

**FACTS BEHIND THE FIGURES (2007/2008 FINANCIAL YEAR) AND
HIGHLIGHTS OF QUARTER 1, 2008 (APRIL – JUNE 2008)**

A PRESENTATION BY ACCESS BANK PLC

July 2008

Presentation Outline

- Background Information
- Strategy & Customer Value Proposition
- 2007/08 Financial Performance
- Financial Performance Analysis & Key Drivers
- First Quarter Highlights
- Conclusion

Background Information

Access Group – Fact Sheet



Parent Company: Access Bank Plc registered in Nigeria and licensed as a Universal bank

OUR VISION : To transform our bank into a world-class financial services provider.

OUR MISSION : To go beyond the ordinary, to deliver the perceived impossible, in the Quest for Excellence

Market Capitalization

\$2.4Billion

No of Employees

1420

Partners



Total Assets

\$10Billion

Credit Rating

AA / A- / BBB
(GCR/Agusto/Fitch)

Listing

NSE (Ordinary Shares & 3 years Convertible Bond)
OTC GDR Traded in London

Shareholders Funds

\$1.5billion

Subsidiaries

- Access Bank Gambia
- Access Bank Sierra Leone
- Access Investment & Trust Ltd
- Access Homes & Mortgages
- United Securities Limited
- The Access Bank UK Limited
- Omni Finance, Cote d'Ivoire
- Bancor, Rwanda
- Banque Privee du Congo
- Access Bank, Zambia

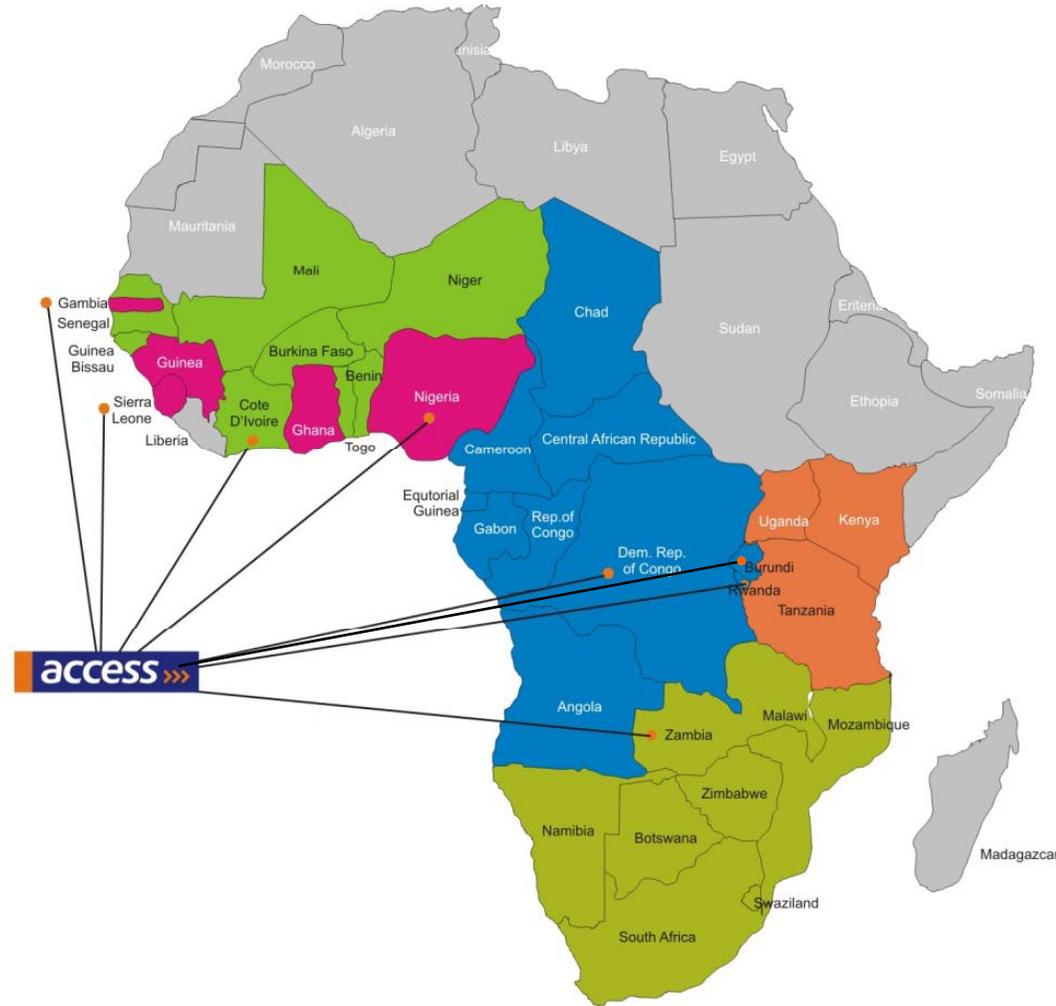
Geographical Coverage

Global

Channels

118 Branches
119 ATMs
104 POS
Call Centre

Access Bank - Geographical Coverage



GDP

| | | |
|---|-------|------------------------------|
|  | CEMAC | \$113bn |
|  | UEMOA | \$164bn |
|  | WAMZ | \$321bn (Nigeria - \$216bn) |
|  | SADC | \$962bn (S/Africa - \$703bn) |
|  | EAC | \$149bn |

NIGERIA: Fact Sheet

Location: Western Africa
Geographic coordinates: 10 00 N, 8 00 E

PEOPLE

Population

138,283,240 (July 2008 est.)

Population Growth Rate

2.382% (2008 est.)

ECONOMY

GDP

\$166.8billion (2007 est.)

GDP per Capital

\$2,000

GDP real Growth Rate

6.4%

External Reserves

\$58bn

Unemployment Rate

25% (2007 est.)

Inflation

5.5% (2007 est.)

Foreign Direct Investment (FDI)

\$33.64billion (2007 est.)

External Debt

\$3bn



GOVERNMENT

Executive

Federal, State & Local

Legislative

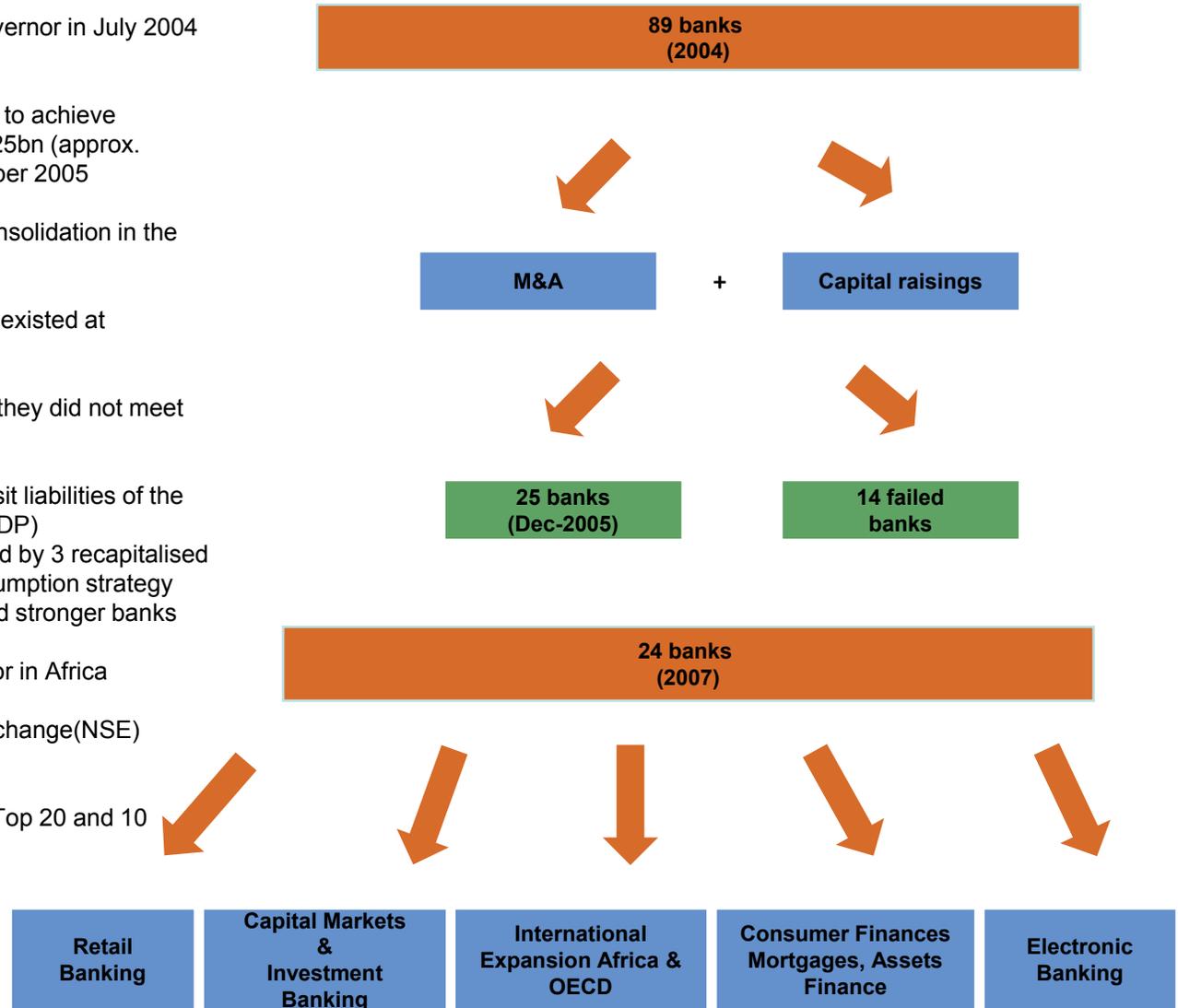
National & State Assemblies

Judiciary

Federal & State Judiciaries

Recent Developments in the Nigerian Banking Industry

- Banking reform announced by CBN governor in July 2004 under a 14-point agenda
 - ▶ A major requirement was for banks to achieve minimum shareholders' funds of N25bn (approx. USD190mm) by the end of December 2005
- The reform initiated the first wave of consolidation in the sector
- 25 groups emerged from 89 banks that existed at December 2004
- 14 banks had their license revoked, as they did not meet capital requirements
 - ▶ represented 6.5% of the total deposit liabilities of the banking system (less than 1% of GDP)
 - ▶ 4 of these banks were later acquired by 3 recapitalised banks under the purchase and assumption strategy
 - ▶ Flight to safety and quality benefited stronger banks
- Fastest growing financial services sector in Africa
- Accounts for 50% of Nigerian Stock Exchange(NSE) Market capitalisation
- 5 Nigerian Banks rank amongst Africa Top 20 and 10 Nigerian Banks rank Top 1000 (2008) (Source: The Banker)



Strategy & Customer Value Proposition

Our Target Market

Corporate & Commercial Clients

- Very large Corporates with dominant market share in Telecoms, Oil & Gas, Fast Moving Consumer Goods (FMCG) & Commodities
- Public Sector project finance opportunities owing to infrastructure funding gap \$12 bn for Sub-Sahara Africa year on year (Nigeria \$8bn)
- Multinational players in the oil & gas
- Middle-tier Corporates
- Distributors to top 3 producers of goods and services in Telecoms, Downstream Oil & Gas, FMCG
- Financial institutions driven by the ongoing reforms in Financial service industry in Africa –Stockbroking, Asset management, Microfinance, Mortgages
- Public Sector and State Governments driven by our nationwide coverage

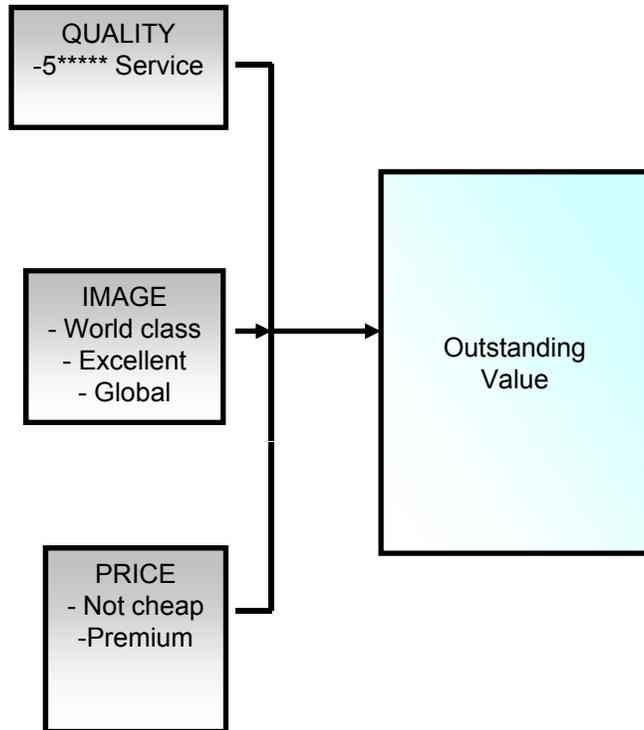
Retail & Consumer Clients

- Retail/Consumer banking segment penetration is still very low in Africa, In Nigeria there are less than 1 million personal loans against 38 million mobile phones subscribers
- Primary target market is the employees of Corporates, SME clients etc
- SME in the service sector particularly schools, Hospitality, Professional services i.e. Legal etc.
- High net worth clients particularly owners/managers of our corporate clients
- Users of our electronic banking (non-account holders)

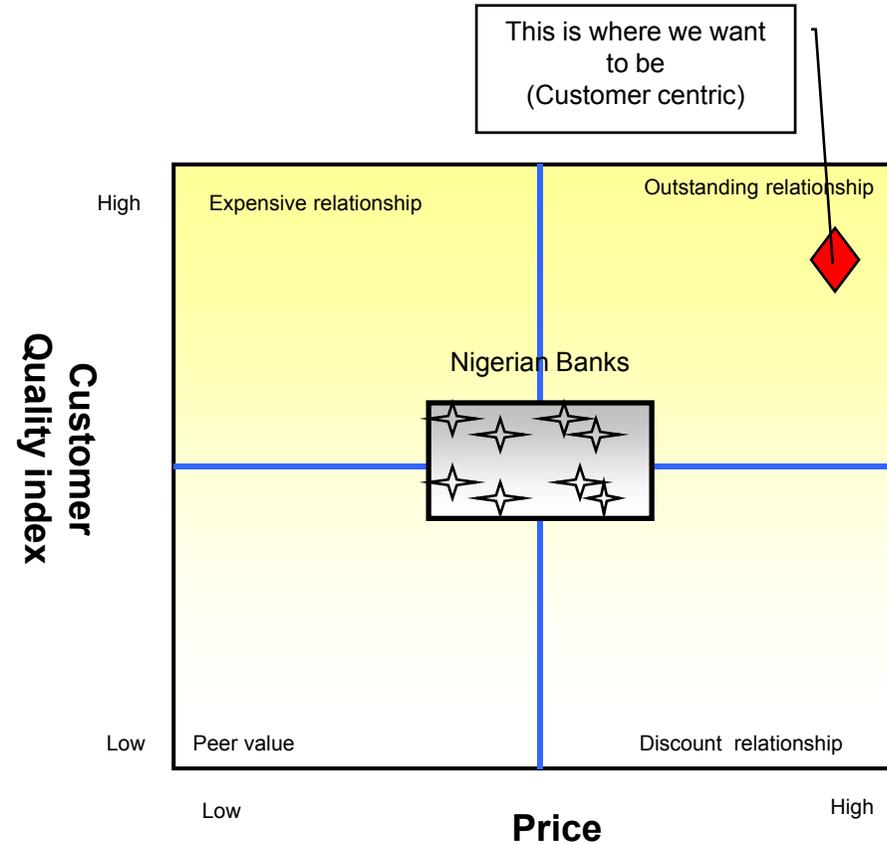
Access Bank's Value Proposition



Customer Value Proposition



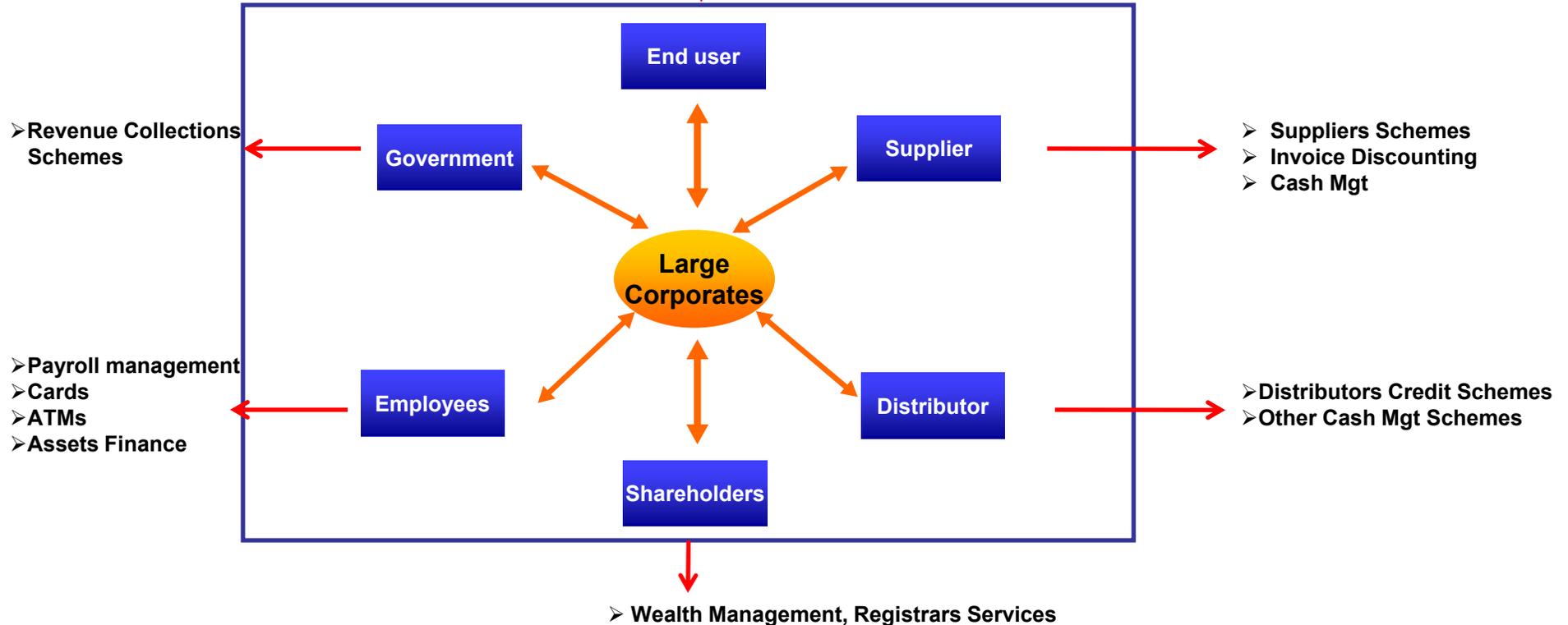
Competitive value matrix



Access Bank's Value Proposition (Cont'd)



➤ Cards, Assets Finance



OBJECTIVE

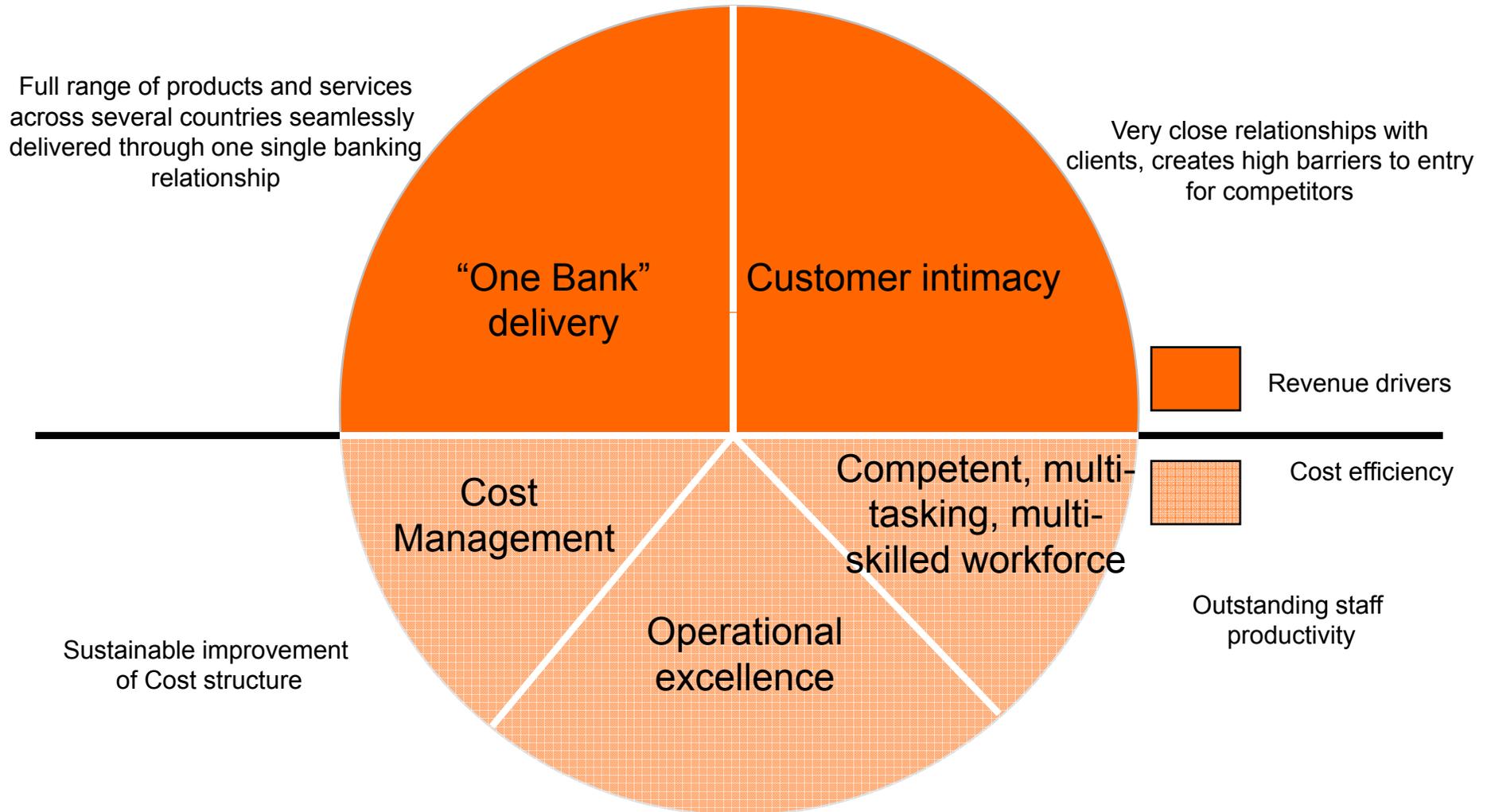
- Reduced cost of production to operators
- Increase sales volume to operators
- Ensure benefits can accrue direct to primary target through the chain

METHODOLOGY

Develop suit of products & product programs to meet target stakeholders demands in good time with appropriate pricing taking risk into consideration

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One Bank At Work



FINANCIALS

2007/08 Financial Performance Highlights

2007/08 Financial Performance Highlights

| Indices | 2008 | 2008 | 2008 | 2008 | 2007 | 2007 | 2006 | 2006 | CAGR |
|----------------------------|------------|---------------|------------|---------------|-----------|--------------|----------|--------------|-------------|
| | Group | Group | Bank | Bank | 2007 | 2007 | 2006 | 2006 | |
| | (\$'m) | (N'm) | (\$'m) | (N'm) | (\$'m) | (N'm) | (\$'m) | (N'm) | % |
| Gross Earnings | 496 | 57,999 | 493 | 57,627 | 220 | 27,881 | 106 | 13,360 | 108% |
| Interest & discount income | 348 | 40,677 | 347 | 40,536 | 133 | 16,894 | 69 | 8,734 | 115% |
| Net commission & fees | 124 | 14,435 | 123 | 14,344 | 77 | 9,769 | 22 | 2,863 | 124% |
| Other income | 25 | 2,888 | 24 | 2,747 | 10 | 1,217 | 14 | 1,764 | 25% |
| Net Income | 338 | 39,456 | 335 | 39,154 | 167 | 21,153 | 75 | 9,503 | 103% |
| Operating expenditure | (177) | (20,610) | (172) | (20,112) | (104) | (13,110) | (66) | (8,384) | 55% |
| PBT | 161 | 18,846 | 163 | 19,042 | 63 | 8,043 | 9 | 1,119 | 313% |
| Loans | 2,104 | 245,836 | 2,094 | 244,595 | 850 | 107,750 | 425 | 54,111 | 113% |
| Deposits liabilities | 3,028 | 353,736 | 3,012 | 351,789 | 1,619 | 205,264 | 871 | 110,879 | 78% |
| Shareholders' Funds | 1,471 | 171,805 | 1,473 | 172,002 | 224 | 28,385 | 227 | 28,894 | 144% |
| Total Assets | 8,950 | 1,045,568 | 8,934 | 1,043,465 | 2,591 | 328,615 | 1,372 | 174,553 | 144% |

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2007/08 Financial Performance Highlights (ratio)

| Indices | 2008 | 2007 | 2006 |
|--|--------|--------|--------|
| Return on Average Equity (Pre-Tax) | 19% | 28% | 7% |
| Return on Average Assets (Pre-Tax) | 2.4% | 2.6% | 1% |
| Cost/Income ratio | 51% | 62% | 88% |
| Non Performing loans/Total loans | 3.67% | 8.84% | 12.93% |
| Cumulative loan loss provision | 118.4% | 98.2% | 84.6% |
| Liquid Assets / lcy Deposits | 179% | 55.7% | 59.3% |
| Adjusted capital /Risk weighted assets | 31.8% | 12% | 25.3% |
| P/E Ratio | 13.88 | 13.21 | 22.73 |
| EPS | 173k | 87k | 11k |
| Average number of employees | 1,067 | 729 | 484 |
| Net earnings per staff (N'000) | 36,696 | 29,018 | 19,635 |

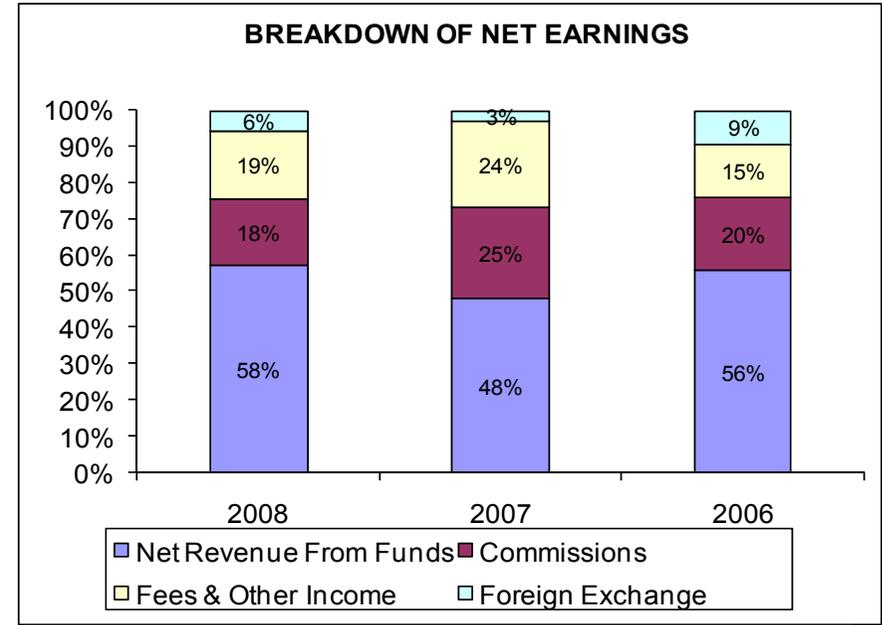
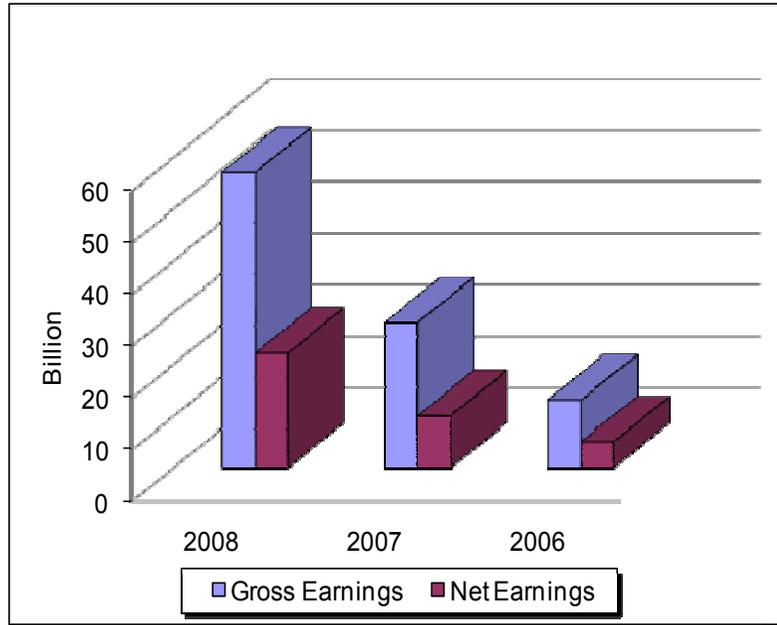
2007/08 Actual Vs Forecast

| | MARCH 2008 BANK ACTUAL (N'm) | MARCH 2008 PROSPECTUS FORECAST (N'm) | % ACHIEVEMENT |
|------------------------|------------------------------------|--|------------------|
| GROSS EARNINGS | 57,627 | 69,434 | 83% |
| NET INTEREST INCOME | 22,431 | 29,669 | 76% |
| PROFIT BEFORE TAXATION | 19,042 | 19,813 | 96% |
| PROFIT AFTER TAXATION | 16,056 | 15,058 | 107% |
| TOTAL ASSETS | 1,043,465 | 676,051 | 154% |
| DEPOSIT LIABILITIES | 351,789 | 494,824 | 71% |

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Financial Performance & Analysis

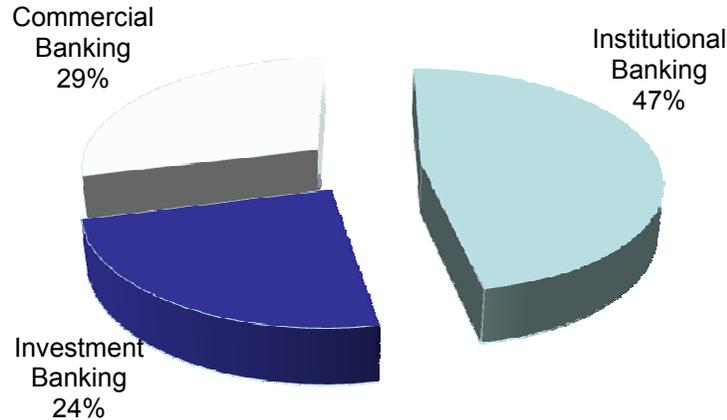
EARNINGS



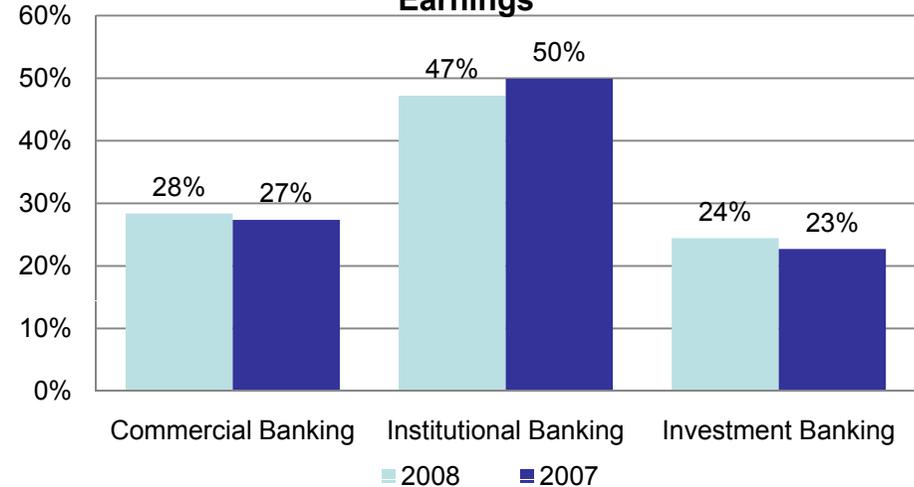
- Strong Earnings on back of increased funding support for key growth sectors of the economy – Telecoms, Oil & Gas, Manufacturing and Financial Institutions
- Market share growth in investment banking activities – Trading & corporate finance

EARNINGS

Breakdown of income by Strategic Business Unit

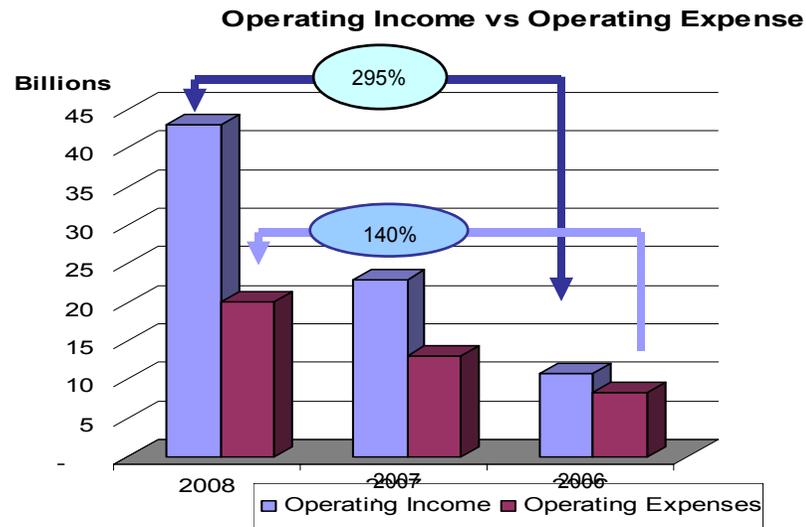


Contribution of Strategic Business Units to Earnings

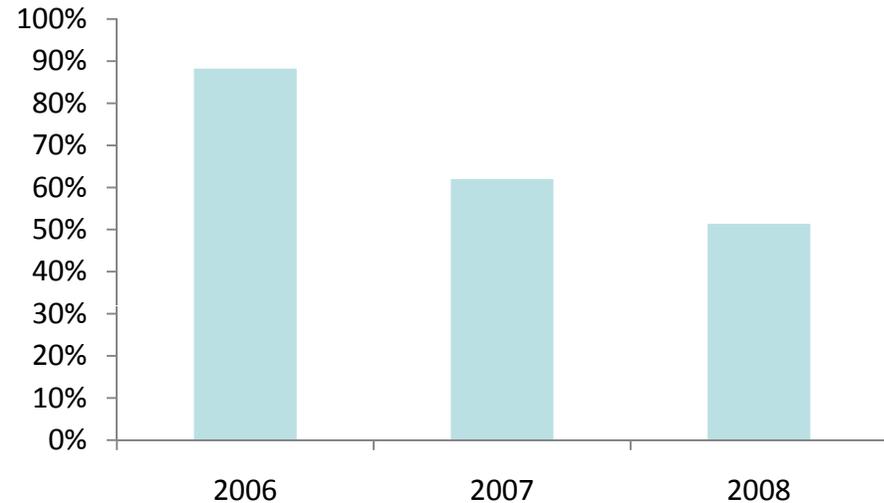


- Public sector contribution to our commercial bank's revenue has grown significantly. Our nationwide branch coverage has enabled us to sign on several state & federal govt. accounts
- Investment banking income includes fees from major issuing house mandates; our Treasury Group is one of the strongest fixed income & FX players in the sub region. The Group a much stronger capacity for deal execution especially in the area of corporate finance.
- Improved risk rating and the bank's perception in the corporate market segment has contributed significantly to the Institutional banking profit
- Retail banking has not contributed significantly to current year profitability, but has significantly complemented our corporate & commercial bank's business

Operating Income Vs Operating Expense



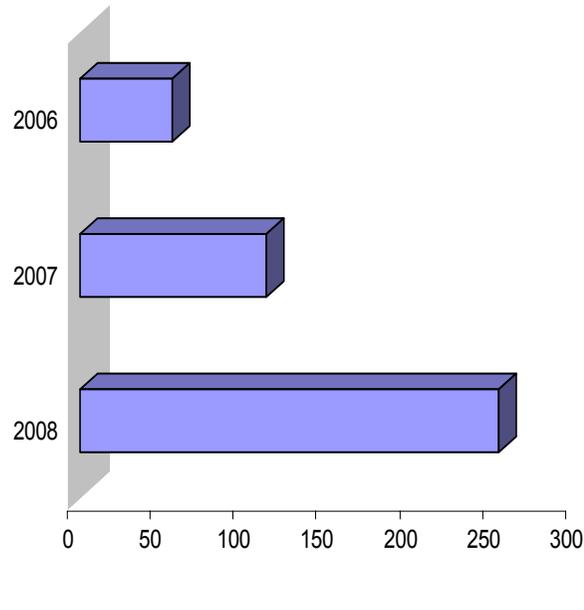
Cost/Income ratio



- The Bank has successfully implemented cost savings strategy which has improved the cost /income ratio to 51% from 62%. This ratio, which is the best among the top 10 banks in Nigeria, is in line with our strategic objectives of achieving 45% by 2012.

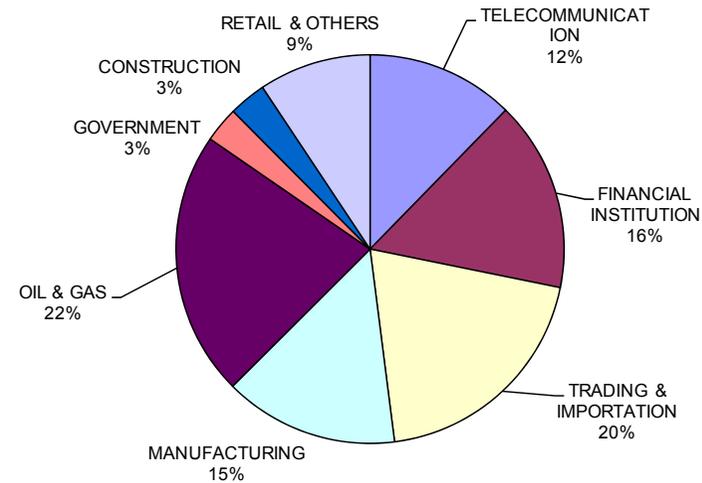
ASSET QUALITY

Loans



Well diversified loan portfolio

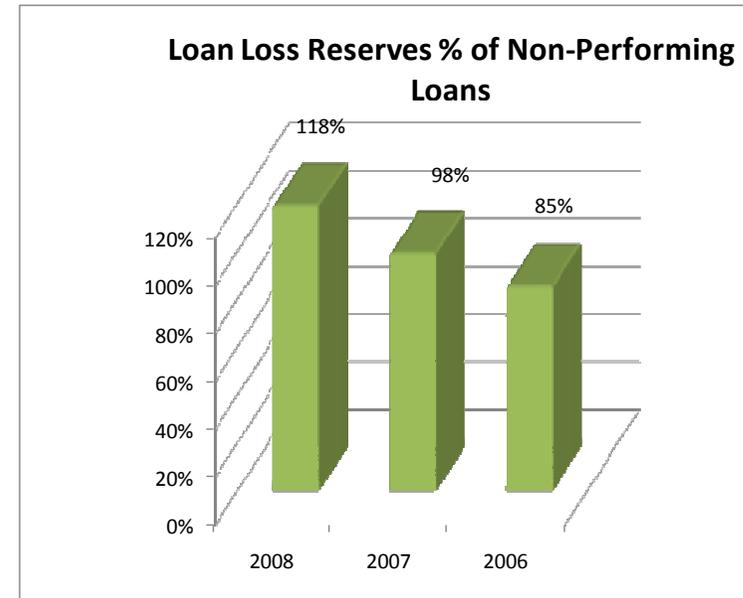
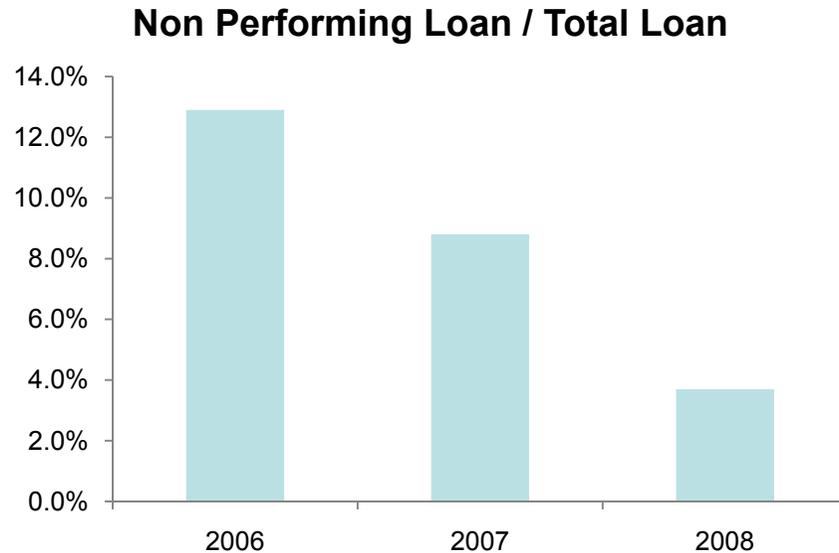
Exposure by sector



The Risk Management Division of the bank has been strengthened by:

- The employment of highly skilled personnel
- Implementation of enterprise risk management framework
- Deployment of software for loan structuring, management and monitoring

Asset Quality Remains Sound

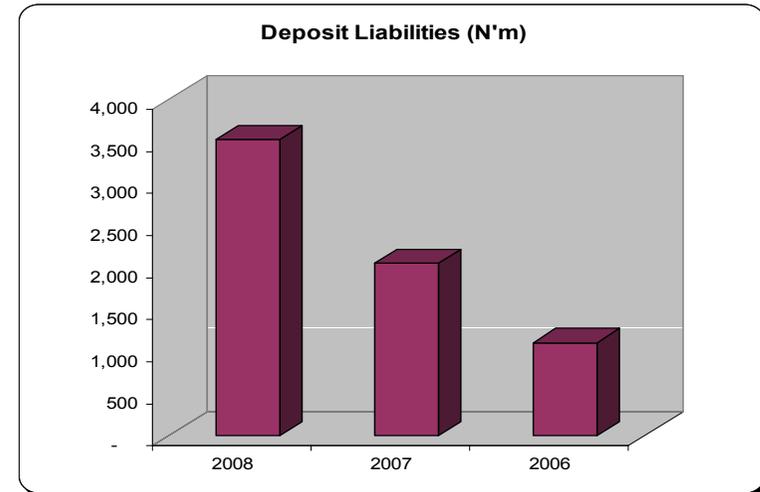
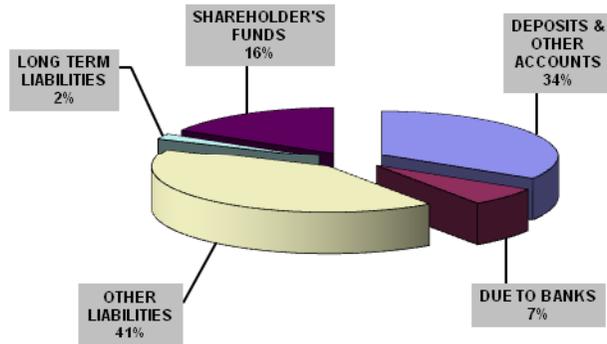


Ratio of delinquent credits to total loan improves from 8.8% in 2007 to 3.7% in 2008 as a result of the Bank's strong credit culture and sound credit risk management practices.

The Bank more than fully provided for its problem loans as cumulative loan loss coverage improved to 118% (2007: 98%).

- Strong collateralisation policy. Low level of unsecured loans;

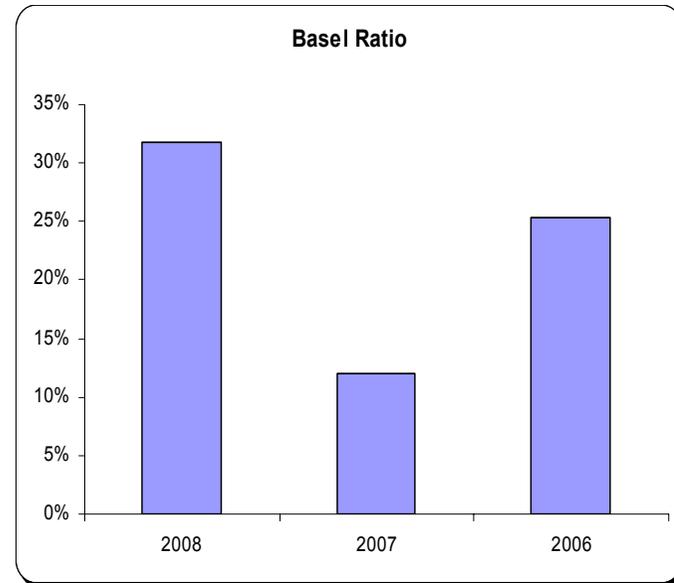
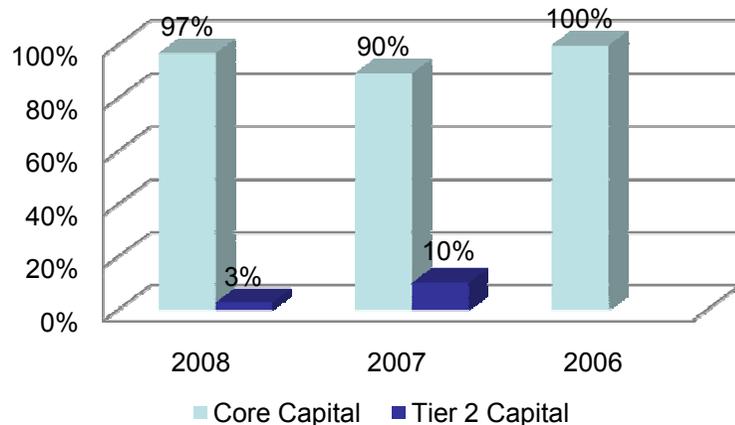
LIQUIDITY & FUNDING



- Diversified and stable funding mix
- A very liquid balance sheet with direct & indirect loans accounting for a low 21% of total assets.
- Strong customer's confidence as evidenced by significant growth in deposit base
- Well diversified deposit base with 36% Corporates, 36% Individuals, 13% Financial Institutions and 14% Governments
- Leader in government securities trading

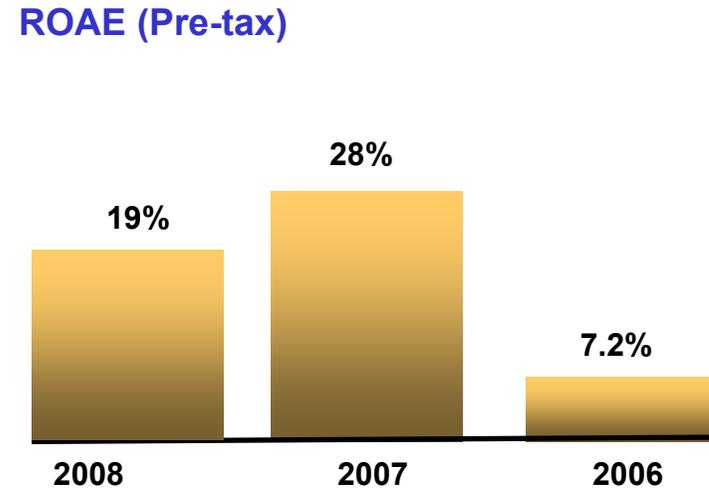
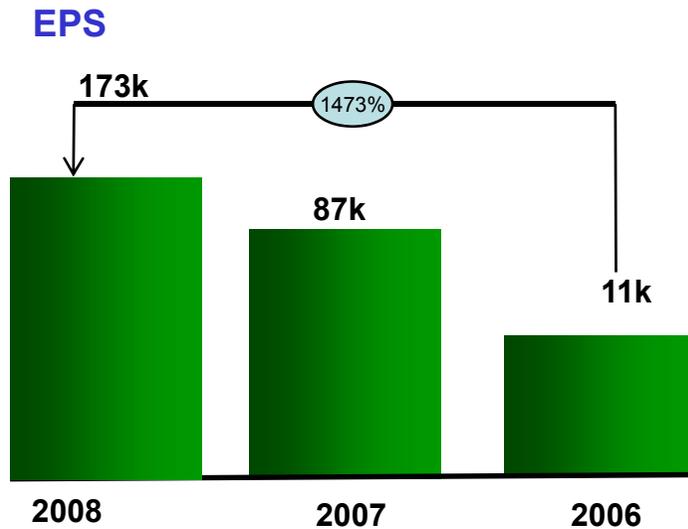
Strong Capital Position

CAPITAL STRUCTURE



- **Public Offer was over subscribed by 243%**
- **Adequate capital to support business risks and contingencies**
- **Leveraged on strong relationship with local and international financial and investment institutions**
- **Shareholder's equity increased by 505% to N172 Billion**

Strong Wealth Creation Capacity for Shareholders



- EPS increased by 1473% to 173k
- Pre tax ROAE at 19%, projected year end of 25%

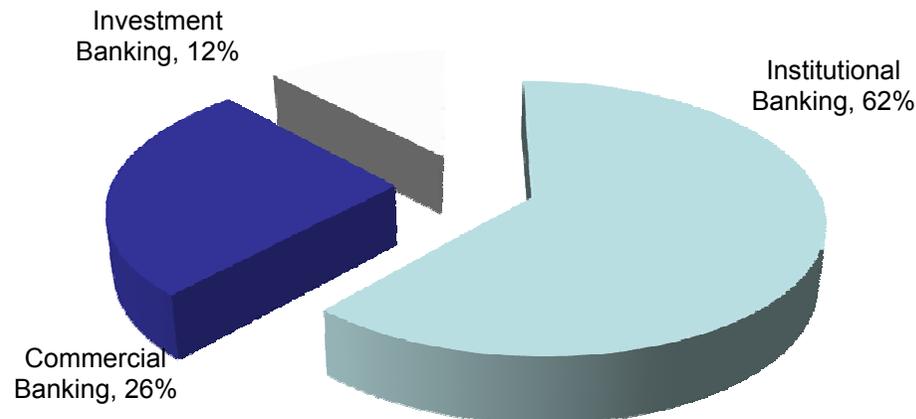
First Quarter Highlight

First Quarter (April –June 2008) Highlight

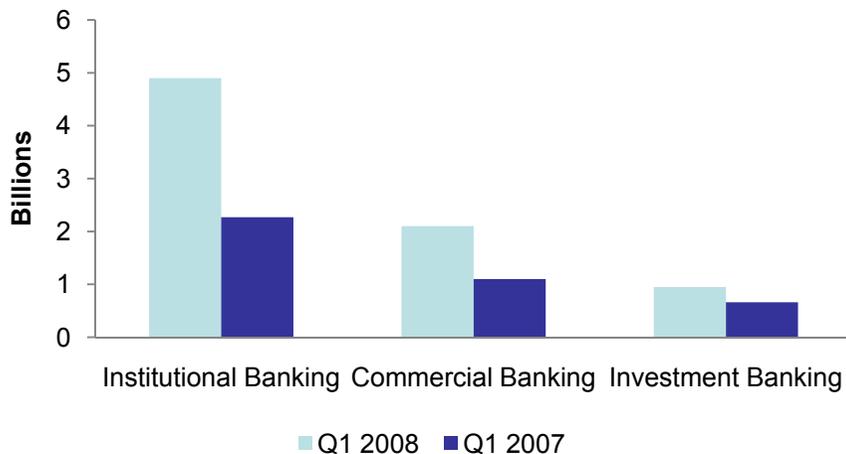


| | 1ST QTR 2008 (\$'m) | 1ST QTR 2008 (N'm) | 1ST QTR 2007 (\$'m) | 1ST QTR 2007 (N'm) | % Growth |
|-----------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|-------------|
| Gross Earnings | 176 | 20,577 | 94 | 11,124 | 85% |
| PBT | 68 | 8,036 | 34 | 4,054 | 98% |
| Estimated Taxation | (16) | (1,928) | (8) | (973) | 98% |
| PAT | 52 | 6,108 | 26 | 3,081 | 98% |

Breakdown of Profit By Strategic Business Unit



Breakdown of Profit by Strategic Business Unit



- Continued strong performance on all operating divisions

Conclusion

Conclusion

- Nigerian banking sector set to continue its strong growth
- Access in a very strong position to capitalise on this due to excellent foothold in all sectors and strong balance sheet
- Firm strategy in place for the future and continued deliverance of shareholder value

THANK YOU