



Access Bank Plc. Group Unaudited IFRS Results for the Nine Months ended 30 September 2017

LAGOS, NIGERIA – 26 October 2017 – Access Bank Plc., (Bloomberg: **ACCESS NL** / Thomson Reuters: **ACCESS.LG**) (“Access Bank” or the “Bank”), the full service commercial bank with headquarters in Nigeria and with operations across Sub-Saharan Africa, the UK, Asia and the Middle East, announces its unaudited results for the nine months ended 30 September 2017.

Group Managing Director / Chief Executive Officer’s Review

Access Bank’s third quarter results reflect the Bank’s ability to generate sustainable earnings despite the challenging operating environment. Gross earnings grew 33% year-on-year from ₦275bn to ₦365bn, driven primarily by the strong performance on our core revenue lines.

Group net interest income increased 14% year-on-year, driven by the interest rate environment which improved yields on government securities and pricing on our loan portfolio. Non-interest revenue of ₦118 billion was underlined by strong FX income on the Bank’s trading portfolio.

While seeking opportunities for growth, the Bank remains committed to improving the quality of its balance sheet. Loans and advances remained relatively flat year to date, however grew moderately by 3% from June to September. We also maintained decent asset quality metrics of 2.5% NPL ratio and 0.9% cost of risk. Customer deposits declined 8% year to date, but grew 1% from ₦1.90trn in June to ₦1.92trn in September. In addition, capital and liquidity buffers of 20.5% and 46.0%, respectively, are well above the minimum regulatory requirement.

Cost-to-income ratio stood at 64.3%, however operating costs reduced significantly by 18% quarter-on-quarter to ₦49.5bn in September, reaffirming the Bank’s commitment to rein in costs and improve operating efficiency. Overall, the Group delivered increase in pre-tax profits from ₦69.0bn in September 2016 to ₦72.9bn in September 2017 and closed the period with a 4% year-on-year growth in profit after tax.

We continue to gain momentum in our efforts to achieve more diversified earnings, as we strengthened our retail and digital offerings. I am excited at the prospects in the coming months.

The reporting period marks the last quarter in the last year of the 2013 – 2017 strategy. The Board and Management remain extremely grateful to our 8+million customers, shareholders and dedicated employees for enabling us record several milestones within this period. We look forward to the next five years, with confidence in our ability to deliver superior service and optimised shareholder value.

– Herbert Wigwe, GMD/CEO

Financial Performance Review

Revenue and Profitability

- **Gross Earnings** of ₦365.1 billion in 9M 2017, up 33% y/y from ₦274.5 billion in 9M 2016
- **Net Interest Income** of ₦121.5 billion, up 14% y/y in 9M 2017 from ₦106.4 billion in 9M 2016 on the back of continued growth of the Bank's core business
- **Non-Interest Income** of ₦118.8 billion (9M 2016: ₦92.9 billion) of which fee and commission and trading income accounted for 32% and 63% respectively
- **Operating Income** grew 21% to ₦240.3 billion in 9M 2017 (9M 2016: ₦199.3 billion) comprising Net interest income and non-interest contributions of 51% and 49% respectively
- **Profit Before Tax (PBT)** growth of 6% to ₦72.9 billion in 9M 2017 from ₦69.0 billion in 9M 2016
- **Profit After Tax (PAT)** grew 4% to ₦56.4 billion in 9M 2017 from ₦54.1 billion in 9M 2016
- **Return on Average Equity (ROAE)** of 15.7% in 9M 2017 (9M 2016: 17.8%)

Balance Sheet

- **Loans and Advances** of ₦1.85 trillion in 9M 2017, remained unchanged from ₦1.85 trillion in December 2016, reflecting a cautious approach on the back of an unstable but recovering macro
- **Total Assets** of ₦3.54 trillion, up 2% from ₦3.48 trillion in December 2016
- **Customer Deposits** declined 8% to ₦1.92 trillion from ₦2.09 trillion in December 2016
- **Capital Adequacy Ratio (CAR)** remained solid at 20.5% as at September 2017, well above the regulatory minimum

Asset Quality

- The percentage of **non-performing loans to total gross loans** stood at 2.5% (Dec 2016: 2.1%), reflecting stable asset quality
- **NPL Coverage Ratio** remained strong at 199% in the period, compared with 169% as at December 2016
- **Impairment Charges** of ₦12.8 billion, a marginal increase from ₦12.3 billion in 9M 2016. **Cost of Risk** remained stable at 0.9% in 9M 2017 (9M 2016: 0.9%)

Operational Highlights during the Period

- Awarded Outstanding Business Sustainability in the 2016 Karlsruhe Sustainable Finance Awards

Group Financial Highlights

Income Statement <i>(in millions of Naira)</i>	9M 2017	9M 2016⁽³⁾	Δ
Gross Earnings	365,055	274,468	33%
Interest Income	245,873	181,211	36%
Net Interest Income	121,473	106,374	14%
Non-Interest Income	118,815	92,889	28%
Operating Income	240,288	199,263	21%
Operating Expenses	154,554	117,938	31%
Profit Before Tax	72,910	68,989	6%
Profit for the Period	56,396	54,081	4%
Earnings Per Share (k)	197	198	0%
Balance Sheet <i>(in billions of Naira)</i>	Sep. 2016	Dec. 2016	Δ
Loans and Advances	1,849	1,855	0%
Total Assets	3,541	3,484	2%
Customer Deposits	1,924	2,089	(8%)
Shareholders' Fund	505	454	11%
Key Ratios	9M 2017	9M 2016⁽³⁾	Δ
Return on Average Equity (%)	15.7	17.8	↓ 2.1
Return on Average Assets (%)	2.1	2.4	↓ 0.3
Net Interest Margin (%)	6.4	6.5	↓ 0.1
Cost of Funds (%)	5.8	4.0	↑ 1.8
Yield on Assets (%)	12.9	11.0	↑ 1.9
Cost-to-Income Ratio (%)	64.3	59.2	↑ 5.1
Capital Adequacy Ratio (%)	20.5	19.0	↑ 1.5
Liquidity Ratio (%)	46.0	39.0	↑ 7.0
Loan-to-Deposit Ratio (%)	72.8	71.5	↑ 1.3
Non-Performing Loans Ratio (%)	2.5	2.1	↑ 0.4
Cost of Risk (%)	0.9	0.9	↔ 0.0
Coverage (%)	199.1	209.5	↓ 10.4

Conference Call Invitation

Access Bank Plc. Group Audited Results for the Nine Month ended 30 September 2017

Access Bank Plc. (Bloomberg: Access NL) will be hosting an audio conference call for analysts and investors on **31 October 2017** at **14:00hrs** Lagos (**09:00hrs** New York, **14:00hrs** London, **15:00hrs** Johannesburg) with its Executive Management to discuss the Bank's audited results for nine month ended 30 September 2017 in a question and answer format.

Website

The presentation will be made available on the IR portal of the Bank's website prior to the call.

Webcast

You can access the webcast using this link:

<http://services.choruscall.eu/links/accessbankplc171031.html>

Audio Conference

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

Nigeria	+234 1 903 0040
South Africa	+27 10 201 6800
United Kingdom – Toll Free	+44 808 162 4061
United States of America – Toll Free	+1 855 481 5362

Participants should dial in at least five minutes before the start of the presentation. For those who are unable to listen to the live call, a digital recording will be hosted on the company's website after the event.

For further information please contact:

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ABOUT ACCESS BANK

Access Bank Plc. is a full service commercial Bank operating through a network of 383 branches and service outlets located in major centres across Nigeria, Sub Saharan Africa, and the United Kingdom with representative offices in China, Lebanon and India

Listed on the Nigerian Stock Exchange in 1998, the Bank serves its various markets through four business segments: Personal, Business, Commercial and Corporate & Investment Banking. The Bank has over 830,000 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 ranking amongst Africa's top 20 banks by total assets and capital in 2016.

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.