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**FBN HOLDINGS PLC REPORTS 9.2% GROWTH IN PROFIT BEFORE TAX
FOR THE HALF YEAR ENDED 30 JUNE 2021**

FBN Holdings Plc. (“FBNH” or “FBNHoldings” or the “Group”) today announces its unaudited results for the half year ended 30 June 2021.

Selected Financial Summary

Income Statement

(₦ billion)	H1 2021	H1 2020	%Δ
Gross earnings	291.2	296.4	-1.7
Interest income	161.0	207.4	-22.4
Net-interest income	103.8	131.3	-20.9
Non-interest income ¹	118.7	80.1	+48.1
Operating income ²	222.5	211.4	+5.3
Impairment charges for losses	24.5	30.7	-20.0
Operating expenses	152.6	139.2	+9.6
Profit before tax	45.2	41.4	+9.2
Profit after tax ³	38.1	35.6	+6.9
Basic EPS (kobo) ⁴	105	100	+5.0

Statement of Financial Position

(₦ billion)	H1 2021	FY 2020	%Δ
Total assets	8,023.6	7,689.0	+4.4
Customer loans & advances (Net)	2,538.0	2,217.3	+14.5
Customer deposits	5,078.0	4,894.7	+3.7

Key Ratios %	H1 2021	H1 2020
Post-tax return on average equity ⁵	9.9	14.5
Post-tax return on average assets ⁶	1.0	1.5
Earnings yield ⁷	6.8	10.8
Net-interest margin ⁸	4.4	6.8
Cost of funds ⁹	1.8	2.8
Cost to income ¹⁰	68.6	65.8
Gross loans to deposits	51.7	47.4
Capital adequacy (FirstBank (Nigeria)) ¹¹	15.7	16.5
Capital adequacy (FBNQuest Merchant Bank)	21.4	17.2
NPL/Gross Loans	7.2	8.8
NPL coverage ¹²	53.3	49.2
PPOP ¹³ /impairment charge (times)	2.9	2.4
Cost of risk ¹⁴	2.0	3.1
Leverage (times) ¹⁵	10.4	10.1
Book value per share	21.5	19.6

¹ Non-interest income is net of fee and commission expenses

² Operating income defined as net interest income plus non-interest income

³ Profit after tax from continuing operations

⁴ Basic EPS computed as profit after tax divided by weighted average number of shares in issue (from continuing operations)

⁵ Post-tax return on average equity computed as annualised profit after tax attributable to shareholders divided by the average opening and closing balances attributable to equity holders

⁶ Post-tax return on average assets computed as annualised profit after tax divided by the average opening and closing balances of its total assets

⁷ Earnings yield computed as annualised Interest income divided by the average opening and closing balances of interest earning assets.

⁸ Net-interest margins computed as annualised net interest income divided by the average opening and closing balances of interest earning assets

⁹ Cost of funds computed as annualised interest expense divided by average interest-bearing liabilities

¹⁰ Cost to income ratio computed as operating expenses divided by operating income

¹¹ H1 2021 CAR is 16.8% including half year profit

¹² NPL coverage computed as total allowance for impairment plus regulatory risk reserve divided by total stage 3 loans.

¹³ PPOP - Pre-provision operating profit computed as sum of operating profit and impairment charge

¹⁴ Cost of risk computed as annualised impairment charges divided by the average opening and closing gross loans balances.

¹⁵ Total assets divided by shareholders' equity.

Commenting on the results, U.K. Eke, the Group Managing Director said:

“FBNHoldings delivered a resilient performance in the half year, reflective of our focus on strengthening the organisation in recent years. We remain committed to our strategic objective of driving further stability in performance, as well as delivering sustainable growth over the years to come.

In line with our focus on revenue diversification, we continue to grow our non-interest income as we progressively become a more transaction-led institution and implement innovative and technological driven measures to improve overall efficiency.

The macro and socio-economic conditions remain challenging given the COVID-19 pandemic and the low-interest rates environment. While these points negatively impacted overall revenue generation, we are confident that FBNHoldings can navigate this challenging operating environment and keep delivering sustained innovative solutions that enrich customer experience as well as deepen financial inclusion.

During the period, the CBN appointed new non-executive Directors at FBNHoldings and FirstBank, and retained the Executive Management.

As we transition from the clean-up phase, after firmly stabilising and strengthening the institution, we forge ahead with vigor and unwavering commitment to deliver growth, enhance profitability and restore the organisation to its leadership position.”

Business Groups ^{16,17}

Commercial Banking

- Gross earnings of ₦273.9 billion, down 1.7% y-o-y (Jun 2020: ₦278.7 billion)
- Net interest income of ₦102.4 billion, down 18.8% y-o-y (Jun 2020: ₦126.1 billion)
- Non-interest income of ₦109.3 billion, up 50.1% y-o-y (Jun 2020: ₦72.8 billion)
- Operating expenses of ₦145.3 billion, up 10.0% y-o-y (Jun 2020: ₦132.1 billion)
- Profit before tax of ₦42.9 billion, up 17.9% y-o-y (Jun 2020: ₦36.4 billion)
- Profit after tax of ₦37.4 billion, up 14.9% y-o-y (Jun 2020: ₦32.6 billion)
- Total assets of ₦7.7 trillion, up 12.5% y-t-d (Dec 2020: ₦6.8 trillion)
- Customers’ loans and advances (net) of ₦2.5 trillion, up 26.4% y-t-d (Dec 2020: ₦2.0 trillion)
- Customers’ deposits of ₦4.9 trillion, up 15.2% y-t-d (Dec 2020: ₦4.2 trillion)

Commenting on the results Dr. Adesola Adeduntan, the Chief Executive Officer of FirstBank and its subsidiaries said:

“The Commercial Banking Group’s financial performance in H1 was impressive with a 17.9% and 14.9% uplift in PBT and PAT, respectively. These results were delivered despite the challenging macro-economic conditions that were further exacerbated by the negative impacts of the COVID-19 pandemic as well as the prevailing low yield environment which continues to compress margins. The effects of these factors resulted in the slight drop recorded in gross earnings and net interest income.

¹⁶ Please refer to the ‘Notes to Editors’ section on page 7 for the companies in each business group

¹⁷ The pre-consolidation numbers of each of the business groups have been considered in discussing their performance

That said, the benefits of the Bank's investments in strong transactional and digital banking capabilities reflected in the solid 50.1% growth in non-interest income, and supported the 15.2%, 26.4% and 12.5% growth in customers' deposits, loans and advances to customers and total assets, respectively.

Going into the second half of 2021, the Bank will fully harness the returns from the strong and quality risk assets portfolio created in the first half of the year, taking advantage of the uptick in interest rates. Accelerated growth in the second half of the year will also be supported by the Bank's dominance and increased opportunities in the financial inclusion and digital banking businesses".

Merchant Banking & Asset Management (MBAM) / FBNQuest

- Gross earnings of ₦18.3 billion, up 4.9% y-o-y (Jun 2020: ₦17.5 billion)
- Profit before tax of ₦4.9 billion, down 19.4% y-o-y (Jun 2020: ₦6.1 billion)
- Profit after tax of ₦3.3 billion, down 21.1% y-o-y (Jun 2020: ₦4.2 billion)
- Total assets of ₦362.4 billion, up 9.6% y-t-d (Dec 2020: ₦330.7 billion)

– ENDS –

Conference call

FBNHoldings will host an earnings call on the unaudited results for the half year 30 June 2021 on **Monday 02 August 2021 at 3:00pm UK / 3:00pm Lagos / 10:00am New York / 4:00pm Johannesburg & Cape Town.**

The earnings call can be accessed by [clicking here to register](#):

Participants are advised to register for the call at least ten minutes before the start of the call. For those who are unable to listen to the live call, a recording will be posted on the Company's website.

An investor presentation will be available ahead of the call on the FBNHoldings website. [Click here to access the presentation.](#)

The following related document is also available on our website <https://www.fbnholdings.com/investor-relations/>

- H1 2021 financial statements (unaudited) [Click here](#)

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FBN Holdings Plc.

STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	30 June 2021 N 'million	31 December 2020 N 'million	30 June 2021 N 'million	31 December 2020 N 'million
ASSETS				
Cash and balances with central banks	1,630,372	1,631,730	-	-
Loans and advances to banks	880,339	1,016,823	7,022	11,240
Loans and advances to customers	2,537,992	2,217,268	57	61
Financial assets at fair value through profit or loss	174,785	126,354	1,587	2,116
Investment securities	1,778,463	1,549,290	8,002	9,863
Asset pledged as collateral	584,078	635,913	-	-
Other assets	240,754	315,501	429	14,360
Investment in associates accounted for using the equity method	1,040	1,163	-	-
Investment in subsidiaries	-	-	262,671	262,671
Property and equipment	112,899	114,034	454	312
Intangible assets	17,349	15,340	-	-
Deferred tax assets	27,517	27,619	-	-
	7,985,588	7,651,035	280,222	300,623
Assets held for sale	37,991	37,993	-	-
Total assets	8,023,579	7,689,028	280,222	300,623
LIABILITIES				
Deposits from banks	1,081,603	1,039,220	-	-
Deposits from customers	5,077,980	4,894,715	-	-
Derivative liabilities	12,126	7,464	-	-
Current income tax liabilities	13,242	11,247	216	214
Other liabilities	592,264	581,720	12,770	13,544
Borrowings	464,355	379,484	-	-
Retirement benefit obligations	7,685	7,527	-	-
Deferred tax liabilities	73	101	-	-
	7,249,328	6,921,478	12,986	13,758
Liabilities held for sale	2,166	2,379	-	-
Total liabilities	7,251,494	6,923,857	12,986	13,758
EQUITY				
Share capital	17,948	17,948	17,948	17,948
Share premium	233,392	233,392	233,392	233,392
Retained earnings	155,244	132,421	17,917	35,599
Statutory reserve	111,701	110,667	-	-
Capital reserve	1,223	1,223	10	10
Small and medium enterprises (SME) investment reserve	6,076	6,076	-	-
Fair value reserve	154,216	171,696	(2,031)	(84)
Contingency reserve	-	-	-	-
Regulatory risk reserve	17,415	18,060	-	-
Foreign currency translation reserve	65,422	64,603	-	-
	762,637	756,086	267,236	286,865
Non-controlling interests	9,448	9,085	-	-
Total equity	772,085	765,171	267,236	286,865
Total equity and liabilities	8,023,579	7,689,028	280,222	300,623

FBN Holdings Plc.

INCOME STATEMENT

	GROUP			
	Q2 ended 30 June 2021 N 'million	Year to date 30 June 2021 N 'million	Q2 ended 30 June 2020 N 'million	Year to date 30 June 2020 N 'million
Continuing operations				
Interest income	82,661	161,018	102,512	207,417
Interest expense	(31,630)	(57,195)	(31,491)	(76,142)
Net interest income	51,031	103,823	71,021	131,275
Impairment charge for losses	(11,341)	(24,516)	(20,947)	(30,651)
Net interest income after impairment charge for losses	39,690	79,307	50,074	100,624
Fee and commission income	35,050	69,077	29,973	55,782
Fee and commission expense	(6,104)	(11,704)	(3,993)	(9,030)
Net fee and commission income	28,946	57,373	25,980	46,752
Foreign exchange (loss)/income	(2,210)	472	(6,220)	(3,586)
Net gains on sale investment securities	3,551	21,414	12,820	26,321
Net gains/(loss) from financial instruments at FVTPL	19,309	22,428	(1,033)	7,308
Dividend income	1,877	1,903	(1,987)	2,033
Other operating income	14,575	15,076	804	1,275
Personnel expenses	(26,433)	(51,238)	(25,579)	(49,537)
Depreciation, amortisation and impairment	(6,814)	(13,324)	(5,909)	(11,636)
Operating expenses	(45,996)	(88,011)	(36,078)	(78,000)
Operating profit	26,496	45,400	12,872	41,554
Share of loss of associates	(163)	(163)	(139)	(139)
Profit before tax	26,332	45,237	12,733	41,415
Income tax expense	(3,863)	(7,148)	(231)	(5,771)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	22,469	38,089	12,502	35,644
Discontinued operations				
(Loss)/profit for the period from discontinued operations	(24)	(44)	11,260	13,819
PROFIT FOR THE PERIOD	22,446	38,045	23,762	49,463
Profit/(loss) attributable to:				
Owners of the parent	22,163	37,682	23,913	48,485
Non-controlling interests	282	363	(151)	978
	22,446	38,045	23,762	49,463
Earnings per share attributable to owners of the parent				
Basic/diluted earnings per share (expressed in naira per share):				
From continuing operations		1.05		1.00
From discontinued operations		(0.00)		0.35
From profit for the period		1.05		1.35

FBN Holdings Plc.

INCOME STATEMENT

	COMPANY			
	Q2 ended 30 June 2021 N 'million	Year to date 30 June 2021 N 'million	Q2 ended 30 June 2020 N 'million	Year to date 30 June 2020 N 'million
Continuing operations				
Interest income	325	587	344	821
Interest expense	(1)	(1)	(4)	(8)
Net interest income	324	586	340	813
Impairment charge for losses	-	-	-	-
Net interest income after impairment charge for losses	324	586	340	813
Fee and commission income	-	-	-	-
Fee and commission expense	-	-	-	-
Foreign exchange income	2	11	1	22
Net gains on sale of investment securities	-	-	-	-
Net losses from financial instruments at FVTPL	(529)	(529)	(314)	(314)
Dividend income	(245)	(245)	799	799
Gain on disposal of subsidiary	-	-	19,901	19,901
Personnel expenses	(172)	(361)	(166)	(331)
Depreciation, amortisation and impairment	(47)	(99)	(54)	(112)
Operating expenses	(507)	(889)	(434)	(893)
(Loss)/profit before tax	(1,174)	(1,526)	20,073	19,885
Income tax expense	(2)	(3)	(4)	(4)
(LOSS)/PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	(1,176)	(1,529)	20,069	19,881
Discontinued operations				
Loss for the period from discontinued operations	-	-	-	-
(LOSS)/PROFIT FOR THE PERIOD	(1,176)	(1,529)	20,069	19,881
(Loss)/profit attributable to:				
Owners of the parent	(1,176)	(1,529)	20,069	19,881
Non-controlling interests	-	-	-	-
	(1,176)	(1,529)	20,069	19,881
Earnings per share attributable to owners of the parent				
Basic/diluted earnings per share (expressed in naira per share):				
From continuing operations		(0.04)		0.55
From discontinued operations		-		
From loss for the period		(0.04)		0.55

- Notes to Editors -

FBN Holdings Plc. (ISIN: NGFBNH000009) is the most diversified financial services group in Nigeria. FBN Holdings Plc. was incorporated in Nigeria on 14 October 2010, following the business reorganisation of the FirstBank Group into a holding company structure. The Company was listed on the Nigerian Stock Exchange under the 'Other Financial services' sector on 26 November 2012 and now has in issue and fully paid-up share capital of 35,895,292,792 ordinary shares of 50 kobo each (₦17,947,646,396). More information can be found on our website www.fbnholdings.com.

The subsidiaries of FBNHoldings offer a broad range of products and services across Commercial banking in 10 countries (Lagos, Nigeria; London, United Kingdom; Paris, France; Beijing, China; Kinshasa, Democratic Republic of Congo, Accra, Ghana; Banjul, Gambia, Conakry, Guinea, Freetown, Sierra Leone and Dakar, Senegal), Merchant Banking, Capital Markets, Trusteeship as well as insurance brokerage¹⁸. The Group, with about 8,306 staff has 818 business locations (591 local branches, 144 QSPs and agencies for FirstBank (Nigeria) and 83, (local and international) subsidiary locations).

Prior to June 1, 2020, FBN Insurance Limited and FBN General Insurance Limited were subsidiaries of FBNHoldings (both owned by FBNHoldings 65% and Sanlam 35%). However, FBN Insurance Brokers Limited remains a subsidiary of the FBN Holdings Plc offering broking and advisory services to the Group's captive businesses and other clients.

Commercial Banking comprises First Bank of Nigeria Limited, FBNBank (UK), FBNBank DRC¹⁹, bank subsidiaries in West Africa²⁰, a representative office in Beijing, a branch office in Paris as well as First Pension Fund Custodian. This group provides both individual and corporate clients/ customers with financial intermediation services. This business segment includes the group's local, international and representative offices with operations in 10 countries offering commercial banking services.

Merchant Banking & Asset Management comprises FBNQuest Merchant Bank group, FBNQuest Capital group and FBNQuest Trustees Limited. These are wholly owned by the holding company. The FBNQuest Merchant Bank group comprises FBNQuest Merchant Bank and its subsidiaries, FBNQuest Securities Limited and FBNQuest Asset Management Limited. The FBNQuest Capital group comprises FBNQuest Capital Limited and its subsidiaries FBN Funds Limited and FBN Capital Partners Limited. The group creates value by providing advice, finance, trading, investing and securing services to large institutions (corporations and government agencies) and individuals.

¹⁸ The insurance brokerage business is disclosed under "others" in segment reporting

¹⁹ Previously, Banque Internationale de Credit (BIC)

²⁰ Comprising locations in Ghana, Gambia, Guinea, Sierra Leone, Ghana and Senegal

Cautionary note regarding forward looking statements

This release contains forward-looking statements which reflect management's expectations regarding the Group's future growth, results of operations, performance, business prospects and opportunities. Wherever possible, words such as "anticipate", "believe", "expects", "intend", "estimate", "project", "target", "risks", "goals" and similar terms and phrases have been used to identify the forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to the Group's management. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking statements. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally. Forward-looking statements therefore speak only as of the date they are made.

FBNHoldings cautions readers that a number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully, and undue reliance should not be placed on the forward-looking statements. For additional information with respect to certain risks or factors, reference should be made to the Group's continuous disclosure materials filed from time to time with the Nigerian Stock Exchange. The Group disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.