

## United Bank for Africa Plc Audited Results for the Half Year Ended June 30, 2015.

### UBA GROWS PROFIT 40% YoY; DELIVERING 22.3% RETURN ON AVERAGE EQUITY

This Audited 2015H1 Earnings Press Release should be read in conjunction with our 2014FY Audited Consolidated Financial Statements. The Earnings Press Release is also available on our website at <http://www.ubagroup.com/ir/>. This analysis is dated September 03, 2015. Unless otherwise indicated, all amounts are expressed in Nigerian Naira, and have been primarily derived from the Bank's Quarterly Consolidated Financial Statements, prepared in accordance with the International Financial Reporting Standards ("IFRS"). The accounting policies used in the preparation of these consolidated financial statements are consistent with those used in the Bank's 2014FY Audited Financial Statements. Additional information relating to the Bank is available on the Bank's website <http://www.ubagroup.com>.

**LAGOS, NIGERIA** – September 03, 2015 – United Bank for Africa Plc ("UBA" or "the Bank"), announced its Audited 2015 Half Year Financial Results. Gross Earnings increased by 21%, to ₦166.9 billion, whilst Profit Before Tax ("PBT") grew by 35.1% YoY, to ₦39.0 billion. Despite the increase in shares outstanding (following the fully subscribed Rights Issue, which closed on 12 February, 2015), annualised Earnings Per Share ("EPS") grew 27.3% to ₦1.76. The Bank's Return on Average Equity ("RoAE") was 22.3%, in line with Management's guidance, published earlier in the year.

#### HIGHLIGHTS OF THE RESULT:

##### Income Statement

- Gross Earnings: ₦166.9 billion, up from ₦138.2 billion in 2014H1 (21% YoY growth)
- Net Operating Income: ₦108.7 billion, compared to ₦90.0 billion in 2014H1 (21% YoY growth)
- Operating Expenses of ₦69.6 billion, compared to ₦61.1 billion in 2014H1 (14% YoY growth)
- Profit Before Tax: ₦39.0 billion, up from ₦28.9 billion recorded in 2014H1 (35% YoY growth)
- Profit After Tax: ₦32.0 billion, compared to ₦22.9 billion recorded in 2014H1 (40% YoY growth)
- Cost-to-Income Ratio: 64.0%, down from 67.9% in 2014H1
- Return on Average Equity: 22.3%, compared to 19.0% in 2014H1

##### Balance Sheet

- Total Assets: ₦2.93 trillion, compared to ₦2.76 trillion at 2014FY (6% YTD growth);
- Loans and Advances: ₦1.16 trillion, compared to ₦1.07 trillion at 2014FY (9% YTD growth);
- Customer Deposits: ₦2.23 trillion, compared to ₦2.17 trillion in 2014FY (3% YTD growth);
- Shareholders' Funds: ₦307.6 billion, up from ₦265.4 billion at 2014FY (16% YTD).

**Commenting on the result, Phillips Oduoza, the GMD/CEO of UBA Plc, said;**

"We are very pleased with our performance for the first half of the year. We are encouraged by the fact that, in spite of a challenging operating environment, our business strategy has proved to be effective, balancing prudence, with an ability to significantly grow bottom line and continue to focus on operating effectiveness.

We delivered very strong YoY growth of 21% in gross earnings and 40% YoY growth in profit after tax, reflecting better extraction of value across all business segments and our on-going process optimization. It was satisfying to see our cost-to-income ratio decline further.

Our funding base and mix has been further strengthened, with low cost Current and Savings Account deposit pool, which now accounts for more than 74% of our total deposit base. Our continued drive for low cost deposits should further moderate funding costs and improve net interest margins over the next half of the year.

Our asset quality metrics (1.8% NPL ratio and 0.6% cost of risk) justify our cautious approach to lending and determination to build a healthy financial institution".

**Also speaking on UBA's financial performance and position, the Group CFO, Ugo Nwaghodoh said;**

"Our business in Africa (ex-Nigeria) is beginning to significantly impact our returns, contributing c.23% of profit after tax, with an even stronger outlook. More importantly, recent initiatives in less profitable subsidiaries are yielding positive results, reinforcing our optimism on the future of our African business, as we diligently execute our consolidation strategies in the various markets".

"The annualized 22.3% return on average equity is broadly in line with our guidance to the market, but we see scope for further efficiency gains in our operations. We will further extract value from our unique Pan-African platform, as we continue our revenue enhancement and cost optimization initiatives".

**Other Notable developments**

- Initiation of an interim Half Year Audit to enhance the financial reporting of the Bank
- Credit rating remained strong, as Fitch and Agosto & Co reaffirmed our credit rating;
  - Fitch: A+ (LCY) and B+ (FCY)                      Agosto & Co: A+ (LCY)
- Initiated credit rating on three subsidiaries; Cameroon, Ghana and Senegal, to reinforce their independent financial capacity and credibility.
- Successful listing of 3,298,138,756 units Rights Issue on the Nigerian Stock Exchange.
- Won the "Spirit of Lagos Citizen's Day Award" in the Multinationals Category; an evidence of being a Socially Responsible Corporate, with keen commitment to the development of our host communities.

**Consolidated and Separate Statements of Comprehensive Income**  
**For the period ended 30th June**

In millions of Nigerian Naira	Group		Bank	
	June 2015	Unaudited June 2014	June 2015	Unaudited June 2014
<b>Gross earnings</b>	166,943	138,225	130,980	108,145
Interest income	<b>116,235</b>	<b>98,547</b>	<b>95,422</b>	80,304
Interest expense	(50,577)	(43,336)	(43,386)	(38,425)
<b>Net interest income</b>	<b>65,658</b>	<b>55,211</b>	<b>52,036</b>	<b>41,879</b>
Net impairment loss on loans and advances	(3,500)	(2,049)	(2,213)	(1,247)
<b>Net interest income after impairment on loans and receivables</b>	<b>62,158</b>	<b>53,162</b>	<b>49,823</b>	<b>40,632</b>
Fees and commission income	30,357	27,087	19,912	18,694
Fees and commission expense	(4,174)	(2,809)	(3,612)	(2,396)
Net trading and foreign exchange income	16,949	10,000	13,393	7,137
Other operating income	3,454	2,609	2,253	2,010
Personnel expenses	(29,509)	(28,573)	(22,301)	(22,075)
Depreciation and amortisation	(4,036)	(2,837)	(3,217)	(1,998)
Other operating expenses	(36,101)	(29,728)	(27,839)	(23,061)
Share of loss of equity-accounted investee	(52)	(18)	-	-
<b>Profit before income tax</b>	<b>39,046</b>	<b>28,893</b>	<b>28,412</b>	<b>18,943</b>
Taxation charge	(7,047)	(6,037)	(4,108)	(4,771)
<b>Profit for the period</b>	<b>31,999</b>	<b>22,856</b>	<b>24,304</b>	<b>14,172</b>
Foreign currency translation differences	(2,492)	(3,286)	-	-
Fair value reserve (available-for-sale financial assets)	3,883	637	3,890	637
Net change in fair value	795	(45)	795	(45)
<b>Other comprehensive income</b>	<b>2,186</b>	<b>(2,694)</b>	<b>4,685</b>	<b>592</b>
<b>Total comprehensive income for the period</b>	<b>34,185</b>	<b>20,162</b>	<b>28,989</b>	<b>14,764</b>
<b>Profit attributable to:</b>				
Owners of Parent	31,377	22,281	24,304	14,172
Non-controlling interest	622	575	-	-
<b>Profit for the period</b>	<b>31,999</b>	<b>22,856</b>	<b>24,304</b>	<b>14,172</b>
<b>Total comprehensive income attributable to:</b>				
Owners of Parent	33,985	22,100	28,989	14,764
Non-controlling interest	200	(1,938)	-	-
<b>Total comprehensive income for the period</b>	<b>34,185</b>	<b>20,162</b>	<b>28,989</b>	<b>14,764</b>
<b>Basic and diluted earnings per share (Naira) - Annualised</b>	0.94	0.71	0.68	0.42

**Consolidated and Separate Statements of Financial Position**

As at	Group		Bank	
	Jun-15	Dec-14	Jun-15	Dec-14
<i>In millions of Nigerian Naira</i>				
<b>ASSETS</b>				
Cash and bank balances	828,151	812,359	681,274	749,716
Financial assets held for trading	23,334	1,099	23,334	1,099
Derivative assets	10,550	6,534	10,550	6,534
Loans and advances to banks	19,226	48,093	19,201	48,991
Loans and advances to customers	1,162,749	1,071,862	968,096	884,587
Investment securities	674,630	657,523	481,241	442,909
Other assets	78,045	30,057	43,993	21,136
Investment in equity-accounted investee	2,934	2,986	1,770	1,770
Investments in subsidiaries	-	-	65,767	65,767
Property and equipment	89,254	89,517	80,450	81,050
Intangible assets	10,105	9,430	4,011	3,446
Deferred tax assets	30,300	33,116	29,037	31,853
<b>TOTAL ASSETS</b>	<b>2,929,278</b>	<b>2,762,576</b>	<b>2,408,724</b>	<b>2,338,858</b>
<b>LIABILITIES</b>				
Derivative liabilities	7	943	7	943
Deposits from banks	99,918	59,228	9,987	1,526
Deposits from customers	2,227,623	2,169,663	1,821,466	1,812,277
Other liabilities	85,852	63,569	52,413	41,209
Current tax liabilities	3,387	4,615	1,315	1,858
Borrowings	119,319	113,797	119,319	113,797
Subordinated liabilities	85,501	85,315	85,501	85,315
Deferred tax liabilities	40	40	-	-
<b>TOTAL LIABILITIES</b>	<b>2,621,647</b>	<b>2,497,170</b>	<b>2,090,008</b>	<b>2,056,925</b>
<b>EQUITY</b>				
Share capital	18,140	16,491	18,140	16,491
Share premium	117,374	107,932	117,374	107,932
Retained earnings	107,524	87,047	98,942	84,230
Other reserves	58,917	48,460	84,260	73,280
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>	<b>301,955</b>	<b>259,930</b>	<b>318,716</b>	<b>281,933</b>
Non-controlling interests	5,676	5,476	-	-
<b>TOTAL EQUITY</b>	<b>307,631</b>	<b>265,406</b>	<b>318,716</b>	<b>281,933</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,929,278</b>	<b>2,762,576</b>	<b>2,408,724</b>	<b>2,338,858</b>

## PRESENTATION OF FINANCIAL RESULTS – TELECONFERENCE CALL INVITATION

Please accept our invitation to attend a teleconference call with UBA Plc's Management on Tuesday, September 08, 2015 (3:00pm Nigerian Time), as they present the 2015 Half Year Audited Financial Report.

The presentation can be downloaded from UBA Group website by noon of September 08, 2015, via the following link: <http://www.ubagroup.com/ir/>.

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

CONFERENCE CALL DETAILS	
Conference Name	UBA's Audited 2015 Half Year Results Presentation
Chairperson's Name	Phillips Oduoza (Group Managing Director/CEO)
Additional Speakers	Ugo Nwaghodoh (Group CFO)
In attendance	Kennedy Uzoka (DMD & CEO, UBA Africa), Femi Olaloku (Executive Director, Treasury & Int'l Banking); Emeke Iweriebor (Deputy CEO, UBA Africa); Obi Ibekwe (Executive Director, Resources); Oliver Alawuba (Directorate Head, Public Sector Group); Rao Anant (Head, Strategy & Business Transformation); Ayodeji Adigun (Group Executive Office), Abiola Rasaq (Head, Investor Relations)
Call Date	September 08, 2015
Call Time	15:00hr Lagos Time
Duration (hh:mm)	01:30
Required participant Information	Name, Company
Host Dial In Number	<b>+44 (0) 20 3023 4484</b>
Participant Dial In Number(s)	+44 (0) 20 3003 2666- Standard International Access 0808 109 0700 - UK Toll Free 1 866 966 5335- USA Toll Free
Access Pin	1479511#
Password	UBA