



Union Bank of Nigeria Plc
Unaudited Results for the 6 months ended 30th June, 2015

*Bank maintains profitability;
Financial metrics remain positive;
New banking platform starting to deliver expected operating efficiency*

H1-2015 Financial Highlights:

- *Bank Profit Before Tax up by 53%; N10.2bn compared to N6.6bn for H1-2014*
- *Group Profit Before Tax before gain on subsidiary sale up from N2.7bn in H1-2014 to N7.1bn in H1-2015*
- *Loan book up by 17% compared to December 2014*
- *Cost income ratio continues to improve*

LAGOS, NIGERIA – July 23, 2015 – Union Bank of Nigeria Plc, one of the oldest and most respected banking franchises in Nigeria, announces its unaudited results for the 6 months ended 30th June 2015.

Commenting on the 2015 half year results, Mr. Emeka Emuwa, Managing Director/CEO of Union Bank Plc, said:

“The successful implementation and migration to a new banking platform, Oracle FlexCube UBS, has provided a more stable operating environment for us to serve customers and process routine transactions quicker and more efficiently. In spite of economic headwinds and regulatory changes impacting the financial industry, Union Bank remains on a stable growth trajectory as we implement initiatives to grow our core banking segments.

Our gross earnings grew by 17% in the first half of 2015 compared to H1-2014, and notwithstanding the significant volatility across the macro-economic landscape, the Bank delivered Profit Before Tax (PBT) of N10.2 billion, a 53% increase over the same period in 2014. Excluding the gain on the sale of subsidiaries, the Bank delivered Profit Before Tax (PBT) of N6.7 billion, a 134% increase over the first half of 2014. Deposits also continue to move in the right direction with 8% growth when compared to December 2014. Non-volatile deposits alone grew by N55.7 billion during the first half of 2015.

As more clarity emerges in the macro-economic environment in the second half, we expect to consolidate the gains we have made in the first half of the year; maintaining our focus on delivering operating efficiencies across our operations and proactively managing our risk whilst exploring emerging opportunities in the economy.”

Further commenting on the half year numbers, Chief Financial Officer, Mrs. Oyinkan Adewale said:

“This was a good performance for the bank across most financial metrics, which can be attributed to our improving fundamentals and operational discipline. In addition to the 53%



growth in the Bank's PBT, the Group PBT also grew. The Group's PBT increased by N4.4bn in H1-2015 representing a 161% growth over the same period last year, and excluding the sale of subsidiaries.

For the second half of 2015, our focus remains on continuing to manage funding costs, reducing operating expenses and minimizing impairment costs through proactive risk management. We will also continue leveraging technology to enhance customer experience and reduce the cost of servicing customers."

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BANK FINANCIAL HIGHLIGHTS

Balance Sheet & Income Statement

- Total Assets up 11% to close at N1.0 trillion (N921bn Dec 2014)
- Net Loans & Advances up 17% to N354.5bn (N302.4bn Dec 2014)
- Customer Deposits up 8% to N547.9bn (N507.4bn Dec 2014)
- Net Interest Income up 7% to N23.1bn (N21.6bn H1-2014)
- Net Operating Income up 10% to N38.0bn (N34.7bn H1-2014)
- Total Expenses dropped to N27.9bn (N28.1bn H1-2014)
- Profit Before Tax up 53% to N10.2bn (N6.6bn H1-2014)
- Profit Before Tax excluding gain on sale of subsidiaries up 134% to N6.7bn (N2.9bn H1-2014)
- Profit After Tax up 54% to N10.1bn (N6.6bn H1-2014)

Key Ratios

- Loan to Deposit Ratio: 69% (64% December 2014)
- Net Interest Margin: 8.94% (8.97% H1-2014)
- Cost to Income ratio: 73% (81% H1-2014)
- Return on Equity 9.64% (6.93% H1-2014)
- EPS : 59.5 kobo (38.8 kobo H1-2014)

GROUP FINANCIAL HIGHLIGHTS

Balance Sheet & Income Statement

- Total Assets up 8% to N1.1 trillion (N1.0 trillion Dec 2014)
- Net Loans & Advances up 20% to N374.5bn (N312.8bn Dec 2014)
- Customer Deposits up 4% to N549.6 billion (N527.6bn Dec2014)
- Net Interest Income up 7% to N23.9bn (N22.3bn H1-2014)
- *Non-Interest Income up 26% to N12.8bn (N10.1bn H1-2014)
- *Net Operating Income up 14% to N36.7bn (N32.3bn H1-2014)
- Total Expenses flat at N29.8bn (N29.4bn H1-2014)



- Profit Before Tax up 2% to N6.6bn (N6.5bn H1-2014)
- Profit Before Tax before gain on subsidiary sales up 161% to N7.1bn (N2.7bn H1-2014)
- Profit After Tax up 2% to N6.5bn (N6.3bn H1-2014)
- Profit After Tax before gain on subsidiary sales up 167% to N7.0bn (N2.6bn H1-2014)

Key Ratios

- Loan to Deposit Ratio: 73% (64% as at December 2014)
- Net Interest Margin: 8.30% (8.23% for H1-2014)
- **Return on Equity: 5.77% (6.35% for H1-2014)
- **EPS: 37.8 kobo (35.0 kobo for H1-2014)

Notes:

**Numbers are stated before gain on sale of subsidiaries*

***H1-2014 Group profit includes gains of N3.7bn and H1-2015 includes loss of N0.5bn from sale of subsidiaries.*

For the detailed Profit and Loss Account, Balance Sheet, Cash flow statement and notes to the accounts, please visit [Union Bank Investor Relations](#)

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Notes to editors:

About Union Bank plc

Established in 1917 and listed on the Nigerian Stock Exchange in 1971, Union Bank of Nigeria Plc is a household name and one of Nigeria's long-standing and most respected financial institutions. The Bank is a trusted and recognizable brand, with an extensive network of over 300 branches across Nigeria.

In late 2012, a new Board of Directors and Executive Management team were appointed to Union Bank and in 2014 the Bank began executing a Transformation Programme to re-establish it as a highly respected provider of quality financial services.

The Bank currently offers a variety of banking services to both Individual and Corporate clients including Current, Savings and Deposit Account services, Funds Transfer, Foreign Currency Domiciliation, Loans, Overdrafts, Equipment Leasing and Trade Finance. The Bank also offers its customers convenient electronic banking channels and products including Online Banking, Mobile Banking, Bank Cards, ATMs and POS Systems.

More information can be found at: www.unionbankng.com

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