










AMCON | ASSET
MANAGEMENT
CORPORATION OF NIGERIA



AMCON Releases 2017 Results

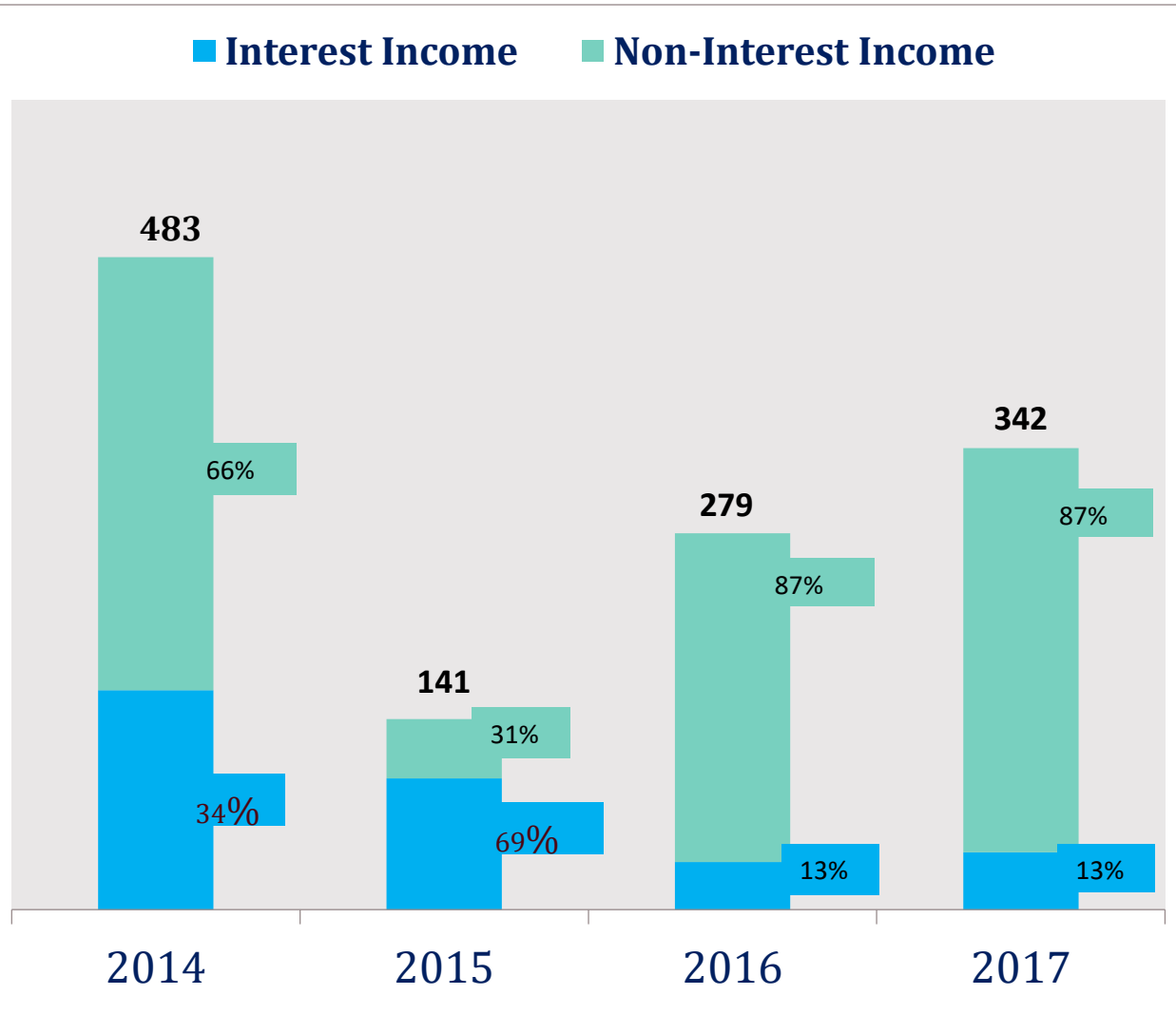
2017 FINANCIAL HIGHLIGHTS

	N'bn	N'bn		%
	2016	2017		
Gross Earnings	278.78	341.83		22.6
Total Operating Income/(Loss)	3.93	65.51		1568.1
NRFF	-233.49	-233.74		-0.1
Net Operating Income/(Loss)	-15.96	21.76		236.3
Total Assets	1,131.01	822.41		-27.3
Total Liabilities	5,075.79	4,778.84		-5.9
Total Equity	-3,944.78	-3,956.43		-0.3

AMCON FY'2017 PERFORMANCE

Gross Earnings for the Year

Key facts



- Gross earnings increased by 23% in 2017 as against banking industry (22%)
- AMCON generated over N1.24trn in the last 4 years
- Lower revenue from aviation, banking fees and commissions

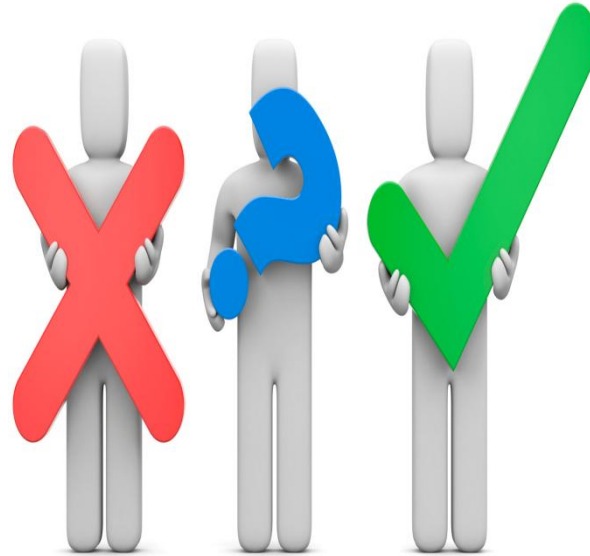
AMCON TURNS THE CORNER

Efforts yield positive results ●

Gross revenue up 23% to N342bn ●

Reduced credit loss expense by 8.3% ●

Operating expense flat when deflated for inflation ●



● Sinking fund reclassified to revenue

● Increased by 14.27% to N213bn

● Divested from Keystone Bank

● N41bn gain on disposal

● Improved other EBAs generating capacity



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2017 - YEAR OF RECOVERY – FOR NIGERIA & AMCON



**Positive GDP growth
(0.83%)**



**NSE ASI gained 42%
(2nd best after Argentina)**



**Tapering inflation - 15.37%
(YTD decline of 3.35%)**



**Crude Oil production
(Avg. – 1.67mbpd
Dec '17 – 1.86mbpd)**



**External Reserves -
\$38.77bn (a 4-year High)**

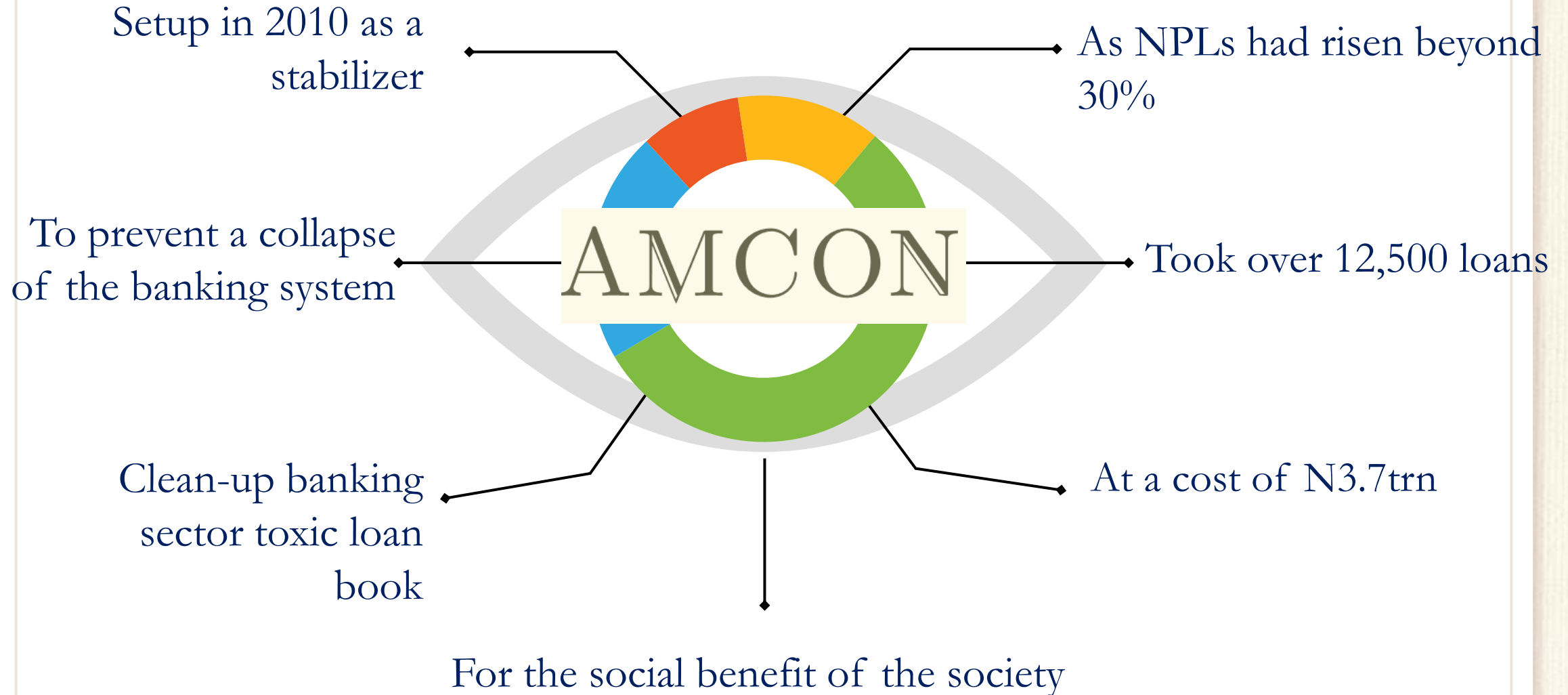


**Currency Stability (Due to the
IEFX Window – traded
\$26.15bn from Apr - Dec 2017)**

2017- YEAR OF TWO HALVES



Q1'17	Q2'17	Q3'17	Q4'17
<ul style="list-style-type: none">○ Negative growth – (0.91%)○ Commodity, currency, and market crisis○ Inflation peaked at 18.55%○ Stock market lost 5.1%○ Naira lost 8%	<ul style="list-style-type: none">○ Positive growth - 0.72%○ Boost in FX liquidity - IEFX○ Stock market gained 23.2%○ Naira gained 29%	<ul style="list-style-type: none">○ Positive growth – 1.4%○ Inflation declined 335bps to 15.37%○ Stock market gained 31.9%	<ul style="list-style-type: none">○ Positive growth – 2.11%○ Inflation declined 335bps to 15.37%○ Stock market gained 42.3%○ Naira remained stable at 363/\$○ Oil price at a 36-month high (\$67)

AMCON – BAD BANK (GOOD) TO THE RESCUE



CROSS BORDER COMPARISON

	GDP Growth (%)	Bailout funds to GDP (%)	Operating Profit (\$'mn)	Inauguration	Years of Profitability
Nigeria	0.83	6.6	(45.5)	2010	Not yet
Ireland*	7.8	25.7	1,740	2009	6 years
USA	2.3	2.4	(4,131)	2008	Not yet

-  Government's relief program remained impactful in stabilising financial system
-  Preventing avoidable foreclosures and stabilizing the economy

Note: *2016 company data

Source: NAMA, TARP ,AMCON Company Data & FDC Think Tank Analysis

CROSS BORDER COMPARISON

Ireland



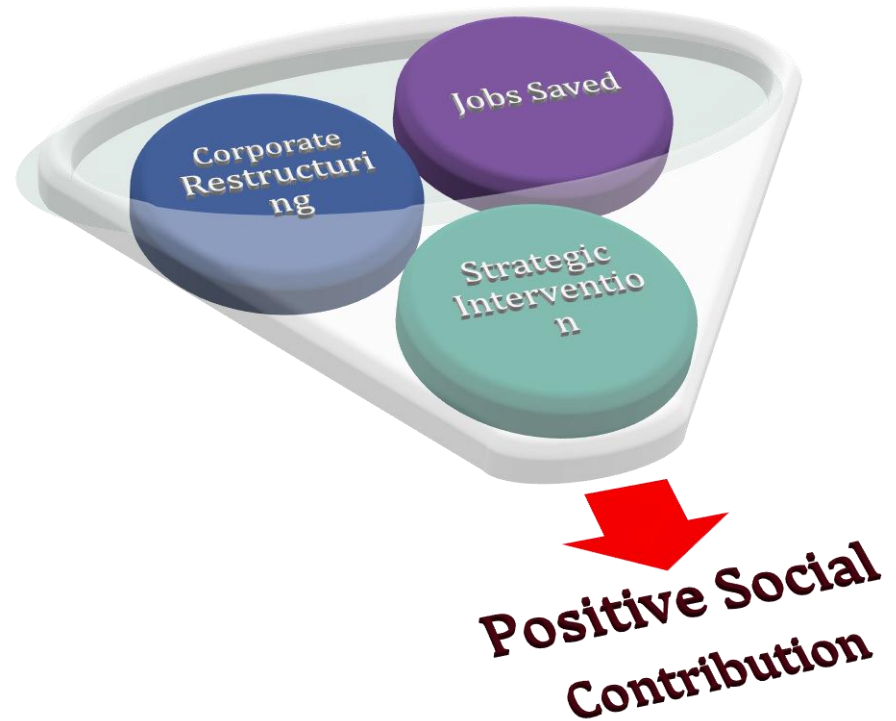
- Recorded its sixth consecutive year of profitability
- Focus is now on the reduction of the corporation's €30bn contingent liability

USA



- Corporation has received 99.99% of total disbursement since inception
- As most banks paid back principal and interest
- US government has sold down interest in Goldman, GE, AIG, and auto companies at a profit

SOCIAL BENEFITS OF AMCON



- Thousands of jobs saved
- Reduction in crime & social decadence
- Toxic assets taken over from banks
- Helped stabilize the economy
- Turnaround maintenance provided for EBAs
- Earning capacity improved

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Collocation



Connectivity services



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WHAT IF THERE WAS NO AMCON

Costs

- 10 affected banks would have collapsed
- N9 trn of total assets would have been wiped-off
- Contagion would have affected healthy banks
- Depositors would have lost over N3 trn
- NDIC insured deposits not enough to compensate for losses
- Inevitable run on banks
- Stock market and real estate crash

Opportunity Cost

- Tax payers' maintain funds
- Directed towards subsidy payments



WHERE ARE WE NOW?

Economy

- Mitigated the woes of the recession
- Rescued over 13,000 businesses
- Provided technical and financial impetus

Financial Services Industry

- Improved asset quality
- Prevented systemic banking crisis
- Restored banking profitability

Yet AMCON faces Challenges

- Pushback from EBAs
- Low exit value of Asset under management
- Banks' Ignorant shareholders dissolution calls



OUTLOOK



Correlation between growth and AMCON
recovery will continue



Extension of AMCON's sunset clause now
inevitable



Ignorant shareholders resist further