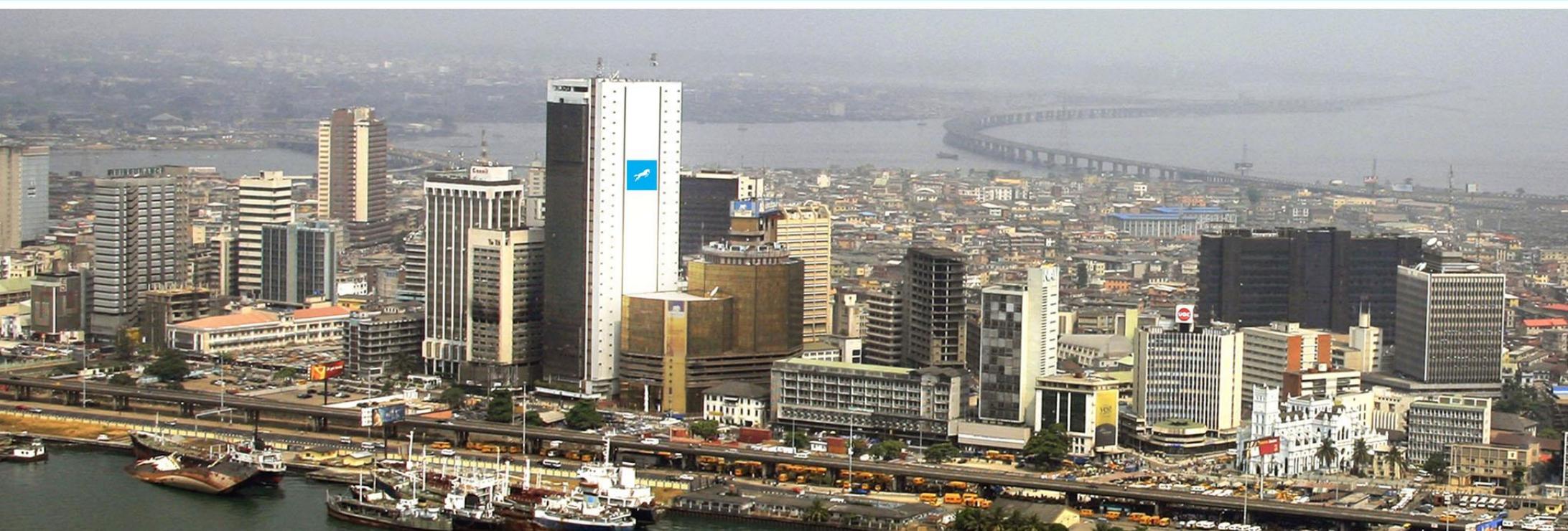




9M 2017 Financial Results Presentation

November 7, 2017



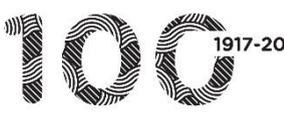
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This presentation contains or incorporates by reference ‘forward-looking statements’ regarding the belief or current expectations of Union Bank Plc, the Directors and other members of its senior management about the Group’s businesses and the transactions described in this presentation. Generally, words such as “could”, “will”, “expect”, “intend”, “anticipate”, “believe”, “plan”, “seek” or similar expressions identify forward-looking statements.

These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company and/or its Group and are difficult to predict, that may cause actual results to differ materially from any future results or developments expressed or implied from the forward-looking statements. Such risks and uncertainties include, but are not limited to, regulatory developments, competitive conditions, technological developments and general economic conditions. The Bank assumes no responsibility to update any of the forward looking statements contained in this presentation.

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UBN – Celebrating 100 Years of Strength, Reliability and Growth

1917 - 1970	1971 - 1990	1991 - 2008	2009 - 2012	2013 - 2015	2016 - 2017
<p>1917 Established as Colonial Bank</p> <p>1925 Became Barclays Bank DCO, 2nd commercial bank in Nigeria</p> <p>1969 Became Barclays Bank of Nigeria Ltd.</p> <p>1970 Grew branch network to 59</p>	<p>1971 Listed on the Nigerian Stock Exchange</p> <p>1979 Became Union Bank of Nigeria Plc.</p> <p>1983 Opened full-fledged branch in London</p>	<p>1999 2nd largest branch network with ~280 branches</p> <p>2004 Established UK subsidiary</p> <p>2005 Acquired Universal Trust Bank & Broad Bank</p> <p>Received Nigeria's Best Bank Awards in 2000-2, 2004, 2006</p>	<p>2009 Banking crisis / CBN intervention</p> <p>2012 3rd largest branch network with ~350 branches</p> <p>2012 Recapitalization with UGPL as core investors</p>	<p>2013 Strategy redefined with new management</p> <p>2014 Sale of subsidiaries with focus on core banking</p> <p>2015 Huge investments in people, process & technology</p> <p>2015 Launched re-energized brand. Awards received</p>	<p>2016 Received most improved retail bank award</p> <p>2016 Simpler, Smarter Bank</p> <p>2017 100 1917-2017</p>  

Union @ 100 – Celebrate. Impact. Lead.



Sustainability



Heritage

Innovation



Drive change in our community:

- Continue to create sustainable impact in our communities
- Establish a standard for sustainable citizenship for the private sector.

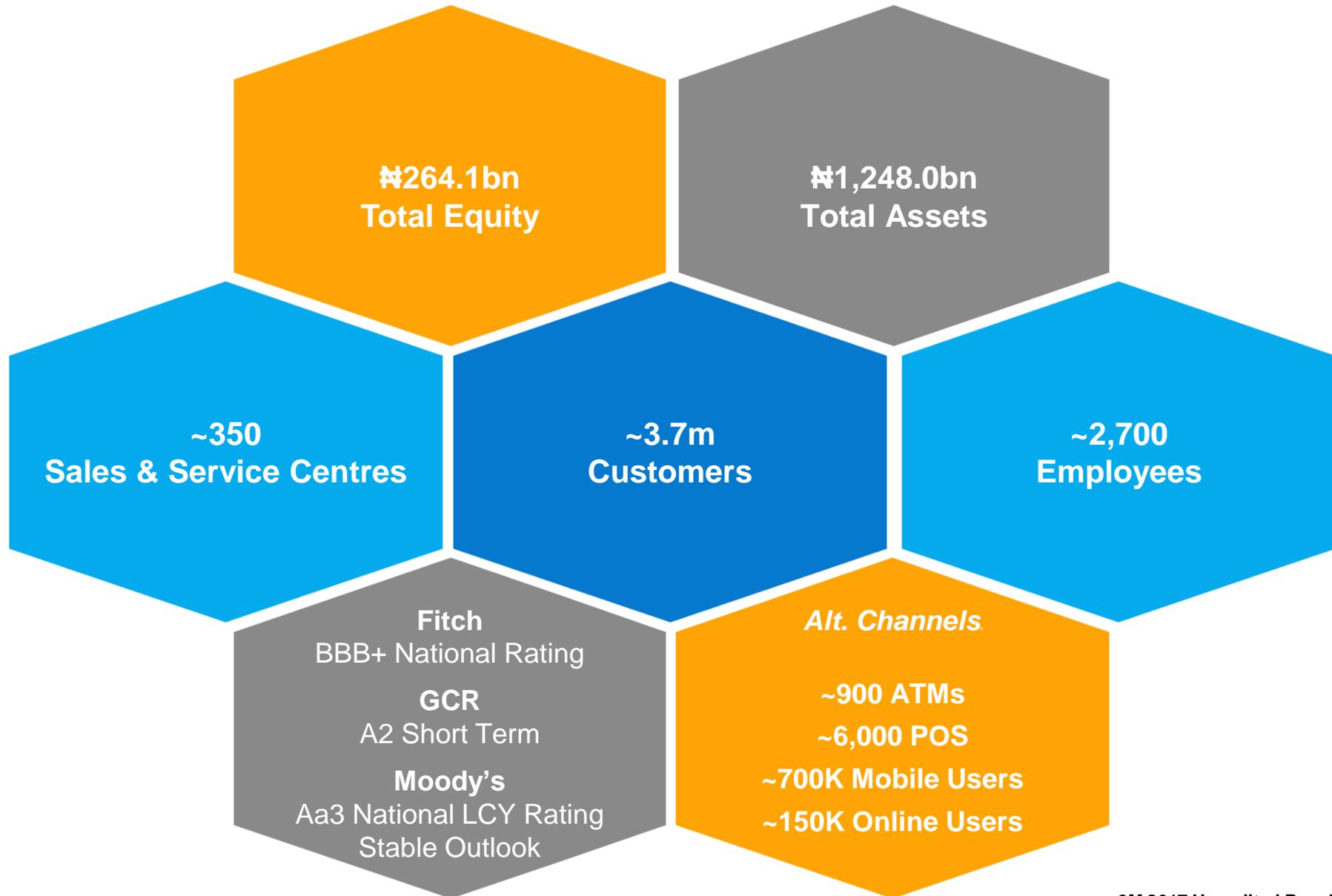
We have a rich, long heritage made possible by key stakeholders in our journey and we must celebrate them:

- **Employees, Customers, Alumni, Other stakeholders**

How we will lead in the future:

- Be at the leading edge of innovation, placing emphasis on enhancing customer experience and driving social innovation

Union Bank at a Glance (as of September 2017)





Do betta with UnionBetta!

Earn 7% interest when you start saving with as little as N5,000. To make things even betta, Union Bank will make a donation on your behalf to a charitable cause.

Building a simpler, smarter bank.

www.unionbankng.com
customerservice@unionbankng.com / 0700 700 7000

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1 The Operating Environment

2 Union Bank Update

3 9M 2017 Financial Performance

4 Looking Ahead



Less Stress, More Business

UnionOne helps you manage your finances so you can focus on what matters most to you and your business.

Building a simpler, smarter bank
www.unionbankng.com
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unionone



Make Payments



Track Collections



Check Balance



Safe & Secure

1

The Operating Environment

Emeka Emuwa
Chief Executive Officer

In 2017, the Nigerian economy has seen some ups and downs

Nigeria is exiting the recession

Macro-Economic Conditions

- **Slow start to the year**, exiting recession in Q2
- **Declining inflation**, though higher than pre-recession levels
- **Volatile oil prices** – improving reserves
- Domestic commodity prices responding positively to increased harvest output



Changing Regulation

- **Additional FX windows** restored stability
- **Tight monetary policy** – consistently high rates
- **CBN policies** to boost financial inclusion, agric. and SME



Socio-Political Development

- **Launch of ERGP 2017-2020**
- **Delayed release of funding**, impacting progress on 2017 plans requiring capital expenditure



Consumer Trends

- **Consumers are under economic pressure** therefore more “Made in Nigeria” -inclined
- **More tech savvy customers**, and are therefore driving rise of more efficient & service-oriented start-ups

Current macroeconomic trends in Nigeria reveal some positives

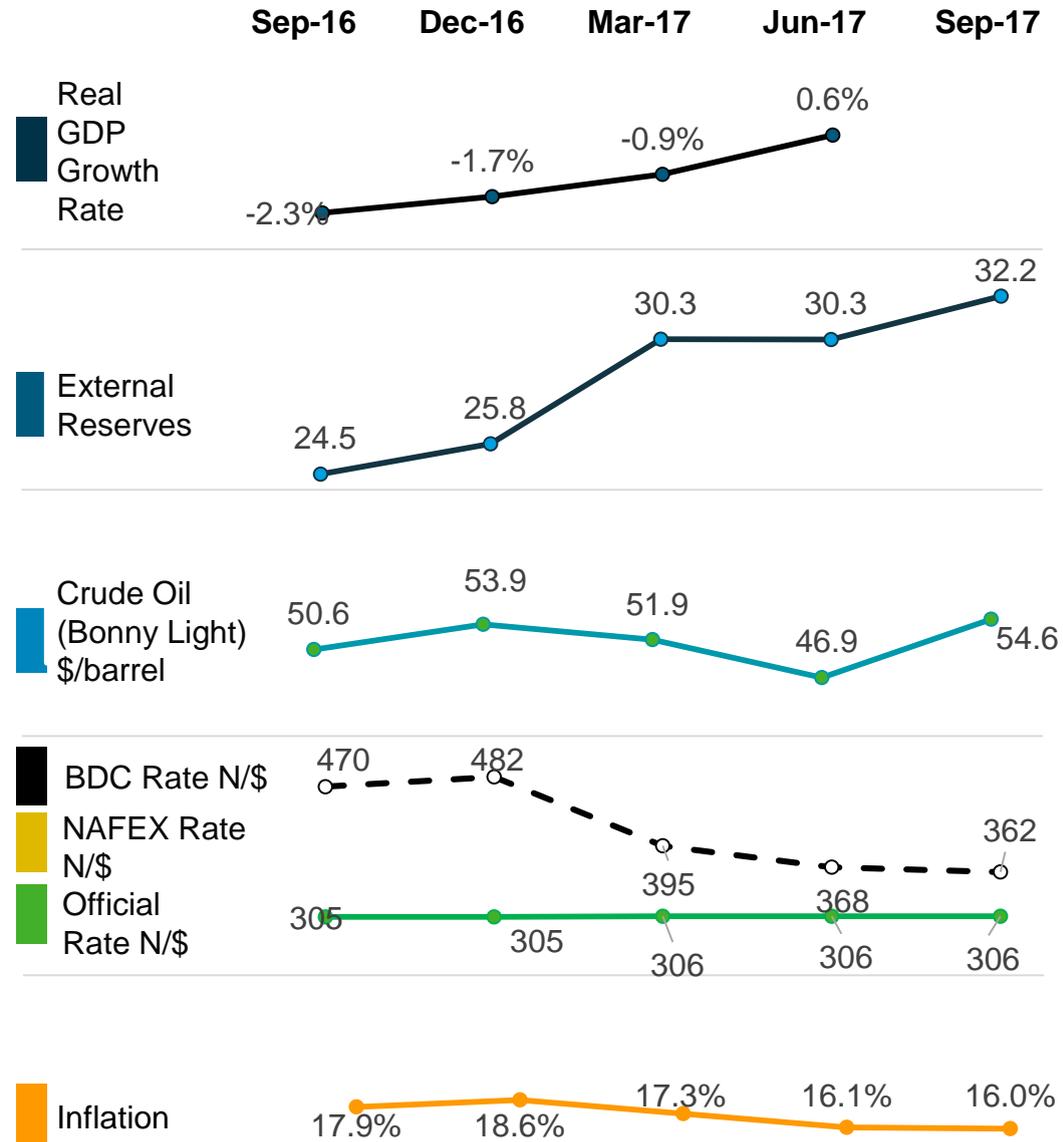
Nigeria's GDP is projected to expand 0.8¹-1%² in 2017. In Q2'17, GDP grew by 0.55% year-on-year following five consecutive quarters of negative growth.

Reserves currently stand at \$33.2bn (as of Nov 3), vs. \$32.2bn in Sept'17, and \$25.8bn in Dec'16.

Crude oil (Bonny Light) was \$64.27 (as of Nov 6), up from \$54.6 in Sept'17 and \$53.90 in Dec'16 (fuelled by higher demand and output cuts limiting supply).

As at Nov 3, the IEFX window closed at ₦360.57/\$. CBN's official FX has rate remained flat at ₦305.85/\$.

In Sept, inflation improved slightly to 15.98%. It reached an all year high of 18.60% in Dec'16 driven by increased price of general consumer goods



Recent regulatory developments highlight some positives

Q1 2017

- Flexible FX rules were introduced by the Central Bank of Nigeria (CBN), including the removal of the 60:40 FX allocation to manufacturers

Q2 2017

- The nationwide implementation of the cashless policy is suspended, with CBN directing banks to revert to old charges and refund debited customers
- A special FX window for SMEs is introduced, to enable operators import eligible items
- A special FX window for investors and exporters is introduced, to improve liquidity in the forex market
- Bank charges were revised, effective May 1

Q3 2017

- CBN reiterated the IFRS 9 guidance that was released in December 2016, providing guidance for banks to commence the parallel run of IAS 39 and IFRS 9 by October 1, 2017
- CBN announced plans to establish two new financial instruments: “Funding for Liquidity Facility (FfLF)” and “Intra-Day Facility (IDF)”; to provide liquidity support to licensed Non-Interest Financial Institutions (NIFI)
- Rates retained at 30%, 14% and 22.5% for liquidity ratio, MPR and CRR respectively, by MPC



Don't be an Uncle Thomas.
Clear Your Doubt

Locate an agent

Cardless ATM
withdrawals

Get exclusive
discounts

Find the nearest
ATM with cash

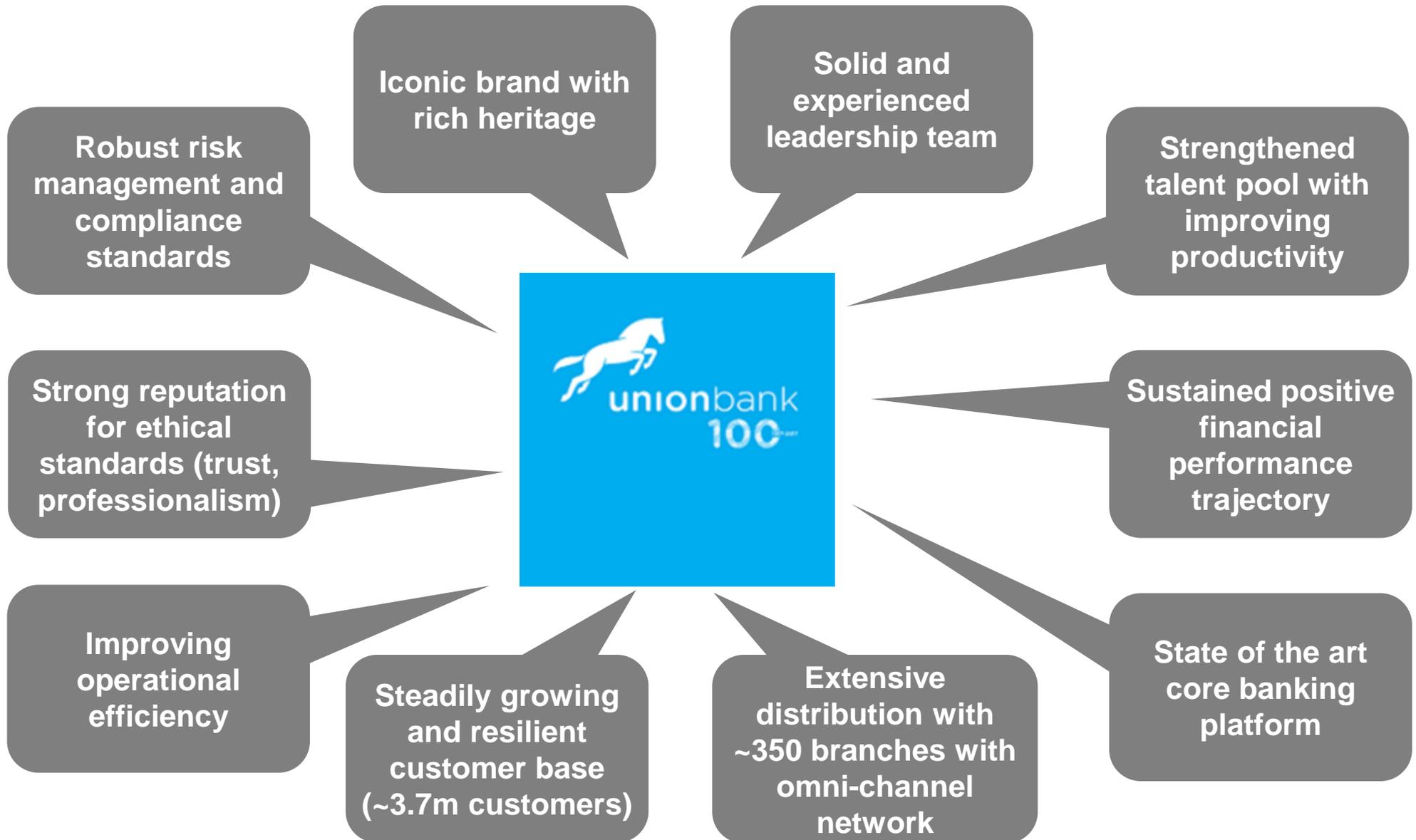


Do more on the new UnionMobile app

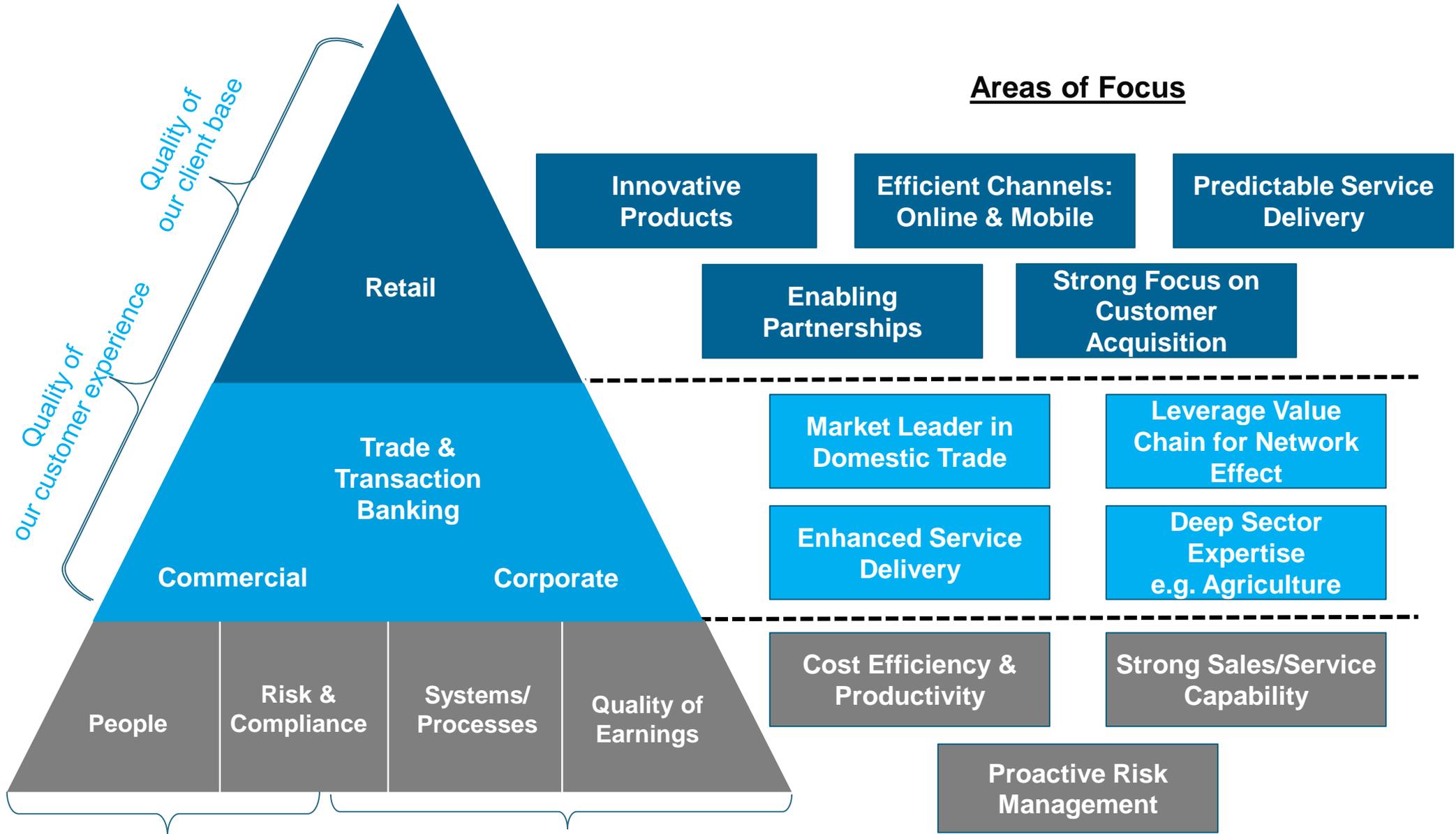
We've raised the bar on simpler, smarter banking with the new UnionMobile app. Of course to enjoy these benefits, you have to first believe. Go ahead, download the new UnionMobile app... Clear your doubt

2 Union Bank Update

Today, Union Bank is a simpler, smarter bank



Our focus remains retail, trade and transaction banking



UNION BANK UPDATE

Strategy is consistent across our businesses

Corporate

- Key transaction banking partner for strategic clients
- Optimally defend asset portfolio while deploying core product capabilities
- Provide structured solutions/services to clients

Commercial

- Provide solutions to address specific sectors
- Provide consistent service across channels
- Deliver customized advice and support

Retail

- Fully segmented retail business maximizing resource deployment
- Focus on innovative deposit solutions
- Continue to enhance alternative channel features based on customer needs and innovation

Value Chain Approach

We have made great strides in our priority areas

People

- Invested in our people to drive productivity
- Launched revised employee value proposition to drive retention
- 9th Best Company to Work For (Jobberman)

Capital

- N50bn rights issue closed
- Resolved negative retained earnings constraint to allow future dividend payments

Funding & Liquidity

- Liquidity remains above regulatory requirements of 30%
- Secured new funding and trade lines

Operational & Cost Efficiency

- Reinvested cost savings in technology and process enhancements
- Increased alternative channel push driving reduced cost to serve

Positioning

- Launched “Clear Your Doubt” campaign yielding positive results
- Reinforced simpler smarter bank through new unionmobile and uniononline
- Centenary celebrations and engagement across Nigeria

Our omni-channel network is delivering rapid digital penetration

Channel Productivity and Digital Penetration



Almost 62x growth in active mobile banking users since 2012 (~689k vs. ~11k)



Almost 18x growth in active online banking users since 2012 (>141k vs. ~8k)



~N80bn in transactions processed monthly for >830 transacting clients on UnionOne (vs. 19 in 2014 post-launch)



Almost 11x growth in active debit card users since 2012 (~2.2m vs. ~200k)



>3x growth in number of active ATMs across Nigeria since 2012 (~860 vs. ~270)



Almost 6x growth in number of active POS devices across Nigeria since 2012 (~5.7k vs. ~1k)

In 2017, we upgraded 50+ branches and continued our community and sustainability efforts

1 Upgraded Branches

- 65+ transformation projects in progress; 50 projects completed in 9M'17
- 70+ projects to be completed by end of 2017



2 Community and Sustainability Achievements

- Partnered with JAN (Junior Achievement Nigeria) on second year of LEAD Camp 2017
- Sponsored the 2nd edition of Foto.Factory.Lagos, a platform for supporting budding photographers
- Partnered with Girls Coding (Pearls Africa Foundation) to organize a tech training residential camp for 50 girls from underserved communities around Lagos
- Conducted wehub (the bank's internal women's empowerment network) hangouts in over 15 states across the country
- Impacted over 3000 students through our bank-led financial inclusion teaching/mentoring activities
- Trained 36 entrepreneurs with Junior Chamber International, as part of 19th Leadership Academy
- Continuously adopted environmentally friendly business practices and operations:
 - Deployment of energy efficient equipment to help reduce our carbon footprint
 - Continued expansion of recycling footprints, with plans to expand to 40 remaining Lagos branches, Abuja and Kano in 2018

Union @ 100: Our centenary celebrations have been community and customer-focused, inspiring discussions around “the next 100”

100th Anniversary Initiatives and Celebrations in H2 2017



Launched 30+ branches across 16 states (Abia, Abuja, Benue, Delta, Ebonyi, Enugu, Kaduna, Kano, Katsina, Kogi, Kwara, Lagos, Niger, Ogun, Oyo and Plateau)



“The Next 100: A Call to Action,” organized to position the bank as a leading private sector organization for the achievement of the sustainable development goals (SDGs) in Nigeria



Hosted anniversary galas across the country to honor customers and stakeholders who have supported the bank over the years



Celebrated customers and employees during the 100th Anniversary Customer and Employee Giveaway promos



Engaged Nigeria in special ways – through the Centenary Art Challenge, we engaged creatives across Nigeria, further recognizing art as an important expression of our culture. The Centenary Innovation Challenge focused on ideas that can resolve typical issues faced by everyday Nigerians



Supported the growth of technology-enabled startups through Start-Up Connect, an acceleration programme designed in partnership with Co-Creation Hub

Our rights issue closed on Oct 30 and proceeds expected by year-end



Union Bank Rights Issue

₦49.7 BILLION

rights issue of
12,133,646,995

ordinary shares of
50kobo each

at **₦4.10** per share

On the basis of 5 (five) new ordinary shares for every 7 (seven) ordinary shares held as at August 21, 2017.

Payable in full on acceptance

Issue opens
September 20, 2017
Issue closes
October 30, 2017

Lead Issuing House: CHAPEL HILL ADVISORY PARTNERS LIMITED
Joint Issuing Houses: Stanbic IBTC, rsdh

Please read the Prospectus/Rights Circular and where in doubt, consult your stockbroker, fund/portfolio manager, accountant, banker, solicitor or any other professional adviser for guidance before subscribing.

Any shareholder who has not received his / her Rights Circular is advised to contact the Registrars, GTL Registrars, 274 Murtala Muhammed Way, Yaba, Lagos (+234-(0)1-2917747, +234-(0)1-2793960-2), any of the Issuing Houses, or any Union Bank branch nationwide.

Your simpler, smarter bank. www.unionbanking.com customerservice@unionbanking.com / 0700 700 7000

Overview

- ₦49.7 billion rights issue size
- 12.1 billion ordinary shares of 50 kobo each at N4.10 per share
- On the basis of 5 (five) new ordinary shares for every 7 (seven) ordinary shares held as at August 21, 2017
- Acceptance list opened Sept 20 and closed Oct 30, 2017

Use of Proceeds

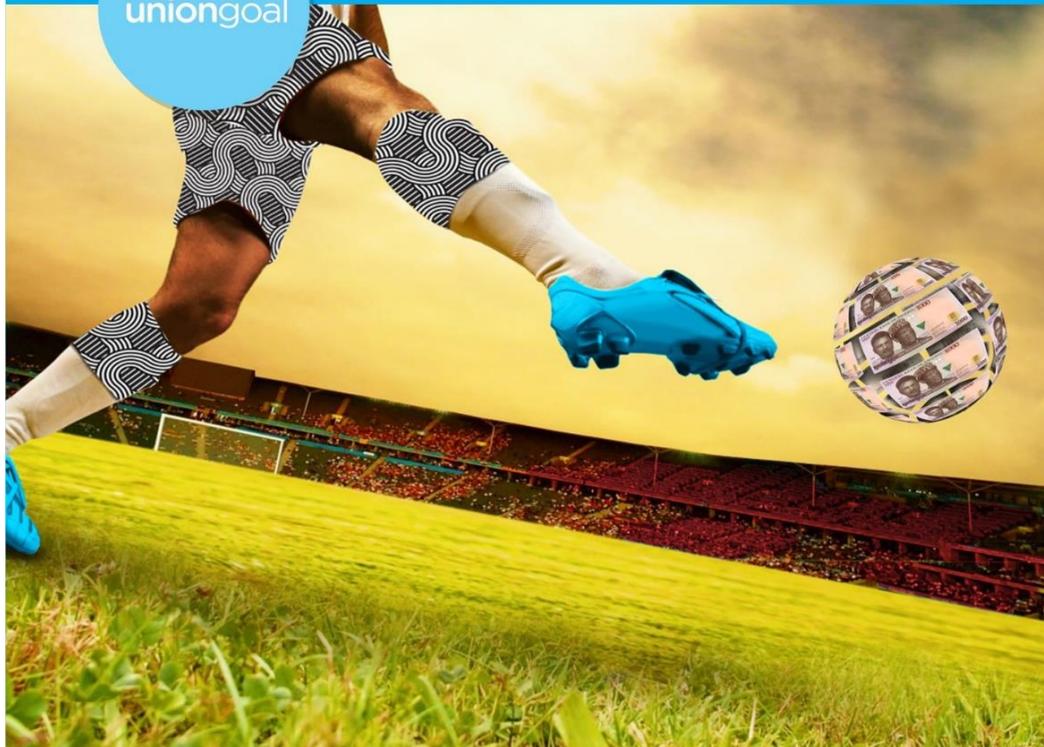
- Enhance the Bank's regulatory capital requirement
- Increase working capital and grow in strategic areas that correspond to emerging opportunities in Nigeria
- Enhance technological platforms through strategic investments in technology and digitalization
- Optimize customer experience with investments in customer touch points.



**SET YOUR TARGET,
HIT YOUR GOAL!**

BECOME A MILLIONAIRE WITH UNIONGOAL.

uniongoal



3

9M 2017 Financial Performance

*Oyinkan Adewale
Chief Financial Officer*

Group Key Financial Highlights – 9M 2017

Gross Earnings	 Up 16% to ₦109.5bn (₦94.8bn in 9M 2016)
Profit Before Tax (PBT)	 Down 2% to ₦13.0bn (₦13.3bn in 9M 2016)
Interest Income	 Up 22% to ₦88.5bn (₦72.3bn in 9M 2016)
Net Interest Income after Impairment	 Up 16% to ₦40.9bn (₦35.2bn in 9M 2016)
Non-Interest Income	 Down 6% to ₦21.0bn (₦22.5bn in 9M 2016)
Customer Deposits	 Up 17% to ₦767.9bn (₦658.4bn at Dec 2016)
Gross Loans	 Down 5% to ₦508.6bn (₦535.8bn at Dec 2016)

9M 2017 FINANCIAL PERFORMANCE

9M 2017 Performance – Group Financial Summary

		Sept-2017	Dec-2016	Δ
Balance Sheet (₹ 'bn)	Assets	1,358.2	1,252.7	8%
	Gross Loans	508.6	535.8	(5%)
	Customer Deposits	767.9	658.4	17%
	Equity	285.5	271.7	5%
Key Ratios	Loan to Deposit Ratio	66.0%	81.4%	(15.4%)
	Non-Performing Loan Ratio	9.1%	6.9%	2.2%

		9M 2017	9M 2016	Δ
Income Statement (₹ 'bn)	Gross Earnings	109.5	94.8	16%
	Interest Income	88.5	72.3	22%
	Net Interest Income	46.9	48.1	(2%)
	Non-Interest Income	21.0	22.5	(6%)
	Credit Impairment	(6.0)	(12.9)	(53%)
	Operating Expenses	(49.0)	(44.6)	10%
	Profit Before Tax	13.0	13.3	(2%)
	Profit After Tax	12.4	13.0	(5%)
Key Ratios	Net Interest Margin	7.5%	8.8%	(1.3%)
	Cost to Income Ratio	72%	63%	9%
	Return on Equity	6.0%	6.9%	(0.9%)
	Return on Assets	1.3%	1.6%	(0.3%)
	Net Asset Value per share	₹16.86	₹14.95	₹1.91
	Earnings Per Share	72k	76k	(4k)

Bank Key Financial Highlights – 9M 2017

Gross Earnings

 Up 14% to ₱105.3bn (₱92.7bn in 9M 2016)

Profit Before Tax (PBT)

 Down 11% to ₱11.7bn (₱13.2bn in 9M 2016)

Interest Income

 Up 21% to ₱85.1bn (₱70.5bn in 9M 2016)

Net Interest Income after Impairment

 Up 13% to ₱37.9bn (₱33.5bn in 9M 2016)

Non-Interest Income

 Down 9% to ₱20.3bn (₱22.1bn in 9M 2016)

Customer Deposits

 Up 20% to ₱757.9bn (₱633.8bn at Dec 2016)

Gross Loans

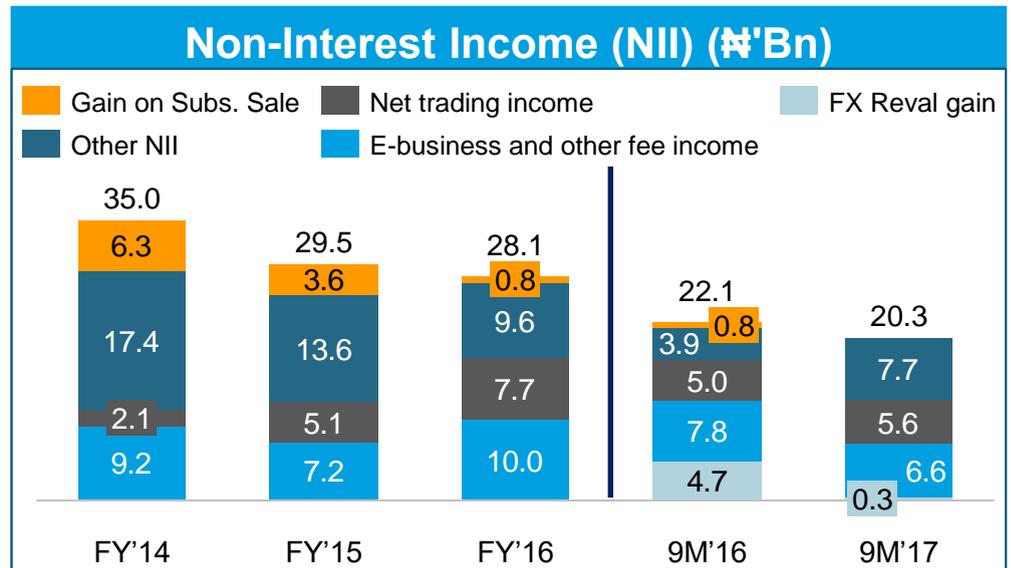
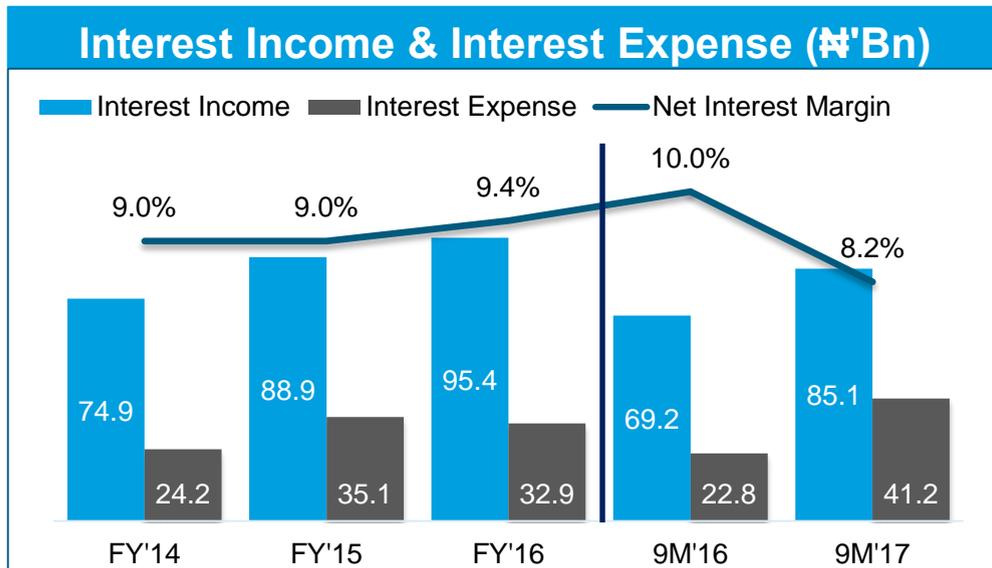
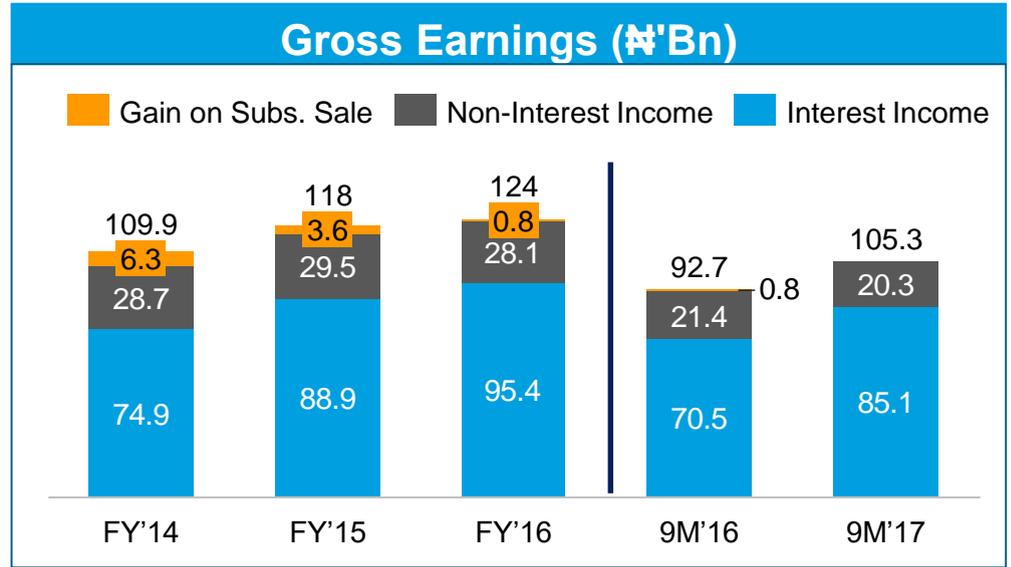
 Down 6% to ₱486.5bn (₱518.3bn at Dec 2016)

9M 2017 Performance – Bank Financial Summary

		Sept-2017	Dec-2016	Δ
Balance Sheet (₹ 'bn)	Total Assets	1,248.0	1,123.5	11%
	Gross Loans	486.5	518.3	(6%)
	Customer Deposits	757.9	633.8	20%
	Equity	264.1	251.3	5%
Key Ratios	Liquidity Ratio (regulatory minimum - 30%)	40.6%	33.1%	7.5%
	Loan to Deposit Ratio	64.0%	81.8%	(17.6%)
	Non-Performing Loan Ratio	9.6%	7.1%	2.5%
		9M 2017	9M 2016	Δ
Income Statement (₹ 'bn)	Gross Earnings	105.3	92.7	14%
	Interest Income	85.1	70.5	21%
	Net Interest Income	43.8	46.4	(6%)
	Non-Interest Income	20.3	22.1	(9%)
	Credit Impairment	(5.9)	(12.8)	(54%)
	Operating Expenses	(46.6)	(42.7)	9%
	Profit Before Tax	11.7	13.2	(11%)
	Profit After Tax	11.4	13.1	(12%)
Key Ratios	Net Interest Margin	8.2%	10.0%	(1.8%)
	Cost to Income Ratio	73%	62%	11%
	Return on Equity	5.9%	7.5%	(1.6%)
	Return on Assets	1.3%	1.7%	(0.4%)
	Net Asset Value per share	₹15.59	₹13.98	₹1.61
	Earnings Per Share	67k	77k	(10k)

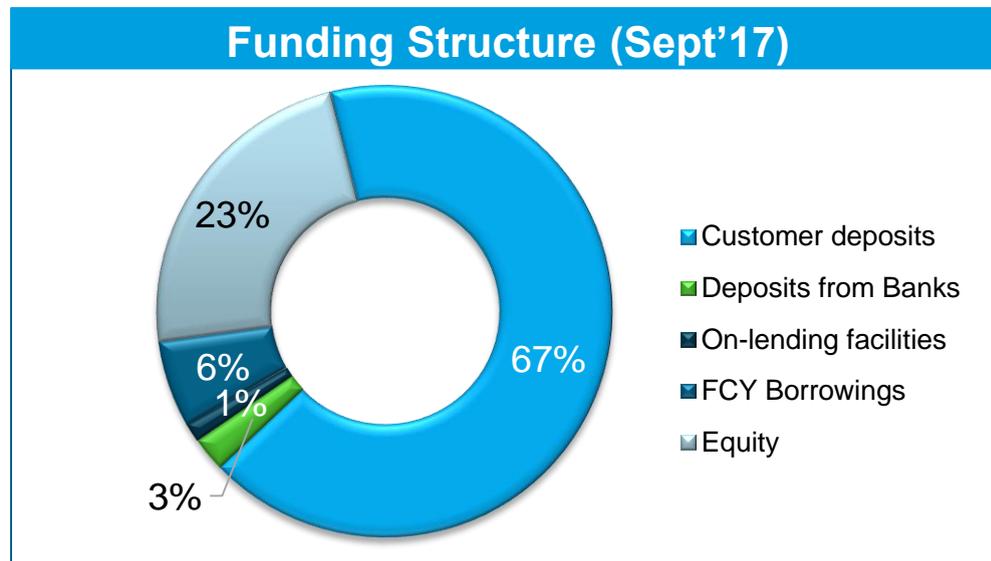
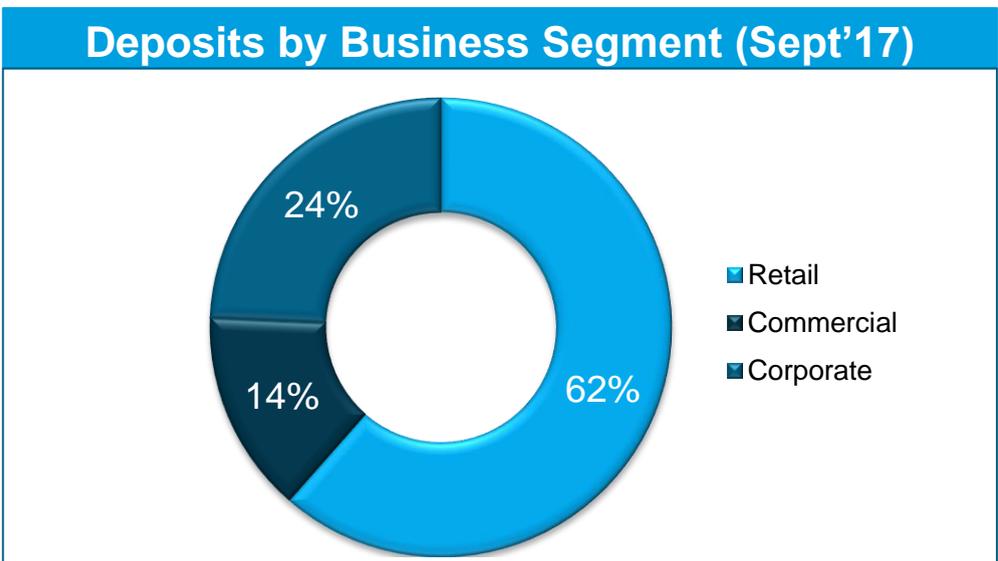
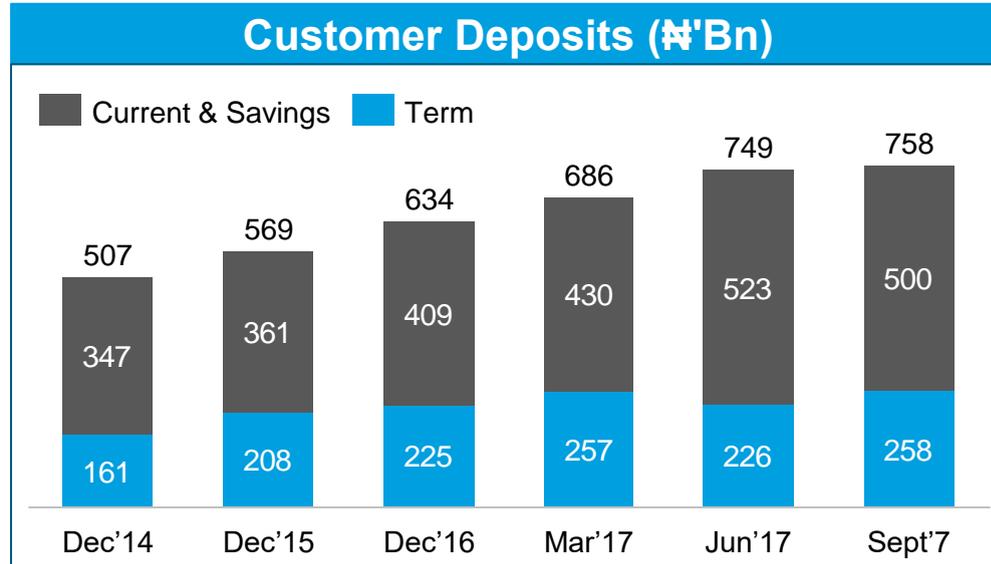
Interest income is a leading driver of revenue growth

- **Bank Gross Earnings** up 14% to ₹105.3bn (₹92.7bn in 9M'16)
- **Bank Interest Income** up 21% to ₹85.1bn vs. ₹70.5bn in 9M'16
- **Non-Interest Income** down by 9% to ₹20.3bn; excluding one-off gains of ₹4.7bn in FX reval and ₹752m in subsidiary sales in 9M'16, NII grew by 20%
- **Net Interest Income after Impairment** up 13% (₹37.9bn in 9M'17 vs. ₹33.5bn in 9M'16)
- ₹2.0bn in **Recoveries** in 9M'17 vs. ₹0.9bn in 9M'16



Increased deposits driven by a revamped digital platform and a customer-centric product suite

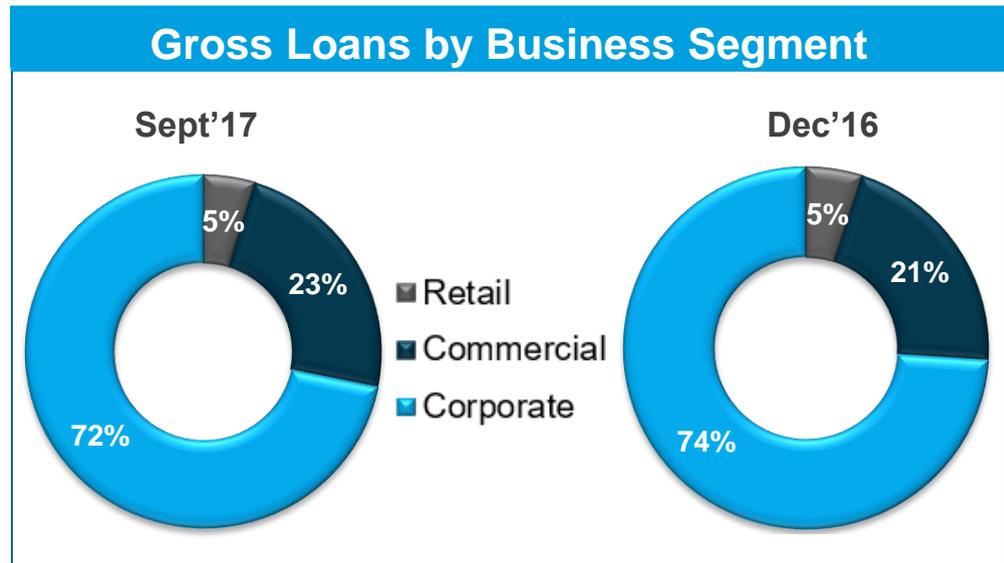
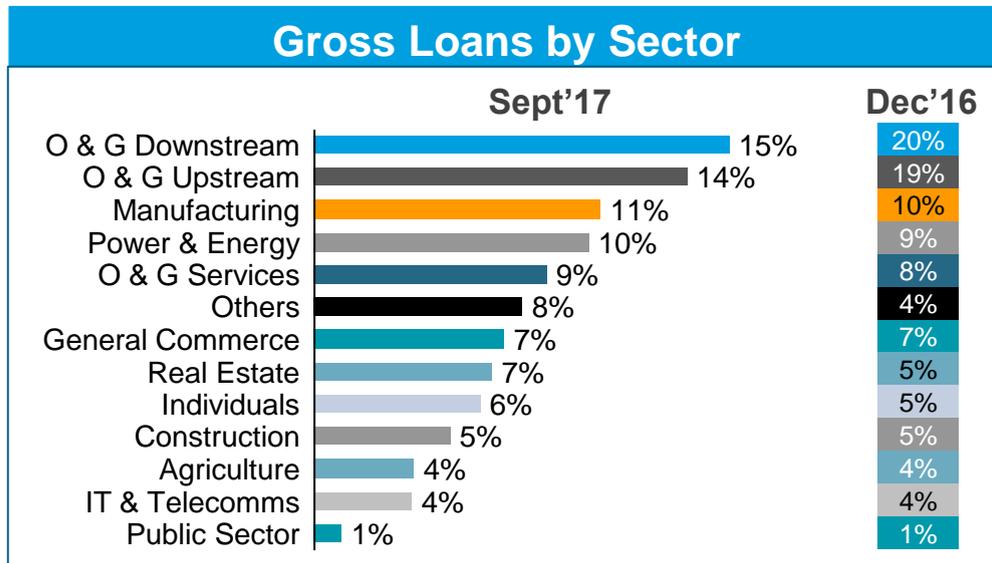
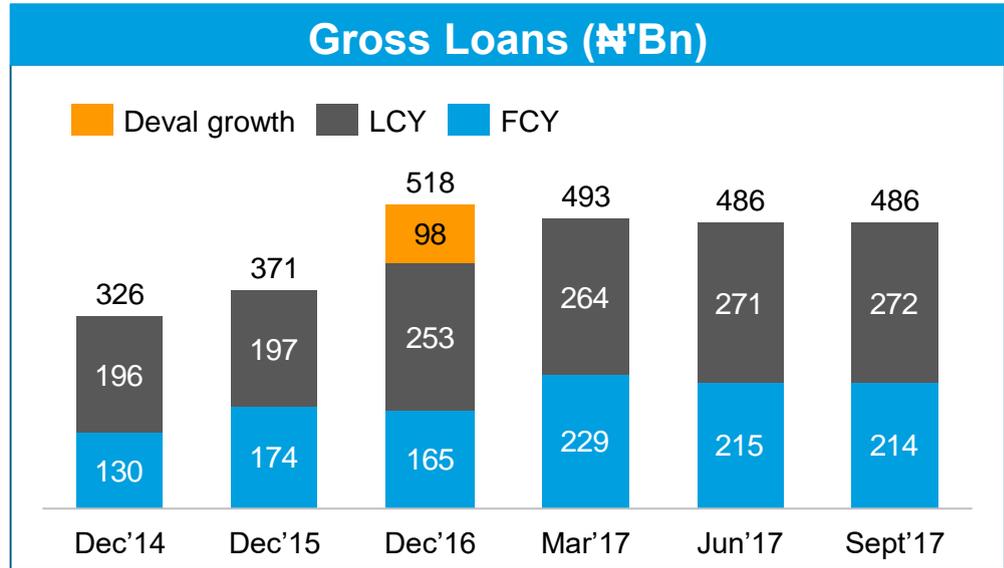
- **Customer Deposits** up 20% to ₦757.9bn (₦633.8bn as at Dec 2016); low cost deposits increased to 66% of total deposits vs. 65% in Dec 2016
 - Growth led by rise in number of customers, increased uptake of product offerings, increased market penetration and financial inclusion initiatives
 - ~90% YoY increase in new-to-bank customers
 - ~103% growth YoY in active mobile subscribers
 - ~148% growth YoY in active online subscribers
 - ~38% growth YoY in active cards



9M 2017 FINANCIAL PERFORMANCE

Deliberate efforts to maintain balance of loan book

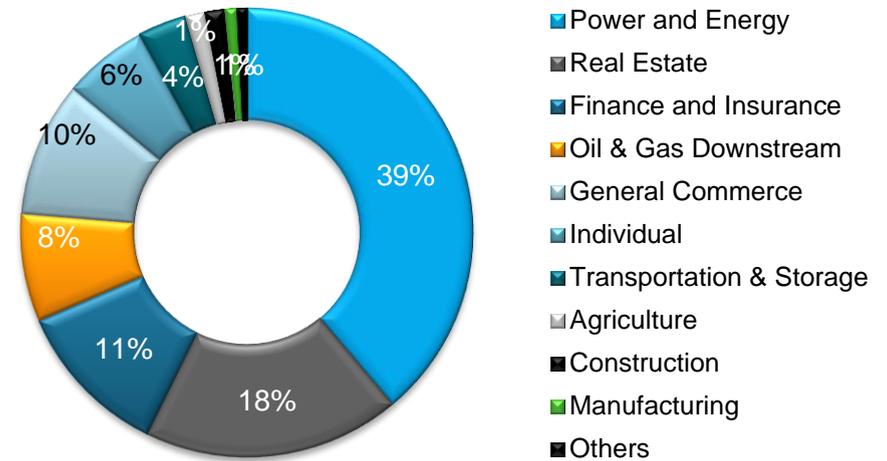
- **Bank Gross Loans** down 6% to ₦486.5bn (₦518.3bn in Dec'16): improving FX availability facilitated liquidation of mature obligations in the Fcy book
- Fcy loan book down 19% from Dec'16; Lcy loan book up 8%
- Fcy loan book now 44% of Gross Loans vs 51% at Dec' 16
- Concentration in the O&G sector has reduced



Strong focus on sufficient provisioning and recoveries

- **NPL Ratio** of 9.6% at Sept'17 (7.1% Dec'16), reflects the challenging macro environment
- **Coverage Ratio** of 202% at 9M'17 (181.8% Dec'16) reflects adequate provisioning
- We remain focused on NPL recovery and continuous monitoring of loan book
 - ~~₹~~2.0bn in **Recoveries** in 9M 2017 vs. ~~₹~~923m in 9M 2016 (119% increase)

Non Performing Loans By Sector (Sept'17)



NPL & Coverage Ratios



Bank's Financial Performance Trend

	<u>FY</u> <u>2011</u>	<u>FY</u> <u>2012</u>	<u>FY</u> <u>2013</u>	<u>FY</u> <u>2014</u>	<u>FY</u> <u>2015</u>	<u>FY</u> <u>2016</u>	<u>9M</u> <u>2016</u>	<u>9M</u> <u>2017</u>
Gross Earnings (₦'bn)	71.2	96.5	103.2	109.8	118.4	123.5	92.7	105.3
Profit Before Tax (PBT) (₦'bn) (Core PBT / Total PBT)	(102.6)	3.4	4.2	14.4 20.7	14.9 18.5*	15.3 16.1	12.4 13.2	11.7
Customer Deposits (₦'bn)	400	482	480	507	569	634	618	758
Gross Loans (₦'bn)	156	149	231	326	371	518	515	487
Cost To Income Ratio	183%	96%	71%	67%	67%	65%	62%	73%
Return On Equity (With Core PBT / With Total PBT)	(428%)	1.8%	2.8%	7.2% 10.4%	6.6% 8.2%*	6.2% 6.6%*	7.0% 7.5%*	5.9%
Return On Assets (With Core PBT / With Total PBT)	(12.3%)	0.4%	0.5%	1.6% 2.3%	1.6% 1.9%	1.4% 1.5%	1.6% 1.7%*	1.3%

9M 2017 FINANCIAL PERFORMANCE

Note: *Includes one-time gain on sale of subsidiaries: FY'14 – ₦6.3bn; FY'15 – ₦3.6bn; FY'16 – ₦0.8bn

THE NEXT 100: A CALL TO ACTION



A UNION BANK CENTENARY EVENT

4

Looking Ahead

Emeka Emuwa
Chief Executive Officer

Looking Ahead: Union Bank Mission and Ambition

1

Leader in Retail Banking, Trade and Transaction Banking

- Well recognized brand and benchmark for high customer satisfaction
- Market leader in domestic trade; payment and collections across value chain

2

Nigeria's Most Reliable and Trusted Banking Partner

- Leader in governance and controls with international standard compliance
- Service predictability and consistency

3

Leader in Citizenship, Sustainability and Innovation

- Leading driver of change and sustainable development goals

Closing Out 2017 – Consolidating Gains for 2018 Growth



Sustained Customer Growth



**Enhanced Capital
Profile**



**Enhanced Platforms
(Channels, People, Processes)**



**Strengthened
Brand**

Looking ahead, we have identified real opportunities for growth

Invest in Key Sectors for Nigeria's Growth
(Facilitate Trade & Transactions across sectors & their value chain)

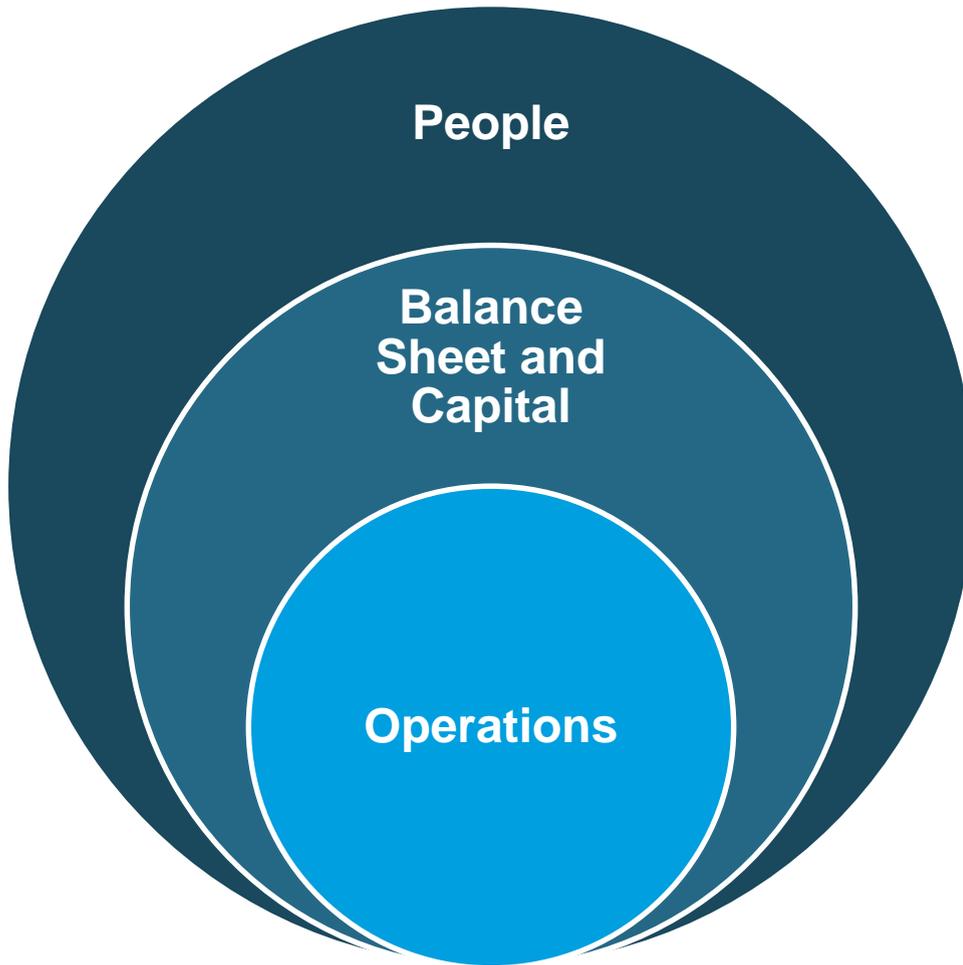
Harness "The Platform"
(People, Technology, Capital, Infrastructure, Brand)

Continue to drive retail proposition
(SME, Lending, Digital)

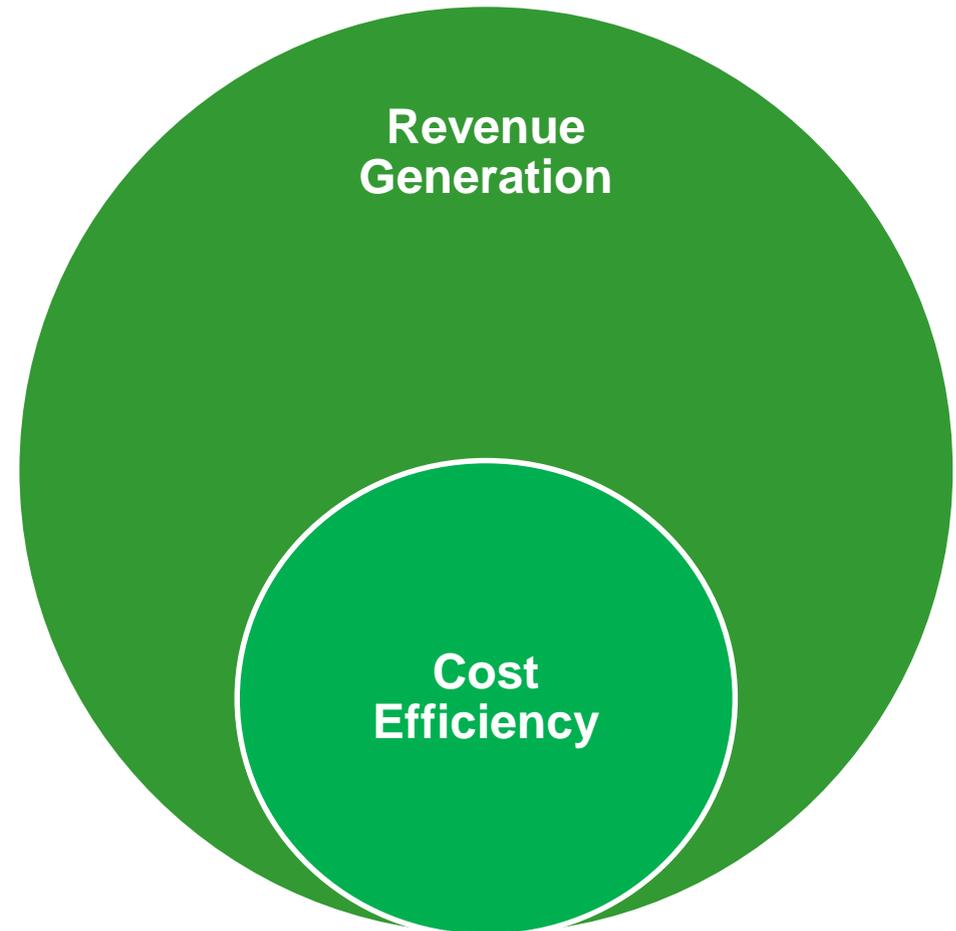
Leverage partnerships for business growth and operational enhancement

We have invested in “The Platform” and we will leverage it to drive productivity and profitability

Productivity



Profitability



On the Right Track to Becoming a Simpler and Smarter Bank

**2019
& Beyond**

- *Simpler & smarter bank*
- *Nigeria's most reliable and trusted banking partner*

2018

- The leading mid-tier bank
- Champion in service delivery
- Recognized as a leader in citizenship, sustainability and innovation

2017

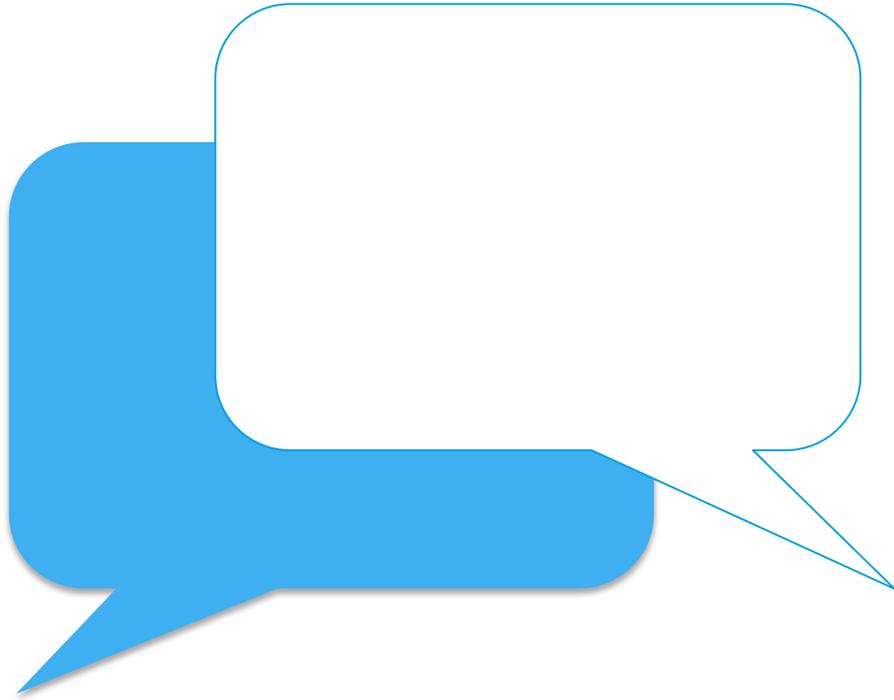
- UBN @ 100 – from awareness of brand vs. affinity to brand
- Enhanced customer engagement and service delivery
- Innovation efforts

- Brand re-launch
- Enhanced technology platform & operations
- Robust and modern distribution network
- Strong push towards alternative channels

2015 - 2016

- Strategy defined
- Refocus on core banking
- Right-sized UBN
- Returned to profitability

2013 - 2014



Q&A



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Appendix -

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Group Financial Performance

9M 2017 Performance – Group Profit and Loss Statement

₱'million	9M'17	9M'16	%Δ
Gross earnings	109,513	94,759	16%
Interest income	88,470	72,290	22%
Interest expense	(41,564)	(24,220)	72%
Net interest income	46,906	48,070	(2%)
Impairment charge for credit loss	(6,009)	(12,870)	(53%)
Net interest income after impairment charge	40,897	35,200	16%
Net trading income	5,763	5,148	12%
Gain on disposal of subsidiaries	-	318	(100%)
Fees, commissions and other operating Income	15,280	17,003	(10%)
Non interest income	21,043	22,469	(6%)
Operating Income	61,940	57,669	7%
Net impairment write-back on other financial assets	102	165	(38%)
Operating expenses	(49,044)	(44,559)	10%
Profit before tax	12,998	13,275	(2%)
Profit after tax	12,410	13,012	(5%)

September 2017 Performance – Group Balance Sheet

₹'million	Sept-2017 ₹'million	Dec-2016 ₹'million	%Δ
Assets			
Cash and cash equivalents	174,128	136,194	27.9%
Non-pledged trading assets	44,197	8,323	431.0%
Pledged assets	64,380	53,430	20.5%
Derivative assets held for risk management	96	2,747	(96.5%)
Loans and advances to customers	475,270	507,190	(6.3%)
Investments in equity accounted investee	-	-	-
Investment securities	190,618	181,720	4.9%
Trading properties	958	2,309	(58.5%)
Investment properties	4,778	4,347	9.9%
Property and equipment	54,651	52,800	3.5%
Intangible assets (software)	4,521	3,374	34.0%
Deferred tax assets	95,910	95,910	-
Cash reserve requirement	211,460	154,954	36.5%
Other assets	36,837	47,344	(22.2%)
Defined benefit assets	29	1,643	(98.2%)
Assets classified as held for sale	397	397	-
Total Assets	1,358,230	1,252,682	8.4%

September 2017 Performance – Group Balance Sheet (cont'd)

₹'million	Sept-2017 ₹'million	Dec-2016 ₹'million	%Δ
Liabilities			
Deposits from banks	108,391	90,266	20.1%
Deposits from customers	767,861	658,444	16.6%
Current tax liabilities	713	465	53.3%
Deferred tax liabilities	151	101	49.5%
Derivative liabilities held for risk management	90	13	592.3%
Other Liabilities	114,171	141,404	(19.3)%
Retirement benefit obligations	896	805	11.3%
Other borrowed funds	80,414	89,514	(10.2)%
Total Liabilities	1,072,687	981,012	9.3%
Equity			
Share capital and share premium	401,304	400,109	0.3%
Retained earnings / (accumulated loss)	(254,400)	(244,183)	4.2%
Other reserves	133,359	110,633	20.5%
Equity attributable to equity-holders	280,263	266,559	5.1%
Non-controlling interest	5,280	5,111	3.3%
Total Equity	285,543	271,670	5.1%
Total Liabilities and Equity	1,358,230	1,252,682	8.4%



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Appendix -



Bank Financial Performance

9M 2017 Performance – Bank Profit and Loss Statement

₱'million	9M'17	9M'16	%Δ
Gross earnings	105,310	92,689	14%
Interest income	85,060	70,549	21%
Interest expense	(41,247)	(24,162)	71%
Net interest income	43,813	46,387	(6%)
Impairment charge for credit loss	(5,865)	(12,845)	(54%)
Net interest income after impairment charge	37,948	33,542	13%
Net trading income	5,619	4,998	12%
Gain on disposal of subsidiaries	-	752	-
Fees, commissions and other operating Income	14,631	16,390	(11%)
Non interest income	20,250	22,140	(9%)
Operating Income	58,198	55,682	5%
Net impairment write-back on other financial assets	102	165	(38%)
Operating expenses	(46,567)	(42,663)	9%
Profit before tax	11,733	13,184	(11%)
Profit after tax	11,445	13,053	(12%)

September 2017 Performance – Bank Balance Sheet

₱'million	Sept-17 ₱'million	Dec-16 ₱'million	%Δ
Assets			
Cash and cash equivalents	94,477	35,536	>100%
Non-pledged trading assets	44,197	8,323	>100%
Pledged assets	64,380	53,430	20.5%
Derivative assets held for risk management	96	2,747	(96.5)%
Loans and advances to customers	453,493	489,890	(7.4)%
Investment securities	179,845	166,759	7.8%
Trading properties	513	1,124	(54.4)%
Investment in subsidiaries	10,567	10,567	-
Property and equipment	54,464	52,567	3.6%
Intangible assets (software)	4,115	2,859	43.9%
Deferred tax assets	95,875	95,875	-
Cash reserve requirement	211,460	154,954	36.5%
Other assets	36,242	46,884	(22.7)%
Defined benefit assets	-	1,643	(100)%
Assets classified as held for sale	325	325	-
Total Assets	1,248,049	1,123,483	11.1%

September 2017 Performance - Bank Balance Sheet (cont'd)

	Sept-17 ₱'million	Dec-16 ₱'million	%Δ
Liabilities			
Deposits from banks	27,790	4,351	>100%
Deposits from customers	757,863	633,827	19.6%
Current tax liabilities	307	177	73.4%
Derivative Liabilities held for risk management	90	13	>100%
Other liabilities	111,675	141,191	(20.9)%
Retirement benefit obligations	867	773	12.2%
Other borrowed funds	85,378	91,812	(7.0%)
Total liabilities	983,970	872,144	12.8%
Equity			
Share capital and share premium	401,304	400,109	0.3%
Treasury shares	(624)	-	(>100%)
Retained earnings / (accumulated loss)	(258,881)	(247,868)	4.4%
Other reserves	122,280	99,098	23.4%
Equity attributable to equity-holders of the bank	264,079	251,339	5.1%
Total liabilities and equity	1,248,049	1,123,483	11.1%



THANK YOU



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