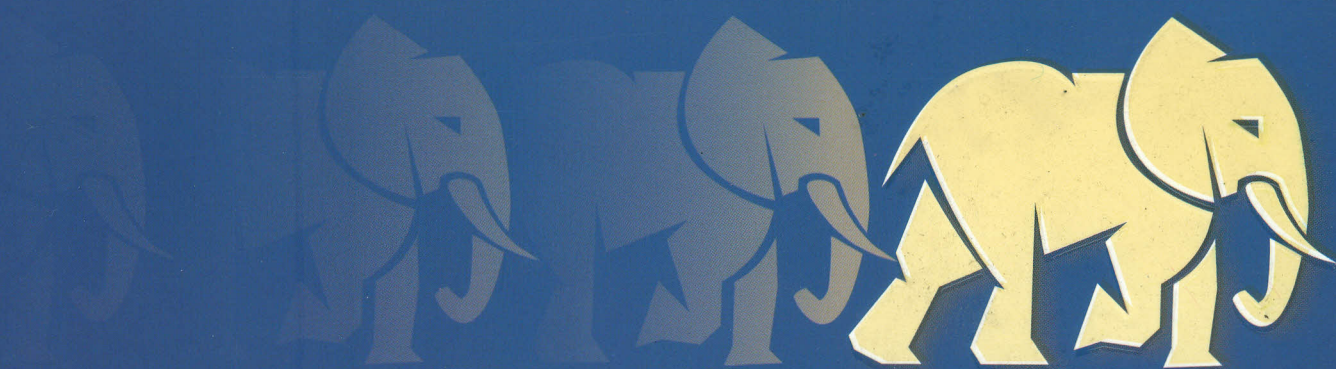




Dependably *Dynamic*



First Bank of Nigeria Plc.

ANNUAL REPORT & ACCOUNTS **2006**



Today's FirstBank

New Drive ■ New Identity

Today's FirstBank is committed to international expansion. FBN Bank (UK) and our South Africa representative office are just the beginning. So, wherever you see our new logo, be sure of one thing. It is the symbol of a bank that is firmly focused on opening gateways of opportunity for you.

FirstBank
...truly the first

National Icon. International Player

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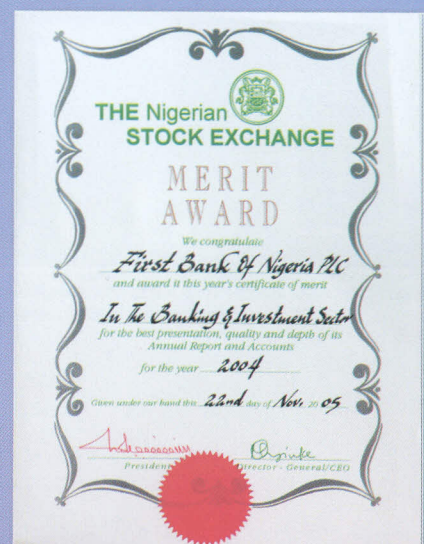
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Financial Highlights

For the year ended 31 March, 2006

	The Group		The Bank	
	2006	2005	2006	2005
	N'm	N'm	N'm	N'm
Major balance sheet items:				
Total assets	614,840	470,839	538,145	377,496
Deposit	448,915	331,806	390,846	264,988
Share capital	2,619	1,976	2,619	1,976
Loans and advances	177,303	123,739	175,657	114,673
Shareholders' funds	62,293	48,726	58,996	44,672
Major profit and loss account items:				
Gross earnings	67,440	57,255	61,243	49,475
Charge for doubtful accounts	(3,985)	(2,431)	(3,617)	(1,828)
Profit on ordinary activities before taxation	18,130	16,808	16,128	15,145
Exceptional item	3,703	-	3,703	-
Profit before taxation	21,833	16,808	19,831	15,145
Taxation	(4,450)	(3,574)	(3,778)	(2,961)
Profit after taxation	17,383	13,234	16,053	12,184
Profit attributable to ordinary shareholders	17,383	13,050	16,053	12,184
Dividend	5,238	6,325	5,238	6,325
Information per 50k ordinary share:				
	N	N	N	N
Earnings (Basic):-				
- actual	3.32	3.35	3.06	3.08
- adjusted	3.32	2.53	3.06	2.33
Dividend:-				
- actual	1.00	1.60	1.00	1.60
- adjusted	1.00	1.21	1.00	1.21
Dividend cover (times)	3.32	2.09	3.06	1.93
Net assets	11.89	12.33	11.26	11.30
Total assets				
- actual	117.38	119.10	102.74	95.49
- adjusted	117.38	89.89	102.74	72.07
Stock Exchange quotation	37.00	23.58	37.00	23.58
Ratios:				
	%	%	%	%
Cost to income	73.12	70.64	73.67	69.39
Return on shareholders' funds	27.91	26.78	27.21	27.27
Capital adequacy	19.69	19.40	18.43	18.95
Other information:				
Number of branches/agencies	394	370	394	365
Number of staff	7,132	6,988	7,053	6,698
Number of shares in issue (million)	5,238	3,953	5,238	3,953

2005 Awards & Recognition



Chief Executive Annual Merit Awards (CAMA)

"I Just try to be the best I can and hope that is the best ever" — Tiger Woods

During the year, the Bank instituted the Chief Executive Annual Merit Awards (CAMA) in the year under review to reward excellence and performance.

The awards complement the Long Service Awards, which hitherto celebrated loyalty and dedicated service. Below are the awardees.

Best Branch	Best Customer Service Branch	Best Relationship Team
Benin Sakponba	Benin Kings Square	Corporate Banking (Energy Upstream)
Best Support Services Manager	Best HOS	Best Technician
Kassim A. Williams	Abiodun A. Akindolie	Celestine H. Nkwocha
Best Support Function Manager	Best Account Officer	Best Retail Marketing Officer
Friday O. Anugwa	Cornel E. Nwajueboe	Olufemi A. Oshin
Best Support Services Officer	Best Fireman	Best HBO
Nasir B. Ajileye	Adekunle M. Maiye	Cyril O. Uzomna
Best Support Function Officer	Best Customer Service Officer	Best Secretary
Clara I. Direh	Mfon F. Inyang	Elizabeth O. Okafor
Best Relationship Team Leader	Best Teller	Best Product Sales Person
Franklin E. Erebor	Innocent A. Udeh	Adaoha C. Agbaje-Williams
Best Relationship Manager	Best Driver	Best Product Manager
Mustapha A. Ibrahim	Rotimi E. Akinbayode	Taye K. Oladimeji-Yisa
Best Security Officer	Best Branch Manager	
Isaac K. Daramola	Mukhail A. Abiru	

Gallery



Digital Media Limited, Lagos, a CD and DVD manufacturing company financed by First Funds Limited on behalf of FirstBank.



ICT Park and Hotsports, Ahmadu Bello University, Zaria, constructed and equipped by FirstBank under the Bank's Universities Endowment Programme.



The MD/CE, Mr. J. M. Ajekigbe, in a group photograph with a cross section of the 600 graduate trainees recently employed by the Bank.



TONIMAS Nigeria Ltd.'s 12x1300 metric tons tanks in their Tank Farm at Federal Ocean Terminal, Onne - Port Harcourt, financed by FirstBank.



2005 CEO'S ANNUAL MERIT AWARD

The maiden edition of the CEO's Annual Merit Award was held in December 2005. Bashorun (Dr.) Joseph Sanusi, former CBN Governor and Chairman, First Pension Fund Custodian Limited, presents a Gift Voucher to Miss Clara Direh of Legal Services Department, winner of the Best Support Function Officer Award.



The new Yaba Branch, one of the Bank's model branches designed to meet the dynamic needs of our customers.

Leading in a Consolidated Industry

The essence of the FirstBank brand is "Dependably Dynamic". The brand essence is an open pledge to continuously renew our people and processes and transform our structures to consistently meet as well as exceed stakeholders' expectations. The brand essence is the single concept that drives the understanding of the brand and explains the dynamic tension between the conservative and the innovative that lies at the heart of our service offering. Within this dynamic, FirstBank's conservative values represent the Bank's abiding focus on the highly valued stability and safety of its assets, customers' deposits, investors' confidence, and the job security of our staff. On the other hand, its innovative values are captured by its current focus on modernisation and growth. The Bank's new logo was conceived and designed to reinforce this core value. The brand essence is supported by the four brand pillars, namely: Leadership, Enterprise, Service Excellence and Safety and Security.

As an industry leader, FirstBank has dominated the Nigerian banking industry for over 112 years. During this period, industry ascendancy has been manifest in terms of the ability to build a successful enterprise, market capitalisation, innovativeness, and market dominance. The FirstBank brand is measured in terms of its appeal, acceptance, equity, and stakeholders' loyalty to the brand. Although the road over the years has had its testing moments, the Bank has consistently recorded remarkable wins. The successes, which the Bank has recorded over the years, can be explained by its dynamism, and its readiness to lead and embrace innovations.

Thus, in the year under review, the Bank devoted considerable resources to internal re-branding and culture change programmes aimed at ensuring that every member of the FirstBank family imbibes the ethos of the brand and live it.

The FirstBank Story

Building a Financial Services Supermarket

First Bank of Nigeria Plc (FirstBank) has for over a century distinguished itself as the leading financial institution and a major contributor to the economic advancement and development of Nigeria.

The Bank was incorporated by Sir Alfred Jones, a shipping magnate, as a limited liability company on March 31, 1984, with Head Office in Liverpool, UK. It started business in the Lagos office of Elder Dempster & Company under the name the Bank for British West Africa (BBWA) after acquiring its predecessor, the African Banking Corporation, which was established in 1892. Since then, the Bank has recorded impressive growth, working very closely in its early years with the colonial governments of British West Africa to facilitate the economic development of West Africa by performing the traditional functions of a central bank, such as issue of specie in the British West African colonies before the establishment of the respective central banks.

Consequently, the Bank's operations covered the then major business and political centres in British West Africa. It opened a branch in Accra, Ghana in 1896 and in Freetown, Sierra Leone, in 1898. These marked the genesis of the Bank's international operations. The second branch of the Bank in Nigeria was opened in Calabar in 1900, and two years later, it extended its services to Northern Nigeria. An overseas branch, which later metamorphosed into a fully-fledged British bank in 2002, was opened in London in 1982. This makes the Bank the first Nigerian institution to own a banking subsidiary in the United Kingdom. Furthermore, the Bank opened its South African Representative Office in 2004. From this modest beginning, the Bank's domestic business network currently comprises 394 business locations.

In response to changing economic and business environment, the Bank has at various times embarked on restructuring initiatives. For example, it changed its name from Bank for British West Africa to Bank of West Africa in 1957.

In 1969, the Bank was incorporated locally as the Standard Bank of Nigeria Limited in line with the Companies Decree of 1968. Changes in the name of the Bank also occurred in 1979 and 1991, to First Bank of Nigeria Limited and First Bank of Nigeria Plc, respectively.

In 1985, the Bank introduced a decentralised structure with five regional administrations.

To further enhance its operational efficiency, this structure was reconfigured into fourteen Area Offices in 2003. On April 1, 2006, this was again restructured into 25 Business Development Offices to deepen customer relationship management in the different target market segments. In view of this constant attention to the needs of the market, it was therefore, a natural progression when in 2001, the Bank began the process of transforming its corporate identity to reflect its rejuvenated focus. The transformation process gained momentum in 2003 and was launched on April 27, 2004 with the introduction of a new corporate identity.

The Bank has recorded many firsts in its distinguished history. Apart from being the first bank to be established in West Africa, it was also the first institution to acquire its competitor, the African Banking Corporation, in 1894. The latter landmark was reinforced in 2005 with the Bank's acquisition of its merchant banking subsidiary, FBN (Merchant Bankers) Limited and MBC International Bank Plc, following the Central Bank of Nigeria inspired consolidation of the banking industry.

FirstBank got listed on the Nigerian Stock Exchange (NSE) in March 1971 and has won the NSE's Annual President's Merit Award for the best financial report in the banking industry twelve times. In addition, FirstBank has also received the "Banker of the Year 2003" award from the influential The Banker magazine, the Euromoney Award as the Best Bank in Nigeria in 2004; and the Global Finance award as Nigeria's best bank and best foreign exchange bank in 2005.

On the strength of its diverse operations in Nigeria's financial services industry, the Bank has emerged as the major financial services supermarket in the nation's financial services industry. FirstBank has in its stable, the most easily accessible, and comprehensive range of retail banking products. It is also the leading financier of public sector infrastructure developments and corporate investments in Nigeria.

In line with the Bank's mission statement "to remain true to our name by providing the best financial services possible" and its brand essence, "dependably dynamic" the Bank will continue to consistently transform itself as it forges ahead in its second century of providing qualitative banking services to the nation, maintaining leadership in a consolidated and more dynamic industry.

Corporate Profile

From its epochal beginning as British West Africa's premier financial services provider, on March 31, 1894, FirstBank has distinguished itself as Nigeria's leading financial services solution provider and a major contributor to economic development. With 394 business locations, the Bank has one of the largest domestic sales networks in Nigeria.

As at end-March 2006, the Bank's authorised capital stood at ₦3 billion (US\$23.3 million) of which ₦2.619 billion (US\$20.3 million) was issued and fully paid. FirstBank's ownership is spread over 300,000 Nigerian citizens and associations, with its 15-member board of directors jointly controlling 4.6% of its equity. First Dependants Nigeria Limited (erstwhile Managers of the Bank's Staff Pension Fund prior to the full implementation of the Pension Reforms Act 2004) accounts for 5.6%.

In the year to end March 2006, FirstBank's Core Capital and Total Assets stood at ₦56.6 billion (US\$438.9 million) and ₦538.15 billion (US\$4.17 billion) respectively. Shareholders' Funds and Gross Earnings for the period stood at ₦59 billion (US\$457.3 million) and ₦61.2 billion (US\$474.8 million) in that order, with pre-tax profit of ₦19.83 billion (US\$153.7 million) for the year ended March 2006. FirstBank remains the most profitable Nigerian bank.

FirstBank's commitment to returning value to shareholders is reflected in its ability to consistently maintain its return on equity (currently 27.21%) above industry average. At 18.43% its capital adequacy ratio is above the regulatory minimum of 10%. The Bank's return on assets (ROA) is 2.98% and its local currency deposits stands at ₦390.85

billion (US\$3.03 billion). Earnings Per Share for the Bank in 2006 was ₦3.06 while Dividend Per Share stood at ₦1.00.

In the last decade, by playing key roles in the Federal Government's privatisation and commercialisation scheme, FirstBank has led the financing of private investment in infrastructure development in the Nigerian economy.

With 7 local subsidiaries, the Bank operates a full-fledged bank in the UK, and a representative office in South Africa. FirstBank's growth strategy incorporate an all-inclusive understanding of customer service realities, and elimination of impediments to effective service delivery through continued network expansion, product development, mergers & acquisitions, and strengthening its global footprint. In furtherance of this strategy, and in line with the imperatives of industry consolidation, the Bank acquired its investment banking subsidiary, FBN (Merchant Bankers) Limited and MBC International Bank Limited, a wholesale commercial bank.

Furthermore, the bank is currently executing a business combination with EcoBank Transnational Incorporated (ETI), a pan-West African Banking group. The emergent entity would be the largest bank in West Africa and one of the largest in Africa.

In further evidence of the Bank's strength, Fitch Inc. assigned the Bank an "A+" long-term and "F1" short-term rating over the last three years, while Augusto & Co (a national credit rating agency) upgraded its long-term outlook for the Bank from an "A" rating in the 2001/2002 financial year to "Aa" in the three years to 2005. These ratings confirm the Bank's strong domestic franchise and systemic importance to the national industry.

Directors and Advisers

DIRECTORS:

Mutallab, Umaru Abdul, CON
Ajekigbe, Jacobs Moyo
Aboh, John Oche
Adesola, Harriet-Ann O.
Afonja, Ajibola. A.
Babalola, Aderemi W.
Bakare, Bashiru A.
Duba, Garba
Hassan-Odukale, Oyekanmi, MFR
Ibrahim, Muhammadu, OFR
Kyari, Abba
Mahmoud, Abdullahi
Okoye, Christy N.
Otti, Alex C.
Otudeko, Ayoola Oba, OFR
Oyelola, Oladele
Sanusi, Sanusi Lamido
Udo-Aka, Udo, MON
Wanka, Ado Yakubu
Woherem, Evans Ejike

- Chairman
- Managing Director/Chief Executive

- Appointed 5 September 2005
- Appointed 23 August 2005
- Appointed 5 September 2005
- Retired 5 September 2005

- Retired 5 September 2005

- Retired 5 September 2005
- Appointed 5 September 2005

- Appointed 5 September 2005
- Appointed 5 September 2005

- Retired 5 September 2005
- Retired 5 September 2005

COMPANY SECRETARY: Borodo, Tijjani Mohammed

REGISTERED OFFICE:

Samuel Asabia House
35 Marina
Lagos

AUDITORS:

Akintola Williams Deloitte
[Chartered Accountants]

PKF Pannell Kerr Forster
[Chartered Accountants]

REGISTRARS:

First Registrars Nigeria Limited
Plot 2, Abebe Village Road
Iganmu
Lagos

Principal Officers

S/N	Grade	Name	Position
1	EXECUTIVE DIRECTORS	Jacobs M. Ajekigbe	Managing Director/Chief Executive
2		John O. Aboh	Executive Director, Banking Operations & IT
3		Harriet-Ann O. Adesola	Executive Director, Corporate Banking
4		Aderemi W. Babalola	Executive Director, Retail Banking (Lagos & West)
5		Alex C. Otti	Executive Director, Commercial Banking
6		Oladele Oyelola	Executive Director, Retail Banking (Up Country)
7		Sanusi L. Sanusi	Executive Director, Risk & Management Control
1	DEPUTY GENERAL MANAGERS	Mojisola T. Aderinto	Head, Financial Control
2		Afamefuna C. Azubike	Head, Classified Assets Management
3		Olufemi N. Bakre	Head, Multilateral/Fin. Inst-Corp Banking
4		Timothy O. Bolade	Chief Compliance Officer
5		Tijjani M. Borodo	Company Secretary
6		Babatunde F. Dada	Head, Telecoms/Aviation Corp. Banking
7		Mofoluke B. Dosumu	Head, Foreign Operations
8		Aka C. Ezeobele	Bus. Dev. Mgr. (BDM), Apapa Creek Road
9		Akinwumi G. Fanimokun	Head, Public Sector, Corp. Banking
10		Jamo L. Haruna	Commercial Banking - North
11		Eugene U. Iyamah	Group Head, Multinationals & Conglomerates Corp. Banking
12		Ibrahim A. Kwargana	Chief Internal Auditor
13		Kehinde A. Lawanson	Group Head, (Lagos I) Commercial Banking
14		Columbus T. Ndifon	BDM, (Onitsha)
15		Olatunde T. Oduyebo	Credit Risk Management
16		Ademola O. Ogundero	Group Head, (Lagos II & West), Commercial Banking
17		Bernadine A. Okeke	Head, Resources
18		Kayode A. Olatunbosun	BDM, Lagos-Iganmu Complex
19		Taiwo I. Oti	Head, Information Technology
20		Francis O. Shobo	Head, National Corporate, Corp. Banking
1	ASSISTANT GENERAL MANAGERS	Emmanuel M. Abolo	Head, Operational Risk Mgt.
2		Abdu Abubakar	Head, General Services
3		George A. Adepegba	Relationship Team Leader, (RTL), Conglomerates
4		Francis A. Adewuyi	Credit Risk Mgt.
5		Effiong P. Akpan	Corporate Banking, Head Office
6		Adedamola I. Atta	BDM, Kaduna
7		Charles Augoye	Comm. Banking, (Edo/Delta/West)
8		Costakis E. Caiafas	Deputy Chief Compliance Officer
9		Dahiru Chadi	Credit Risk Mgt.
10		Obiora I. Dibiaezue	Branch Mgr., Abuja Main
11		Augustine E. Egere	BDM, Imo
12		Peter S. Egwurube	RTL, Abuja Comm. Banking
14		Chukwuka F. Emuwa	Head, Cards & Channels
15		John O. Enadeghe	BDM, Kogi & Kwara
16		Franklin E. Erebor	Group Head, Energy Downstream
17		Naomi H. Esalomi	Head, Domestic Banking Operations
18		Ikechukwu C. Ezeokana	Commercial Banking, East
19		Subu I. Giwa-Amu	Head, Service Quality Management
20		Yaqueen A. Habeeb	Credit Risk Mgt. (Control/Monitoring)
21		Nkiruka Harris-Eze	Commercial Banking, East
22		Alwan A. Hassan	BDM, Kano, Jigawa & Katsina
23		Adamu B. Ibrahim	Commercial Banking, North
24		Gimba H. Ibrahim	BDM, Jos
25		Vincent Igwenagu	BDM, Warri
26		Azaka A. Jarret	BDM, Benin
27		Festus O. Kukoyi	Head, Legal Services
28		Stella N. Ofong-Ekpe	Consumer Banking Products
29		Akpoghene O. Okoro	Head, Application Mgt.
30		Folashade S. Omoniyi	Head, Network & Communications
31		Kosamotu A. Osundiji	RTL, BDM, Iganmu
32		Bernard B. Poyi	Head, Agric Finance Coordination/Support
33		Lawal B. Rafindadi	BDM, Zamfara, Sokoto & Kebbi
34		Babajide T. Shodeinde	Branch Mgr., Apapa Branch
35		Adebisi O. Soluade	Head, Consumer Banking Products
36		Iquo O. Udo	Commercial Banking
37		Misbahudeen Yola	RTL, National Corporate
38		Michael M. Shenjobi	Head, Treasury



Today's FirstBank

New Drive ■ New Identity

At the heart of our new initiative remains one firm mission. To be the clear leader and Nigeria's bank of first choice.

So, wherever you see our new logo, be sure of one thing. It is the symbol of a bank that is firmly focused on performance.

FirstBank

...truly the first

Leadership Built On
Outstanding Performance

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 37th Annual General Meeting of members of FIRST BANK OF NIGERIA PLC will be held at the Expo Hall, Eko Hotel & Suites, Plot 1415, Adetokunbo Ademola Street, Victoria Island, Lagos on Thursday, August 24, 2006 at 11.00 a.m. to transact the following:

Ordinary Business:

1. To receive the audited accounts for the year ended 31st March, 2006 together with the reports of the Directors, Auditor and Audit Committee thereon;
2. To declare a dividend;
3. To elect Directors;
4. To approve the remuneration of Directors;
5. To authorize the Directors to fix the remuneration of the Joint Auditors;
6. To elect members of the Audit Committee.

Special Business:

To consider and if thought fit, pass the following as Special Resolutions:

7. "That the authorized share capital of the Company be and is hereby increased from ~~₦3,000,000,000.00~~ to ~~₦10,000,000,000.00~~ by the addition thereto of the sum of ~~₦7,000,000,000.00~~ divided into 14,000,000,000 Ordinary Shares of 50 kobo each ranking in all respects pari-passu with the existing shares of the Company"
8. "That the Memorandum of Association of the Company be amended by deleting the words 'The authorized share capital of the Company is ~~₦3,000,000,000.00~~ divided into 6,000,000,000 ordinary shares of 50 kobo each' and substituting therefore the following words "The authorized share capital of the company is ~~₦10,000,000,000.00~~ divided into 20,000,000,000 Ordinary Shares of 50 kobo each."
9. "That pursuant to Article 47 of the Articles of Association of the Company, the Directors having so recommended, it is desirable to capitalize the sum of ~~₦2,619,334,694.00~~ from the balance of General Reserve and accordingly that such sum be set free for distribution amongst the members on the Register of Members at the close of business on Monday, August 14, 2006, on condition that the same be not paid in cash but applied in paying up in full at par 5,238,669,388 of the unissued ordinary shares of 50 kobo each to be allotted, distributed and credited as fully paid-up to and amongst such members in the proportion of one new ordinary share for every one ordinary share held by them on that day, and such new shares shall rank for all purposes pari passu with the existing issued ordinary shares of the company, the shares so distributed being treated for all purposes as capital and not as income and these new shares shall not qualify for payment of dividend in respect of the 2005/2006 accounts, and the Directors shall give effect to this resolution on receipt of the necessary permission from the authorities."
10. That the memorandum and Articles of Association of the Company be and are hereby amended as follows:
 - i) To include the following new clause (Article 103 a) "A Director will vacate office if he/she directly or indirectly enjoys a facility from the bank and such facility remains non performing for a period in excess of six months.
 - ii) To delete the following from clause 104 of the Articles of Association 'and subject as hereinafter mentioned for such period not exceeding in the case of office of Chairman or a Deputy or Vice Chairman the period of one year' and insert the words 'on such terms as may be agreed by the Board' after the word 'term'.
 - iii) To delete the following words from clause 129 of the Articles of Association 'all dividends unclaimed for twelve years after the declaration shall be forfeited and revert to the bank'

Notice of Annual General Meeting cont'd

Proxy

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and vote in his stead. A Proxy need not also be a member. A proxy form is at the end of the financial statements. All instruments of proxy should be duly stamped at the Stamp Duties Office and deposited at the registered office of the Company or the Office of the Registrar, Plot 2, Abebe Village Road, Iganmu, Lagos not later than 48 hours before the time for holding the meeting.

Dividend Warrants

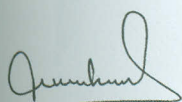
If the dividend recommended by the Directors is approved by members at the Annual General Meeting, the dividend warrants will be posted on 28th August, 2006 to members whose names appear in the Register of members at the close of business on Monday, August 14, 2006.

Closure of Register of Members

The Register of Members and Transfer Books of the Company will be closed from 14th to 18th August, 2006 (both dates inclusive) for the purpose of payment of dividend.

Note

Any member may nominate a shareholder as a member of the Audit Committee by giving notice in writing of such nomination to the Secretary of the Company at least 21 days before the Annual General Meeting.



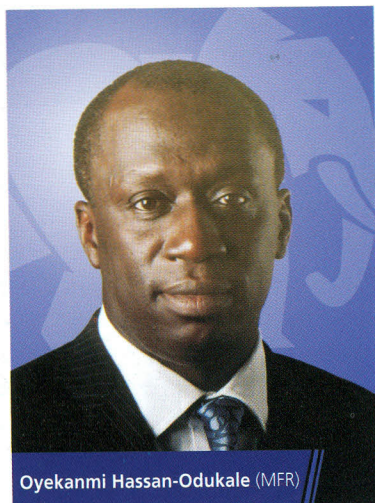
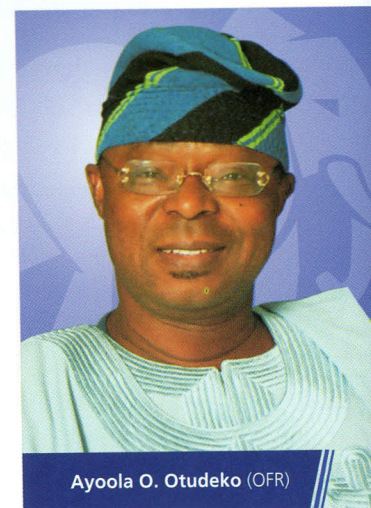
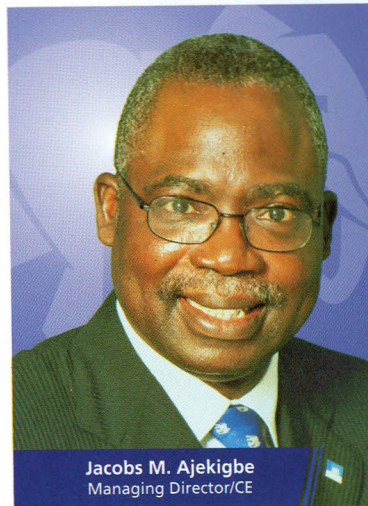
By Order of The Board

Tijjani M. Borodo
Company Secretary
35 Marina, Lagos

Dated this 28th day of June, 2006

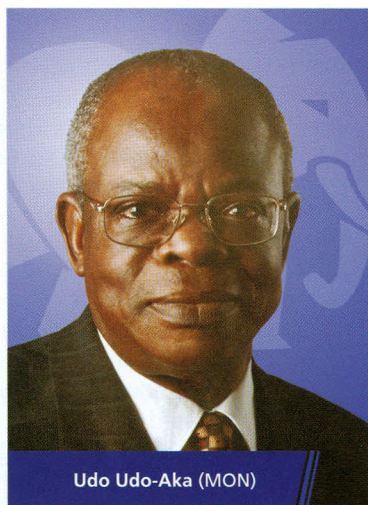


Board of Directors

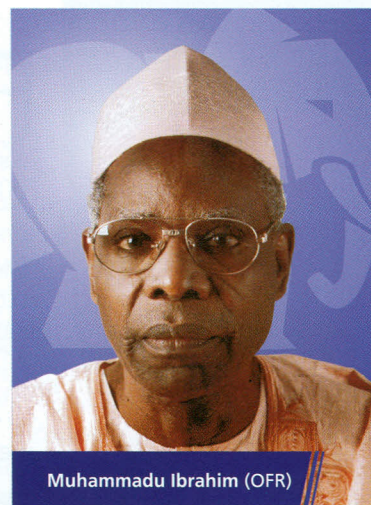




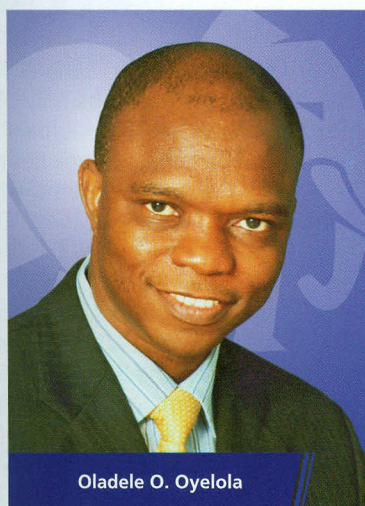
Alex C. Otti



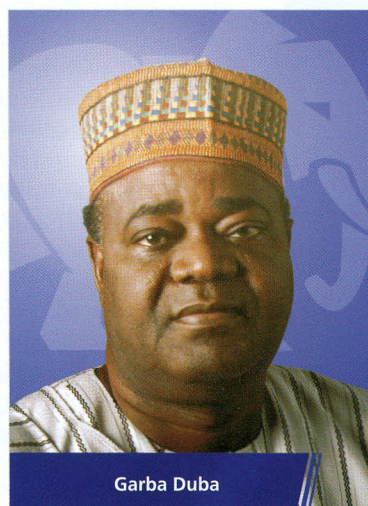
Udo Udo-Aka (MON)



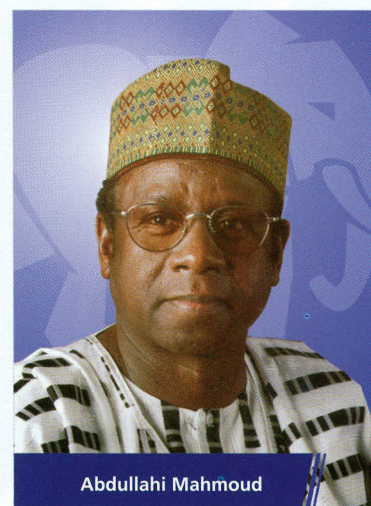
Muhammadu Ibrahim (OFR)



Oladele O. Oyelola



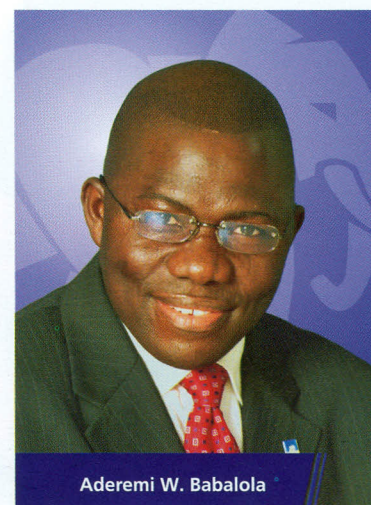
Garba Duba



Abdullahi Mahmoud



Ajibola A. Afonja



Aderemi W. Babalola

Chairman's Statement



Fellow shareholders, invited guests, distinguished ladies and gentlemen. It is once again my pleasure to welcome you to the 37th Annual General Meeting (AGM) of our Bank and to present to you a review of the environment in which our Bank operated in the financial year ended March 31, 2006. I will also be presenting to you the Bank's outlook for the 2006/2007 financial year.

The 2005/2006 financial year was a landmark for the Nigerian financial services industry on account of the comprehensive economic reforms, which were implemented during this period. Chief amongst these was the reform announced by the Central Bank of Nigeria under the "New Agenda for Repositioning the CBN and the Financial System for the 21st Century". Anchored on the re-capitalisation of industry operatives, eighteen months into its execution, this reform initiative culminated in reduction in the number of banks in the industry from the pre-consolidation figure of 89 to 25. Arising from the implementation of this reform initiative are the lingering post-integration issues, which a number of industry operatives are still addressing including conflicts over culture, human resource alignment, technology, and process integration. These vulnerabilities notwithstanding, in the medium to long term, customer satisfaction, and the creation of value for shareholders will be the industry's central goals.

Consistent with my assurances at the last Annual General Meeting (AGM) that post-consolidation, the Bank would not only retain its leadership position, but would also ensure that shareholders' value would not be compromised, I am glad to announce that our Bank has not only delivered on these promises, it has once again, raised the industry bar with yet another outstanding performance in the 2005/2006 financial year.

It is, therefore, with a sense of fulfilment and confidence in the future of our Bank that I proceed to review the international and domestic environments in which the Bank operated, and also highlight the operating performance for the financial year ended March 31, 2006.

1. Operating Environment

1.1 The Global Economy

The global economy grew at 4.8% in 2005, down from the 5.3% recorded in 2004. In the face of this deceleration, the global balance of trade in 2005 was largely neutral despite major downside biases including high and volatile oil prices, widening current account imbalances in the United States, and the fragile security situations in Africa and the Middle East.

Growth in 2005 was essentially driven by the strong performance of the United States of America and China. In the last three years, these economies have provided a strong momentum to global growth.

Alhaji (Dr.) Umaru Abdul Mutallab (CON)
Chairman

accounting for over a third of trade-weighted global output and nearly a fifth of global trade.

With stronger export growth, the resurgence of domestic activity in the fourth quarter, and moderation of deflationary pressures, Japan, which grew at 2.7% in the year to December 2005, was a major contributor to world growth. Russia which grew by 6.4% on the back of a pick-up in consumption and output growth in the energy and external sectors and India growing by 8.3%, were key contributors to this global growth pattern.

Growth in the United States, which accounts for 21% of gross world product, fell to 3.5% in 2005 from 4.2% in 2004 on the back of subdued private consumption, mounting fiscal deficits, and weak corporate fixed investment. Similarly, in spite of strong investment performance, output in the European Union expanded at a much slower rate due to falling household consumption in Germany, Italy and France and product and labour market constraints across the Euro area. The strengthening Euro remains a major concern to the only positive outlook for the Euro economy: export growth.

Reacting to rising global oil prices, the general price level moved against markets with moderate impact on consumer confidence. Consequently, global headline inflation picked up marginally in developed countries from 2% in 2004 to 2.2% in 2005 and in developing countries from 5.8% to 5.9%. However, pre-emptive monetary tightening in many parts of the world, well-anchored inflationary expectations across the leading economies, rising currencies, and delayed pass-through of oil prices in the developing countries helped moderate inflationary pressures during the year. Although the effects of high oil prices were essentially contained during 2005, by the second half of the year, weaker business, and household confidence, driven partly by the continuing high oil prices and in part by the perception that interest rates had bottomed out, served to reduce global growth momentum.

Still, in spite of rapid economic growth, income disparities increased across regions and within countries. With one in every five people in the world surviving on less than US\$1 a day, poverty continues to afflict significant parts of the world's population. With security breaches continuing unabated in Iraq, forward looking indices indicating increases in global oil prices, inflationary expectations, sectarian and political crises remain key downside risks to the prospects of world growth in 2006. While the global economy grew relatively well, the picture was more nuanced for individual countries across regions.

1.1.1 The United States of America

The expansion of the US economy moderated in 2005 with GDP growth of 3.5% as against 4.2% in 2004. Generally, growth was driven by high consumer spending, strong

corporate profits, exports, and healthy financing terms.

Increases in investment spurred by improved corporate profits played an important role in the strengthening of the economy. This performance was further reinforced by robust productivity growth and relatively strong domestic demand with retail sales growing by 7.5% over the preceding year.

Labour markets continued to show signs of improvement. Unemployment rate stood at 5.2%, down from the 5.7% recorded in 2004; and equivalent to 2.1 million jobs created in the review period. However, rising health insurance costs, energy prices, inflation, pension costs, and the falling value of the dollar forced employers to pull back on employment plans.

Manufacturing expansion continued in 2005 as total industrial production rose by 4.2%, strengthening the US' claim to be the most productive economy in the world with productivity growth of 3.4%. Despite rising energy prices, inflation was generally contained in 2005. The core consumer price index (CPI) rose moderately by 2.1% in the twelve-month period ended December 2005.

Growth was moderated by higher petroleum prices, the continuing upward trend in interest rates set by the Federal Reserve Board, and an especially fierce hurricane season, which disrupted oil markets. Driven by high oil prices and strong domestic demand, current account deficit rose to over US\$750 billion, equivalent to 8% of GDP. Despite the current account deficit, the US dollar appreciated by 6.7% against major international currencies during the year. The rapid widening of the deficit contributed significantly to global current account imbalances whose overall size and potentially disruptive resolution pose a major risk to the near-term global outlook.

1.1.2 Europe

With GDP growth of 1.3%, economic activities in the Euro area remained depressed, as against the 2.1% recorded in 2004. Low final domestic demand, reflecting low real income growth, high energy prices and poor labour market conditions were the major impediments to better economic performance. Overall, the region witnessed irregular consumer spending patterns. In a few countries such as France, Spain and Portugal, consumer spending recovered, on the back of declines in household savings, while in others, in particular, Germany, it remained weak.

In France for example, consumer spending increased marginally by 1.1%, beating market expectations. Real incomes rose by 0.65% while savings rate dropped to 15.2% from 16%. However, with economic recovery contingent on strengthening in final domestic demand, serious doubts remain about the sustainability of current trends. As at December 2005, France's actual fiscal deficit amounted to 2.9%, just below the 3% allowed by Europe's "stability and growth pact".

On the contrary, economic growth in the United Kingdom in the year to end-December 2005 was 1.8%, higher than in the three big euro zone economies (France, Italy, and Germany), which recorded growth rates of 1.4%, 0.1% and 0.9% respectively. Economic growth in the Nordic countries was above average. Ireland, on the other hand, recorded growth rate of 4.7%, while Spain achieved 3.4% growth. Strengthened by far-reaching reforms, emerging Central and Eastern European economies achieved higher growth rates than the European Union average of 1.3%, reflecting increases in income levels with the Baltic States recording the highest growth rates, while Poland and Slovakia recorded growth of 4.1% and 5.5% respectively.

Unemployment rates in the Euro zone dipped, with Italy recording a 0.3% drop, and France and Germany recording falls of 4% and 5%.

1.1.3 Asia

Asia continued to lead global economic performance with GDP growth of 7.8% in 2005, the highest since the 1997/98 Asian financial crisis. Growth was largely driven by the external sector, with high demand from the United States and an upturn in the global information and communication technology (ICT) product markets providing the key fillip. While the impetus from stronger economic performance in China continued to exert a beneficial influence on regional economies, a better-than-anticipated recovery in Japan bolstered regional performance and engendered a rapid expansion of intra-region trade.

Economic activity in Japan improved mildly, with GDP growing by 2.7%. Deflationary pressures, for over five years the bane of economic recovery, eased as the previously precipitate fall in asset prices appeared to have bottomed out. Growth in the Chinese economy was stronger than anticipated, with GDP expanding by 9.9%. This result was underpinned by recovery in domestic demand, following a slowdown engineered by the Chinese authorities in response to the investment boom in 2004.

Across Asia, economic activity moderated in 2005, on account of higher oil prices, and moderating Chinese imports. High oil and commodity prices and the increased pass-through of higher oil prices into the domestic economy precipitated inflationary pressures in some East Asian economies, prompting central banks to tighten monetary policy.

1.1.4 Africa

Africa's real GDP grew by 5.2% in 2005, as against 5.5% in 2004. Growth in 2005 was underpinned by the same factors

that drove growth in 2004 - favourable commodity prices and a relatively better macroeconomic management across the continent. Although some countries bore the ill-effects of drought and other setbacks, agriculture recorded good overall performance in the review period. Continued progress in macroeconomic management and structural reforms, including unification of foreign exchange markets, as well as better public expenditure and financial management in a large number of countries attracted foreign direct investments and encouraged economic activity in the region.

The international economic environment was also supportive of the region's performance, with high oil prices and buoyant world market prices of some of Africa's main non-fuel, primary export commodities contributing to growth in export earnings and GDP. Stronger foreign direct investment (FDI) and official development assistance (ODA) inflows and a reduction in stock of public debt were other factors driving growth in the review period.

Except in Morocco, where growth was constrained by the poor performance of the agricultural sector and a contraction in textile and clothing exports, GDP expanded robustly in North Africa in 2005. Increased oil and gas exports pushed Algeria's GDP growth from 5.2% to 5.3%. In addition, buoyant export growth, increased domestic demand, lower inflation and appreciation of the pound and rising inward remittances, drove Egypt's GDP growth in 2005.

Economic growth in sub-Saharan Africa averaged 5.5% in 2005, with oil-exporting countries such as Angola and Congo growing at double-digit rates in 2005 as a result of high export volumes and stronger domestic spending. South Africa's GDP grew by 4.9% in 2005, driven mainly by growth in domestic expenditure due to rising real incomes, low interest rates, and moderate inflation. Strong global demand boosted exports, although the current account remained in deficit because of faster import growth. The unemployment rate, which stood at a high 26.5% remains a major challenge. The situation was further complicated in 2005 by large influx of illegal unskilled workers from neighbouring countries.

Cote d'Ivoire, Seychelles, and Zimbabwe were the only African countries where GDP contracted in 2005. Economic decline in Cote d'Ivoire and Zimbabwe was associated with political instability and civil unrest, while weak domestic demand and falling revenue from tourism pushed economic contraction in the Seychelles.

Despite the benign external environment, manufacturing output declined in countries heavily dependent on textiles and clothing exports, owing to the end in December 2004 of quotas to protect developed countries' textiles production established in 1974 by the Multi-Fibre Agreement (MFA). Increased competition from low-cost textile producers in China and other Asian countries increased pressure on unemployment in these countries with thousands of jobs reportedly lost in Lesotho, Madagascar, Malawi, Mauritius, Swaziland and South Africa.

Average inflation rate in the continent remained in the low double-digit range in 2005. Inflationary pressures, however, were stronger in Ghana, Guinea, Malawi, Zambia and Zimbabwe as depreciating currencies hurt net export positions, and higher imported oil prices were passed through to the various economies.

The continent's commitment to economic and political reforms was further underscored as 24 African countries signed the African Peer Review Mechanism (APRM) as at December 2005. Fully operational, the APRM should improve the governance of countries in the region, thereby securing the confidence of external development partners and foreign investors in the sustainability of sundry reform efforts currently underway in the region. In 2005, the first stage of APRM reviews was conducted for Ghana and Rwanda.

Africa's external debt situation improved in 2005, with the medium term outlook likely to be better still, as export earnings remain high, debt relief continues and more active debt management efforts are emplaced. If existing commitments are adhered to, the G-8 proposal, reached at the July 2005 Gleneagles Summit, to write-off multilateral debt owed by heavily indebted poor countries (HIPC) is expected to facilitate long-term debt sustainability in many African countries. The decision by Algeria, Nigeria and other African oil-producing countries to use their excess income from oil exports to repay some of their debt ahead of schedule has also improved the continent's overall long-term outlook.

Despite the relatively positive overall economic performance, African economies face fundamental challenges requiring prompt attention if better and faster growth is to be achieved in the future. The aggregate rate of growth remained below the 7% hurdle rate, which both the Economic Commission for Africa (ECA) and the World Bank estimate as the minimum average rate at which African countries need to grow in order to achieve the Millennium Development Goal of halving poverty on the continent by 2015. Thus far, increased growth seems to have had limited effect on poverty reduction. Partly, this is because the current growth trend is largely concentrated in relatively capital-intensive sectors with little spill-over effects on employment creation and income redistribution in the larger economy.

1.2. The Domestic Political Environment

The political environment heated up in the third quarter of the review period as contending views were fielded over the propriety of an amendment to the constitution.

The four months delay in the implementation of the 2005 budget was a further downside to the political environment. Signed into law on April 12, 2005, budget execution was held

up by the disagreement between the Executive and the Legislature over the year's total appropriation, which was later increased by 9.1% from ₦1.65 trillion to ₦1.8 trillion. The areas of disagreement included among others funding sources for the ₦200 billion introduced after the passage of the budget by the National Assembly, the inclusion of ₦50 billion for public sector reforms, and the reduction in the appropriation for debt repayment.

Convention of the National Political Reform Conference and extensive debate over resource control were other issues, which dominated the political landscape in 2005. The National Political Reform Conference was polarised by questions over the levels of fiscal derivation appropriate to the demands of federalism and the need to recompense local communities for their contribution to the commonwealth. Although the conference agreed on majority of the issues on its agenda, consensus could not be reached on two major areas - the tenure of elected officials (president, governors, etc.) and the amount that should accrue as derivation to the oil-producing states.

In addition, legal fallout from the 2003 general elections put some strain on democratic structures. Governorship election petitions in Anambra and Delta States were concluded during the review period, with a change in the occupant of the Anambra State governorship seat as a major upshot of these litigations.

Underinvestment in, neglect of infrastructure upgrades, and absence of safety standards in the aviation industry, took its toll during the review period, with several air accidents occurring across various airports in the country. Notable amongst these were the Bellview air-crash of September 2005, in which the entire 117 passengers and crew members on board died, and the Sosoliso crash of December 2005, which left no less than 109 persons dead.

Ethno-religious crises, as well as youth restiveness in the Niger Delta presented the government with a major security challenge. Ethnic militias in the Niger Delta kidnapped foreign oil workers on several occasions, damaged offshore oil installations, and bombed pipelines. These glitches notwithstanding, progress was recorded in the review period in the pacification of the major ethnic militias in the country.

A key positive to the review year was government's continuation of its anti-corruption campaign. A number of top-level officials, both elected and appointed, all linked with corruption issues were promptly replaced, arrested, and prosecuted.

1.3. The Domestic Economic Environment

On the economic front, the country recorded milestones during the year under review. In October 2005, the Federal

government secured an historic US\$18 billion debt relief from the Paris Club out of its US\$34 billion external debt. Shortly after, the International Monetary Fund (IMF) approved Nigeria's first-ever Policy Support Instrument (PSI), intended to support the country's economic reform efforts. Using the excess revenue from crude oil exports, the Federal Government finally exited the debt deal in April 2006 after paying off its outstanding US\$6.4 billion commitment to the Paris Club. The successful resolution of the country's external debt to insured creditors is expected to facilitate the restoration of export credit cover for Nigeria by export credit agencies of the respective creditor countries. At ₦1.5 trillion as at end-December 31, 2005 domestic debt remains a major obstacle to stimulating domestic demand.

The first phase of the consolidation exercise aimed at strengthening the banking industry was successfully concluded on December 31, 2005 with the number of banks in the industry shrinking to 25 from 89 pre-consolidation. With reforms to the financial services sector underway, government's reform programme began yielding positive results in the review period. For the first time, the nation was assigned BB- rating by two international rating agencies - Fitch Rating Agency and Standard & Poor's (S&P). Both ratings increased the country's attractiveness for foreign direct investments (FDIs) as well as low-interest credit flow into the economy. Aside placing Nigeria at par with emerging economies such as Brazil, Turkey, Ukraine, Serbia, The Philippines, and Vietnam, the ratings have boosted foreign investors' confidence in the country.

Consequently, portfolio investment in Nigeria increased by over US\$1.7 billion in the period after the ratings were released. Until recently, Nigeria was an unqualified entity in the estimation of foreign investors, international portfolio managers, and international finance institutions that had to consider proposals for investment in projects to be executed in Nigeria.

Appreciable progress was made in prosecuting government's anti-graft policies in the year under review. The Economic and Financial Crimes Commission (EFCC) recovered assets worth billions of naira from the successful prosecution of corruption cases, while a number of high-level public officials were arrested and prosecuted for committing economic crimes. Pursuant to the goal of strengthening the private sector as the main engine of economic growth, government took decisive steps towards privatising a number of state owned enterprises. The Apapa port was concessioned to four companies while many government companies and properties were sold. About ₦43 billion was realised from the sale of 24 public enterprises in 2005 bringing the total since 1999 to ₦80 billion.

Underpinned by government's strong commitment to economic reform, high oil revenue, and strong inflow of foreign direct investment, the domestic economy grew by

6.2% in 2005 as against 6.5% recorded in 2004. For the time in decades, the non-oil sector grew by 7%, significant higher than the oil sector despite the strong international prices. The economy has since improved further, growing 2.7% in the first quarter of 2006, due to above average performance in the telecommunications and postal services (26.2%), solid minerals (9.5%), manufacturing (10.2%), and agriculture (6.2%) sectors.

Owing to increased receipt from the oil sector, gross external reserves rose by 67% to close end-December 2005 at US\$22 billion from US\$16.95 billion in the corresponding period of the previous year. The enhanced external reserves position improved the CBN's ability to meet the supply needs of the Dutch Auction System (DAS). Thus, the volatility associated with the naira's exchange rate in past cycles was generally contained, while its value appreciated against major currencies contributing to an improvement in the business planning and forecasting environments. The naira appreciated by 3% to close the year at US\$129 in the official market as against US\$132.9 in the corresponding period of the previous year while in the parallel market, it closed at ₦142/US\$1 compared to ₦149/US\$1 in 2004.

Relative to their corresponding levels at end-December 2004, narrow money (M1) and broad money (M2) grew by 10.9% and 16.1% respectively, compared with the targets of 11.4% and 15.0% for fiscal 2005. Headline inflation peaked during the 2005 financial year in response to expansionary macroeconomic policies, and increases in food prices particularly in neighbouring countries. In contrast to the single digit inflation target for 2005, the year-on-year inflation figure was 11.9% in December 2005, compared to 11.6% in 2004 while the twelve-months moving average figure was estimated at 17.9%, compared with 15% as at end-December 2004. In August 2005, domestic fuel prices were increased by about 25% to reduce implicit subsidies. Meanwhile, the sum of ₦1 billion was included in the 2006 budget to ensure fuel price stability in 2006.

Reduction in access fees, promotional campaigns, and falling handset prices propelled the nation's teledensity away from traditional lows, and boosted the fortunes of the telecommunication industry in 2005. Telecommunication companies' subscriber base increased to about 19 million in 2005 from nine million in 2004; while the Nigerian handset market was valued at over US\$10 billion in 2005 with growth in this industry sub-sector expected to reach 12% in 2006.

However, despite these achievements, Nigeria remains one of the poorest countries in the world, ranking near the bottom in many human development indices in 2005. Corruption, high unemployment, insecurity, low literacy and growing prevalence of HIV/AIDS are the major long-term impediments to improving the quality of the nation's social capital. On the other hand, sporadic outbreaks of the deadly avian flu virus led to a drastic cull of poultry in the northern part of the country.

An upsurge in crime and violence in the Niger Delta constrained oil production activities, resulting in a 10% decrease in oil output, and loss of oil revenue of about US\$1 billion.

Government's inability to deliver basic services continues to raise concerns. The state of infrastructure remained poor and was a major constraint to the accelerated development effort demanded as a condition for moving the country forward. Despite the unbundling of Power Holding Company of Nigeria (PHCN), the anticipated increases in electricity generation and distribution remain elusive. Consequently, capacity usage in the primary sector of the economy dropped from 52% in 2004 to 51.5% in the review period.

The capital market witnessed marginal growth in 2005. In keeping with tradition, our Bank had the highest capitalisation in the financial services sector at the Nigerian Stock Exchange (NSE). Against the increase of 18.46% recorded in 2004, the NSE All-Share index rose marginally by 1.01%, the lowest growth rate in six years, to close the at 24,085.76 in December 2005. On the other hand, market capitalisation increased by 37.3% to close at ₦2.9 trillion. Market turnover for the year was ₦263 billion, representing an increase of 16.4% over the ₦226 billion recorded in 2004. Available statistics indicate that foreign portfolio investment inflow into the market was in the region of ₦10 billion, excluding strategic investments in banks.

However, the market fared badly in the first quarter of 2006, the primary market witnessing reasonable level of activity. Market capitalisation, which opened the year at ₦2.533 trillion, dropped by ₦23 billion as at March end, while the All-share index, which opened the year at 24,085.76, dropped by 749.16 points (or 3%) to close the quarter at 23,336.60.

1.4 The Banking Industry

Year 2005 was remarkable in the history of the Nigerian Banking industry. The consolidation exercise initiated by the CBN on July 06, 2004 came to a head on December 31, 2005 with 14 banks unable to meet the ₦25 billion recapitalisation requirement. The apex bank revoked the licences of the 14 banks. Meanwhile, the 25 banks that successfully met the ₦25 billion minimum capital requirement represent 93.5% of the total deposits of the 89 banks that existed in the country pre-consolidation. In the process, about ₦406 billion was raised from the capital market while an inflow of US\$652 million was generated from outside the economy.

Fulfilling its resolve to encourage local banks to become global financial players, the CBN in the review period released guidelines for Nigerian banks wanting to manage the country's foreign reserves. A minimum capitalisation of US\$1 billion was set as the hurdle for banks desirous of managing at least US\$500 million of foreign reserves. On the other hand, foreign banks wishing to manage the country's foreign reserves are expected to collaborate with local banks in aid of the transfer of the requisite skill mixes to the latter. In another development, the number of settlement banks was increased from 7 in 2004

to 10 in the review period while under the new dispensation, banks wishing to act as clearing and settlement banks must pledge Nigerian Treasury Bills worth a minimum of ₦16 billion as settlement collateral with the CBN.

In the review period, the apex bank introduced special intervention in the foreign exchange market as part of its strategy to improve market efficiency and effectiveness.

This initiative laid the basis for the implementation of the Wholesale Dutch Auction System (WDAS), which kicked off on February 20, 2006 with the aim of liberalising the foreign exchange market and reducing end-users' documentation burdens. The new system permits Bureaux de change to operate as brokers within the interbank market framework. Consequently, supply side pressures eased in the foreign exchange market, while demand pressure in the parallel market reduced because of the elimination of restrictions imposed on transactions on the official market.

In order to lower industry cost of funds, the Cash Reserve Ratio (CRR) was reduced by 6% points from 11% to 5.00% with the difference expected to be invested by banks in special CBN instruments with a tenor of 91 days at 3.00% coupon rate. Furthermore, a 1-year Treasury bill was introduced on July 1, 2005 with a view to restructuring the debt profile of the Federal Government. Similarly, in order to reduce liquidity pressure, reverse inflationary trend and encourage long tenored investments, the 182-day non-discountable bill was introduced.

To facilitate carriage and movement and also reduce wait-time in the banking hall, the CBN on Wednesday, October 12 2005 formally launched the ₦1,000 note while setting a target date of December 2006 for the local printing of all currency denominations.

Overall, interest rates dipped in 2005 relative to previous years essentially due to a glut in the money supply situation. However, the spread between weighted average deposit and maximum lending rates remained high. The average Nigeria Interbank Offer Rate (NIBOR) for 7-day tenor and 90 day-tenor in 2005 were 13.79% and 16.03% respectively as against 18.90% and 17.03% in 2004. In order to effectively manage liquidity in the system as well as ensure that banks look for alternative ways of deposit mobilisation to reduce over dependence on government funds, the CBN continued the phased withdrawal of government funds from the banking system in the review period.

2. OPERATING RESULTS

Competitive pressure in the industry increased in response to heightened regulatory risk. The market's resistance to the full pass-through of the industry's increasing operating costs, rose with the industry's need for increased investment in extending and upgrading service delivery infrastructure.

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In spite of all these vulnerabilities, FirstBank's performance rose. Gross earnings increased by ₦11.77 billion (23.80%) from ₦49.47 billion in the year to March 2005, to ₦61.24 billion in the year under review. On this basis, profit before tax in the review period stood at ₦19.83 billion, equivalent to a ₦4.69 billion (30.98%) growth on the ₦15.14 billion recorded in the corresponding period of the preceding year.

On a profit after tax figure of ₦16.05 billion, as against ₦12.18 billion for the previous year (an increase of 31.77%). The Board is proposing a dividend payment of ₦5.24 billion (or 100k/share) to Shareholders. In line with its commitment to grow shareholder value, a bonus issue of one (1) for every one (1) ordinary shares held is recommended. In part, the level of dividend and bonus is indicative of our strong financial result for the year under review. In the main, it is crucial that we return value in real terms to compensate our shareholders for their long-term view of our business prospects.

3. BOARD CHANGES

3.1 Retirement and Appointments

Messrs Ado Yakubu Wanka, Evans E. Woherem, Bashiru A. Bakare and Mrs. Christy N. Okoye retired from the Board as Executive Directors while Brigadier General Abba Kyari (Rtd.) also retired as a Non-Executive Director on September 5, 2005.

The following were appointed Executive Directors since the last Annual General Meeting of the Company: Messrs Aderemi W. Babalola, Alex C. Otti, Oladele Oyelola, Lamido Sanusi, and Mrs. Harriet-Ann O. Adesola.

In accordance with Session 249 (2) of Company & Allied Matters Act, 1990, a resolution will be proposed at the Annual General Meeting approving their appointments as Directors.

Prince Ajibola A. Afonja was appointed Non-Executive Director on August 23, 2005.

3.2 Retirement by Rotation

In accordance with the company's Article of Association, Alhaji (Dr.) U. A. Muttalab (CON), Lt. Gen. Garba Duba (Rtd.), Mr. John O. Aboh and Mallam Abdullahi Mahmoud retire by rotation and being eligible, offer themselves for re-election while Mrs. Harriet-Ann O. Adesola, Messrs Aderemi W. Babalola, Alex C. Otti, Oladele Oyelola and Lamido Sanusi be and are hereby elected Directors of the Company.

4. OUTLOOK FOR 2006/2007

4.1 The Global Economy

Having successfully internalised high oil and energy prices in 2004 and 2005, prospects for the world economy in 2006 are biased in favour of upside risks. The global economy is expected to grow by 4.9% in 2006, up from 4.8% last year. However, growth is likely to slow marginally in the United States and the developing countries. Tightening cycles, the burgeoning budget deficit, subdued consumer spending and upward pressure on long-term interest rates should moderate growth in the United States. Emerging Asian and Central and Eastern European countries are expected to enjoy the fastest rates of export growth. Besides, the challenge of integrating China and India into the world economy in a sustainable way could result in new trade restrictions, particularly from the USA. Meanwhile, world trade should pick up modestly in 2006 compared with 2005 but remain below the growth rate of 2004.

However, there are important downside risks to this outlook. Futures markets expect continuing premia on oil prices in 2006 with the Organisation of the Petroleum Exporting Countries (OPEC) suppliers being the only real beneficiaries. Many rich countries currently face high private and public sector debt while Europe still needs to build clarity and confidence in its product and labour market structures. Besides, America's festering current account deficit is another major source of worry.

A declining dollar will assist in correcting this imbalance, but will adversely affect the US's bond market and long-term interest rates. Consequently, domestic prospects will dim and key trade partners will suffer. A tightening of international capital flows would make it harder for emerging markets, especially in Latin America, to raise funds to finance growth.

4.1.1 The United States of America

America's economy has consistently defied predictions of an imminent downward adjustment over the past five years. The economy's resilience is largely attributed to America's consumers' huge spending appetite. Irrespective of present risks to the economy's outlook including the stock market price collapse, soaring fuel prices, and the increase in domestic household debt, American consumers have continued to spend in response to low interest rates.

With household debts rapidly eroding disposable incomes, an adjustment in spending patterns may occur in 2006, with consumers increasing their savings rate in reaction to the tightening economic cycle. Basically, consumers will face three self-reinforcing challenges during the year: high cost of fuel, cost of houses may flatten and even fall in some regions, while inflation jitters will push interest rates up as witnessed in the first quarter of 2006.

America's inflation rate, which stood at 3.4% in December 2005, is expected to moderate to 3.2% in 2006. Having worked out the excess capacity in industry, and the debt burden which many businesses faced with the collapse of the dotcom bubble, output growth in the US in the last three years have been driven by increased productivity. As the output gap narrows, the unemployment rate in the US is expected to fall from 5.1% in 2005 to 4.9% in 2006. Gradual correction of the budget deficit, which currently stands at 6% of GDP, including but not necessarily limited to an upward adjustment of the dollar exchange rate would be necessary if the American economy is not to lead a global downturn. Overall, the American economy is forecast to grow at 3.4% in 2006.

4.1.2 Europe

The expected recovery in Europe failed to happen in 2005. Prospects for a stronger near-term recovery remain uncertain despite impressive profit growth by German businesses in 2005 as weak internal demand and structural rigidities in the product and labour markets continue to dampen productivity-enhancing investments in the EU. Aging European populations and the subsequent rise in social security spending will continue to challenge healthy growth rate as well as burden on fiscal policy. For 2006, an economic expansion of 2% is projected. Germany and Italy are forecast to grow at 1.3% and 1.2% respectively. France, Germany, Greece, Italy, and Portugal are all expected to exceed the 3 percent GDP cap stipulated by the Stability and Growth Pact. Unemployment, which stood at almost 9% in 2005, may rise over the long run, except Europeans are prepared to work longer and retire later. With the exception of Germany, productivity may remain low due to relatively low capital spending.

In the United Kingdom, the largest EU economy outside the euro area, growth is expected to improve sharply in 2006 to 2.5% from 1.8% the previous year. Growth will be driven by improvements in the medium-term fiscal position, tapering off in house price inflation, and an upturn in business investment and export growth. Inflation is expected to rise slightly above the Bank of England's target rate of 2%, while the fiscal deficit is expected to reach 3.2% of GDP in 2006 to support higher spending on health and education.

Outlook for the dollar/euro exchange rate is negative. We expect the euro to remain strong and stabilise at US\$1.25/1 euro in 2006. However, the Federal Reserve's rather successful efforts to lead the American economy towards a more moderate and balanced growth, interest rates differentials between the US and euro area assets and higher US growth prospects are a series of factors that will play an important role in determining the dollar/euro rate.

4.1.3 Asia

Asia outperformed the rest of the world in 2005, achieving an impressive growth of 8.6%, led by China with growth rate of

"On the strength of economic activities in the oil producing countries, both overall fiscal and current account deficits are expected to improve in the region, on average, in 2006. These balances are projected to worsen, however, in a number of oil importing countries."

9.9%. However, China's plan to lower demand in "overheated" sectors and the impact of high oil prices may ultimately cause the 2006 growth figure for the sub-region to dip slightly. Current estimates expect GDP growth of 8.2% and 9.5% for developing Asia and China respectively. On the other hand, the main economies of the sub-region, Korea and Taiwan Province of China, are leading exporters of information and communication technology (ICT) equipment and electronic goods, and with the global ICT electronics cycle having bottomed out in the second half of 2005, prospects for the higher export of these items in 2006 are positive. Therefore, the two ICT-exporting economies are expected to grow at a higher rate of 4.8% and 4% respectively in 2006 compared with 3.6% in 2005. Another reason for optimism is the expectation of continued growth in Japan, the region's largest economy and a major export destination for the sub-region. However, Japan still needs the impulse from the external sector, and any slowdown in America and China may result in the easing of Japanese growth.

4.1.4 Africa

Growth in Africa is expected to be sustained at 5.7% in 2006 primarily due to rising petroleum output in oil producing countries and pick-up in import growth in advanced countries

Output growth in some oil producing countries is forecast to increase significantly from 4.7% to 8.1%, reflecting stronger growth in Nigeria and Angola. Real GDP growth of at least 5% is projected in about one-half of the oil importing economies, with Cape Verde, Madagascar, Malawi, Mozambique and Sierra Leone all projected to grow in excess of 7%. Steady growth in South Africa will continue to be supported by robust domestic demand.

Given that monetary policy is expected to remain prudent in most states of the region, inflation is likely to fall while the existing policy of passing the burden of higher oil prices to consumers will persist in 2006, except in Nigeria, which has put in place ₦150 billion subsidy to cushion the effect of additional price increases in the international markets.

On the strength of economic activities in the oil producing countries, both overall fiscal and current account deficits are expected to improve in the region, on average, in 2006. These balances are projected to worsen, however, in a number of oil importing countries.



1. INTRODUCTION

Distinguished shareholders, ladies and gentlemen. The 2005/2006 financial year presented another opportunity for our Bank to excel across major performance indices. Assured by this performance, I am delighted once again to welcome you to the Bank's 37th Annual General Meeting (AGM) and to present to you the financial statements for the year ended March 31, 2006. I would specifically like to note that it has been wonderful working with a team of dedicated people, serving our esteemed and loyal customers and providing our shareholders with another year of solid returns. I am very pleased to report that the FirstBank Group has enjoyed a year of excellent performance reflective of the great confidence the public has in the Bank.

In the year under review, the Bank's operating environment continued to be characterised by uncertainty, especially in the face of industry consolidation, inadequate and non-performing infrastructure, and heightened regulatory risk. This difficult environment increased the strain on industry fundamentals, placing a premium on competitiveness in core and non-core banking businesses as requisite for market leadership.

Specifically, the year gone by was marked by a series of challenges, the most important of which was the creation and preservation of value in a highly competitive environment. Invariably, this required that we successfully navigated a succession of new regulations, while motivating and challenging our people to consistently maintain the Bank's performance ahead of competition. The new regulations, new requirements and ever-increasing demand for transparency also tasked our ability to strengthen our business processes and to sustain governance procedures appropriate to the dynamics of the environment. It is, therefore, heart-warming to report that our stakeholders have started benefiting from the modernisation of our operations, which is driven by the implementation of a culture of continuous improvement.

Among the major highlights of the year were acquisitions and investments, which are important building blocks for our growth strategy. In this regard, we acquired MBC International Bank and our erstwhile subsidiary, FBN (Merchant Bankers) Ltd.

The strategic rationale for acquiring both banks is to enhance the FirstBank Group's wholesale and investment banking capacity. Consequently, the investment banking/capital market functions of the three banks were pooled into a new company, FBN Capital Markets Nigeria Limited, which has since begun operations. The establishment of this new company is consistent with our overall objective of creating a one-stop financial shopping mall, and it would leverage business opportunities in investment banking and capital market operations, thus leaving FirstBank free to focus on its commercial banking business.

Further to this, in November 2005, we announced a business combination with Ecobank Transnational Incorporated (ETI), which on conclusion will create the largest financial conglomerate in the West African sub-region and the largest indigenous bank in Africa. It will also make the emergent bank one of the largest employers of labour in Sub-Saharan Africa. To this end, we have concretised plans to integrate our businesses into a single entity in order to better leverage our size and take advantage of the specific market conditions in the sub-region. This we have done by setting up the project governance structure for the combination.

The Bank, in September 2005 also took bold steps to reengineer its processes, people and services, culminating in the reorganisation of the executive management and adoption of a new operating model. In March 2006, the Bank introduced a new suite of retail and consumer banking products, under the brand name "U-First", to provide enhanced services and greater flexibility for our valued customers. More importantly, the underlying philosophy of "U-First" is to increase consumer spending as a catalyst for economic growth as is the case in the developed economies with relatively higher percentages of consumer spending to GDP.

Indeed, the major task before the Bank in the financial year under review was the pursuit of consistently superior corporate performance and improvement in our service delivery levels while remaining in the uppermost percentile of the corporate social responsibility league.

The fact that a significant proportion of the Nigerian banking public has business relationship with the Bank attests to the enormous strength of our brand and the success of our commitment over the years to building the industry's most robust infrastructure backbone. Of course, we continue to upscale our service culture to meet the needs of our customers, and our strategy of growth and modernisation provides a fulcrum for our efforts. What is clear is that our brand essence of being "Dependably Dynamic" is as relevant today as it was four years ago when we embarked on the Brand Transformation programme.

2. INDUSTRY REVIEW

The year 2005 witnessed a flurry of activities that were unprecedented in the Nigerian banking industry. These include efforts by banks to meet as well as position themselves for the December 31, 2005 deadline set for banks on the new shareholders' fund requirement of ₦25 billion as announced by the CBN on July 6, 2004. Various steps were taken by banks to meet the target date. Some consolidated their existing operations through mergers and acquisitions,

while others raised additional funds from the capital market by way of public offers, right issues and private placements. Altogether, over ₦450 billion fresh funds were injected into the banking industry in the process.

Upon conclusion of the first phase of the consolidation exercise, the number of banks in the industry by December 31, 2005 shrank from 89 operating banks to 25, which altogether account for 93.5% of the market share of deposits. Meanwhile, the operating licences of the 14 banks that failed to scale the consolidation hurdle have been revoked.

Overall, the consolidation activities constrained banks' business development initiatives as most of them struggled to hold on to existing relationships. For the most part of the year, inter-bank transactions were subdued with pressure on rates, as most banks approached the market with caution. In addition, the CBN's retention of the minimum rediscount rate (MRR) at 13% during the year continued to pose a big challenge to banks in the management of their interest rate regimes.

The Central Bank's institution of a risk-focused, rule-based, zero tolerance regulatory framework, especially in the area of data/information rendition, continued in the review period. The automation of reporting requirements, and revision and update of relevant banking laws were put in place to enhance operational efficiency industry-wide.

Commencing almost simultaneously with the consolidation programme were the deployment of the enhanced Financial Analysis and Surveillance System (e-FASS) and the establishment of a hotline as well as confidential e-mail address (Governance@cenbank.org) for all those who wish to share confidential information with the Governor of the Central Bank of Nigeria (CBN). In order to check the problem of excess liquidity in the banking system and the widening gap between the official and parallel exchange rates, the apex bank also adopted a number of monetary policy measures. Amongst these were the phased withdrawal of public sector deposits from the industry and the liberalisation of the foreign exchange market through the adoption of wholesale Dutch Auction System (WDAS).

In a measure aimed at attaining a higher level of efficiency in commercial banking operations, the CBN in the period under review announced the introduction of unified and coded

"More importantly, the underlying philosophy of "U-First" is to increase consumer spending as a catalyst for economic growth as is the case in the developed economies with relatively higher percentages of consumer spending to GDP."

chequebooks for all banks in the country, usage of which commenced in June 2006. In a similar development, the clearing and settlement scheme was broadened with the appointment of 3 additional clearing and settlement banks, bringing the number of banks in this category to 10.

The licensing and commencement of operations by Pension Fund Administrators (PFAs) and Custodian companies, as stipulated under the Pension Reform Act of June 2004, capped the sequence of reforms for the period under review. Sequel to this, twelve Pension Fund Administrators (PFAs) and four Pension Fund Custodians (PFCs) were authorised to operate pension business in the country.

First Pension Custodian Nigeria Ltd, our own subsidiary was amongst the four custody firms licensed by the National Pension Commission (PENCOM), the pensions industry regulator. Through this new investment vehicle, FirstBank would fully reap the benefits provided by this arrangement. I am glad to report that First Pension Custodian has been appointed by not less than six of the 12 PFAs as their custodian.

"In the review period, there was persistent liquidity glut in the system forcing banks' deposit and lending rates southwards for the better part of the year. The downward slide in lending rates, on the back of an official rate ceiling of 17% (MRR+4), changed the pricing dynamics in the industry."

By transferring the nation's pension industry infrastructure from the defined benefits to the defined contribution framework, the Act simultaneously tackles the legacy of unfunded public pensions, while creating avenues for the mobilisation and management of domestic savings. The new development specifically would promote savings as over N300 billion accumulated pension funds are on ground, while government's unfunded pension obligation is estimated at over N2 trillion.

In the review period, there was persistent liquidity glut in the system forcing banks' deposit and lending rates southwards for the better part of the year. The downward slide in lending rates, on the back of an official rate ceiling of 17% (MRR+4), changed the pricing dynamics in the industry.

However, toward the end of the year, regulatory intervention, including the withdrawal of public sector funds from deposit money banks, introduction of non-re-

discountable treasury bills, and the temporary closure of rediscount window, adversely affected the inter-market, with the weighted average inter-bank call rate significantly to 16.41% in November 2005 before declining to 7.0% as at year-end. The decline in call rates at the close of the year yet again reflected the liquidity glut in the industry.

Consumer price inflation rose consistently in the year despite the CBN's implementation of a monetary framework aimed at lowering inflation to single-digit level. The 12-month consumer price inflation was as high as 16.20% in December 2005, while the twelve-month moving average inflation for the review period averaged 18.25%. All these affected margins as cost of doing business rose in tandem. On a positive note however, the Cash Reserve Requirement was reduced in December, 2005.

Generally, the operating environment in the 12 months ended-March 2006 was challenging but equally exciting, our response has been to focus on growth, profitability, the empowerment of our people to deliver our products and offerings more efficiently and speedily.

3. THE BANK

3.1 Financial Performance

The Bank's balance sheet closed at N538.15 billion representing an increase of 42.56% over N377.49 billion recorded in the corresponding period of the previous year. Total deposit rose by N125.86 billion (47.50%) from N264.99 billion in the year ended March 2005, to N390.85 billion in the review period. Based on the exceptional performance of earning assets, gross earnings rose by 23.80% (N11.77 billion) from N49.47 billion recorded in the year ended March 2005, to N61.24 billion in the review year.

The improvement seen in the topline notwithstanding, pre-tax and exceptional items at N16.12 billion was 6.5% higher than the previous year's figure of N15.14 billion. This was due to a number of reasons. Overheads rose by N2.6 billion or 26.5% over the 2005 figure of N9.8 billion. Apart from the normal cost of doing business which has always been on the increase, we embarked on a number of projects aimed at modernising our branches and Head Office in order to remain ahead of industry practice. Depreciation of N3 billion was 40% over the 2005 figure due to acquisition of new assets especially new branch premises.

Contribution to retirement benefit of N1.47 billion was 186% above the 2005 figure of N514 million. As we move to a new pension regime, there is the need to bridge the funding gap in the Bank's contribution to retirement benefits under the old regime.

The profit figure also came under pressure from provision for bad and doubtful accounts, most of which was accounted for by the indebtedness of certain banks now under liquidation.

However, as a result of the decision to divest part of our investment in Vee Networks Ltd., profit before tax in the twelve months to March 2006 rose by 30.97% (N4.69 billion) to close at N19.83 billion from the N15.14 billion recorded in 2005.

The operating environment remained severely constrained by heightened competitive pressure on one hand, and consumer resistance on the other. However, we continued to respond positively to emerging business opportunities.

3.2. Appropriations

In compliance with the provisions of the law, N2.41 billion was transferred to statutory reserve, while N1.61 billion representing 10% of profit after tax was set aside for small and medium scale industry reserve. On the other hand, the sum of N5.24 billion representing 32.65% of profit after tax is being proposed as dividend to shareholders. This amounts to a dividend payout of N1.00k for each 50 kobo share held against N1.60 paid out in the last financial year.

Furthermore, we are proposing a bonus issue of one (1) for every one (1) ordinary shares held in line with our commitment to improving shareholder value. The balance of N6.80 billion has been transferred to general reserve.

3.3 Material Issues Regarding Employees and Other Stakeholders

Our value-driven management and strict adherence to the principles of corporate governance underpinned by four key elements - good relations with shareholders, effective cooperation between management and the Board, a system of performance-related compensation, as well as transparent and prompt reporting - have generated a lot of goodwill from all our stakeholders.

On the strength of the foregoing, we do not have any material human capital management concerns, which could unfavourably affect the continuity of the Bank's business in the nearest future.

We have consistently and consciously invested in the health of our valued employees and in the building of our internal human resource capacity.

This we have done through extensive investments in learning and recreational facilities across the nation and the maintenance of a standard Staff Clinic in the Head Office. "Retainership" agreements with several strategically located hospitals to further compliment our non-negotiable commitment to provide health services to our workforce all over the country. In addition, the Bank has on several occasions sponsored members of staff with special medical cases for treatment abroad. We also maintain training relationships with training institutes both locally and overseas.

3.4 Material Credit Risk Events

A wide variety of our businesses require us to identify, measure, aggregate and manage our risks effectively, and to allocate our capital among these businesses appropriately. We manage risk through a framework of risk principles, organisational structures and risk measurement, and monitoring processes that are closely aligned with the activities of our Strategic Business Units (SBUs).

Ongoing improvements in the credit environment, together with rigour in the Bank's credit risk management activities and clean-ups of previously impaired loans have resulted in an improvement in the quality of the loan stock in the period under review. For the year 2005/2006, provisions for loan losses were N14.35 billion, down by 56.30% from N32.84 billion recorded in 2005. Furthermore, at end-March 2006, non-performing loans were N17.34 billion, down 49.99% from N34.67 billion at end-March 2005.

Against this backdrop, there are no material (credit risk-related) worries to the Bank's business outlook going forward. We believe the growing confidence in the local economy will substantially douse concerns in the long-term.

3.5 The Compliance Function

The international regulatory climate has become more challenging in the aftermath of the terrorist activities and the Enron scandal in the United States. Legislations originating in the United States, in the form of The Patriot Act and the Sarbanes Oxley Act of 2002, have increased the risk and responsibilities associated with banking in a global environment.

"We have consistently and consciously invested in the health of our valued employees and in the building of our internal human resource capacity."

Our Bank's business is in conformity with the Code of Corporate Governance in Nigeria and indeed with the best practice internationally. During the year under review, our Compliance Department worked tirelessly to educate staff on anti-money laundering activities and also ensured update of procedure manual as well as the inculcation of the role and responsibility of the Board, Management, and Staff on compliance and money laundering controls in all training programmes organised by the Bank.

3.6 Small & Medium Industries Equity Investment Scheme (SMIEIS)

Our private equity company, First Funds Limited, continued to act as the vehicle through which we supported the small and medium enterprises sector. So far, First Funds Limited has ₦3.2 billion under management, while SME Managers has ₦526 million under management, making a total disbursement of ₦3.726 billion to this sector. Distinguished shareholders, our Bank had at year-end, accumulated ₦7.0 billion as reserves for the scheme. We are poised to increase investments under the scheme as we go forward. To date, the Bank has invested in 54 different projects located across the country.

3.7 Branch Network & Customer Service Initiative

In order to realise our goal of being the lead service provider in the nation's financial services industry, our branch expansion activities continued apace in the review year with the opening of 17 new locations across the country. With a domestic sales network comprising 394 branches, we have one of the largest branch network in the country. In as much as we strive to extend our reach, we have also improved on our market perception through several self-renewal and regeneration exercises, the most prominent being the



Ojodu Branch, one of the Bank's model branches designed to meet the dynamic needs of our customers.

Institution of a Service Quality Management unit, which oversees quality service delivery to our esteemed customers as well as process measurement. Already, customers are receiving quicker service on pay and receive transactions and further service improvements will follow from a number of additional processes which are now being simplified. We are also committed to adopting new and better ways of meeting and surpassing customers' expectations.

We strengthened the focus of our product development process during the review period by concentrating on flexible products and services that provide prospective customers with financial solutions to help them achieve their "high quality of life goals". Accordingly, we launched a suite of retail and consumer finance products under the "U-First" brand name during the year. Leveraging our extensive branch network, this product portfolio provides the Bank with the opportunity to serve both businesses and consumers across the country with a broad range of financial products and services.

3.8 Information Technology

Increasingly, information technology has become the backbone of our business operations, supporting and driving our service processes and delivery. In addition to enhancing process efficiency, we are currently leveraging IT to develop and deploy cutting-edge products tailored to meet the differing needs of our customers. The IT platform has helped us to deliver mass customised products/services, and to improve the efficiency of our resource conversion processes.

With 326 on-line real-time locations, we are offering unparalleled customer interface with the Bank. The Bank's suite of internet banking offerings has gained wide acceptance. In the review period, we continued with the deployment of ATMs and the issuance of debit cards with a view to decongesting our banking halls and facilitating prompt cash withdrawals.

We developed additional IT applications during the year among which are the FirstBank Alert Services, which send emails or SMS to account holders depending on the triggers that have been set per account, and the Electronic Payment System which executes payment instructions from the corporate customer's office to pay vendors, staff salaries and fund movement from one of their accounts to another.

In the wake of the successes recorded last year, we commenced the issuance of MasterCard credit cards in the review period, resulting in an appreciable growth in our merchant base. Currently, with all our merchants on-line, the Bank accounts for over 60% market share of point of sale terminal (PoS) transactions acquisition.

3.9 Manpower Development

In the review period, we continued to devote appreciable resources to staff training and development through both local and foreign facilitation. In order to strengthen our workforce and take advantage of emerging market opportunities we also recruited varied professionals with broad industry knowledge and hands-on experience. Consistent with our need to regularly rejuvenate our workforce, and confirming once again the Bank's status as the largest single employer of entry-level graduates outside of the public sector, we offered employment to over 600 Executive Trainees in the review period. Overall, the Bank had a total staff strength of 7,053 as at March 31, 2006. Of these 13% were junior staffs while 83% and 4% were in the senior and management categories respectively.

In addition, we paid exceptional attention to the welfare of our staff, motivating them to achieve higher levels of productivity through competitive remuneration and training programmes. Specifically, the Bank instituted the CEO Annual Merit Award (CAMA) in the year under review to reward excellence and performance. The CAMA awards complement the Long Service Awards, which hitherto celebrated loyalty and dedicated service. The welfare of our pensioners also continued to be of concern to us within the confines of available resources.

3.10 Financing The Economy

In the last decade, the Bank has aligned its financial intervention in the economy with a clear understanding of the high-impact character of government's privatisation and deregulation programme. Our search for the most efficient and effective domestic lending portfolio has meant that we have led the financing of private investment in infrastructure development in the economy. In the second quarter of the year under review, one of our high profile investments in the provision of telecommunications infrastructure in the country yielded fruits as we disposed of about 50 percent of our equity investment in Vee Networks Limited (Vmobile). Earlier this year, FirstBank also led a loan syndication of US\$1.3 billion to Vmobile Nigeria, the largest dollar-denominated facility in the history of the country.

We entered into partnership with HSBC Bank to manage the country's vast external reserves. Beyond the asset management skills which this partnership guarantees, it also provides strategic access to the considerable resources of one of the largest banking and financial services organisations in the world, with an international network comprising over 9,500 offices in 76 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa.

"In the last decade, the Bank has aligned its financial intervention in the economy with a clear understanding of the high-impact character of government's privatisation and deregulation programme."

In the same period, we secured a US\$25 million line of credit from Export Development Canada (EDC), thus vastly broadening our financing options in our resolve to be a catalyst for Nigeria's economic growth.

3.11 Agric Business & SME Operations

In recognition of the need to support the diversification of the economy through agricultural development, the Bank's operations had appreciable impact on the agricultural sector in terms of credit expansion and policy advocacy. Substantial enhancement in credit limits was enjoyed by existing customers while fresh commitments were marketed.

The Bank's aggregate direct commitment to the agricultural sector for the review period stood at ₦4.007 billion. This figure represents a 20.3% growth relative to the prior year. Notable among the Bank's operations during the year was the sustained activity under the Agricultural Development Trust Fund. The Bank's commitment under this programme was ₦536 million, and the funds were disbursed to small scale farmers in Kogi, Nassarawa, Jigawa and Katsina States. Disbursements to farmers in Ogun State were authorised in the review period while an MOU was prepared for implementation of the programme in Cross Rivers State.

The Bank also participated in the groundwork for the commodity alliance model of the USAID MARKETS, an initiative of the United States Agency for International Development aimed at increasing farm income and employment generation. The Alliance is currently built around 5 commodity lines namely rice, cowpea, sorghum, dairy, and aquaculture.

As part of its contribution to policy development and advocacy, the Bank hosted the West African Sub-Regional Workshop of the African Rural and Agricultural Credit Association (AFRACA) titled "Integrating Financial Services into Poverty Reduction Strategies". The workshop pooled the experience of governments and financial institutions towards mainstreaming rural and microfinance in economic development. Our Bank also enjoyed the distinguished privilege of being member of the Presidential Committee on Financing for Agriculture. In fact, this was an acknowledgement of our commitment to the development of agriculture in the country.

3.12 Recognition & Awards

The Bank's consistent superior performance has continued to receive acknowledgement and recognition both by local and international institutions. During the year, the Bank received the reputable US-based Global Finance Magazine Awards as the "Best Emerging Market Bank" as well as the "Best Foreign Exchange Bank" in Nigeria for year 2005.

Equally, we received for the twelfth time, the prestigious Nigerian Stock Exchange Merit Award in the Banking and Investment Sector for the best presentation, quality, and depth of the Bank's Annual Report & Accounts for year 2004. In the same vein, the prestigious Pearl Awards rated the Bank the winner of the 2004 Market Excellence (Most Active Stock) for performance, earnings and returns, and leadership on the Nigerian Stock Market.

4. OUTLOOK

In spite of the challenges of the last financial year, our Bank has a bright future ahead of it and we have deployed resources to seek newer growth opportunities. Although our Bank has substantial capacity for organic growth and significant investment opportunities in our core businesses, the consolidation exercise has opened for us fresh opportunities to further expand our business reach.

The economic prospects for Nigeria remain good in the short-to-medium term. The country is expected to receive at least US\$1.4 billion in foreign investments for a range of energy projects over the next two years. New projects, which will lead to increased output over the next few years include the second Liquefied Natural Gas Plant at Brass, Tinapa Tourism Project in Cross River State and the mechanised agricultural project in Kwara State among others. Modest growth anticipated in key non-oil sectors, including manufacturing, construction and financial services, is expected to boost employment opportunities. Growth in real output is likely to average 5.0% over the next three years.

"In spite of the challenges of the last financial year, our Bank has a bright future ahead of it and we have deployed resources to seek newer growth opportunities."

The foregoing and the growing business confidence in Nigeria capped by the granting of debt relief by the Paris Club and the endorsement by the IMF of the country's economic programmes would offer FirstBank an opportunity to consolidate its leading position in the Nigerian financial services industry and make appreciable in-road into the international market.

The future, no doubt, is competitive. As we continue to grow, we are focused on ensuring that we have the right people in the right place at the right time, now and in the future. Our employees regularly undergo training and development programmes and we employ fresh graduates annually to rejuvenate the workforce.

In the years ahead, technology would continue to drive our business and we will target complete automation of our operations. Currently we have over 80% of our branch network on-line making First Bank one of the largest on-line banks in Nigeria, and we have concluded plans to hook the remaining branches to the network during the current year. We will continue to leverage technology to improve our customer service delivery and further enhance our customers' value chain.

We are very optimistic that the new financial year will usher in an economic environment that would brighten our income expectations. The on-going industry reform initiatives and the ensuing contraction in the number of operating banks would task us to innovatively use our strength of size to our advantage as well as challenge us to improve on our risk assessment quality. There would also be the challenge to reengineer our work ethos and to create new products to meet the demands and expectations of the growing banking public in the local market. We are poised more than ever before to reinvigorate our vision and customer service promise to be "the bank of first choice".

Our proposed business combination with ETI, and strategic partnership with HSBC Bank for the management of the nation's foreign reserves, provide upside strength to the Bank's outlook in the coming year. Going forward, we shall deepen the relationship with HSBC, ensuring that the advantages derivable from skills transfer are fully exploited.

On the international scene, the appropriateness of our "progressive internationalisation" strategy is continuously validated by the operations of our subsidiary in the UK, First Bank (UK) Limited, and our representative office in South Africa.

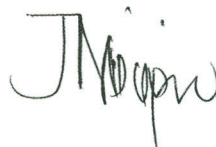
Overall, we believe that 2006/2007 will be a year of immense opportunities for our Bank in particular and the national economy in general. The economic reforms taking place in the country, the National Economic Empowerment and Development Strategy (NEEDS), and the need for the country to achieve the Millennium Development Goals (MDGs) will position the national economy for optimal performance if properly handled. The intervention strategies open to the financial services industry to meet the respective targets of these development programmes include infrastructure finance, agric finance, micro-credit, and consumer financing. We at FirstBank have consistently led industry initiatives along these lines. Therefore, we see the 2006/2007 financial year as one of transition to greater performance of the national economy and of the local business operators, as government puts measures in place to sustain/institutionalise the reforms.

CONCLUSION

In closing, I would like to thank the Almighty God for the Bank's performance in the last financial year and pray that our efforts in 2006/2007 be crowned with even greater success. I also seize this opportunity to thank Mrs. Christy Okoye and Messrs Bashiru Bakare, Ado Wanka, Evans Woherem, who recently retired as Executive Directors, for their contributions to the FirstBank Group. In the same vein, I would like to formally welcome Mrs. Bola Adesola, Messrs Aderemi Babalola, Oladele Oyelola, Lamido Sanusi and Alex Otti to the executive management team. I wish them the best of luck in their new positions.

I thank the Board for its guidance and support during the year; our customers for giving us the opportunity to serve them; our consultants and service providers for their invaluable inputs and our shareholders for their confidence in the company. My appreciation also goes to the management and staff of the FirstBank Group whose dedication and hard work during the year have made these excellent results possible.

I thank you for your kind attention.



J.M. AJEKIGBE
MANAGING DIRECTOR/CHIEF EXECUTIVE



Proven leadership in safety of funds

Over the years, FirstBank has built a safe haven for your funds and investments.


We have achieved this with a solid asset base, liquidity status and savings deposit that are way ahead of any other in the industry.

At FirstBank, safety is not optional. It is standard.

Nothing beats being first.

FirstBank

...truly the first



**Keep your money with us,
sleep like a baby.**

Corporate Governance Report

The out-gone year extensively tested industry practice across diverse dimensions. From the announcement on July 4, 2004 of the "New Agenda for Repositioning the CBN and the Financial System for the 21st Century", it was obvious that the banking industry consolidation exercise would pose extensive corporate governance challenges to banks. This was more so, given that only about 40% of quoted companies in the country, including banks, had recognised codes of corporate governance in place as at 2003. Major corporate governance challenges traditionally associated with mergers and acquisitions arise from the integration of management structures, and cultural issues.

Significantly, in line with its commitment to pioneer industry best practices in the country, and deliver value to shareholders over the long term, FirstBank had included a section on Corporate Governance which detailed the Bank's management structures, and processes in its Annual Report and Accounts for 2002/2003. As at that period, this level of disclosure was unprecedented in the industry. Since then, in recognition of the role played by best of breed corporate governance practice in the ethical management of corporations, the Bank has consistently sought to raise the industry bar in this respect.

Thus, compliance with good corporate governance principles was a major consideration in our choice of banks to acquire. Unsurprisingly, the publication by the Central Bank of Nigeria on April 3, 2006 of the "Code of Corporate Governance for Banks in Nigeria" was not as momentous for the Bank as it would have been, were we not ahead of the industry on a number of these issues. We understand that fair value corporate governance depends on the quality and integrity of our Directors. Because of this, we have undertaken to create the institutional framework conducive to defending the integrity of our Board of Directors, and are convinced that on account of this, the Board of FirstBank is functioning in a highly effective manner. Still, we shall continue to challenge ourselves to improve the standard in areas where the need for improvements is identified.

The Combined Code of Corporate Governance

As a company listed on the Nigerian Stock Exchange, FirstBank is expected to voluntarily comply with the provisions of the "Code of Best Practices on Corporate Governance" for publicly quoted companies launched in November 2003 by the Nigerian Securities and Exchange Commission. The "Code of Corporate Governance for Banks and Other Financial Institutions" approved earlier in the same year by the Bankers' Committee also relied on moral suasion to obtain compliance. However, compliance with the CBN's new code built on the same philosophy is mandatory.

FirstBank complied with the letter and the spirit of the provisions of the operating codes as at March 31 2006, and applied the principles of the codes as described below. In the

appointments made to the Board during the year, the Bank ensured that its processes and procedures were consistent with the recommendations of the codes.

Ultimately, the goal of the Board on corporate governance and other spheres of business activities is to sustain FirstBank as a national icon and role model.

Board Structure

As at the date of this report, the Board consists of the Chairman, with no executive responsibilities, seven executive Directors, and seven non-executive Directors. On the CBN's definition of independence (directors "who do not represent any particular shareholder interest and hold no special business interest with the bank"), and its minimum number of such directors on a given board ("at least two (2) non-executive board members"), the Bank, in our opinion, currently has more than two independent directors.

During the year under review, FirstBank re-organised its Board of Directors with the appointment of new members. Mr. Ajibola A. Afonja was appointed to the Board as a non-executive director. Similarly, Messrs Remi Babalola, Ola Oyelola, Alex Otti Sanusi Lamido, and Mrs. Bola Adesola were appointed executive directors. The new Directors replaced Gen. Abba Kyari (Rtd.), Bashiru Bakare, Christy Okoye, Evans Woherem, and Ado Wanka, all of whom retired during the course of the year. Members of the Board are experienced professionals of diverse background.

The Roles of the Board

The Board is responsible to shareholders for creating and delivering sustainable shareholder value through its oversight of the Bank's businesses. In this wise, the roles of the Chairman and the Managing Director/Chief Executive are separate and the Board has agreed to their respective responsibilities. The Chairman's main responsibility is to lead and manage Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibility. Non-executive Directors, based on their breadth and depth of knowledge and experience, are able to challenge, monitor and approve the strategies and policies recommended by the MD/CE.

The Board has delegated the responsibility for the day-to-day management of the Bank to the MD/CE. The MD/CE is supported in these tasks by the Executive Committee, which he chairs.

Specifically, the roles of the Board are as follows:

- Determining the Bank's objectives and strategies as well as plans to achieve these;
- Determining the terms of reference and procedures of Board Committees. The Board also reviews and approves the reports of such committees where appropriate;

- Maximising shareholder values through the setting of objectives, goals and strategic direction for management;
- Considering and approving annual budgets, monitoring financial performance and ensuring that the Bank is a going concern;
- Ensuring that an adequate budgetary and planning process exists, such that performance is measured against budget and plans;
- Approving, amongst others, acquisition, mergers, business combinations, equity investments and new strategic alliances by the Bank and its subsidiaries;
- Ensuring that an effective risk management process exists and is maintained;
- Ensuring balanced and understandable reporting to shareholders;
- Ensuring that an effective risk management process exists and is maintained; and
- Having ultimate responsibility for systems of financial, operational, and internal controls, and regulatory compliance. It also ensures that statutory reporting of these is adequate.

The Board carries out the above responsibilities through a number of standing committees whose terms of reference it reviews regularly. All committees have clearly defined terms of reference, which set out their roles, responsibilities, functions, scope of authority and procedures for reporting to the Board. Currently, the Board has eight (8) standing committees, whose roles and composition are discussed below.

Executive Committee (EXCO General)

The EXCO General, chaired by the MD/CE, comprises all Executive Directors (6) of the Bank. The Committee meets fortnightly to deliberate and take policy decisions on the effective and efficient management of the Bank. It also serves as a filter for issues to be discussed at the Board. EXCO's primary responsibility is to ensure the implementation of strategies approved by the Board, provide leadership to the management team and ensure efficient deployment and management of the Bank's resources. Its chairman is responsible for the day-to-day running and performance of the Bank.

Executive Committee, Credit (EXCO Credit)

The EXCO Credit comprises the Managing Director, who chairs it and all Executive Directors. The committee considers loan applications above certain limits, which have been approved by the Risk & Management Control Directorate.

The committee also considers loan requests above certain limits, which need to be referred to the Board, as well as changes in the Bank's credit policy.

Board Credit Committee

Chaired by Prince A. A. Afonja, a non-executive director, the Board Credit Committee's membership comprises the MD/CE, all executive directors as well as four (4) other non-executive directors - Lt. Gen. G. Duba (Rtd.), Mr. O. Hassan-Odukale (MFR), Mallam A. Mahmoud and Mr. A. O. Otudeko (OFR). The Committee considers loan applications above certain limits and which have been approved by EXCO Credit.

Board Tenders Committee

The Board Tenders Committee considers all capital projects above the approval limit of the Executive Committee, and makes recommendations for the consideration of the Board. It is chaired by Dr. Udo Udo-Aka (MON), a non-executive director, and includes the MD/CE, ED (Banking Operations/IT), ED (Risk Management & Control), and two (2) other non-executive directors - Lt. Gen. G. Duba (Rtd.) and Mallam A. Mahmoud - as members.

Board Establishment, Disciplinary & Promotion Committee

The Board Establishment, Disciplinary and Promotion Committee considers staff matters in respect of senior officers on principal manager grade and above. It is chaired by Mr. A. O. Otudeko (OFR), a non-executive director; and includes the MD/CE, ED (Banking Operations/IT), ED, Retail Banking (Lagos/West), and three (3) other non-executive directors Alhaji M. Ibrahim (OFR), Prince A. A. Afonja, and Dr. Udo Udo-Aka (MON) as members.

Audit Committee

The Audit Committee is established in compliance with section 359 (6) of the Companies and Allied Matters Act 1990. It is a six-man committee comprising of one executive director, ED (Banking Operations/IT); two non-executive directors, Mr. O. Hassan-Odukale (MFR) and Alhaji M. Ibrahim (OFR) along with three (3) representative of shareholders elected annually at the AGM.

Board Audit & Risk Assessment Committee

The Board Audit and Risk Assessment Committee has oversight responsibility for internal audit and control, and risk assessment and compliance. Chaired by Mallam A. Mahmoud (a non-executive director), the committee's membership comprises the ED (Banking Operations/IT), ED Retail Banking (Upcountry), ED (Risk & Management Control) Ex-Officio and two non-executive directors; Mr. O. Hassan-Odukale (MFR), and Dr. Udo Udo-Aka (MON).

The Chief Internal Auditor and Chief Compliance Officer have access to this committee and make quarterly presentations for the consideration of its members.

Board Nomination & Remuneration Committee

Amongst others, this Committee considers and periodically reviews the composition of the Board and recommends the appropriate skill mix, personal qualities, expertise, ability to exercise independent judgement and diversity required to discharge the Board's duties. Mr. A. O. Otudeko (OFR), a non-executive director, chairs the Committee. Other members are the Managing Director/CE, Lt. Gen. G. Duba (Rtd.) and Prince A. A. Afonja.

The committee also determines and executes processes for board appointments, removal of non-performing members of the board, and recommends appropriate remuneration for directors.

Board Meetings

The Board of directors holds its meeting once every quarter. It may, however, convene extraordinary meetings if the need arises. During the last financial year, the Board met eleven (11) times. Regular issues discussed at Board meetings include reviews of Managing Director's reports on key issues affecting the Bank's businesses, financial information, approval of interim and final financial statements, strategy updates, changes to the group's capital structure, mergers and acquisitions.

Frequency of Meetings

All committees (with the exception of the Board Nomination and Remunerations Committee, which meets as and when required) meet every quarter. Exceptions to this rule are the Executive Committee (General), which meets fortnightly, Executive Committee (Credit), which meets weekly and the Board Credit Committee, which meets monthly.

Notwithstanding the above, meetings of all committees may be convened whenever the need arises. The Board met more frequently during the last financial year because of the extra demands of the bank consolidation programme.

The frequency of meetings of Board committees during the period April 01, 2005 to March 31, 2006 is as follows:

Committee	No. Of Meetings
Board	11
Exco (General)	41
Exco (Credit)	43
Board Establishment & Disciplinary	2
Board Tenders	6
Board Credit	6
Board Nomination & Remunerations	3
Board Audit & Risk Assessment	2
Audit Committee	3

Support Committees

The following standing committees provided strategic support to the Executive Committee Board during the year, in the discharge of their managerial oversight and functions.

I. Assets and Liabilities Committee

Managing Director/Chief Executive	Chairman
All Executive Directors	Member
Head, Corporate Planning & Group Coordination	Member
Head, Financial Control	Member
Head, Treasury	Member
Head, Foreign Operations	Member
Head, Credit Risk Management	Member
Head, Consumer Banking Products	Member
Group Head, Conglomerates & Multinationals	Member
Group Head, Commercial Banking	Member
Chief Compliance Officer	Member
Chief Internal Auditor	Member

II. Information Technology Steering Committee

Managing Director/Chief Executive	Chairman
All Executive Directors	Member
Head, Corporate Planning & Group Coordination	Member
Head, Financial Control	Member
Head, Treasury	Member
Representative of Foreign Operations	Member
Representative of Domestic Operations	Member
Representative of Risk & Management Control	Member
Representative of Retail Banking SBU	Member
Representative of Corporate Banking SBU	Member
Representative of Commercial Banking SBU	Member
Branch Manager (Abuja Main)	Member
Chief Compliance Officer	Member
Chief Internal Auditor	Member
Head, New Banking Application Implementation Project	Member
Head, Service Quality Management	Member
Head, Information Technology	Member
Head, Application Management	Member

III. Brand Transformation Project Steering Committee

Executive Director, Retail Banking (Lagos & West)	Chairman
Head, Corporate Planning & Group Coordination	Member
Head, Brand Management	Member
Group Head, (Commercial Banking Lagos II & West)	Member
Head Financial Control	Member
Head, Image Management	Member
Head, Resources	Member
Head, Human Capital Management	Member
Head, General Services	Member
Branch Manager, Oke-Arin	Member
Head, Service Quality Management	Member

IV. Finance & Operations Committee

Head, Corporate Planning & Group Coordination	Chairman
Group Head, Corporate Banking SBU	Member
Group Head, Commercial Banking SBU	Member
Head, Credit Risk Management	Member
Head, Consumer Banking Products	Member
Head, Domestic Operations	Member
Business Development Units	Member
Chief Internal Auditor	Member
Head, Treasury	Member
Head, Foreign Operations	Member
Head, Financial Control	Member
Chief Compliance Officer	Member

V. Group Management Steering Committee

Managing Director/Chief Executive	Chairman
All Executive Directors	Member
Head, Corporate Planning & Group Coordination	Member
Head, Financial Control	Member
Managing Directors of all the subsidiaries	Member
Company Secretary	Secretary

Shareholder Participation and Activism

FirstBank remains aware of its duty to fully inform its shareholders of developments in the Bank. Aside from the statutory financial statements made available to the Nigerian Stock Exchange, during the year, through press statements, and our website, access to the Bank was granted both stakeholders and the public in general.

We shall continue to keep these windows to the Bank's operations open, even as we explore the possibilities of opening new ones that would help our key publics understand the broad direction and strategies of the Bank.

FirstBank's corporate social responsibility initiatives in the review period continued to be anchored on our desire to combine the economic, social, and environmental imperatives of the Bank's businesses. The main deliverable in this regard, is ensuring the sustainable development of our diverse business lines. Perhaps the sole requirement for success in the pursuit of this goal is our understanding of the need for the social/economic well-being of the respective communities, which host our operations. This is as much about building social capital as it is about enhancing domestic economic capacity through supporting institution building in both government and non-governmental spheres.

In this regard, the Bank was active in the pursuit of improved quality of life and advancement of the society. Our focus in the review period went beyond our core attention to education, health and welfare, sports, arts, culture and community development. Increasingly, the Bank also supported and donated to projects that enhance entrepreneurial and economic development as well as the development of professional bodies.

Education

Universities in the country and tertiary educational institutions in general will continue to play crucial roles in the creation/up-grade of the research and development, entrepreneurial, and managerial competences required to keep the country operating optimally. This understanding has informed our intervention in this sector over the last decade. As a leading employer of graduate level labour in the country, we can attest to the positive feedback of this process. Accordingly, the Bank's Endowment Funds now stands at N331.5 million in 15 universities. The endowment fund programme was reinforced in the review period with the provision of five new Peugeot 406 cars worth about N17 million, as utility vehicles to the professorial chairs at the Federal University of Technology, Akure (Computer Science), Bayero University, Kano (Paediatrics), Abubakar Tafawa Balewa University, Bauchi (Chemical Engineering), Federal University of Agriculture, Makurdi (Agronomy) and Uthman Dan Fodio University, Sokoto (Veterinary Medicine).

Based on a user-defined needs assessment we supported strategic programmes at the cost of N50 million each at the Ahmadu Bello University (Information and Communication Technology Park), Zaria, and University of Ibadan (a Multipurpose Auditorium at the Faculty of Agriculture). These programmes were packaged as a re-invigoration of the endowment scheme, which were running previously in these institutions.

A strong correlate of the Bank's involvement in the educational sector was the donation of N1 million each to the University of Benin Hostel Project and the University of Port Harcourt Development Fund. These donations were intended to improving accommodation for students in the respective institutions. The Bank also supported the Ahmadu Bello University with the same amount during both its convocation ceremony and the hosting of the West African University Games.

The Bank's quest to promote informed discourse among students of the nation's secondary and tertiary schools continued through the Annual Undergraduate Essay Competition organised for students in Nigerian universities and polytechnics and the Annual Secondary School Quiz Competition. Notably, the top three prize winners in the essay competition are usually offered automatic employment with the Bank on graduation. It is worth mentioning that the Bank's commitment to the various components of the competitions during the year amounted to over N36 million.

Health & Welfare

As part of its commitment to improving the quality of health care delivery in the country, the Bank supported multiple fora for the exchange of ideas amongst stakeholders in the healthcare sector. We also lent assistance to projects aimed at improving infrastructure in this sector. Salient amongst the Bank's efforts in this sector include support for the 2006 International Paediatric Association's (IPA) Executive Committee Forum on Child Health; donation to the National Orthopaedic Hospital, Igbobi, Lagos to help with revamping the hospital's infrastructure on its 60th anniversary; and support to the 14th International Conference on AIDS and STIs in Africa (ICASA) 2005.

In addition, the Bank donated money to the Niger Republic Famine Relief Appeal Fund to help alleviate the sufferings of famine victims in Niger Republic; while supporting the Nigerian Association of the Blind with N1 million towards the hosting of the National Convention of the Nigeria Association of the Blind.

Arts & Culture

The Bank continued with the tradition of promoting arts and culture through identification with various traditional institutions. Notably, in December 2005, FirstBank sponsored the annual Igue Festival of the Benin Kingdom.

Sports

In living up to its reputation for national sports development, the Bank as usual sponsored the Georgian Cup, the most prestigious Polo Trophy in Africa; assisted the University of Lagos to host the 1st West African University Games Tennis, Athletics and Table Tennis (WAUG TATT) Championship; and supported the Nigerian Basketball Federation to host the 19th All African Nations Cup Championship for Women.

Entrepreneurial and Economic Development

In the area of entrepreneurial development, the Bank has been in the forefront of rendering advisory and technical assistance to entrepreneurs through deliberate support to farmers, traders and merchants, who have received encouragement beyond the supply of capital in their diverse enterprises.

To further stimulate economic empowerment in Nigeria, the Bank continued to collaborate with LEAP Africa, a non-profit organisation, in hosting the Business Leadership Programme for the Bank's selected SME customers with a view to changing the mindset of and empowering entrepreneurs. Following the huge success recorded through the programme in Lagos last year, the second phase held in Kano between January 23 and 24, 2006. In a related development, the Bank also supported the National Seminar on Leadership Challenges in the 21st Century, which featured the internationally renowned management expert, Dr. Steven Covey.

To strengthen the country's quest for foreign direct investment, the Bank co-sponsored the West African Investment Forum (WAIF), Abuja 2006 organised by the Business Support Group and Commonwealth Business Council. Further initiatives at the economic level include financial support to the Nigerian Stock Exchange's 28th President's Merit Award Ceremony, and to the Central Bank of Nigeria in commemoration of the International Year of Micro-credit in 2005.

Additional donations and sponsorships made during the review period are listed in the Directors Report.

Conclusion

Given its high profile in corporate Nigeria, FirstBank will continue to structure its corporate social responsibility initiatives in such a way that it maximises the overall impact on its host communities. In view of the sheer volume of requests that we receive along this dimension, it is fair to argue that tremendous opportunities exist here. But aware also of the dangers of unfulfilled expectations, we remain committed to our vision of industry leadership in this sphere.

Associates and Subsidiaries

The FirstBank group, which comprises the Bank and eight subsidiaries, is a leading player in the country's financial landscape. Whilst the Bank provides traditional banking services, its subsidiaries provide a wide range of products and services including registrarship, trusteeship, insurance brokerage, funds management, pension fund custodianship, investment banking, mortgages, etc. Additionally, the Bank has an associate and four affiliate companies.

We present below briefs on the subsidiaries.

Subsidiaries



Peter Hinson
MD/CEO, FBN Bank (UK) Ltd.

FBN Bank (UK) Limited

FBN Bank (UK) Ltd (FBNUK) is a UK registered bank, authorised by the Financial Services Authority, to accept deposits and undertake full banking business. FBNUK was incorporated and commenced business in November 2002 after absorbing the business of the London Branch of First Bank of Nigeria Plc. The London Branch, which commenced business in the early eighties, was initially established to meet the banking requirements of Nigerian businesses and high net-worth individuals in London.

FBNUK's main business is the financing of trade flows between Nigeria and the rest of the world. In addition to the correspondent banking services relationship required for trade finance, it offers retail banking services to high net worth individuals, and corporate organisations.

Services to corporate customers include the normal range of multi currency bank accounts and full trade finance suite of products. FBNUK has established itself as a major provider of correspondent banking services to Nigerian banks with services ranging from simple payment, deposits, and foreign exchange requirements to advising and confirming letters of credit.

For individuals, the Bank offers highly personalised services. In addition to conventional banking and investment products FBNUK also assists individuals with mortgages. Further, it provides its expanding customer base in the UK with ATM machines and an internet banking portal that enables customers' access their accounts details as well as make low value payments across the internet.

FBNUK has designed its corporate social responsibility initiatives in such a way as to maximise their positive impact on its host communities. During the year, it financed two major projects and made several small donations. The guiding philosophy for these interventions is its commitment to investing in the future of Africa and its citizens. Specifically, the Bank committed £50,000 over 5 years to support a scholarship fund for African students at the London Business School. It also financed, with about £5,000, the Nigeria Day in UK in partnership with the Nigerian High Commission.

A major milestone recorded in the review period was the successful raising of a 12-month US\$28 million loan from a consortium of banks in London to finance trade related activities.



David Adelakun

Ag., MD/CEO, FBN Insurance Brokers Ltd.

FBN Insurance Brokers Nigeria Limited

FBN Insurance Brokers Limited, which transacts all classes of insurance brokerage business, commenced operation on July 1, 2000 with the vision of providing the best insurance brokerage services possible in Nigeria.

The company is essentially involved in handling insurance business in the most cost efficient manner with stable and reputable companies within the country whilst also taking adequate note of underwriters' areas of competence and specialisation. Key aspects of this function are: the expert handling of all classes of insurance business in strict compliance with the Insurance Act 2003; undertaking periodic and comprehensive risk survey, ascertaining cover adequacy and making recommendation for risk improvement. Others include maintaining efficient claims payment on insurable interest; and maintaining a professional indemnity insurance cover, which is far in excess of ₦10 million per claim.

During the year the company won the Institute of Direct Marketing of Nigeria's award for "Africa's Best Business-to-Business Insurance Brokerage Firm of the year 2005". In the post review period, however, the Bank and the company Board completed the process of strengthening the management of the company culminating in the appointment of a seasoned insurance professional, Mr. Valentine Ojumah who has assumed duties as the MD/CEO of FBN Insurance Brokers Limited.



Mohammed K. Santuraki
MD/CEO, FBN Mortgages Ltd.

FBN Mortgages Limited

FBN Mortgages is a mortgage finance outfit committed to improving access to home ownership by majority of Nigerians.

The company currently writes beneficial mortgages for its clientele; collaborates with landowners to develop houses; and advises homebuyers on the optimum combination of finances that result in cheap financing option for acquiring homes. In addition, it encourages prospects to contribute to the "National Housing Trust Fund" to deepen home finance availability and assist contributors to access the fund and any other home ownership scheme in the country.

During the year, the company arranged a construction facility of ₦250 million for the development of two blocks of eight luxury waterfront apartments each at South West Ikoyi. The company also participated in the FCTA Homeownership Scheme, which will be financed through ₦100 billion FMBN-FBN Guaranteed bonds.

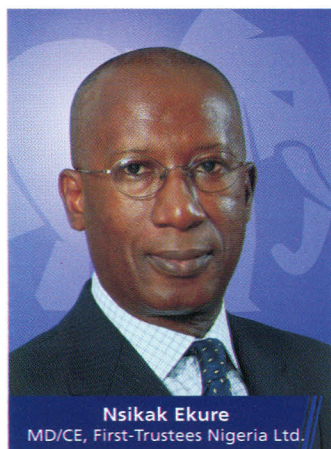


Kayode Ayeni
MD/CEO, First Funds Ltd.

First Funds Limited

First Funds Limited is a private equity company, which manages FirstBank Group's Small and Medium Enterprise Equity Investment Scheme (SMEEIS). It commenced business in April 2003, underpinned by the recognition of the role of Small and Medium Enterprises (SMEs) as the industrial drivers of the economic growth of the country. The company, therefore, is focused on providing long-term funding to Nigerian SMEs and assisting them to reposition for growth. Equity financing, the major financing option, has the benefit of being non-interest bearing and un-collateralised.

The company has provided equity capital valued at about ₦2.6 billion, to over 35 businesses in diverse sectors of the economy and spread across 19 states of the Federation. The company also has a financial advisory unit, which provides financial advisory services to SMEs and other projects.



Nsikak Ekure
MD/CE, First-Trustees Nigeria Ltd.

First Trustees Nigeria Limited

With the enactment of the Pension Reform Act 2005 First Trustees, erstwhile pension fund management company of the FirstBank Group was restructured to expand and diversify its scope of business. It is now a strong provider of financial service solutions involved in custodial services (other than pension fund custody), property management trust and equity management services.

The company, with branches in Abuja and Port Harcourt embarked on a major restructuring of its IT infrastructure with a view to strengthening the quality of its services.



Bayo Olugbemi
MD/CEO First Registrars
Nigeria Ltd.

First Registrars Nigeria Limited

First Registrars Nigeria Limited (FRNL) was incorporated as a wholly owned subsidiary of FirstBank in May 1999, with the objective of offering seamless registrar services. Prior to incorporation, the services offered by a unit of Bank. Thus, the company had offered share registrar administration services for over 32 years.

FRNL is a fully automated company with up-to-date share registrar/data management software and state-of-the-art computer equipment. Its share registrar administration software (X-TRAC) is adjudged the best in the industry. Recently, the company acquired electronic data conversion software capable of processing over 60,000 offer application forms in a day. In addition, the software scans, sorts, and stores share transfer, share certificates and dividend warrant forms. The "First e-Share Notifier" introduced last year, continues to broaden our customer relationship management opportunities.

Since inception, the company has participated in over 80 public issues in the capital market. Currently, it manages some of the largest, forward looking and profitable registrars in the petroleum marketing, manufacturing, agro-allied, finance and construction industries with total shareholders' base of over 1,600,000 spread all over the country. The company conducts accreditations and elections at meetings online real-time.

It has a branch office in Abuja, which caters for the needs of shareholders in the North. The branch is linked to the Lagos office via a Wide Area Network (WAN) for online real-time transactions.



Bayo Adeleke
MD/CEO, FBN Capital Ltd.

FBN Capital Limited

In the aftermath of the merger between the Bank on the one hand, and FBN (Merchant Bankers) Limited and MBC International Plc., on the other, FirstBank's corporate finance and wealth management departments were combined with the capital market functions of both these other institutions in a new subsidiary, FBN Capital Limited. With authorised and paid up capital of ₦2 billion, this subsidiary should strengthen FirstBank's wholesale banking presence, asset management, and capital market operations, while freeing essential resources to consolidate our industry leadership in the commercial segment of the nation's financial services sector.

CBN's authorisation for this subsidiary was received in the last quarter of the financial year under review, and operations commenced effective April 3, 2006.



Stephen O. Onasanya
MD/CEO First Pension
Custodian Nigeria Ltd.

First Pension Custodian Nigeria Limited

First Pension Custodian Nigeria Limited, a wholly owned subsidiary of FirstBank with share capital of ₦2 billion, was incorporated on August 16, 2005.

The National Pension Commission authorised the company to carry on the business of pension fund custody on December 8, 2005. Its services include custody of pension fund assets; collection of monthly contribution from employees/employers on behalf of pension fund administrators (PFAs); securities settlement and cash management services; safe keeping of investment instruments on behalf of contributors to the order of the PFAs.

Others include registration of investment instruments; corporate actions monitoring; timely crediting of the Fund account with dividend and other income; rights and bonus Issue collection and treatment; proxy voting; portfolio valuation and taxation services; and compliance monitoring assistance.

The company, which is in a strategic alliance with Sectech Limited, UK for quality service delivery, has implemented CUSTODY2000 software to drive its fully automated business.

ASSOCIATES & AFFILIATES

As at March 31, 2006, the Bank had one (1) associate company, Kakawa Discount House, and four (4) affiliate companies. The affiliates are: Banque Internationale du Benin (BIBE), ValuCard, Afrexim Bank, and Nigerian Interbank Settlement System. Most of the companies are performing remarkably well and are making positive contribution to the Bank's overall performance. Work is advanced on the re-focussing of the business processes of Banqué Internationalé du Bénin; and we have no doubt that when this is done, it would play a definitive role in the sub-region's financial services industry.

Report of Directors

For the year ended 31 March, 2006

The Directors have pleasure in submitting to the members their report and audited financial statements of the Group for the year ended 31 March 2006.

1. Results	N'm	N'm
The Group profit for the year after taxation was		17,383
Less: Appropriations:		
Transfer to statutory reserve	2,408	
Reserve for Small Scale Industries	1,605	
Proposed dividend	<u>5,238</u>	
		<u>(9,251)</u>
Retained profit transferred to general reserve		<u>8,132</u>

The proposed dividend of 100 kobo (2005 - 160 kobo) per ordinary share is subject to withholding tax.

2. Legal Form

The Bank, which commenced operations in Nigeria in 1894 as a branch of Bank of British West Africa Limited was incorporated as a private limited liability company in Nigeria in 1969 and was converted to a public company in 1970. The Bank's shares are quoted on the Nigerian Stock Exchange.

3. Principal Activities

The Bank engages in the business of universal banking. Its major subsidiaries, FBN Bank (UK) Limited, First Registrars Nigeria Limited and First Trustees Nigeria Limited carry on the business of commercial banking, registrars and trusteeship, respectively.

4. Business Review and Future Development

The Bank carried out banking activities in accordance with its Memorandum and Articles of Association.

During the year, the bank consummated a merger scheme in which the assets, liabilities, business as well as the undertakings of FBN (Merchant Bankers) Limited and MBC International Bank Limited were merged with those of the bank. The merger arrangements involved exchange of shares and it became effective from 1 January 2006.

A comprehensive review of the business for the year and the prospects for the ensuing year is contained in the Managing Director's report.

5. Fixed Assets

Movements in fixed assets during the year are shown in note 8 on pages 68 and 69. In the opinion of the Directors, the market value of the Bank's properties is not less than the value shown in the accounts.

6. Directors

1 The names of the current directors are detailed on page 2.

2 In accordance with the Bank's Articles of Association, Alhaji (Dr) U.A. Mutallab CON, Lt. Gen Garba Duba (Rtd), Mr. John Oche Aboh and Mallam Abdullahi Mahmoud retire by rotation and being eligible, offer themselves for re-election.

The following were appointed Directors since the last Annual General Meeting of the Bank: Messrs Aderemi W. Babalola, Alex C. Otti, Oladele Oyelola, Lamido Sanusi, and Mrs. Harriet-Ann O. Adesola.

In accordance with Section 249(2) of Company and Allied Matters Act, 1990, a resolution will be proposed at the Annual General meeting approving their appointments as Directors.

3 Messrs Bashiru A. Bakare, Abba Kyari, N. Okoye (Mrs.), Ado Yakubu Wanka and Evans Ejike Woherem retired from the services of the Bank with effect from 5 September 2005.

Report of Directors cont'd

For the year ended 31 March, 2006

7. Directors' Responsibilities

The directors are responsible for the preparation of the financial statements which give a true and fair view of the state of affairs of the Bank at the end of each financial year and of the profit or loss for that year and comply with the provisions of the Companies and Allied Matters Act, CAP C20 LFN 2004 and Banks and Other Financial Institutions Act, CAP B3 LFN 2004. In doing so they ensure that:

- adequate internal control procedures are instituted to safeguard the assets, prevent and detect frauds and other irregularities;
- proper accounting records are maintained;
- applicable accounting standards are adhered to;
- suitable accounting policies are adopted and consistently applied;
- judgements and estimates made are reasonable and prudent; and
- the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Bank will continue in business.

8. Bonus Issue Reserve

The Directors recommend that the sum of 2.619 billion be set aside out of general reserve to be capitalised by issuing one ordinary bonus share of 50 kobo to shareholders for every one ordinary share previously held.

9. Directors' Interests

The interests of the Directors in the issued share capital of the Bank as recorded in the register of Directors' shareholdings at 31 March 2006 are as follows:

		Ordinary shares of 50k each 31 March	
		2006	2005
Mutallab, Umaru A.	(Direct)	4,784,315	3,775,731
	(Indirect)	84,357,435	67,485,948
Ajekigbe, Jacobs Moyo		2,981,670	1,964,470
Aboh, John Oche		1,820,396	1,693,377
Adesola, Harriet-Ann O.		686,600	-
Afonja, Ajibola A.		-	-
Babalola, Aderemi W.		228,419	-
Duba, Garba		3,688,299	2,904,942
Hassan-Odukale, Oyekanmi	(Direct)	70,001	11,250
	(Indirect)	13,501,918	596,229
Ibrahim, Muhammadu		1,322,858	887,152
Mahmoud, Abdullahi		243,617	192,260
Otti, Alex C.		49,366	-
Otudeko, Ayoola Oba	(Direct)	857,019	514,496
	(Indirect)	128,181,003	102,544,803
Oyelola, Oladele		71,352	-
Sanusi, Sanusi Lamido		313,316	-
Udo-Aka, Udo	(Direct)	1,547,641	1,233,268
	(Indirect)	32,845	26,276

None of the Directors has notified the Bank for the purposes of Section 277 of the Companies and Allied Matters Act, CAP C20 LFN 2004 of any discloseable interests in contracts in which the Bank was involved as at 31 March 2006.

Report of Directors cont'd

For the year ended 31 March, 2006

10. Analysis Of Shareholdings

- 1 The shares of the Bank as at 31 March 2006 were fully owned by Nigerian citizens and associations.
- 2 As at 31 March 2006, only First Dependents Nigeria Limited, the Managers of the Staff Pension Fund held up to 5% of the issued share capital of the Bank.
- 3 The range of shareholding as at 31 March 2006 is as follows:

Range	No. Of share-holders	No. Of shares held	%
1- 1,000	97,845	42,605,660	0.81
1,001- 5,000	134,960	320,186,434	6.11
5,001- 10,000	41,179	292,169,224	5.58
10,001- 50,000	38,158	783,887,157	14.96
50,001- 100,000	4,974	341,216,196	6.51
100,001- 500,000	3,832	760,417,038	14.52
500,001- 1,000,000	435	300,382,269	5.73
1,000,001- 10,000,000	378	947,093,896	18.08
10,000,001- 50,000,000	41	808,013,786	15.42
50,000,001- 100,000,000	6	382,466,282	7.30
100,000,001- 500,000,000	1	260,231,446	4.97
Total	321,809	5,238,669,388	100.00

11. Donations

Donations made during the year amounted to N119.887m. The recipients were:

	N'000
14th International Conference on AIDS and STIs In Africa (ICASA)	500
National Orthopaedic Hospital (Lagos)	9,600
Child Care Trust	2,500
University of Ibadan - Construction of Auditorium	31,474
Usman Dan Fodio University, Sokoto - Endowment	3,327
Federal University of Technology, Akure - Endowment	3,327
Bayero University, Kano - Endowment	3,326
Katsina State Government Economic Forum	500
Maritime Academy of Nigeria, Oron	7,200
Nigeria Association for the Blind	1,000
Nigeria Conservation Foundation	250
Balance carried forward	63,004

Report of Directors cont'd

For the year ended 31 March, 2006

	N'000
Balance brought forward	63,004
International Committee of the Red Cross	300
Enugu State University of Technology	300
Chartered Institute of Bankers	1,000
Alder Consulting, in support of orphanages	100
Tafawa Balewa University, Bauchi Endowment	3,327
University Of Agriculture, Makurdi - Endowment	3,327
University of Benin	1,000
University of Port Harcourt	1,000
Ahmadu Bello Universtiy, Zaria - Construction of IT Centre	28,515
Zamfara State Government Economic Summit	500
Others (below ₦100,000)	17,514
	119,887

12. Employment And Employees

1 Employment of disabled persons

It is the policy of the Bank that there should be no discrimination in considering applications for employment including those from disabled persons. All employees whether or not disabled are given equal opportunities to develop. As at 31 March, 2006, twelve (12) disabled persons were in the employment of the Bank.

2 Health, safety at work and welfare of employees

Health and safety regulations are in force within the Bank's premises and employees are aware of existing regulations. The Bank provides subsidy to all levels of employees for medical, transportation, housing, etc.

3 Employees' involvement and training

The Bank is committed to keeping employees informed as much as possible regarding the Bank's performance and progress and seeking their views whenever practicable on matters which particularly affect them as employees.

Management, professional and technical expertise are the Bank's major assets and investment in their further development continues.

The Bank's expanding skill-base has been extended by a range of training provided to its employees whose opportunities for career development within the Bank have thus been enhanced.

Training is carried out at various levels through both in-house and external courses.

13. Post Balance Sheet Events

There are no post balance sheet events that could have had a material effect on the state of affairs of the Bank as at 31 March, 2006 which have not been adequately provided for or disclosed.

Report of Directors cont'd

For the year ended 31 March, 2006

14. Audit Committee

Pursuant to Section 359(3) of the Companies and Allied Matters Act, CAP C20 LFN 2004, the Bank has in place an Audit Committee comprising three shareholders and three directors as follows:

Otunba Michael Olatunde Olowu (Chairman)

Mr. John Oche Aboh

Chief S. C. Ezendu

Alhaji Muhammadu Ibrahim, OFR

Mr. Oyekanmi Hassan-Odukale, MFR

Alhaji Labaran Tanko

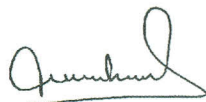
The functions of the Audit Committee are as laid down in Section 359(6) of the Companies and Allied Matters Act, C20 LFN 2004.

15. Auditors

Messrs. Akintola Williams Deloitte and PKF Pannell Kerr Forster having indicated their willingness to continue in office, will do so in accordance with Section 357(2) of Companies and Allied Matters Act, C20 LFN 2004.

A resolution will be proposed at the Annual General Meeting to authorise the directors to determine their remuneration.

BY ORDER OF THE BOARD



TIJJANI M. BORODO
COMPANY SECRETARY
35, MARINA LAGOS, NIGERIA.

Report of the Joint Auditors

To The Members Of First Bank Of Nigeria Plc

We have audited the financial statements of First Bank of Nigeria Plc as at 31 March 2006 set out on pages 58 to 87 which have been prepared on the basis of the accounting policies on pages 53 to 55.

Respective responsibilities of Directors and Auditors

In accordance with the Companies and Allied Matters Act, CAP C20 LFN 2004, the Bank's Directors are responsible for the preparation of the financial statements. Our responsibility is to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with the international standards on auditing issued by the International Federation of Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Bank's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements and assessed whether the Bank's accounting records have been properly kept. We have obtained the information and explanations we required for the purpose of our audit and have received adequate returns from branches not visited by us. The assets of the bank have been properly valued and adequate provision has been made for diminution in value thereof.

In accordance with circular BSD/1/2004 issued by the Central Bank of Nigeria, details of insider-related credits are as disclosed in note 38.

Contraventions

No contravention of the Banks and Other Financial Institutions Act CAP B3 LFN 2004 by the bank came to our knowledge during the year ended 31 March, 2006.

Opinion

In our opinion, the Bank and the group have kept proper accounting records and the financial statements are in agreement with the records. The financial statements drawn up in conformity with the generally accepted accounting standards in Nigeria, give a true and fair view of the state of affairs of the Bank and of the group at 31 March, 2006 and of the profit and cash flows for the year ended on that date, and have been properly prepared in accordance with the Companies and Allied Matters Act, CAP C20 LFN 2004, the Banks and Other Financial Institutions Act, CAP B3 LFN 2004 and relevant circulars issued by the Central Bank of Nigeria.

Akintola Williams Deloitte



Chartered Accountants
Lagos, Nigeria
28 June, 2006

PKF Pannell Kerr Forster



Chartered Accountants
Lagos, Nigeria
28 June, 2006

Report of the Audit Committee

For the year ended 31 March, 2006

In compliance with section 359(6) of the Companies and Allied Matters Act 1990, we have reviewed the Audit Report for the year ended 31st March, 2006 and hereby state as follows:

1. The scope and planning of the audit were adequate in our opinion;
2. The accounting and reporting policies of the company confirmed with statutory requirements and agreed ethical practices;
3. The internal control was being constantly and effectively monitored; and
4. The external auditors management report received satisfactory response from the Management.

Dated June 28, 2006.



Otunba M.O. Olowu,
Chairman, Audit Committee

Members of the Committee.

Otunba M.O. Olowu
Mr. John O. Aboh
Chief S.C. Ezendu
Alhaji Muhammadu Ibrahim, OFR
Mr. Oyekanmi Hassan-Odukale, MFR
Alhaji Labaran Tanko.

Accounting Policies

For the year ended 31 March, 2006

The following are the significant accounting policies adopted by the Bank in the preparation of its financial statements:

1. Basis of accounting

The accounts are prepared under the historical cost convention modified to include the revaluation of certain land and buildings (own premises only).

2. Basis of consolidation

The group financial statements incorporate the financial statements of the Bank and three of its wholly owned subsidiaries, FBN Bank (UK) Limited, First Trustees Nigeria Limited and First Registrars Nigeria Limited, all made up to 31 March 2006. The other subsidiaries whose results are immaterial have not been consolidated.

The Bank acquired FBN (Merchant Bankers) Limited and MBC International Bank Limited during the year. On acquisition, the assets and liabilities of the merged entities are measured at their fair values at the date of acquisition. Resulting difference between the cost of acquisition and the fair values of the identifiable net assets acquired after accounting for consolidation expenses is credited to a capital reserve account in the period of acquisition.

The results of MBC International Bank Limited and FBN (Merchant Bankers) Limited acquired with effect from 1 January 2006 are included in the consolidated financial statements from the date of acquisition.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Investments in Associated company

Investments in associated company are carried in the balance sheet at cost. Profit and losses are eliminated to the extent of the Group's interest in the associated company.

3. Capital reserve

Capital reserve arising on consolidation represents the difference between the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the merged entities at the date of acquisition.

4. Investments

- .1 Quoted investments other than dated securities are stated at the lower of cost and market value.
- .2 Unquoted investments are stated at cost less provision for doubtful investments.
- .3 Dated securities are stated at cost.
- .4 Investments in subsidiaries are stated at cost.

5. Bad and doubtful accounts

Loans and advances are stated after the deduction of provisions against debts considered doubtful of recovery. Loans are classified as to performing and non-performing; and are considered non-performing when principal and or interest repayment obligations are in arrears for over three months. Specific provisions are made on non-performing accounts as follows:

More than 90 days but less than 180 days	-	10%
180 days but less than 360 days	-	50%
360 days and over	-	100%

Accounting Policies cont'd

For the year ended 31, March 2006

A general provision of 1% is made on all performing balances in line with the Prudential Guidelines of the Central Bank of Nigeria.

6. Interest

Interest on loans and advances is accrued to profit until such a time as reasonable doubt exists about its collectibility. Interest accruing on non-performing accounts is not taken to the credit of profit and loss account until the debt is recovered.

7. Advances under finance lease

Advances to customers under finance leases are stated net of unearned income. Lease finance is recognized in a manner, which provides a constant yield on the outstanding net investment over the lease period.

In accordance with the Prudential Guidelines for licensed banks, specific provision is made on leases that are not performing while a general provision of at least 1% is made on the aggregate net investment in the finance lease.

8. Fixed assets

Fixed assets are stated at cost or valuation less accumulated depreciation.

9. Depreciation

Depreciation is provided to write off the cost of fixed assets over their estimated useful lives on a straight line basis at the following annual rates:

Freehold buildings	-	2% from date of use
Leasehold buildings	-	2% for leases of 50 years and above
	-	over expected life in case of leases under 50 years
Motor vehicles	-	25%
Computer equipment	-	33.33%
Other fixed assets	-	20%

10. Foreign currencies

Transactions in foreign currencies are recorded in Naira at the rate of exchange ruling at the date of the transactions.

Foreign currency balances are converted to Naira at the rate of exchange ruling at the balance sheet date and the resultant profit/loss on conversion is taken to profit and loss account in respect of Bank - owned funds and the rest charged/credited to third parties.

The Bank's equity investment in FBN Bank (UK) Limited is stated at transaction cost.

11. Taxation

Income tax is provided on taxable profit at the current statutory rate.

Provision for deferred taxation is made by the liability method and calculated at the current rate of taxation on the differences between the net book value of qualifying fixed assets and their corresponding tax written down value.

Accounting Policies cont'd

For the year ended 31, March 2006

12. Retirement benefits

Arrangements for retirement benefits (on a defined contribution basis) for members of staff are based on the provisions of the staff pension scheme, which is contributory. The matching contributions of 5% and 10% for staff and bank respectively are based on current salaries and designated allowances and are charged to profit and loss account and are paid over within the year to the funds manager. Membership of the scheme is automatic upon resumption of duty with the Bank.

13. Off Balance Sheet Engagements

Transactions that are not currently recognized as assets or liabilities in the balance sheet but which nonetheless give rise to credit risks, contingencies and commitments are reported off balance sheet. Such transactions include letters of credit, bonds, guarantees, indemnities, acceptances, trade related contingencies such as documentary credit, etc.

Outstanding and unexpired commitments at year end in respect of these transactions are shown by way of note to the financial statements.

Income on off balance sheet engagements is in form of commission which is recognized as and when transactions are executed.

14. Income recognition

.1 Interest income and interest expense

Interest is accrued on daily balances on all assets and liabilities to which interest is applicable.

.2 Fees, commissions and other income

Fees and commissions, where material, are amortized over the life of the related service. Otherwise fees, commissions and other income are recognized as earned upon completion of the related service.

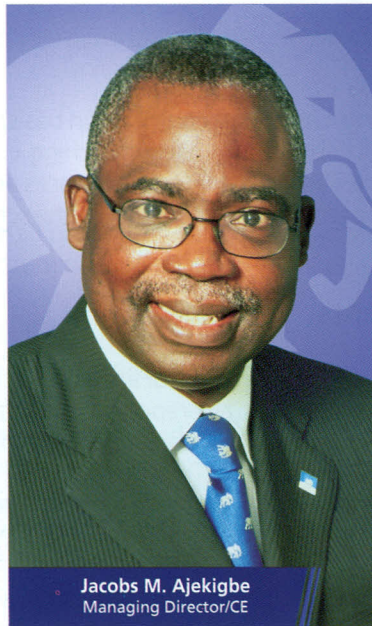
.3 Investment income

This is recognized on an accrual basis and credited to the profit and loss account.

.4 Lease finance income

This is recognised on a basis that provides a constant yield on the outstanding principal over the lease term.

Executive Directors



Jacobs M. Ajekigbe
Managing Director/CE



Remi W. Babalola
Retail Banking (Lagos & West)



John O. Aboh
Banking Operations & IT



Harriet-Ann O. Adesola
Corporate Banking



Oladele Oyelola
Retail Banking (Up Country)



Alex C. Otti
Commercial Banking



Sanusi L. Sanusi
Risk & Management Control



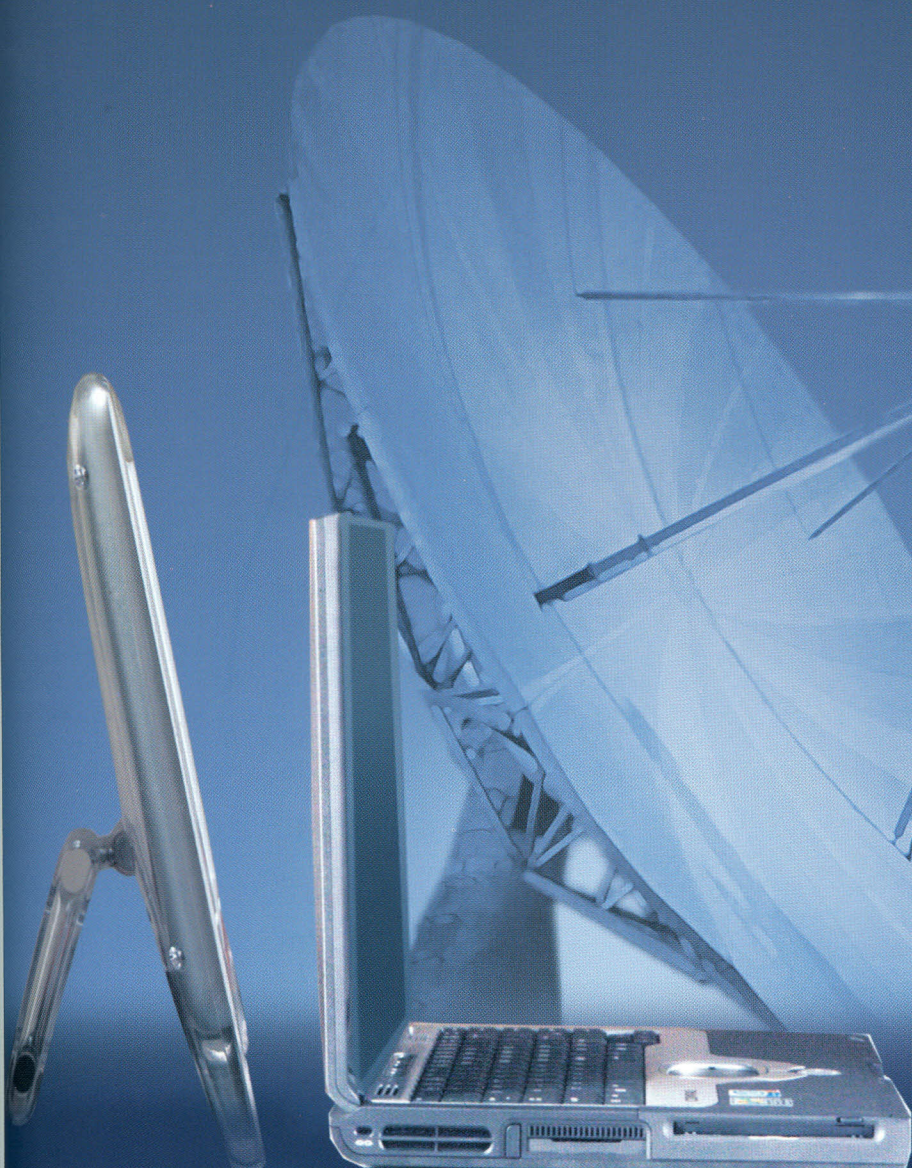
Today's FirstBank

New Drive ■ New Identity

Take our Finacle banking application, acclaimed to be one of the World's leading banking technologies.

Now, you can enjoy real-time on-line banking via wide area interconnectivity as well as the Internet.

So, Wherever you see the new logo, be sure of one thing. It is the symbol of a bank that is firmly focused on innovation.



Cutting Edge Banking Technology

FirstBank

...truly the first

Balance Sheet

As at 31 March, 2006

		The Group		The Bank	
	Note	2006 N'm	2005 N'm	2006 N'm	2005 N'm
ASSETS					
Cash and short-term funds	2	50,992	32,856	49,444	30,245
Due from banks and other financial institutions	3	169,580	129,281	94,029	64,118
Bills discounted		108,316	105,624	108,316	100,135
Investments	4	60,875	21,651	63,729	24,655
Loans and advances	5	177,303	123,739	175,657	114,673
Advances under finance lease	6	1,701	1,283	1,701	937
Other assets	7	31,851	43,716	31,317	30,625
Fixed assets	8	14,222	12,689	13,952	12,108
TOTAL ASSETS		614,840	470,839	538,145	377,496
LIABILITIES					
Deposit and current accounts	9	448,915	331,806	390,846	264,988
Due to other banks	10	323	390	323	390
Tax payable	11	5,142	4,758	4,148	3,954
Deferred taxation	12	2,746	2,089	2,751	2,010
Dividend payable	13	5,238	6,325	5,238	6,325
Other liabilities	14	90,183	75,666	75,843	55,157
		552,547	421,034	479,149	332,824
CAPITAL AND RESERVES					
Share capital	15	2,619	1,976	2,619	1,976
Capital reserve	16	12,644	10,076	13,297	9,784
Statutory reserve	17	11,358	8,950	10,699	8,291
Exchange difference reserve	18	3,343	3,957	2,836	2,836
General reserve	19	20,364	15,358	17,549	13,519
Bonus issue reserve	20	2,619	494	2,619	494
Reserve for small/medium scale industries	21	6,967	5,536	6,998	5,393
Core capital		59,914	46,347	56,617	42,293
Fixed assets revaluation reserve		2,379	2,379	2,379	2,379
Shareholders' funds		62,293	48,726	58,996	44,672
Minority interest		-	1,079	-	-
		62,293	49,805	58,996	44,672
TOTAL LIABILITIES		614,840	470,839	538,145	377,496
Contingent liabilities and other obligations on behalf of customers and customers' liability thereof	34	115,961	83,407	80,662	60,578

The financial statements on pages 53 to 87 were approved on 28 June 2006 by the Board of Directors and signed on its behalf by:


Umaru Abdul Mutallab (CON)

Chairman


Jacobs Moyo Ajekigbe

Managing Director


Sanusi Lamido Sanusi

Executive Director

The accounting policies on pages 53 to 55 and the notes on pages 61 to 83 form part of these financial statements.

Profit and Loss Account

For the year ended 31 March, 2006

	Note	The Group		The Bank	
		2006 N'm	2005 N'm	2006 N'm	2005 N'm
Gross earnings		67,440	57,255	61,243	49,475
Interest earnings	22	40,743	36,455	37,218	32,275
Interest expense	23	(10,040)	(8,555)	(7,750)	(5,854)
Net interest income		30,703	27,900	29,468	26,421
Commissions and other income	24	26,697	20,800	24,025	17,200
Overheads	25	57,400	48,700	53,493	43,621
Provision for bad and doubtful accounts	26	(35,285)	(29,461)	(33,748)	(26,648)
		(3,985)	(2,431)	(3,617)	(1,828)
Profit on ordinary activities		18,130	16,808	16,128	15,145
Exceptional item	27	3,703	-	3,703	-
Profit before taxation after exceptional item		21,833	16,808	19,831	15,145
Current taxation	11	(3,720)	(3,110)	(3,038)	(2,484)
Deferred taxation	12	(730)	(464)	(740)	(477)
Profit after taxation		17,383	13,234	16,053	12,184
Minority interest		-	(184)	-	-
Profit attributable to ordinary shareholders		17,383	13,050	16,053	12,184
Dealt with as follows:					
Statutory reserve	17	2,408	1,887	2,408	1,827
Reserve for small scale industries	21	1,605	1,558	1,605	1,514
Dividend	13	5,238	6,325	5,238	6,325
General reserve	19	8,132	3,280	6,802	2,518
		17,383	13,050	16,053	12,184
Earning per share:					
- Actual	28	3.32	3.35	3.06	3.08
- Adjusted	28	3.32	2.53	3.06	2.33

The accounting policies on pages 53 to 55 and the notes on pages 61 to 83 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March, 2006

	Note	The Group		The Bank	
		2006 N'm	2005 N'm	2006 N'm	2005 N'm
Cash flows from operating activities					
Interest earnings	22	40,743	36,455	37,218	32,275
Commission and other income		24,813	16,033	22,055	15,754
Lease income		411	582	411	76
Dividend received from associated company		-	-	86	58
Recoveries on loans previously written off		1,436	3,481	1,436	626
Interest expenses		(10,040)	(8,555)	(7,750)	(5,854)
Cash payment to employees and suppliers		(32,036)	(27,074)	(30,621)	(24,439)
Income tax paid	11	(3,436)	(3,052)	(2,989)	(2,552)
Operating profit before changes in operating assets and liabilities		21,891	17,870	19,846	15,944
Changes in operating assets/liabilities					
Loans and advances		(60,613)	(35,405)	(64,435)	(38,338)
Advances under finance lease		(422)	(1,296)	(772)	(946)
Other assets		12,435	(19,296)	(177)	(19,029)
Deposit and current accounts		117,042	76,315	125,791	58,345
Other liabilities		14,517	1,011	20,686	(547)
Net cash from operating activities	29	104,850	39,199	100,939	15,429
Cash flows from investing activities					
Net proceeds from sale of investments		6,563	-	6,563	-
Redemption of dated securities		434	21	434	21
Purchase of fixed assets	8	(3,908)	(4,989)	(3,830)	(4,758)
Proceeds on sale of fixed assets		103	29	100	23
Dividend received from subsidiaries		37	685	37	685
Purchase of investments		(41,203)	(9,909)	(41,203)	(7,890)
Bills discounted		(2,692)	(6,776)	(8,181)	(7,213)
Net cash used in investing activities		(40,666)	(20,939)	(46,080)	(19,132)
Cash flows from financing activities					
Proceeds from issue of shares		643	227	643	227
Dividend paid to shareholders	13	(6,325)	(5,429)	(6,325)	(5,429)
Net cash used in financing activities		(5,682)	(5,202)	(5,682)	(5,202)
Net increase/(decrease) in cash and cash equivalents		58,502	13,058	49,177	(8,905)
Opening cash and cash equivalents		161,747	148,689	93,973	102,878
Closing cash and cash equivalents	30	220,249	161,747	143,150	93,973

Notes to the Accounts

At 31 March, 2006

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
1. Legal form				
The Bank, which commenced operations in Nigeria in 1894 as a branch of British West Africa Limited, was incorporated as a private limited liability company in Nigeria in 1969 and was converted to a public company in 1970. The Bank's shares are quoted on the Nigerian Stock Exchange.				
2. Cash and short-term funds				
Cash	12,085	6,775	10,537	5,886
Balances with Central Bank of Nigeria:				
Cash reserve requirement	16,307	20,694	16,307	19,601
Current account	22,273	5,387	22,273	4,758
Other account	327	-	327	-
	50,992	32,856	49,444	30,245
3. Due from other banks and financial institutions:				
In Nigeria	39,658	40,234	33,736	33,014
Outside Nigeria	131,133	89,167	61,381	31,209
	170,791	129,401	95,117	64,223
Provision for doubtful accounts	(1,211)	(120)	(1,088)	(105)
	169,580	129,281	94,029	64,118
Amount held on behalf of customers included in balances with other banks outside Nigeria are:				
Deposit with FBN Bank (UK) Limited	-	-	17,492	14,196
Vostro accounts	28,531	19,129	28,531	19,129
	28,531	19,129	46,023	33,325

Notes to the Accounts (Cont'd)

		The Group		The Bank	
		2006 N'm	2005 N'm	2006 N'm	2005 N'm
4.	Investments				
.1	Dated securities (Quoted)				
	Maturing within 1 year				
	Market value N28billion (2005 - N31m)				
	- Federal Government Bonds	27,819	-	27,819	-
	- State Governments Bonds	623	10	416	10
	- Others	41	21	41	21
	Maturing between 1 and 5 years				
	- Federal Government Bonds	16,181	10,000	16,181	10,000
	- State Governments Bonds	1,200	578	1,200	353
	- Others	4,040	80	4,040	80
	Maturing after 5 years				
	- State Governments Bonds	-	1,667	-	1,667
		49,904	12,356	49,697	12,131
	Less: Provision	(808)	(1,025)	(808)	(1,025)
		49,096	11,331	48,889	11,106
.2	Equities				
(a)	(Quoted)				
	Sundry including dealing securities				
	[market value - N8.5m]	1,626	1,671	34	-
	Less: Provision	(256)	(22)	(25)	-
		1,370	1,649	9	-
(b)	(Unquoted):				
	Vee Networks Limited	2,908	5,768	2,908	5,768
	Banque Internationale Du Benin, Cotonou	98	98	98	98
	African Export-Import Bank, Cairo	10	10	10	10
	Consolidated Discounts Ltd	15	-	15	-
	ValuCard Nig. Plc	186	138	186	138
	Nigeria Automated Clearing System Plc	27	34	27	27
	Nigeria Interbank Settlement System	7	-	7	-
	ATM Consortium	59	58	59	58
		3,310	6,106	3,310	6,099
	Less: Provision	(283)	(98)	(283)	(98)
		3,027	6,008	3,027	6,001
.3	Associated company [Unquoted equity]				
	Kakawa Discount House Limited	74	74	74	57
		74	74	74	57
.4	Subsidiaries: [Unquoted equities]				
	FBN Bank (UK) Limited (note 4.8)	-	-	4,389	4,389
	FBN Capital Limited	1,300	-	1,300	-
	First Pension Custodian Nigeria Limited	2,000	-	2,000	-
	FBN (Merchant Bankers) Limited	-	-	-	624
	First Trustees Nigeria Limited	-	-	23	23
	FBN Mortgages Limited	100	100	100	100
	FBN Insurance Brokers Nigeria Limited	15	15	15	15
	First Registrars Nigeria Limited	-	-	10	10
	First Funds Limited	45	45	45	45
		3,460	160	7,882	5,206

Notes to the Accounts (Cont'd)

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
5 Others:				
SMIES Investments				
Through:				
SME Managers Limited	526	431	526	357
SME Partnership Limited	64	-	64	-
Chase Executive Partners Limited	30	-	30	-
Interswitch Limited	32	32	32	32
First Funds Limited	3,196	1,966	3,196	1,896
	3,848	2,429	3,848	2,285
	60,875	21,651	63,729	24,655
6 The issuers of the industrial securities (quoted and unquoted) are as follows:				
Dated securities [Quoted]				
Maturing within 1 year:				
19% PZ Industries Floating				
Rate Debenture Stock 1997/2004	1	1	1	1
Neimeth Int'l Debenture Stock 2004/2008	40	20	40	20
Federal Government of Nigeria Bond	27,819	-	27,819	-
State Government Bonds	623	10	416	10
	28,483	31	28,276	31
Maturing between 1 & 5 years:				
19% PZ Industries Floating				
Rate Debenture Stock 1997/2004	-	20	-	20
Neimeth Int'l Debenture Stock 2004/2008				
Floating Rate secured Cum Convertible				
Redeemable Mortgage Debenture stock	111	80	40	80
Tinapa Business Resort Limited	4,000	-	4,000	-
Federal Government of Nigeria Bond	16,181	10,000	16,181	10,000
State Government Bonds	1,200	558	1,200	333
Maturing after 5 years:				
State Government Bonds	-	1,667	-	1,667
Provisions	21,492 (808)	12,325 (1,025)	21,421 (808)	12,100 (1,025)
	20,684	11,300	20,613	11,075
	49,167	11,331	48,889	11,106
7 In the opinion of the Directors, the market value of the unquoted investments is not lower than cost.				
8 Except for FBN Bank (UK) Limited, which was incorporated in the United Kingdom, all other subsidiaries were incorporated in Nigeria.				

Notes to the Accounts (Cont'd)

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
5. Loans and advances				
.1 Summary:				
Secured against real estate	33,548	31,159	33,548	25,429
Otherwise secured	154,026	126,603	153,889	119,054
Unsecured	4,098	3,922	2,567	3,028
Gross loans	191,672	161,684	190,004	147,511
Deduct: Provision for loan losses (note 5.2)	(14,369)	(37,945)	(14,347)	(32,838)
	177,303	123,739	175,657	114,673

.2 Analysis of loans and advances by quality

	2006		2005	
	Gross Loans N'm	Provision N'm	Gross Loans N'm	Provision N'm
.2.1 The Group				
Non-performing				
- Sub-standard	2,414	241	1,684	300
- Doubtful	5,093	2,547	5,103	3,616
- Lost	9,838	9,838	32,787	32,787
Performing	17,345	12,626	39,574	36,703
	174,327	1,743	122,110	1,242
Gross loans	191,672	14,369	161,684	37,945
.2.2 The Bank				
Non-performing:				
- Sub-standard	2,414	241	1,661	297
- Doubtful	5,093	2,547	4,229	2,629
- Lost	9,832	9,832	28,784	28,784
Performing	17,339	12,620	34,674	31,710
	172,665	1,727	112,837	1,128
Gross loans	190,004	14,347	147,511	32,838

Notes to the Accounts (Cont'd)

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
3 Provision for doubtful debts				
Principal:				
At 1 April:	31,555	32,724	28,468	30,236
Written off in the year	(24,988)	(3,815)	(24,988)	(3,765)
	6,567	28,909	3,480	26,471
Arising on acquisition of:				
- FBN (Merchant Bankers) Limited	(645)	-	2,105	-
- MBC International Bank Limited	2,229	-	2,229	-
Reclassification from Commercial paper	-	258	-	258
	8,151	29,167	7,814	26,729
Provided during the year	6,574	6,079	6,568	5,084
Recovered during the year	(3,882)	(3,691)	(3,873)	(3,345)
Charge for the year (note 26)	2,692	2,388	2,695	1,739
	10,843	31,555	10,509	28,468
Made up as follows:				
Specific	9,100	30,313	8,782	27,340
General	1,743	1,242	1,727	1,128
	10,843	31,555	10,509	28,468
Interest:				
At 1 April:	6,390	9,974	4,370	8,766
Recovered during the year	(67)	(472)	(67)	(443)
	6,323	9,502	4,303	8,323
Arising on acquisition of:				
- FBN (Merchant Bankers) Limited	(27)	-	2,305	-
- MBC International Bank Limited	120	-	120	-
Additions during the year	14,966	2,766	14,966	1,896
Written off during the year	(17,856)	(5,878)	(17,856)	(5,849)
At 31 March	3,526	6,390	3,838	4,370
Total	14,369	37,945	14,347	32,838

Notes to the Accounts (Cont'd)

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
.4 Maturity profile of loans and advances				
On call	42,730	32,072	42,593	26,408
Over 1 month but within 3 months	50,351	11,733	50,351	6,387
Over 3 months but within 6 months	21,274	33,983	21,274	32,569
Over 6 months but within 12 months	46,044	27,239	45,880	26,949
Over 1 year but within 3 years	18,999	45,638	18,565	45,504
Over 3 years but within 5 years	12,274	11,019	11,341	9,694
	191,672	161,684	190,004	147,511
.5 Analysis of loans and advances by nature				
Overdrafts	146,352	51,485	80,136	50,822
Term loans	1,367	76,138	65,915	62,630
Commercial papers	40,406	27,168	40,406	27,168
Others	3,547	6,893	3,547	6,891
	191,672	161,684	190,004	147,511
.6 Insider-related credits				
Aggregate amount of insider related credits outstanding at year-end classified by performance:				
Performing	13,541	10,885	13,541	10,577
Non - performing (note 38)	40	498	40	498
	13,581	11,383	13,581	11,075
The details of the non-performing accounts as shown above are analysed in note 38 to this financial statements in line with Central Bank of Nigeria Circular BSD/1/2004.				
.7 The charge for bad and doubtful accounts is made up of:				
Specific provision	2,191	1,945	2,096	1,367
General provision	501	443	599	372
	2,692	2,388	2,695	1,739

Notes to the Accounts (Cont'd)

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
6. Advances under finance lease				
Gross investment (all performing)	1,718	1,618	1,718	1,204
Less: Unearned income	-	(322)	-	(258)
	1,718	1,296	1,718	946
Provision for performing accounts (note 26)	(17)	(13)	(17)	(9)
	1,701	1,283	1,701	937
.1 The investment in finance leases by maturity is:				
Over 3 months but within 6 months	-	1,618	-	1,204
Over 6 months but within 12 months	422	-	422	-
Over 12 months	1,296	-	1,296	-
	1,718	1,618	1,718	1,204
7. Other assets				
Impersonal accounts:				
Interbranch balances	8,178	9,485	8,679	10,355
Clearing	11,492	11,428	11,491	11,428
Prepayments	5,359	4,169	5,204	3,796
Others	4,601	18,632	4,145	5,338
Accrued income	1,628	726	1,260	547
Accounts receivable	2,142	1,395	2,009	1,147
	33,400	45,835	32,788	32,611
Provision for doubtful accounts (note 7.1)	(1,549)	(2,119)	(1,471)	(1,986)
	31,851	43,716	31,317	30,625
.1 Provision for doubtful accounts				
At 1 April	2,119	3,117	1,986	2,995
Arising during the year	32	-	-	-
Written off during the year	(602)	(998)	(515)	(1,009)
At 31 March	1,549	2,119	1,471	1,986

Notes to the Accounts (Cont'd)

	Freehold Land and Buildings N'm	Leasehold buildings N'm	Vehicles, Equipment and Others N'm	Total N'm
8. Fixed assets				
.1 The Group				
(a) Summary:				
Cost/valuation:				
At 1 April	6,956	100	17,133	24,189
Exchange difference on opening balance	-	(11)	(29)	(40)
Additions	824	-	3,084	3,908
Disposals	-	-	(475)	(475)
Adjustment arising from acquisition	259	801	861	1,921
At 31 March	8,039	890	20,574	29,503
Depreciation:				
At 1 April	974	26	10,500	11,500
Exchange difference on opening balance	-	(2)	(12)	(14)
Charge for the year	103	9	3,105	3,217
Eliminated on disposals	-	-	(340)	(340)
Adjustment arising from acquisition	44	154	720	918
At 31 March	1,121	187	13,973	15,281
Net book value:				
At 31 March 2006	<u>6,918</u>	<u>703</u>	<u>6,601</u>	<u>14,222</u>
At 31 March 2005	<u>5,982</u>	<u>74</u>	<u>6,633</u>	<u>12,689</u>
(b) Land and buildings comprise:				Cost/ Valuation N'm
Freehold				7,513
Under construction				526
				8,039
Leasehold				890
				<u>8,929</u>

Notes to the Accounts (Cont'd)

	Freehold Land and Buildings N'm	Leasehold buildings and N'm	Vehicles, Equipment and Others N'm	Total N'm
Fixed assets (Cont'd)				
.2 The Bank				
(a) Summary:				
Cost/valuation:				
At 1 April	6,748	-	16,069	22,817
Arising on acquisition	262	801	1,096	2,159
Additions	824	-	3,006	3,830
Disposals	-	-	(465)	(465)
At 31 March	7,834	801	19,706	28,341
Depreciation:				
At 1 April	879	-	9,830	10,709
Arising on acquisition	44	154	720	918
Charge for the year	103	-	2,991	3,094
Eliminated on disposals	-	-	(332)	(332)
At 31 March	1,026	154	13,209	14,389
Net book value:				
At 31 March 2006	6,808	647	6,497	13,952
At 31 March 2005	5,869	-	6,239	12,108

(b) Land and buildings comprise:	Cost/ Valuation N'm
Freehold	7,308
Under construction	526
	7,834
Leasehold	801
	8,635

- .3 Certain land and buildings (own premises only) with a net book value of ₦187.7 million were professionally valued at ₦1,183.7 million on 31 December, 1990 by Messrs Jide Taiwo & Co. and Diya Fatimilehin & Co., Estate surveyors and valuers on the basis of open market value between a willing seller and buyer. The sum of ₦448.152 million was then recognised as revaluation reserve in the account.

During the year ended 31 December, 1995, selected land and buildings (own premises only) including those revalued at 31 December, 1990, were professionally re-valued at ₦5,056.4 million by Messrs Jide Taiwo & Co. and Diya Fatimilehin & Co., Estate surveyors and valuers on the basis of open market value between a willing seller and buyer. In compliance with the Central Bank of Nigeria's guidelines on recognition of revaluation reserve on own premises, the sum of ₦1,931.150 million was incorporated in the account. This represents the revaluation surplus of ₦4,291.4 million discounted by 55%.

Revaluation of land and buildings is carried out at the discretion of the directors and it is considered as and when necessary.

Notes to the Accounts (Cont'd)

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
9. Deposit and current accounts				
.1 Summary				
In Nigeria:				
Demand	195,274	117,917	195,274	115,912
Savings	128,236	104,353	128,236	104,353
Time	67,336	58,213	67,336	44,723
	<u>390,846</u>	<u>280,483</u>	<u>390,846</u>	<u>264,988</u>
Outside Nigeria:				
Demand	5,220	1,267	-	-
Time	52,849	50,056	-	-
	<u>448,915</u>	<u>331,806</u>	<u>390,846</u>	<u>264,988</u>
.2 The deposit liabilities maturity profile is as follows:				
On demand	328,730	223,537	323,510	220,265
Under 3 months	86,327	68,149	33,478	7,580
3 - 6 months	21,307	31,712	21,307	29,214
6 - 12 months	10,161	6,163	10,161	5,707
Over 12 months	2,390	2,245	2,390	2,222
	<u>448,915</u>	<u>331,806</u>	<u>390,846</u>	<u>264,988</u>
10. Due to other banks				
In Nigeria	313	380	313	380
Outside Nigeria	10	10	10	10
	<u>323</u>	<u>390</u>	<u>323</u>	<u>390</u>
11. Taxation				
.1 Per profit and loss account				
Income tax:				
Based on profit for the year	3,449	2,833	2,787	2,249
Education tax	271	277	251	235
	<u>3,720</u>	<u>3,110</u>	<u>3,038</u>	<u>2,484</u>
.2 Per balance sheet				
Income tax:				
At 1 April	4,758	4,700	3,954	4,022
Based on profit of the year	3,720	3,110	3,038	2,484
Arising on acquisition	100	-	145	-
	<u>8,578</u>	<u>7,810</u>	<u>7,137</u>	<u>6,506</u>
Payments during the year	(3,436)	(3,052)	(2,989)	(2,552)
	<u>5,142</u>	<u>4,758</u>	<u>4,148</u>	<u>3,954</u>

The charge for taxation in these accounts is based on the provisions of the Companies Income Tax Act CAP C21 LFN 2004 as amended and the Education Tax Act, CAP E4 LFN 2004.

Notes to the Accounts (Cont'd)

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
12. Deferred taxation				
.1 Per profit and loss account				
Arising during the year	740	464	740	477
Prior years' under provision	(10)	-	-	-
No longer required				
	730	464	740	477
.2 Per balance sheet				
At 1 April	2,089	1,625	2,010	1,533
Arising during the year	740	464	740	477
Arising on consolidation	1	-	1	-
No longer required	(10)	-	-	-
Eliminated on acquisition	(74)	-	-	-
	2,746	2,089	2,751	2,010
13. Dividend				
Proposed for the year per profit and loss account and balance sheet	5,238	6,325	5,238	6,325
The proposed dividend of ₦1.00 (2005 - ₦1.60) per 50 kobo ordinary share is subject to deduction of withholding tax at the appropriate rate.				
14. Other liabilities				
Payable and transfers	16,027	11,094	15,778	10,735
Provisions and accruals	3,787	2,826	3,185	2,295
Provision for frauds and losses	1,464	1,159	1,464	1,159
Unearned discounts	82	589	48	373
Provision for off balance sheet engagements	17	-	17	-
Others (note 14.1)	68,806	59,998	55,351	40,595
	90,183	75,666	75,843	55,157
.1 Others comprise:				
Vostro balances	28,531	19,129	28,531	19,129
Uncleared effects	10,255	8,537	10,255	8,411
Sundry credit balances	13,455	19,523	-	1,826
Impersonal items	16,565	12,809	16,565	11,229
	68,806	59,998	55,351	40,595

Notes to the Accounts (Cont'd)

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
15. Share capital				
.1 Authorised: 6,000,000,000 ordinary shares of 50k each	3,000	3,000	3,000	3,000
.2 Allotted, called up and fully paid: Ordinary shares of 50k each:				
At 1 April	1,976	1,751	1,976	1,751
Arising during the year				
- Rights issue on shares awaiting regulatory clearance (now cleared)	22	6	22	6
- Bonus issues:				
- Transfer from bonus issue reserve (note 20)	494	219	494	219
- Arising on shares awaiting regulatory clearance (now cleared)	9	-	9	-
- Arising on acquisition of FBN (MB) Limited	34	-	34	-
- New issues arising on consolidation of :				
- FBN (Merchant Bankers) Limited	20	-	20	-
- MBC International Bank Limited	64	-	64	-
At 31 March	2,619	1,976	2,619	1,976

At the Annual General Meeting of the Bank held on 24 August 2005, members approved a bonus issue of one ordinary share of 50 kobo for every four shares held by them as at 12 August 2005.

16. Capital reserve

At 1 April	10,076	9,586	9,784	9,580
Arising from the rights issue	770	204	770	204
Consolidation reserve	(286)	286	-	-
Arising on acquisition (note 31)	2,743	-	2,743	-
Adjustment on subsidiary	(659)	-	-	-
	12,644	10,076	13,297	9,784

17. Statutory reserve

At 1 April	8,950	7,063	8,291	6,464
Appropriation from the profit and loss account	2,408	1,887	2,408	1,827
At 31 March	11,358	8,950	10,699	8,291

The appropriation for the year represents 15% of profit after tax of the parent company in accordance with section 16 of the Banks and Other Financial Institutions Act, CAP B3 LFN 2004.

Notes to the Accounts (Cont'd)

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
18. Exchange difference reserve				
At 1 April	3,957	3,874	2,836	2,836
Movement during the year	(614)	83	-	-
At 31 March	3,343	3,957	2,836	2,836
19. General reserve				
At 1 April	15,358	12,485	13,519	11,513
Reserve for bonus issue (note 20)	(2,619)	(494)	(2,619)	(494)
Prior year adjustment in respect of:				
- Bonus issue arising from shares awaiting regulatory clearance (now cleared)	(9)	(1)	(9)	(1)
- Dividend thereon	(144)	(17)	(144)	(17)
Adjustment for reserve of subsidiary	(354)	105	-	-
Retained profit for the year	8,132	3,280	6,802	2,518
At 31 March	20,364	15,358	17,549	13,519
20. Bonus issue reserve				
At 1 April	494	219	494	219
Transfer from the general reserve (note 19)	2,619	494	2,619	494
Utilised for bonus issue (note 15)	(494)	(219)	(494)	(219)
At 31 March	2,619	494	2,619	494
21. Reserve for small / medium scale industries				
At 1 April	5,536	3,978	5,393	3,879
Transfer from profit and loss account	1,605	1,558	1,605	1,514
Eliminated on acquisition of FBN (MB) Ltd	(174)	-	-	-
At 31 March	6,967	5,536	6,998	5,393

This is computed at 10% of profit after tax in accordance with Central Bank of Nigeria Guideline. As at 31 March 2006, the Group has invested the sum of N3.196 billion (2005 - N1.966 billion) in SMIEIS through First Funds Limited (See note 4.5).

Notes to the Accounts (Cont'd)

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
22. Interest earnings				
Bank sources:				
- Placement with local banks	1,018	17,080	1,018	2,194
- Treasury bills	16,888	16,704	16,888	15,688
	17,906	33,784	17,906	17,882
Non-Bank source:				
- Interest on Loans and advances	22,837	2,671	19,312	14,393
	40,743	36,455	37,218	32,275
23. Interest expenses				
Non-Bank sources:				
- Demand	3,076	598	786	598
- Time deposits	4,149	5,723	4,149	3,022
- Savings	2,749	2,223	2,749	2,223
- Domiciliary	66	11	66	11
	10,040	8,555	7,750	5,854
24. Commissions and other income				
Commissions and charges	18,759	12,898	17,653	12,056
Foreign exchange income	1,202	1,395	1,026	1,315
Dividend	87	58	129	743
Investment income	4,412	2,367	3,370	2,367
Lease income	411	582	411	76
Profit on sale of fixed assets	-	19	-	17
Recoveries on loans previously written off	1,436	3,481	1,436	626
Sundry income	390	-	-	-
	26,697	20,800	24,025	17,200

Notes to the Accounts (Cont'd)

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
25. Overheads				
.1 Operating expenses:				
Charges and expenses (note 25.2)	29,750	25,350	28,335	22,823
Depreciation on fixed assets	3,217	2,385	3,094	2,208
Premium on insurance of deposit liabilities	2,286	1,726	2,286	1,617
Loss on disposal of fixed assets	32	-	33	-
	35,285	29,461	33,748	26,648
.2 Charges and expenses				
These include :				
Profit on sale of fixed assets	-	(19)	-	(17)
Bank's contribution to retirement benefits	1,507	564	1,472	514
Auditors' remuneration:				
- Nigeria operations	41	44	36	32
- UK operations	20	19	-	-
26. Provision for bad and doubtful accounts				
Loans and advances (note 5.3)	2,692	2,388	2,695	1,739
Other assets (note 7)	32	(112)	-	-
Due from banks and other financial institutions (note 3)	1,091	120	983	80
Investments	162	22	(69)	-
Advances under finance lease (note 6)	8	13	8	9
	3,985	2,431	3,617	1,828
27. Exceptional item				
This represents profit derived on part disposal of shares in Vee Networks Nigeria Limited during the year.				
28. Earnings per share (Basic)				
Earnings per share is calculated on the profit after taxation and is based on the number of ordinary shares issued and paid up at 31 March 2006.				

Notes to the Accounts (Cont'd)

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
29. Reconciliation of net cash provided by operating activities				
Profit after tax	17,383	13,234	16,053	12,184
Adjustments to reconcile profit after tax to net cash provided by operating activities				
Depreciation of fixed assets	3,217	2,385	3,094	2,208
Provision for bad and doubtful accounts	3,985	2,431	3,617	1,828
Provision for deferred taxes	730	464	740	477
Decrease/(increase) in taxes payable	284	60	49	634
Exceptional income	(3,703)	-	(3,703)	-
Loss / (profit) on disposal of fixed assets	32	(19)	33	(17)
Dividend received from subsidiaries	(37)	(685)	(37)	(685)
Changes in assets and liabilities				
Increase in loans and advances	(60,613)	(35,405)	(64,435)	(38,338)
Increase in other assets	12,435	(19,296)	(177)	(19,029)
Increase in advances under finance lease	(422)	(1,296)	(772)	(946)
Increase in deposit and other current accounts	117,042	76,315	125,791	58,345
Increase / (decrease) in other liabilities	14,517	1,011	20,686	(1,232)
Net cash flow from operating activities before changes in operating assets	104,850	39,199	100,939	15,429
30. Cash and cash equivalents				
Cash and short-term funds	50,992	32,856	49,444	30,245
Due from other banks and financial institutions	169,580	129,281	94,029	64,118
Due to other banks	(323)	(390)	(323)	(390)
	220,249	161,747	143,150	93,973

31. Acquisition of Banks

On 1 January 2006, the Bank acquired 36.85% and 100% of the issued share capital of FBN (Merchant Bankers) Limited and MBC International Bank Limited respectively by share exchange. Before the merger, FBN (Merchant Bankers) Limited was a subsidiary of the Bank and it held 63.15% of its equity share capital. The transaction has been accounted for by the purchase method of accounting.

The summary of the transactions is as follows:

	FBN [MB] Ltd N'm	MBC Int Bank Ltd N'm	Total N'm
Tangible assets taken over	17,073	19,795	36,868
Liabilities absorbed	<u>(13,804)</u>	<u>(19,053)</u>	<u>(32,857)</u>
Net assets taken over	3,269	742	4,011
Nominal value of shares issued	(54)	(64)	(118)
Cost of investments in the subsidiary written off	<u>(624)</u>	<u>-</u>	<u>(624)</u>
	<u>2,591</u>	<u>678</u>	3,269
Merger expenses			<u>(526)</u>
Capital reserve on acquisition			<u>2,743</u>

32. Chairman and Directors' emoluments

	2006 N'm	The Bank 2005 N'm
1 Emoluments:		
Fees:		
Chairman	0.40	0.40
Other Directors	1.90	1.60
	<u>2.30</u>	<u>2.00</u>
Emoluments as Executives	103.50	75.70
	<u>105.80</u>	<u>77.70</u>
Highest paid Director	<u>15.11</u>	<u>15.11</u>

- 2 The fees attributable to directors of the parent company serving on the boards of the subsidiaries amounting to N600,400; (2005 - N600,400) have been paid over and included in the income of the parent company.
- 3 The number of Directors excluding the Chairman, whose emoluments were within the following ranges were:

	2006 Number	2005 Number
N230,001 - N240,000	7	7
N1,900,001 and above	<u>7</u>	<u>7</u>

Notes to the Accounts (Cont'd)

33. Employees

- .1 Employees remunerated at higher rates:

The number of employees excluding directors in receipt of emoluments excluding allowances and pension contributions within the following ranges were:

N		N
60,001	-	70,000
70,001	-	80,000
80,001	-	90,000
90,001	-	100,000
100,001	-	110,000
110,001	-	120,000
120,001	-	130,000
130,001	-	140,000
140,001	-	150,000
150,001	-	200,000
200,001	-	300,000
300,001	-	400,000
400,001	-	500,000
500,001	-	700,000
700,001	-	1,000,000
1,000,001	-	1,500,000
1,500,001	-	2,000,000
2,000,001	-	2,500,000
Over		2,500,000

The Group	
2006 Number	2005 Number

The Bank	
2006 Number	2005 Number

117	9	117	-
24	17	24	-
150	14	150	855
152	8	152	161
129	17	129	161
229	0	229	1
57	8	57	1,642
1,010	0	1,010	1,236
299	12	299	1,030
1,093	496	1,093	1,058
2,939	824	2,939	205
477	3,912	476	144
-	626	-	92
456	696	378	92
-	-	-	15
-	236	-	-
-	60	-	-
-	32	-	-
-	21	-	-
7,132	6,988	7,053	6,692

- .2 The average number of persons employed in the year were as follows:

Managerial
Senior staff
Junior staff

277	262	266	199
5,877	5,424	5,836	5,276
978	1,302	951	1,217
7,132	6,988	7,053	6,692
N'm	N'm	N'm	N'm
15,348	12,757	14,679	11,936

The related staff costs amounted to

34. Off balance sheet engagements

- .1 The bank enters into various commitments in the normal course of business which are not reflected on the balance sheet and in respect of which there are corresponding obligations by customers. These are as follows:

	The Group		The Bank	
	2006 N'm	2005 N'm	2006 N'm	2005 N'm
Acceptances, guarantees and indemnities	44,140	49,402	26,103	27,434
Bonds and performance guarantees	44,715	34,005	44,257	33,144
Treasury bills intermediation and others	27,106	-	10,302	-
	115,961	83,407	80,662	60,578

Notes to the Accounts (Cont'd)

34. Off balance sheet engagements (cont'd)

- .2 There were contingent liabilities in respect of legal actions against the Bank for amounts totalling ~~N~~6,375,412,139 (2005 - ~~N~~3,424,774,363) for which no provisions have been made. The actions are being contested and the Directors are of the opinion that no significant liabilities will arise therefrom.

35. Guarantees and other financial commitments

	2006 N'm	2005 N'm
.1 Capital commitments		
Capital expenditure authorised by the Directors but not provided for in these accounts are as follows:		
Contracted	2,106	1,226
Not contracted	-	-
.2 The Directors are of the opinion that all known liabilities and commitments which are relevant in the assessment of the state of financial affairs of the Bank have been taken into consideration in the preparation of these accounts.		

Notes to the Accounts (Cont'd)

36. Segmental information - Geographic segment

The following table sets out profit and loss information, average loans and advances to customers, net interest margin and selected balance sheet information by geographic segment for the year ended:-

	NIGERIA		FOREIGN		TOTAL	
	2006 Nmillion	2005 Nmillion	2006 Nmillion	2005 Nmillion	2006 Nmillion	2005 Nmillion
Interest received	37,218	32,275	6,838	1,701	44,056	33,976
Interest payable	(7,750)	(5,854)	(3,640)	(897)	(11,390)	(6,751)
Net interest Income	29,468	26,421	3,198	804	32,666	27,225
Fees and commissions received net	17,653	12,056	1,658	413	19,311	12,469
Income from foreign exchange transactions	1,026	1,315	323	80	1,349	1,395
Other operating income	5,346	3,829	70	17	5,416	3,846
Non-interest income	24,025	17,200	2,051	510	26,076	17,710
Net revenue	53,493	43,621	5,249	1,314	58,742	44,935
Operating expenses	30,654	24,440	2,939	731	33,593	25,171
Depreciation	3,094	2,208	266	66	3,360	2,274
Total Costs	33,748	26,648	3,205	797	36,953	27,445
Operating profit before Provision for loan losses	19,745	16,973	2,044	517	21,789	17,490
Provision for loan losses	3,617	1,829	257	64	3,874	1,893
Profit before taxation	16,128	15,144	1,787	453	17,915	15,597
Total assets employed	538,145	377,494	296,527	73,767	834,672	451,261
Depreciation on fixed assets						
Net interest margin (%)	79%	82%	47%	47%	74%	84%

	0-30 days	1-3 months	3-6 months	6-12 months	Over 1 year	Total
MATURITIES OF ASSETS AND LIABILITIES	Nmillion	Nmillion	Nmillion	Nmillion	Nmillion	Nmillion
Assets						
Cash and other short term funds	127,166	16,307	-	-	-	143,473
Government securities	-	108,316	-	-	-	108,316
Investments	-	-	-	28,276	35,453	63,729
Loans and advances	42,593	50,351	21,274	45,880	15,559	175,657
Advances under finance lease	-	-	-	-	1,701	1,701
Other assets	11,491	19,826	-	-	-	31,317
Fixed assets	-	-	-	-	13,952	13,952
Total assets	181,250	194,800	21,274	74,156	66,665	538,145
Liabilities						
Deposits	323,510	33,478	21,307	10,161	2,713	391,169
Other liabilities	40,831	40,250	-	-	-	81,081
Taxation	-	-	-	3,778	3,121	6,899
Capital & reserves	-	-	-	-	58,996	58,996
Total Liabilities	364,341	73,728	21,307	13,939	64,830	538,145
Net liquidity gap as at 31 March 2006	(183,091)	121,072	(33)	60,217	1,835	-

Assets as at 31 March 2005
Liabilities as at 31 March 2005

377,496
377,496

Net liquidity gap as at 31 March 2005

-

37. Nigerian Accounting Standards Board

During the period, the Nigerian Accounting Standards Board (NASB) drew the attention of the bank to certain disclosure requirements in the financial statements for the year ended 31 March, 2005 which in their opinion, did not represent the best mode of compliance with the relevant statements of the accounting standards (SAS). Based on the recommendations of the NASB, these financial statements have been prepared to ensure compliance with disclosure requirements of these standards. These include disclosures relating to:

- .1 **SAS 3 (45)c:** Revaluation of assets, methods adopted, frequency of revaluation, nature of indices used and the name of the external valuers.
- .2 **SAS 18 (79) and (82):** Reconciliation of the amounts in the statement of cash flows with equivalent items reported in the profit and loss account and the balance sheet. Disclosure of reconciliation of cash flows from operating activities to operating profit or loss after income tax as reported in the profit and loss account.
- .3 **SAS 2 (24)b:** Distinction between local items from imported goods and services on the value added statements.
- .4 **SAS 10 (63) (i and ii):** Analysis of interest income and expenses between Banks and Non-Bank sources.

38. Details of insider-related credits as at 31 March, 2006

S/NO	Name of Borrower	Relationship to Reporting Institution	Date Granted	Expiry Date	Rate of Interest	Cumulative		Total Provision N"000"	Payment Made N"000"	Outstanding Credit		Perfected Security			Remarks
						Principal N"000"	Interest N"000"			Performing N"000"	Non-performing N"000"	Nature	Value N"000"	Date of Valuation	
1	S. A. Olubodun	Ex-staff	29/9/98	30/6/10	12	7,580		4,075	141		6,914	L/M	10,300	29/12/01	perfected
2	Abdulsalam T. Ogueyi	Ex-Staff	31/8/02	31/8/12	9	NIL			NIL		18,744	L/M			Perfected
3	Alli-Balogun T.	Ex-staff	28/01/02	31/1/12	9	NIL			NIL		5,886	L/M			L/M arranged N8.1m
4.1	Alh. Abba Kyari	Ex-director	1996	31/10/97	12	NIL									
4.2	Tropical Petroleum Nig. Ltd						16,760		NIL		144	TLM	13,500		
5	J. S. K. Iyankyoh	Ex-Staff	14/7/01	20/3/06	9	14,220	15,569	-			NIL	L/M	9,600	25/6/97	
6	E. O. Aboje	Ex-Staff	5/6/1998	4/6/2008	9	28,191	25,891		NIL		8,400	L/M	25,891	30/09/99	
Total											40,088				

Remarks:

Application for interest concession have been made and favourably considered for all the insider-related credits of ex - staff of the bank. Payment of the respective amounts conceded have been made but approval to write off the residual balances is being awaited from the Central Bank of Nigeria.

It is the Bank's policy to give consumer loans to staff at an interest rate of 9% as part of its welfare package.

39. Comparative figures

- .1 Certain figures related to the previous year have been restated to conform with current year's classifications.
- .2 The comparative figures for the bank in 2005 represent those for the entity only as against 2006 which represent figures for the merged entities

Group Statement of Value Added

For the year ended 31 March, 2006

	2006 N'm	%	2005 N'm	%
Gross earnings:				
- Ordinary activities	67,440		57,255	
- Interest expense	(10,040)		(8,555)	
	57,400		48,700	
Exceptional item	3,703		-	
Administrative and other expenses - Local	(16,661)		(13,772)	
Administrative and other expenses - Foreign	(59)		(731)	
Doubtful debts provision	(3,985)		(2,431)	
VALUE ADDED	40,398	100	31,766	100
DISTRIBUTED AS FOLLOWS:				
In payment to employees:				
- Salaries, allowances and pension	15,348	38	12,757	40
In payment to Government:				
- Income tax	3,720	9	3,110	10
- Deferred taxation	730	2	464	1
In payment to shareholders:				
Dividend	5,238	13	6,325	20
	25,036	62	22,656	71
Retained for future replacement of assets and expansion of business:				
- Depreciation - Local	3,158	8	2,319	7
- Depreciation - Foreign assets	59	0	66	0
- Profit re-invested in the business	12,145	30	6,725	21
	15,362	38	9,110	29
	40,398	100	31,766	100

Value added represents the additional wealth which the group has been able to create by its own and its employees' efforts. This statement shows the allocation of that wealth among employees, government, shareholders and that retained for future creation of more wealth.

Bank Statement of Value Added

For the year ended 31 March, 2006

	2006 N'm	%	2005 N'm	%
Gross earnings:				
- Ordinary activities	61,243		49,475	
- Interest expense	(7,750)		(5,854)	
	53,493		43,621	
Exceptional item	3,703		-	
Administrative and other expenses - Local	(15,975)		(12,504)	
Doubtful debts provision	(3,617)		(1,828)	
VALUE ADDED	37,604	100	29,289	100
DISTRIBUTED AS FOLLOWS:				
In payment to employees:				
- Salaries, allowances and pension	14,679	39	11,936	41
In payment to Government:				
- Income tax	3,038	8	2,484	8
- Deferred taxation	740	2	477	2
In payment to shareholders:				
- Dividend	5,238	14	6,325	22
	23,695	63	21,222	73
Retained for future replacement of assets and expansion of business:				
- Depreciation	3,094	8	2,208	7
- Profit re-invested in the business	10,815	29	5,859	20
	13,909	37	8,067	27
	37,604	100	29,289	100

Value added represents the additional wealth which the company has been able to create by its own and its employees' efforts. This statement shows the allocation of that wealth among employees, government, shareholders and that retained for future creation of more wealth.

Group Five-Year Financial Summary

For the year ended 31 March, 2006

	2006 N'm	2005 N'm	2004 N'm	2003 N'm	2002 N'm
ASSETS					
Cash and short-term funds	50,992	32,881	24,098	21,445	18,066
Due from other Banks and financial institutions	169,580	129,256	124,591	185,291	121,768
Bills discounted	108,316	105,624	98,848	106,242	63,679
Investments	60,875	21,651	17,458	2,952	2,668
Loans and advances	177,303	123,739	83,500	60,439	66,384
Advances under finance lease	1,701	1,283	-	-	-
Other assets	31,851	43,716	24,307	22,193	9,156
Equipment on lease	-	-	1,316	1,434	676
Fixed assets	14,222	12,689	10,093	9,087	8,196
TOTAL ASSETS	614,840	470,839	384,211	409,083	290,593
LIABILITIES					
Deposit	448,915	332,196	255,491	269,584	178,603
Due to other Banks	323	-	-	-	-
Current taxation	5,142	4,758	4,700	3,599	1,499
Deferred taxation	2,746	2,089	1,625	1,241	722
Dividend	5,238	6,325	5,429	3,811	2,642
Other liabilities	90,183	75,666	74,655	102,968	86,925
	552,547	421,034	341,900	381,203	270,391
SHAREHOLDERS' FUNDS	62,293	48,726	41,605	27,006	19,406
MINORITY INTERESTS	-	1,079	706	874	796
TOTAL LIABILITIES	614,840	470,839	384,211	409,083	290,593
Gross earnings	67,440	57,255	51,318	50,597	46,267
Profit before taxation	21,833	16,808	14,853	14,420	6,172
Profit after taxation	17,383	13,234	11,483	11,010	4,776
Profit attributable to Shareholders	17,383	13,050	11,618	10,932	4,588
Dividend	5,238	6,325	5,429	3,811	2,642
Return on shareholders' funds	28%	27%	28%	40%	24%
Earnings per share (basic)					
- actual	333k	335k	399k	430k	226k
Dividend per share					
- actual	100k	160k	155k	150k	130k
Dividend cover (times)	3.33	2.09	2.12	2.87	1.74

Note:

Earnings per share is based on profit attributable to shareholders and 5,238,669,388 ordinary shares of 50k each.

Bank Five-Year Financial Summary

For the year ended 31 March, 2006

	2006 N'm	2005 N'm	2004 N'm	2003 N'm	2002 N'm
ASSETS					
and short-term funds	49,444	30,220	22,509	19,724	15,501
from other Banks					
financial institutions	94,029	64,143	80,369	116,547	117,299
discounted	108,316	100,135	92,922	94,226	54,178
stments	63,729	24,655	16,825	7,343	780
ns and advances	175,657	114,673	78,040	56,046	61,918
ances under finance lease	1,701	937	-	-	-
er assets	31,317	30,625	11,596	17,428	8,664
ipment on lease	-	-	665	644	190
d assets	13,952	12,108	9,564	8,620	7,826
TOTAL ASSETS	538,145	377,496	312,490	320,578	266,356
LIABILITIES					
osit	390,846	264,988	206,643	191,088	168,064
e to other Banks	323	390	538	2,867	111
payable	4,148	3,954	4,022	3,123	1,176
ferred taxation	2,751	2,010	1,533	1,165	694
idend	5,238	6,325	5,429	3,811	2,642
er liabilities	75,843	55,157	55,704	93,484	75,922
	479,149	332,824	273,869	295,538	248,609
SHAREHOLDERS' FUNDS					
	58,996	44,672	38,621	25,040	17,747
	538,145	377,496	312,490	320,578	266,356
ross earnings	61,243	49,475	45,121	45,055	41,717
fit on ordinary activities					
ore taxation	16,128	15,145	14,106	13,393	5,087
ptional item	3,703	-	-	-	-
fit on ordinary activities after					
ation and exceptional item	16,053	-	-	-	-
fit after taxation	16,053	12,184	11,096	10,323	3,979
idend	5,238	6,325	5,429	3,811	2,642
urn on shareholders' funds	27%	27%	28%	41%	22%
arnings per share (basic)					
ctual	306k	308k	381k	406k	196k
idend per share					
ctual	100k	160k	155k	150k	130k
idend cover (times)	3.06	1.93	2.04	2.71	1.51

ote:

arnings per share is based on profit attributable to shareholders and 5,238,669,388 ordinary shares of 50k each.



Today's FirstBank

New Drive ■ New Identity

Today's FirstBank is at the forefront of financing entrepreneurs.

We deploy huge resources in educational endowments and create jobs.

Our goal is to facilitate a vibrant economy that future generations will be proud of,

So, wherever you see our new logo, be sure of one thing. It is the symbol of a bank that is firmly focused on building a better tomorrow

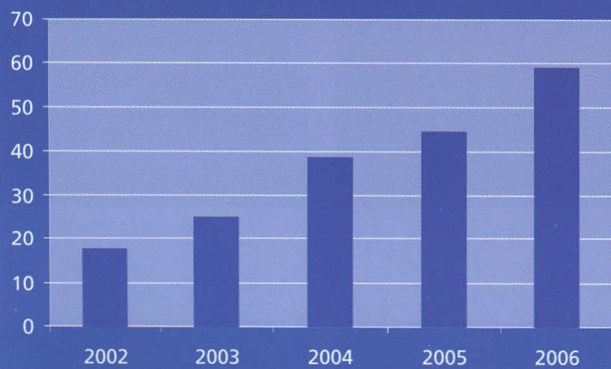
FirstBank

...truly the first

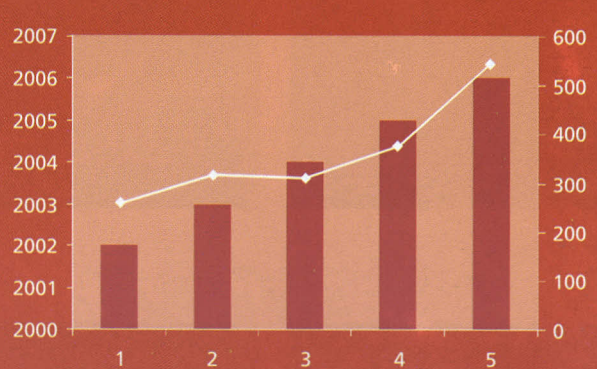
Focused on an Even Brighter Future

Graph

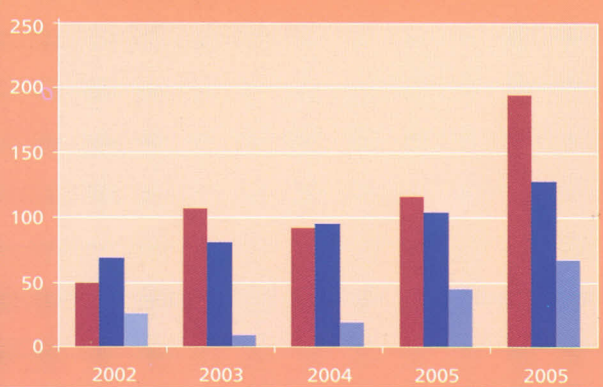
Shareholders' Fund
₦ Billions



Total Assets
₦ Billions



Deposit Mix
₦ Billions

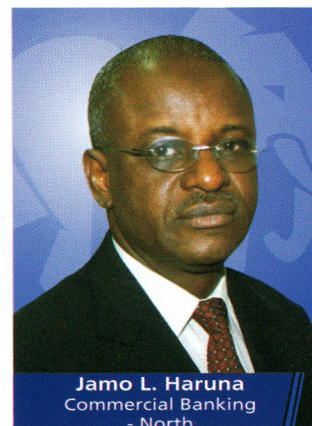
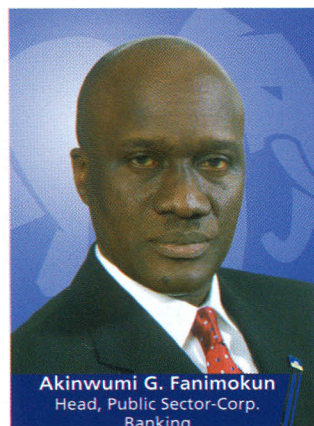
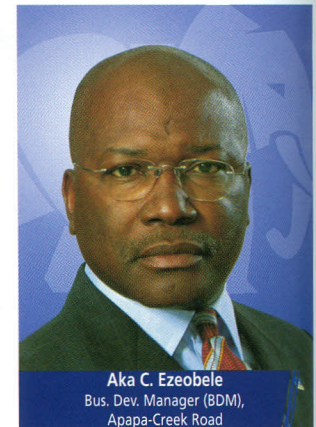
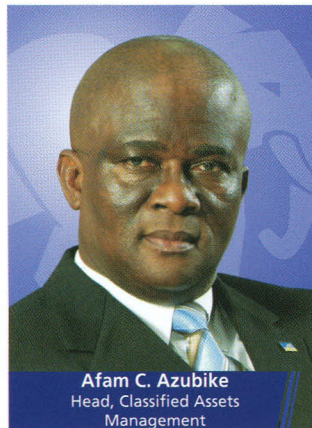


■ Demand ■ Savings ■ Time

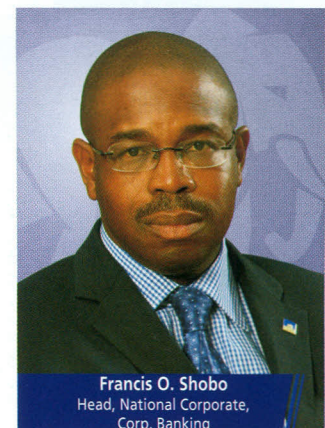
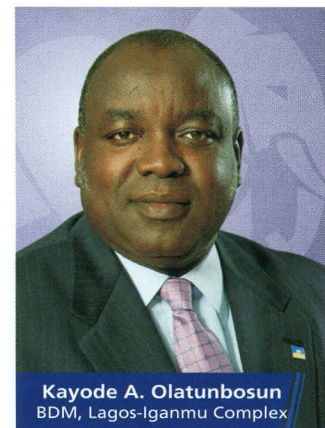
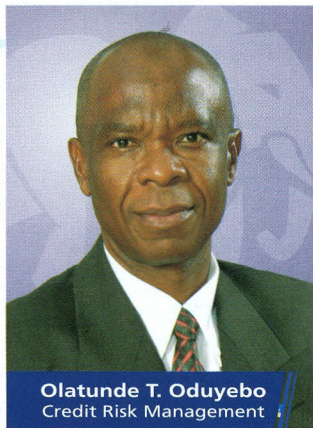
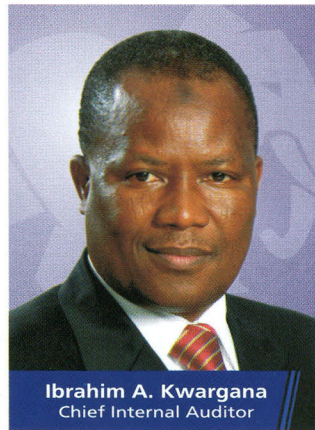
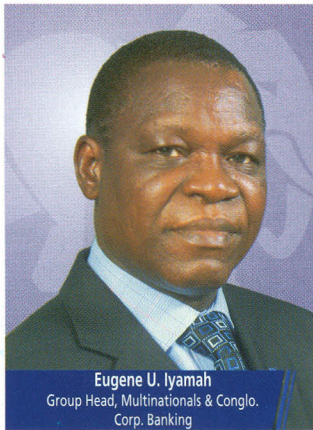
Statement of Value Added
₦ Billions



Deputy General Managers



Deputy General Managers cont'd



Branch Network

ABIA STATE

1. **Aba (Alaoji Layout) Branch.**
544 P/Harcourt Rd,
Alaoji Layout.
2. **Aba (Ariara) Branch.**
117 Faulks Road,
P. M. B. 7315, Aba.
Tel.: 082-224692, 225508.
3. **Aba (Factory Road) Branch.**
Factory Road,
P. M. B. 7521, Aba
Tel.: 082-220327, 227590.
4. **Aba (Main) Branch.**
2 Asa Road,
P.M.B. 7103, Aba.
Tel.: 082-227120, 220866.
223870, 227130. Fax: 227212.
5. **Aba (Ogbor Hill) Branch.**
161 Ikot Ekpene Rd, Ogbor Hill
Tel.: 082-226127, 082-227810.
6. **Aba (Town) Branch**
122 Ehi Road,
P.M.B. 7128, Aba.
Tel.: 082-220325, 220285.
7. **Amaokwe Item Branch.**
7/10 Bende L.G.A.,
P.M.B. 1 Item.
8. **Aba Asa Road II Branch.**
Tel.: 082-232799, 232794,
232792.
9. **Nkwoagu Isouchi Branch.**
P.M.B. Ngodo, Isouchi,
Okigwe L.G.A.
10. **Umuahia Branch.**
1 Mayne Road,
P. M. B. 7017, Umuahia,
Tel.: 088-222986, 220465,
220319.
11. **Umuahia Market Branch.**
No. 1, Okwulehie Avenue,
P.M.B. 7301, Umuahia.
Tel.: 088-224000, 223332,
223335.

ADAMAWA STATE

12. **Dumne Agency**
C/O Yola Main Branch
13. **Fufore Branch.**
7/10 P.M.B. 2050, Yola.
14. **Ganye Branch.**
P.O. Box 55, Ganye
Tel.: 025-90187.
15. **Garkida Branch.**
Near Police Station,
P.O. Box 100, Garkida.
16. **Gulak Agency.**
7/10 Michika Branch,
P.M.B. 1001, Michika.
17. **Hong Branch.**
P.M.B. 1002, Hong.

18. **Mayoine Agency**
C/O Mayo Belwa Branch.
P.O. Box 06, Mayo Belwa.
19. **Mayo Belwa Branch**
P.O. Box 06, Mayo-Belwa
20. **Michika Branch.**
P.M.B. 1001, Michika.
21. **Yola (Main) Branch.**
9, Bank Road,
P.M.B. 2050, Jimeta.
Tel.: 075-624382, 626582,
626073, Fax: 075-625198.
22. **Yola (Market) Branch.**
109, Mubi Road,
P.M.B. 2282 Jimeta.
Tel.: 075-624370.

AKWA IBOM STATE

23. **Efa Branch.**
Near Efa Junction,
P.M.B. 1053, Etinan.
GSM 08034273337, 08027591186.
24. **Eket Branch.**
No. 1 Ekpene Ukpa Road Eket,
Akwa Ibom State.
Tel: 085-701273, 701124
25. **Essene Branch.**
Ikot Abasi L.G.A,
P.M.B. 1012, Ikot Abasi.
26. **Etinan Branch.**
83 Uyo Road,
P.M.B. 1042 Etinan.
Tel.: 085-341123, 341052.
27. **Ikot Abasi Branch.**
1 Ikot Obong Road,
P.M.B. 1021, Ikot Abasi.
Tel.: 085-801124.
28. **Ikot Ekpene Branch.**
2 Old Stadium Road,
P.M.B. 34, Ikot Ekpene.
Tel.: 085-400202, 400723, 200088.
29. **Oron Branch**
105 Oron Road,
P.M.B. 1040, Oron.
30. **Ukam Branch.**
Mkpat Enie L.G.A.
P.M.B. 5001, Ukam.
31. **Utu Etim Ekpo Branch.**
P.M.B. 1029,
Utu Etim Ekpo L.G.A.
32. **Uyo Branch.**
1 Oron Road,
P.M.B. 1001 Uyo,
Tel.: 085-200531, 200082.
Fax: 085-200594.
33. **Uyo Abak Road Branch**
Plot 4, Federal Housing Estate,
Uyo, Akwa Ibom State.
085-201561, 201552, 201527

ANAMBRA STATE.

34. **Abba Branch.**
P.M.B. 2008, Abagana,
Njikoka L.G.A
Tel.: 046-571106.
35. **Awka Branch.**
No 6, Azikiwe Avenue,
P.M.B. 5034, Awka.
Tel.: 048-550015
Fax: 048-552247
36. **Ekwulobia Branch.**
2 Catholic Mission Road,
Ekwulobia - Aguata L.G.A.
Tel.: 046-911449, 463410
37. **Nimo Branch.**
Njikoka L.G.A.
P.M.B. 1001, Nimo.
Tel.: 046-581185.
38. **Nkpor Branch.**
40, New Market Road,
Nkpor-P.M.B. 1626, Nkpor.
39. **Nkwele Ezunaka Branch.**
OgidiEzunaka Road,
P.O. Box 85, Oyi L.G.A.
Tel: 046-210221
40. **Nnewi Branch.**
13A Onitsha Road,
P.M.B. 5015, Nnewi.
Tel.: 046-460086, 461125, 461877.
Fax: 461004.
41. **Nnewi Cash Centre.**
Nkwo Market,
7/10 Nnewi Branch.
42. **Ogbunike Branch.**
P.M.B. 7, Ogbunike.
Tel.: 046-6115599
43. **Onitsha (B/Head) Branch.**
1 Nkrumah/P.H. Road,
P.M.B. 1603, Onitsha.
Tel.: 046-410731, 413285.
Fax 046-410212.
44. **Onitsha (Iweka) Branch.**
40 Iweka Road,
P.M.B. 1750, Onitsha.
Tel.: 046-210113.
45. **Onitsha (Nwobodo Ave.)**
Branch. 6 Nwobodo Avenue,
P.M.B. 1524, Onitsha.
Tel.: 046-217420, 210212.
46. **Onitsha (Main) Branch.**
19 New Market Road,
P.M.B. 1519, Onitsha.
Tel.: 046- 210244, 211062,
210245-8. Fax: 046-215088.
47. **Onitsha, Uga Street Cash**
Centre. No 59 Uga Street,
C/o Bridge Head Branch Onitsha.
48. **Otuocha Branch.**
Otuocha L.G.A
P.O. Box 82, Otuocha.

49. **Onitsha Ogbaru Mkt Branch**
Off No. 233B Obodo-Ukwu Rd,
Ogbaru Main Mkt,
(Near Bournvita House)
Okpoko, Ogbaru.
PMB 1834, Onitsha.
Tel: 046-300775,
Fax: 046-215334.

50. **Onitsha Owerri Rd. Branch.**
68, Onitsha Owerri Rd.
Anambra State.
PMB 1832 Onitsha.
Tel: 046/270786-7.

51. **Onitsha Upper New Mkt Rd Br,**
88A, Upper New Market,
Onitsha.
Tel: 046-412325, 413981,
410415, Fax: 413271.

52. **Ugwuagba-Obosi Mkt Branch.**
15, Pope John Paul Avenue,
Ugwuagba-Obosi,
Onitsha. Tel: 046-270795

BAUCHI STATE

53. **Bauchi Branch.**
Nassarawa Road G.R.A.
P.M.B. 53, Bauchi,
Tel.: 077-542024, 543680.
Fax: 077- 543680.

54. **Burra Branch.**
Ningi L.G.A.
P.M.B. 53, Bauchi.

55. **Darazo Branch.**
Maiduguri Road,
P.O. Box 2, Darazo L.G.A.

56. **Gamawa Branch.**
Barkin Kasuwa,
P.O. Box 4, Gamawa.

57. **Itas Agency.**
% Yana Branch,
P.M.B. 6, Yana.

58. **Katagum Agency.**
% Gamawa Branch,
P.O. Box 4, Gamawa.

59. **Toro Branch.**
Near L.G. Secretariat,
P.M.B. 3, Toro.

60. **Tafawa Balewa Branch.**
Bununu Road,
P.M.B. 1, Tafawa Balewa

61. **Yana Branch.**
Kano Road,
P.M.B. 6, Yana.

BAYELSA STATE.

62. **Odi Branch.**
Yenegoa L.G.A.
% P.M.B. 5007,
P/H (Main).
08032551276.

63. **Yenegoa Branch.**
Amarata Road.
Fax: 089-490391, 490392,

BENUE STATE.

64. **Katsina Ala Branch.**
Market Road,
% Postal Agency,
Katsina Ala.
Tel.: 044 90299, 90080, 90269.

65. **Makurdi Branch.**
New Bridge Road,
P. M. B. 2076, Makurdi.
Tel. 044-532156, 533542
532296, 543131
Fax. 044-532798.

66. **Makurdi Modern Market Branch.**
Makurdi Modern Market, Makurdi.

67. **Otukpo Branch.**
Federal Road, %
P. M. B. 2076, Makurdi.
Tel.: 044-60165.
Fax: 044-60229.

68. **Vandeikya Branch.**
P. M. B. 5, Vandeikya.

69. **Naka Branch.**
% Makurdi Branch,
P. M. B. 2076, Makurdi.

BORNO STATE

70. **Danboa Branch.**
Maiduguri/Biu Road
P. O. Box 1005, Maiduguri.

71. **Konduga Agency**
% Maiduguri (Main) Branch,
P.M.B. 1005, Maiduguri.
Tel.: 076-232417, 231055.
Fax: 076-342396.

72. **Kwajafa Cash Centre.**
Main Street
P.O. Box 1005, Maiduguri.

73. **Maiduguri Branch.**
Sir K. Ibrahim Road,
P. O. Box 1005, Maiduguri.
Tel.: 076-232417, 231055,
235322, 235319, 342017.
Fax: 076-342396.

74. **Maiduguri (Monday Market) Branch.**
% Maiduguri Branch,
P O Box 1005, Maiduguri.
Tel.: 076-232382.

75. **Ngandu Agency**
% Damaturu Branch,
P. O. Box 1009, Damaturu.
Tel.: 076-522980.
Fax: 076-522545.

76. **UbaKumagum Branch.**
MubiYola
P.O. Box 1005.

CROSS RIVER STATE

77. **Calabar (Main) Branch.**
Calabar Road,
P M B 1020, Calabar
Tel.: 087-232049, 233300,
230276, 232622, 233562,
234400, 233864.
Fax: 087- 230403.

78. **Calabar Free Trade Zone Branch.,** FTZ Calabar.
P.M.B. 3001 Calabar
Tel.: 087-210045-6, 210667
Fax: 087-210046

79. **Ekor Branch**
Ekor, Yakurr L.G.A.
P. O. Box 90, Ekor.

80. **Ikom Branch.**
19 Okim Osabor Street,
P.M.B. 1030, Ikom.
Tel.: 045670577

81. **Obubra Branch.**
C/O Calabar Branch,
P.M.B. 1025, Obubra,
Tel.: 087560035.

DELTA STATE

82. **Agbarho Branch.**
142 Old Ughelli Road,
P.M.B. 50, Agbarho.

83. **Agbor Branch.**
Old Lagos/Asaba Road,
Tel. 05625440, 25323
255703, 256836

84. **Asaba Branch.**
Nnebisi Road,
P.M.B.1004, Asaba
Tel.: 056-280210,
282092, 281196,
Fax: 056-281195,
282043.

85. **Effurun Branch.**
4 Warri/Sapele Road,
P.M.B. 8, Effurun.
Tel.: 053-252801, 250676

86. **Ekpan Branch.**
60, NNPC Housing Estate Rd.,
Ekpan, Delta State.
Tel: 053-253011, 320435,
320484.

87. **Evwreni Branch.**
Uvwreni Quarters,
Evwreni
1/2 P.M.B.30, Ughelli.
88. **OgwashiUku Branch.**
2 Old Mission Road,
P.M.B.1055, OgwashiUku.
89. **Sapele (Boyo Road) Branch.**
2A Boyo Road,
P.M.B. 4062, Sapele.
Tel.: 054-341681, 341541
90. **Sapele (Main) Branch.**
Chichester Road,
P.M.B. 4004, Sapele.
Tel. 054342094, 342111 Fax 341534
91. **Ughelli Branch.**
40 Market Road,
P.M.B. 30, Ughelli.
Tel.: 054-600008, 600328
92. **Warri Branch.**
41 Warri/Sapele Road
P.M.B.1020, Warri.
Tel.: 053-253011, 252905
Fax: 053-253042.
93. **Warri Airport Road Junction Branch,**
124, Sapele/Effurun Road, Warri.
Tel:053-254063, 250063
94. **Warri (Shell-Ogunnu) Branch.**
Shell Complex
Warri. 053-256333, 256416,
Fax: 256415

EBONYI STATE.

95. **Afikpo Branch.**
18 Eke Market,
P.M.B. 1005, Afikpo.
Tel. 088-521636.
96. **Abakaliki Branch.**
4 Sudan United close,
Off Ogoja Road ,
P.M.B. 105, Abakaliki.
Tel: 043-21153, 21810,
20760 Fax: 043-21573
97. **Ezzamgbo Branch.**
Ohaukwu L.G.A.
P.M.B. 219, Abakaliki.

EDO STATE

98. **Agbede Branch.**
60 Unity Road,
1/2 Agbede Post Office.
99. **Benin, Akpakpava Road Branch.**
No. 67, Akpakpava Road,
Benin City.
Tel.: 052-256397
100. **Benin (King's Square) Branch.**
P.M.B. 1026, Benin City,
Tel.: 052-251080, 256184

101. **Benin (Mission Road) Branch.**
65 Mission Road,
P.M.B. 1138, Benin City.
Tel: 052-258067, 253752,
253916, Fax 258067
102. **Benin (NNPC) Agency.**
1/2 Benin (King's Square) Branch.
P.M.B 1026, Benin City.
103. **Benin (Oregbeni) Branch.**
10 Benin/Agbor Road,
P.M.B. 1002, Benin City,
Tel.: 052-254708
Tel/Fax. 052-253975.
104. **Sakponba Branch,**
No 43, Sakponba Rd
Benin City.P.M.B.1133 Benin City.
Tel/Fax: 052/450777
105. **Benin M.M.Way Branch,**
No. 169 M.M.Way,
Benin City.
Tel.: 052-259739
106. **Benin Upper Sakponba Branch.**
No. 43 Upper Sakponba Rd,
PMB 1106, Benin City
Tel-052/256987, 052/251661
107. **Benin Uselu Branch.**
24, Uselu Lagos Rd.
PMB 1027, Benin,
Edo State
108. **Benin Sapele Rd Branch,**
No. 155 Sapele Rd,
Benin City

109. **New Benin Market Branch,**
No.30 New Lagos Rd,
Benin City
110. **Ambrose Alli University Cash Centre.**
Ekpoma.
111. **Ekpoma Branch.**
Market Road, Eguare,
P.O. Box 7, Ekpoma.
Tel. 053-98394, 98439
256812
112. **SabongidaOra Branch.**
64, Obe Street,
P.M.B. 102, SabongidaOra.
Tel.: 057-54093
113. **Benin, Siluko Branch**
No. 128, Siluko Rd, PMB 1053,
Beninn City, Edo State.
Tel.: 052 256965, 600899-900,
Fax: 254416
114. **Benin,Ugbowo Branch.**
189, Ugbowo Road, Benin City..
Tel.: 052-600301, 052-600305
115. **Uromi Branch.**
No.9 Ubiaja Road, Uromi.

EKITI STATE.

116. **Ado Ekiti Branch.**
10 Ajilosun Street,
P.M.B. 5365, Ado Ekiti.
Tel.: 030-240725, 240561
117. **Efon-Alaye Branch.**
Erekesan Market,
P.M.B 37, Efon-Alaye.
118. **Emure-Ekiti Branch.**
2 Oke Emure Street,
P O Box 613 Emure-Ekiti.
119. **Erinjiyan Ekiti Branch.**
Iwaro Street,
P. M. B. 5006, Aramoko-Ekiti.
120. **Ifaki-Ekiti Branch.**
25 Temidire Street,
Ikole Road,
P.M.B. 21, Ifaki-Ekiti.
121. **Ikere-Ekiti Branch.**
113 Ado Road, Idemo,
P.M.B. 7275, Ikere-Ekiti.
Tel.: 030-610545.
122. **Ikole-Ekiti Branch.**
Oba Adeleye Road,
P.M.B. 5009, Ikole-Ekiti.
Tel.: 030-440611.
123. **Ilasa-Ekiti Branch.**
White House,
Oke-Odo Street,
P.M.B. 5020,
Ilasa-Ekiti.
124. **Okemesi-Ekiti**
Odo-Ese Street,
P. M. B. 01, Okemesi-Ekiti.

ENUGU STATE

125. **Emene Ind. Estate Branch.**
1 Bank Road,
P.O. Box 8 Enugu.
Tel.: 042-559275.
126. **Enugu (Ogui Road) Branch.**
95, Ogui Road, Enugu.
Tel: 042-252464, 254071,
255058.
127. **Enugu (Uwani) Branch.**
26 Zik Avenue,
P.M.B. 1237, Enugu.
Tel.: 042-257382.
128. **Enugu (Main) Branch.**
21 Okpara Avenue,
P.M.B. 1008, Enugu,
Tel.: 042-253583, 258784
Fax: 042-254755.
129. **Enugu (New Haven) Agency.**
1/2 P.M.B. 1008, Enugu.
130. **Ikem Branch.**
1/2 Postal Agency
Via Nsukka.
P.M.B. 1008, Enugu.

131. **Inyi Branch.**
P.O. Box 183, Inyi.

132. **Nsukka Branch.**
116 Enugu Road,
Nsukka.
Tel.: 042-771743

133. **9th Mile Corner Branch**
47^A Old Onitsha Rd.
9th Mile Corner, Ngwo

134. **Obollo Afor Cash Centre.**
No. 1 Orba Road,
Obollo Afor,
Udenu Local Govt. Area
Enugu.

135. **Orba Branch,**
Orba Udenu L.G.A.
P.M.B 2079 Nsukka.
042-770488

136. **Ovoko Branch.**
Ovoko Via Nsukka,
P.M.B. 2083, Igbo-Eze,
Tel.: 042-771738.

FEDERAL CAPITAL TERRITORY (ABUJA)

137. **Abaji Branch.**
% P.O. Box 45, Abuja.

138. **Abuja Banex Plaza Branch**
Banex Plaza, Abuja

139. **Abuja (Garki) Branch.**
Abuja Festival Road,
Area 3, Garki,
P.O. Box 45, Abuja.
Tel.: 09-2341070-3
Fax: 09-2341071.

140. **Abuja Jos Street Branch,**
Plot 451, Jos Street,
Area 3, Garki.
Tel: 09-2344724, 2343889

141. **Abuja Main Branch.**
Plot 777, M. Buhari Way,
Central Business Area,
Abuja.
Tel.: 09-2346819, 2346820.

142. **Abuja (Nnamdi Azikiwe
Int.Airport) Branch.**
Local Wing, Abuja Airport,
Abuja.
Tel.: 09-8100121; 8100120.

143. **Abuja(National Assembly
Complex)
Branch .**
White House(Basement
Room HB26)
3 Arms Zone
TEI 09-2347881,2347848.

144. **Abuja,Gwagwalada Branch,**
No. 5, Park Road,
Off Abuja/Abaji Road,
Gwagwalada, FCT, Abuja
Tel: 09-8820015,.

145. **Abuja,Karu Branch**
Abuja-Keffi Road,
Mararaba, Karu LGA,
FCT, Abuja.
Tel.: 09 6703827

146. **Abuja Shipper's Plaza Branch,**
Plot 438 Michael Okpara Way,
Zone 5, Abuja
Tel.: 09 5241440, 5241442,
69710750, Fax 5241441

147. **Abuja,Wuse Branch,**
Russel Centre, Block 2097,
Herbert Marcaylay Way,
Zone 5, FCT, Abuja.
Tel.: 09-5240144-148.
Fax.: 09-5240147.

148. **Abuja,Zuba Branch,**
Motor Spare Parts Market,
Zuba, FCT, Abuja.
Tel.: 09-5242318.

149. **Bolingo Hotels & Towers
Complex FCT, Branch, Abuja**
Independence Avenue
Area 10, Garki Abuja.
Tel: 09 2344571, 6710795.

GOMBE STATE.

150. **Gombe Branch.**
Biu Road,
P.M.B. 1, Gombe.
Tel.: 072-222133, 222134
222135, 223214, 223318

151. **Kaltungo Branch**
GombeYola Road,
P.O. Box 40, Kaltungo.

IMO STATE.

152. **Akatta Branch.**
Orlu L.G.A.
P.M.B. 6, Akatta.

153. **Amaraku Branch.**
P.M.B. 1, Amaraku.

154. **Okigwe Branch**
184 Owerri Road, Okigwe,
Tel.: 042-420166, 420470,
420109.

155. **Okigwe Lokpanta
Cash Centre,**
Lokpanta Village
08051023757, 08023745282.

156. **Okwelle Branch.**
P.M.B. 57, Okwelle.
Okigwe.

157. **Owerri (Main) Branch.**
11/12 Assumpta Avenue,
P.M.B. 1060, Owerri,
Tel.: 083-230900, 232772
Fax: 083-231586.

158. **Owerri (Douglas
Road) Branch.**
79 Douglas Rd.,
Owerri.
Tel.: 083-230900

159. **Umuowa Branch.**
% Owerri Branch,
P.M.B. 175, Orlu.
Tel.: 083-520665

160. **Urualla Branch.**
% Ideato North L.G.A.
P.M.B. 2, Urualla, Owerri.

JIGAWA STATE.

161. **Hadejia Branch.**
14 Kano Road,
P.O. Box 83, Hadejia.
Tel.: 078-20614, 20856

162. **Dutse Branch.**
Damaturu Road,
% P.M.B. 3005, Kano.
Tel.: 064-721380, 721512.
Fax: 069-721380.

KADUNA STATE.

163. **Kaduna (Bank Road) Branch.**
14 Bank Road,
P.M.B. 2065, Kaduna.
Tel.: 062-245454; 243332.

164. **Kaduna Central Market Branch.**
Broadcasting Road,
Abubakar Gumi Market, Kaduna.
Tel.: 08033117654

165. **Kaduna Kawo Branch.**
Tel.: 062-317594, 237594.
Fax: 318354

166. **Kaduna (Main) Branch.**
Yakubu Gowon Way,
P.M.B. 2065, Kaduna.
Tel.: 062-246155, 243858
Fax: 062-243955, 246854,
249464.

167. **Kaduna South Branch.**
Kachia Road,
P.M.B. 2084, Kaduna.
Tel.: 062-231021, 232880.

168. **Kaduna, Tudun Wada Branch.**
No DB 39, Nnamdi Azikiwe Way,
Kaduna.
Tel.: 062-415849, 415851-3.

169. **Kafanchan Branch.**
2 Funtua Road,
P.M.B. 1019, Kafanchan.
Tel.: 061-20141, 20145.
Fax: 061- 20145

170. **Samaru Branch.**
Sokoto Road
P.M.B. 02, Samaru, Zaria.
Tel.: 069-550983, 551612
554884.
Fax: 550092, 551160,550692.

KATSINA STATE

171. **Saminaka Branch.**
Ahmadu Bello Way,
Near Lere Local Govt.
Authority Secretariat,
Lere L.G.A.
Kaduna State.

172. **Zaria Branch.**
1 Crescent Road,
P. M. B. 1006, Zaria.
Tel.: 069-330660, 332425,
333458. Fax: 330660.

KANO STATE

173. **Mallam Aminu Kano
Int'l Airport Branch.**
C/o P.M.B. 3005, Kano.
Tel.: 064-633255

174. **Kano Bello Road Branch,**
16/17, Bello Road, Kano.
Tel.: 064-648959 or 649626.

175. **Kano (Bompai) Branch.**
Dantata Road,
P.M.B. 3284, Kano,
Tel.: 064-633480.
Fax: 064-646743.

176. **Kano (Fagge Ta Kudu) Branch.**
15 Fagge Road,
P.M.B. 3077, Kano.
Tel.: 064-631545, 645961, 645871
Fax: 064-640738

177. **Kano (Main) Branch.**
10 Lagos Street,
P.M.B. 3005, Kano.
Tel.: 064-633280, 632706,
637839, 630574, 636573,
630070. Fax: 064-644565

178. **Kano (Zoo Road) Branch.**
ABI House, C/o P.M.B. 3166, Kano.
Tel.: 064-661905 Fax: 666766.

179. **Kano (Bagauda Lake) Agency.**
Bagauda Lake Hotel,
C/o Kano (Main) Branch,
P.M.B. 3005, Kano.
Tel.: 064-633280, 630573.
Fax: 064-644565.

180. **Kano Club Road Branch.**
595 Club Road,
P.M.B. 3005, Kano.
Tel.: 064-635027, 630709
630648, Fax: 649266

181. **Muhammadu Abubakar
Rimi Market Branch.**
C/o Kano (Main) Branch,
P.M.B. 3005, Kano.
Tel.: 064-644507.

182. **Funtua Branch.**
Sokoto/Gusau Road,
P.M.B. 6013, Funtua.
Tel.: 064-770348, 333830,
Fax: 064-770019.

183. **Katsina Branch.**
3 Ibrahim Babangida Way,
P.M.B. 2032, Katsina.
Tel.: 065-430863, 431588,
Fax: 065-431588.

184. **Malumfashi Branch.**
Funtua Road,
P.M.B. 1011, Malumfashi.
Tel.: 065-80058, 80169.

KEBBI STATE

185. **Birnin Kebbi Branch.**
40 Murtala Mohammed Way,
C/o P.M.B. 3005, Kano.
Tel.: 068-321911, 320662.
Fax: 321664

186. **Kamba Branch.**
Secretariat Road,
C/o P.M.B. 2116, Sokoto.

187. **Maiyama Branch.**
Maiyama Town,
C/o P.M.B. 2116, Sokoto.

188. **Zuru Branch.**
Kontagora Town Road,
P.M.B. 1003, Zuru,
Tel.: 067-650205.
Fax: 670709.

KOGI STATE

189. **Abejukolo Branch.**
Ankpa Road,
P.M.B. 1000, Abejukolo.

190. **Ajaokuta Branch.**
P.M.B. 1007, Okene.
Tel.: 031-400581.

191. **Akpanya Branch.**
Agbedo Akpanya,
P.M.B. 1011, Idah.

192. **Ajaokuta Steel Mill Complex**
Cash Centre, Ajaokuta Steel
Complex. Ground Floor.
P.M.B. 1007, Ajaokuta.
058-400540 ext 3429,
400481,
Fax: 400581

193. **Ankpa Branch,**
16, Tafawa Balewa Road,
P.M.B. 1011, Ankpa.

194. **Ayangba Branch,**
Idah Road,
P.M.B. 1002,
Dekina-Ayangba.

195. **Egbe Branch.**
Federal Road,
P.M.B. 205, Egbe.

196. **Isanlu-Yagba Branch.**
P.M.B. 1005,
Isanlu-Oyi.

197. **Itobe Branch.**
Bank Road,
P.M.B. 1001, Idah.

198. **Iyamoye Branch.**
Aro Quarters,
Along Iyamoye Omuo,
P.M.B. 1002, Iyamoye.

199. **Lokoja Branch.**
411 Murtala Moh'd Rd,
P.M.B. 1100, Lokoja.
Tel.: 058-220402, 220767

200. **Mopa Branch**
P.M.B. 2002, Mopa

201. **Ogori Branch.**
P.M.B. 1073, Ogori.

202. **Oguma Branch.**
Oguma Road,
P.M.B. 1004, Oguma.

203. **Okene Branch.**
1 Ado Ibrahim Street/
Hospital Road,
P.M.B. 1044, Okene.
Tel.: 058-5000364

KWARA STATE

204. **Ilorin Branch.**
Obbo Road, Off Wahab
Folawiyo Road,
P.M.B. 1354, Ilorin.
Tel.: 031-221500, 222011
Fax: 031-220128.

205. **Ilorin Surulere Branch**
159 Abdulazeez Atta Road
Baboko Surulere, Ilorin.
Tel: 08023015731

206. **Kosubosu Branch.**
P.M.B. 244, Bassa.

LAGOS STATE

207. **Abattoir Cash Centre.**
Lagos State Govt. Abattoir,
Oko-Oba, Agege,
Lagos State.
208. **Abibu Adetoro Branch.**
51 Abibu Adetoro St,
Off Ajose Adeogun St,
P.M.B. 80137,
Victoria Island, Lagos.
Tel.: 01-2622310
Fax: 01-2622319
209. **Abibu-Oki Branch.**
A.G. Leventis Building,
42/43 Marina,
P.M.B. 12554, Lagos.
Tel.: 01-2660511, 2660950
Fax: 01-2660302.
210. **Adeola Odeku Str. Branch.**
15B Adeola Odeku Street,
Box 71918, Victoria Island,
Lagos, Lagos State.
Tel.: 01-2626325, 2617947,
2626324-5
211. **Adetokunbo Ademola Branch,**
8, Adetokunbo Ademola Str,
VI, Lagos.
Tel.: 01-2704812-4
212. **Agege Branch.**
254, Agege Motor Rd,
Oko-Oba, Agege,
Lagos.
Tel.: 01-4926129, 4924389
213. **Agege Cash Centre.**
27, Abeokuta, Motor Rd.,
P.O. Box 65, Agege.
214. **Agidingbi Branch**
6, Asabi Cole Road,
Off Lateef Jakande Way
Agidingbi, Ikeja.
215. **Aliko Cement Terminal
Cash Centre,**
Aliko Dangote Cement Depot,
Abule Oshun,
Via Satellite Town
216. **Ajgunle Branch.**
74 Malu Road,
P.M.B. 1180, Apapa.
Tel.: 01-842238, 873679
217. **Akowonjo Branch.**
Akowonjo Road,
Akowonjo. Box 14767, Ikeja
Tel.: 01-4705827; 4926440-2,
4926440, 4923785
Fax: 4926438.
218. **Alaba Int'l Market Branch.**
29, Ojolgbede Rd.
New Alaba, Lagos.
Fax: 01-5894467
Tel.: 01-5894468, 5894463
219. **Alaba Int'l Market
Cash Centre.**
Densine Mall, Dobbil Avenue,
Alaba Int'l Market, Alaba, Lagos.
220. **Alaba Rago Mkt. Cash Centre.**
Alaba Rago Market, Alaba Rago,
Lagos-Badagry Express Way.
221. **Alausa Branch.**
Motorways Building
Toll Gate, Alausa Lagos.
Tel: 01-4934184
222. **Apapa Branch.**
1 Burma Road,
P.M.B. 1034 Apapa.
Tel.: 01-5451345, 5877116
Fax: 01-5871539
223. **Awolowo Road,**
116 Awolowo Road,
Ikoyi, Ikoyi-Lagos.
Tel: 01-4630107-9
2694310.
Fax: 01-2695857
224. **Broad Street Branch.**
214 Broad Street,
(Elephant House),
P.O. Box 2334, Lagos.
Tel.: 01-2643566, 2660620,
2643734, 2643735,
Fax: 2664145
WUMT: 2660588.
225. **Coker Branch.**
Plot 4 Block C
Amuwo Odofin Ind. Layout,
Orile Iganmu, Lagos.
Tel.: 7745182
226. **Creek Road Branch,**
32, Creek Road, Apapa, Lagos.
Tel.: 01-5876356
227. **Daleko Market Branch.**
Daleko Market, Bank Road,
Mushin, Lagos.
228. **Dopemu Branch**
Deebo Plaza, 618,
Dopemu-Akowonjo Road,
Dopemu Roundabout,
Dopemu, Lagos.
Tel: 01-8133309, 8133310
229. **Ebute Metta Branch.**
1 Savage Street, Apapa Road,
P.M.B. 12014, Ebute Metta.
Tel.: 01-837998, 834477; 7745556.
230. **Eko Hotel Cash Centre,**
Eko Hotel Victoria Island, Lagos.
Tel: 01-2623164, 7749773
231. **Enu-Owa Cash Centre**
62, Enu-Owa Street, Lagos
232. **Epe Branch.**
P.M.B 1022, Epe.
Tel.: 037-770090, 770541
233. **Falomo S/Centre Branch.**
Awolowo Road, Ikoyi,
P.M.B 1022, Ikoyi.
Tel. 01-2695506, 2693029.
234. **Fed. Secretariat
Complex Branch. Ikoyi,**
P.M.B. 12736, Lagos.
Tel.: 01-684745, 684746.
Fax: 01-688056.
235. **Festac Branch**
32 Road, Festac Town,
Lagos
Tel.: 01-5895499, 8511130-1
236. **Jibowu Branch.**
10, Alakija Street, Jibowu,
Yaba. Lagos.
Tel: 01-7734815, 7734804.
237. **Iddo Market Branch,**
1, Taylor Road, Iddo.
Tel.: 090401521.
238. **Idimu Branch**
205, Idimu Road,
Yem-Kem Shopping Plaza,
Agege, Lagos State.
Tel: 01-4744464, 8135603,
8235607.
239. **Iganmu Branch.**
Abebe Village Road,
P.M.B. 126734, Iganmu.
Tel.: 01-833322, 830311,
834331.
240. **Ijora Branch.**
1 Ijora Causeway,
P.O. Box 228 Apapa.
Tel.: 01-5871435, 7738884,
7738887.
Fax: 01-5454772
241. **Ikeja Airport Road Branch.**
P.O. Box 69, Ikeja.
Tel.: 01-901740-4,
4977862-3
Fax: 01-901744
242. **Ikeja Allen Avenue,**
58 Allen Avenue,
P.M.B. 21087, Ikeja.
Tel.: 01-4970510.
243. **Ikeja Military Cantonment
Agency.**
Ikeja Military Cantonment,
9th Mechanised Brigade,
Maryland, Ikeja,
Ikeja Branch,
P. O. Box 69, Ikeja.
244. **Ikeja Ind. Estate Branch.**
Oba Akran Avenue,
P O Box 105, Ikeja.
Tel.: 01-4978541, 4968609
Fax: 01-4978501, 4968610

245. **Ikorodu Branch.**
88 Lagos Road,
P.M.B. 1005, Ikorodu.
Tel.: 01-780610-2, 7748382
Fax: 01-7745662
246. **Ikota Branch.**
Ikota Int'l Market.
Ikota Shopping Complex,
Victoria Garden City,
P.O. Box 52717, Falomo
Tel.: 01-4618099; 4618099.
247. **Ilupeju Branch.**
Ilupeju Bye-Pass,
P.M.B. 1173, Ikeja.
Tel.: 01-4961063, 4933617,
4930478, 4930693.
248. **International Trade Fair Complex Branch.**
Wing B, Hall 2, Hexagon 9,
Int'l Trade Fair Complex,
Badagry Express Road,
Box 6238 Festac Town, Lagos.
Tel.: 01-4704437, 3208374
Fax: 01-3208374
249. **Int'l Trade Fair Complex II (Balogun) Cash Centre,**
NIICO Best Executive Plaza,
Opp. Atiku Hall, Int'l Trade Fair Complex, Mile 2-Badagry Expressway, Lagos.
Tel.: 01-7918350; 7918351
250. **Investment House Branch.**
21-25 Broad Street, Lagos.
Tel: 01-2640469
251. **IPMAN Cash Centre.**
1-15 Dockyard Road, Apapa
Lagos. Tel.: 10-79247211-2
252. **Isolo Branch.**
Apapa/Oshodi Express Way,
Iyana Isolo,
P.M.B. 1034, Mushin,
Tel. 01-4520434, 4520087,
4523662, 4520984.
253. **Isolo Industrial Estate Branch.**
Limca Way, Ilasamaja,
Lagos State.
Tel: 4520256, 7755331,
5556539
Fax: 4528877.
254. **Iyana Ipaja Branch,**
177 Lagos Abeokuta
Express Rd.,
Iyana Ipaja, Lagos.
P.O.Box 3040 Agege,
Tel.: 7737622.
255. **Keffi Street Branch,**
4, Keffi Street, Ikoyi, Lagos.
Tel.: 01-7732429; 2707180-9
256. **Ketu Branch.**
101 Ikorodu Road,
P.M.B. 21468, Ikeja.
Tel.: 01-5965474-5.
257. **Kofo Abayomi Branch**
43 Kofo Abayomi Street,
Apapa
Tel.: 01-5803717-9, 7171050
258. **Marina Branch.**
35 Marina,
P.O. Box 2006, Lagos.
Tel.: 01-2669683- 4, 2669697
259. **Matori Branch.**
84/88 Ladipo Street,
Papa Ajao,
P.M.B. 1120, Mushin.
Tel.: 01-523713.
Fax: 01-4528383
260. **Moloney Branch.**
28 Berkley Street, Lagos.
P.O. Box 2099, Lagos.
Tel.: 01-2635238, 2635758.
261. **M.M. Int'l Airport Branch.**
M.M Airport Complex,
P.O. Box 4508 Ikeja.
Tel.: 01-4979421, 8144653,
4961641, 8159783, 8159783,
Fax.: 01-4979422, 4961638
262. **M.M. Way Branch.**
128 Murtala Moh'd Way,
P.O. Box 1021, Ebute-Metta.
Tel.: 01-860306
263. **Navy Town, Ojo Branch.**
B.M.U Complex (Road 8)
Satellite Town,
P.M.B 008, Festac Town.
Tel.: 01-5883897, 5890225.
264. **Niger House Branch.**
1/5 Odunlami Street,
P.M.B. 12883, Lagos.
Tel.: 01-2665781, 2664510,
2664476.
265. **N.1.J. House Branch.**
20 Adeyemo Alakija Street,
Victoria Island,
P.M.B. 50, Falomo.
Tel.: 01-611496, 619312
Fax: 01-616484
266. **Oba Akran Road Branch,**
46, Oba Akran Avenue, Ikeja.
Tel: 01-4960303 or 4960304
267. **Obun-Eko Branch.**
126 N. Azikiwe Street,
P. O. Box 2353, Lagos.
Tel.: 01-2663261, 2666646.
Fax: 01-2663109.
268. **Ogba Branch.**
Plot 7, Block C Acme Road,
P.M.B. 21441, Ikeja.
Tel.: 01-4920049, 4920052,
7938779.
269. **Ojo Cantonment Agency.**
Ojo Military Cantonment,
Ojo, Lagos-Badagry Exp. Road,
P.M.B. 12674, Lagos.
Tel.: 01-888880.
270. **Ojodu-Isheri Branch**
2, Ojodu-Isheri Road, Ojodu
Berger, Ikeja, Lagos.
Tel:01-3450371, 4925313,
4924383.
271. **Ojuwoye Cash Centre**
7, Dada Iyalode Str. Off Post
Office Rd. Mushin Lagos
Tel. 01-7918306
272. **Oke-Arin Market Branch.**
53 Offin Road, Lagos.
Tel.: 01-2641516, 2641554,
2643870.
Fax: 01-2643871
273. **Oke-Odo Branch,**
415, Abeokuta Expressway,
le-Epo Bus Stop, Lagos.
P.O.Box 2828 Agege, Lagos.
Tel.: 01-4925464, 4920086.
Fax: 01-4925690
274. **Okota Branch,**
3, Ago Place Way, Okota,
Lagos.
Tel: 01-7948712-3
275. **Opebi Branch**
Adebola House,
40, Opebi Road,
Off Allen Avenue,
Ikeja-Lagos.
Tel. 01-3450320-2,
01-7918352-3.
276. **Oregun Ind. Estate Branch.**
Plot 2B Adewunmi Close,
P.M.B. 21444, Ikeja.
Tel.: 01-4970410, 4934875.
277. **Oshodi Branch**
471 Agege Motors Road,
Oshodi.
Tel.: 7948714 5.
278. **Oshodi Cantonment Agency.**
Ilupeju Branch,
P.M.B. 1173, Ikeja, Lagos.
279. **Oshodi-Mile 2 Expressway Branch,**
Plot 104 Oshodi Mile 2
Expressway, Near Cele Bus-
stop, Lagos.
Tel: 01-8112185, 8049281
280. **Owode Branch.**
Ibeshe Road,
P.M.B. 231, Ikorodu.
Tel.: 037-7745560, 01-4930536
Fax Line: 01-4930536
281. **Shell Agency**
Shell Petroleum & Dev. Company,
Freeman House,
G.P.O. 2006 Marina.
Tel.: 01-2601600 616.
Fax: 01-2636681.

282. **Shomolu Branch.**
Moyosore House
Onipan, Ikorodu Road,
P. O. Box 04, Shomolu.
Tel.: 01-7745763.

283. **Stock Exchange House Branch.**
Customs Street,
P. O. Box 7685, Lagos.
Tel.: 01-2661685, 2661696,
2668195.
Fax: 01-2661701.

284. **Sura Cash Centre.**
Sura Shopping Centre, Lagos.

285. **Surulere Branch.**
17 Itire Road,
P. O. Box 273, Surulere.
Tel. 01-5848733, 831110,
835515.

286. **Surulere S/Centre Branch.**
84 Adeniran Ogunsanya St,
P. O. Box 273, Surulere.
Tel.: 01-5850831.

287. **Tin Can Island Branch.**
Tin Can Island Port Complex,
Off Apapa/Oshodi Express Road,
P.M.B. 1019, Apapa.
Tel.: 01-871307, 873096

288. **Toyin Olowu Branch**
14A, Olowu Street,
Off Toyin Street, Ikeja, Lagos.
Tel: 01-8987988, 8987993.

289. **Trinity Branch, Olodi-Apapa,**
No. 1, Industrial Road, By Trinity
Police Station, Olodi
Apapa, Lagos.
Tel.: 01-8112183, 8112184.

290. **Western House Branch.**
8/10 Broad Street,
P. O. Box 2135, Lagos.
Tel.: 01-2634930, 2636499
Fax: 01-2636642

291. **Yaba Branch.**
322 H. Macaulay St,
P.M.B. 1040, Yaba.
Tel.: 01-861353, 862176,
5455273-5.
Fax: 01-5455272.

NASARAWA STATE

292. **Lafia Branch. Lafia/Jos Road,**
P.M.B. 5, Lafia.
Tel. 047-20229, 221289
Fax: 047-220283, 220229,
221721.

NIGER STATE

293. **Bida Branch.**
Zungeru Road,
P. O. Box 48, Bida,
Tel./Fax: 066-461640.

294. **Kagara Branch.**
P.M.B. 1, Kagara.

295. **Katcha Branch.**
% Postal Agency
Katcha.

296. **Kontagora**
P.M.B. 06, Kontagora.
Tel.: 067-220018, 20272.

297. **Kuta Branch.**
P. O. Box 5, Kuta.
Tel.: 066-690444

298. **Minna Branch.**
3 Bank Road.
P.M.B. 62, Minna.
Tel.: 066-221070, 223804.
Fax: 066-221652, 222185,
222968.

299. **Rijau Branch.**
Zuru Road,
P.M.B. 2116, Rijau.
Tel.: 067-31441

300. **Suleja Branch.**
Minna Road,
P.M.B. 23, Suleja.
Tel.: 09-8501513, 8500087,
8501288.
Fax: 09-500280

301. **Suleja S/Centre Agency.**
IBB Modern Market,,
P.M.B. 23, Suleja.
Tel.: 09-8500061.

OGUN STATE

302. **Abeokuta Branch.**
95 Obafemi Awolowo Rd,
P.M.B. 2003, Abeokuta.
Tel.: 039-240154, 240952.
Fax: 039-241285.

303. **Agbara Ind. Estate Branch.**
Ilaro Street,
P.M.B. 012, Agbara.
Tel.: 01-7745552, 712043,
712041.

304. **Igbogila Branch.**
P.M.B. 2015, Abeokuta.
01-7901332.

305. **Ijebu-Ode Branch.**
26 Ibadan Road,
P.M.B 2141, Ijebu-Ode.
Tel.: 037-431378, 434534,
433613.

306. **Mosinmi Branch,**
NNPC/PPMC Complex,
Mosinmi. C/o Sagamu Branch.

307. **Ogbere Branch.**
Old Benin Road,
P.M.B. 1005, Ogbere.

308. **OPIC Cattle,**
Oluwanishola Cattle
Market, OPIC Estate, Isheri.

309. **Ota Branch.**
Lagos/Abeokuta, Expressway,
P.M.B. 1036, Ota.
Tel.: 039-722457, 722242

310. **Shagamu Branch.**
Akarigbo Street,
P.M.B. 2008, Sagamu.
Tel.: 037-640701
Fax: 037-640331

ONDO STATE

311. **Akure Main Branch.**
1 Oba Adesida Road,
P.M.B. 707, Akure.
Tel.: 034-231960-1,
230228, 240686

312. **Akure Market Branch.**
1A Adedipe Street,
P.M.B. 629, Akure.
Tel.: 034-242403, 240243

313. **Araromi-Obu Branch.**
1 College Road
P.M.B. 505 Araromi -Obu

314. **Idoani Branch.**
Owani Street,
P.M.B. 203, Idoani.
Tel.: 051-53024

315. **Igbokoda Branch.**
30, Broad Street,
P.M.B. 339, Igbokoda.

316. **Ikaram-Akoko Branch.**
Oyagi Quarters,
P. O. Box 001, Ikaram-Akoko.

317. **Ikare Branch.**
L21 Ilapa Street,
P.M.B. 275, Ikare,
Tel.: 050-670730, 670445

318. **Ile-Oluji Branch.**
1 Old Motor Park,
P.M.B. 704, Ile-Oluji.

319. **Oka-Akoko Branch.**
6 Ikese Quarters,
P.M.B. 07, Oka-Akoko.

320. **Ondo Branch.**
Agbogbo-Oke Road,
Yaba, Ondo.
P.M.B. 550, Ondo.
Tel.: 034-610313, 610800.
Fax: 244838.

321. **Ore Branch.**
1 Market Road,
Sabo Quarters,
P.O. Box 55, Ore,
Odigbo L.G.A.

322. **Owo Branch.**
Idimisasa Street,
P.M.B. 1012, Owo L.G.A.
Tel.: 051-241423, 24117,
240074.
Fax: 051-241006

OSUN STATE

323. **Ede Branch.**
No. 117 Station Road,
P.M.B. 217,
Ede, Osun State.
Tel.: 035-360175, 360105,
360565, 360138.
324. **Erin Osun Branch.**
Council Road, Erin-Osun
P.M.B. 5001, Erin -Osun.
325. **Ijebu-Jesa Branch.**
A59 Oja Street,
P.M.B. 1003, Ijebu-Jesa.
326. **Ilesa Branch.**
Ereja Street,
P.M.B. 5016, Ilesa.
Tel.: 036-460355, 460631
327. **Ile-Ife Branch.**
27 Lagere Layout,
P.M.B. 5534, Ile-Ife.
Tel.: 036-233464-5
Fax: 036-231248
328. **Inisa Branch.**
Market Square,
P.M.B. 2007, Inisa.
329. **Ipetu-Ijesa Branch.**
Palace Square, Oke-Oja.
P.M.B. 2003, Ipetu-Ijesa.
330. **Osogbo Branch.**
152 Station Road,
P.M.B. 301, Osogbo.
Tel.: 035-230135, 234449

OYO STATE

331. **Ibadan, Apata Branch**
SW9/960, Apata Ganga
PMB 5386 Ibadan.
Tel: 02/2319937-
Fax: 02/2310237
332. **Awe Branch.**
Ife-Odan Road,
P.M.B. 1017, Awe.
Tel.: 038-230663.
333. **Ibadan, Bodija
Market Branch,**
23, Bodija Mkt., Iso Pako Rd.,
Opposite Police Station,
P.M.B. 38, U.I Post Office,
Ibadan-Oyo State.
Tel.: 02/8108070.

334. **Ibadan (Agodi) Branch.**
Oyo State Secretariat,
P.M.B. 5153, Ibadan.
Tel.: 02-2412981, 8102981,
8101231, 8103924, 8102931

335. **Ibadan (Amunigun) Branch.**
Amunigun Street,
P.M.B. 5120, Ibadan,
Tel.: 02-2413616, 2411653
Fax: 2411579.

336. **Ibadan (Bank Road) Branch.**
Bank Road,
P.M.B. 5111, Ibadan.
Tel.: 02-2413156, 2413042
Fax: 02-2413659

337. **Ibadan Bola Ige-Business
Complex Branch** (formerly Gbagi
Market) Branch.,
Shop D 30, $\frac{1}{2}$ Bank Road Branch,
P.M.B. 5111, Ibadan.

338. **Ibadan (I.I.T.A) Agency.**
Tel: 02-2413765,
2411521, 2412995.
 $\frac{1}{2}$ Ibadan (Main) Branch,
P.M.B. 5111, Ibadan.

339. **Ibadan (Molete) Branch.**
48 Molete/Challenge Road,
Ibadan. P.M.B. 086,
Mapo, Ibadan.,
Tel.: 02-2319784, 2319906

340. **Ibadan (Oluyole Estate) Branch.**
7, Town Planning Way, Oluyole
Industrial Estate
P.M.B. 5181, Ibadan.
Tel.: 02-2316586

341. **Ibadan (Orita Challenge) Branch.**
Old Lagos Road,
P.M.B. 5125, Ibadan.
Tel.: 02-2311047.
Fax: 02-2314462.

342. **Ibadan (U.I) Branch.**
P.M.B. 128, U.I. Post Office.
Tel.: 02-8103902

343. **Ibadan (Iwo Road) Branch.**
59, Iwo Road, Ibadan.
Tel: 02-713680, 713681

344. **Ogbomoso Branch.**
Akinwale Street,
Tackie Square,
P.M.B. 3591, Ogbomoso.
Tel.: 038-710801, 710089.
Fax: 721479.

345. **Oko Branch.**
Osogbo Road,
P.M.B. 4008, Ejigbo.

346. **Oyo Branch.**
Asogo Street, P.M.B. 1002, Oyo.
Tel.: 038-230437, 230108

347. **Saki Branch.**
Sango Road,
Ajegunle, Saki
Tel.: 038-900015.

PLATEAU STATE

348. **Amper Agency.**
 $\frac{1}{2}$ Mangu Branch,
P. O. Box 60, Mangu.
349. **Barkin-Ladi Branch.**
Block 25 A&B,
State Low Cost,
P.M.B. 2007, Barkin-Ladi.
Tel.: 023-92002.
350. **Bassa Branch.**
P. O. Box 1377, Bassa.
073-464829.
351. **Bukuru Branch.**
31 Bukuru Road,
P.M.B. 2002, Bukuru.
Tel.: 073-280807, 280273
352. **Bukuru Police College
Agency.**
Police College Bukuru,
P.M.B 02, Bukuru.
353. **Jos (Gov. Sect.) Branch.**
 $\frac{1}{2}$ Govt. Secretariat, Jos.
Tel.: 073-464706,
464770, 464796.
354. **Jos (Main) Branch.**
Bank Street,
P.M.B. 2027, Jos.
Tel.: 073-452302,
452245, 452546,
459654, 452733.
Fax: 073- 452961.
355. **Jos (Market) Branch.**
Market Road,
P.M.B. 467, Jos.
Tel.: 073- 453933
Fax: 073-457629,
451194.
356. **Jos (Unijos) Branch.**
2 Bauchi Road Campus.
 $\frac{1}{2}$ P.M.B. 2027, Jos.
Tel.: 073-610592, 458556.
357. **Kurgwi Branch.**
 $\frac{1}{2}$ Lafia Branch,
P.M.B. 5, Lafia.
358. **Mangu Branch.**
P.O. Box 60, Mangu

RIVERS STATE

359. **Bonny Branch.**
2 New Road,
Bonny.
Tel: 084-270123, 270153.
360. **Bonny Hospital Road Branch,**
24, Hospital Road, Bonny Island.
Tel: 084-270136, 270137
361. **Bonny NLNG Branch**
NLNG Residential Area,
Bonny.
362. **Port Harcourt (Diobu) Branch.**
33 Ikwerre Road, Diobu
P.O. Box 5007,
Port Harcourt.
Tel.: 084-232269.
Fax: 084-232268.
363. **PH Garrison Branch,**
1, Agudama Ave, D Line, PH.
Tel: 084-236000, 236001-2.
364. **Port Harcourt (Main) Branch.**
22/24 Aba Road,
Port Harcourt.
Tel.: 084-232407, 232644,
231789.
Fax: 084-234277.
365. **PH Olu Obasanjo Rd, Branch,**
346, Olu Obasanjo Rd, PH.
Tel: 084-230251, 230253,
230262-3.
Fax: 238529.
366. **Port Harcourt
Rumuokwurusi Branch**
315, P/H/Aba Road, (Izzi
House), P.M.B. 5736,
Port Harcourt.
Tel.: 084- 612383,
612663.
Fax: 084-612660
367. **Port Harcourt Rumuomasi
Branch.**
Aba Road,
P. O.Box 646, Port Harcourt.
Tel.: 084-332031.
Fax: 084-331491.
368. **Port Harcourt
(Station Road) Branch.**
11 Okrika Road,
Port Harcourt
P.M.B. 5007, Port Harcourt.
Tel.: 084-572852, 233597,
Fax: 233598
369. **Port Harcourt
(Harbour Road) Branch.**
1, Harbour Road,
P.M.B. 6197, Port Harcourt.
Tel. 084-231786.
Fax: 084-232207.
370. **Port Harcourt (Trans-Amadi)
Branch.**
Plot 745, Trans-Amadi Ind.
Estate,
P.M.B. 5865, Port Harcourt.
Tel.: 084-233780

371. **Shell (P/H) Branch.**
Shell Complex, P. Harcourt.

SOKOTO STATE

372. **Sokoto (Dan Fodio) Branch.**
Abdullahi Fodio Road,
P.M.B. 2116, Sokoto.
Tel.: 060-232130.
Fax: 060-234369.
373. **Gidan Madi Agency.**
% Sokoto (Main) Branch,
P.M.B. 2116, Sokoto.
374. **Illeila Branch.**
Birnin Konni Road,
% Sokoto (Main) Branch,
P.M.B. 2116, Sokoto.
375. **Sokoto (Main) Branch.**
Kano Road
P.M.B. 2160, Sokoto,
Tel.: 060-231251, 231235,
232967, 237483.
Fax: 060-231978.
376. **Tambawal**
Opposite Health Centre,
P.M.B. 1082, Tambawal.
Tel.: 060-550378

TARABA STATE

377. **Bambur Branch.**
% Yola (Main) Branch,
P.M.B. 2050, Yola.
378. **Jalingo Branch.**
65 Barde Way,
P.M.B. 1095, Jalingo.
Tel/Fax: 079-222098, 223244.
379. **Karim Lamido Branch.**
P.M.B. 4, Yola.
380. **Lau Branch.**
P.M.B. 4, Lau.
381. **Mayo Ndaga Branch.**
% Yola (Main) Branch,
P.M.B. 2050, Yola.
382. **Zing Branch.**
C/O Yola (Main),
P.M.B. 2050,
Yola.

YOBE STATE

383. **Damaturu Branch.**
Gashua Road,
P.M.B. 1009, Damaturu.
Tel.: 076-522980, 522545.
Fax: 522543.

384. **Damagun Agency.**
% Damaturu Branch
Gashua Road,
P.M.B. 1009, Damaturu.
Tel.: 076-522980.
Fax: 076-522545.

385. **Gashua Branch.**
Opposite Market,
P.M.B. 04, Gashua.
Tel.: 076-700563
386. **Geidam Branch.**
Commercial Area,
P.M.B. 12, Nguru.
387. **Nguru Branch.**
Ali Kahtan Road,
P.M.B. 12, Nguru.
Tel.: 076-740255, 420485.
388. **Potiskum Branch.**
Ibrahim Alkali Road,
P.M.B. 46, Potiskum.
Tel.: 076- 420042.

ZAMFARA STATE

389. **Anka Branch.**
Daki Takwas Road,
P.M.B. 1003, Anka,
Tel.: 063-36139, 200243,
203202.
Fax: 202261.
390. **Bakura Branch.**
Opposite Bakura Central
Mosque, Bakura, Zamfara
State.
08045924317.
391. **Gummi Branch.**
Opposite L.G.A.
Secretariat,
P.M.B. 02, Gummi.
Tel.: 063-73163, 73168.
392. **Gusau Branch.**
Canteen Area,
P.M.B. 1019, Gusau.
Tel.: 063-200243, 203202.
Fax: 063-202261.
393. **Kaura Namoda Branch.**
Gusau Road,
P.M.B. 1002, K/Namoda.
Tel.: 063-60173.
394. **Shinkafi Branch.**
Isa/Gusau Road,
P.M.B. 02, Shinkafi.

Business Development Offices

S/N	Business Development Offices	Tel No/Fax No	Office Address	States
1	Aba	082-227130/221178, 220049 Fax: 082-220049	2, Factory Rd, Aba P.M.B 7152, Aba	Abia,
2	Abuja	09-6700264, 2346829, 2345753	Muhammed Buhari Way, Abuja	FCT & Nasarawa
3	Akure	034-243799, 243145 Fax 034-243501	2nd Floor, Tisco Building, Opp Mr. Biggs Along Ado-Owo Rd Akure	Ekiti, Ondo
4	Bauchi	077-540085, 08045237199, 08033149001	Bauchi Main, Nassarawa Road . G.R.A. P.M.B. 53, Bauchi	Gombe, Bauchi
5	Benin	052-259130, 259494, 259546 Fax: 052-251113	No 3, Aiguobasimwin Crescent, GRA Benin City	Edo
6	Calabar	087-239576 Fax: 087/239577	Calabar (Main) Branch, Calabar Road P.M.B. 1020, Calabar	Cross River & Akwa-Ibom
7	Enugu	042-255649, 250040 Fax: 256456	21, Okpara Avenue, PMB 1391 Enugu	Ebonyi, Enugu
8	Ibadan	02-2319184, 2319186 Fax: 02-2315470	Challenge Round About Opposite Texaco Filling Station, Ibadan	Osun, Oyo
9	Jos	073-452843	Jos(Main) Branch, Bank Street, P.M.B. 2027, Jos	Plateau
10	Kaduna	062-242409-14, 243588, 245593	Kaduna (Bank Road) Branch 14, Bank Road, P.M.B. 2065, Kaduna	Kaduna,
11	Kano	064-630648/640650	Kano (Main) Branch 10, Lagos Str, P.M.B. 3077, Kano	Jigawa, Kano, Katsina
12	Lagos Apapa	01-2715119 Fax: 01-5876361	32, Creek Road, Alumaco Building By Burma Road Junction, Apapa	Lagos Apapa & Badagry
13	Lagos Ikeja	01-4966200 Fax: 01-3453615	Agidingbi Branch	Ikeja & Ogun
14	Lagos Island	01-7918079, 01-266172 Fax: 01-5851416	Elephant House, Broad Street Branch, Lagos	Lagos (Island),
15	Lagos Mainland	01-7745181, 5850551, Fax: 01-5835151/5831273	Plot 2, Abebe Village Rd, Iganmu. PMB 12778, Lagos.	Lagos (Mainland),
16	Lokoja	08053079252, 08022901995	Lokoja Branch 411, Muritala Moh'd Rd. P.M.B.1100, Lokoja	Kogi & Kwara
17	Maiduguri	076-230818, 236455, 230818 Fax: 076-230845	Maiduguri Branch i Sir K Ibrahim Road, P.O. Box 1005, Maiduguri	Borno, Yobe
18	Makurdi	044-532296 Fax: 044-532296	New Bridge Road P.M.B. 2076, Makurdi	Benue
19	Minna	066-223282 Fax: 066-223286, 221652	Minna Branch 3, Bank Road. P.M.B. 62, Minna	Niger
20	Onitsha	046-302041 Fax: 046-412325	Onitsha Upper New Market Rd. Branch P.M.B. 1569, Onitsha	Anambra
21	Owerri	083-234862 Fax: 083-231089	Owerri (Main) Branch 11/12 Assumpta Avenue P.M.B. 1060, Owerri	Imo
22	Port-Harcourt	084-230347, 230222/24 Fax :084-238137; 230232	22/24 Aba Rd. P/H, By Leventis B/Stop, P/H.	Rivers, Bayelsa,
23	Sokoto	060-234369 ,232130, 238302, 238304; 08033432943	Abdulahi Fodio Road, Sokoto	Kebbi, Sokoto, Zamfara
24	Warri	08033327712, 053-258354 Fax: 053-254063, 250623	124, Effurun - Sapele Road, Warri	Delta
25	Yola	075-624382, 626582	Yola (Main) Branch, 9, Bank Road, P.M.B. 2050, Jimeta	Adamawa, Taraba

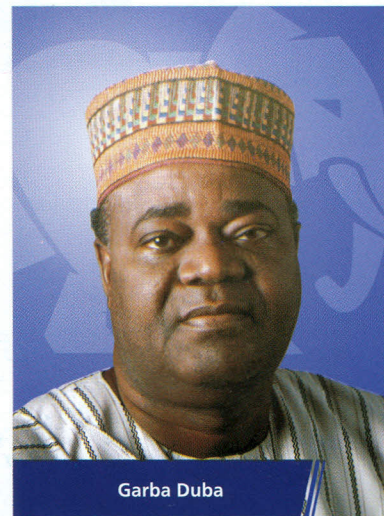
Non-Executive Directors



Umaru Abdul Mutallab (CON)
Chairman



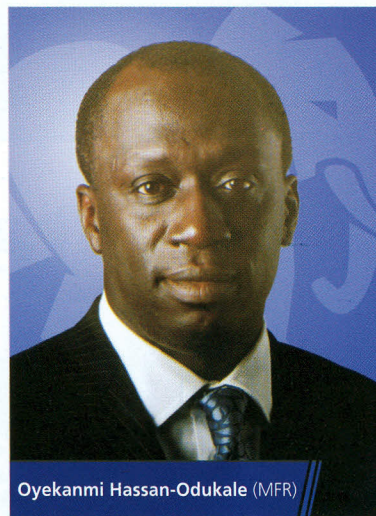
Prince Ajibola A. Afonja



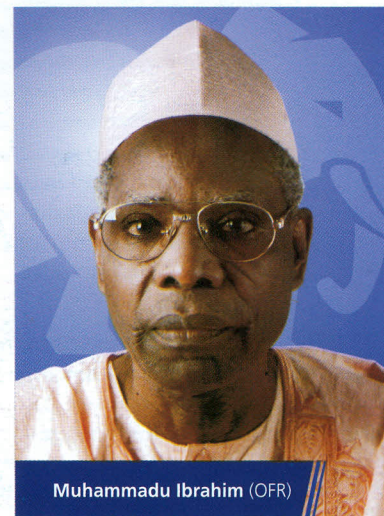
Garba Duba



Abdullahi Mahmoud



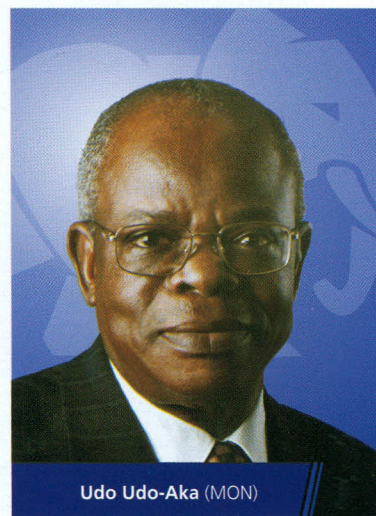
Oyekanmi Hassan-Odukale (MFR)



Muhammadu Ibrahim (OFR)



Ayoola O. Otudeko (OFR)



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