



Social Benefit Exceeds Financial Loss

30th May 2017

2016- NIGERIA IN A PERFECT STORM

2016 most
challenging year ●

Commodity, currency
and market crisis ●

First recession
in 25 years ●

Unemployment plus
underemployment:
33.6% ●



● Inflation peaked
at 18.55%

● Stock market lost
6.17%

● Real estate vacancy
increased 74%

● Naira lost 34.3%

AMCON ANNOUNCES 2016 RESULTS

Established in 2011

Insulating markets from turbulence

Market stabilizer & distress resolution

Protecting sectors from financial contagion

AMCON

To minimize tax payers burden

Social gains exceeds financial loss

Africa... United by One Bank



We know our way around finance in Africa

United Bank for Africa Plc is one of Africa's leading financial Institutions, offering banking services to more than 11 million customers through diverse global channels. With presence in 19 African countries and 3 global financial centres; London, New York and Paris, UBA is connecting people and businesses through retail and corporate banking, innovative cross-border payments and trade finance.

FINANCIAL HIGHLIGHTS

N'mn	2016	2015	%
Credit Loss Expense	-19,788	-65,494	+69.8%
Net Operating Income/(Loss)	-203,373	-234,376	+13.2%
Total Assets	1,131,012	1,229,463	-8%
Total Liabilities	5,075,794	5,010,250	1.3%
Net Worth	-3,944,782	-3,780,787	4.3%

SWIMMING AGAINST THE TIDE

- In spite of macro-economic headwinds, AMCON withstands shocks
- Operating loss reduces 13.2% to N203.4 billion
- Total footing shrinks marginally to N1.13 trillion
- Owing to asset value diminution of 8%



ANALYSIS & TREND

- Stock market capitalization fell 6.17%
- Sinking fund amortization not recognised in P & L
- Sinking fund is part of free cash flow
- Operating expense growth in 2016 of 23.5%, 5% higher than headline inflation





Every meal starts with us



- Salt (Refined and Iodized)
- Seasoning (Cubes and Tablets)
- Tomato Paste
- Vegetable Oil

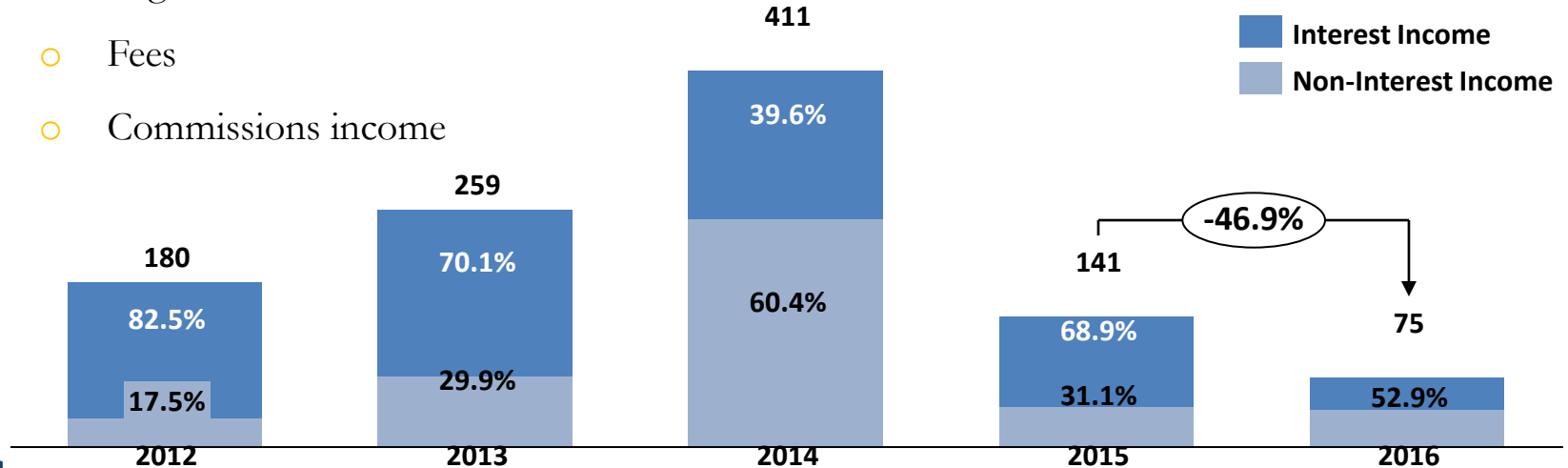
www.nasconplc.com



Available nationwide.

REVENUE TREND

- Gross earnings, 46.9% lower at N74.8bn
- Cumulative revenue of N1.06trn
- Negatively impacted by
 - Interest income
 - Flight revenue
 - Fees
 - Commissions income



KEY TAKEAWAYS

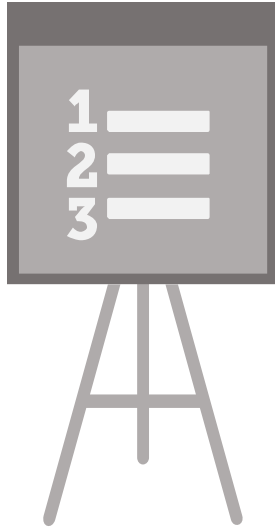
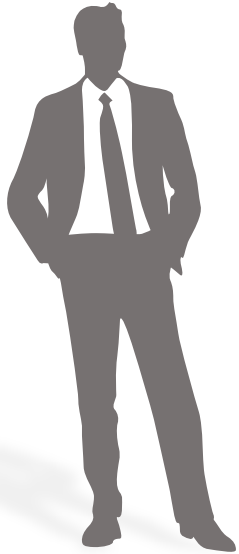
Good News – Social benefits

- ✓ 100,000 jobs saved
- ✓ Extended families protected
- ✓ Social unrest averted
- ✓ Salvaged critical aviation sector

Bad News – Financial costs

- ✗ Monumental financial loss
- ✗ Rate of financial loss reducing
- ✗ Profit impossible in a recession

OUTLOOK



- ✓ Review of asset purchase freeze
- ✓ Recovery means asset sales
- ✓ Sunset clause may not be cast in stone