

**Group Unaudited Results for the Nine Months ended 30 September 2019**

*“The Group delivered a robust performance in the first six months post merger, despite a challenging and fast-changing macro and banking landscape. The results which reflects the performance of the combined entity post merger has outstripped those of the combined entities on a stand alone basis. This further reinforces the Bank’s sustainable business model and brand promise to deliver more to all stakeholders as we work to realise the envisioned synergies of merger.*

*The effective execution of our strategies ensured strong top- line figures of ₦513.7bn, a 37% growth from the previous year, on the back of a 48% y/y growth in interest income. Customer deposits recorded a 65% gain ytd to ₦4,239bn with low-cost deposits accounting for 54% of the deposits mix. Pre-Tax Profits also grew 47%/y to ₦103.1bn, driven largely by a 71%/y increase in Net Interest Income, evidencing proficient utilization of the Bank’s assets.*

*Customer deposits has grown by 8.1% since the merger from a combined customer deposits of ₦3.92trn in Mar’ 2019 to ₦4.24trn in Sept’ 2019 with strong retail base. Similarly, net loans and advances grew by 7.2% post the merger.*

*Deliberate investments in expanding our digital lending portfolio resulted in daily volume disbursement of over ₦1bn, putting us in the forefront of digital lending. The strong retail lending contribution demonstrates our commitment to improve access to financial services by leveraging on innovative digital platforms.*

*Asset quality continued to improve as guided, to 6.3% on the back of a strong recoveries and a robust risk management approach. This is expected to trend upwards into the future as we strive to surpass the standard we had built in the industry prior to the merger. Also Liquidity Ratio stood at 48.4%, reflecting deliberate steps to ensure the group’s liquidity position remains robust.*

*Going into the last quarter of the year, our focus remains on consolidating our retail momentum and driving financial inclusion. Furthermore, we will remain disciplined in our efforts to deliver enhanced shareholders’ value, with a focus on offering more than banking.”*

**Herbert Wigwe, GMD/CEO**

**FINANCIAL REVIEW FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2019**

**Gross Earnings rose** 37%/y/y and 15%/q/q to ₦513.7bn in 9M 2019, (9M 2018: ₦375.2bn), with interest and non-interest income contributing 79% and 21% respectively. Interest Income grew by 48% to ₦405bn in 9M 2019 (9M’18: ₦274.5bn), coming from the combination with Diamond Bank coupled with the growing efficiency of our balance sheet.

On the other hand, Non-Interest Income increased by 8%/y/y to ₦108.6bn in 9M 2019 from ₦100.4bn in 9M 2018, largely from increased retail commissions. Profit before Tax (PBT) for the period was ₦103.1bn (+47%; 9M 2018 ₦70.3bn) while Profit after Tax (PAT) increased by 44% to ₦90.7bn from ₦62.9bn in 9M 2018. Return on Average Equity (ROAE) stood at 21.9% with a Return on Asset (ROA) of 2.1% in the period.

**The asset base of the Bank remained strong and diversified** with growth of 33% YTD in Total Assets to ₦6.61trn in September 2019 from ₦4.95trn in December 2018. Net Loans and Advances totaled ₦2.94trn as at September 2019 (December 2018: ₦2.14trn), while Customer deposits increased by 65% to ₦4.24trn in September 2019, from ₦2.57trn in December 2018. The balance sheet growth is reflective of the Bank’s drive to increase lending and low cost deposits.

**Capital Adequacy (CAR)** remained strong at 20.3%, reflecting full impact of the IFRS 9 implementation as Risk-Weighted Assets increased by 26%. Transitional CAR stood at 23.9%. Similarly, Liquidity ratios of 48.5% (September'18: 44.2%), remained well above regulatory requirements.

**Non-performing loans (NPL) ratio** stood at 6.3% as at September 2019 (December 2018: 2.5%).

**Net Interest Margin (NIM)** of 6.8% in 9M 2019 from 5.3% in 9M 2018, while Cost of Funds (CoF) decreased 40bps y/y to 5.2% from 5.6% in 9M 2018. Yield on Assets of 13.0%, up 110bps y/y from 11.9% in 9M 2018.

**Cost-to-Income Ratio (CIR)** reduced by 170bps y/y to 63.1% in 9M 2019 (9M 2018: 64.8%).

## Group Financial Highlights

### Income Statement

| In ₦'mn (unless stated otherwise) | 9M 2019  | 9M 2018 | %Δ  |
|-----------------------------------|----------|---------|-----|
| Gross Earnings                    | 513,656  | 375,230 | 37↑ |
| Interest Income                   | 405,025  | 274,497 | 48↑ |
| Net Interest Income               | 210,218  | 122,950 | 71↑ |
| Non-Interest Income               | 108,630  | 100,394 | 8↑  |
| Operating Income                  | 307,963  | 223,344 | 38↑ |
| Operating Expenses                | 194,248  | 144,723 | 34↑ |
| Impairment Charges                | (10,611) | (8,353) | 27↑ |
| Profit before Tax                 | 103,104  | 70,268  | 47↑ |
| Profit for the Period             | 90,740   | 62,911  | 44↑ |
| Earnings per Share (k)            | 279      | 218     | 28↑ |

### Balance Sheet

| In ₦'bn (unless stated otherwise) | Sep. 2019 | Dec. 2018 | %Δ  |
|-----------------------------------|-----------|-----------|-----|
| Loans and Advances                | 2,938     | 2,136     | 38↑ |
| Total Assets                      | 6,606     | 4,954     | 33↑ |
| Customer Deposits                 | 4,239     | 2,565     | 65↑ |
| Shareholders' Funds               | 615       | 491       | 19↑ |

### Key Ratios

| In (%)                     | 9M 2019 | 9M 2018 | %Δ     |
|----------------------------|---------|---------|--------|
| Return on Average Equity   | 21.9    | 17.0    | 4.9↑   |
| Return on Average Assets   | 2.1     | 1.9     | 0.2↑   |
| Net Interest Margin        | 6.8     | 5.3     | 1.4↑   |
| Cost-to-Income Ratio       | 63.1    | 64.8    | (1.7)↓ |
| Capital Adequacy Ratio     | 20.3    | 20.1    | 0.2↑   |
| Liquidity Ratio            | 48.5    | 44.2    | 4.3↑   |
| Loan-to-Deposit Ratio      | 67.4    | 57.6    | 9.7↑   |
| Non-Performing Loans Ratio | 6.3     | 4.7     | 1.6↑   |



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Access Bank Plc. (Bloomberg: Access NL) will be hosting an audio conference call for analysts and investors on **30 October 2019** at **1400hrs** Lagos (**0900hrs** New York, **1300hrs** London, **1500hrs** Johannesburg).

Click to access the [webcast](#) made available on the IR portal of the Bank's website

**Audio Conference**

**Please click on this [Registration link](#) to pre-register for the call and receive dial-in information.**

The audio conference call can be accessed by dialling the following numbers:

|                                      |                  |
|--------------------------------------|------------------|
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| South Africa                         | +27 10 201 6700  |
| United Kingdom – Toll Free           | +44 333 300 1417 |
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**ABOUT ACCESS BANK**

Access Bank Plc. is a leading full-service commercial Bank operating through a network of over 660 branches and service outlets, spanning three continents, 12 countries and over 31 million customers. The Bank employs over 28,000 people in its operations in Nigeria and has subsidiaries in Sub-Saharan Africa and the United Kingdom (with a branch in Dubai, UAE) and representative offices in China, Lebanon and India.

Listed on the Nigerian Stock Exchange since 1998, Access Bank is a diversified financial institution which combines a strong retail customer franchise and digital platform with deep corporate banking expertise and proven risk management and capital management capabilities. The Bank serves its various markets through four business segments: Retail, Business, Commercial and Corporate. The Bank has over 900,000 shareholders (including several Nigerian and International Institutional Investors) and has enjoyed what is arguably Africa's most successful banking growth trajectory in the last twelve years. Following its merger with Diamond Bank in March 2019, Access Bank has become one of Africa's largest retail banks by retail customer base.

As part of its continued growth strategy, Access Bank is focused on mainstreaming sustainable business practices into its operations. The Bank strives to deliver sustainable economic growth that is profitable, environmentally responsible and socially relevant, helping customers to access more and achieve their dreams.

[www.accessbankplc.com](http://www.accessbankplc.com)

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