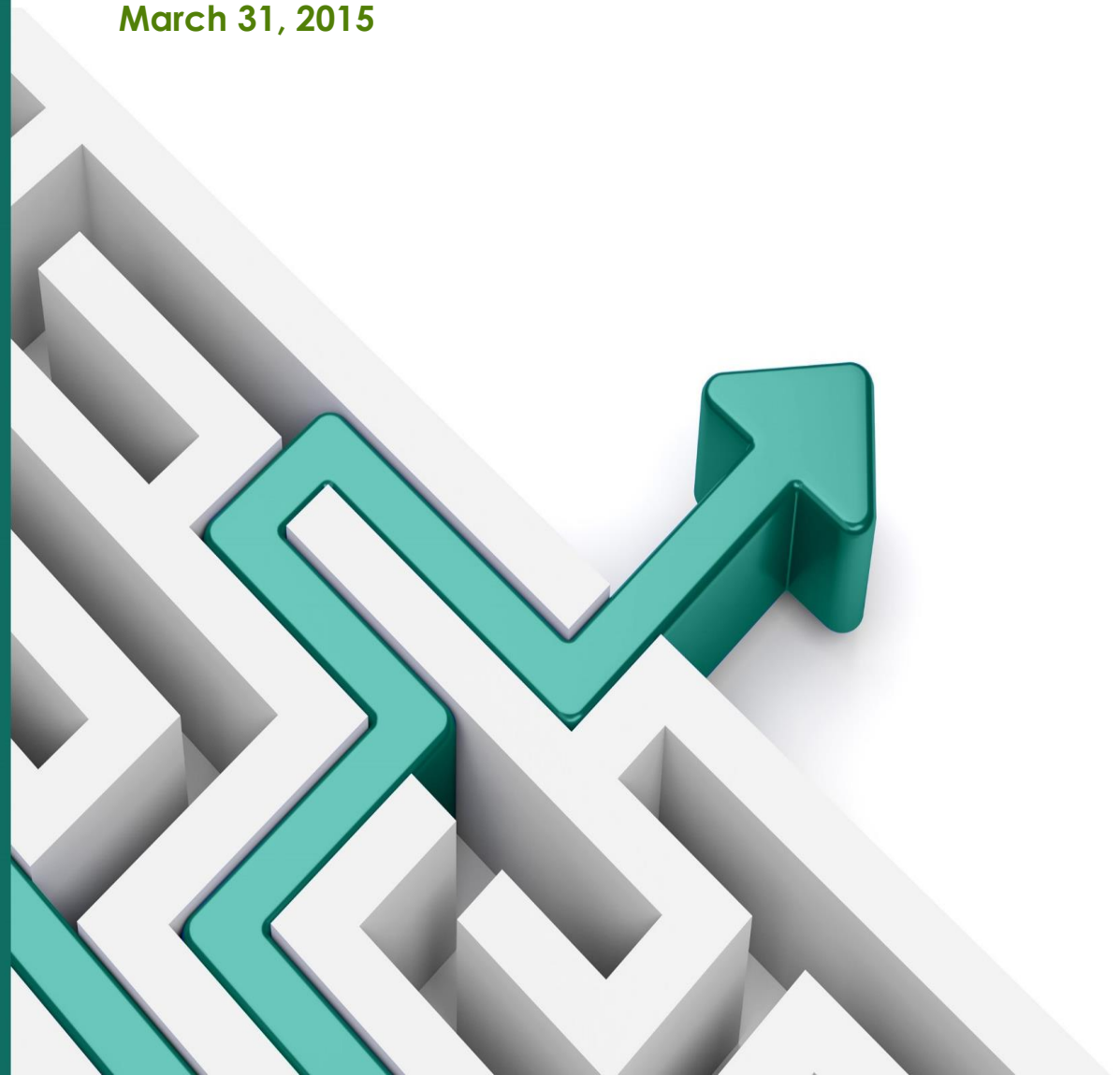


Fidelity Bank Investor Presentation

Unaudited Financial Results for the quarter ended

March 31, 2015



Outline



- 1 Fidelity Overview
- 2 Financial Highlights
- 3 Financial Review
- 4 2015 Guidance

Overview of Fidelity Bank



Background

- ▶ A full service bank with International Authorisation established in 1987 and licensed by the Central Bank of Nigeria
- ▶ The Bank currently has over 400,000 shareholders with the majority being Nigerian citizens and corporations.
- ▶ One of the highest CAR amongst Nigerian banks at 22.6% (Basel II), well above the CBN requirement of 15%
- ▶ Over 85% of the branch network is located in key business centres and the most economically viable regions of Nigeria
- ▶ A leading partner to the Nigerian power, oil and gas and telecoms industries

Distribution Network

Business Offices	
Lagos	77
South West	11
South South	40
South East	42
North West	15
North East	7
North Central	11
FCT Abuja	16

Electronic Banking	
ATMs	705
POS	3,858

Key Highlights

Total Assets	N1,196.2 million
Total Equity	N178.1 million
Business Offices	224
No of Accounts	2.9 million
Professional Staff	3,116
Consumer Sales Agents	723
Ratings	B/B (S&P)/Fitch
Auditors	Ernst & Young / PKF

Outline



- 1 Fidelity Overview
- 2 Financial Highlights
- 3 Financial Review
- 4 2015 Guidance

Performance Highlight



Revenue and Efficiency Ratio

- ❑ Gross Earnings up by 12.5% to N34.8 billion in Q1 2015 (Q1 2014: N31.0 billion)
- ❑ Total fee income up by 54.0% to N9.2 billion in Q1 2015 (Q1 2014: N6.0 billion)
- ❑ Net Interest Margin increased to 6.2% in Q1 2015 (2014 FYE: 6.0%)
- ❑ PBT increased by 5.6% to N4.7 billion in Q1 2015 (PAT came in at N4.0 billion)

Asset Quality

- ❑ Cost of Risk remained constant at 0.8% in Q1 2015, compared to 2014 FYE.
- ❑ NPL Ratio: 3.8% as at Mar 31, 2015 from 4.4% (2014 FYE)
- ❑ Coverage Ratio improved to 82.3% in Q1 2015 from 71.6% in 2014 FYE
- ❑ FCY Loans accounts for 44.6% of Total Loan Book from 41.9% in 2014 FYE

Capital Adequacy and Liquidity

- ❑ Capital Adequacy Ratio of 22.6%, based on Basel II computation
- ❑ Sound Liquidity Ratio of 32.6% compared to regulatory minimum of 30.0%
- ❑ Improved Net Loans to Customer Deposits to 68.6% from 66.1% (2014 FYE)
- ❑ Total Equity of N178.1 billion from N173.1 billion (2014 FYE)

Financial Highlights



Summary of Income Statement – Q1 2015 Vs Q1 2014

	Q1 2015	Q1 2014	VAR	% VAR
Gross Earnings	34,829	30,956	3,874	12.5%
Interest Income Loans	18,570	16,724	1,847	11.0%
Interest Income Liquid Assets	8,548	9,546	(997)	-10.4%
Total Interest Income	27,118	26,269	849	3.2%
Interest Expense Customer Deposits	(12,521)	(12,089)	(432)	3.6%
Interest Expense Borrowings	(2,209)	(1,279)	(930)	72.7%
Total Interest Expense	(14,730)	(13,368)	(1,362)	10.2%
Net Interest Income	12,388	12,901	(513)	-4.0%
FX Income	4,780	1,850	2,930	158.4%
COT	580	1,141	(561)	-49.2%
Other Fee Income	3,886	3,012	874	29.0%
Total Fee Income	9,246	6,003	3,243	54.0%
Operating Income	21,634	18,904	2,731	14.4%
Total Expenses	(14,369)	(12,728)	(1,641)	12.9%
Net gains / (losses) from Fin. Inst	(1,535)	(1,316)	(219)	16.6%
Net Impairment Losses	(1,020)	(401)	(619)	154.6%
Profit before Tax	4,710	4,459	252	5.6%

Financial Highlights



Summary of Income Statement – Q1 2015 Vs Q1 2014 Vs 2014 FYE QTR AVG

	Q1 2015	Q1 2014	2014 AVG	VAR	% VAR
Gross Earnings	34,829	30,956	33,100	1,729	5.2%
Interest Income Loans	18,570	16,724	17,745	825	4.6%
Interest Income Liquid Assets	8,548	9,546	8,332	217	2.6%
Total Interest Income	27,118	26,269	26,077	1,042	4.0%
Interest Exp. Customer Deposits	(12,521)	(12,089)	(12,771)	250	-2.0%
Interest Expense Borrowings	(2,209)	(1,279)	(1,099)	(1,110)	101.0%
Total Interest Expense	(14,730)	(13,368)	(13,870)	(860)	6.2%
Net Interest Income	12,388	12,901	12,207	182	1.5%
FX Income	4,780	1,850	4,404	375	8.5%
COT	580	1,141	1,083	(503)	-46.4%
Other Fee Income	3,886	3,012	2,460	1,426	58.0%
Total Fee Income	9,246	6,003	7,947	1,299	16.4%
Operating Income	21,634	18,904	20,153	1,481	7.3%
Total Expenses	(14,369)	(12,728)	(14,275)	(95)	0.7%
Net gains / (losses) from Fin. Inst	(1,535)	(1,316)	(923)	(612)	66.3%
Net Impairment Losses	(1,020)	(401)	(1,077)	56	-5.2%
Profit before Tax	4,710	4,459	3,879	831	21.4%

Financial Highlights



Summary of Income Statement– Quarterly Trend

	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Gross Earnings	34,829	36,378	32,765	32,303	30,956
Interest Income Loans	18,570	19,367	18,127	16,763	16,724
Interest Income Liquid Assets	8,548	8,122	7,163	8,497	9,546
Total Interest Income	27,118	27,489	25,290	25,261	26,269
Interest Expense Customer Deposits	(12,521)	(13,873)	(12,495)	(12,487)	(12,089)
Interest Expense Borrowings	(2,209)	(1,448)	(923)	(886)	(1,279)
Total Interest Expense	(14,730)	(15,321)	(13,418)	(13,373)	(13,368)
Net Interest Income	12,388	12,168	11,871	11,888	12,901
FX Income	4,780	8,383	3,261	3,056	1,850
COT	580	974	1,199	1,015	1,141
Other Fee Income	3,886	2,572	2,420	2,903	3,012
Total Fee Income	9,246	11,928	6,880	6,974	6,003
Operating Income	21,634	24,096	18,752	18,862	18,904
Total Expenses	(14,369)	(16,522)	(14,330)	(13,518)	(12,728)
Net gains / (losses) from Fin. Inst	(1,535)	(3,040)	595	68	(1,316)
Net Impairment Losses	(1,020)	(2,408)	(1,060)	(437)	(401)
Profit before Tax	4,710	2,126	3,956	4,975	4,459

Financial Highlights



Statement of Financial Position: Q1 2015 Vs 2014 FYE

	Q1 2015	2014 FYE	VAR	% VAR
Total Assets	1,196,142	1,187,025	9,117	0.8%
Earning Assets	804,666	818,993	-14,326	-1.7%
Bank Placements	2,000	42,049	-40,049	-95.2%
Treasury Bills	203,983	184,342	19,641	10.7%
Bonds	51,888	50,917	971	1.9%
Customer Loans (Naira)	302,800	314,941	-12,141	-3.9%
Customer Loans (FCY)	243,995	226,744	17,251	7.6%
Non-Earning Assets	391,476	368,032	23,444	6.4%
Cash	75,457	33,659	41,798	124.2%
Balances with CBN/Settlement Acct.	201,380	224,472	-23,092	-10.3%
Balances with other Banks	16,810	26,686	-9,876	-37.0%
Fixed Assets	38,221	37,958	263	0.7%
All Other Assets	59,608	45,257	14,351	31.7%
Interest Bearing Liabilities	902,180	937,575	-35,395	-3.8%
Demand	429,472	424,397	5,075	1.2%
Savings	105,581	97,996	7,585	7.7%
Time Deposits	262,487	297,641	-35,154	-11.8%
Borrowings	45,571	62,547	-16,976	-27.1%
Eurobond	59,070	54,994	4,076	7.4%
All Other Liabilities	115,978	76,339	39,639	51.9%
Equity	177,984	173,111	4,873	2.8%

Financial Highlights



Statement of Financial Position: Quarterly Trend

	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Total Assets	1,196,142	1,187,025	1,115,922	1,058,235	1,042,962
Earning Assets	804,666	818,993	774,260	718,383	698,829
Bank Placements	2,000	42,049	26,900	23,450	9,500
Treasury Bills	203,983	184,342	189,770	190,807	187,940
Bonds	51,888	50,917	68,084	65,997	74,888
Customer Loans (Naira)	302,800	314,941	319,382	316,283	306,917
Customer Loans (FCY)	243,995	226,744	170,124	121,846	119,584
Non-Earning Assets	391,476	368,032	341,661	339,852	344,134
Cash	75,457	33,659	22,900	22,157	24,518
Balances with CBN/Settlement Acct.	201,380	224,472	171,443	188,947	183,675
Balances with other Banks	16,810	26,686	80,785	56,100	73,417
Fixed Assets	38,221	37,958	37,142	37,025	36,945
All Other Assets	59,608	45,257	29,391	35,623	25,579
Interest Bearing Liabilities	902,180	937,575	889,709	842,617	825,416
Demand	429,472	424,397	417,975	368,597	373,935
Savings	105,581	97,996	86,314	82,301	82,842
Time Deposits	262,487	297,641	307,569	314,877	295,496
Borrowings	45,571	62,547	29,448	29,340	23,100
Eurobond	59,070	54,994	48,404	47,502	50,043
All Other Liabilities	115,978	76,339	57,182	49,241	50,172
Equity	177,984	173,111	169,031	166,377	167,374

Financial Highlights



- ❑ PBT was driven by strong growth in non interest income. PBT increased by 5.6% to N4.7 billion despite the over 100% growth in provisions due to a conservative outlook by the bank
- ❑ Interest expense growth largely coming from long term borrowings, the 3.6% growth in interest expense on customer deposits lagged the 6% growth in customer deposits YOY
- ❑ NIM improved to 6.2% due to better pricing which improved the average yield on earning assets to 13.7%
- ❑ Total fee and commission income up by 54.0% to N9.2 billion from N6.0 billion reported in Q1 2014 driven by strong foreign exchange trading income and E-banking fees.
- ❑ Cost income ratio trended downwards to 71.5% in Q1 2015 from 78.5% Q4 2014 and 72.4% in Q1 2014, as revenue growth outpaced cost acceleration.
- ❑ Cost of risk remained low at 0.8%, a confirmation to our improved loan book quality which translated to 3.8% NPL Ratio.
- ❑ Net losses from financial instrument reflect negative trading position of bonds and treasury bills classified under Held-for-Trading (HFT) which will improve as we wind down investment in HFT category.

Outline



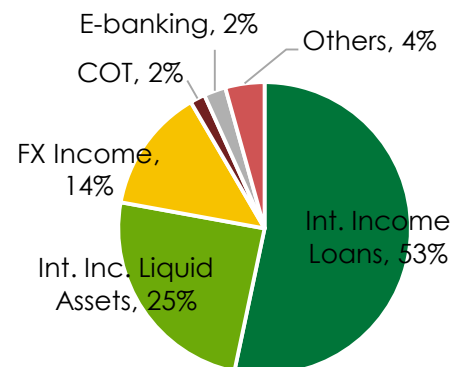
- 1 Fidelity Overview
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Gross Earnings Analysis

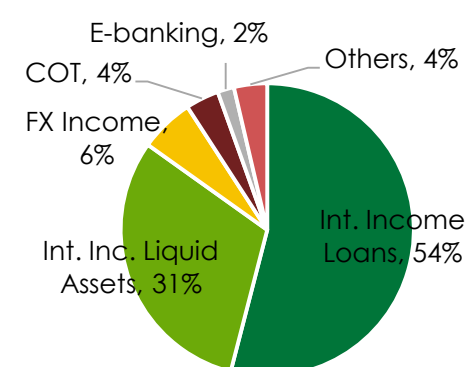


Key Highlight (N'million)	Q1 2015	Q1 2014
Gross Earnings	34,829	30,956
Interest Income Loans	18,570	16,724
Interest Income Liquid Assets	8,548	9,546
FX Income	4,780	1,850
Comm. on Turnover (COT)	580	1,141
E-banking Income	841	564
Other Income	3,045	2,449
Net Gains/Losses from Fin. Inst.	(1,535)	(1,316)

Gross Earnings : Q1-2015

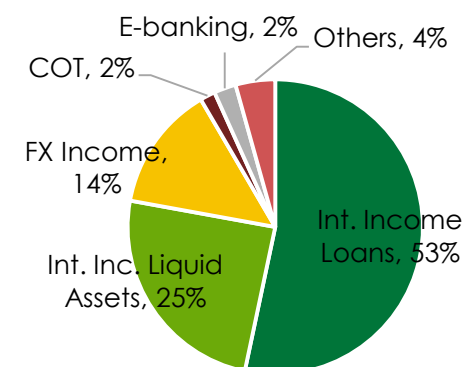


Gross Earnings: Q1-2014

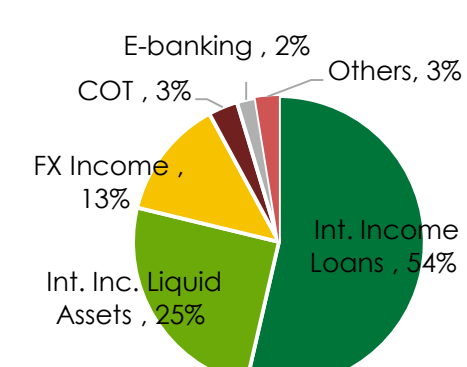


Key Highlight (N'million)	Q1 2015	2014 AVG
Gross Earnings	34,829	33,100
Interest Income Loans	18,570	17,745
Interest Income Liquid Assets	8,548	8,332
FX Income	4,780	4,404
Comm. on Turnover (COT)	580	1,083
E-banking Income	841	689
Other Income	3,045	1,771
Net Gains/Losses from Fin. Inst.	(1,535)	(923)

Gross Earnings : Q1-2015



Gross Earnings: 2014 AVG



- Gross earnings growth driven mainly by interest income on loans, FX income and E-Banking fees
- COT declined due to the regulatory reduction in tariffs by 50% in 2015

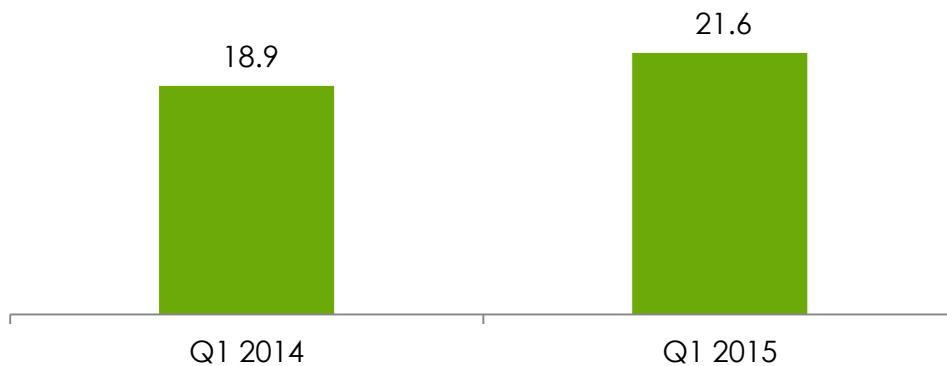
Earnings Analysis



- ▶ Net interest income was negatively impacted by 10.4% decline in interest income from liquid assets due to increased reserve requirements from the CRR hikes
- ▶ Strong FX Trading income and E-banking fees. led to solid growth in fee based income
- ▶ Net losses on financial instruments from the trading book expected to decline significantly from Q2 as the assets have been wound down

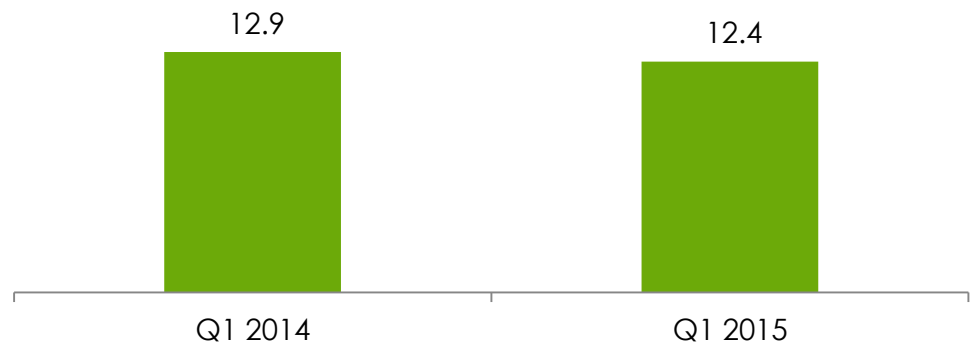
Operating Income

N'billion

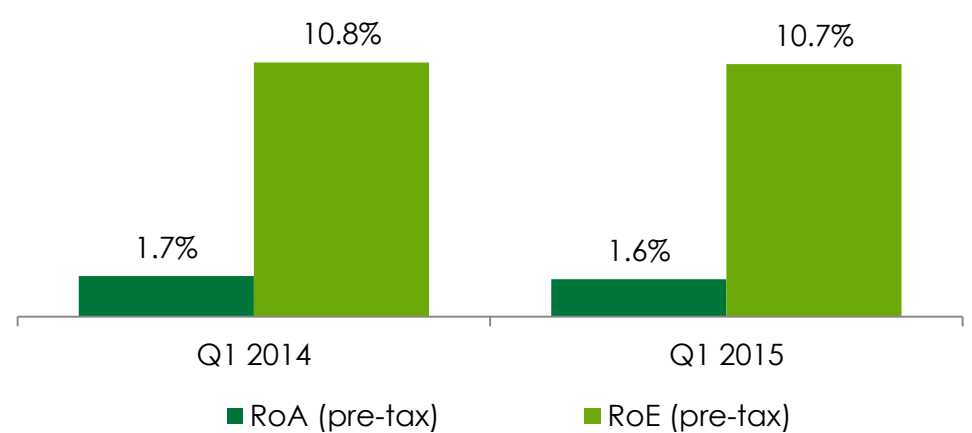


Net Interest Income

N 'billion



Return on Assets / Return on Equity

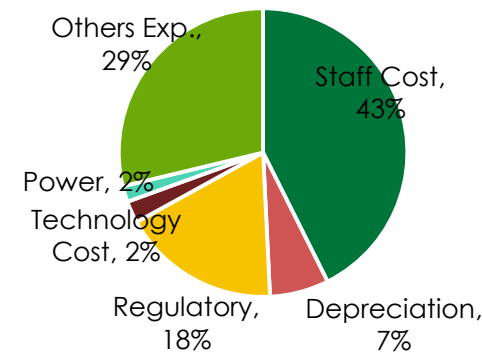


Expense Analysis

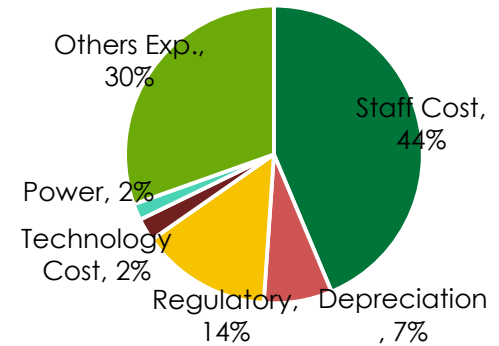


Key Highlight (N'million)	Q1 2015	Q1 2014
Total Expenses	14,369	12,728
Staff	6,123	5,559
Depreciation	951	945
Regulatory (NDIC/AMCON)	2,553	1,807
Technology Cost	354	316
Power	255	227
Security	307	282
Advert	358	143
Other Expenses	3,468	3,449

Operating Exp: Q1-2015

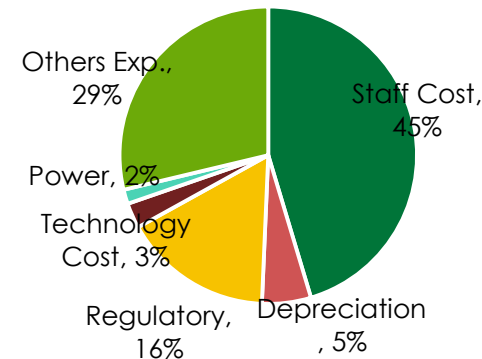


Operating Exp: Q1-2014

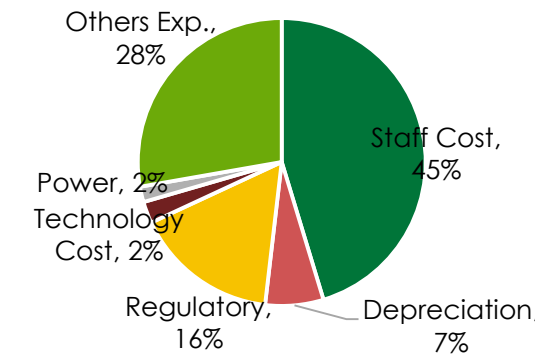


Key Highlight (N'million)	Q1 2015	2014 AVG
Total Expenses	14,369	14,275
Staff	6,123	6,469
Depreciation	951	933
Regulatory (NDIC/AMCON)	2,553	2,317
Technology Cost	354	347
Power	255	247
Security	307	245
Advert	358	257
Other Expenses	3,468	3,460

Operating Exp: Q1-2015



Operating Exp: 2014 AVG



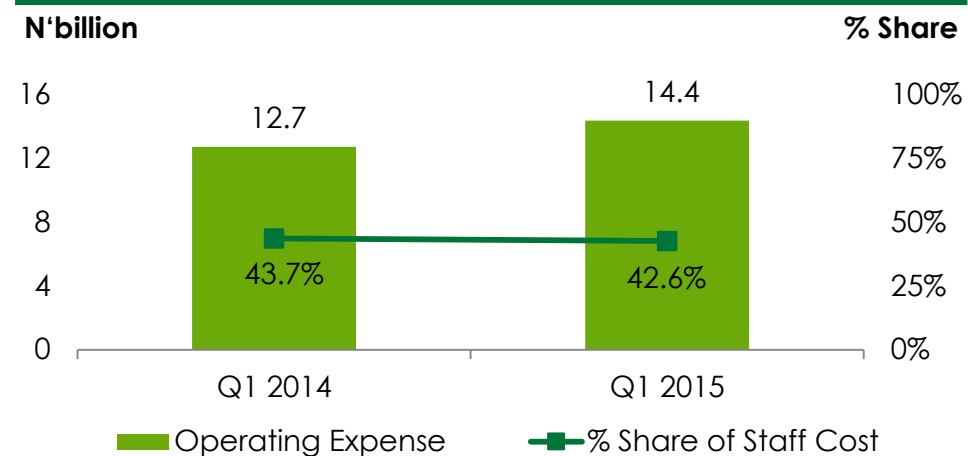
- Total operating expenses grew by 12.9% to N14.4 billion from N12.7 billion on the back of increased staff expenses , regulatory charges and advert costs
- However compared to 2014FY quarterly average expenses grew by less than 1%

Cost Dynamics

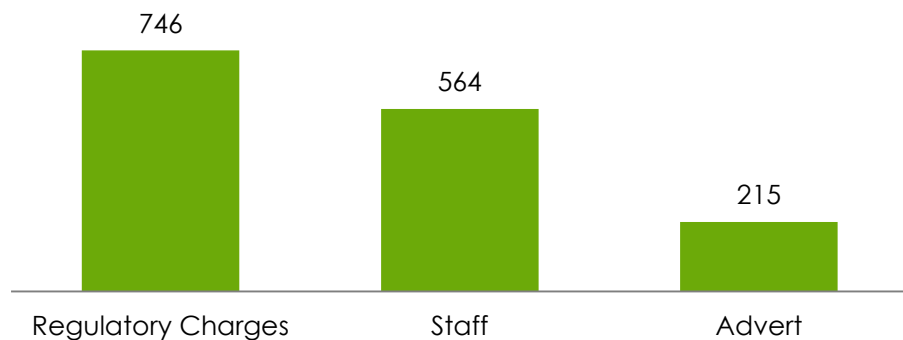


- ▶ Cost income ratio declined marginally from 72.4% to 71.5%.
- ▶ Media and advert cost increased in line with our retail and electronic banking strategy.
- ▶ Quarterly revenue growth from E-Banking (N278m) outpaced increased advert spend of N215m showing net positive benefits

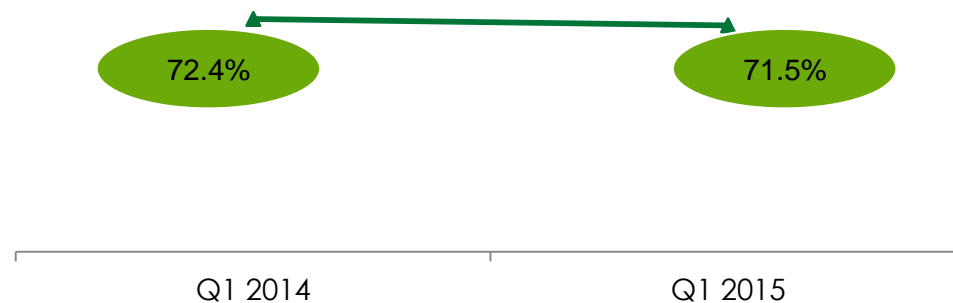
Operating Expenses & Staff Cost



Key Cost Drivers (Q1 2015)



Cost – Income Ratio

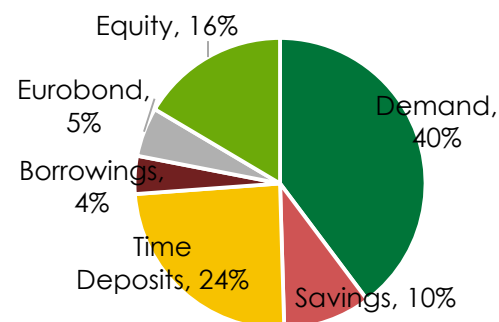


Funding Structure

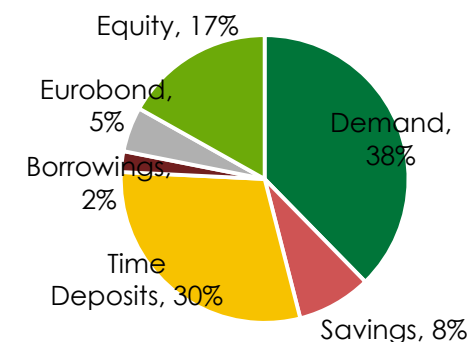


Key Highlights (N'm)	Q1 2015	Q1 2014
Demand Deposits	429,472	373,935
Savings Deposits	105,581	82,842
Time Deposits	262,487	295,496
Borrowings	45,571	23,100
Eurobonds	59,070	50,043
Equity	178,070	167,374
Total	1,080,249	992,790

Funding Structure: Q1 2015

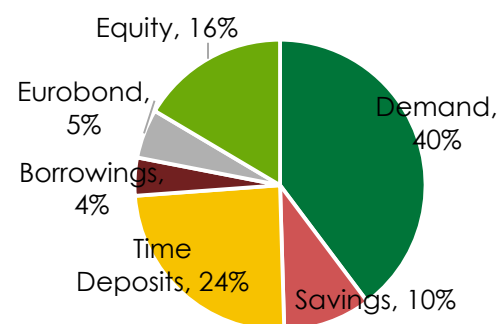


Funding Structure: Q1 2014

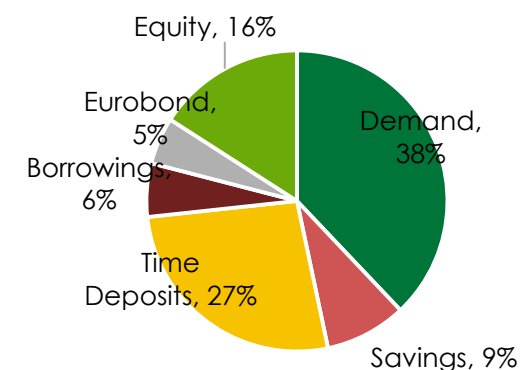


Key Highlights (N'm)	Q1 2015	Q4 2014
Demand Deposits	429,472	424,397
Savings Deposits	105,581	97,996
Time Deposits	262,487	297,641
Borrowings	45,571	62,547
Eurobonds	59,070	54,994
Equity	178,070	173,111
Total	1,080,249	1,110,686

Funding Structure: Q1 2015



Funding Structure: Q4 2014



- Low cost deposits (Demand and Savings) grew by N12.7bn (2.4%) as low cost deposit ratio improved to 67%.
- Customer deposits represents 73.8% of total funding base and 88.4% of interest bearing liabilities.

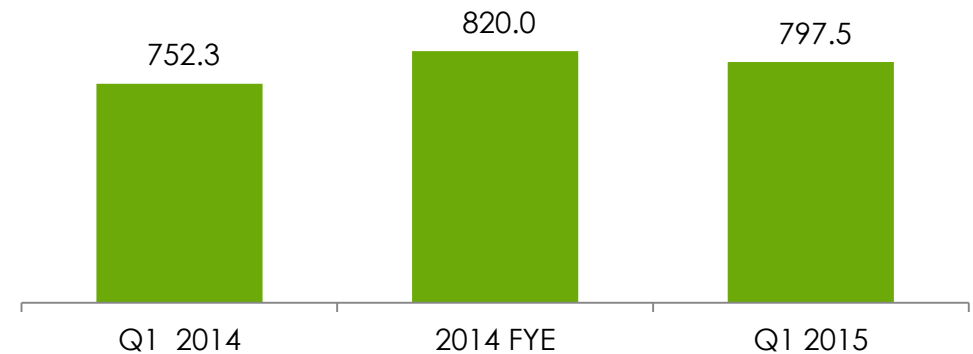
Deposit Analysis



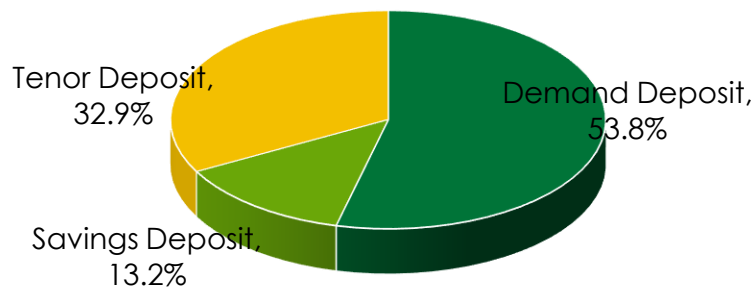
- ▶ 2.7% marginal drop in customer deposits caused by deliberate replacement of wholesale time deposits with retail deposits leading to a 11.8% decline in Time.
- ▶ Strong growth witnessed in retail deposits as savings deposits increase by 7.7%.
- ▶ Low cost deposits constitute about 67.1% of total deposits from 63.7% in Dec 2014

Customer Deposits

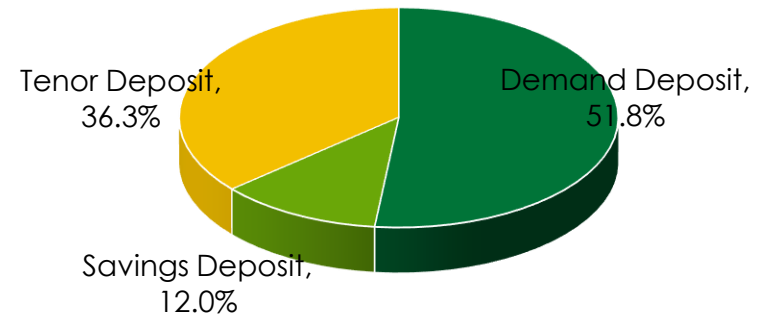
N'billion



Customer Deposits by Type – Q1 2015



Customer Deposits by Type – 2014 FYE

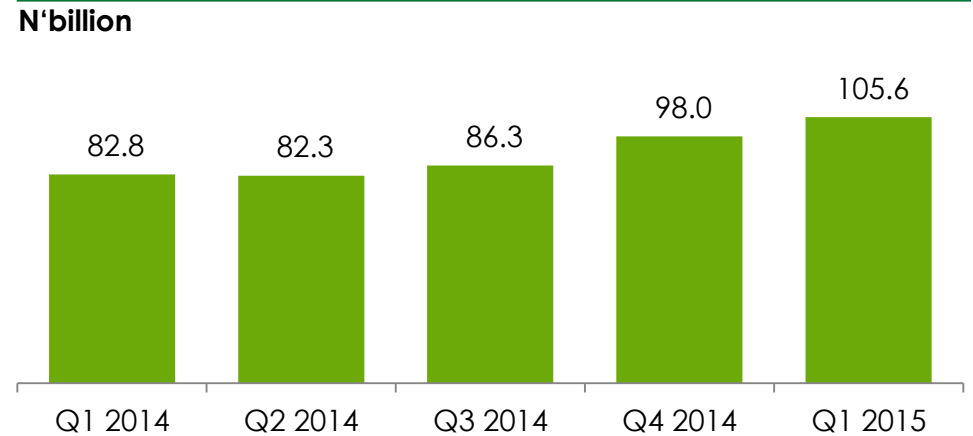


Retail Deposit Analysis (Personal Banking)

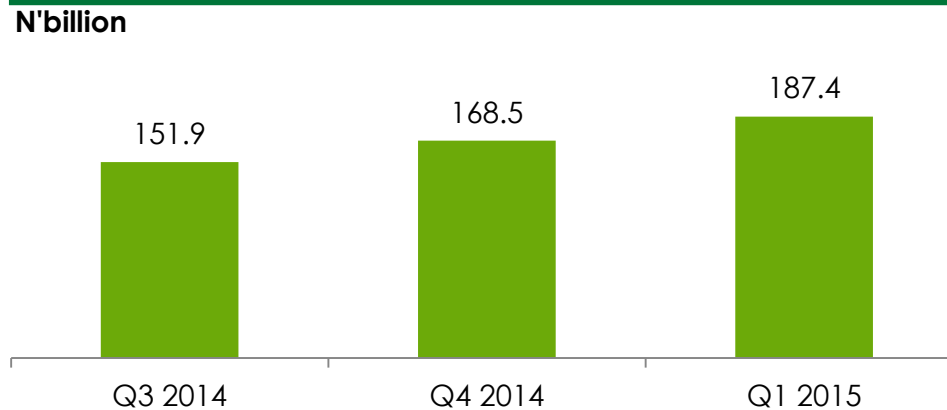


- ▶ Retail low cost deposits increased by 11.2% to N187.4bn from N168.5bn in Dec 2014.
- ▶ Retail customers now account for 35% of total low cost deposits
- ▶ Savings deposits have grown steadily since the transformation of our retail banking products division in H2 2014

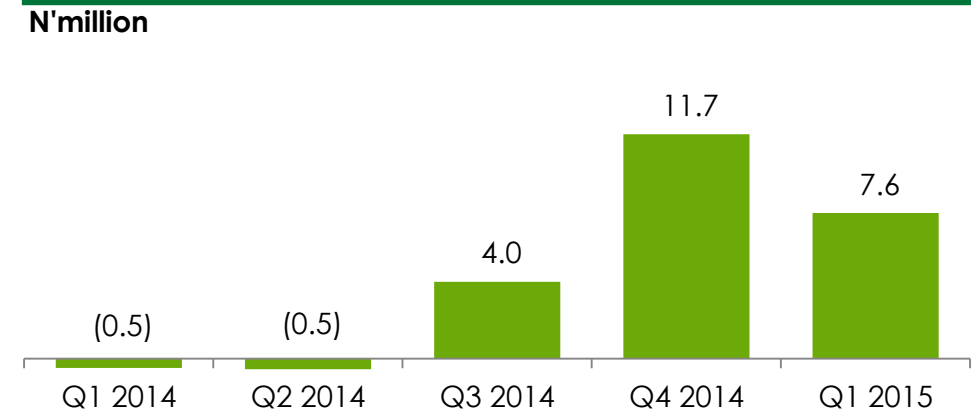
Savings Deposits Trend



Retail Low Cost Deposits



Quarterly Savings Deposits Growth

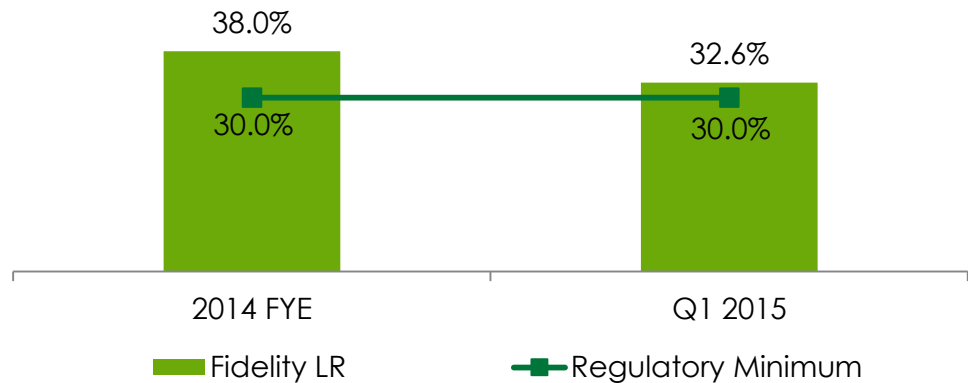


Sound Liquidity Position

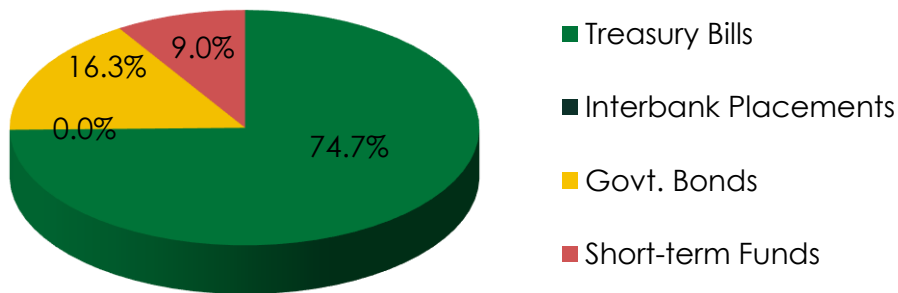


- ▶ Balance sheet optimisation leading to the drop in wholesale time deposits caused a drop in the liquidity ratio.
- ▶ However, liquidity ratio remains above regulatory minimum of 30.0%
- ▶ Currently 90.0% of qualified liquid assets is invested in treasury bill, government bonds and the inter-bank securities

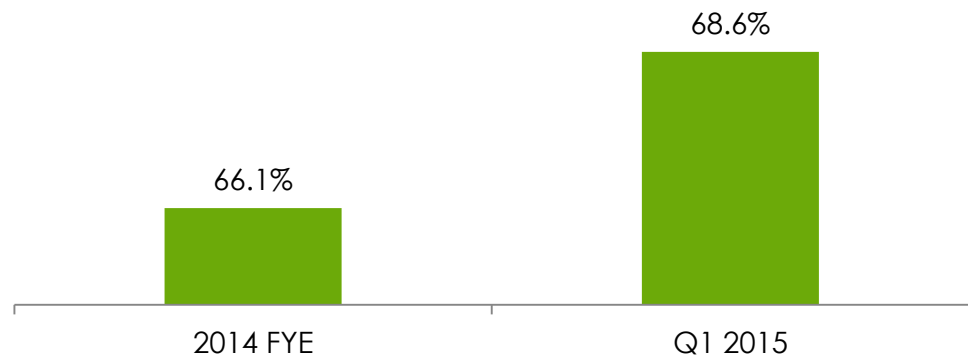
Liquidity Ratio



Composition Liquid Assets



% Net Loans to Customer Deposits



Portfolio Analysis



Breakdown of Loans & Advances: Q1 2015 Vs 2014 FYE

N'million	Q1 2015	2014 FYE	VAR	% VAR
Communication	73,200	76,480	(3,280)	-4.3%
Oil and gas	144,147	134,750	9,397	7.0%
Power	59,641	57,626	2,015	3.5%
Manufacturing	51,778	51,323	455	0.9%
General Commerce	47,436	47,502	(66)	-0.1%
Transport	49,484	48,826	658	1.3%
Consumer (Individuals)	38,832	41,735	(2,903)	-7.0%
Government	5,922	12,328	(6,406)	-52.0%
Construction	19,069	18,444	625	3.4%
Agriculture	15,206	14,456	750	5.2%
Real Estate	13,197	12,146	1,051	8.7%
Education	2,157	2,553	(396)	-15.5%
Finance and Insurance	710	836	(126)	-15.1%
Others	43,960	40,131	3,829	9.5%
TOTAL	564,738	559,136	5,602	1.0%

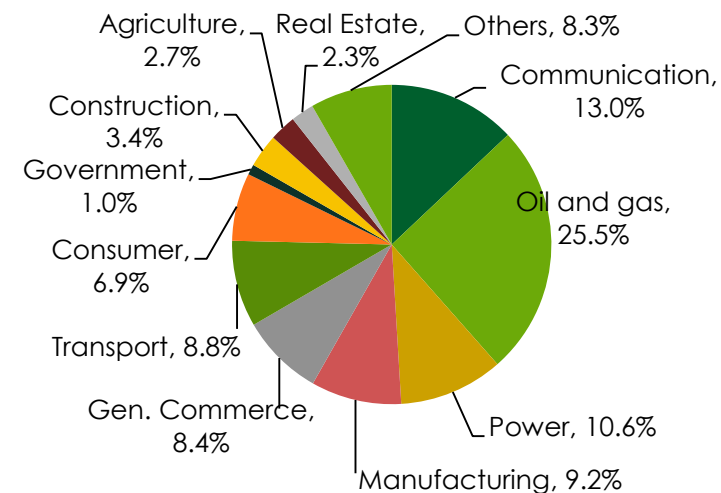
Portfolio Analysis



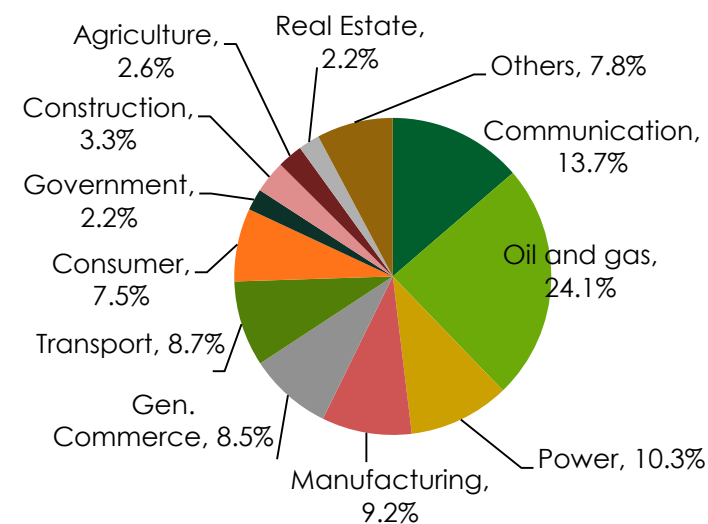
Breakdown of Loans & Advances

N'million	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Communication	73,200	76,480	86,204	87,229	87,973
Oil and gas	144,147	134,750	122,410	72,451	68,272
Power	59,641	57,626	46,652	50,306	48,645
Manufacturing	51,778	51,323	31,408	37,321	33,232
Gen. Commerce	47,436	47,502	44,110	36,391	39,579
Transport	49,484	48,826	35,659	33,396	27,036
Consumer	38,832	41,735	36,482	31,604	29,471
Government	5,922	12,328	30,259	25,344	26,130
Construction	19,069	18,444	16,398	14,927	14,637
Agriculture	15,206	14,456	12,854	12,010	10,402
Real Estate	13,197	12,146	10,047	8,028	7,203
Education	2,157	2,553	189	1,631	2,045
Fin. & Insurance	710	836	688	784	1,003
Others	43,960	40,131	36,953	43,932	47,847
TOTAL	564,738	559,136	510,314	455,354	443,475

Portfolio Analysis – Q1 2015



Portfolio Analysis – 2014 FYE

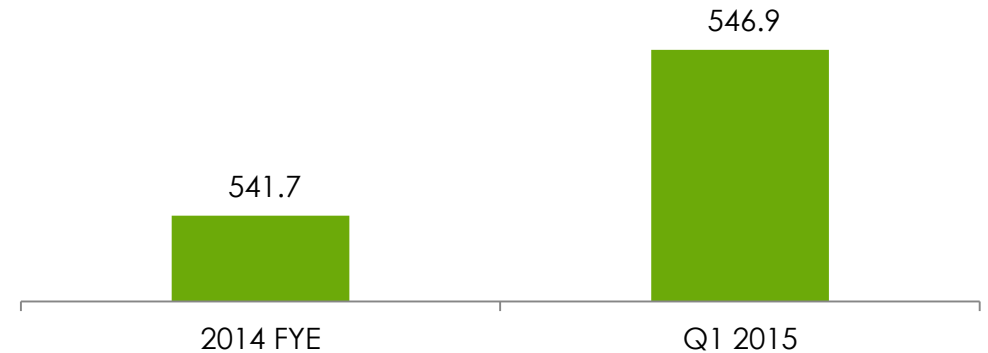


Loan Book Analysis

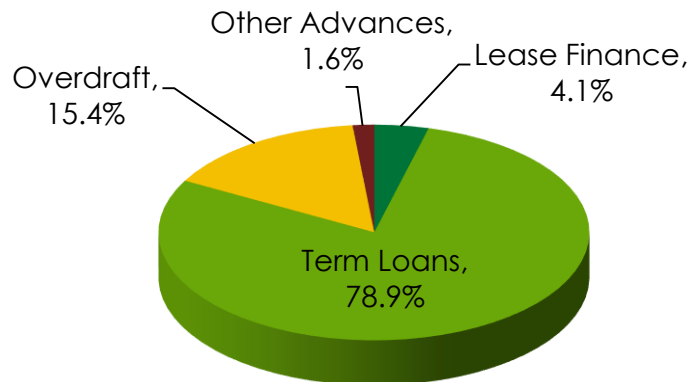
- ▶ Muted loan growth in Q1 2015 due to slow pre-election operating environment.
- ▶ LCY loans declined by N12..1bn (3.8%) from Dec 2014 due to a deliberate portfolio reduction in perceived more venerable segments e.g. Government and consumer loans to civil servants
- ▶ FCY loan book growth basically driven by currency devaluation over the period.
- ▶ Loan growth expected to pick up in Q2 2015 with the utilisation of planned debt issuance proceeds

Net Loans and Advances to Customers

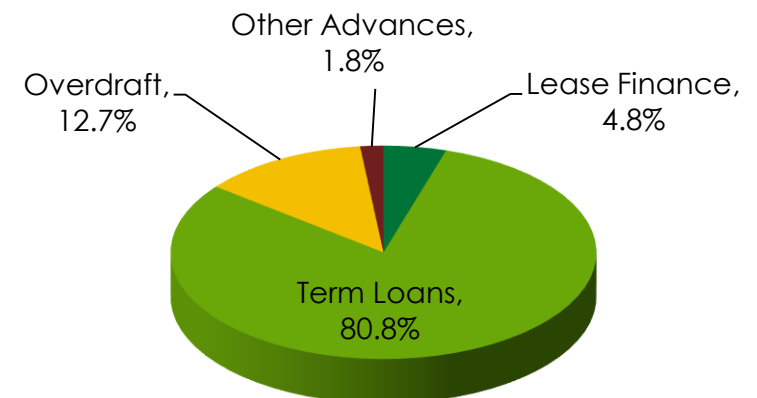
N'billion



Total Loans by Type – Q1 2015



Total Loans by Type – 2014 FYE



Portfolio Analysis



Breakdown of Non-performing Loans: Q1 2015 Vs 2014 FYE

	Q1 2015			2014 FYE		
	N'million	% Contr.	% NPL	N'million	% Contr.	% NPL
Communication	3,431	15.8%	4.7%	3,628	14.9%	4.7%
Oil and gas	622	2.9%	0.4%	605	2.5%	0.4%
Power	0	0.0%	0.0%	0	0.0%	0.0%
Manufacturing	7,197	33.2%	13.9%	7,393	30.3%	14.4%
General Commerce	3,669	16.9%	7.7%	3,670	15.1%	7.7%
Transport	1,366	6.3%	2.8%	1,326	5.4%	2.7%
Consumer (Individuals)	1,477	6.8%	3.8%	1,569	6.4%	3.8%
Government	267	1.2%	4.5%	864	3.5%	7.0%
Construction	520	2.4%	2.7%	512	2.1%	2.8%
Agriculture	659	3.0%	4.3%	647	2.7%	4.5%
Real Estate	342	1.6%	2.6%	466	1.9%	3.8%
Education	343	1.6%	15.9%	355	1.5%	13.9%
Finance and Insurance	297	1.4%	41.9%	295	1.2%	35.3%
Others	1,506	6.9%	3.4%	3,039	12.5%	7.6%
TOTAL	21,695	100%	3.84%	24,368	100%	4.36%

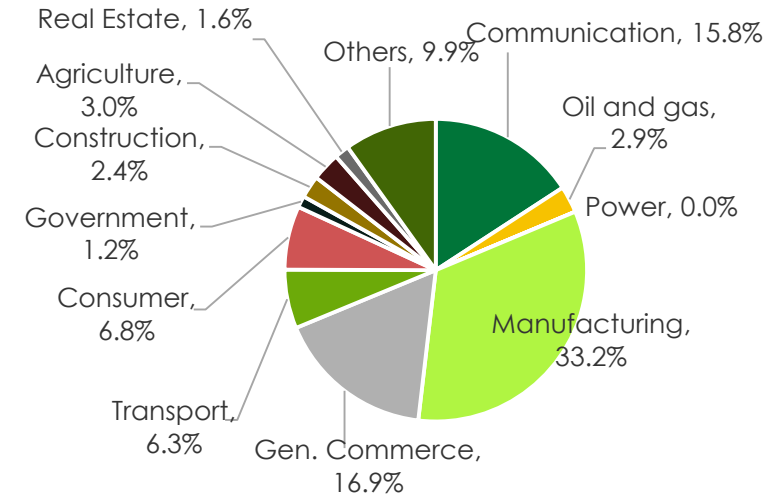
Portfolio Analysis



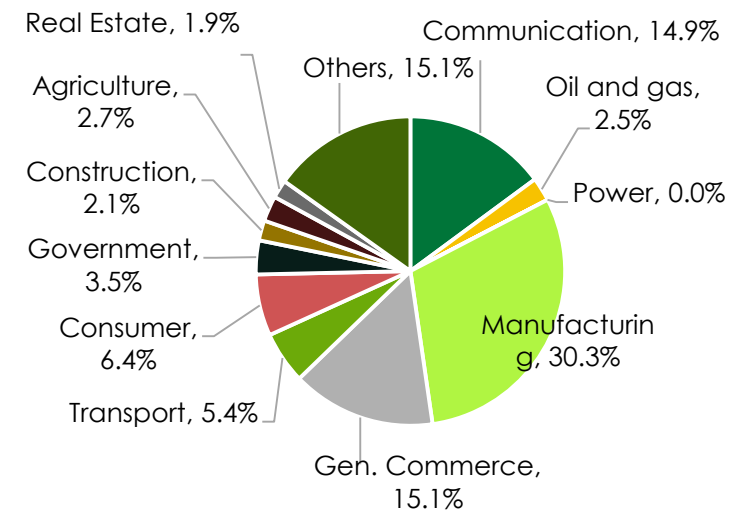
Breakdown of Non-performing Loans

N'million	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Communication	3,431	3,628	4,458	3,089	3,086
Oil and gas	622	605	2,167	2,345	2,357
Power	0	0	0	0	0
Manufacturing	7,197	7,393	6,903	6,797	6,207
Gen. Commerce	3,669	3,670	3,396	2,065	2,289
Transport	1,366	1,326	1,624	1,246	1,212
Consumer	1,477	1,569	277	58	0
Government	267	864	54	44	44
Construction	520	512	480	499	500
Agriculture	659	647	633	1	0
Real Estate	342	466	97	94	94
Education	343	355	177	56	55
Fin. & Insurance	297	295	308	220	224
Others	1,506	3,039	1,919	1,512	1,381
TOTAL	21,695	24,368	22,495	18,026	17,450

NPL Analysis – Q1 2015



NPL Analysis – 2014 FYE

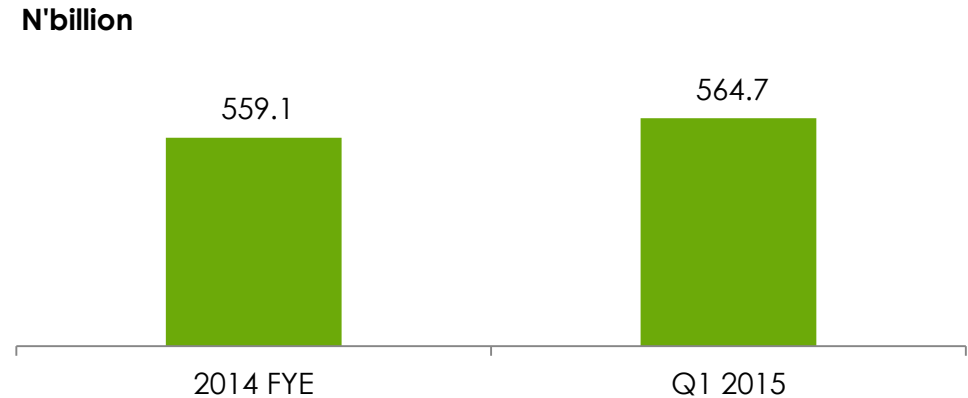


NPL Analysis

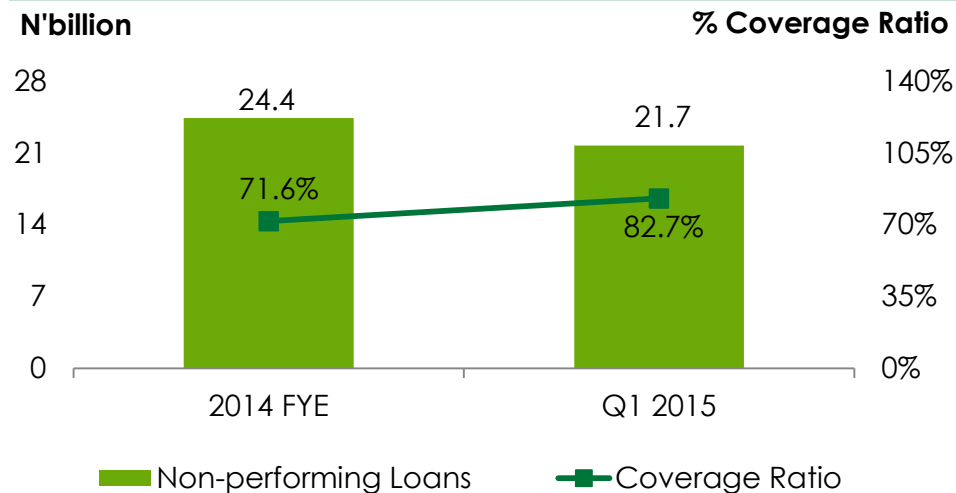


- ▶ Improved risk assets monitoring and aggressive collections resulted in lower NPL of 3.8% compared to 4.4% in 2014 FYE and 3.9% as at March 31, 2014.
- ▶ Major sectors driving the decline in NPLs include Government, Manufacturing, Telecoms, Consumer and public utilities
- ▶ Coverage ratio improved to 82.7% as NPL volumes declined and provisions increased

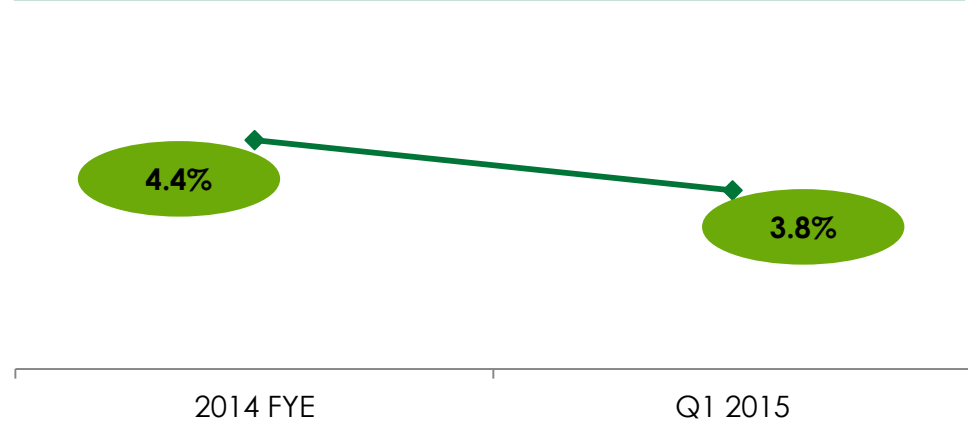
Gross Loans & Advances



NPL Coverage Ratio



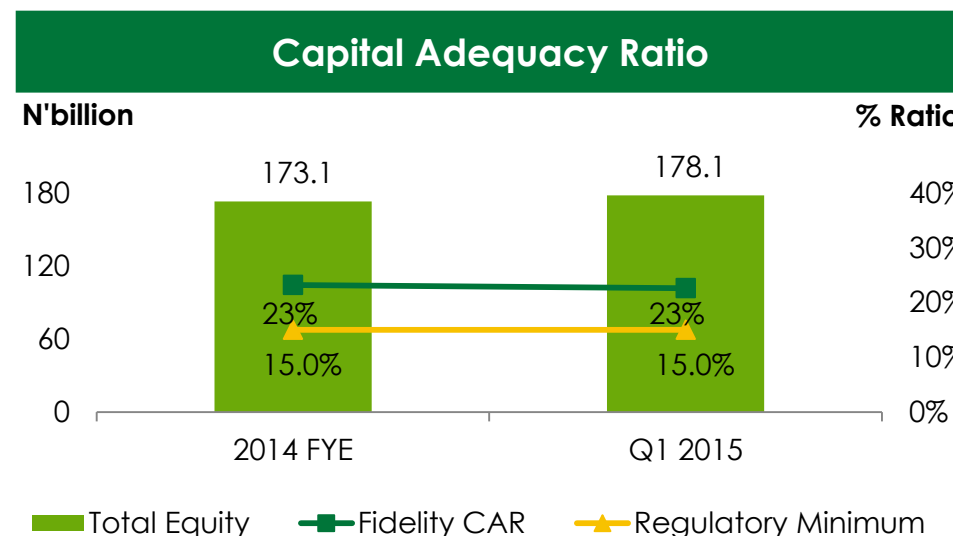
Non-performing Loans



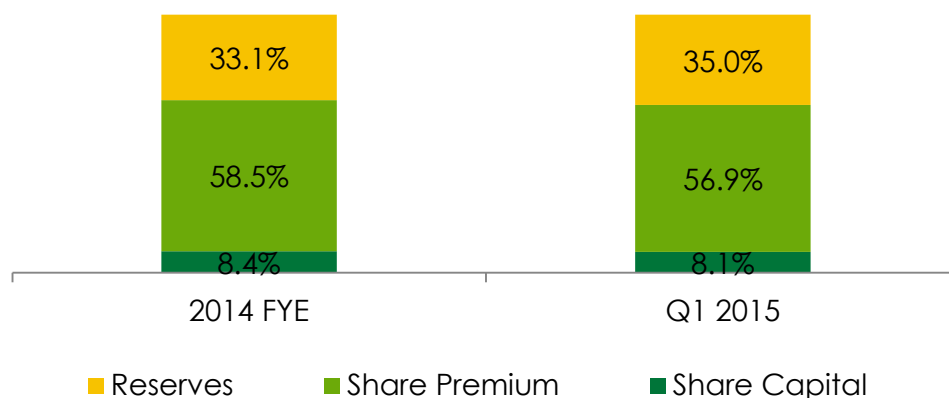
Capital Adequacy



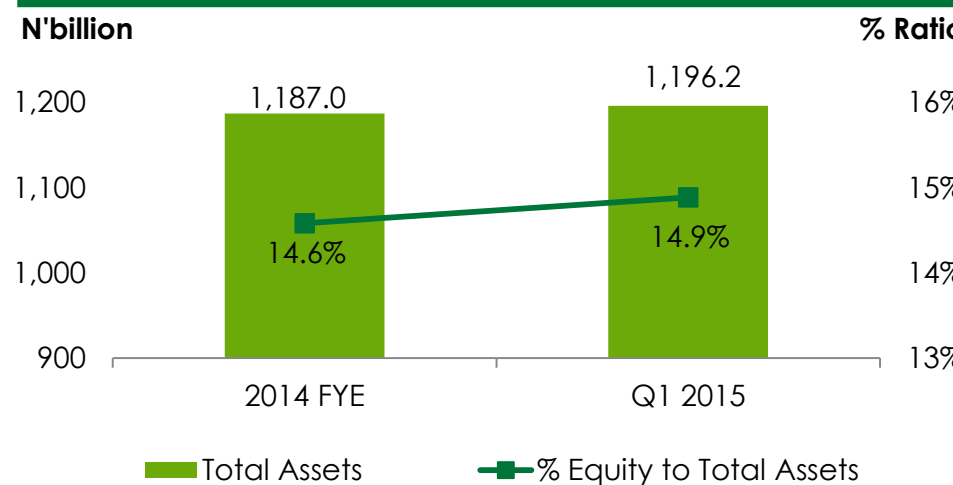
- ▶ Fidelity remains well capitalized with strong Capital Adequacy Ratio (CAR) of 22.6% compared to the regulatory minimum requirement of 15.0%.
- ▶ Total equity gained 2.8% to N178.0 billion as earnings improve; constitutes about 14.9% of total balance sheet.



Composition of Equity



Equity to Total Assets



Business Segment Analysis



	Business Description	Revenue	Deposits	Loans
Corporate & Investment Banking	<ul style="list-style-type: none"> ➤ Handles the bank's institutional clients with turnover in excess of ₦10.0bn. ➤ Key focus sectors include: <ul style="list-style-type: none"> Oil & gas upstream Oil & gas downstream Power & infrastructure Telecommunication FMCG Construction & real est. Agriculture Transport & shipping 			
Lagos & SW Bank	<ul style="list-style-type: none"> ➤ Handles retail, commercial, SME customers, and clients not matching the corporate banking criteria etc. ➤ Drives retail deposits, lending, payroll and e-products etc. ➤ Operates at 88 locations 			
North Bank	<ul style="list-style-type: none"> ➤ Handles retail, commercial, SME customers, and clients not matching the corporate banking criteria etc. ➤ Drives retail deposits, lending, payroll and e-products etc. ➤ Operates at 49 locations including FCT Abuja 			
South Bank	<ul style="list-style-type: none"> ➤ Handles retail, commercial, SME customers, and clients not matching the corporate banking criteria etc. ➤ Drives retail deposits, lending, payroll and e-products etc. ➤ Operates at 82 locations 			

Update On Bond Issuance



- ❑ All regulatory approvals have been received for the N30bn local debt issuance
- ❑ Pricing is fixed at 200bps above 7 year FGN bond using a 30 days average price discovery.
- ❑ The debt issuance is expected to be completed by mid May 2015.
- ❑ The proceeds will be deployed to fund an established deal pipeline in the Commercial, SME and retail space.
- ❑ Enables the bank lock in long term funding in a period of tightened liquidity in the industry
- ❑ The utilisation is expected to deepen our market penetration in the Commercial and Managed SME segments, who are clients we have been providing banking and financial advisory services in the last 5 years
- ❑ The SME and Commercial clients are in the following sectors; Education, Health, Manufacturing, Agriculture and General Commerce.
- ❑ Average yields on the deployed assets is expected to be at least 300bps above the total issuance cost

Outline



- 1 Fidelity Overview
- 2 Financial Highlights
- 3 Financial Review
- 4 2015 Guidance

Growth Expectations



GROWTH EXPECTATIONS ON KEY INDICATORS

S/N	INDEX	2014 Actual	Q1 2015 Actual	2015 TARGET	COMMENT
1	Net Interest Margin	6.0%	6.2%	7%	On Track
2	Tax Rate	11.1%	15%	10% to 15%	On Track
3	Loan Growth	27.1%	0.9%	10%	Behind Target - Utilization of bond proceeds expected to boost loan growth in Q2
4	Deposit Growth	1.7%	-2.7%	10%	Behind Target – Increased traction in retail/SME business and improved electronic banking collection platforms
5	Cost - Income Ratio	74.2%	71.5%	70% band	On Track.
6	Proposed Dividends	37.8%	–	30-50% (of PAT) band	On Track
7	NPL Ratio	4.4%	3.8%	4.0%	On Track.
8	ROE – Post Tax	8.0%	9.1%	10%	Behind Target – Expected improvement in profitability in the next 3 quarters



Thank You