

FY 2012 – Earnings Press Release

This FY 2012 Earnings Press Release should be read in conjunction with our audited FY 2012 Consolidated Financial Statements. The Earnings Press Release is also available on our website at <http://www.ubagroup.com/ir/>. This analysis is dated May 10, 2013. Unless otherwise indicated, all amounts are expressed in Nigerian Naira, and have been primarily derived from the Bank's annual consolidated financial statements, prepared in accordance with the International Financial Reporting Standards ("IFRS"). The accounting policies used in the preparation of these consolidated financial results are consistent with those used in the Bank's FY 2012 audited financial reports. Additional information relating to the Bank is available on the Bank's website <http://www.ubagroup.com>.

FY 2012 FINANCIAL HIGHLIGHTS:

Audited Income Statement for FY 2012 compared with FY 2011;

- Profit before Tax was ₦52.01billion, compared with a loss of ₦26.60billion (an increase of 295.53%)
- Profit for the year was ₦54.77billion, compared with a loss of ₦6.80billion (an increase of 905.44%)
- Total Comprehensive Income attributable to equity holders was ₦55.53billion, compared with a loss of ₦1.12billion (an increase of 5,058.04%).

Audited Statement of Financial Position for FY 2012 compared with FY 2011;

- Total Asset was ₦2.273trillion, compared with ₦1.920trillion (an increase of 18.39%)
- Total Liabilities was ₦2.080trillion, compared with ₦1.769trillion (an increase of 17.58%)
- Total Equity was ₦192.47billion, compared with ₦150.94billion (an increase of 27.51%)

FY 2012 (ITEMS OF NOTE)

- Comparing FY 2012 with FY 2011, there was a 34.45% increase in gross earnings; representing approximately ₦56.40billion additional revenue. The bank was able to keep its total operating expense lower by 3.31% in FY 2012 compared to FY 2011.
- Non-interest income improved by 21.1% from ₦50.8billion in FY 2011 to ₦61.5billion in FY 2012 as a result of the increasing acceptance of our unique fee based products and services which we have successfully deployed across our franchise in Africa.

FY 2012 FINANCIAL COMPARATIVE ANALYSIS & RATIOS:

Financial Metric (N' Billion)	FY'12	FY'11	Change
Gross Earnings	220.1	163.7	34.5%
Net Interest Income	91.6	68.2	34.3%
Non-interest Income	61.5	50.8	21.1%
Operating Income	153.1	119.0	28.7%
Operating Expenses	(102.6)	(106.1)	+3.3%
Profit/(Loss) Before Tax	52.0	(26.6)	295.5%
Profit/(Loss) After Tax	54.8	(6.8)	905.4%
Basic Earnings Per Share (Kobo)	1.66	(0.29)	672.4%
Total Assets	2,272.9	1,920.4	18.4%
Total Deposits	1,777.8	1,465.3	21.3%

Key Ratios	FY'12	FY'11
Net Interest Margins	5.9%	4.6%
Cost of Funds	3.2%	3.0%
Cost-to-Income Ratio	67.0%	89.8%
Return on Assets	2.6%	(0.4%)
Return on Equity	31.9%	(4.5%)
Loan-to-Deposit Ratio	38.7%	44.2%
Liquidity Ratio	69.8%	69.0%
Capital Adequacy Ratio	23.5%	21.7%
BVPS	584k	467k
EPS	166k	(29k)

Lagos, May 10, 2013 – United Bank for Africa Plc (“UBA” or “the Bank”) today announced its audited financial results for the full year 2012. A profit of N54.8billion was achieved for year, representing an increase of 905.4% over the N6.8billion loss recorded in the corresponding period.

“The fourth quarter earnings contributed to a strong year for UBA,” said Phillips Oduoza, Group Managing Director and Chief Executive Officer. “UBA’s gross earnings for the year were more than N220 billion, with all our businesses contributing to gross earnings growth. We achieved those results despite a tough operating environment, demonstrating the strength and resilience of our business model.”

“UBA had a strong year in 2012. Our success was again driven by the strength of our customer-focused, Corporate and Treasury driven business model. We are confident about our ability to deliver sustainable earnings growth in the future. We will continue to strategically invest in our businesses, manage our expenses and contain cost growth, whilst continually seeking ways to exceed expectations.”

“As always, our employees and their dedication to our customers and clients remains the driving force behind our success and I thank them for their tremendous contributions” said Mr. Oduoza.

Consolidated and Separate Statement of Comprehensive Income

For the year ended 31 December

In millions of Nigerian Naira

	Group 2012	Parent	Group 2011	Parent
Interest and similar income	150,003	126,147	113,590	97,427
Interest and similar expense	(58,386)	(51,302)	(45,423)	(41,203)
Net interest income	91,617	74,845	68,167	56,224
Net fee and commission income	45,108	34,212	38,660	28,726
Net trading income/(loss)	9,695	9,254	3,546	(2,563)
Other operating income	6,673	6,045	8,596	2,763
Operating income	153,093	124,356	118,969	85,150
Net impairment loss on loans and receivables	(4,560)	(2,654)	(17,738)	(8,180)
Net gains/(losses) on investment securities	6,123	(129)	(1,865)	(1,460)
Loss on loans sold to Asset Management Corporation of Nigeria - AMCON	-	-	(19,894)	(19,894)
Net operating income	154,656	121,573	79,472	55,616
Personnel expenses	(43,452)	(32,999)	(47,874)	(38,103)
Depreciation and amortisation	(10,888)	(6,903)	(10,500)	(8,239)
Other operating expenses	(48,252)	(35,491)	(47,730)	(35,742)
Total operating expenses	(102,592)	(75,393)	(106,104)	(82,084)
Share of (loss)/profit of equity accounted investee	(54)	-	32	-
Profit/(loss) before income tax	52,010	46,180	(26,600)	(26,468)
Taxation (charge)/credit	(533)	1,195	17,935	18,502
Profit/(loss) for the year from continuing operations	51,477	47,375	(8,665)	(7,966)
Profit for the year from discontinued operations	3,289	-	1,864	-
Profit/(loss) for the year	54,766	47,375	(6,801)	(7,966)
Other comprehensive income				
Foreign currency translation differences	(2,999)	-	1,607	-
Fair value gains on available-for-sale investments	3,763	3,534	4,073	4,212
Other comprehensive income	764	3,534	5,680	4,212
Total comprehensive income/(loss) for the year	55,530	50,909	(1,121)	(3,754)
Profit attributable to:				
Owners of Parent	54,664	47,375	(7,651)	(7,966)
Non-controlling interest	102	-	850	-
Profit/(loss) for the year	54,766	47,375	(6,801)	(7,966)
Total comprehensive income attributable to:				
Owners of Parent	55,306	50,909	(1,971)	(3,754)
Non-controlling interest	224	-	850	-
Total comprehensive income for the year	55,530	50,909	(1,121)	(3,754)
Earnings per share from continuing and discontinued operations attributable to owners of the parent during the year				
Basic earnings/(loss) per share (Naira)				
From continuing operations	1.66	1.44	(0.29)	(0.24)
From discontinued operations	0.11	-	0.06	-
From profit for the year	1.77	1.44	(0.23)	(0.24)
Diluted earnings/(loss) per share (Naira)				
From continuing operations	1.66	1.44	(0.29)	(0.24)
From discontinued operations	0.11	-	0.06	-
From profit for the year	1.77	1.44	(0.23)	(0.24)

Consolidated and Separate Statement of Financial Position

As at	Group 31 December 2012	Parent	Group 31 December 2011	Parent	Group 1 January 2011	Parent
<i>In millions of Nigerian Naira</i>						
ASSETS						
Cash and bank balances	714,115	629,481	434,218	352,500	385,397	330,701
Financial assets held for trading	457	456	1,303	237	2,594	1,267
Loans and advances to banks	28,513	27,878	41,564	41,564	11,226	11,226
Loans and advances to customers	658,922	570,714	605,627	552,526	590,797	557,224
Investment securities	680,817	527,994	722,308	560,028	493,079	391,461
Other assets	18,598	11,159	16,513	16,891	30,290	24,877
Investments in equity accounted investee	-	-	10,356	10,843	10,118	10,843
Investments in subsidiaries	-	66,727	-	56,695	-	50,355
Property and equipment	70,746	63,118	55,618	47,066	62,009	53,263
Intangible assets	7,568	1,578	5,930	2,099	6,626	2,952
Deferred tax assets	29,624	28,152	26,998	25,604	7,049	6,555
	2,209,360	1,927,257	1,920,435	1,666,053	1,599,185	1,440,724
Non-current assets held for distribution	63,563	5,808	-	-	-	-
TOTAL ASSETS	2,272,923	1,933,065	1,920,435	1,666,053	1,599,185	1,440,724
LIABILITIES						
Derivative liabilities	124	124	817	817	9,310	9,310
Deposits from banks	57,780	22,875	19,510	23,408	7,456	51
Deposits from customers	1,720,008	1,461,131	1,445,822	1,216,511	1,270,409	1,120,566
Managed funds	-	-	51,943	-	32,753	-
Other liabilities	81,438	57,299	58,210	49,924	41,671	38,782
Current tax liabilities	1,274	1,325	2,627	784	2,869	1,185
Subordinated liabilities	53,719	55,474	53,500	55,254	18,335	20,147
Borrowings	114,520	114,520	137,040	137,040	63,327	63,327
Deferred tax liabilities	59	-	26	-	30	-
	2,028,922	1,712,748	1,769,495	1,483,738	1,446,160	1,253,368
Liabilities held for distribution	51,534	-	-	-	-	-
TOTAL LIABILITIES	2,080,456	1,712,748	1,769,495	1,483,738	1,446,160	1,253,368
EQUITY						
Share capital	16,491	16,491	16,168	16,168	12,934	12,934
Share premium	107,932	107,932	108,255	108,255	111,489	111,489
Retained earnings	49,572	47,723	16,034	21,474	25,695	30,727
Other reserves	15,111	48,171	6,888	36,418	10	32,206
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	189,106	220,317	147,345	182,315	150,128	187,356
Non-controlling interests	3,361	-	3,595	-	2,897	-
TOTAL EQUITY	192,467	220,317	150,940	182,315	153,025	187,356
TOTAL LIABILITIES AND EQUITY	2,272,923	1,933,065	1,920,435	1,666,053	1,599,185	1,440,724

Conclusion

“UBA had a good performance for full year 2012. This performance puts us in a position to commence our journey back to industry leadership, thereby, setting the stage for the attainment of our long term strategic intent of being a leading Bank on the African continent. UBA has continued to focus on customer service delivery, efficient capital management and returns maximization with return on equity exceeding 30 per cent in 2012. We believe that our ability to serve clients globally with solutions tailored to their needs gives us a strong advantage in today's rapidly changing and highly competitive market place. Adopting a unique business platform across Africa, as a group, has also ensured that we present a single face to our customers and clients around Africa. This does not only help foster collaboration throughout the Group, it also strengthens our ability to deliver value adding and innovative solutions to our customers and clients through our integrated model.

Our ability to deliver tailored financial solutions based on high-value customized products and services sets us apart from our peers.

I am pleased to say that we remain committed to achieving our targets for 2013 and especially, our long term aspirations of being the leading financial services institution in Africa”.

PRESENTATION OF FINANCIAL RESULTS – TELECONFERENCE CALL INVITATION

Please accept our invitation to attend a teleconference call with our top Management, as they present the full year 2012 audited financial report.

The results presentation can be downloaded from the UBA Group website in the morning of Friday May 17, 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 FY 2012 Results Presentation
Chairperson's Name	Phillips Oduoza (Group Managing Director/CEO)
Additional Speakers	Ugochukwu Nwaghodoh (Group Chief Financial Officer)
In attendance	Kennedy Uzoka (DMD), Emmanuel Nhorom (CEO, UBA Africa), Dan Okeke (ED, Abuja & East Bank), A.J Bello (ED, Far North), Emeke Iweriebor (Group Director, Corporate Banking, Lagos and West Bank); Ayodeji Adigun (Director of Strategy); Kayode Fadahunsi (Director, Investor Relations)
Call Date	Friday May 17, 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