

## Access Bank Plc. Group Audited Results for the Full Year ended 31 December 2015

**LAGOS, NIGERIA – 17 March 2016** – 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 audited results for the full year ended 31 December 2015 and proposes a final dividend of 30 kobo per share bringing the total dividend for the year to 55 kobo.

### Group Managing Director / Chief Executive Officer’s Review

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*“This year’s results reinforce our resolve to generate sustainable returns despite challenging market conditions. We achieved strong financial progress in 2015 as the Group recorded a 44% growth in profit before tax to ₦75 billion from ₦52 billion in 2014, with significant contribution from our securities trading business.*

*Guided by a robust risk management framework, our diversified business model yielded positive results as we grew the business cautiously and recorded sound prudential ratios. During the year, we successfully raised capital by way of Rights Issue which has significantly strengthened our capital base and now provides us with sufficient headroom to harness opportunities in key growth sectors of the economy. In addition, the recent upgrade of our national scale credit rating to ‘A’ by Fitch Ratings – even in an extremely difficult environment – will enable growth in the market share of our customers’ businesses and solidify our position as a top player in the industry.*

*We also made remarkable headway in redesigning our systems and processes to enhance service delivery across all customer touchpoints, with emphasis on tailored customer interactions. Leveraging innovation, we introduced products and solutions which have enhanced our brand equity and recorded significant customer adoption and migration to our digital platforms.*

*In the coming year, we will remain resilient in the execution of our bold strategy for increased growth and profitability. Though market conditions will remain challenging, we will focus on innovation, proactive risk management and data analytics as catalysts for diversifying income streams and enhancing retail expansion, so as to maximize shareholder value in 2016 and beyond.”*

*– Herbert Wigwe, GMD/CEO*

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## Financial Performance Review

### Revenue and Profitability

- Gross Earnings totaled ₦337.4bn in FY 2015, 38% increase y/y (FY 2014: ₦245.4bn), with interest income and non-interest income contributing 62% and 38%, respectively
- Interest Income grew by 17% y/y to ₦207.8bn in FY 2015 from ₦176.9bn in FY 2014 as a result of improved income from lending activities and increased yield on investment securities
- Non-Interest Income stood at ₦129.4bn, up 89% in FY 2015 from ₦68.4bn in FY 2014, largely attributable to strong gains on FX trading income, which reflects management's ability to diversify the Bank's revenue sources
- Operating Income increased to ₦234.8bn in FY 2015 – 39% growth y/y on the back of increased earnings compared with ₦168.4bn in the corresponding period of 2014
- Profit Before Tax (PBT) for the period rose to ₦75.0bn, representing a 44% y/y growth when compared to ₦52.0bn in 2014
- Profit After Tax (PAT) was up 53% in FY 2015 to ₦65.9bn from ₦43.1bn in FY 2014
- Return On Average Equity (ROAE) of 20.4% in FY 2015, from 16.5% in FY 2014, indicative of the Bank's commitment to maximising shareholder returns

### Balance Sheet

- Loans and Advances were up 25% to ₦1.41trn in December 2015, from ₦1.12trn in December 2014 owing largely to risk-conscious growth in target sectors of the economy
- Customer Deposits totaled ₦1.68trn in the period, 16% increase from ₦1.45trn in December 2014 driven by enhanced customer engagement and an accelerated deposit mobilization drive
- Total Assets closed at ₦2.59trn for the year – up 23% y/y from ₦2.10trn in December 2014, thus reflecting overall business growth
- Capital Adequacy Ratio (CAR) improved by 110bps to 19.5% when compared to 18.4% in December 2014, benefitting from the capital injection following the Rights Issue during the year

### Asset Quality

- Credit quality improved in the year as the percentage of non-performing loans to total gross loans stood at 1.7%, which represents a 50bps improvement over 2.2% recorded as at December 2014
- Coverage Ratio (with regulatory risk reserves) stood at 279.8% as at December 2015 from 159.1% in December 2014
- Cost of Risk stood at 1.0% from 1.2% in FY 2014; Impairment Charges increased to ₦14.2bn from ₦11.7bn in FY 2014, driven by specific and collective impairment recognized during the year due to macroeconomic headwinds

### Operational Efficiency

- Net Interest Margin (NIM) declined to 5.9% in FY 2015 from 6.8% in FY 2014, as Cost of Funds (CoF) increased by 60bps y/y to 5.2% from 4.6% in FY 2014 owing to a higher interest rate environment in the first half of the year
- Cost-to-Income Ratio (CIR) remained relatively flat y/y at 62.0% in FY 2015 (FY 2014: 62.2%)

## Operational Highlights

- Successful conclusion of the Rights Issue, which yielded a capital injection of ₦41.7 billion at 80% subscription to the Offer
- Appointment of a new Chairman of the Board, Mrs. Mosun Belo-Olusoga following Mr. Gbenga Oyeboade's successful completion of the maximum twelve-year term prescribed by the Central Bank of Nigeria
- Received an upgrade of our national scale credit rating to 'A' by Fitch Ratings
- Upgrade of the Bank's core banking application to Flexcube 12.0.2 – the most recent version of the Flexcube Universal Banking System (FCUBS) – in order to enhance service delivery across all customer touchpoints
- Launched PayWithCapture, an innovative payment application that enables offline and online payment at merchant locations with electronic devices
- Established representative offices in the United Arab Emirates, Lebanon and India to facilitate trade finance
- Awarded:
  - Best Flow House in Africa in the 2015 Euromoney Awards for Excellence, for demonstrating the ability to excel in areas of foreign exchange, equities, rates and credit and commodities to our customers across the continent. The Bank emerged as the first Nigerian Institution to win this award
  - Institutional Leadership in Risk Advocacy Award by the Risk Managers Association of Nigeria (RIMAN) – 2015
  - Most Socially Responsible Bank in Nigeria by the International Finance Magazine UK – 2014/2015
  - Corporate Affairs Commission Corporate Citizens Award under the More Extensive Compliance Category – 2015

## Group Financial Highlights

<b>Income Statement</b> (in millions of Naira)	<b>2015</b>	<b>2014</b>	<b>Δ</b>
Gross Earnings	337,404	245,384	38%
Interest Income	207,803	176,918	17%
Net Interest Income	105,382	100,017	5%
Non-Interest Income	129,450	68,429	89%
Operating Income	234,832	168,446	39%
Operating Expenses	145,569	104,771	39%
Profit Before Tax	75,038	52,022	44%
Profit for the Period	65,869	43,063	53%
Earnings Per Share (k)	265	186	42%

<b>Balance Sheet</b> (in billions of Naira)	<b>Dec. 2015</b>	<b>Dec. 2014</b>	<b>Δ</b>
Total Assets	2,591	2,104	23%
Loans and Advances	1,409	1,123	25%
Customer Deposits	1,683	1,454	16%
Shareholders' Fund	368	277	33%

<b>Key Ratios</b>	<b>2015</b>	<b>2014</b>	<b>Δ</b>
Return on Average Equity (%)	20.4	16.5	3.9
Return on Average Assets (%)	3.2	2.6	0.6
Net Interest Margin (%)	5.9	6.8	(0.9)
Cost of Funds (%)	5.2	4.6	0.6
Yield on Assets (%)	11.6	12.0	(0.4)
Cost-to-Income Ratio (%)	62.0	62.2	(0.2)
Capital Adequacy Ratio (%)	19.5	18.4	1.1
Liquidity Ratio (%)	38.0	36.0	2.0
Loan-to-Deposit Ratio (%)	80.2	71.4	8.8
Non-Performing Loans Ratio (%)	1.7	2.2	(0.5)
Cost of Risk (%)	1.0	1.2	(0.2)
Coverage (%)	279.8	159.1	120.7

### Investor Enquiries

**Tobi Akinbiyi:** Head, Strategy and Investor Relations  
 Direct: +234 1 236 4131  
 Email: [tobi.akinbiyi@accessbankplc.com](mailto:tobi.akinbiyi@accessbankplc.com)

**Tolu Ladele:** Investor Relations  
 Direct: +234 1 236 4130  
 Email: [tolulope.ladele@accessbankplc.com](mailto:tolulope.ladele@accessbankplc.com)

### Media Enquiries

**Abdul Imoyo:** Head, Media Relations  
 Direct: +234 1 236 2020  
 Email: [abdul.imoyo@accessbankplc.com](mailto:abdul.imoyo@accessbankplc.com)

**Kolapo Egerton-Shyngle:** Media Relations  
 Direct: +234 1 236 2020  
 Email: [kolapo.egerton-shyngle@accessbankplc.com](mailto:kolapo.egerton-shyngle@accessbankplc.com)



## **ABOUT ACCESS BANK**

Access Bank Plc. is a full service commercial Bank operating through a network of 371 branches and service outlets located in major centres across Nigeria, Sub Saharan Africa, and the United Kingdom with representative offices in China and the UAE.

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 2015.

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.

## **Conference Call Invitation**

### **Access Bank Plc. Group Audited Results for the Full Year ended 31 December 2015**

Access Bank Plc. (Bloomberg: Access NL) will be hosting an audio conference call for analysts and investors on **22 March 2016** at **15:00hrs** Lagos (**10:00hrs** New York, **14:00hrs** London, **16:00hrs** Johannesburg) with its Executive Management to announce the Bank's audited results for the full year ended 31 December 2015. There will be an opportunity at the end of the call for Management to take questions from investors and analysts.

#### **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/accessbankplc160322.html>

#### **Audio Conference**

We encourage you to pre-register for the audio conference call via the following link:

<http://goo.gl/TS76e0>

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

Nigeria	+234 1 903 0040
United Kingdom – Toll Free	+44 (0) 808 162 4061
United States of America – Toll Free	+1 855 481 5362
South Africa – Toll Free	+27 (0) 800 200 648
Other Countries (International)	+27 11 535 3600
	+27 10 201 6800

Participants should register for the call 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:

#### **Access Bank Plc. / Brunswick Group**

##### Lagos:

Tolu Ladele                      [tolulope.ladele@accessbankplc.com](mailto:tolulope.ladele@accessbankplc.com)                      +234 1 236 4130

##### Johannesburg:

Iris Pilane                      [ipilane@brunswick.co.za](mailto:ipilane@brunswick.co.za)                      +27 11 502 7421

##### London:

James Dray                      [jdray@brunswickgroup.com](mailto:jdray@brunswickgroup.com)                      +44 (0) 207 404 5959