



Fidelity Bank Plc:
Management Presentation
Half Year 2012 Financial Results

July, 2012

Fidelity Overview

Our Guiding Philosophy

Mission

**To make Financial Services
Easy and Accessible**

Vision

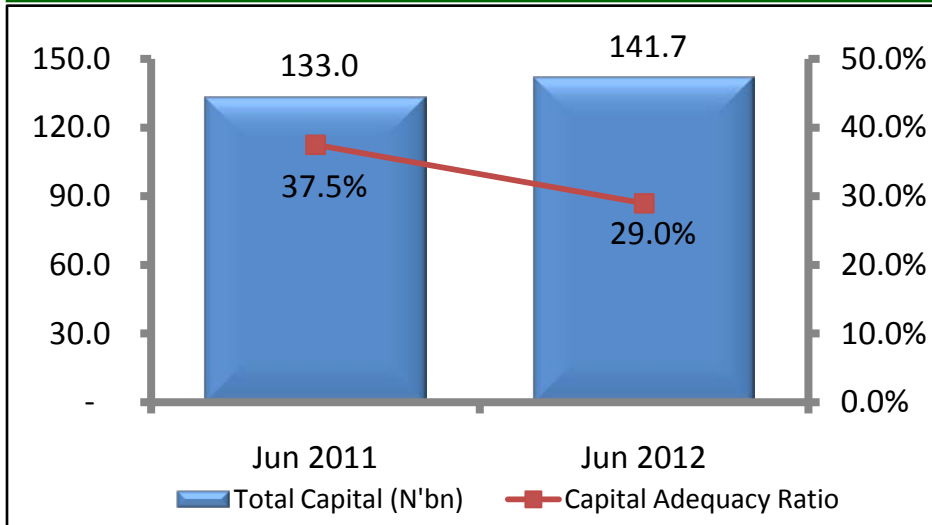
**To be No.1 in every market we serve
and for every branded product we offer**

SHARED VALUES

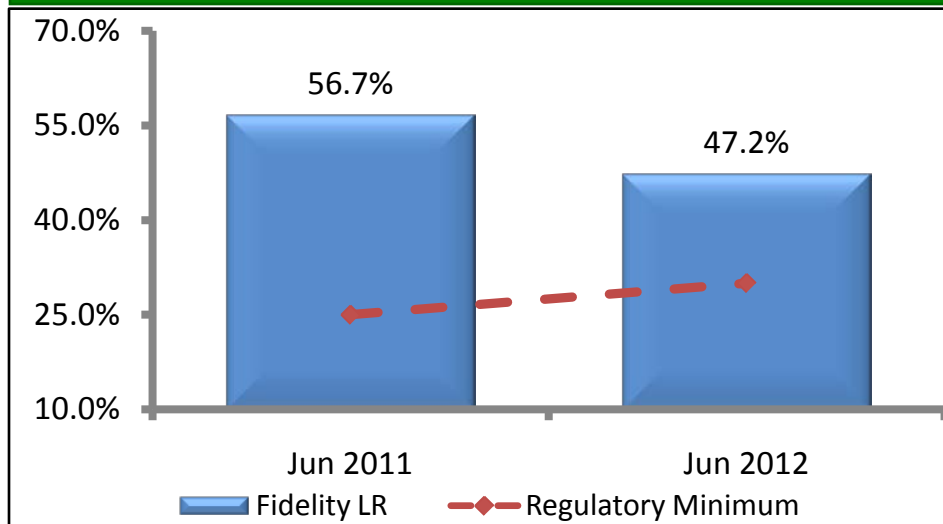
**Customer
First
Respect
Excellence
Shared
ambition
Tenacity**

One of Nigeria's Safest and Strongest Financial Institutions

Capital Adequacy Ratio



Liquidity Ratio



Fidelity may not be the biggest, but we are one of the strongest, most stable, safe and consistent banks in Nigeria.

The *Banker Magazine's 2012 Report* ranks Fidelity as "The Soundest Bank" in Nigeria. Fidelity has been consistent in making profit and issuing dividend in the last 8 Years.

Over 24 Years . . . Still Counting

The Most Socially Responsible Bank in Africa 2008 – The African Banker

- Fidelity incorporated as a Private Limited Liability Company
- Commenced operations as a Merchant Bank

- Registered as a Public Limited Liability
- Company Converted to Commercial Bank

- Licensed to operate as a universal bank
- Accepted into and Quoted on the Nigeria Stock Exchange

- Raised Equity to N22bn (Rights, IPO and Private Placement)
- Acquired FSB Int'l Bank Plc and Manny Bank Plc

- Resolved all Merger integration issues
- Raised Equity to US\$1bn through GDR & Public Offer

1987

1989

1999

2001

2005

2006

2007

- **6th Biggest Bank in Nigeria - 2012**
- **17th Biggest Bank in Africa - 2012**
- **618th Biggest in the World - 2012**
- **The Soundest Bank in Nigeria - 2012**

The **Banker**

Today, Fidelity is one of the safest, soundest and most stable financial institutions in Nigeria.

Over 24 Years . . . We Keep Getting Better

Awards and Recognitions:

- **Africa's Most Socially Responsible Bank – The Banker Magazine, Washington DC, 2008**
- **The Most Efficient Bank in Clearing Data Transmission – Nigerian Interbank Settlement Scheme 2011**
- **The Most Punctual Bank – Nigerian Interbank Settlement Scheme 2011**
- **The Most Socially Responsible Bank in Nigeria – SERA Awards – 2007, 2008, 2009, 2010**
- **Award for Error- Free Transaction Processing– Deutsche Bank - 2011**

Nominated:

- ✓ **Most Improved Bank – 2005**
- ✓ **Best Fund Manager – 2005**
- ✓ **Best Stock Offer - 2005**



Mandated by Debt Mgt Office (DMO) in 2006 as:

- **Dealer in FGN Bonds**
- **Dealer in Pensioners Bond**
- **Dealer in Contractors Bond**
- **Best Bond Dealer and Market Maker in 2006, 2008**

- **Appointed Wholesale Dealer in Foreign Currencies - 2006**
- **CBN Mandated Manager of Sovereign Reserve – 2006**
- **CBN appointed Primary Dealer in Treasury Bills and Money Market Instruments - 2007**

Central Bank of Nigeria

Strategic Alliances and Global Partnerships



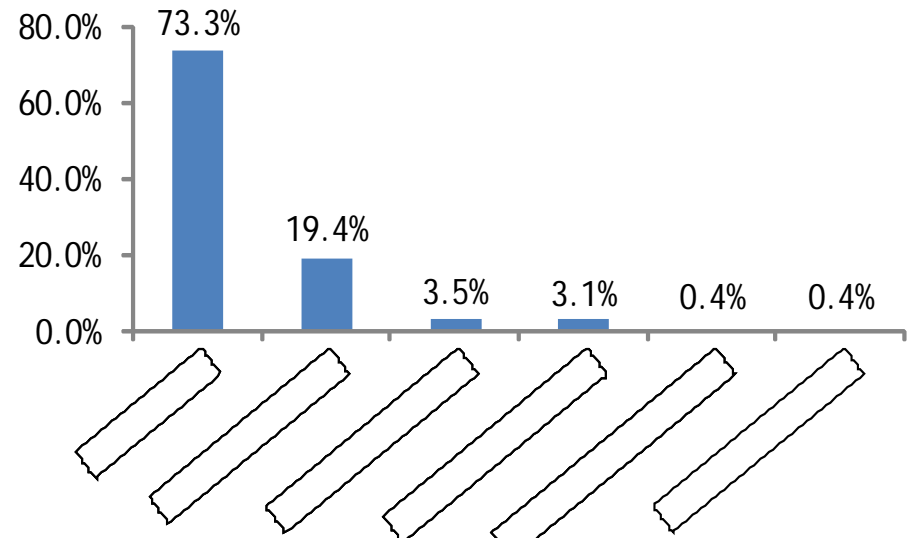
A partner of strategic choice for global financial institutions. Our strategic partnerships provide us global reach and the benefit of knowledge transfer in our quest to implement best practices.

Shareholding Structure

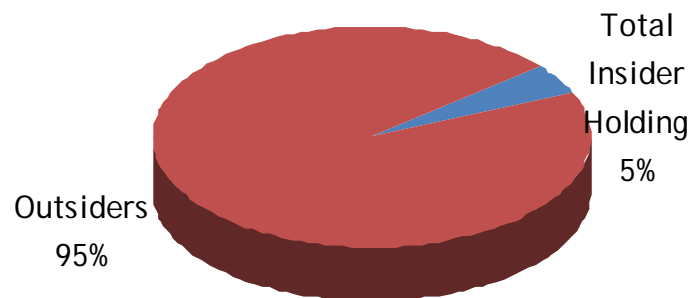
Diverse Shareholder Distribution

- ▶ Diverse shareholder base with no controlling shareholder; over 400,000 shareholders
- ▶ No single shareholder owns more than 5% of total share capital
- ▶ Diversification of shareholding and absence of concentration has enabled Fidelity to operate under world class corporate governance practices and the professionalization of its Management and corporate culture.

Shareholder Distribution



Limited Insider Ownership



- ▶ Insiders have relatively small shareholder ownership and control
- ▶ Fidelity is led by a stable, experienced and well regarded management team that has successfully grown a company that is built on quality and driven by a managed risk philosophy.
- ▶ Since inception in 1987, Management has guided the Bank through several key industry changes and market developments.

Group Financial Highlights

Group H1-2012 - Summary Financial Results

HALF YEAR FINANCIAL HIGHLIGHTS

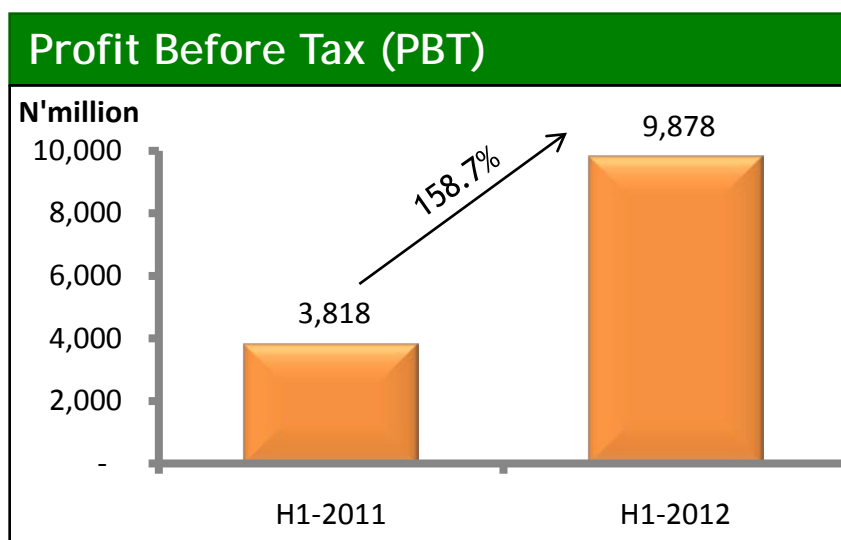
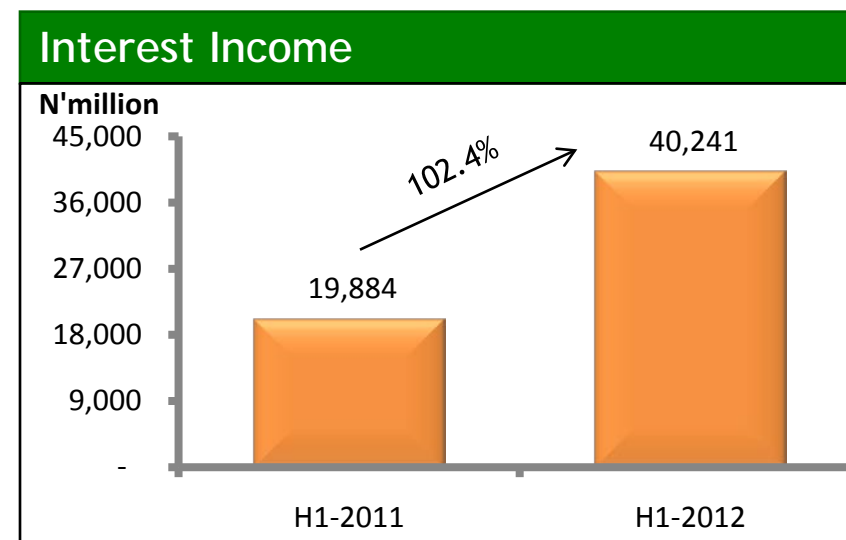
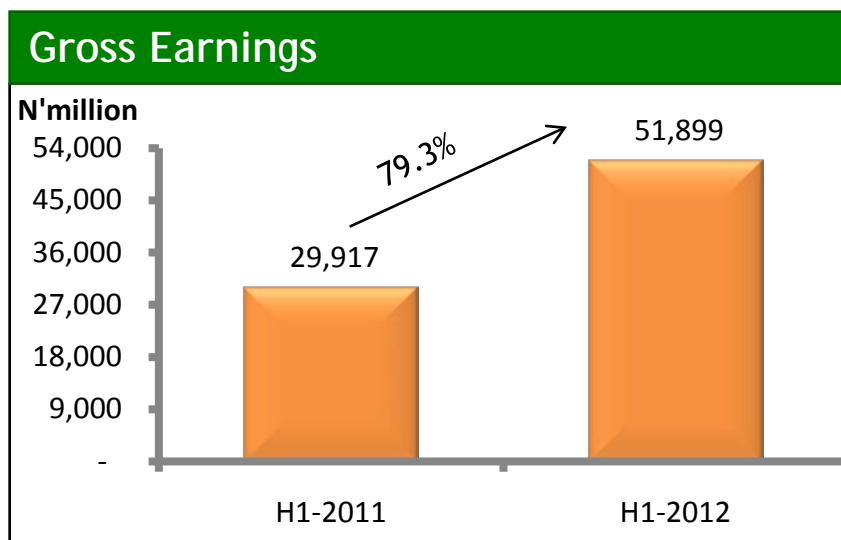
(Naira in million)

	H1-2012	H1-2011	% Change
Gross Earnings	51,898	29,917	73.5%
Net Interest Income	20,179	12,417	62.5%
Non-interest Income	13,338	9,677	30.7%
Impairment Charges	(720)	(1,801)	-60.0%
Profit Before Tax	9,878	3,818	160.0%
Cost/Income ratio	70%	82%	
RoE (Pre-tax)	13.9%	5.8%	
RoA (Pre-tax)	2.7%	1.5%	

	Jun 2012	Jun 2011	% Charge
Equity	141,651	133,000	6.5%
Deposits	554,097	554,097	61.0%
Net Loans to Banks	85,569	126,162	-32.2%
Net Loans to Customer	274,482	201,376	36.3%
Total Assets	736,935	502,596	46.6%
NPL / Loans	6.1%	16.0%	

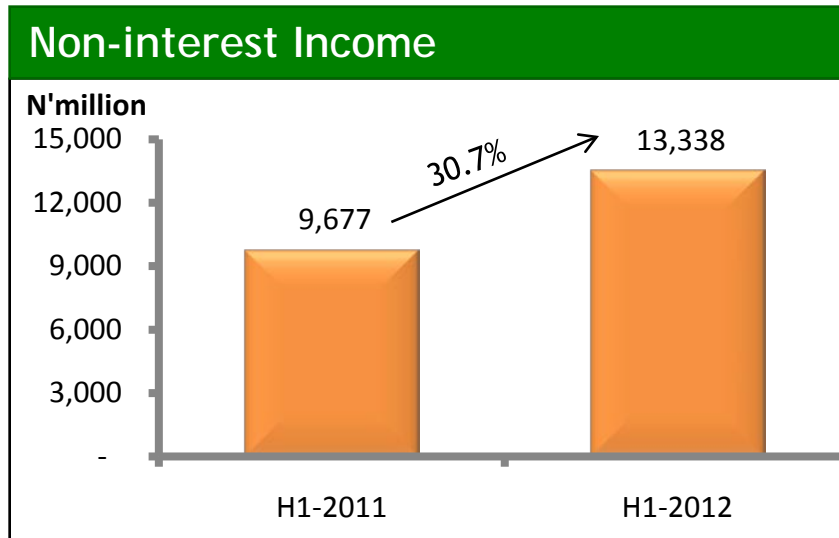
Revenue

Revenue

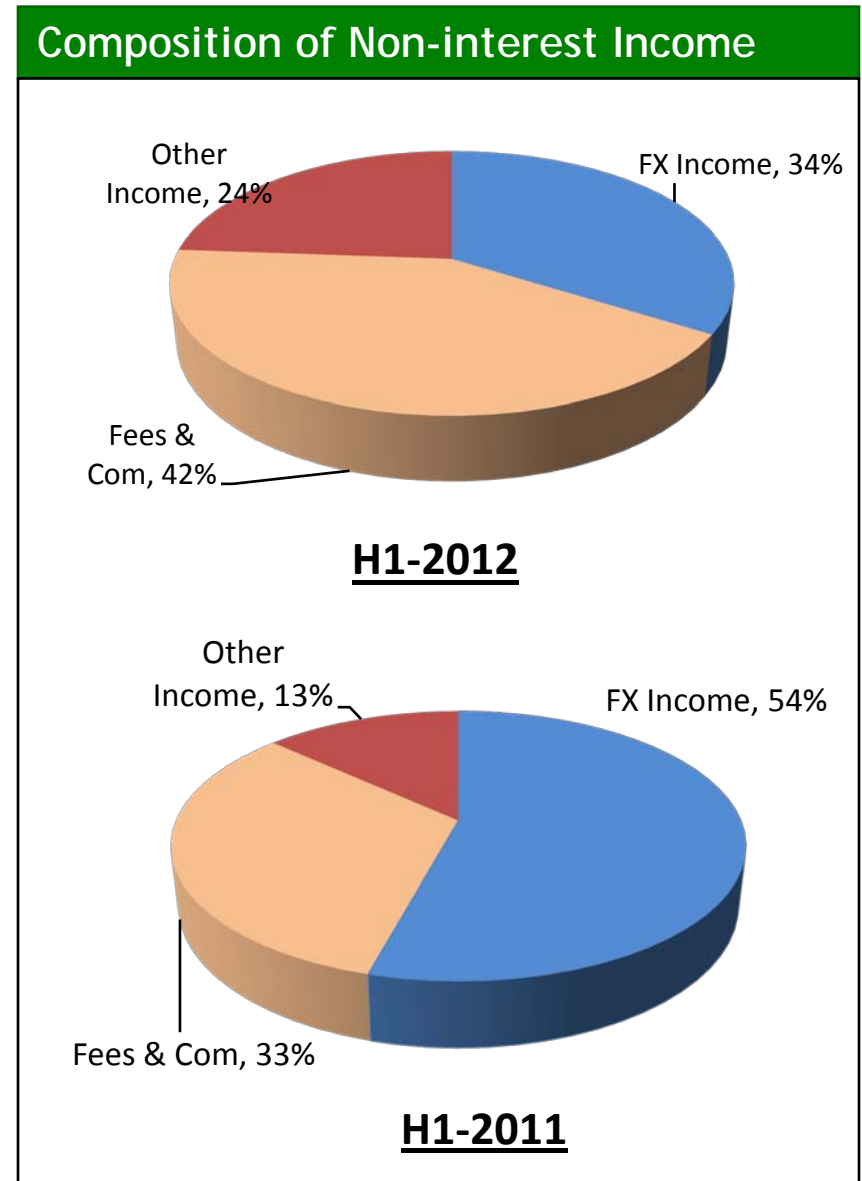


- Revenue sustained positive growth on the back of increased loan book, non interest income and activity in the inter-bank market.
- Gross Earnings grew by 79% which is in tandem with the 102% growth recorded in Interest Income.
- PBT to Gross Earnings moved up from 13.2% to 19% underpinning improved efficiency in the deployment of resources.

Non-interest Income

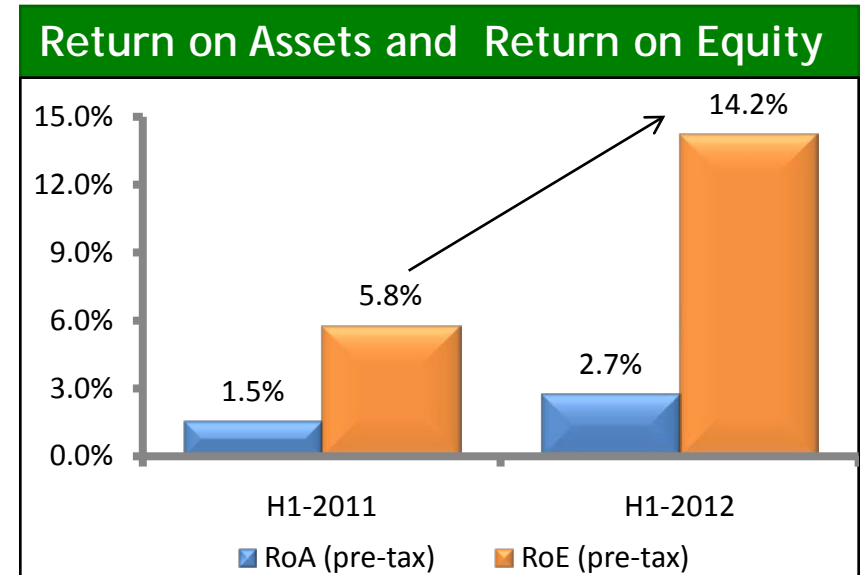
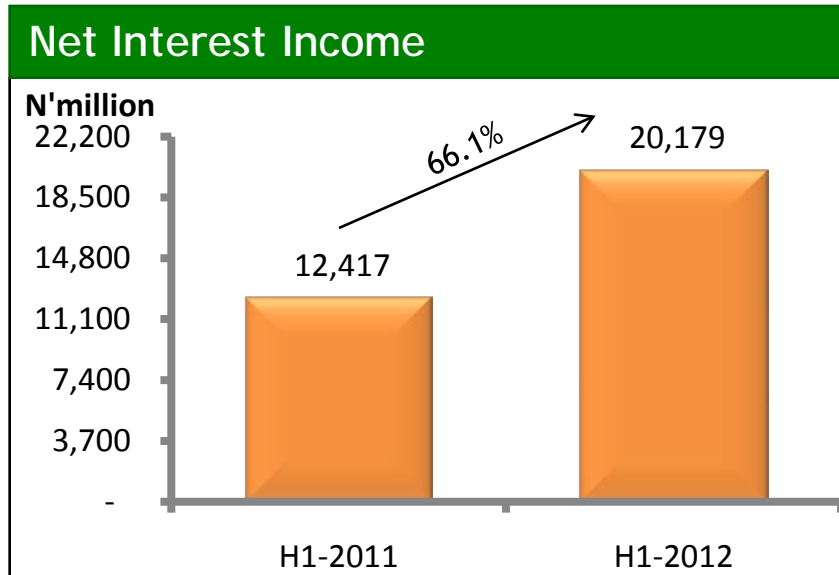


- About 90% of Non-interest Income came from core business activity with Fees and Commission accounting for the largest share.
- As we continue to explain growth in our customer count and pass-through volumes, we expect the effect of refined payment systems to continue to increase our activity based income.



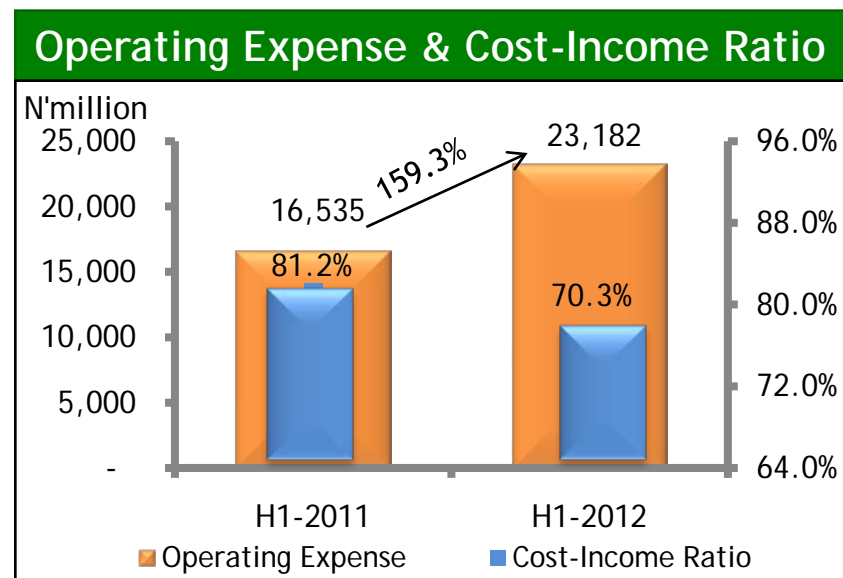
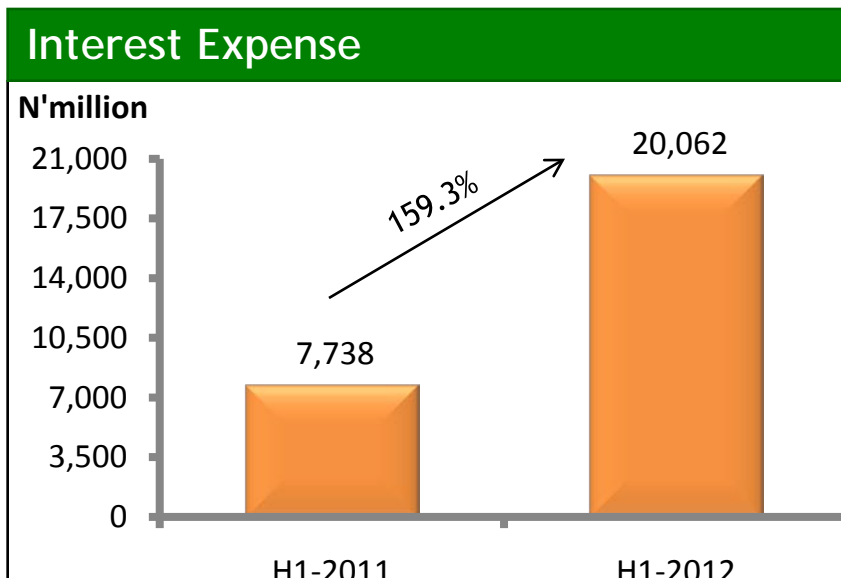
Efficiency Ratios

Profitability Dynamics

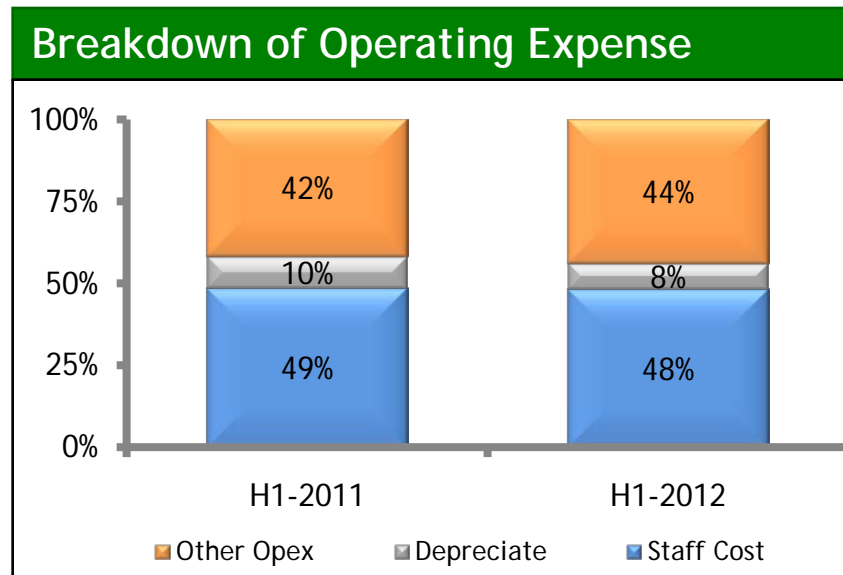


- Alongside the recorded growth in Net Loans to customers, Net-interest Income increased by 66% to N20.2 billion.
- RoE and RoA (annualised) recorded significant improvement between H1-2011 and H1-2012.
- Continued implementation of our process rescheduling initiatives and expansion in trading volumes from existing and new relationships would continue to reflect in improved returns to our shareholders.

Cost Dynamics

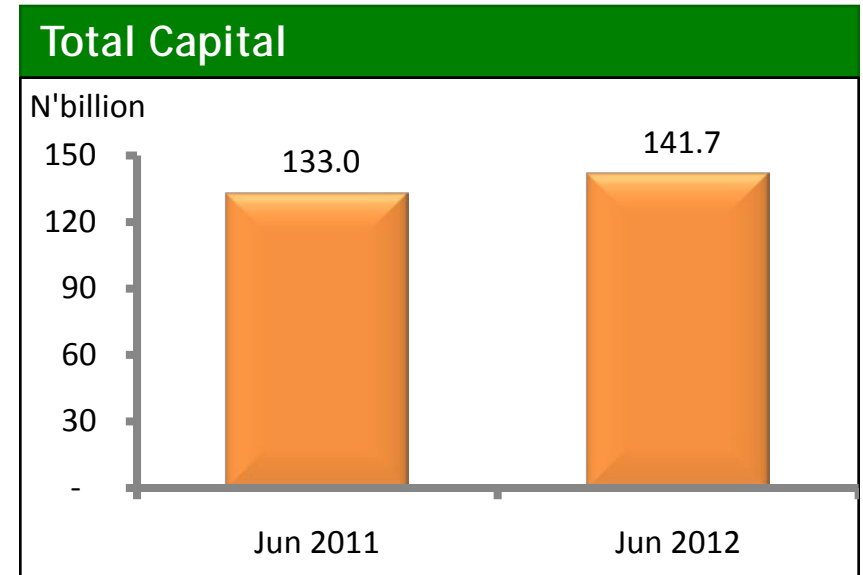
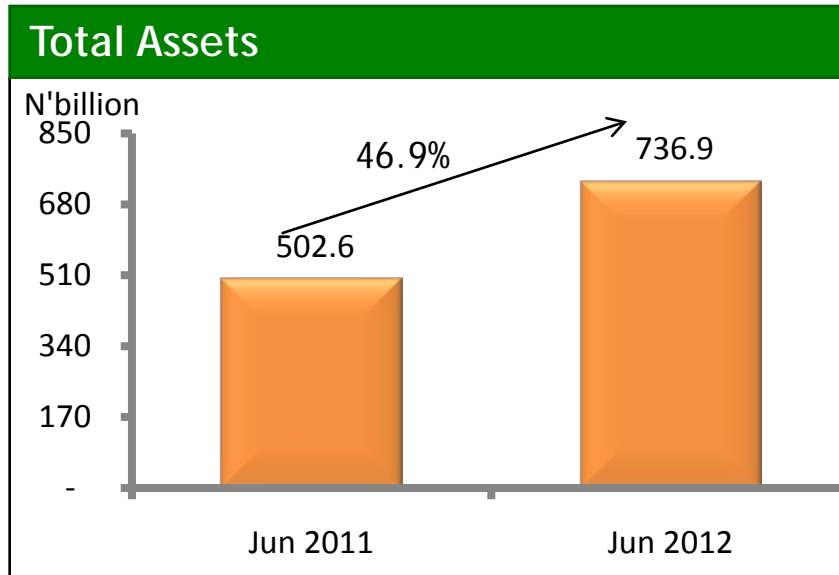


- ❑ The increase in Monetary Policy Rate (MPR) to 12.0% in October 2011 raised cost of funds and reward for deposits across maturities.
- ❑ Sustained branch expansion activity also kept cost-income ratio at high levels above our target band. Our target is to trend it down to the mid-60 range by financial year end 2012.
- ❑ Staff cost, which constitutes 48% of total operating expenses in 2012, is trending downwards on the back of continued extraction of value from our process rescheduling and technology deployment despite growing branch network.

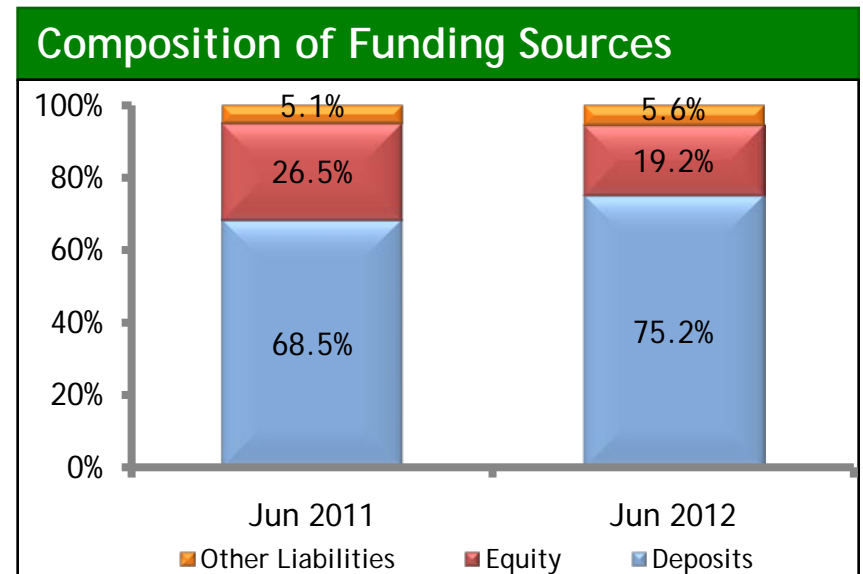


Balance Sheet Structure

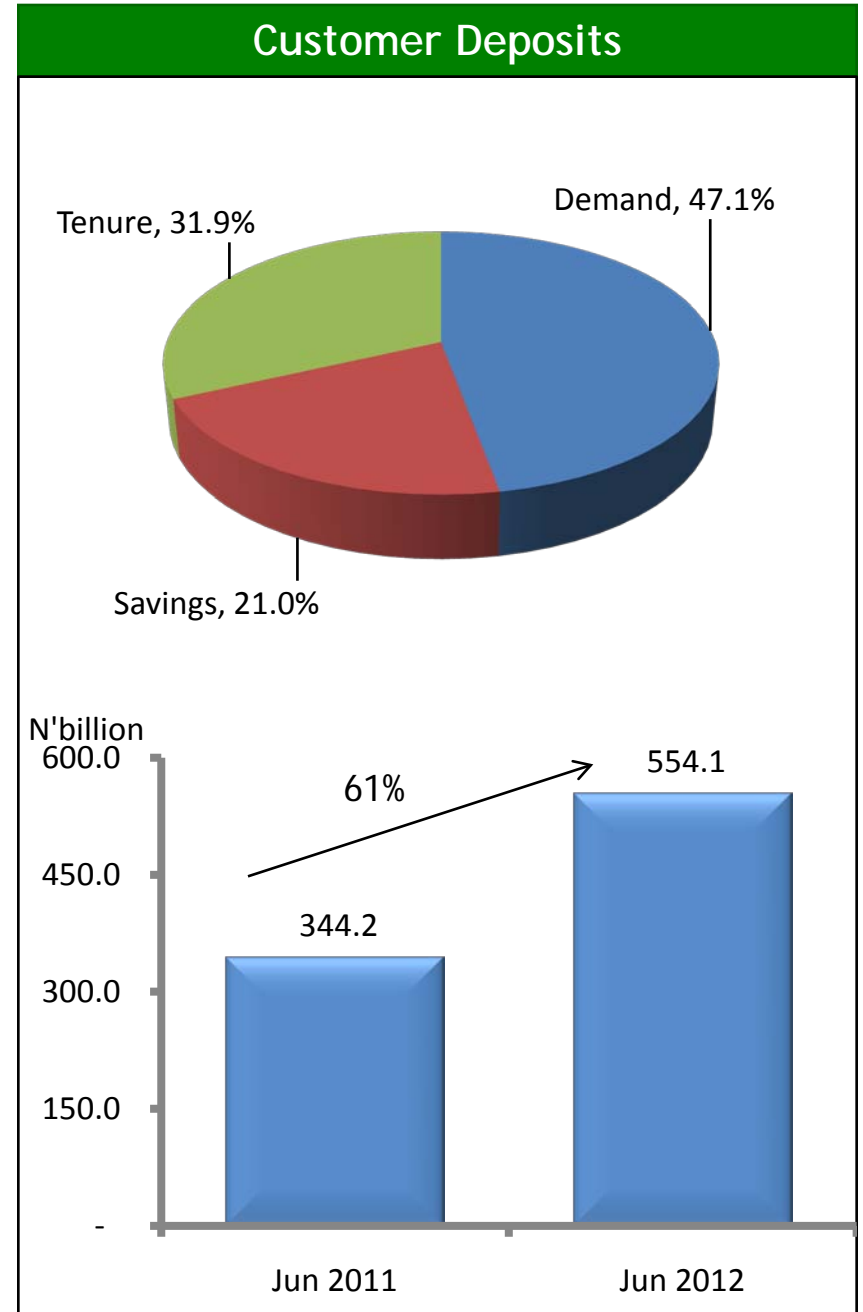
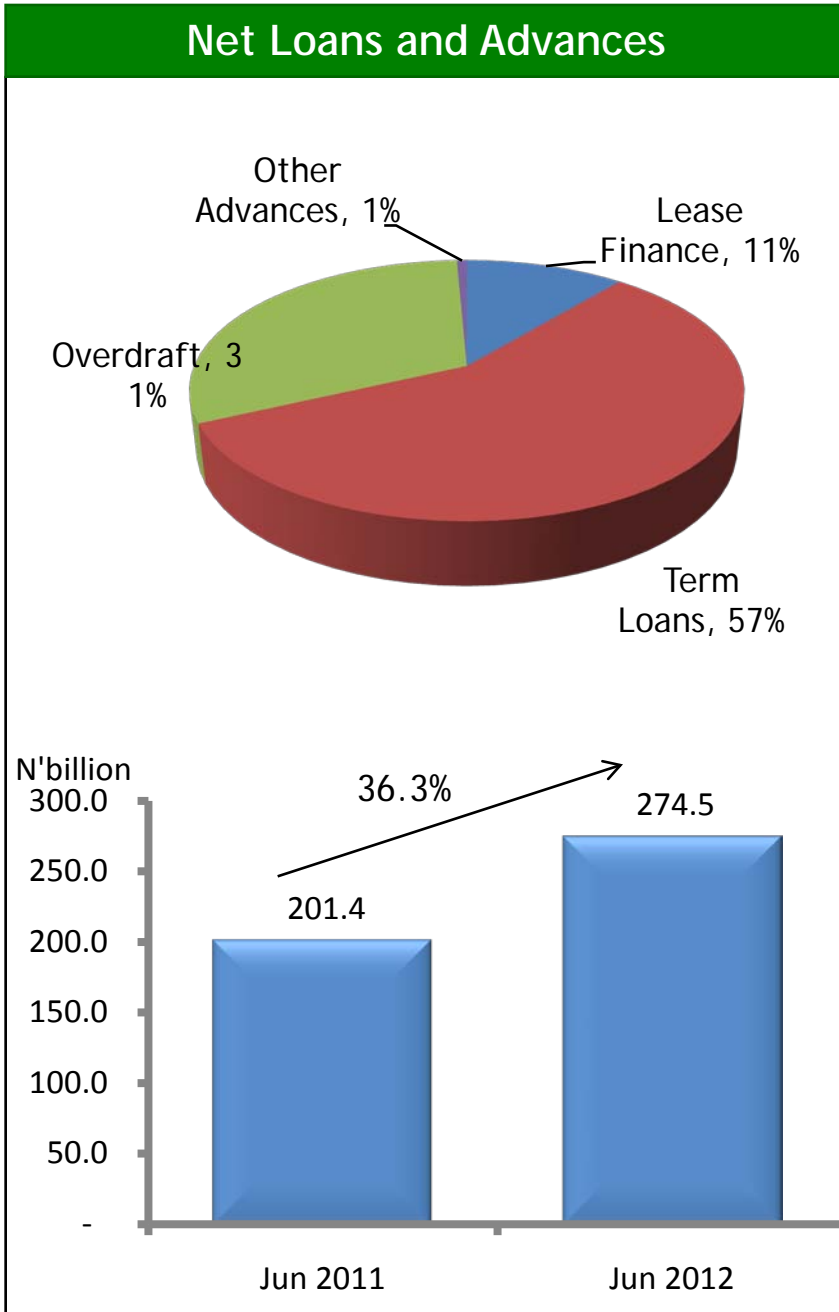
Funding Structure



- ❑ Fidelity would continue to emphasize a self funded balance sheet.
- ❑ Balance sheet growth was largely from 61.0% increase in customer deposits.
- ❑ In the last 12 months, we switched on 10 new branches which has helped to push our deposit numbers while maintaining a balanced mix.

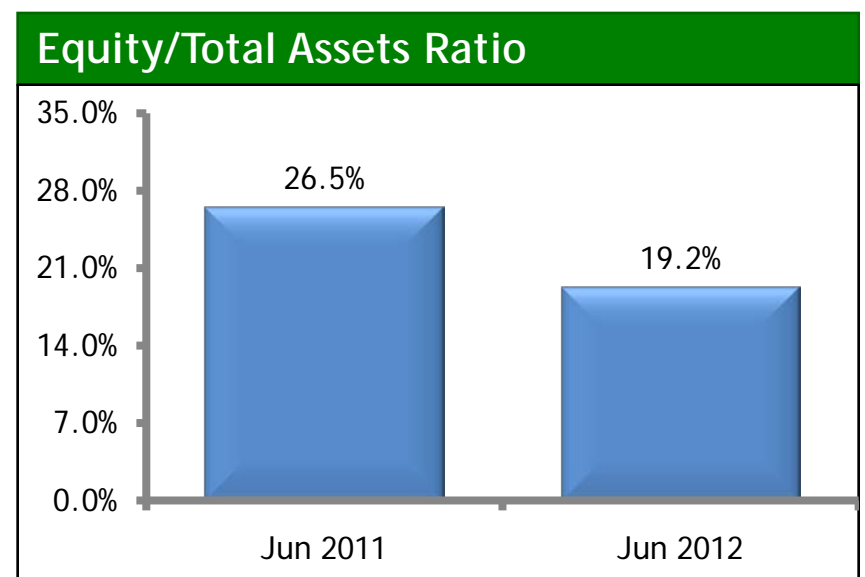
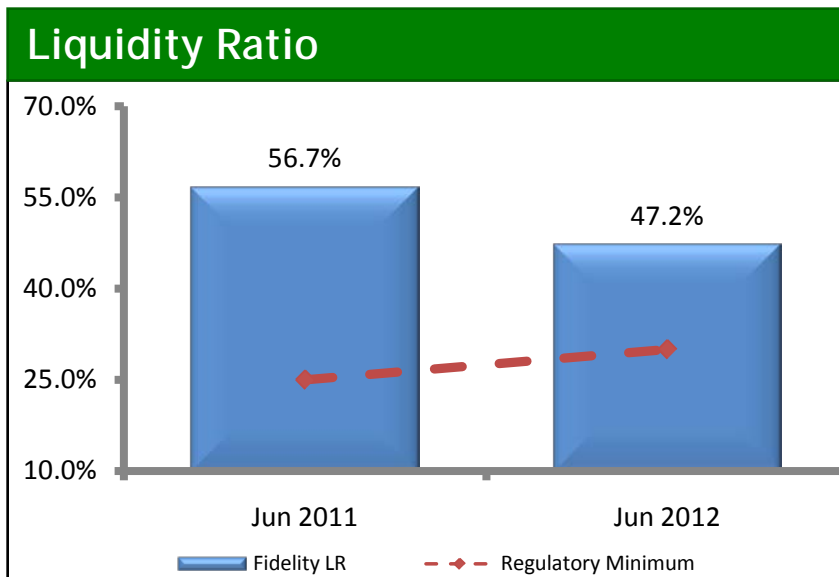
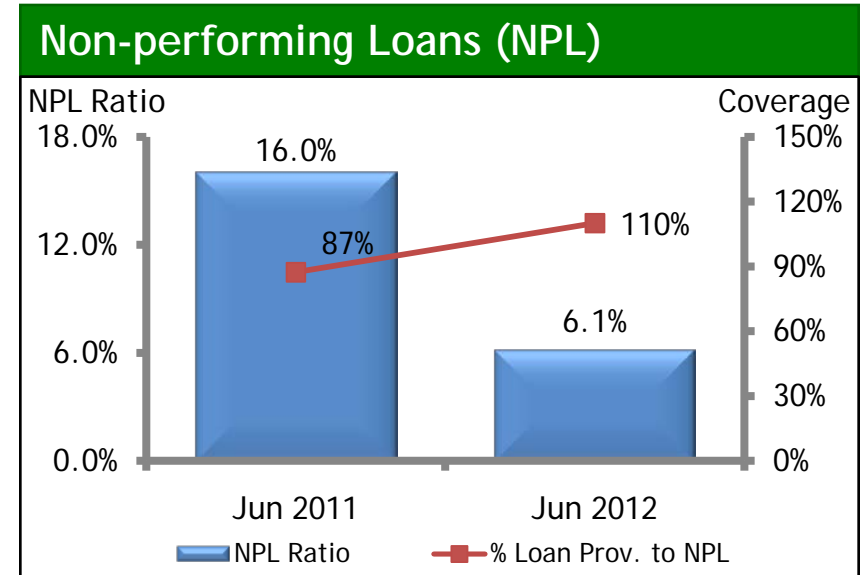
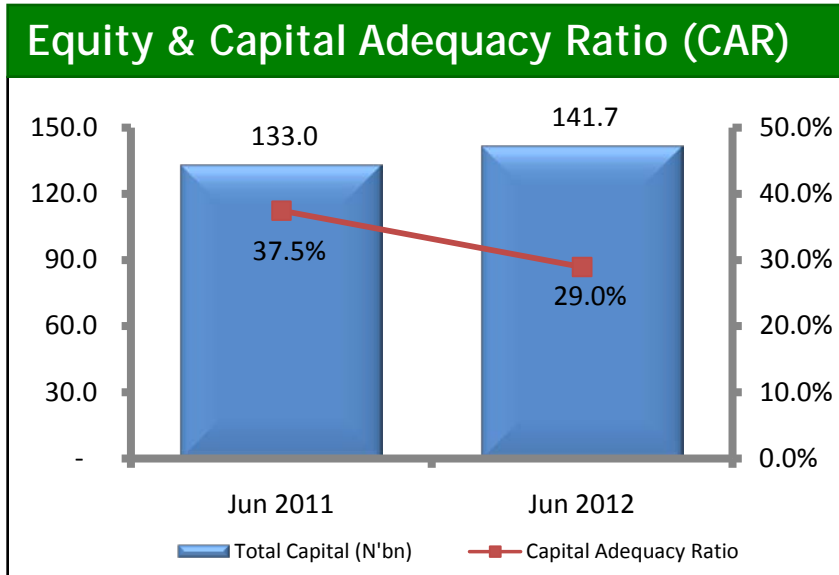


Analysis of Loans and Deposits



Capital Adequacy & Non-performing Loans

Capital Adequacy, Liquidity & NPL



Fidelity Has A Solid Platform for Quality and Expansion

