Company: **First Bank of Nigeria plc**

Conference Title: **Results for the nine months ended 31st December 2009 & Q1 2010**

Presenters: **Olabisi Onasanya, Remilekum Odunlami, Onche Ugbabe**

Date: **Friday 30th April 2010 – 15h00 BST**

Operator: Good day ladies and gentlemen and welcome to First Bank Nigeria Results for the nine months ended 31st December 2009 and for the First Quarter 2010 Conference Call. For your information today's conference is being recorded. At this time I would like to turn the conference over to Mr. Bisi Onasanya. Please go ahead sir.

Olabisi Onasanya: Good afternoon ladies and gentlemen, this is Bisi Onasanya, the Group CEO of First Bank. I have with me this afternoon the Chief Risk Officer, Remi Odunlami. We are also hosted by the Chief Strategy Officer Onche Ugbabe who is here with me and Oluyemisi Lanre-Phillips who heads our Investor Relations.

I would like to make a few comments at this stage. As you all know First Bank is Nigeria's largest financial services institution and we offer an array of banking and related non-banking services in three different banking areas of corporate & institutional banking, retail banking and public sector. In addition to banking we also have subsidiaries playing actively in investment banking, venture capital, most of this focused on real estate, insurance brokerage, trust services, registration services, macro finance and so on. Presently we do have a fully fledged bank licensed in the UK called FBN Bank UK with the head office in London and a branch office in Paris. We also have representative offices in Beijing in China, Johannesburg in South Africa whilst we have submitted applications to also be in the UAE.

We are a major player and the leading bank across multiple dimensions. As at 31st March 2010 we are the number one bank by way of total assets in Nigeria. We are also number one by way of loans and advances, deposits and profitability. We have a strong liquidity position with a capital adequacy ratio of

17%. We do have extensive networks with 600 branches located in Nigeria and I have mentioned the number of locations we have outside Nigeria. We also have ATMs at 1,300 locations spread across Nigeria with over 5 million customers spread across different segments of the economy. We are also regarded as a partner to governments and regarded as a national icon having at one point provided the services of the Central Bank of Nigeria before the advent of the CBN today. We have strong potential as a market leader with strength and stability. We have also consistently ranked as number one as the most trusted bank also in service conducted by different independent institutions and organisations. We are also the oldest existing financial institution in Nigeria having been established in 1894 with a record of surviving and thriving through banking and national crises. We are an acknowledged leader in corporate governance with a history of similar leadership successions, the last one having taken place some time in June when the incumbent CBN governor who was then the managing director left and I took over.

In terms of our numbers we have a strong capital adequacy ratio of 17.67% with a liquidity ratio of 45.6% as at 31st March 2010. We have reduced the non-performing loans ratio from 8.2% in December ’09 to 6.9% in the first quarter of 2010. By the first quarter 2010 also, March 2010 we had an RoE of 15.9%. I would forecast that this would improve significantly as the year goes by. As at December 2009 we had total assets in excess of 2.1 trillion and this had grown by March to 2.29 trillion which was ostensibly the market leader in terms of size in the Nigerian market.

We also grew our total deposits from 1.33 trillion in December to 1.4 trillion in March 2010 also giving us a leadership position in the Nigerian banking landscape. We also recorded a PBT of 9.5 billion in December ’09 which was clearly affected negatively by the situation in the Nigerian market due to exceptional loan loss provisions. Having taken that decision in 2009 we are glad that we reported a 15.4 billion profit before tax as at March 2010. This also put us in a clear leadership position as far as profitability is concerned in the Nigerian banking sector.

At this moment I would like to hand you over to Oluyemisi Lanre-Phillips who will take us through the numbers both for December and for March 2010. Oluyemisi?

Oluyemisi Lanre-Phillips: Thank you. I'm assuming everybody got this presentation relatively early so I will go through the slides very, very quickly because there's quite a number of slides to go through. So basically we're on slide 8 now. What we would like to highlight on that slide really is that we were able to grow our gross earnings despite a challenging environment. Driving that growth was really growth in the volume of our earning assets as well as in the December 2009 year there was a positive impact from a yield point of view, however going into the first quarter we saw that reverse given excess liquidity within the Nigerian economy which saw yields come down significantly. So Q1 numbers you would notice that there's a decline of 10.7% year on year. Also affecting those numbers really were dividends from subsidiaries as at March 2009 which used to be our previous year end but is no longer the case now, so if you make those adjustments, Q1 2010 numbers were actually very, very good given a very slow economic environment as well as the declining yields.

Moving on to the next page now. Basically the point to highlight on slide 10 is really that loans and advances remain the bread and butter of our business, so our gross earnings are continually being driven by that and that's a key focus for us going forward still. We should mention though that between December and March 2010 as I previously pointed out the declining yields led to a reduced contribution from our treasury assets as a result of the excess liquidity within the system.

Moving on to slide 10 the key point to highlight on this slide would be that our net interest margin declined significantly between March 2009 and December 2009. That was driven to a very large extent by significant interest expense but we have seen quite a pick-up in that number by March 2010 to 5.9% from 4.4% as of December. In terms of providing a forward-looking guidance on this call, it would be instructive to just look at the structure of the balance sheet. Typically you would have about 40-50% of your balance sheet in loans and advances and the balance on that would be spread across your treasury assets as well as a few non-earning assets. Just given the direction for yields in recent times it would suggest that yields on earning assets are likely to come under pressure in the coming period. So while on one hand we expect that aggressive re-pricing of our deposits should lead to a reduction in our cost of funds, we also see margin pressure coming from the top line yield on our earning assets. On balance we do expect that our net interest margin will probably settle roughly at about 5% for the year, so the focus for us would really be growing our volumes in order to protect margins in the current environment.

Moving on to the next slide which is slide 11, this just decomposes our operating expenses. Basically we've been able to control our costs in the period under review. In terms of the key points to highlight, staff costs remains the majority component of our costs and we have been able to control that, however I should mention that there have been some costs associated with our workforce restructuring not really from a cost saving point of view but from just improving the overall quality of our staff. So whilst we are asking people to go it is not the costs, we are trying to save costs, we are just improving the overall quality of staff and bringing in new people so that on balance we can improve productivity levels in the medium to long term. The other point to highlight there would be that if we adjust for those staff costs, our overall expenses would actually have declined on staff costs.

Moving on to the next slide which is slide 12, this is working down the P&L. The other factor in addition to our expenses would then be provisions for credit losses that we've had to make and on this slide, everybody is familiar with what has been happening within the economy so we've sort of broken it down into the different sectors. The key point to highlight here is that we've begun to see reversals in some of our accounts and therefore we're having write-backs both from an investment point of view as well as accounts reverting to performing status and that's a key focus for us going forward in terms of just managing those accounts and ensuring that as much as possible we're able to declassify accounts from an NPL, from a non-performing status to a performing one.

Slide 13 just depicts the impact of all of these on our PBT and basically the two points to highlight would be the high cost of funds as well as the decline in the contribution from interest income as a result of the significant NPLs that we've had to provision for since in line with the accounting standards you need to suspend the interest accrual on those assets. So those two factors certainly affected bottom line. We've seen some improvements on that by Q1 and as the GMD mentioned at the beginning of the call we expect that trend to be sustained throughout the year.

Moving on to slide 14, this just depicts the contribution from various business lines. Slide 15 then talks about efficiency ratios. Two points I would like to highlight. You would see that on a post provision basis there has certainly been significant improvement on our cost income ratio. What you would also note is that the underlying ratio has also deteriorated from 60-65% roughly. The two things driving that are really the slower top line growth which was talked about previously as well as the impact from interest expense. Now those two things we expect to reverse over coming periods so we are aggressively re-pricing our deposit liability, therefore we don't expect to sustain as much costs in terms of interest expense and that would certainly increase this ratio; and in terms of top line there's quite a number of initiatives ongoing to drive growth along the top line which we will be talking about in the strategy section later on.

Slide 16, moving on to the balance sheet shows the breakdown of our deposit liabilities. The key points to note here would be that whilst we already have quite a large deposit base we've still been able to grow it but more importantly a substantial part of our deposits remains core. About 82% of our current accounts are considered as core deposits, sorry, 82% of our savings accounts are considered as core deposits and about 60% of our current accounts are considered core. This has certainly over the years provided very stable funding for our operations.

On slide 17 we have continued to grow our loan book. On average growth in our loan books has outstripped growth in our deposit liabilities and that has led to a more efficient balance sheet as you will see on the following slide. Basically that continues to be a key focus for us especially in an environment of declining yields such as we have now which is something we have mentioned earlier.

On the next slide you then see that we have increased our loan to deposit ratios over the year. The plan for us really would be to continue to grow deposits quite substantially in order to keep this ratio manageable in line with regulatory guidance close to 5% to sales, so there is a lot of focus on that as well for us. The other thing to mention is that we are strengthening our treasury function and we expect that our balance sheet management would certainly improve significantly in future periods.

On slide 19 just to highlight or reiterate what the Group Managing Director said, our capital ratio has remained quite strong and given the regulator's focus on groups now as against banks alone, we are currently at a ratio of about 17.7% which is significantly in excess of the 10% requirement.

The next slide just breaks down, shows you the evolution of those numbers and I expect you have questions at the end of this presentation. I will just skip that to slide 21 which just shows our current funding situation. As I mentioned our deposits have over time been quite competitive positions for us in terms of providing stable funding for our activities.

At this point I would hand over to Mrs Odunlami, the Chief Risk Officer to take us through the asset quality.

Remi Odunlami: Good afternoon. I'm taking you on to slide 23. Basically our portfolio remains diverse. Concentration risk is limited. We have got a diversified package of products and also by business line. If we go on to slide 24 you'll see that we have also diversified across the business segments of the economy. Our concentration at this point is in the FI business, financial institutions and insurance which is partly a residue of our exposure in the margins and the capital market play of the last year and the year before, but taking as a whole it's still not a substantial part of our portfolio. It has in itself decreased both by way of payment and in some cases acknowledge write-offs, however we have seen an increase in the valuation of the collateral which is not taking into cognisance at this point. Our portfolio is largely secured. The unsecured portion is 27% and we have secured by real estate 15-16% of our portfolio but asset quality, we do secure the bulk of our lending.

A point that I'm sure is of great interest to you all is our non-performing portfolio. We've taken provisions against our non-performing portfolio in the year to December 2009 and it has peaked with an NPL portfolio of 94 billion at the end of September, however we have in the course of the first quarter started seeing recovery. One of our focuses in the current year is recovery and we're driving very hard at that. Our ratios reflect the realities. As of December our total loans to NPLs was 67%, that has improved to 77.2% at the moment. Sorry, our non-performing loans to total loans has dropped from 8.2% to 6.9% and our coverage has risen to 77.2%. I will stress that 100% coverage of NPLs cannot be expected because under the Federal Bank of Nigeria's prudential guidelines regime, different pluses of non-performing loans on a tended basis attract different provisioning levels and 100% coverage would imply that we have all our loans that are non-performing deemed to be in the loss category.

If you take a look at the pie chart which gives you an indication of what is to come, our loans past due as of December, we had over 360 days on 100% provisions, we had 42% of the portfolio whereas in March we had increased to 44% of the portfolio after taking the reserves we needed to do which means that we can expect less in the way of potential provision coming through the portfolio but I am optimistic that a large portion of the portfolio in the 90-180 days bracket will be reversed into recoveries in the course of the year.

If you look at page 26 you'll see that the NPL was driven largely by systemic issues and that the sector exposure is pretty balanced. We didn't have the concentration of NPLs, it is really something that's driven right across the economic environment and that's reflected in what we have here. On our performing loans we are now reflecting the performing loans that are past due on the basis that it gives us a head start as to what's going to happen to the portfolio in the next quarter. You will note that the size of the portfolio has dropped from 172 billion in December.

My apologies, I think we had a break in transmission. I will just take you back to the two pie charts at the bottom of slide 26. I was explaining that as of December we had performing loans that had past due elements of it of N172 billion which had reduced to N125 billion by the end of March and also within that reduced portion you will note that in the 0-30 days bracket we had 50% as of March and 37% as of December, so you can see that the portion of our portfolio that was performing badly and showing signs of weakness has actually reduced and as such as we are expecting a reduced amount to go through potentially as some provisioning in the quarters to come.

Slide 27 just summarises each sector and the percentage of that sector that we had as non-performing loans today. Slide 28 is very detailed and basically shows you the numbers on our share backed loans portfolio which is benefiting from an improved performance in the market but I will take questions on that specifically at the end of the presentation.

Slide 29 gives you a summary of our SeaWolf exposure and again it's there I will take questions as they arise after the end of the presentation. Our risk management framework, you can see basically that the board of directors of First Bank is the governing body on the whole risk management process and you can see the committee and the processes that make that up. Our risk appetite assessed by the board and it's a very conservative one. It's measured primarily by the ratio of non-performing loans to total loans, they remain among the top three. It's measured also by the ratio of loan losses to interest revenue and of loan loss provisions to gross non-performing loans. Our target for 2010 is 5% of the portfolio. My directorate as Risk Management Director is to coordinate all the risk elements of the bank and we report primarily into the support audit and risk assessment committee. The rest of the slide just shows you some more details. On corporate governance again the board, the various committees and the various sub-committees of those.

Now I will take questions at the end of the presentation but now I will transfer you to Mr. Onche Ugbabe who is the Chief Strategy Officer.

Onche Ugbabe: Good afternoon everybody. We will now be on slide 34 which is an overview of the strategy and the transformation that's occurring at First Bank. Although this is somewhat unusual for a quarterly call we thought it would be worth giving everyone a view on this on this call.

So on page 34 this just articulates at a high level view the aspirations of the First Bank Group. We aspire to be nothing less than Sub-Saharan Africa's leading financial services institution outside of South Africa. If that sounds like a tall aspiration, remember that we are already the largest bank between Casablanca and Johannesburg or in the space that sometimes people refer to as Middle Africa, so we're starting from a position of strength. For us leadership implies leadership in total returns to shareholders being the greatest provider of value to customers and to provide the best service levels, the most desirable place to work for etc. There are multiple dimensions which we map out on the right and there are several dimensions for our aspirations we map out on the left. We do desire to be the undisputed leader in every business we choose to participate in. We have a big push on growth and service delivery to our customers etc.

If we go on to page 35, while we do have a number of strengths and the GMD has mentioned several of these on the left side so I won't mention them again, we do recognise the challenges we face principally translating skill to profits, increasing our return on equity in other words as we scale up, overcoming legacy issues and service delivery, there's a very big focus on that presently;

managing credit quality and our loan portfolio in difficult economic times; and then surmounting a more competitive environment particularly as we have foreign banks enter our market in Nigeria. So First Bank is on a very strong transformation drive presently and there has been a very explicit decision to transform the bank and the group as the new Group Managing Director came into place and the new Chairman came into place last year, so there's a strong push on that.

On the next few pages we just talk you through some of the elements of the transformation starting at a group level. On slide 36 we discuss how we are transforming the group. Presently First Bank from a legal standpoint is structured as a bank. It owns ten subsidiaries of which the subsidiaries themselves have one or two subsidiaries in some cases. Rather than moving that structure we're moving towards a financial services group holding company structure where we'll have a non-bank financial services holding company that's basically is a parent to about five entities, three of which are actually legal entities and the others are really operational structures. The rationale for this is largely because as we looked across our subsidiaries and the multiple subsidiaries we have, there was a high degree of fragmentation. We felt strongly to group some of them together that were in like businesses, to have a unified face to the customer, to get the benefits of scale, to also have a corporate centre that would have a view into the different subsidiaries so we could optimise our money market positions, capital market positions etc, group treasury function etc. So pretty self-explanatory. This is also very in line with best practice in other parts of the world and specifically with respect to the direction the Central Bank of Nigeria is planning to move banks in. We believe we're actually ahead of the curve and had actually designed this before CBN came up with its own views.

On slide 37 we just talk about our view on the non-bank financial services space. We have made a very conscious and explicit decision to focus our efforts outside of banking in two areas, one being investment banking and asset management, the other being insurance. This was out of a rigorous analysis we did with respect to forecasting profit pools in all the various areas at a very granular level that we are participating in, so our view was basically that these were the areas we thought were most attractive from a future profitability standpoint and also had the best fit with our existing business. Insurance and banking has a huge number of synergies as well as investment banking and corporate banking, so this is where we plan to focus. With respect to investment management we just concluded a global executive search run by a very reputable international head-hunter and we identified a new executive team if you will that will take the lead of our investment banking subsidiaries, four of them are being grouped together and a business plan has been done, a financial model etc. So we plan to build a best in class investment bank. We also plan to build a leading insurance company. The insurance base in Nigeria is extremely fragmented, 50 odd companies with very few that have any measurable scale, lots of synergies with banking, we've got a huge distribution network, lots of plans, loans that can be bundled with insurance products. We're entering into this business in the form of a joint venture with Sanlam in which we are the majority partner. Sanlam is the largest insurer in South Africa and we are well underway in terms of preparations for launching this year.

On slide 38 we talk about our international expansion aspirations. Simply put with respect to international expansion, while we believe it's desirable we certainly would not go anywhere that didn't make economic sense for the bank and the group. We believe that expansion into any country must be based on a solid business case. There are disproportionate areas of wealth and growth in Africa. We believe that there are 10 or so countries that are disproportionately important and we've done a lot of analysis around this. We aspire to be viewed as a local bank in any geography we enter and we also believe that international expansion is a long term exercise and we will do so on a very prudent fashion. Outside of Nigeria we are present in four countries via rep offices or an actual bank or branches. We have just lodged an application with the UAE Central Bank as well for a rep office.

Slide 39 just illustrates that with respect to our growth aspirations if you will we remain very focused this year and to a large extent in the next couple of years on the bank. The bank is a disproportionate amount of our earnings and profits and we believe that this is where the focus should be. While we do that though this year we also plan to explore as I say with respect to where we plan to be and we plan to restructure the group to enable investment banking insurance to take off. 2011 and 2012 will be about trying to build scale in investment banking insurance while focusing on the bank and continuing to transform the bank. Beyond that it's really about building scale internationally.

With respect to the bank's strategy I am just going to this very quickly, page 40 just illustrates the four overarching strategic themes we have for the back: growth, service or operational excellence, performance management and talent.

Slide 41 just shows you a few of the focus areas with respect to growth. I will mention that we think of growth not simply as conventional, as banks sometimes do growth in your balance sheet but rather growth in revenue and more importantly in profit and we are increasingly critically looking at return on equity and return on assets for the bank group and all of our subsidiaries to optimise our capital allocation. A number of initiatives are underway there, restructuring the bank with respect to moving to a segment based structure, creating differentiated value propositions for our different segments and also looking at inorganic opportunities where they exist and organic growth opportunities.

Slide 42 talks about service and operational excellence, a very big push there. There's a number of things happening with respect to alternate channels. We launched the best in class contact centre which we think is actually one of the best in the country and has done phenomenally well, centralised profiting centres to service our branches and a big push with respect to migrating transactions to our ATM channel and online. There's also a number of initiatives with respect to credit processing and credit risk management.

Slide 43 talks a bit about performance management. This has been a very big focus area as well. In the last year this has been one of the most successful things we've done. There has been a comprehensive performance management system that was rolled out just over a year ago and has continually evolved. We've seen a number of wonderful results from that. Presently all our market facing staff have individual scorecards and we have performance dialogues every quarter. People are publicly rewarded and there are consequence that are announced publicly, so this has really started to create a performance cost for us at First Bank.

On slide 44 we talk a little bit about talent. One of the critical challenges we will have is as we grow, First Bank has grown 13 times its size in the last 10 years. With phenomenal growth comes new challenges and the need for certain specialised skills and so forth and so we are rigorously focusing on training and improving our return on investment in training in-house. There have been a few targeted senior hires in the last year to bring in specialised skills where we need them and a number of initiatives with respect to appraisal systems and culture change.

Slide 45 is the last slide in the section. We point this out just to show how we believe the bank will be structured later this year. This is ongoing as we speak. The big innovation is that we're moving from a geographic based model with respect to our commercial SBUs to a segment based model, i.e. a model where segment is the primary organising axis and geography is a secondary axis. There will be five SBUs. Institutional banking covers the largest corporates, corporate banking here refers to mid-corporates, retail bank deals with all consumer banking as well as SME or enterprise banking and local government banking and two SBUs for public sector. We are also undergoing a big shift with respect to operations in which we plan to centralise a lot of the branch based operations and centralise reporting as well into the head office and into specialised operations function that we already have.

Thank you. I will hand it back to the Group Managing Director at this point to wrap up.

Olabisi Onasanya: Yes, thank you. This is Bisi back on the line. I would like to conclude this presentation by confirming to you that we are poised to deliver solid growth and to extend our market leadership in Nigeria over time. 2009 was a very difficult year for the Nigerian banking industry and we had our share of the problems but we have put this behind us. The bank has been able to move away from this and based on our financials for the first quarter 2010 it's very clear that we are now in a growth trajectory. It's not just about growing the balance sheet, we want to be the best and most profitable bank in Nigeria with the best value to give to shareholders at the end of the financial year. We believe that the worst of the asset quality has been put behind us today and we continue to proactively manage and monitor our portfolio. Based on our first quarter 2010 results, these are an indication of the trajectory for the bank's future performance like I said before. We want to regain our leadership position which we have done in the first quarter and by the end of the financial year ending December 2010, First Bank will become the toast of both the investors and the banking public of Nigeria. To meet the challenges we have been able to tackle head on and back the major transformations which has been led by a very progressive and aggressive leadership team under my control and supported by a very competent strategic deals.

In summary I believe that by focusing on the transformation and the local growth initiatives that we have embarked upon, we will extend our franchise through the key geographies and business lines over the long and medium term and at the end of the year we are well poised to deliver solid earnings while extending our market leadership. The concluding part of this presentation is to confirm to everybody listening that First Bank is back on track and by the end of December will become not just the biggest bank in Nigeria but also the most profitable with the best shareholder value added returns.

At this moment we would like to sit back and take questions from the audience. Thank you very much.

Operator: Thank you. The question and answer session will be conducted electronically. If you would like to ask a question please press the star or asterisk key followed by the digit 1 on your telephone keypad. Please ensure that the mute function on your telephone is switched off to allow your signal to reach our equipment. If you find that your question has been answered you may remove yourself from the queue by pressing *2. Again please press *1 to ask a question. We will pause for just a moment to allow everyone to signal for questions.

Our first question today comes from Amina Danesi of Thaddeus Investment Advisors & Research. Please go ahead.

Amina Danesi: Good day, my name is Amina Danesi from Thaddeus Investment Advisors & Research. I had a couple of questions. You made no provisions for credit and other losses in Q1 fiscal year 2010 – why was that? Meanwhile your NPL coverage ratio stood at 77% as of March 2010 but this isn't reflected in your income statement. Then what immediate steps are you going to take to reduce your loan to deposit ratio of 90%? Three quarters of your loans are to financial institutions, retail and customers. These are non-recession proof. Are there any plans to reduce your exposure to these business lines?

Remi Odunlami: Amina, I'm going to have to ask you to repeat your questions because you're not coming across very clearly. No problem, start again.

Amina Danesi: You didn't make any provisions for credits and other losses in Q1 fiscal year 2010 – why was that? Meanwhile your NPL coverage ratio is at 77% as of March 2010 but this is not reflected in your income statement. Then what immediate plans do you have to reduce your loan to deposit ratio of 90%. Then 64% of your loans are to financial institutions, retail and customers. These are non-recession proof. Are there any plans to reign in your exposure to these business lines? Then your loans increased by 16% whilst gross earnings decreased by

10%. Can you explain this dichotomy and your reference to declining years? Thank you. Did you hear everything?

Remi Odunlami: I'm making notes of these. I will just summarise your questions. You wanted to know why, you said we didn't take any provisions in Q1 and you wanted to know why. You said the NPL coverage of 77% was not reflected in P&L for Q1 in the income statement. You asked how we intended to reduce the loan to deposit ratio which is currently 90-something percent. You said that 64% of our loans are to FI and retail and do we have any plans to reign in that exposure and then you said the loans increased by 16% and profits declined – why was that?

Amina Danesi: Yes.

Remi Odunlami: Ok, alright then. Taking your first question on whether we took any provisions in Q1, if you look at slide 13 you will see that we did take additional provisions of N3 billion in the quarter and we released provisions of N0.7 billion as no longer required, taking us to a net position of N57.4 billion at the end of the quarter. I'm afraid I'm not quite clear on what you mean in that case that we didn't take any provisions in the quarter rather.

Amina Danesi: I didn't see on the balance sheet, I was curious to see where that was.

Remi Odunlami: Give me a minute and I'll have a look at that. I think the reason why you haven't seen it on the balance sheet is we haven't got a detailed balance sheet. You'll have to wait until numbers are actually released and I think within the next two weeks you can expect to get a copy of our full financials.

Olabisi Onasanya: In addition to that, don't forget that on the balance sheet loans are displayed on the balance sheet net of provisions, so while you would not see it as specified you have not seen the detailed breakdown of the balance sheet items. We do confirm that we took a N3 billion loan loss charge in the first quarter and this is reflected on the balance sheet.

Remi Odunlami: Ok. I think that also covers your second question on the non-performing loan coverage in terms of it being reflected in Q1 P&L. Our loan to deposit ratio is high largely because we've got an awful lot of capital right now and so we're lending out of capital, not purely out of deposits so I'd have to say that at this point we don't intend to reduce that ratio significantly until such time that we deploy the capital into other areas and then you will see automatically that our loans as a portion of our deposits will start to come down. Currently if you look at the ratio of loans to deposits and free capital it's significantly lower. Right now we're showing a liquidity ratio of over 45% and we've been trying to manage that ratio over the past six months give or take, so in actual fact we should in an ideal world be lending at a current loan to deposit ratio in excess of 100%. In terms of exposures to FI and retail, I don't have any specific plans to reign in that exposure but all I would say is that the strategy for loan growth in the current year is not to focus on FI or retail but to focus on carefully structured, well managed businesses and into credits that we can understand and we are confident would repay as and when due. I think what you will find is that our FI exposure will continue to drop as we continue to realise the capital market exposures. Right now the stock market prices are going up so we're seeing customers in a better position to liquidate some of those exposures. On the retail side that's just your normal retail business. First Bank is a universal bank, it's a broad based bank and we will continue to service our retail customer base as we always have done. Loans increased by 16% and profits declined. Profits declined because of historical lending where we took an abnormal amount of provisioning last year but that doesn't mean to say that there are no good credits in the Nigerian economy and right now we're continuing to look for those good credits and we will continue to extend credits to those good projects that we can see their cash flows and can understand. So loans will increase but I don't think you should see a continuing decline in profit. I hope I've addressed your question.

Amina Danesi: Yes.

Remi Odunlami: Thank you.

Operator: Thank you. We will now take our next question from Vetiva Asset Management, Soji Solanke. Please go ahead.

Soji Solanke: Good afternoon. Thank you for your presentation. I will just go through my questions briefly. First of all, the goal about the N390 billion revenues between December and March 2010.

Remi Odunlami: I'm sorry, you'll have to repeat that. You're echoing.

Soji Solanke: I talked about the N390 billion increase, your net revenues between December and March. What portion of this is lending and what comprises the balance? 2010, what level of RoE are you going to deliver and how do you intend to continue this? On the SeaWolf transaction, from previous figures, I would just like to know how this was achieved.

Remi Odunlami: Soji, are you on speaker?

Soji Solanke: Yes I am.

Remi Odunlami: Could you possibly take your phone off speaker so that we can hear the question because the echo is so bad I can't make out what you're saying.

Soji Solanke: I will just try to be a bit more clear. Can you hear me now?

Remi Odunlami: Take it off speaker.

Soji Solanke: It can't be taken off speaker, I'm sorry.

Remi Odunlami: Ok, fine. Try and be clearer then.

Soji Solanke: I talk about the SeaWolf transaction, the part of the loan off balance sheet. What is the size of this? Also I talked about your other income, where was FI?

Also considering your debt programme specifically for Standard Chartered Bank and the European Investment Bank. Thank you very much.

Remi Odunlami: I will summarise what I heard you say. You were asking about our return on equity and our target recurring on equity. You were asking for an update on SeaWolf. You were asking about our other income which you say is flat. You were asking about our debt raising programme and what equity we intend to raise in 2010 and then you want an update on the Paris branch operations.

Soji Solanke: I also asked about the N390 billion increase on net loans between September '09 and March 2010.

Remi Odunlami: Ok, alright. The increase in loans in the last six months is actually diversified. It's across a broad range of products and customer bases. We have focused in the last six months on trade facilities so you will see a large number of corporates, although you won't see because you're talking about until September but if you look at…we do have a slide which shows you the sector exposure between December and March and you will see that the growth is across the portfolio. All I can really tell you that this point is that it's a focus on trade related businesses but that is spread almost uniformly across the portfolio. There's no specifics for us. On SeaWolf, first of all SeaWolf was never an off-balance sheet transaction, it was on-balance sheet and we have not had cause to take provisions. The loan is performing and is meeting obligations, so we have no need for any provisioning. An update on the company. The company has got as we said before, it has three rigs. Three rigs are in contract and they are operating in accordance of the terms of their engagement with their principals and we are seeing the cash flows. In terms of a debt raising programme what we have done in terms of our relationship and the facilities we have taken from Standard Chartered and EIB is basically to work on rebalancing our distribution of our foreign currency fund. It's not a programme to raise money per se but the programme is better balanced out of foreign currency obligations. If you recall in the last couple of years because of the local problems there was a dearth of longer term debt and capital available to Nigeria and as a result we took some short term funds which are coming up and maturing now and we are prudently looking at turning out some of those liabilities. The Paris branch is a subsidiary of FBN UK. It's a relatively young branch doing well and business is picking up. It is running according to budget and to expectations. I think that covers the questions you have asked.

Soji Solanke: The other was about RoE.

Olabisi Onasanya: As of March we had an RoE of 15%. It's our intention to get it to at least 20% by the end of the financial year. Thank you. Next question. We made it plain to you that as the pressure on other income and other bank charges, as you move into an area where customers become very sensitive to price, as you move into an area where there is competition in the banking industry, you've got to believe and understand all these charges are present and you have got to be able to make up for it in other areas by increasing your volumes. It's not just in First Bank alone. We expect this to be the trend in the industry. Don't forget also that we did mention that there would be pressure on margins also due to the increasing customer demands of pricing reduction. This will be reflected as we go along the financial year. Your challenge and our challenge at this moment is to grow it through volumes. It is not unexpected and to be further enhanced in the financial year. Thank you very much. I think we need to move on the next question.

Remi Odunlami: Could we just ask so that everybody gets a chance if you could try and limit your questions to one or two salient points. We are always available to take other questions on an ongoing basis.

Operator: Thank you. We will now take our next question from Bunmi Asaolu of CSL Investments. Please go ahead.

Bunmi Asaolu: Good afternoon, Bunmi Asaolu of CSL Stockbrokers. Just two questions if I may, I'll come back with follow-ups if I have any. It appears based on the movement of your loan to deposit ratio over the last few years that you are prepared to stretch your balance sheet more to drive growth. Any idea as to how quickly your loans will grow this year? I know they grew very strongly in Q1 when the rest of the sector saw pretty muted growth. My second question is on recoveries. I still don't understand your Q4 PBT. It seems like provisions was very high. We don't have a full quarterly statement so it's pretty difficult to see what went on there so if you can maybe provide some quantifiable guidance on recoveries going forward for the next few quarters. I know you've said that you are trying to get recoveries but if you can give us a few more details as to how successful you think you will be on this I would be very, very grateful. Thank you.

Remi Odunlami: Ok. Our targeted loan growth for the year for the year is 10% and on recoveries, I think you know as well as I do that recoveries cannot be quantified. We have a target which is internal but quite honestly we're operating in an industry where virtually every bank is aggressively recovering and I don't think that I can actually give you a quantifiable figure. I'm sorry, I would love to be able to but I can't. Next questions please.

Operator: Thank you. Our next question today comes from Christopher Hartland-Peel of Exotix. Please go ahead.

Christopher Hartland-Peel: Good afternoon, a very nice presentation. Just as a backdrop, on page 6 you have the summarised financials. Working it down over the 24 months of the boom and the bust of the sector I think First Bank has come through this very well because you've had earnings of N28 billion, that's close to $190 million. The next point is as you said a few minutes ago is if you are aiming for a 20% return on equity for 2010 this is going to be N62 billion, that's $400 million. These are very attractive figures and I think it's very encouraging. Generally one of the things I would caution is under-promise and over-deliver. I'd like your comments on that.

Olabisi Onasanya: We would like to deliver more. It's a function of how efficiently we are able to sweat the balance sheet. At this moment we'd like to stick with our numbers. I would pray and hope that we would be able to further deliver. We have also worked out the numbers, in 2010 we are talking about N52 billion, that's not a small amount of money. If you look at the other players in the Nigerian market today you will see that no other bank is close to delivering that and I think you should just applaud us to be able to deliver this number. Thank you very much sir. Next question please.

Operator: Thank you. We will now move to Daniel Dewotor of Fulcrum. Please go ahead.

Daniel Dewotor: Thank you. My question is on SeaWolf. First of all I would like to know the current level of oil prices, if the principal and the interest can actually be paid or is it just a matter of services to interest at this point at current oil level prices. The second question is I understand that the single limit is going to be reduced to something around 4% of shareholders' funds. What are the implications to this particular policy change to the fuel facility? As I understand it accounts for about 28% of shareholders' funds at this particular moment. Thank you.

Remi Odunlami: At the present oil price SeaWolf is able to service its loans, principal and interest. You will be mindful of the fact that it is a long term loan, a long term facility and as a result servicing is on schedule and in line with our agreements with them. As far as the SOL goes you have me there because I haven't heard about this 4% of shareholders' funds. I'm far as I'm aware the single obligor remains 20% of shareholders' funds and because I'm not aware of this I haven't had any thought about it for SeaWolf or any other part of my portfolio because SeaWolf would not be the only one to exceed 4% of my portfolio.

Olabisi Onasanya: Let me also confirm that it does not make sense and I don't think it will ever happen for singular limit to be limited here to 40%. How do you expect Nigerian banks to finance the big figure transactions if you impose this limit? I think this is not likely to happen. We would just like to ignore this. Thank you.

Remi Odunlami: Next question please.

Operator: Thank you. We will take our next question from Muyiwa Oni of Stanbic Bank. Please go ahead.

Muyiwa Oni: Hello, thanks for the presentation. I just have one question. What will you be looking at in your acquisition type in case you intend to pick up one of the currently managed banks?

Onche Ugbabe: This is Onche. You might have to mute your line, there's some interference coming through from your line. There's a strict limit on what we can disclose with respect to our inorganic growth aspirations, suffice to say we are looking at inorganic growth with a very disciplined mindset and M&A opportunities in the marketplace. Our CEO has come out and publicly said that this is a level that we will utilise. We will do so but we are not desperate to do any deal. We will do so only in a case where it makes strong sense for shareholders and supported by robust analysis, so that is our position with respect to M&A. Next question please.

Operator: Your next question comes from Zoe Hoster of Citigroup. Please go ahead.

Zoe Hoster: Hi, hello. Thank you for the presentation. I'm just wondering where you anticipate most of your growth to be coming from, if that will be domestically in Nigeria or internationally?

Olabisi Onasanya: We do expect growth to come across from all segments of the market. We have an arrangement, restructuring every member of the group. We do expect to increase growth coming from our investment banking and asset management subsidiary. We also do expect some growth to come from the main banking business in the current financial year. In summary we expect growth across all business segments and this is the focus of the bank and the group.

Zoe Hoster: Great, thank you. Another question if I may. I may have missed this in your presentation but do you have a figure for projected loan growth in this coming year? I'm wondering how you plan to fund any loan growth this year or if that will be mainly with deposits?

Remi Odunlami: Yes, we do have a target for loan growth. We have a target of 10% and how we intend to fund it, I mentioned earlier that we have a liquidity ratio of 45% which means that we have got excess liquidity and that liquidity will be funnelled into the loans.

Zoe Hoster: Thank you very much.

Remi Odunlami: Next question please. Any other questions?

Operator: We will now move to Lanre Mohammed of Fcanbic IBCC Pensions. Please go ahead.

Lanre Mohammed: Thank you for the presentation. My question is maybe if you could be more specific about your expansion plans outside Nigeria? That was my question.

Onche Ugbabe: This is Onche. With respect to expansion plans, I want to just build upon the prior question that was asked on domestic versus international. The most attractive marketplace in Sub-Saharan Africa for financial services is Nigeria, so to put this first our focus continues to be Nigeria as we do not want to lose sight of our home turf especially when Nigeria is in a nascent market in banking. Remember that less than 30% of the adult population is banked. There's still a lot of growth in Nigeria. Consumer credit is very low at this point so Nigeria remains our focus. With respect to other nations as mentioned we will have a very disciplined approach that will be fact based and we expect to be in a portfolio of no more than 10 or so countries presently in the next 2-3 years, but if we do deploy anything this year it'll be one, maximum two countries. We have had a look at a couple of countries. We're looking at a number of criteria, economic endowment, demographic variables, a fit with our own products and our own businesses, political risk and uncertainty, a number of conventional things you'd look at and broadly speaking three types of countries: the

Anglophone countries that are similar, the Francophone nations and then the others, countries like Sudan, Angola etc. A very disciplined approach and we have already identified a shortlist of priority countries and we expect to start moving more in earnest next year. Thank you, next question.

Operator: Thank you. We will now move to Adrian De Delle of Morgan Stanley. Please go ahead.

Adrian De Delle: Good afternoon, this is Adrian De Delle. I had a qualitative question on your provisioning. If you could give us a sense of what is driving the recovery, is it collateral increasing in value or clients paying back their debt and how much new provision and the balance of provision and recoveries, just to have a sense…I know you cannot give forward-looking statements but what you see so far would be interesting?

Remi Odunlami: Ok. In terms of what we've seen so far if you look at slide 12 you will see that we released provisions of N0.7 billion in the first quarter. That reflects recoveries net of provisions that were written off completely. In terms of how we're recovering some of it is due to the realisation of collateral. Some of it is due to the customer coming to the table with alternative cash flows and making them available to offset their loans. It's an ongoing discussion and as such as I keep on saying it's not quantifiable but we are engaging all of our non-performing loan customers. We are looking at pragmatic ways of dealing with what has in effect been an economic meltdown particularly as far as the customers are concerned. In some cases where the cash flows are realistic we are looking at restructuring our work-out proposals, if not we are realising collateral at the best available levels within the market today. I'd say that looking forward we've continued doing that and hopefully a reasonable portion of our non-performing loans will be returned to performing or there will be recoveries upon them and we will write them off completely. I hope that addresses your question.

Adrian De Delle: Yes, it does, thank you.

Remi Odunlami: Thank you. Next question please.

Operator: Thank you. Our next question today comes from Ayodele Akinwumi of First Securities Discount House

Ayodele Akinwumi: Thank you very much for your presentation. My question is just on the structure that you are planning to implement and recently we saw that the Central Bank is going to issue a holding corporate structure. Now at this moment if an investor that buys a stock of First Bank that is listed on the stock exchange, if I understand the structure that the Central Bank is planning to implement, the structure that First Bank will be a company on its own, it will be a holding company that will be different for First Bank, so my question is: is that the situation? Are we going to have another group that is the holding company that will be listed alongside First Bank as a bank or are we just going to come back on the one you have at the moment to the holding company where First Bank as the bank which is the only public company among these subsidiaries who is then a private company. I just wanted you to if you can explain to us what you intend to do from that holding company structure? Thank you.

Onche Ugbabe: Sure, this is Onche. The Central Bank has come out with its views on universal banking and it's very in line with our thinking. Different banks are adopting different strategies. We understand a couple of banks are planning to spin off their other subsidiaries or essentially transfer ownership to their existing shareholders and separate the bank. In our cash we do plan to try and establish a financial services holding company. This will be the listed entity so we don't foresee a situation where we will have both the bank and the group co-listed. The group holding company will be the listed entity and will be the 100% owner of the bank as well as all the other subsidiaries, the exception being our joint venture with Sanlam where Sanlam has a minority stake, so I hope that clarifies your question.

Ayodele Akinwumi: Yes. Ok, thank you very much.

Onche Ugbabe: Next?

Operator: Thank you. We will now take a follow-up question from Amina Danesi of Thaddeus Investment Advisors & Research. Please go ahead.

Amina Danesi: Hi. I would like to ask two questions. My first one is could you kindly quantify the amount of write-backs you had in Q1 2010 and then what percentage of your loans have been restructured from January to March this year? I wondered why your NPL dropped from 8.2% to 6.9%.

Remi Odunlami: Ok. In terms of quantifying the write-backs in Q1, I will refer you yet again to slide 12. The write-backs which are what I term recoveries are N0.7 billion in the first quarter and also in addition there were write-backs of N3.8 billion in the subsidiaries. In terms of the percentage of our loans restructured in Q1, I don't have that figure with me right now. I don't have that particular figure with me right now, I'm sorry. You could follow up again with me later on and we'll make it available to you. I think your last question was how did our NPLs drop?

Amina Danesi: Yes, what led to that?

Remi Odunlami: What led to the drop in non-performing loans? I'd like to believe it's the fact that we did not have any new non-performing loans coming on board, at least they were not coming on board at the same rate as they were hitherto. At the same time we had recoveries on the existing book and finally we had a growth in the loan book itself, the way you tighten that up and obviously at the end of the day it's all about better risk management, better relationship management, keeping our eyes more firmly on the ball and making sure that what loans we have remain performing, the new loans we book are high quality and that we recover on the loans that were not performing in the past. I hope that addresses your concern.

Amina Danesi: Thank you.

Remi Odunlami: Next question please.

Operator: Thank you. We will now move to Kato Mukuru of Renaissance Capital. Please go ahead.

Kato Mukuru: Good afternoon. Thank you for the presentation. On the value of collateral I had a question. With regards to your margin loan book, has that been mark to market? By this I mean has the impact of the first quarter performance flown through your Q1 numbers or is that something you will do only at year end given that it does not require you to mark to market on a quarterly basis thereby implying that there's more upside potentially? The second question or point I guess to make is with regards to the single obligor limit, I think you would agree with me when I say there's probably a mix-up because Diamond Bank today announced that they were reducing their single obligor limit to 4%, not that the CBN was requiring banks to reduce single obligor limits to 4%. Thank you.

Remi Odunlami: Alright Kato. As far as the margin collateral on the margin loan book goes, these are loans as a result they are being provided for and provisioned on the prudential guidelines basis. The prudential guidelines does not recognise collateral until you realise the collateral and then take a net hit positively or negatively to your P&L. So my margin loans right now are provisioned in accordance with the prudential guidelines which is on a time base basis and even where I have collateral which is increasing in value, if it's more than 360 days past due I am taking 100% provision and when we realise the collateral we will take the increases in the collateral value. So in that case you're right, we do have a potential upside in terms of the collateral on these facilities.

Olabisi Onasanya: However, don't forget that the fact that because there's an improvement in the collateral value does not necessarily mean that you can recognise that improvement. By accounting purposes you need to recognise when you realise the collateral.

Kato Mukuru: Absolutely.

Remi Odunlami: Secondly there's a clarification on this.

Kato Mukuru: If I may, but if we end the year assuming we end the year up where we are now and we're up whatever we are now then that would come through, correct?

Remi Odunlami: It would not. This is not a trading book that First Bank is holding. This is a customer loan collateralised by the shares, so we have to work on the loan prudential guidelines governing the loans and the provisioning for the loans.

Kato Mukuru: Ok, clear. Thank you very, very much.

Remi Odunlami: Thank you. Next question please.

Operator: Thank you. Our next question will come from Yinka Eisiriyu of BNP Paribas. Please go ahead.

Yinka Eisiriyu: Hi there, thank you very much for the presentation. I would just like to, I think I missed it while you were presenting. I would just like you to please explain what was your top line growth earnings. You mentioned something about there being a positive impact from yield, if you could please clarify as well as a reduction in Q1 earnings. My second question, I would just like to know First Bank's view on basically the acquisition of bailed out banks or the rumoured consolidation in the banking sector in Nigeria given the fallout from August 2009. I'm not sure if you have covered that but that's all I would like to know. Thank you very much.

Olabisi Onasanya: Let me answer the first part of the question on the top line growth in our gross earnings. Because we have also tightened our risk factor tranche criteria and because of the increasing size of our balance sheet and increasing liquidity, you would notice that we have also grown our loan book. Materially when you grow your loan books there would be a tendency to have increased earnings derived from that. That especially is a major source of growth. The bank is growing, we are growing everything including revenues. First we have grown the balance sheet, we have yet not grown our earnings that would have been in alignment there. In terms of what we plan to do with the ongoing recapitalisation of the banks of Nigeria, we have said this before and we would repeat it again, we do have a strategic plan that emphasises growth and profitability and growth derived from both organic and inorganic means if we have opportunities to look at the existing banks' input for recapitalisation, if there is any one that fits perfectly into our own strategy we would take a look at that capital institution. But at this moment I hope you also realise the fact that we are not allowed to talk and there's very little we are allowed to say as far as this process is ongoing and is driven by the Central Bank. But let me assure you that we will no go into an acquisition just because it is fanciful to do an acquisition. We will only take a candidate that adds value to our shareholders and to the institution. It is also important that any transaction that we do would also be conditional upon the deal and the candidate's impacting on our strategy. That is all that we can disclose at this moment. Thank you very much.

Yinka Eisiriyu: Thank you very much.

Olabisi Onasanya: Thank you. Next question please.

Operator: As a reminder if you would like to ask a question please press *1 now. We will take a follow-up question from Bunmi Asaolu of CSL Investments. Please go ahead.

Bunmi Asaolu: Hi, thanks very much for the follow-up, Bunmi Asaolu from CSL Research. I'm just a bit baffled by your guidance on RoE and loan growth. Did I hear you correctly say 10% loan growth for 2010?

Remi Odunlami: Yes you did.

Bunmi Asaolu: Ok. The reason why I'm struggling with this is that you've already done more than 10% this year already so are you implying that your loan balance will fall or are you saying that you will be growing 10% from here? You've grown this 10% already in March.

Remi Odunlami: Ok. I think the clarification is that the 10% relates to the bank which is a major lender and the bank portfolio has actually declined from December to March.

Bunmi Asaolu: Ok, so would you be able to share a figure for the group in terms of guidance?

Remi Odunlami: No, I'm sorry. I don't have that figure with me right now. If you call Oluyemisi she will supply the numbers for you.

Bunmi Asaolu: Ok. Then on the RoE, is this a bank figure again because if you're going to do 20% RoE in 2010 that's 70 billion net profit.

Olabisi Onasanya: If you listened to my answer I said presently we are at 15% and we would like to do 20% and that's what we are striving before. Anything between 15% and 20% would be the best in the industry today. It's an adjustment in our confidence again and we hope that we will be able to get there. Thank you very much.

Bunmi Asaolu: Thank you.

Olabisi Onasanya: Next question please.

Operator: We will take a follow-up question from Lanre Mohammed of Fcanbic IBCC Pensions. Please go ahead.

Lanre Mohammed: This was part of my second question, I wondered if you could give us more clarification on recent court judgements on your former entity?

Olabisi Onasanya: Thank you very much, that's a very good question. I am happy to announce at this moment yes, we had the court judgement but as of today I'm pleased to announce that First Bank and Mr. Longe have mutually agreed to settle and he has also agreed to compromise all issues, claims, interest, rights and obligations arising from that judgement. We have reached an amicable settlement. The settlement and compromise has been endorsed by the court and it has been given legal effect and now stands as a constant judgement of the court as First Bank and Mr. Longe's issue has been resolved and put behind us. We still expect a formal press release on this letter today or early tomorrow. Thank you very much. I hope that satisfies your enquiry.

Lanre Mohammed: It does but I would be happier with figures.

Olabisi Onasanya: I am sorry, I cannot disclose any figures to you in the interests of both parties. Thank you very much. Next question. I think we will take one or two more questions please.

Operator: Thank you. We will now have another follow-up from Christopher Hartland-Peel of Exotix. Please go ahead.

Christopher Hartland-Peel: Thank you. On an earlier presentation you did last year, reference was made to your UK operations and the fact that East European exposure where there was some write-offs I believe in the vicinity of $10 million. Could you just expand on this and how these things have developed and as a follow-on to this is do you have any Greek or Portuguese or Spanish exposure please?

Remi Odunlami: Ok. In terms of the $10 million worth of write-offs that FBN UK took last year I can confirm that we have started recovery. There were basically four or five specific exposures that made up that number. Three of them have been restructured. Incidentally they were all part of international syndicates so we are not in them alone but three of the five have already been restructured and as a result write-backs have either been taken or are being expected in the next two quarters and two of them are well on the way to restructuring agreements.

One of them is a bank which has got over 500 creditors of different sizes and different classes so you can understand that the restructuring would take a little bit longer than the others. So optimistic that the bulk of that $10 million would be recovered in the current year and a little bit might fall over into the year to come. In terms of our current exposure off the top of my head we don't have exposure to I think the Greek, Spain and Portugal, I don't believe we have exposure to.

Christopher Hartland-Peel: Thank you very much, that's very helpful.

Remi Odunlami: Thank you. One last question.

Operator: Thank you. Our final question today will come from Akin Abiodun of Leadway Assurance. Please go ahead.

Akin Abiodun: Hi, good afternoon, thank you very much for your presentation but unfortunately our question has been already answered.

Remi Odunlami: Ok, thank you very much.

Olabisi Onasanya: Thank you. On this note I'd like to wrap up this conference call and I'd like to thank everybody who has dialled in to this call for delivering the First Bank story. We are on to deliver the most profitable and the biggest bank in Nigeria by the end of the financial year. Please join us in delivering on these numbers. As far as we are concerned on the First Bank side we are poised to deliver the biggest and most profitable bank in Nigeria with the greatest returns to shareholders at the end of the financial year. We would like to re-emphasise that having delivered on the size in the last financial year which was deliberate, the emphasis on this year is to be the most profitable bank in Nigeria. Thank you very much and we look forward to our conference call at the end of the second quarter to announce a very, very likely to be very, very impressive financial results. Thank you very much and goodbye.

Operator: Thank you. Ladies and gentlemen, that will conclude today's conference call. Thank you for your participation, you may now disconnect.