



# Unaudited 2017 Third Quarter Results Presentation

OCTOBER 2017

Africa's Global Bank

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The background features a vibrant red color with intricate, repeating geometric patterns in a lighter shade of red. These patterns include squares, diamonds, and floral motifs. A wide, horizontal white band runs across the center of the image, providing a clean space for the text.

**Section 1**

# **Introduction to UBA**



# UBA Profile at a Glance

A truly Pan-African Bank, with operations across 19 key African markets, London, New York and Paris

Over **20,000** direct and support staff at Group Level

**3<sup>rd</sup>** Third largest bank in Nigeria, by total assets, deposits and profits with an estimated c.10% market share

Serving over **14** million customers, through one of the most diverse channels in Africa;  
**1,000** branches and **2,300** ATMs **13,500** customer touch points PoS

Robust online and mobile banking platforms and social media

The Nigerian headquartered bank with one of the widest earnings diversification and **footprint across the African continent**

Meeting customers' global transaction needs through its presence in **London, New York and Paris**

**Full scale exposure to** key sectors of the **African economy**; consumer, commodities and infrastructure

### Funding, Liquidity & Capital (2017Q3)

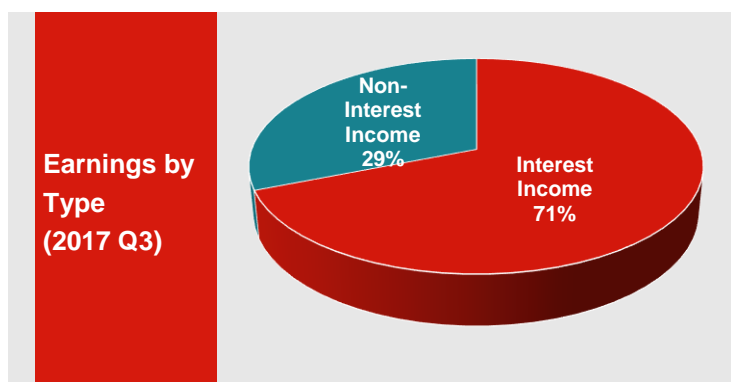
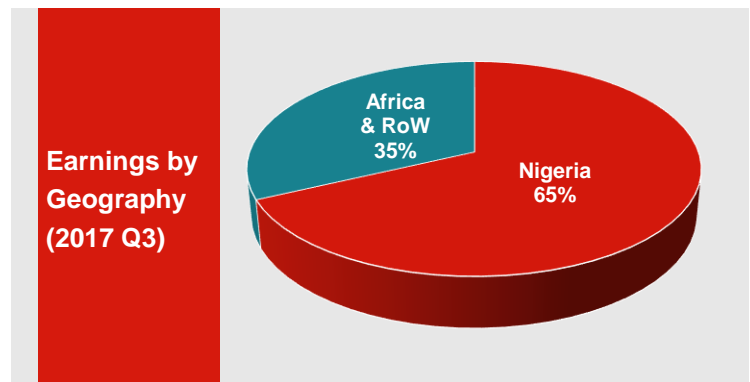
- Strong 75% stable CASA funding
- Relatively low 3.8% cost of funds
- Headroom for lower CoF, on growing African retail penetration
- Liquid balance sheet to take advantage of emerging opportunities
- Bank's BASEL II CAR strong at 19%

### Asset Creation and Quality (2017Q3)

- ₦3.8 trillion (USD12.3 billion) balance sheet size
- Loan book focused on corporate and commercial markets
- Bouquet of holistic financial solutions to regional businesses
- Target to formalize the unbanked

### Moderate risk appetite, with a good balance between profitability and sustainability

- Enhanced risk management and control framework, with clear definition of risk appetite
- Well diversified loan book: 4.2% NPL with 119% coverage (inclusive of regulatory risk reserve) & 1.1% cost of risk
- Relatively low exposure to volatile sectors and segments of the market
- Strong governance structure and oversight



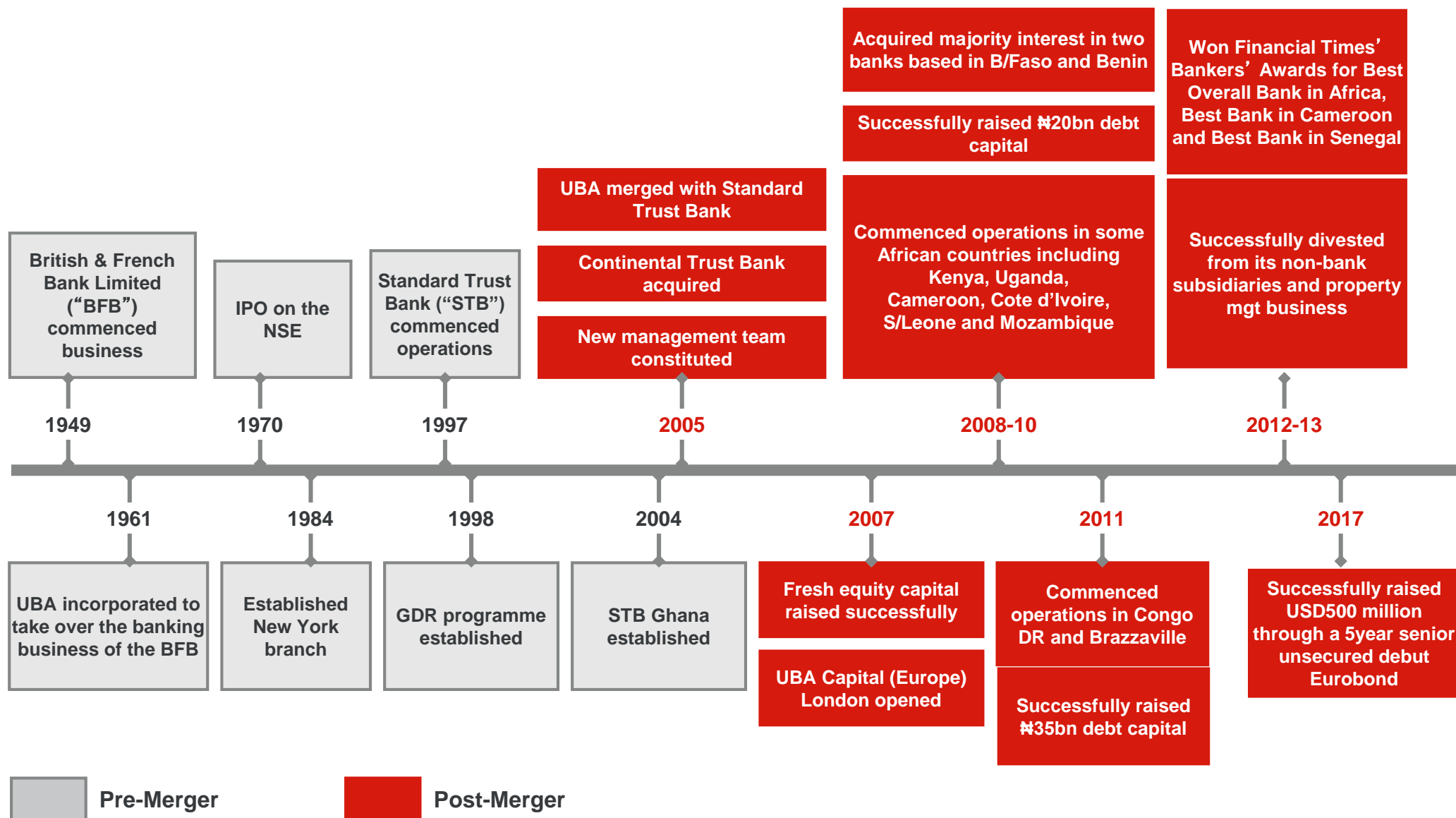
### Profitability (2017 Q3)

- RoAE of 18%; ahead of peer average
- Notable upside to NIM (7.3%), as asset yield rises and CoF moderates
- Cost-to-Income ratio of 61.5%
- Profitability built on sustainability and long term value creation

Source : <https://www.ubagroup.com/group/history>, UBA 2016 FY Investor Presentation

# Evolution of UBA

With a 67 year history, UBA is one of the strongest and most recognised banking brands to originate from Sub-Sahara Africa



Source : <https://www.ubagroup.com/group/history>

# Evolution of UBA - Building a Pan African Platform

Over the last 10 years, UBA has established a pan African platform on the back of a successful Nigerian bank

## 1949 – 2008



- Established **12 presence countries**
- Commenced operations in Cameroon, Cote D'Ivoire, Ghana, Liberia, Sierra Leone and Uganda
- Acquired majority interest in two banks, based in Burkina Faso and Benin
- Established New York and Paris operations and an associate in London

## 2009 – 2011



- Grown to 22 presence countries**
- Commenced operations in Chad, Congo Brazzaville, Congo DR, Gabon, Guinea, Kenya, Senegal, Tanzania, Uganda and Zambia.

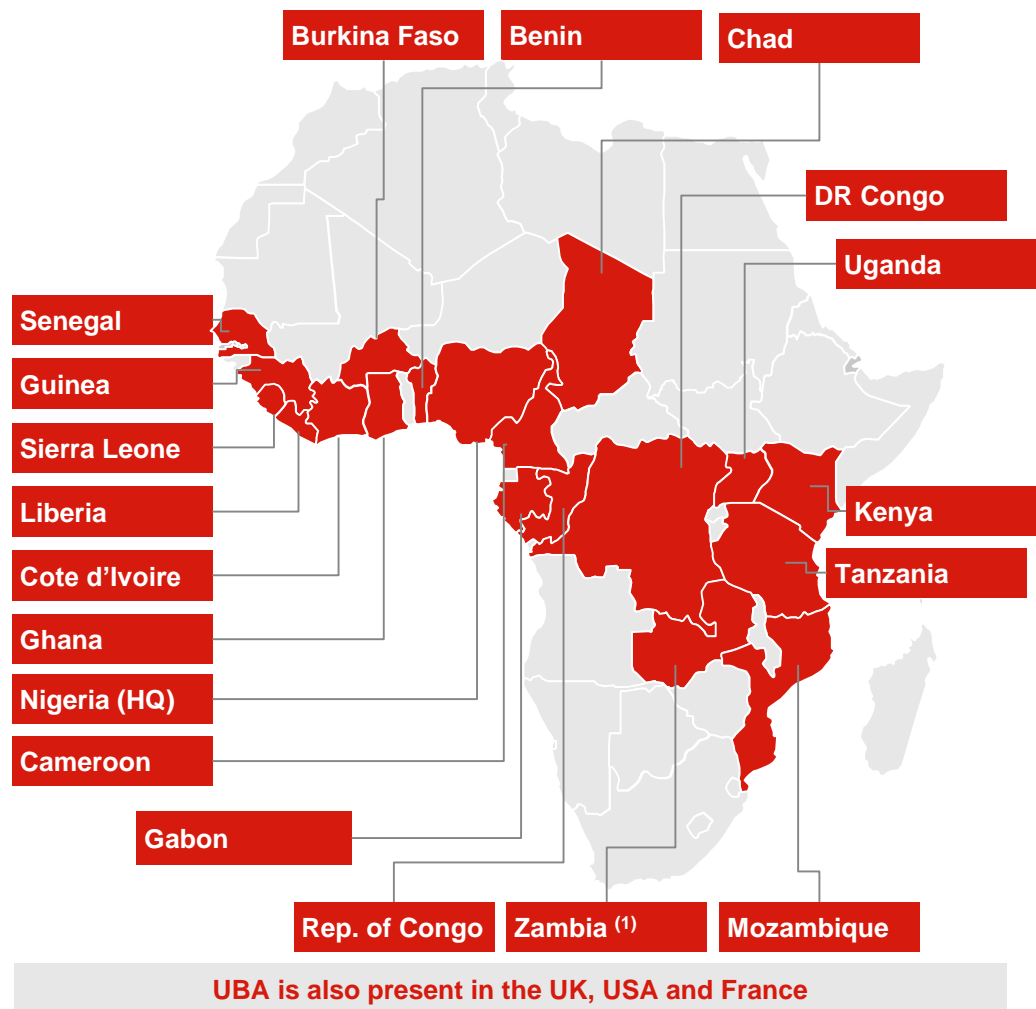
## 2012 – 2017



- Consolidating in 22 presence countries**
- London business became a subsidiary
  - Won Financial Times 'Banker' Awards for: Best Overall Bank in Africa, Best Bank in Cameroon and Best Bank in Senegal

# A Leading Full Service Pan-African Business

UBA has successfully grown its African franchise and now has growing operations in 19 African countries



Headline <sup>2</sup>	UBA's % Interest	Market Share	Total Assets	Total Deposits
UBA Nigeria	100%	Top Tier	₦2,689bn	₦1,678bn
UBA Ghana Limited	91%	Top Tier	₦298.6bn	₦160.0bn
UBA Cameroun SA	100%	Top Tier	₦235.1bn	₦140.3bn
UBA Cote D'Ivoire	100%	Mid-sized	₦105.9bn	₦63.8bn
UBA Liberia Limited	100%	Top Tier	₦32.2bn	₦19.3bn
UBA Uganda Limited	74%	Niche	₦19.5bn	₦12.4bn
UBA Burkina Faso	64%	Top Tier	₦256.3bn	₦189.0bn
UBA Chad SA	89%	Top Tier	₦71.5bn	₦39.5bn
UBA Senegal SA	86%	Top Tier	₦156.0bn	₦95.3bn
UBA Benin	76%	Top Tier	₦124.8bn	₦92.3bn
UBA Kenya Bank Limited	81%	Niche	₦34.1bn	₦16.4bn
UBA Tanzania Limited	80%	Niche	₦19.4bn	₦13.4bn
UBA Gabon	100%	Mid-sized	₦56.6bn	₦27.7bn
UBA Guinea (SA)	100%	Top Tier	₦68.5bn	₦37.9bn
UBA Sierra Leone Limited	100%	Top Tier	₦16.5bn	₦11.6bn
UBA Mozambique (SA)	85%	Niche	₦7.7bn	₦5.5bn
UBA Congo DRC (SA)	100%	Mid-sized	₦19.1bn	₦9.9bn
UBA Congo Brazzaville (SA)	100%	Top Tier	₦90.3bn	₦38.7bn
UBA Zambia Limited <sup>(1)</sup>	49%	Niche	₦22.6bn	₦18.4bn

**Major Non-banking Subsidiaries/operation**

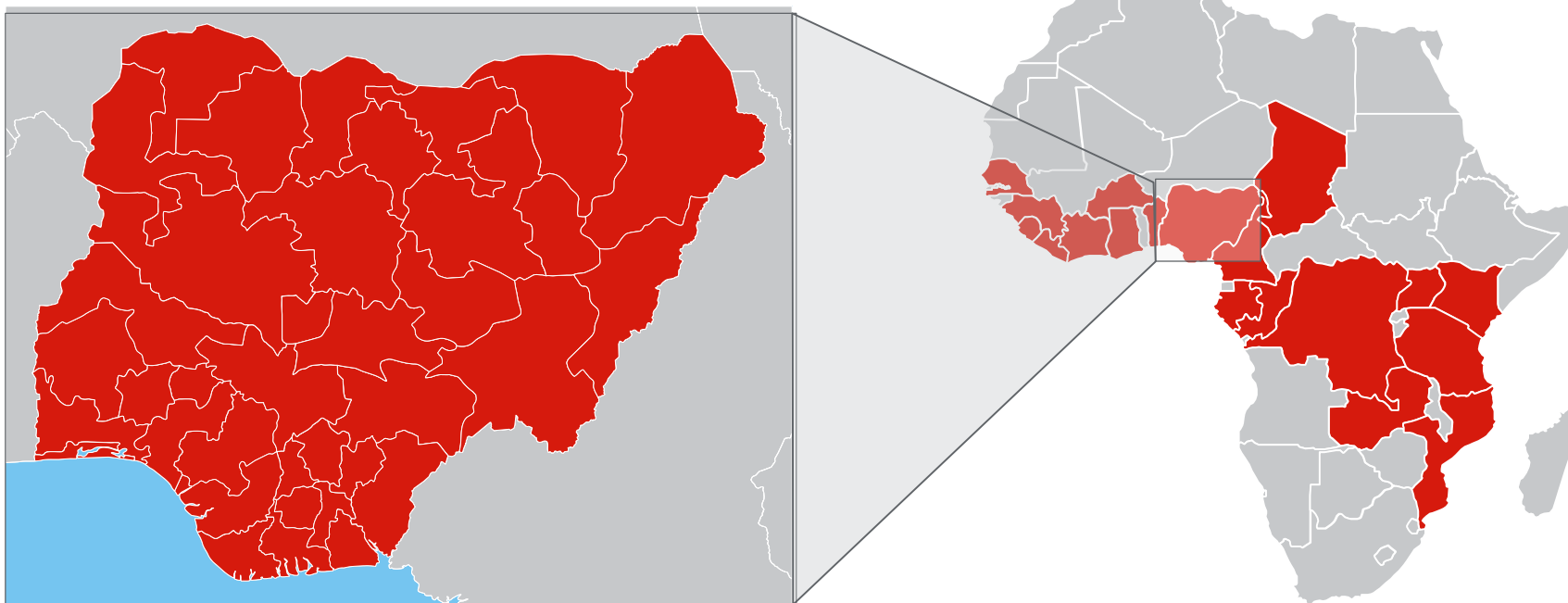
- **UBA Pension Custodian Limited**, commenced operations in Nigeria on 3 May 2006 and principally operates as a custodian of pension assets
- **UBA Capital Europe Limited**, incorporated on 25 September 1995, a London-based investment banking company
- **UBA Global Investor Service**, custody business that partners with BNY Mellon to serve as custodian to foreign investors/HNIs and local unit trust funds

Notes: (1) The Group provides banking services in Zambia through an associate company UBA Zambia Limited (2) UBA's interest, Total Assets and Total Deposits are as at December 31, 2016



# Business Strategy - Leveraging the African Platform

UBA's next growth phase will focus on deepening Nigerian play and consolidating its African businesses



## Consolidate and strengthen Nigerian play

- Deepen our value chain play to embed UBA with major corporates
- Leverage digital banking products/services to:
- Extract value for corporate customers
- Expand channel options for retail customers with a focus on financial inclusion
- Position the bank among the top three in key relationships through our customer 1st initiative

## Leverage and Strengthen Pan African Platform to provide bundled services to Pan African Corporates

- Replicate our value chain success in Nigeria across Africa
- Deploy and deepen our digital banking products for customers
- Target a significant share of diaspora flows and developmental funds across the continent
- Take advantage of our Group Shared Services platform to provide cost effective services for subsidiaries
- Create trade and treasury hubs along regional economic blocs



**Section 2**

# **Operating Environment**

## Operating Environment

- *FG launches private sector led Nigerian Economic Recovery and Growth Plan (NERGP) aimed at boosting the economy by addressing infrastructure deficit, food security and industrialization.*
- *Economy recovers from recession with a 0.55% GDP growth in 2017Q2 driven by improved performance of oil, agriculture, manufacturing and trade sectors.*
- *Government continues to focus on Agriculture as an import substitution strategy and bedrock for economic diversification.*
- *Improved oil production towards 1.85mbpd and higher oil price continue to stimulate foreign currency receipts, thus complementing efforts of the CBN to stabilise the Naira.*
- *Growing local rice production creating jobs and reducing import bills.*

## Inflation, Exchange & Interest Rate

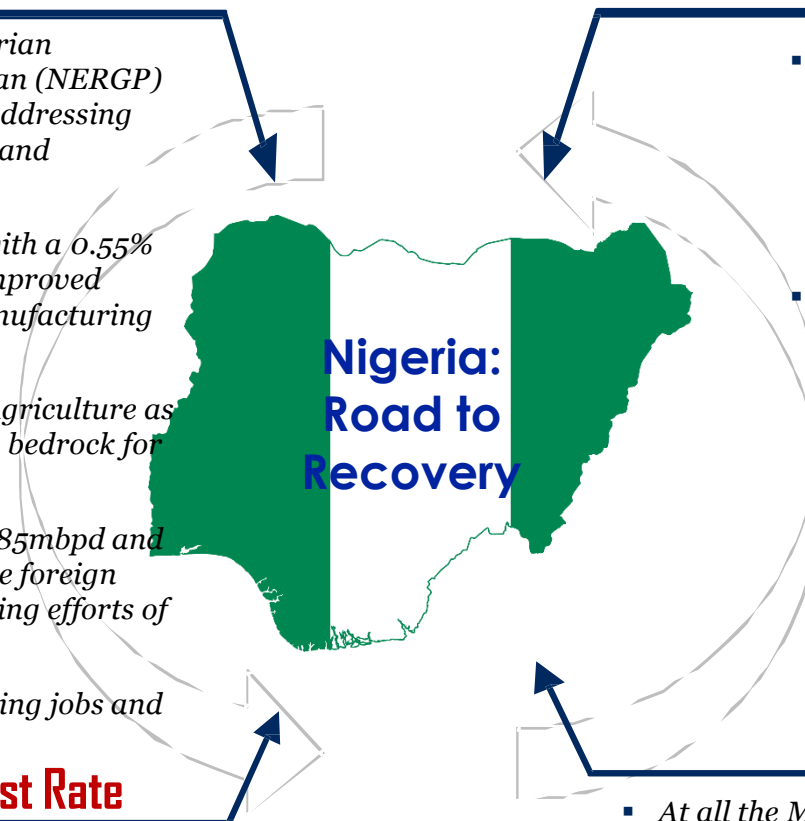
- *Headline Inflation continues to moderate, declining for seven consecutive months to 16.01% in September*
- *Interest rate remained elevated due to sustained tight monetary policy and liquidity sterilization by the CBN; albeit yields on treasury bills and bonds are moderating, shedding an average of 250bps QTD.*
- *Following the establishment of I&E window, Naira/USD rate has stabilized around N365/USD at both the I&E window and parallel market. However, market continues to seek full convergence of exchange rate, as the CBN and NIFEX rate remain at N306 and N320 respectively.*

## Oil & External Reserves

- *Nigeria's foreign reserves increased to \$33b from \$26b in Dec-16 following increased crude oil production as a result of suspension of hostilities in the Niger Delta*
- *Global oil prices increased to \$53/bl as demand improves and OPEC and non-OPEC members extend production cuts.*

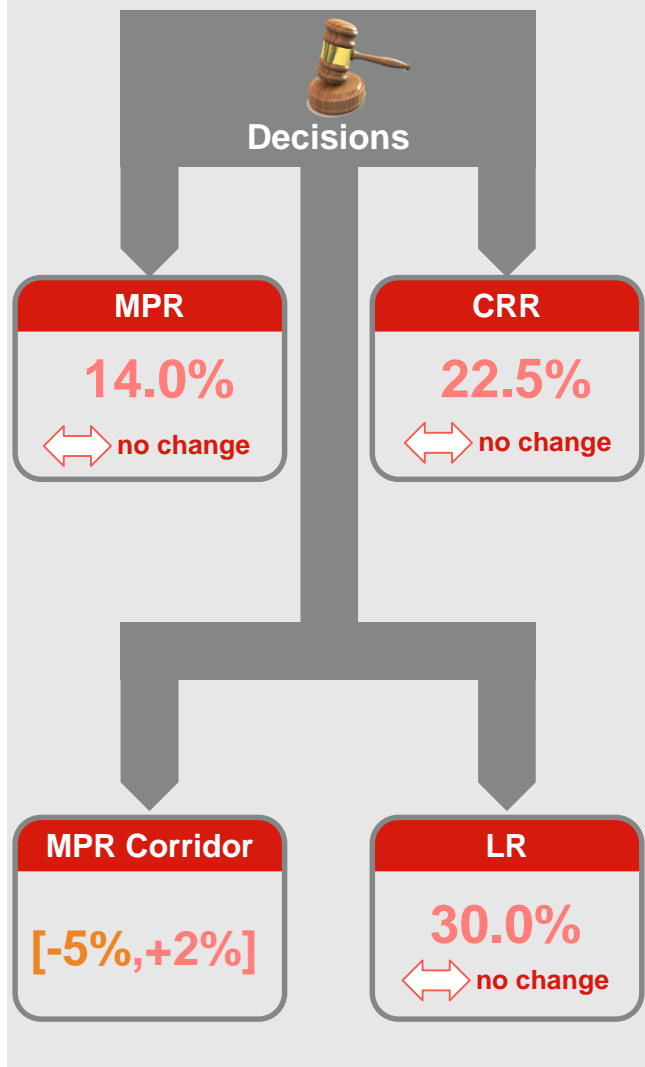
## Regulatory Regime

- *At all the MPC meetings so far held this year (Jan, Mar, May, Jul and Sept), the MPC decided to retain all monetary policy instruments at their current levels; MPR at 14.0%, CRR at 22.5% and Liquidity Ratio at 30.0%.*
- *CBN's new guide to charges by banks and other financial institutions becomes effective in May.*
- *The FIRS and respective state Senate passes Petroleum Industry Governance Bill, first of four to replace the PIB.*



# Interest rate to ease, as Naira stabilizes and inflation moderates

Monetary policy has been stable - tight posture aimed at stemming exchange rate and inflationary pressures



Source: Central Bank of Nigeria

## Monetary Policy – Interest Rate

- The MPC maintained the policy rate (MPR) at 14% up till September 2017, noting that higher MPR will have less transmission effect on relevant economic variables.
- The CBN resorted to direct liquidity sterilization, through Open Market Operations and FX forward sales, thus tightening Naira liquidity at the interbank market, and resulting to elevation of the sovereign yield curve.
- Sovereign yield curve has been elevated due to tight policy measures, albeit yields are gradually moderating and we expect a 100bps cut in MPR at the November MPC meeting, and a further 200bps rate cut in 2018H1, as lower inflation and moderated exchange rate pressure stimulate accommodative policy.

## Exchange rate development

- The introduction of the Investor and Exporters (I&E) Window has stimulated foreign currency inflows, and moderated the pressure on the Naira. Whist the FX market remains fragmented, liquidity has improved and rates at the parallel market and I&E window have converged around N360/USD.
- Over USD10 billion transaction value at the I&E window within four months, complementing >USD9 billion YTD supply of the CBN through the formal windows. We expect the NAFEX Fixing to remain relatively stable at N360/USD as external reserve, oil output and price improve; albeit political risk may rekindle the pressure on the Naira in 2018H2, ahead of the 2019 elections.

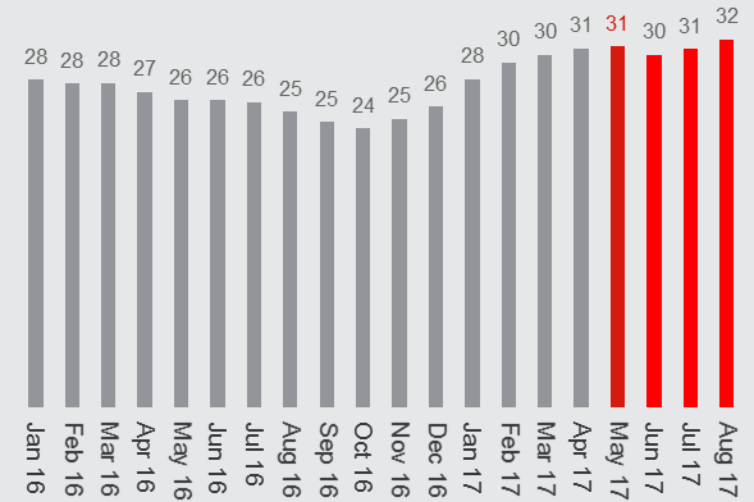
## Inflation rate

- Having peaked at 18.6% in February, headline inflation continues to ease, declining for seventh consecutive months to 16.01% in August.
- Food inflation remains obstinate at 20.25%% (though eased 3bps in August), due partly to the impact of Boko Haram insurgence on farming activities, trade as well as logistics in the agrarian North East part of the country.
- Core inflation has however been relatively subtle, printing at 12.30% in August, as improved foreign currency liquidity moderates the rise in non-food consumer good prices.
- Given recent favourable weather and expectation of stronger harvest ahead, food inflation should ease, thus reinforcing our outlook of 15% inflation by year-end and further moderation to 13% in 2018.

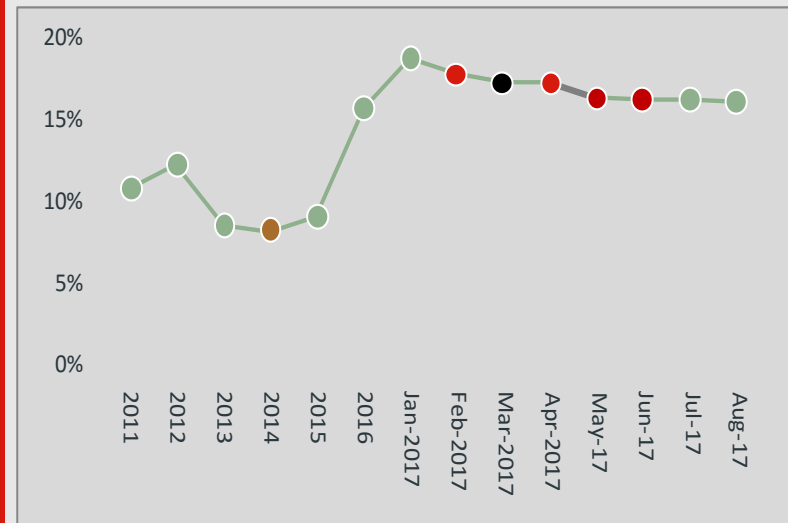
# Nigerian Naira gaining strength and inflation easing

- The Federal Government has appeased the Niger Delta, leading to relative calm and recovery of oil output, which now hovers 1.8mbpd.
- Following modest oil price recovery, stronger output and improving capital importation, the external reserve has grown 27% YTD to USD33billion, the highest level in the past 31 months. Increasing foreign currency inflow from oil receipts and FPIs/FDIs should further strengthen the reserve in 2018, even so political risk may lead to foreign portfolio reversals and lower oil production.
- The Government successfully raised a total of USD1.5 billion 15-year Eurobond at 7.875%, reinforcing renewed investor appetite for Nigerian credit.
- The Federal Government launched the Economic Recovery and Growth Plan, with optimistic targets on reflating the economy out of recession and achieving average GDP growth of 4.6% between 2017 and 2020, an audacious target, which requires broad reforms in critical growth poles of the economy.
- The National Assembly passed the Petroleum Industry Governance Bill, which is one of the four bills, expected to replace the prolonged PIB.
- The expansionary budget of N7.4 trillion was passed by the National Assembly and implementation commenced immediately.
- Even so concerns on probable revenue shortfall and high deficit / Government borrowing remains the downside risk to CAPEX implementation, the government generated N2.1 trillion revenue in the first seven months of the year, with non-oil tax representing some 66% of the revenue collection, whilst oil sector contributed 34%.
- Headline inflation continues to ease, from 18.6% peak in February to 16.01% in August, with a benign outlook of further moderation to 15% by year-end and 13% in 2018.

**External Reserves (USD bn)**



**Inflation Rate (Consumer Price Index) (%)**



Source: Central Bank of Nigeria, National Bureau of Statistics, Bloomberg



## Ghana

- Higher oil production, rising cocoa output and stronger gold production help to jump-start Ghana GDP in the first quarter of the year, growing 6.6%.
- The monetary policy authority furthered the accommodative policy initiated November 2016, cutting the MPR by a cumulative 450bps YTD to 21%.
- Headline inflation has been on the downtrend, easing to 12.1%, with a benign outlook of moderating to 10% by year-end. This reinforces expectation for further monetary accommodation, given less inflationary pressure.
- The Cedi has depreciated 4% YTD to GHC4.3/USD, but expectation of portfolio inflows and Cocoaobod loan should stabilize the LCY in the months ahead.
- Concerns on the elevated public debt, which is over 70% of GDP, remains a downside risk to fiscal sustainability and future infrastructure spending.
- Market concern around the failure of UT and Capital Bank has been contained.

## Southern Africa – Mozambique and Zambia

- Fiscal constraint remains the downside risk to economic growth in Mozambique, given the high public debt to GDP ratio of 85%.
- Albeit, the Metical has gained 15% YTD from its historic low of 2016, on the back of FX demand management and expectation of IMF programme.
- The monetary policy authority recently shifted its tight policy stance, cutting interest rate by 50bps, to stimulate credit and economic activity.
- The Zambian Kwacha has rallied 12% YTD on expectation of a USD1.6billion loan from IMF and continued inflow of portfolio investments.
- Political tension is overshadowing economic progress, including grain export agreement with East African countries in Zambia.
- As inflation eases to single digit (6.6% in July), the Zambian MPC has cut interest rate by 300bps YTD, in a bid to stimulate credit and GDP growth.

## East Africa – Kenya, Tanzania and Uganda

- Supreme court ordered fresh elections in Kenya, even so the date is being rejected by NASA.
- The drought have weakened agricultural output across East Africa, waning GDP growth to 3.9%, 4.7% and 5.7% in Uganda, Kenya and Tanzania respectively.
- Benign inflationary environment has given scope for monetary policy accommodation in East Africa. The Bank of Uganda and Bank of Tanzania have cut policy rates by 200bps and 400bps respectively, aimed at stimulating credit growth and overall economic activity. Bank of Kenya maintained policy rate at 10%, in guard against probable inflationary and exchange rate pressure that may arise from election-related spending and concern.

## Francophone markets

- GDP growth remained strong in Senegal, growing by 6.6%, on the back of rising agricultural production and stable economic output
- Infrastructure spending is driving economic growth in Cote D'Ivoire, even as Cocoa price and output remains relatively weak.
- Economic activity has been soft in Cameroon, given lower oil production and avian flu epidemic. However, continued government spending is supportive of GDP growth recovery.
- Political tension in Congo is raising concern over the stability of the country
- Generally, across Francophone African countries, inflation remains low between 2-4%.

<b>1</b> GDP Growth	≈2.5%
<b>2</b> Inflation rate	≈ 13.5%
<b>3</b> Exchange rate (NAFEX Fixing)	<b>N355/USD</b>
<b>4</b> Monetary Policy Rate	≈12%
<b>5</b> Credit to the private sector	<b>10%-15%</b>
<b>6</b> Budget Deficit	<b>2.5%</b>
<b>7</b> Debt-to-GDP ratio	<b>23%</b>
<b>8</b> Current account surplus	≈1.5%



## Section 3

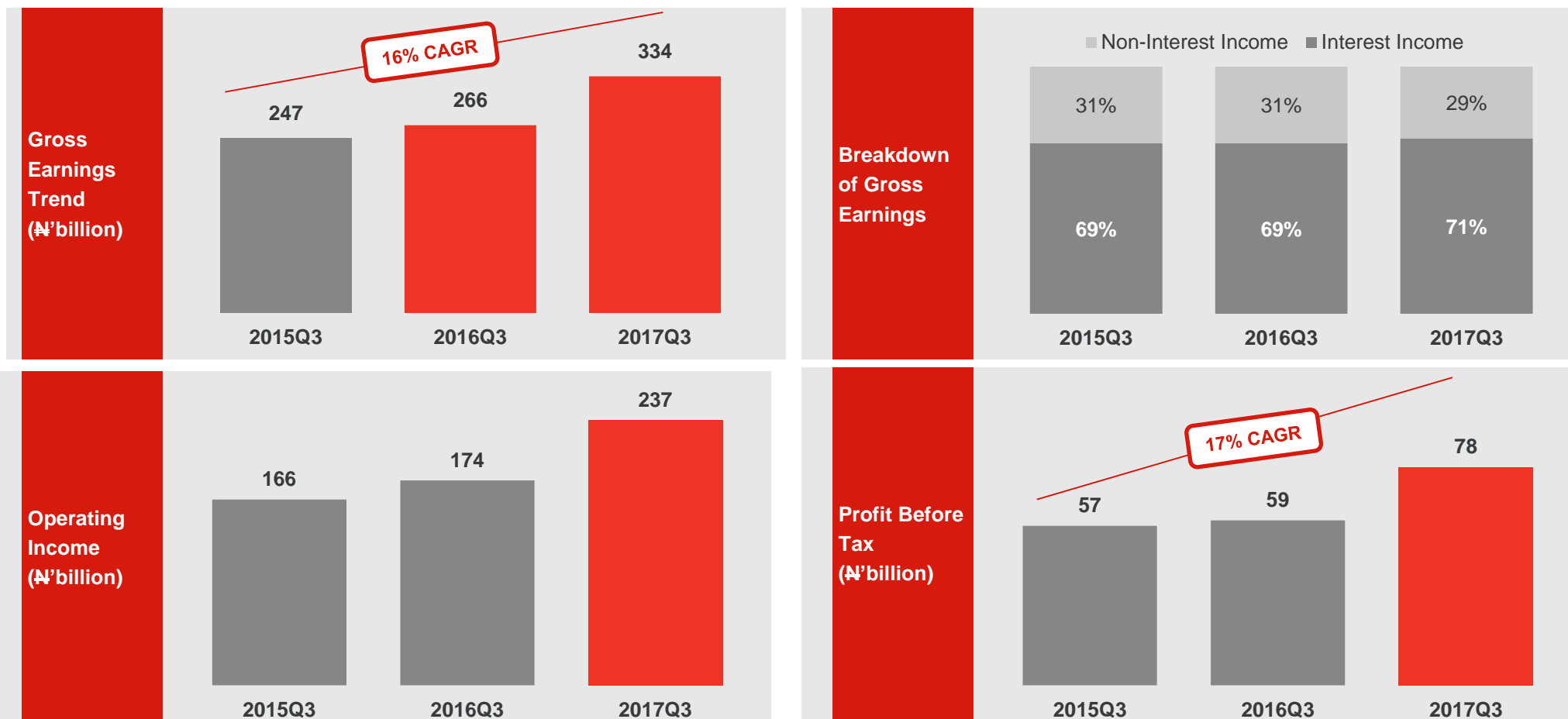
# Financial Overview

# 2017 Third Quarter Results Snapshot

		30-Sept-17	30-Sept-16	% Change
<b>COMPREHENSIVE INCOME &amp; PROFIT TREND (N'million)</b>	Gross Earnings	333,905	265,527	+25.8%
	Net Interest Income	152,297	112,073	+35.9%
	Net Operating Income	236,900	174,166	+36.0%
	Operating Expenses	(145,699)	(115,297)	+26.4%
	Profit Before Tax	78,325	58,798	+33.2%
	Profit After Tax	60,920	49,512	+23.0%
<b>EFFICIENCY AND RETURN</b>	Cost-to-Income Ratio	61.5%	62.9%	
	Post-Tax Return on Average Equity	18%	18%	
	Post-Tax Return on Average Assets	2.2%	2.1%	
		30-Sept-17	31-Dec-16	% Change
<b>FINANCIAL POSITION TREND (N'million)</b>	Total Assets	3,770,585	3,504,470	+7.6%
	Customer Deposits	2,519,652	2,485,610	+1.4%
	Net Loans to Customers	1,596,030	1,505,319	+6.0%
	Total Equity	507,627	448,069	+13.3%
<b>BUSINESS CAPACITY AND ASSET QUALITY RATIOS</b>	Total Loan-to-Deposit Ratio	63%	61%	
	Capital Adequacy Ratio (BASEL II) - Bank	19%	20%	
	Non-Performing Loan Ratio	4.2%	3.9%	

Source: UBA 2017H1 Audited Financials

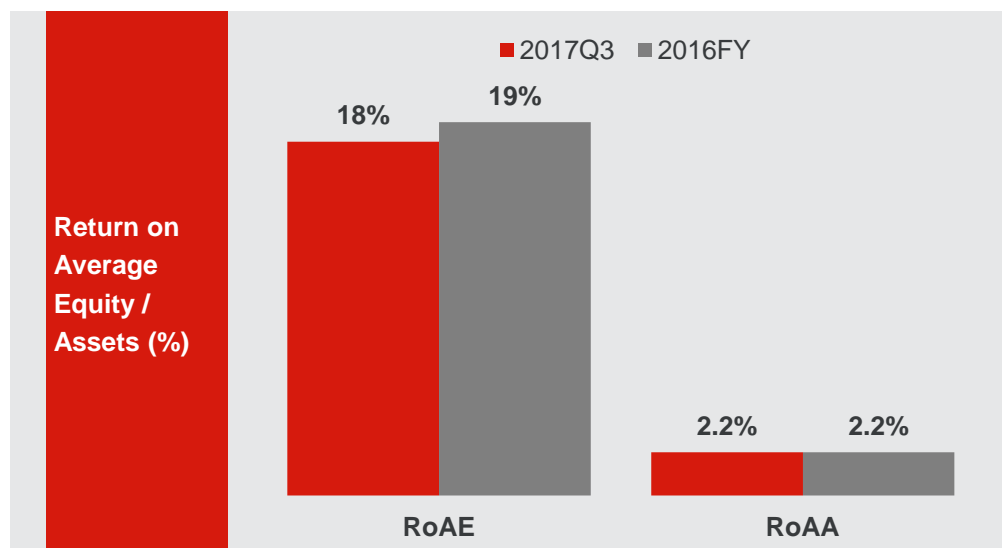
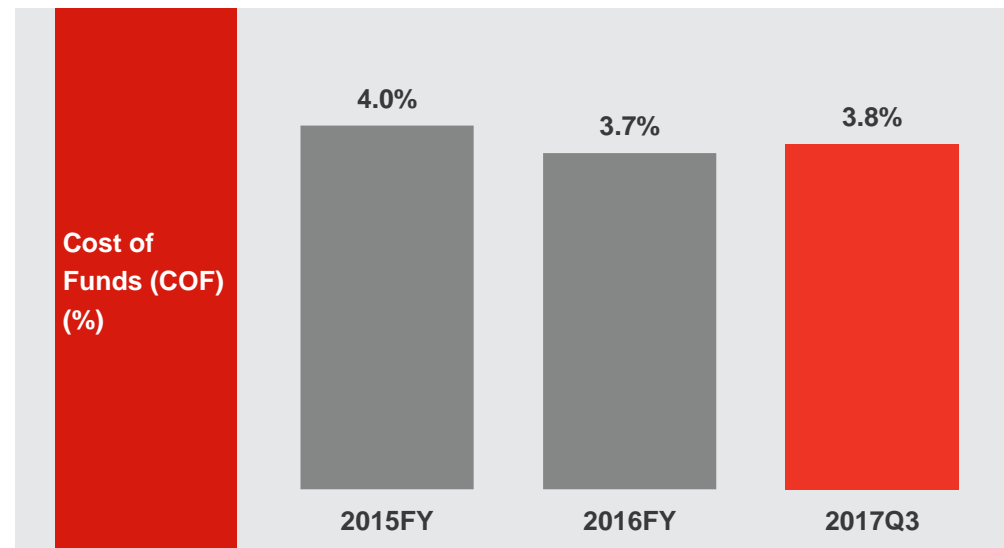
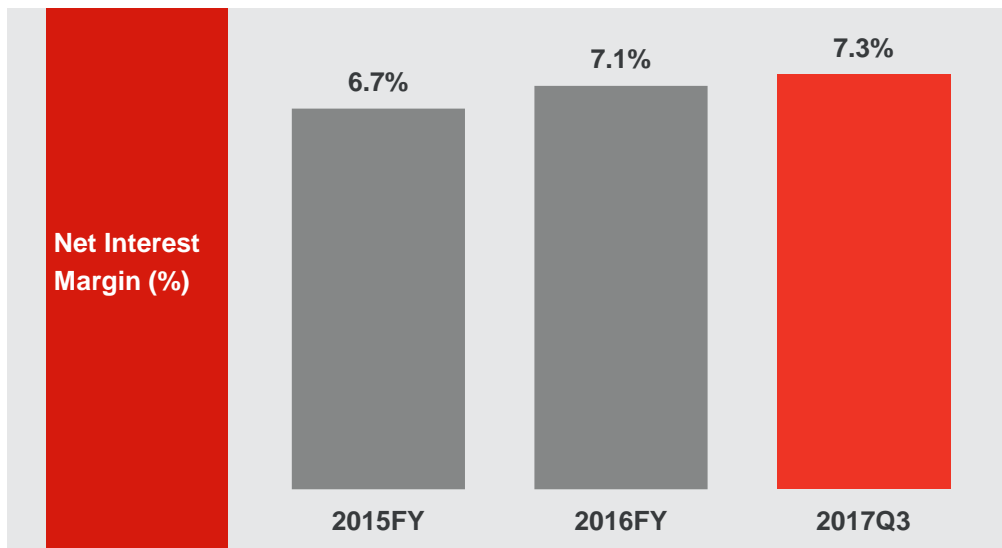
# Earnings Have Proven Strong and Resilient



- UBA grew earnings by 16% CAGR over the last 3 years, leveraging on enhanced customer engagement, improving service quality and innovative offerings.
- Interest income, which contributed 71% of gross earnings, grew 26%, driven by better pricing on the loan book as well as positive rub-off of the higher interest rate environment on treasury asset yield.
- The Bank recorded double digit growth in Non-interest income, contributing some 29% of gross earnings, thanks to strong growth in transaction volumes as well as the impact of increased FCY liquidity on FX trading income and related revenue lines.
- The Group recorded an impressive 33% YoY growth in profit before tax to N78 billion and a 23% YoY growth in profit after tax to N61 billion.



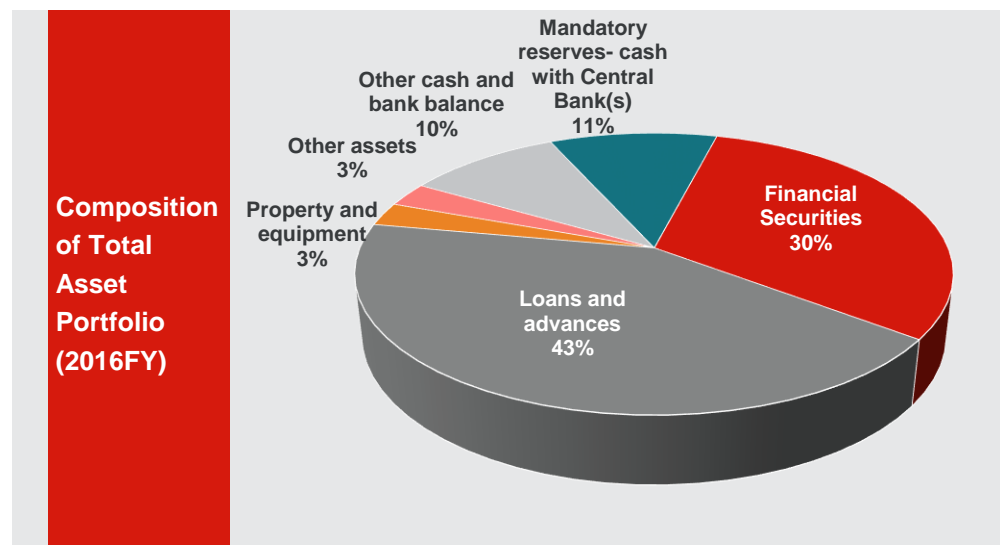
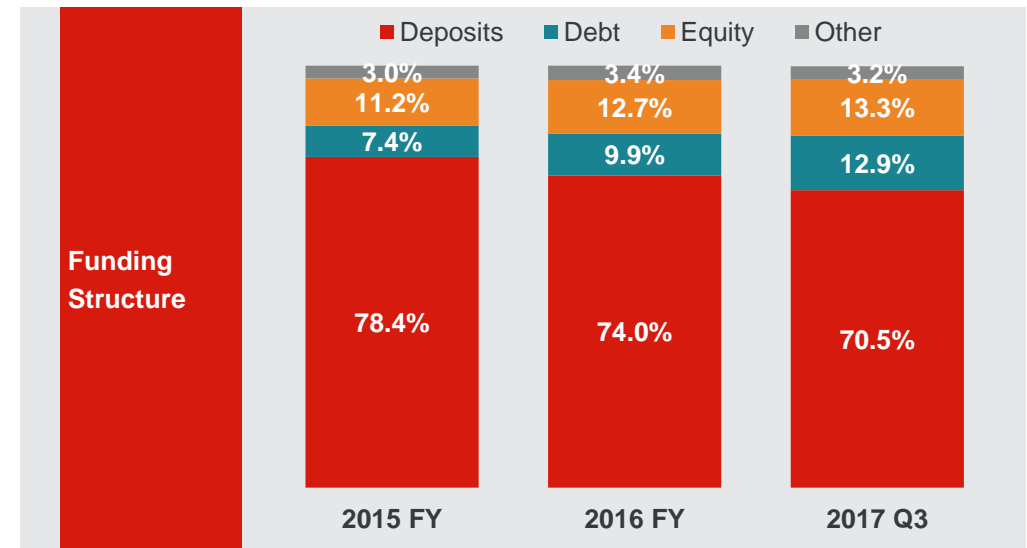
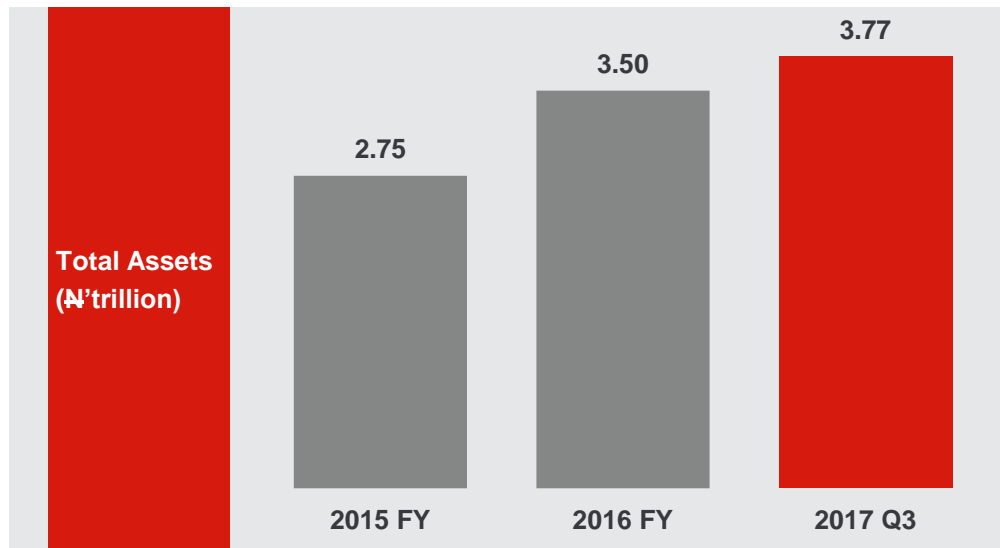
# Efficiency Gains Continue To Drive Margin Improvements



- Net interest margin (NIM) continues to improve, expanding 20bps YTD to 7.3%, on the back of pricing gains and improving balance sheet optimization, especially as the Group continues to leverage its franchise in mobilizing low-cost, stable deposits.
- Notwithstanding the tight monetary policy environment in most of the Group's markets, the cost of funds remained relatively stable at 3.8%
- Annualized 2017Q3 return on average equity of c.18% – slightly below our ≈20% target for the year 2017FY
- The return on average assets (RoAA) remained stable at 2.2%, despite balance sheet deleveraging.

Source: UBA FY2016 Audited Financials

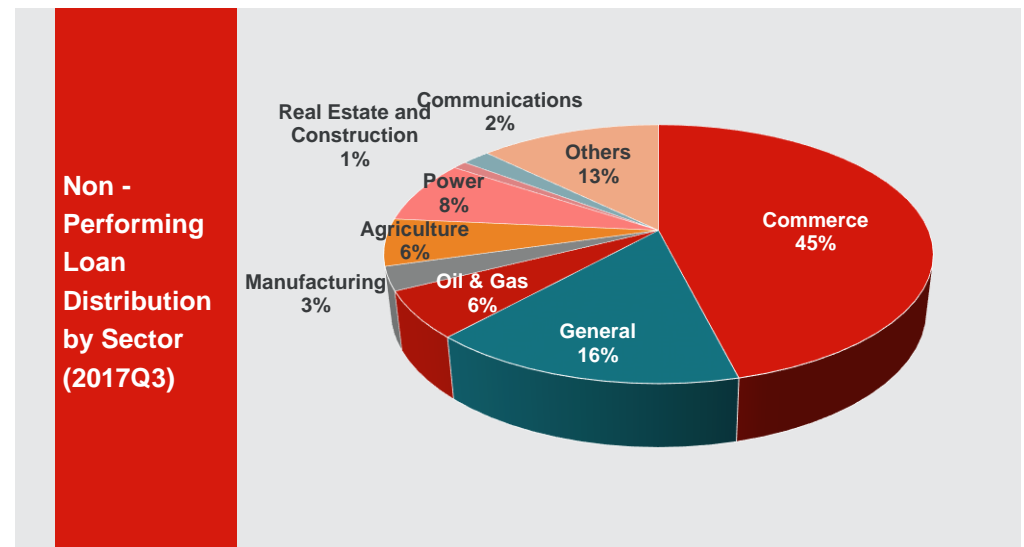
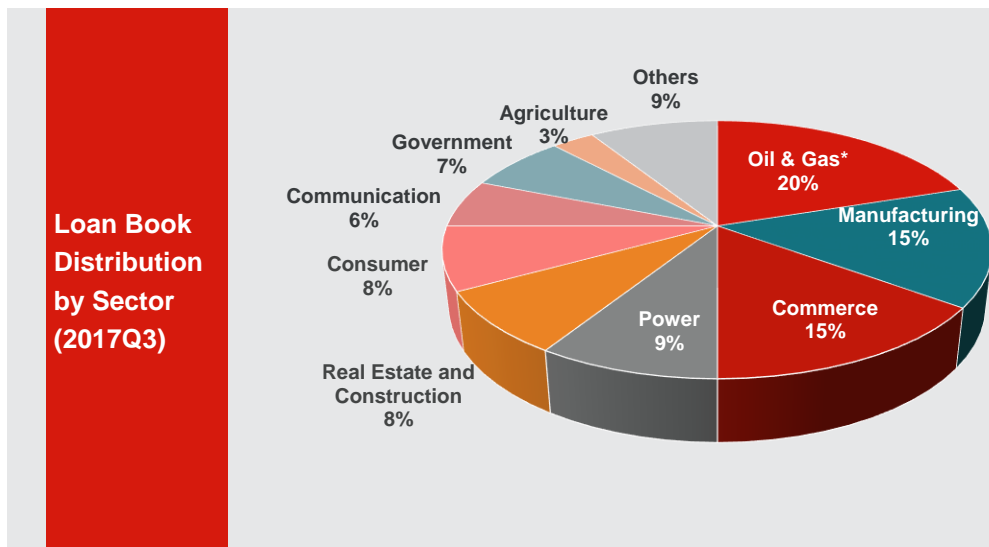
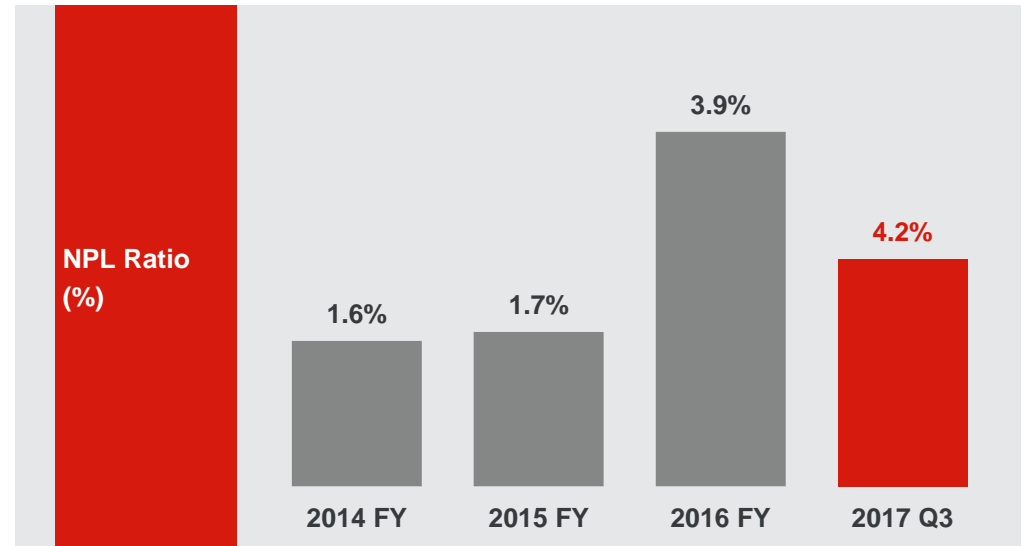
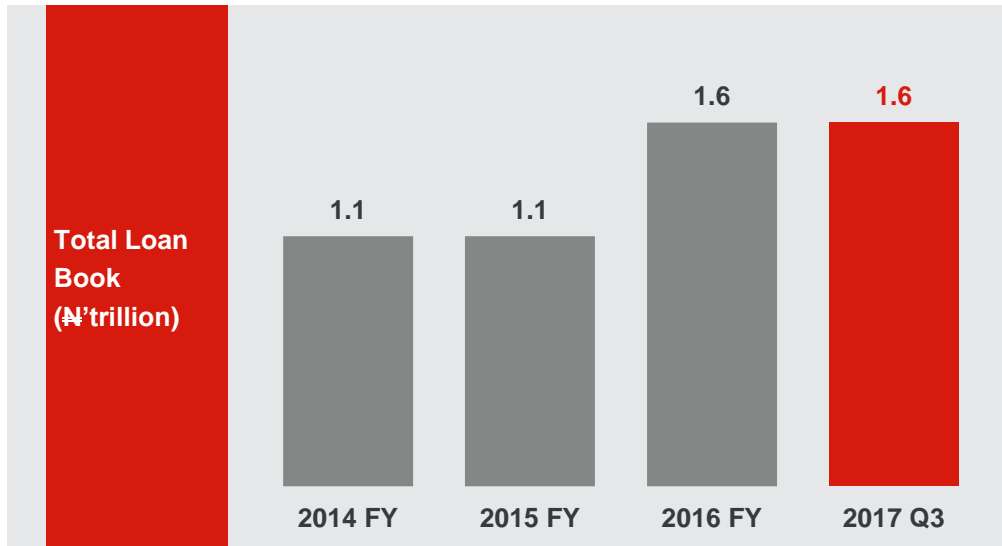
# Well Diversified Asset Book Supported By Stable Funding Structure



- In spite of economic recession in Nigeria, our single largest market, the Group's total assets grew by 8% YTD, buoyed partly by the successful issuance of USD500 million debut Eurobond,
- Leveraging on enhanced customer service, the Group grew retail deposits by 13%, at a time when households are dissaving.
- The Group maintained its appetite for a well-diversified balance sheet, with half of the assets in liquid, low risk instruments.

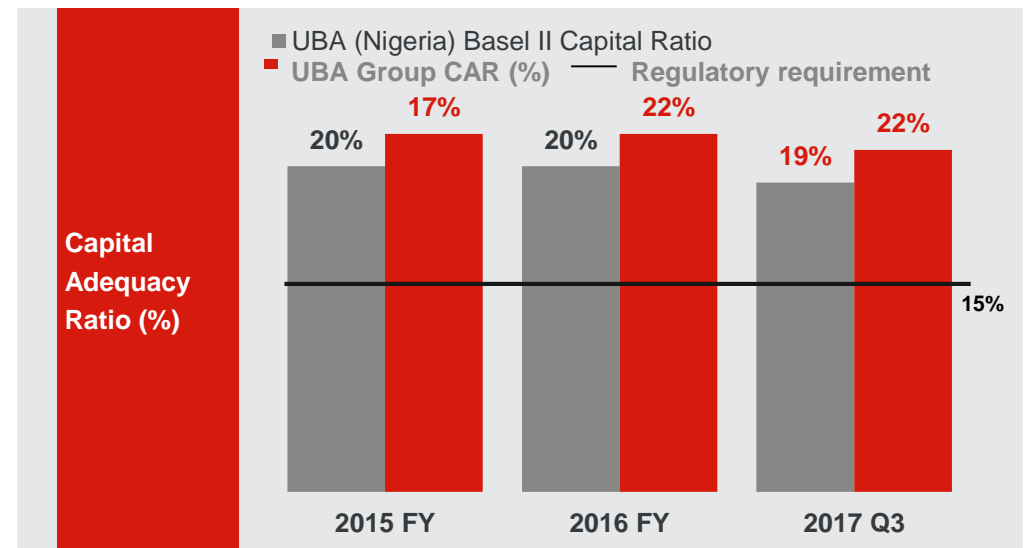
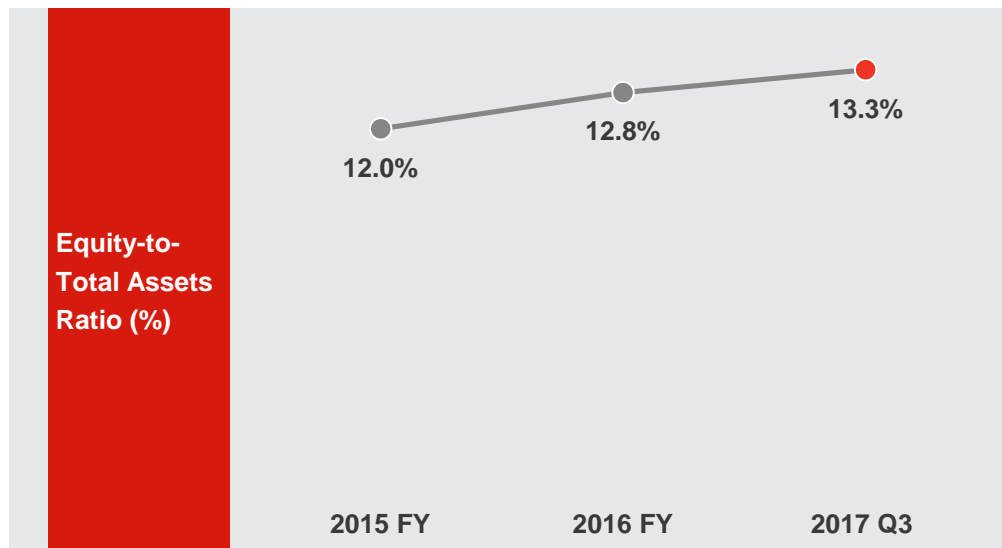
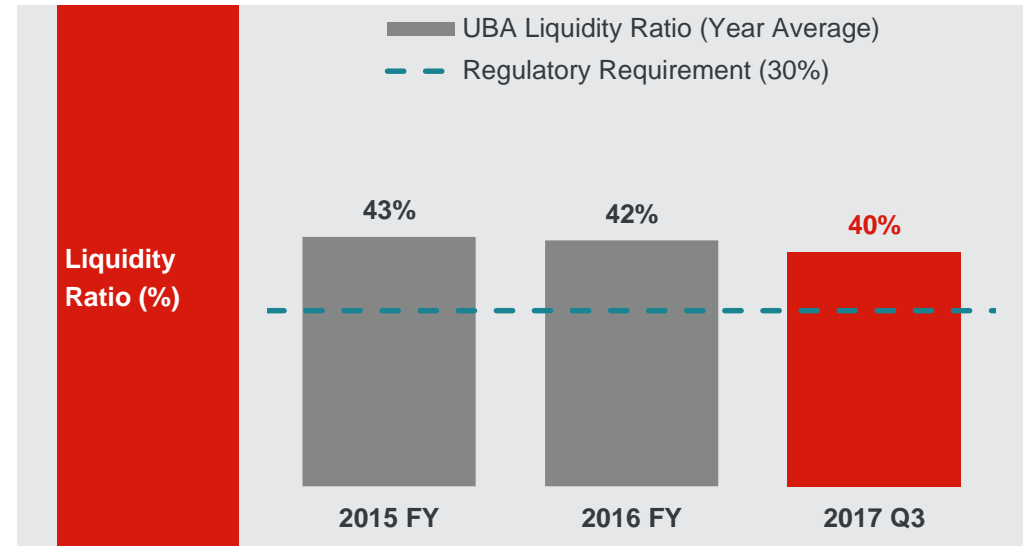
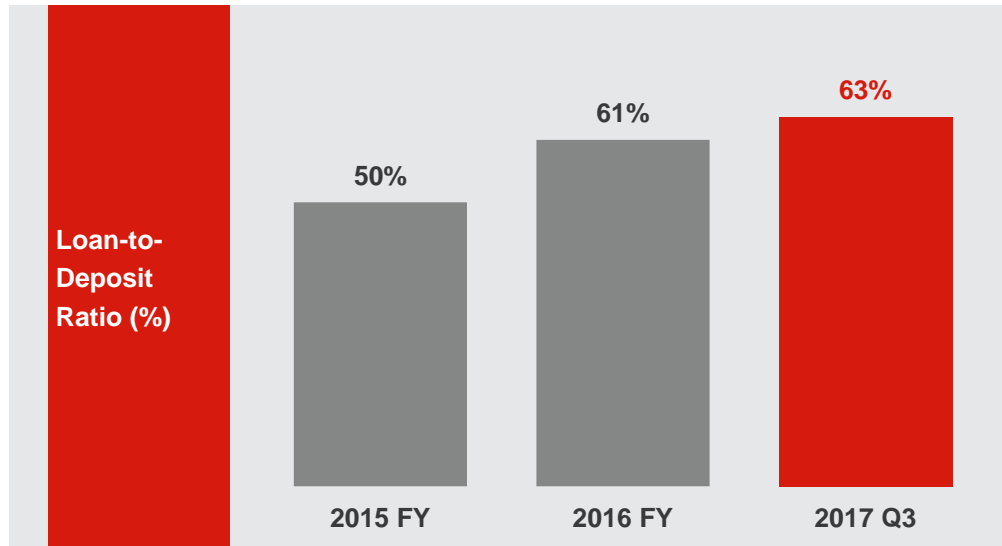
Source: UBA FY2016 Audited Financials

# Stable and Well Diversified Loan Portfolio...



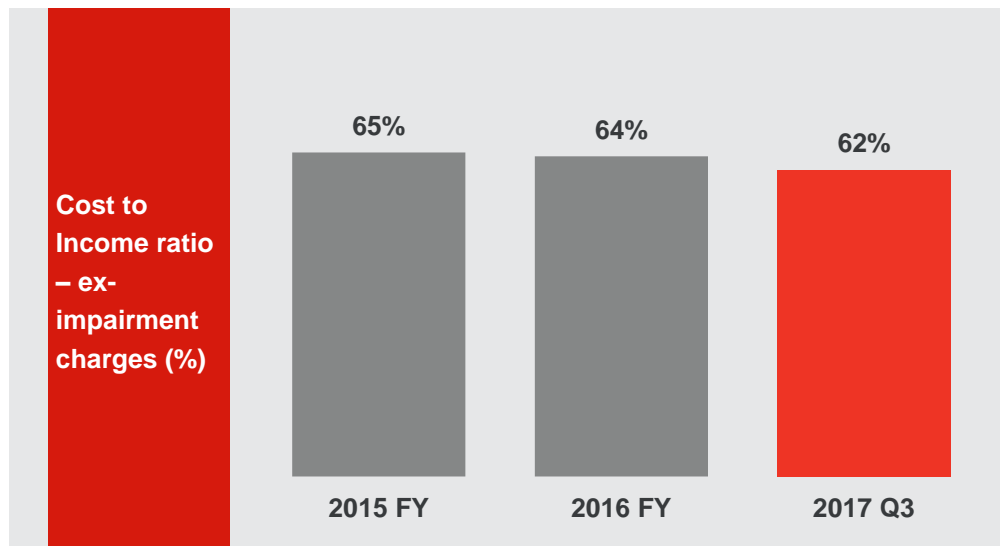
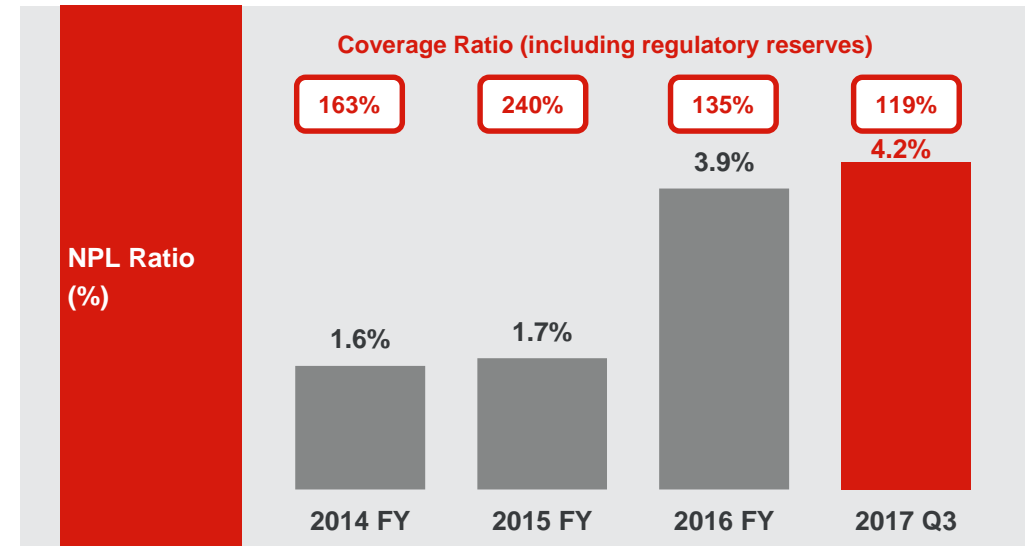
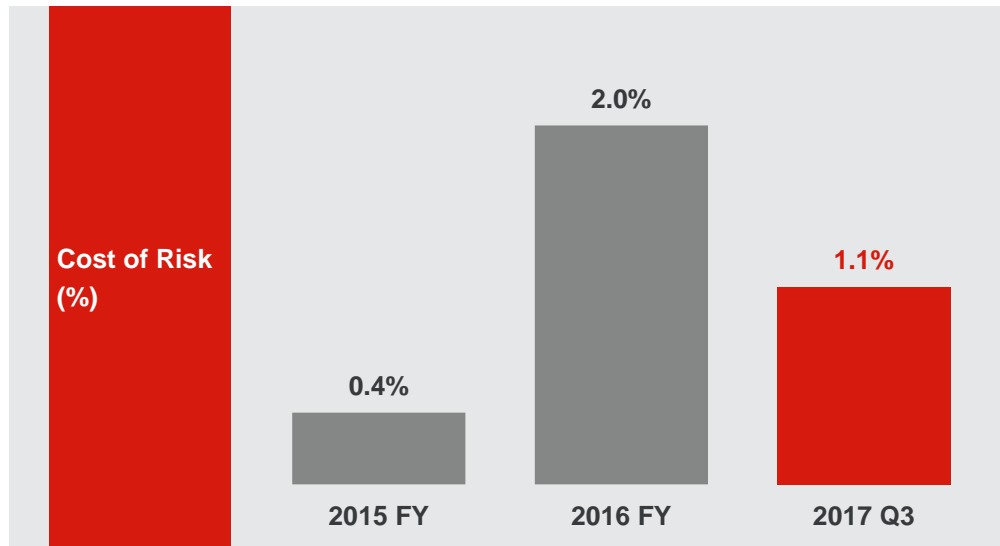
Source: UBA 2017Q3 Unaudited Financials

# ...Supported by Solid Capital and Liquidity...



Source: UBA Audited and Unaudited Financials

# ...Plus an Intense Focus on Asset Quality and Cost Efficiency



- UBA’s vision and financial goals are based on creating a sustainable business which delivers long term value creation
- This is based on maintaining moderate risk appetite to achieve a good balance between profitability and sustainability
- Well diversified loan book with compelling quality ratios: 4.2% NPL ratio, with 119% provisions coverage ratio (inclusive of regulatory risk reserve) and 1.1% cost of risk
- UBA managed through the inflationary pressure and lag impact of Naira devaluation in a number of African countries to achieve a lower cost to income ratio (CIR) of 62% in the first nine months of the year.





## Section 4

# Outlook and Key Takeaways

<b>1</b> Net Interest Margin	<b>&gt;7%</b>
<b>2</b> Cost-to-Income Ratio (ex-impairment)	<b>≈ 60%</b>
<b>3</b> Cost of Risk	<b>≈ 1.5%</b>
<b>4</b> NPL Ratio	<b>≈4.5%</b>
<b>5</b> Loan Growth	<b>10%</b>
<b>6</b> Deposit Growth	<b>10%</b>
<b>7</b> Return on Average Assets	<b>≈2.3%</b>
<b>8</b> Return on Average Equity	<b>≈20%</b>

- **A unique pan-African franchise – diversified risk and earnings across fast growing African economies.**
- **Sound governance, risk management and compliance culture – adherence to international best practice.**
- **A robust digital banking platform – leveraging technology to serve over 14 million customers in a cost efficient approach that helps to deepen African banking penetration.**
- **Strong financial capacity – high capitalization (BASEL II capital ratio well above requirement) and strong liquidity.**
- **Connecting Africa and the world through our presence in key African markets and major global financial centres – New York, London and Paris**



**Section 6**  
**Appendix**

# Summary Financials ::: Audited Results

	As at		
	30 June 2017	31 December 2016	31 December 2015
<b>ASSETS</b>		(# millions)	
Cash and bank balances	763,224	760,930	655,371
Financial assets held for trading	43,878	52,295	11,249
Derivative assets	13,931	10,642	1,809
Loans and advances to banks	11,505	22,765	14,600
Loans and advances to customers	1,560,337	1,505,319	1,036,637
Investment securities	1,093,464	970,392	856,870
Other assets	56,574	37,849	40,488
Investment in equity-accounted investee	3,029	2,925	2,236
Property and equipment	98,944	93,932	88,825
Intangible assets	15,002	14,361	11,369
Deferred tax assets	30,401	33,060	33,168
<b>Total assets</b>	<b>3,690,289</b>	<b>3,504,470</b>	<b>2,752,622</b>
<b>LIABILITIES</b>			
Derivative liabilities	61	14	327
Deposits from banks	139,630	109,080	61,066
Deposits from customers	2,448,617	2,485,610	2,081,704
Other liabilities	126,811	110,596	54,885
Current tax liabilities	3,681	5,134	6,488
Borrowings	401,984	259,927	129,896
Subordinated liabilities	86,231	85,978	85,620
Deferred tax liabilities	143	62	15
<b>Total liabilities</b>	<b>3,207,158</b>	<b>3,056,401</b>	<b>2,420,001</b>
<b>EQUITY</b>			
Ordinary share capital	18,140	18,140	18,140
Share premium	117,374	117,374	117,374
Retained earnings	149,469	138,623	113,063
Other reserves	183,502	160,714	77,250
Equity attributable to owners of the parent	468,485	434,851	325,827
Non-controlling interests	14,646	13,218	6,794
<b>Total equity</b>	<b>483,131</b>	<b>448,069</b>	<b>332,621</b>
<b>Total liabilities and equity</b>	<b>3,690,289</b>	<b>3,504,470</b>	<b>2,752,622</b>

Source: UBA Audited Financials

# Summary Financials ::: Audited Results

	For the six months ended 30 June		For the year ended 31 December		
	2017	2016	2016	2015	2014
	(₦ millions)				
Interest income	154,954	107,418	263,970	229,629	196,680
Interest expense	(53,575)	(43,286)	(98,770)	(96,030)	(90,547)
<b>Net interest income</b>	<b>101,379</b>	<b>64,132</b>	<b>165,200</b>	<b>133,599</b>	<b>106,133</b>
Fee and commission income	36,466	36,936	73,199	61,892	54,974
Fee and commission expense	(7,366)	(6,098)	(13,988)	(8,557)	(7,008)
<b>Net fee and commission income</b>	<b>29,100</b>	<b>30,838</b>	<b>59,211</b>	<b>53,335</b>	<b>47,966</b>
Net trading and foreign exchange income	28,294	19,637	43,820	20,366	32,411
Other operating income	3,004	1,589	2,658	2,957	2,550
<b>Total non-interest income</b>	<b>60,398</b>	<b>52,064</b>	<b>105,689</b>	<b>76,658</b>	<b>82,297</b>
<b>Operating income</b>	<b>161,777</b>	<b>116,196</b>	<b>270,889</b>	<b>210,257</b>	<b>189,060</b>
Net impairment loss on loans and receivables	(9,441)	(6,821)	(27,683)	(5,053)	(3,183)
<b>Net operating income after impairment on loans and receivables</b>	<b>152,336</b>	<b>109,375</b>	<b>243,206</b>	<b>205,204</b>	<b>185,877</b>
Employee benefit expense	(33,958)	(29,273)	(64,614)	(57,446)	(55,461)
Depreciation and amortization	(4,792)	(4,065)	(8,650)	(7,968)	(5,736)
Other operating expenses	(56,054)	(41,202)	(79,237)	(71,216)	(68,489)
<b>Total operating expenses</b>	<b>(94,804)</b>	<b>(74,540)</b>	<b>(152,501)</b>	<b>(136,640)</b>	<b>(129,686)</b>
Share of profit/ (loss) of equity-accounted investee	(1)	(79)	(63)	(110)	9
<b>Profit before income tax</b>	<b>57,531</b>	<b>34,756</b>	<b>90,642</b>	<b>68,454</b>	<b>56,200</b>
Income tax expense	(15,192)	(7,649)	(18,378)	(8,800)	(8,293)
<b>PROFIT FOR THE PERIOD OR YEAR</b>	<b>42,339</b>	<b>27,107</b>	<b>72,264</b>	<b>59,654</b>	<b>47,907</b>
<b>Other comprehensive income:</b>					
Foreign currency translation differences	7,694	32,432	38,960	(1,937)	(1,352)
<b>Fair value reserve (available-for-sale financial assets):</b>					
Net change in fair value	3,345	23,703	28,114	7,310	(1,239)
Net amount transferred to profit or loss	(162)	26	(1,188)	<b>795</b>	<b>29</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD OR YEAR</b>	<b>53,216</b>	<b>83,268</b>	<b>138,150</b>	<b>65,822</b>	<b>45,345</b>
Comprehensive income attributable to equity holders of the Bank	51,788	79,892	130,783	65,108	47,021
Comprehensive income attributable to non-controlling interest	1,428	3,376	7,367	714	886

Source: UBA Audited Financials