



Q1 2013 – Earnings Press Release

This Q1 2013 Earnings Press Release should be read in conjunction with our unaudited quarter one 2013 consolidated financial results both included in this Earnings Press Release and also available on our website at <http://www.ubagroup.com/ir/>. This analysis is dated May 13, 2013. Unless otherwise indicated, all amounts are expressed in Nigerian Naira, and have been primarily derived from the Bank's annual or interim consolidated financial statements prepared in accordance with the International Financial Reporting Standards. The accounting policies used in the preparation of these consolidated financial results are consistent with those used in the Bank's Q1 2013 unaudited accounts. Additional information relating to the Bank is available on the Bank's website <http://www.ubagroup.com>.

Q1 2013 FINANCIAL HIGHLIGHTS:

Income Statement for Q1 2013 compared with Q1 2012;

- Profit before Tax was ₦17.2billion, compared with ₦15.3billion (an increase of 12.4%)
- Profit after Tax was ₦15.6billion, compared with ₦13.1billion (an increase of 19.1%)
- Total Comprehensive Income attributable to equity holders was ₦16.3billion, compared with ₦12.3billion (an increase of 32.5%).

Statement of Financial Position for Q1 2013 compared with FY 2012;

- Total Assets was ₦2,434.4billion, compared with ₦2,272.9billion (an increase of 7.1%)
- Total Liabilities was ₦2,225.0billion, compared with ₦2,080.5billion (an increase of 6.9%)
- Total Equity was ₦209.4billion, compared with ₦192.5billion (an increase of 8.8%)

Q1 2013 (ITEMS OF NOTE)

- Comparing Q1 2013 with Q1 2012, there was a 19.8% increase in gross earnings; representing approximately ₦10.4billion additional revenue.
- Total deposits improved by 13.5% from ₦1,777.8billion in FY 2012 to ₦2,017.0billion in Q1 2013 due to the success of new and improved products, as well as better service delivery.

Q1 2013 COMPARATIVE FINANCIAL ANALYSIS & RATIOS:

Financial Metric (N' Billion)	Q1'13	Q1'12	Change
Gross Earnings	62.8	52.4	19.8%
Net Interest Income	27.2	22.0	23.6%
Non-interest Income	17.5	15.9	10.1%
Operating Income	44.6	38.0	17.4%
Operating Expenses	(27.3)	(25.0)	(9.2%)
Profit/(Loss) Before Tax	17.2	15.3	12.4%
Profit/(Loss) After Tax	15.6	13.1	19.1%
	Q1'13	FY 12	Change
Total Assets	2,434.4	2,272.9	7.1%
Total Deposits	2,017.0	1,777.8	13.5%

Key Ratios	Q1'13	Q1'12
Net Interest Margins	6.0%	5.2%
Cost of Funds	3.3%	3.1%
Cost-to-Income Ratio	61.2%	65.9%
Return on Assets	2.6%	2.5%
Return on Equity	31.0%	30.6%
Loan-to-Deposit Ratio	33.7%	39.6%
Liquidity Ratio	73.8%	69.8%
Capital Adequacy Ratio	26.3%	23.5%
BVPS	635k	584k
EPS	47k	39k

Lagos, May 13, 2013 – United Bank for Africa Plc (“UBA” or “the Bank”) today announced its unaudited financial results for the first quarter ended March 2013. A profit of ₦17.2billion was achieved, representing an increase of 12.4% over the ₦15.3billion achieved in the corresponding period.

“We are pleased with our improving performance and a strong start to 2013. In preparation for the expected changes in the Banking industry, we introduced a new approach to delivering our products and services to our esteemed customers. We are confident that we are moving in the right direction to deliver on our key financial projections for 2013. Our focus will be maintained throughout 2013 with a goal of maximizing value across our businesses.” said Mr. Oduoza, UBA’s Group Managing Director and Chief Executive Officer.

Consolidated and Separate Statements of Comprehensive Income

	GROUP		PARENT	
	3 months to Mar. 2013	3 months to Mar. 2012	3 months to Mar. 2013	3 months to Mar. 2012
<i>In millions of Nigerian Naira</i>				
Gross earnings	62,765	52,413	50,130	42,318
Interest income	44,373	35,972	36,454	30,676
Interest expense	(17,214)	(13,926)	(14,824)	(12,388)
Net interest income	27,159	22,046	21,630	18,288
Fee and commission income	13,081	10,852	10,305	8,057
Fee and commission expense	(1,096)	(510)	(926)	(508)
Net fee and commission income	11,985	10,342	9,379	7,549
Net trading income	4,106	4,122	2,499	2,469
Other operating income	1,383	1,467	1,130	1,116
Total non-interest income	17,473	15,931	13,008	11,134
Operating income	44,632	37,977	34,638	29,422
Net impairment (loss)/gain on financial assets	(177)	2,191	(258)	1,428
Net operating income after net impairment loss on financial assets	44,455	40,168	34,380	30,850
Personnel expenses	(9,663)	(8,852)	(6,812)	(6,349)
Depreciation and amortisation	(1,695)	(2,365)	(1,230)	(1,823)
Other operating expenses	(15,942)	(13,806)	(12,622)	(10,682)
Total operating expenses	(27,300)	(25,023)	(20,664)	(18,854)
Share of profit of equity accounted investee	-	173	-	-
Profit before income tax	17,155	15,318	13,716	11,996
Income tax expense	(1,593)	(2,172)	(1,190)	(1,679)
Profit for the period	15,562	13,146	12,526	10,317
Other comprehensive income, net of income tax				
Foreign currency translation differences for foreign operations	841	(831)	-	-
Fair value losses on available-for-sale investments	(80)	(4)	(80)	(4)
Other comprehensive income for the period	761	(835)	(80)	(4)
Total comprehensive income for the	16,323	12,311	12,446	10,313
Profit attributable to:				
Equity holders of the Parent	15,267	12,808	12,526	10,317
Non-controlling interest	295	338	-	-
Profit/(loss) for the period	15,562	13,146	12,526	10,317
Total comprehensive income attributable to:				
Equity holders of the Parent	15,726	12,280	12,446	10,313
Non-controlling interest	597	31	-	-
Total comprehensive income for the period	16,323	12,311	12,446	10,313

Consolidated and Separate Statement of Financial Position

As at March 31, 2013	GROUP		PARENT	
	Mar-2013	Dec-2012	Mar-2013	Dec-2012
<i>In millions of Nigerian Naira</i>				
ASSETS				
Cash and bank balances	900,826	714,115	782,092	629,481
Financial assets held for trading	6,146	457	6,142	456
Loans and advances to banks	30,115	28,513	25,835	27,878
Loans and advances to customers	634,121	658,922	554,016	570,714
Investment securities	734,727	680,817	570,124	527,994
Other assets	21,645	18,598	15,474	11,159
Investments in subsidiaries	-	-	66,727	66,727
Property and equipment	69,552	70,746	62,227	63,118
Intangible assets	8,010	7,568	2,110	1,578
Deferred tax assets	29,239	29,624	28,152	28,152
Non-current assets held for distribution	-	63,563	-	5,808
TOTAL ASSETS	2,434,381	2,272,923	2,112,899	1,933,065
LIABILITIES				
Derivative liabilities	154	124	154	124
Deposits from banks	88,234	57,780	19,858	22,875
Deposits from customers	1,928,723	1,720,008	1,663,318	1,461,131
Current tax liabilities	1,989	1,274	2,515	1,325
Deferred tax liabilities	61	59	-	-
Subordinated liabilities	53,674	53,719	53,674	55,474
Borrowings	105,600	114,520	105,600	114,520
Other liabilities	46,559	81,438	35,018	57,299
Liabilities held for distribution	-	51,534	-	-
TOTAL LIABILITIES	2,224,994	2,080,456	1,880,136	1,712,748
EQUITY				
Share capital and share premium	124,423	124,423	124,423	124,423
Retained earnings	65,134	49,572	60,249	47,723
Other reserves	15,872	15,111	48,091	48,171
	205,429	189,106	232,763	220,317
EQUITY ATTRIBUTABLE TO EQUITY - HOLDERS OF THE PARENT				
Non-controlling interest	3,958	3,361	-	-
TOTAL EQUITY	209,387	192,467	232,763	220,317
TOTAL LIABILITIES AND EQUITY	2,434,381	2,272,923	2,112,899	1,933,065

Conclusion

"The first quarter was an excellent start to the year for UBA, with record earnings and solid growth across our Nigeria and Africa businesses. The results were good when you consider the challenging operating environment. Our record earnings provide tangible evidence that the course we have charted for UBA is the right one. We are pursuing market share growth in every region of Nigeria and Africa. We are optimistic that the process of regulatory reform will lead to a more competitive market for all participants, and in this context, we see emerging opportunities to fundamentally improve our market positioning. We will continue to strategically invest in our businesses, manage our expense and leverage our competitive advantage in service and convenience to win customers and take market share"

"We are encouraged by the early signs of improvement in financial markets and the economy, but remain cautious given the complexity of the risks and challenges that the operating environment presents." said Phillips Oduoza, Group Managing Director and Chief Executive Officer, UBA.

PRESENTATION OF FINANCIAL RESULTS – TELECONFERENCE CALL INVITATION

Please accept our invitation to attend a teleconference call with our top Management, as they present the full year 2012 audited financial report and quarter one 2013 unaudited financial account.

The results presentation can be downloaded from the UBA Group website in the morning of Friday, May 17, 2013, via the following link: <http://www.ubagroup.com/ir/>
Kindly dial-in five minutes before start time. Full detail of the call is shown below.

CONFERENCE CALL DETAILS	
Conference Name	UBA's FY 2012 and Q1 2013 Results Presentation
Chairperson's Name	Phillips Oduoza (Group Managing Director/CEO)
Additional Speakers	Ugochukwu Nwaghodoh (Group Chief Financial Officer)
In attendance	Kennedy Uzoka (DMD), Emmanuel Nnorom (CEO, UBA Africa), Dan Okeke (ED, Abuja and East Bank), A.J Bello (ED, Far North), Emeke Iweriebor (Group Director, Corporate Banking, Lagos and West Bank); Ayodeji Adigun (Director of Strategy); Kayode Fadahunsi (Director, Investor Relations)
Call Date	Friday, May 17 2013
Call Time	15:00 Dublin, Edinburgh, London, Lisbon
Duration (hh:mm)	01:00
Required participant Information	Name, Company
Host Dial In Number	+44 (0) 20 3023 4484
Participant Dial In Number(s)	0 800 980 512 - South Africa Toll Free +44 (0) 20 3003 2666 - Standard International Access 0808 109 0700 - UK Toll Free 1 866 966 5335 - USA Toll Free
Password	UBA

EDITOR'S COMMENT

United Bank for Africa Plc is one of Africa's leading financial institutions offering banking services to more than 7 million customers across 558 branches in 19 African countries. With presence in New York, London and Paris, UBA is connecting people and businesses across Africa through retail, commercial and corporate banking, innovative cross border payments, trade finance and investment banking.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

From time to time, the Bank makes written and/or oral forward-looking statements, including in this press release and in other communications. In addition, representatives of the Bank may make forward-looking statements orally to analysts, investors, the media and others. All such statements are intended to be forward looking statements. Forward looking statements include, but are not limited to, statements regarding the Bank's objectives and priorities for 2013 and beyond and strategies to achieve them, and the Bank's anticipated financial performance. Forward looking statements are typically identified by words such as "will", "should", "believe", "expect", "anticipate", "intend", "estimate", "may" and "could".

By their very nature, these statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, general and specific. Especially in light of the uncertainty related to the financial, economic and regulatory environments, such risks and uncertainties – many of which are beyond the Bank's control and the effects of which are difficult to predict – may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Risk factors that could cause such differences include: credit, market (including equity, commodity, foreign exchange, and interest rate), liquidity, operational, reputational, insurance, strategic, regulatory, legal, environmental, and other risks. All such factors should be considered carefully, as well as other uncertainties and potential events, and the inherent uncertainty of forward looking statements, when making decisions with respect to the Bank and we caution readers not to place undue reliance on the Bank's forward looking statements.

Any forward looking statements contained in this presentation represent the views of management only as of the date hereof and are presented for the purpose of assisting the Bank's investors and analysts in understanding the Bank's financial position, objectives and priorities and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf, except as required under applicable securities legislation