday August 5, 2013
Call Time	15:00 Dublin, Edinburgh, London, Lisbon
Duration (hh:mm)	01:00
Required participant Information	Name, Company
Host Dial In Number	+44 (0) 20 3023 4484
Participant Dial In Number(s)	0 800 980 512 - South Africa Toll Free +44 (0) 20 3003 2666 - Standard International Access 0808 109 0700 - UK Toll Free 1 866 966 5335 - USA Toll Free
Password	UBA

EDITOR'S COMMENT

United Bank for Africa Plc is one of Africa's leading financial institutions offering banking services to more than 7 million customers across 558 branches 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, trade finance and investment banking.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

From time to time, the Bank makes written and/or oral forward-looking statements, including in this press release and in 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 2013 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 presentation 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