



Stanbic IBTC

A member of Standard Bank Group

STANBIC IBTC HOLDINGS PLC

UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

31 MARCH 2016

STANBIC IBTC HOLDINGS PLC
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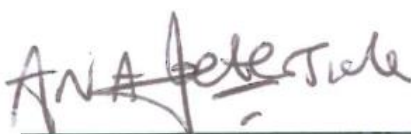
STANBIC IBTC HOLDINGS PLC

Interim consolidated and separate statement of financial position as at 31 March 2016

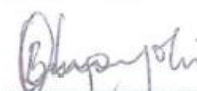
	Note	Group		Company	
		31 Mar. 2016 N'million	31 Dec. 2015 N'million	31 Mar. 2016 N'million	31 Dec. 2015 N'million
Assets					
Cash and cash equivalents	5	311,370	211,481	915	8
Pledged assets	9	71,251	86,570	-	-
Trading assets	7	52,520	37,956	-	-
Derivative assets	6	168	911	-	-
Financial investments	8	179,437	162,695	916	658
Asset held for sale		262	262	-	-
Loans and advances	10	364,767	380,295	-	-
Loans and advances to banks	10	28,073	26,782	-	-
Loans and advances to customers	10	336,694	353,513	-	-
Equity investment in group companies		-	-	69,191	69,191
Other assets	11	63,731	23,741	3,063	2,996
Deferred tax assets		7,886	8,342	545	555
Property and equipment		25,243	25,311	2,463	2,494
Total assets		1,076,635	937,564	77,093	75,902
Equity and liabilities					
Equity		135,440	128,967	72,023	72,360
Equity attributable to ordinary shareholders		129,270	123,726	72,023	72,360
Ordinary share capital		5,000	5,000	5,000	5,000
Ordinary share premium		65,450	65,450	65,450	65,450
Reserves		58,820	53,276	1,573	1,910
Non-controlling interest		6,170	5,241	-	-
Liabilities		941,195	808,597	5,070	3,542
Trading liabilities	7	52,189	24,101	-	-
Derivative liabilities	6	955	383	-	-
Deposits and current accounts	12	652,796	588,959	-	-
Deposits from banks	12	105,038	95,446	-	-
Deposits from customers	12	547,758	493,513	-	-
Other borrowings	13	77,688	81,107	-	-
Subordinated debt	14	24,246	23,699	-	-
Current tax liabilities		10,903	8,727	60	60
Deferred tax liabilities		108	120	-	-
Provisions		10,132	10,027	-	-
Other liabilities	15	112,178	71,474	5,010	3,482
Total equity and liabilities		1,076,635	937,564	77,093	75,902



Sola David-Borha
Chief Executive
FRC/2013/CIBN/00000001070



Atedo N. A. Peterside C O N
Chairman
FRC/2013/CIBN/00000001069



Bayo Olujobi
Finance
FRC/2015/ICAN/000000012619

The accompanying notes form an integral part of these financial statements

STANBIC IBTC HOLDINGS PLC

Interim consolidated and separate statement of profit or loss for the three months period ended 31 March 2016

	Note	Group		Company	
		31-Mar-16 N'million	31-Mar-15 N'million	31-Mar-16 N'million	31-Mar-15 N'million
Gross earnings		34,780	33,787	213	202
Net interest income		10,550	10,701	3	-
Interest income	20.1	17,676	19,716	3	-
Interest expense	20.2	(7,126)	(9,015)	-	-
Non-interest revenue		16,938	13,967	210	202
Net fee and commission revenue	20.3	14,184	9,544	197	199
Fee and commission revenue	20.3	14,350	9,648	197	199
Fee and commission expense	20.3	(166)	(104)	-	-
Trading revenue	20.4	2,635	4,228	-	-
Other revenue	20.5	119	195	13	3
Total income		27,488	24,668	213	202
Credit impairment charges	20.6	(2,269)	(3,941)	-	-
Income after credit impairment charges		25,219	20,727	213	202
Operating expenses		(14,976)	(15,912)	(222)	(267)
Staff costs		(7,217)	(7,094)	(92)	(106)
Other operating expenses	20.7	(7,759)	(8,818)	(130)	(161)
Profit before tax		10,243	4,815	(9)	(65)
Income tax	20.8	(2,452)	(601)	(330)	(21)
Profit for the period		7,791	4,214	(339)	(86)
Profit attributable to:					
Non-controlling interests		948	711	-	-
Equity holders of the parent		6,843	3,503	(339)	(86)
Profit for the period		7,791	4,214	(339)	(86)
Earnings per share					
Basic /diluted earnings per ordinary share (kobo)	21	68	35	(3)	(1)

The accompanying notes form an integral part of these financial statements

STANBIC IBTC HOLDINGS PLC

Interim consolidated and separate statement of comprehensive income for the three months period ended 31 March 2016

	Note	Group		Company	
		31-Mar-16 N'million	31-Mar-15 N'million	31-Mar-16 N'million	31-Mar-15 N'million
Profit for the period		7,791	4,214	(339)	(86)
Other comprehensive income					
Items that will never be reclassified to profit or loss		-	-	-	-
Items that are or may be reclassified subsequently to profit or loss:					
Net change in fair value of available-for-sale financial assets		(1,320)	649	-	-
Realised fair value adjustments on available-for-sale financial assets reclassified to income statement		(12)	739	-	-
Income tax on other comprehensive income		-	-	-	-
		(1,332)	1,388	-	-
Other comprehensive income for the period, net of tax		(1,332)	1,388	-	-
Total comprehensive income for the period		6,459	5,602	(339)	(86)
Total comprehensive income attributable to:					
Non-controlling interests		929	726	-	-
Equity holders of the parent		5,530	4,876	(339)	(86)
		6,459	5,602	(339)	(86)

The accompanying notes form an integral part of these financial statements

STANBIC IBTC HOLDINGS PLC

**Statement of changes in equity
for the three months period ended 31 March 2016**

Group	note	Ordinary share capital N'million	Share premium N'million	Merger reserve N'million	Statutory credit risk reserve N'million	Available-for- sale revaluation reserve N'million	Share-based payment reserve N'million	Other regulatory reserves N'million	Retained earnings N'million	Ordinary shareholders' equity N'million	Non- controlling interest N'million	Total equity N'million
Balance at 1 January 2016		5,000	65,450	(19,123)	6,684	1,226	56	26,218	38,215	123,726	5,241	128,967
Total comprehensive (loss)/income for the period						(1,313)		-	6,843	5,530	929	6,459
Profit for the period									6,843	6,843	948	7,791
Other comprehensive (loss)/income after tax for the period						(1,313)		-		(1,313)	(19)	(1,332)
Net change in fair value on available-for-sale financial assets						(1,301)				(1,301)	(19)	(1,320)
Realised fair value adjustments on available-for-sale financial assets						(12)				(12)		(12)
Statutory credit risk reserve									-			-
Transactions with shareholders, recorded directly in equity		-					14		-	14	-	14
Equity-settled share-based payment transactions							14			14		14
Dividends paid to equity holders										-		-
Balance at 31 March 2016		5,000	65,450	(19,123)	6,684	(87)	70	26,218	45,058	129,270	6,170	135,440
Balance at 1 January 2015 (as previously reported)		5,000	65,450	(19,123)	3,366	(1,462)	402	22,955	33,464	110,052	4,223	114,275
Impact of prior period restatement								895	5,074	5,969		5,969
Restated balance at 1 January 2015		5,000	65,450	(19,123)	3,366	(1,462)	402	23,850	38,538	116,021	4,223	120,244
Total comprehensive income/(loss) for the period						1,373			3,503	4,876	726	5,602
Profit for the period									3,503	3,503	711	4,214
Other comprehensive income/(loss) after tax for the period						1,373				1,373	15	1,388
Net change in fair value on available-for-sale financial assets						634				634	15	649
Realised fair value adjustments on available-for-sale financial assets						739				739		739
Statutory credit risk reserve					-				-			-
Transfer to statutory reserves					-				-			-
Transactions with shareholders, recorded directly in equity		-	-	-	-	-	6	-	-	6	-	6
Equity-settled share-based payment transactions							6		-	6		6
Dividends paid to equity holders									-	-		-
Balance at 31 March 2015		5,000	65,450	(19,123)	3,366	(89)	408	23,850	42,041	120,903	4,949	125,852

The accompanying notes form an integral part of these financial statements

STANBIC IBTC HOLDINGS PLC

Statement of changes in equity for the three months period ended 31 March 2016

Company	Ordinary share capital N'million	Share premium N'million	Available-for- sale revaluation reserve N'million	Share-based payment reserve N'million	Other regulatory reserves N'million	Retained earnings N'million	Ordinary shareholders' equity N'million
Balance at 1 January 2016	5,000	65,450	-	9	-	1,901	72,360
Total comprehensive income/(loss) for the period			-			(339)	(339)
Profit for the period	-	-	-	-	-	(339)	(339)
Transactions with shareholders, recorded directly in equity	-	-	-	2	-	-	2
Equity-settled share-based payment transactions			-	2	-	-	2
Dividends paid to equity holders						-	-
Balance at 31 March 2016	5,000	65,450	-	11	-	1,562	72,023
Restated balance at 1 January 2015	5,000	65,450	-	16	-	2,524	72,990
Total comprehensive income for the period			-			9,871	(86)
Profit for the period	-	-	-	-	-	(86)	(86)
Transactions with shareholders, recorded directly in equity	-	-	-	(4)	-	6	2
Equity-settled share-based payment transactions			-	2	-	-	2
Dividends paid to equity holders	-	-	-	-	-	-	-
Balance at 31 March 2015	5,000	65,450	-	12	-	12,401	72,906

The accompanying notes form an integral part of these financial statements

STANBIC IBTC HOLDINGS PLC

Interim consolidated and separate statement of cash flows for the three months period ended 31 March 2016

	Note	Group		Company	
		31-Mar-16 N million	31-Mar-15 N million	31-Mar-16 N million	31-Mar-15 N million
Net cash flows from operating activities		111,702	(62,492)	1,186	869
Cash flows used in operations		100,925	(73,474)	1,503	869
Profit before tax		10,243	4,815	(9)	(65)
Adjusted for:		(6,817)	(5,890)	51	47
Credit impairment charges on loans and advances	20.6	2,269	3,941	-	-
Depreciation of property and equipment	20.7	904	855	52	45
Dividends included in other revenue	20.5	-	15	-	-
Equity-settled share-based payments		14	6	2	2
Interest expense		7,126	9,015	-	-
Interest income		(17,676)	(19,716)	(3)	-
Non-cash flow movements to subordinated debt		547	-	-	-
Loss/(profit) on sale of property and equipment		(1)	(6)	-	-
Increase in income-earning assets	16.1	(35,318)	(81,572)	(67)	55
Increase in deposits and other liabilities	16.2	132,817	9,173	1,528	832
Dividends received		-	(15)	-	-
Interest paid		(6,579)	(8,719)	-	-
Interest received		17,676	19,716	3	-
Direct taxation paid		(320)	-	(320)	-
Net cash flows used in investing activities		(18,909)	86,083	(279)	9
Capital expenditure on - property		(80)	(35)	-	-
- equipment, furniture and vehicles		(798)	(1,431)	(21)	-
Proceeds from sale of property, equipment, furniture and vehicles		43	86	-	9
Sale of/(Investment in) financial investment securities, net		(18,074)	87,463	(258)	-
Net cash flows used in financing activities		(3,419)	(3,373)	-	-
Net decrease in other borrowings		(3,419)	(3,373)	-	-
Net increase in cash and cash equivalents		89,374	20,218	907	878
Effect of exchange rate changes on cash and cash equivalents		(142)	4,061	-	-
Cash and cash equivalents at beginning of the period		107,398	51,556	8	784
Cash and cash equivalents at end of the period	16.3	196,630	75,835	915	1,662

The accompanying notes form an integral part of these financial statements

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements

for the three months period ended 31 March 2016

1 Reporting entity

Stanbic IBTC Holdings PLC (the 'company') is a company domiciled in Nigeria. The address of the company is IBTC Place, Plot 1C Walter Carrington Crescent, Victoria Island, Lagos. The condensed consolidated interim financial statements as at and for the three months period ended 31 March 2016 comprise the company and its subsidiaries (together referred to as the 'group'). The group is primarily involved in the provision of banking and other financial services to corporate and individual customers.

2 Basis of preparation

(a) Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the group since the last annual consolidated financial statements as at and for the year ended 31 December 2015.

This condensed consolidated interim financial statement does not include all the information required for full annual financial statements prepared in accordance with International Financial reporting Standards (IFRS), and should be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2015.

The condensed consolidated interim financial statements was approved by the Board of Directors on 08 December 2016.

(b) Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- derivative financial instruments are measured at fair value
- financial instruments at fair value through profit or loss are measured at fair value
- available-for-sale financial assets are measured at fair value
- liabilities for cash-settled share-based payment arrangements are measured at fair value
- trading liabilities are measured at fair value

(c) Functional and presentation currency

The condensed consolidated interim financial statements are presented in Nigerian Naira, which is the company's functional and presentation currency. All financial information presented in Naira has been rounded to the nearest million, except when otherwise stated.

(d) Use of estimates and judgement

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2015.

3 Statement of significant accounting policies

The accounting policies applied by the group in preparation of these condensed interim financial statements are consistent with those applied by the group in the preparation of its consolidated annual financial statements for the year ended 31 December 2015.

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

4 Segment reporting

The group is organised on the basis of products and services, and the segments have been identified on this basis. The principal business units in the group are as follows:

Business unit

Personal & Business Banking	<p>Banking and other financial services to individual customers and small-to-medium-sized enterprises.</p> <p>Mortgage lending – Provides residential accommodation loans to mainly personal market customers.</p> <p>Instalment sale and finance leases – Provides instalments finance to personal market customers and finance of vehicles and equipment in the business market.</p> <p>Card products – Provides credit and debit card facilities for individuals and businesses.</p> <p>Transactional and lending products – Transactions in products associated with the various points of contact channels such as ATMs, internet, telephone banking and branches. This includes deposit taking activities, electronic banking, cheque accounts and other lending products coupled with debit card facilities to both personal and business market customers.</p>
Corporate & Investment Banking	<p>Corporate and investment banking services to larger corporates, financial institutions and international counterparties.</p> <p>Global markets – Includes foreign exchange, fixed income, interest rates, and equity trading. Transaction process and services - includes transactional banking and investors services.</p> <p>Transactional and lending products – Includes corporate lending and transactional banking businesses, custodial services, trade finance business and property-related lending.</p> <p>Investment banking – Include project finance, structured finance, equity investments, advisory, corporate lending, primary market acquisition, leverage finance and structured trade finance.</p>
Wealth	<p>The wealth group is made up of the company's subsidiaries, whose activities involve investment management, portfolio management, unit trust/funds management, and trusteeship.</p>

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

4 Segment reporting

Operating segments

	Personal & Business Banking		Corporate & Investment Banking		Wealth		Eliminations		Group	
	31 Mar. 2016	31 Mar. 2015	31 Mar. 2016	31 Mar. 2015	31 Mar. 2016	31 Mar. 2015	31 Mar. 2016	31 Mar. 2015	31 Mar. 2016	31 Mar. 2015
	N million	N million	N million	N million	N million	N million	N million	N million	N million	N million
Net interest income	6,330	5,183	3,578	4,720	642	798	-	-	10,550	10,701
Non-interest revenue	4,434	1,797	6,069	6,952	6,653	5,377	(218)	(159)	16,938	13,967
Total income	10,764	6,980	9,647	11,672	7,295	6,175	(218)	(159)	27,488	24,668
Credit impairment charges	(1,276)	(1,847)	(993)	(2,094)	-	-	-	-	(2,269)	(3,941)
Income after credit impairment charges	9,488	5,133	8,654	9,578	7,295	6,175	(218)	(159)	25,219	20,727
Operating expenses in banking activities	(8,074)	(7,866)	(5,255)	(6,239)	(1,865)	(1,966)	218	159	(14,976)	(15,912)
Staff costs	(4,274)	(3,868)	(1,964)	(2,243)	(979)	(983)	-	-	(7,217)	(7,094)
Other operating expenses	(3,800)	(3,998)	(3,291)	(3,996)	(886)	(983)	218	159	(7,759)	(8,818)
Profit before direct taxation	1,414	(2,733)	3,399	3,339	5,430	4,209	-	-	10,243	4,815
Direct taxation	(254)	573	(412)	415	(1,786)	(1,589)	-	-	(2,452)	(601)
Profit for the period	1,160	(2,160)	2,987	3,754	3,644	2,620	-	-	7,791	4,214

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

	Group		Company	
	31 Mar. 2016 N'million	31 Dec. 2015 N'million	31 Mar. 2016 N'million	31 Dec. 2015 N'million
5 Cash and cash equivalents				
Coins and bank notes	29,901	36,541	-	-
Balances with central banks	212,592	107,695	-	-
Current balances with banks within Nigeria	21,090	17,507	915	8
Current balances with banks outside Nigeria	47,787	49,738	-	-
	311,370	211,481	915	8

Cash and balances with central bank include N112,632 million (Dec. 2015: N104,083 million) that is not available for use by the group on a day to day basis. These restricted balances comprise primarily reserving requirements held with Central Bank of Nigeria (CBN).

6 Derivative assets and liabilities

	Group		Company	
	31 Mar. 2016 N'million	31 Dec. 2015 N'million	31 Mar. 2016 N'million	31 Dec. 2015 N'million
6.1 Derivative assets				
Foreign exchange derivatives	82	307	-	-
Forwards	82	307	-	-
Options	-	-	-	-
Interest rate derivatives	86	604	-	-
Forwards	-	-	-	-
Swaps	86	604	-	-
Total derivative assets	168	911	-	-
6.2 Derivative liabilities				
Foreign exchange derivatives	178	(306)	-	-
Forwards	178	(306)	-	-
Options	-	-	-	-
Interest rate derivatives	777	(77)	-	-
Forwards	-	-	-	-
Swaps	777	(77)	-	-
Total derivative liabilities	955	(383)	-	-

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued) for the three months period ended 31 March 2016

7 Trading assets and trading liabilities

Trading assets and trading liabilities mainly relates to client-facilitating activities carried out by the Global Markets business. These instruments are managed on a combined basis and should therefore be assessed on a total portfolio basis and not as stand-alone assets and liability classes.

	Group		Company	
	31 Mar. 2016 N million	31 Dec. 2015 N million	31 Mar. 2016 N million	31 Dec. 2015 N million
7.1 Trading assets				
Classification				
Listed	51,467	37,145	-	-
Unlisted	1,053	811	-	-
	52,520	37,956	-	-
Comprising:				
Government bonds	882	2,027	-	-
Corporate bonds	1,385	-	-	-
Treasury bills	49,199	35,115	-	-
Listed equities	1	3	-	-
Reverse repurchase agreements	-	-	-	-
Placements	1,053	811	-	-
	52,520	37,956	-	-

	Group		Company	
	31 Mar. 2016 N million	31 Dec. 2015 N million	31 Mar. 2016 N million	31 Dec. 2015 N million
7.2 Trading liabilities				
Classification				
Listed	42,130	7,911	-	-
Unlisted	10,059	16,190	-	-
	52,189	24,101	-	-
Comprising:				
Government bonds (short positions)	1,448	6	-	-
Deposits	10,059	16,190	-	-
Treasury bills (short positions)	40,682	7,905	-	-
	52,189	24,101	-	-

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

	Group		Company	
	31 Mar. 2016	31 Dec. 2015	31 Mar. 2016	31 Dec. 2015
	N million	N million	N million	N million
8 Financial investments				
Short - term negotiable securities	166,610	149,225	-	-
Listed	166,610	149,225	-	-
Unlisted	-	-	-	-
Other financial investments	12,827	13,470	916	658
Listed	12,076	12,689	654	658
Unlisted	751	781	262	-
	179,437	162,695	916	658
8.1 Comprising:				
Government bonds	1,256	1,273	-	-
Treasury bills	166,610	149,225	-	-
Unlisted equities	751	781	262	-
Mutual funds and unit-linked investments	10,820	11,416	654	658
	179,437	162,695	916	658

	Group		Company	
	31 Mar. 2016	31 Dec. 2015	31 Mar. 2016	31 Dec. 2015
	N million	N million	N million	N million
9 Pledged assets				
9.1 Pledged assets				
Financial assets that may be repledged or resold by counterparties				
Treasury bills	71,251	86,570	-	-
	71,251	86,570	-	-

STANBIC IBTC HOLDINGS PLC
Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

	Group		Company	
	31 Mar. 2016 N million	31 Dec. 2015 N million	31 Mar. 2016 N million	31 Dec. 2015 N million
10 Loans and advances				
Loans and advances net of impairments				
10.1 Loans and advances to banks	28,073	26,782	-	-
Call loans	-	-	-	-
Placements	28,073	26,782	-	-
10.2 Loans and advances to customers	336,694	353,513	-	-
Gross loans and advances to customers	364,829	379,428	-	-
Mortgage loans	9,602	9,953	-	-
Instalment sale and finance leases	22,351	23,376	-	-
Card debtors	1,441	1,386	-	-
Overdrafts and other demand loans	34,348	33,945	-	-
Medium term loans	293,634	307,186	-	-
Others loans and advances	3,453	3,582	-	-
Credit impairments for loans and advances	(28,135)	(25,915)	-	-
Specific credit impairments	(19,767)	(18,691)	-	-
Portfolio credit impairments	(8,368)	(7,224)	-	-
Net loans and advances	364,767	380,295	-	-

Included in loans and advances to banks is N20,314 million (Dec. 2014: N23,782 million) due from Standard Bank Group. Of this amount, N3,101 million (2015: N2,914 million) relates to proceed received from SBSA from sale of Finacle software. The fund is placed in an escrow account is not available for use by the group on a day to day basis.

10.3 Analysis of gross loans and advances to customers by performance

Performing loans	333,845	379,174	-	-
Non- performing loans	30,984	27,036	-	-
	364,829	406,210	-	-

	Group		Company	
	31 Mar. 2016 N million	31 Dec. 2015 N million	31 Mar. 2016 N million	31 Dec. 2015 N million
11 Other assets				
Trading settlement assets	43,850	5,541	-	-
Due from group companies	912	978	1,411	1,433
Accrued income	331	238	-	-
Indirect / withholding tax receivables	690	741	135	114
Accounts receivable	11,141	9,152	130	72
Receivable in respect of unclaimed dividends	1,042	1,051	1,042	1,051
Prepayments	6,902	6,931	395	-
Other debtors	107	710	-	376
	64,975	25,342	3,113	3,046
Impairment on doubtful recoveries	(1,244)	(1,601)	(50)	(50)
	63,731	23,741	3,063	2,996

The increase in other assets is as a result of outstanding receivables in respect of unsettled trades on financial instruments. By their nature, these receivables are transit items and have been settled subsequent to period end.

STANBIC IBTC HOLDINGS PLC
Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

	Group		Company	
	31 Mar. 2016 N million	31 Dec. 2015 N million	31 Mar. 2016 N million	31 Dec. 2015 N million
12 Deposits and current accounts				
Deposits from banks	105,038	95,446	-	-
Deposits under repurchase agreement	30,477	40,460	-	-
Other deposits from banks	74,561	54,986	-	-
Deposits from customers	547,758	493,513	-	-
Current accounts	225,928	188,148	-	-
Call deposits	31,642	38,192	-	-
Savings accounts	32,643	27,301	-	-
Term deposits	200,866	192,646	-	-
Negotiable certificate of deposits	56,679	47,226	-	-
Total deposits and current accounts	652,796	588,959	-	-

	Group		Company	
	31 Mar. 2016 N million	31 Dec. 2015 N million	31 Mar. 2016 N million	31 Dec. 2015 N million
13 Other borrowings				
On-lending borrowings	57,605		-	-
(i) FMO - Netherland Development Finance Company	9,079	8,907	-	-
(ii) African Development Bank	497	-	-	-
(iii) Bank of Industry	4,716	5,337	-	-
(iv) Standard Bank Isle of Man	34,846	37,229	-	-
(v) CBN Commercial Agricultural Credit Scheme (CACS)	8,467	9,335	-	-
Other debt funding	20,083		-	-
(vi) Debt funding from banks	20,083	20,299	-	-
	77,688	81,107	-	-

- (i) Stanbic IBTC Bank PLC ("the bank"), a subsidiary of the company, obtained a new on-lending dollar-denominated loan of USD\$45 million from Netherland Development Finance Company (FMO) during the period after the expiration of the initial loan on 15 January 2015. The new facility is effective from 08 April 2015 and has a maturity date of 20 December 2019. Interest rate on the loan is 6 months LIBOR plus 3.50%. The facility is unsecured.
- (ii) This represents US\$2.5m on-lending facility obtained during the period from African Development Bank. The facility was disbursed in two tranches of US\$1.25 million each. Tranche A is priced at 6-month LIBOR + 3.6%, while Tranche B is priced at 6-month LIBOR +1.9%. Both tranches expires 09 June 2022 and are unsecured.
- (iii) This represents existing Central Bank of Nigeria (CBN) initiated on-lending naira facility obtained from Bank of Industry in September 2010 at a fixed rate of 1% per annum on a tenor based on agreement with individual beneficiary customer. Disbursement of these funds are represented in loans and advances to customers.
- (iv) This represents existing dollar denominated long term on-lending facilities with floating rates tied to LIBOR from Standard Bank Isle of Man with average tenor of 5 years.
- (v) This represents existing facility from the Central Bank of Nigeria (CBN) for the purpose of on-lending to customers under the Commercial Agricultural Credit Scheme (CACS). The tenor is based on agreement with individual beneficiary customer. Disbursement of these funds are represented in loans and advances to customers. Based on the structure of the facility, the bank assumes default risk of amount lent to its customers.
- (vi) Other debt funding relates to a dollar-denominated facility of US\$103 million obtained from a consortium of foreign banks effective 24 November 2015. The facility expires on 24 November 2016 and is repayable at maturity. Interest on the facility is payable quarterly at 3-month LIBOR (London Interbank Offered Rate) plus 2.25%.

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

	Group		Company	
	31 Mar. 2016 N million	31 Dec. 2015 N million	31 Mar. 2016 N million	31 Dec. 2015 N million
14 Subordinated debt				
(i) Subordinated fixed rate notes- Naira denominated	15,940	15,594	-	-
(ii) Subordinated floating rate notes -Naira denominated	108	104	-	-
(iii) Subordinated debt - US dollar denominated	8,198	8,001	-	-
	24,246	23,699	-	-

- (i) This represents Naira denominated subordinated debt issued on 30 September 2014 at an interest rate of 13.25% per annum payable semi-annually. It has a tenor of 10 years and is callable after 5 years from the issue date. The debt is unsecured.
- (ii) This represents N100 million Naira denominated subordinated debt issued on 30 September 2014. Interest is payable semi-annually at 6-month Nigerian Treasury Bills yield plus 1.20%. It has a tenor of 10 years and is callable after 5 years from the issue date. The debt is unsecured.
- (iii) US dollar denominated term subordinated non-collateralised facility of USD\$40 million from Standard Bank of South Africa on 31 May 2013. The facility expires on 31 May 2025 and is repayable at maturity. Interest on the facility is payable semi-annually at LIBOR (London Interbank Offered Rate) plus 3.60%.

The group has not had any default of principal, interest or any other breaches with respect to its debt securities during the period ended 31 March 2016 (Dec. 2015: Nil)

	Group		Company	
	31 Mar. 2016 N million	31 Dec. 2015 N million	31 Mar. 2016 N million	31 Dec. 2015 N million
15 Provisions and other liabilities				
Trading settlement liabilities	39,086	3,672	-	-
Cash-settled share-based payment liability	1,059	930	158	120
Accrued expenses - Staff	1,297	4,137	-	351
Deferred revenue liability	3,117	4,238	-	-
Accrued expenses - Others	8,940	5,892	961	1,045
Due to group companies	8,362	7,588	795	63
Collections / remittance payable	8,577	10,511	-	-
Customer deposit for letters of credit	18,371	17,203	-	-
Liability on refinanced letters of credit	-	1,438	-	-
Payables to suppliers and asset management clients	2,467	1,468	6	4
Unclaimed balance	5,779	5,893	-	-
Electronic channels settlement liability	695	2,185	-	-
Draft & bank cheque payable	1,845	1,423	-	-
Unclaimed dividends liability	1,546	1,574	1,546	1,574
Sundry liabilities	11,037	3,322	1,544	325
	112,178	71,474	5,010	3,482

The increase in other liabilities is mainly as a result of outstanding payables in respect of unsettled trades on financial instruments. By their nature, these payables are transit items and have been settled subsequent to period end.

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

	Group		Company	
	31 Mar. 2016	31 Mar. 2015	31 Mar. 2016	31 Mar. 2015
	N million	N million	N million	N million
16 Statement of cash flows notes				
16.1 Decrease/(increase) in income-earning assets				
Net derivative assets	1,315	2,085	-	-
Trading assets	(14,564)	19,368	-	-
Pledged assets	15,319	(22,723)	-	-
Loans and advances	13,259	(34,440)	-	-
Other assets	(39,990)	(23,740)	(67)	55
Restricted balance with the Central Bank	(10,657)	(22,122)	-	-
	(35,318)	(81,572)	(67)	55
16.2 Increase/(decrease) in deposits and other liabilities				
Deposit and current accounts	63,837	(3,510)	-	-
Trading liabilities	28,088	(3,045)	-	-
Other liabilities and provisions	40,892	15,728	1,528	832
	132,817	9,173	1,528	832
16.3 Cash and cash equivalents - Statement of cash flows				
Cash and cash equivalents (note 7)	311,370	189,572	915	1,662
Less: restricted balance with the Central Bank of Nigeria	(114,740)	(113,737)	-	-
Cash and cash equivalents at end of the period	196,630	75,835	915	1,662

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued) for the three months period ended 31 March 2016

17 Classification of financial instruments Accounting classifications and fair values

The table below sets out the group's classification of assets and liabilities, and their fair values.

	Note	Held-for- trading	Loans and receivables	Available-for- sale	Other amortised cost	Total carrying amount	Fair value ¹
		N million	N million	N million	N million	N million	N million
31 March 2016							
Assets							
Cash and cash equivalents	5	-	-	-	311,370	311,370	311,370
Derivative assets	6	168	-	-	-	168	168
Trading assets	7	52,520	-	-	-	52,520	52,520
Pledged assets	9	-	-	71,251	-	71,251	71,251
Financial investments	8	-	-	179,437	-	179,437	179,437
Asset held for sale		-	-	262	-	262	262
Loans and advances to banks	10	-	28,073	-	-	28,073	28,073
Loans and advances to customers	10	-	336,694	-	-	336,694	316,492
Other financial assets		-	53,854	-	-	53,854	53,854
		52,688	364,767	250,950	311,370	1,033,629	1,013,427
Liabilities							
Derivative liabilities	6	955	-	-	-	955	955
Trading liabilities	7	52,189	-	-	-	52,189	52,189
Deposits from banks	12	-	-	-	105,038	105,038	105,038
Deposits from customers	12	-	-	-	547,758	547,758	551,866
Subordinated debt		-	-	-	24,246	24,246	22,064
Other borrowings		-	-	-	77,688	77,688	73,027
Other financial liabilities		-	-	-	97,765	97,765	97,765
		53,144	-	-	750,561	803,705	807,813

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Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

17 Classification of financial instruments continued

	Note	Held-for-trading N million	Loans and receivables N million	Available-for-sale N million	Other amortised cost N million	Total carrying amount N million	Fair value ¹ N million
31 December 2015							
Assets							
Cash and cash equivalents	5	-	-	-	211,481	211,481	211,481
Derivative assets	6	911	-	-	-	911	911
Trading assets	7	37,956	-	-	-	37,956	37,956
Pledged assets	9	61,496	-	25,074	-	86,570	86,570
Financial investments	8	-	-	162,695	-	162,695	162,695
Asset held for sale				262		262	262
Loans and advances to banks	10	-	26,782	-	-	26,782	8,821
Loans and advances to customers	10	-	353,513	-	-	353,513	310,946
Other financial assets		-	15,831	-	-	15,831	15,831
		38,867	380,295	188,031	211,481	896,001	835,473
Liabilities							
Derivative liabilities	6	383	-	-	-	383	383
Trading liabilities	7	24,101	-	-	-	24,101	24,101
Deposits from banks	12	-	-	-	95,446	95,446	96,523
Deposits from customers	12	-	-	-	493,513	493,513	497,194
Subordinated debt		-	-	-	23,699	23,699	23,959
Other borrowings		-	-	-	81,107	81,107	76,369
Other financial liabilities		-	-	-	67,236	67,236	67,236
		24,484	-	-	761,001	785,485	785,765

¹ Carrying value has been used where it closely approximates fair values. Fair value estimates are generally subjective in nature, and are made as of a specific point in time based on the characteristics of the financial instruments and relevant market information. Where available, the most suitable measure for fair value is the quoted market price. In the absence of organised secondary markets for financial instruments, such as loans, deposits and unlisted derivatives, direct market prices are not always available. The fair value of such instruments was therefore calculated on the basis of well-established valuation techniques using current market parameters. The fair value is a theoretical value applicable at a given reporting date, and hence can only be used as an indicator of the value realisable in a future sale.

18 Financial instruments measured at fair value

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, fair values are determined using other valuation techniques.

18.1 Valuation models

The group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1 - fair values are based on quoted market prices (unadjusted) in active markets for an identical instrument.

Level 2 - fair values are calculated using valuation techniques based on observable inputs, either directly (i.e. as quoted prices) or indirectly (i.e. derived from quoted prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3 - fair values are based on valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist, Black-Scholes and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, bonds and equity prices, foreign exchange rates, equity prices and expected volatilities and correlations.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the group believes that a third party market participant would take them into account in pricing a transaction. For measuring derivatives that might change classification from being an asset to a liability or vice versa such as interest rate swaps, fair values take into account both credit value adjustment (CVA) when market participants take this into consideration in pricing the derivatives.

18.2 Valuation framework

The group has an established control framework with respect to the measurement of fair values. This framework includes a *market risk function*, which has overall responsibility for independently verifying the results of trading operations and all significant fair value measurements, and a *product control function*, which is independent of front office management and reports to the Chief Financial Officer. The roles performed by both functions include:

- verification of observable pricing
- re-performance of model valuations;
- review and approval process for new models and changes to models
- calibration and back-testing of models against observed market transactions;
- analysis and investigation of significant daily valuation movements; and
- review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of level 3 instruments.

Significant valuation issues are reported to the audit committee.

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

18.3 Financial instruments measured at fair value - fair value hierarchy

The tables below analyze financial instruments carried at fair value at the end of the reporting period, by level of fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

Group	Level 1 N million	Level 2 N million	Level 3 N million	Total N million
31 March 2016				
Assets				
Derivative assets	-	168	-	168
Trading assets	51,467	1,053	-	52,520
Pledged assets	71,251	-	-	71,251
Financial investments	178,686	511	240	179,437
Asset held for sale	-	-	262	262
	301,404	1,732	502	303,638
Comprising:				
Held-for-trading	51,467	1,221	-	52,688
Available-for-sale	249,937	511	502	250,950
	301,404	1,732	502	303,638
Liabilities				
Derivative liabilities	-	955	-	955
Trading liabilities	42,130	10,059	-	52,189
	42,130	11,014	-	53,144
Comprising:				
Held-for-trading	42,130	11,014	-	53,144
Designated at fair value	-	-	-	-
	42,130	11,014	-	53,144

There have been no transfers between Level 1 and Level 2 during the period.

Group	Level 1 N million	Level 2 N million	Level 3 N million	Total N million
31 December 2015				
Assets				
Derivative assets	-	911	-	911
Trading assets	37,145	811	-	37,956
Pledged assets	86,570	-	-	86,570
Financial investments	161,914	541	240	162,695
Asset held for sale	-	-	262	262
	285,629	2,263	502	288,394
Comprising:				
Held-for-trading	98,641	1,722	-	100,363
Available-for-sale	186,988	541	502	188,031
	285,629	2,263	502	288,394
Liabilities				
Derivative liabilities	-	383	-	383
Trading liabilities	7,911	16,190	-	24,101
	7,911	16,573	-	24,484
Comprising:				
Held-for-trading	7,911	16,573	-	24,484
Designated at fair value	-	-	-	-
	7,911	16,573	-	24,484

There have been no transfers between Level 1 and Level 2 during the period.

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

18.3 Level 3 fair value measurement

- (i) The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in level 3 of the fair value hierarchy.

	31 Mar. 2016 N million	31 Dec. 2015 N million
Financial investments - unquoted equities		
Balance at 1 January	502	164
Gain/(loss) recognised in other comprehensive income	-	338
Purchases	-	-
Balance at period end	502	502

Gain or loss for the period in the table above are presented in the statement of other comprehensive income as follows:

	31 Mar. 2016 N million	31 Dec. 2015 N million
Net change in fair value of available-for-sale financial assets	-	338

(ii) Unobservable inputs used in measuring fair value

The information below describes the significant unobservable inputs used at period end in measuring financial instruments categorised as level 3 in the fair value hierarchy.

Type of financial instrument	Valuation technique	Significant unobservable input	Fair value measurement sensitivity to unobservable input
Unquoted equities	Discounted cash flow	- Risk adjusted discount rate '- Cash flow estimates	A significant increase in the spread above the risk-free rate would result in a lower fair value.

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

18.4 Financial instruments not measured at fair value - fair value hierarchy

The following table set out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised.

Group	Carrying amount N million	Fair value			Total N million
		Level 1 N million	Level 2 N million	Level 3 N million	
31 March 2016					
Assets					
Cash and cash equivalents	311,370	311,370			311,370
Loans and advances to banks	28,073	-	-	28,073	28,073
Loans and advances to customers	336,694	-	-	316,492	316,492
Other financial assets	53,854	-	53,854	-	53,854
					-
	729,991	311,370	53,854	344,565	709,789
Liabilities					
Deposits from banks	105,038		105,038	-	105,038
Deposits from customers	547,758	290,213	261,653	-	551,866
Other borrowings	77,688	-	73,027	-	73,027
Subordinated debt	24,246	-	22,064	-	22,064
Other financial liabilities	97,765	-	97,765	-	97,765
					-
	852,495	290,213	559,547	-	849,760

Group		Level 1 N million	Level 2 N million	Level 3 N million	Total N million
31 December 2015					
Assets					
Cash and cash equivalents	211,481	211,481			211,481
Loans and advances to banks	26,782	-	-	26,790	26,790
Loans and advances to customers	353,513	-	-	333,109	333,109
Other financial assets	15,831	-	15,831	-	15,831
					-
	607,607	211,481	15,831	359,899	587,211
Liabilities					
Deposits from banks	95,446	-	96,523	-	96,523
Deposits from customers	493,513	-	497,194	-	497,194
Other borrowings	81,107	-	76,369	-	76,369
Subordinated debt	23,699	-	23,959	-	23,959
Other financial liabilities	67,236	-	67,236	-	67,236
					-
	761,001	-	761,281	-	761,281

Fair value of loans and advances is estimated using discounted cash flow techniques. Input into the valuation techniques includes interest rates and value of underlying collateral.

Fair value of deposits from banks and customers is estimated using discounted cash flow techniques, applying the rates offered for deposits of similar maturities and terms. The fair value of deposits payable on demand is the amount payable at the reporting date.

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Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

	Group		Company	
	31 Mar. 2016 N million	31 Dec. 2015 N million	31 Mar. 2016 N million	31 Dec. 2015 N million
19	Contingent liabilities and commitments			
19.1	Contingent liabilities			
Letters of credit	24,901	19,638	-	-
Guarantees	23,942	30,335	-	-
	48,843	49,973	-	-

Performance bonds and guarantees are generally short term commitments to third parties which are not directly dependent on the customer's credit worthiness.

Letters of credit are agreements to lend to a customer in the future, subject to certain conditions. They are secured by different types of collaterals similar to those accepted for actual credit facilities.

19.2 Legal proceedings

In the conduct of its ordinary course of business, the group is exposed to various actual and potential claims, lawsuits and other proceedings relating to alleged errors and omissions, or non-compliance with laws and regulations. The directors are satisfied, based on present information and the assessed probability of claims crystallising, that the group has adequate insurance programmes and provisions in place to meet such claims.

There were a total of 199 legal proceedings outstanding as at 31 March 2016. 149 of these were against the group with claims amounting to N404 billion (Dec. 2015: N399.6 billion) , while 50 other cases were instituted by the group with claims amounting to N8.4 billion (31 Dec. 2015: N9 billion).

The claims against the bank are being vigorously defended. It is not expected that the ultimate resolution of any of the proceedings will have a significant adverse effect on the financial position of the group.

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

20 Supplementary income statement information

	Group		Company	
	31 Mar. 2016 N million	31 Mar. 2015 N million	31 Mar. 2016 N million	31 Mar. 2015 N million
20.1 Interest income				
Interest on loans and advances to banks	203	277		
Interest on loans and advances to customers	13,551	13,901	-	-
Interest on investments	3,922	5,538	3	-
	17,676	19,716	3	-
All interest income reported above relates to financial assets not carried at fair value through profit or loss. Increase in interest income is mainly on the back of growth in volume of loans and advances to customers as well as the upward re-pricing of customer loans carried out during the period.				
20.2 Interest expense				
Savings accounts	168	147	-	-
Current accounts	130	413	-	-
Call deposits	237	1,375	-	-
Term deposits	4,645	5,749	-	-
Interbank deposits	833	351	-	-
Borrowed funds	1,113	980	-	-
	7,126	9,015	-	-
The interest expense reported above relates to financial liabilities not carried at fair value through profit or loss. Growth in interest expense is largely driven by increase in deposits volume as well as rates.				
20.3 Net fee and commission revenue				
Fee and commission revenue	14,350	9,648	197	199
Account transaction fees	2,721	487	-	-
Card based commission	958	468	-	-
Brokerage and financial advisory fees	599	1,650	197	-
Asset management fees	6,442	5,252	-	-
Custody transaction fees	320	547	-	-
Electronic banking	254	138	-	-
Foreign currency service fees	2,586	367	-	-
Documentation and administration fees	183	209	-	-
Others	287	530	-	199
Fee and commission expense	(166)	(104)	-	-
	14,184	9,544	197	199
20.4 Trading revenue				
Foreign exchange	(144)	3,947	-	-
Fixed income	1,338	308	-	-
Interest rates	1,442	(27)	-	-
Equities	(1)	-	-	-
	2,635	4,228	-	-

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

20 Supplementary income statement information continued

	Group		Company	
	31 Mar. 2016 N million	31 Mar. 2015 N million	31 Mar. 2016 N million	31 Mar. 2015 N million
20.5 Other revenue				
Dividend income	-	15	-	-
Others	119	180	13	3
	119	195	13	3
20.6 Credit impairment charges				
Net specific credit impairment charges	1,125	1,685	-	-
Specific credit impairment charges	1,204	1,729	-	-
Recoveries on loans and advances previously written	(79)	(44)	-	-
Portfolio credit impairment charges/(reversal)	1,144	2,256	-	-
	2,269	3,941	-	-
20.7 Other operating expenses				
Information technology	944	1,184		
Communication	255	230		
Premises and maintenance	930	902		
Marketing and advertising	276	471		
Insurance	1,816	1,801		
Professional fees	567	1,306		
Depreciation	904	855	52	45
Stationery and printing	137	183		
Security	309	265		
Travel and entertainment	208	392		
Administration and membership fees	348	315		
Training	51	148		
Others	1,014	766	78	116
	7,759	8,818	130	161
20.8 Income tax				
Current tax	2,496	1,837	320	-
Deferred tax	(44)	(1,236)	10	21
	2,452	601	330	21

'Others' include pension administration expenses, donations, and miscellaneous expenses.

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

	Group		Company	
	31 Mar. 2016 N million	31 Mar. 2015 N million	31 Mar. 2016 N million	31 Mar. 2015 N million
21 Earnings per ordinary share				
The calculation of basic earnings per ordinary share and diluted earnings per ordinary share are as follows:				
Earnings based on weighted average shares in issue				
Earnings attributable to ordinary shareholders (N million)	6,843	3,503	(339)	(86)
Weighted average number of ordinary shares in issue (number of shares)				
Weighted average number of ordinary shares in issue	10,000	10,000	10,000	10,000
Basic earnings per ordinary share (kobo)	68	35	(3)	(1)

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Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

22 Related party transactions

22.1 Parent

Standard Bank Group ("SBG") of South Africa is the ultimate holding company of Stanbic IBTC Holdings PLC.

22.2 Subsidiaries

Details of effective interest in subsidiaries are disclosed below.

Stanbic IBTC Bank PLC	100%
Stanbic IBTC Ventures Limited	100%
Stanbic IBTC Capital Limited	100%
Stanbic IBTC Asset Management Limited	100%
Stanbic IBTC Pension Managers Limited	70.59%
Stanbic IBTC Nominees Limited	100%
Stanbic IBTC Stockbrokers Limited	100%
Stanbic IBTC Trustees Limited	100%
Stanbic IBTC Insurance Brokers Limited	100%
Stanbic IBTC Investments Limited	100%
Stanbic IBTC Bureau De Change Limited - Indirect subsidiary	100%
Stanbic IBTC Nominees Limited - Indirect subsidiary	100%

22.3 Key management personnel

Key management personnel includes: members of the Stanbic IBTC Holdings PLC board of directors and Stanbic IBTC Holdings PLC executive committee. Non-executive directors are included in the definition of key management personnel as required by IAS 24 Related Party Disclosure. The definition of key management includes the close members of family of key management personnel and any entity over which key management exercise control, joint control or significant influence. Close members of family are those family members who may be expected to influence, or be influenced by that person in their dealings with Stanbic IBTC Holdings PLC. They include the person's domestic partner and children, the children of the person's domestic partner, and dependents of the person or the person's domestic partner.

	31 Mar. 2016 N million	31 Mar. 2015 N million
Key management compensation		
Salaries and other short-term benefits	229	204
Post-employment benefits	13	11
Value of share options and rights expensed	(26)	98
	216	313

The transactions below are entered into in the normal course of business.

	31 Mar. 2016 N million	31 Dec. 2015 N million
Loans and advances		
Loans outstanding at the beginning of the period	330	200
Net movement during the period	(83)	130
Loans outstanding at the end of the period	247	330

Loans include mortgage loans, instalment sale and finance leases and credit cards. No specific impairments have been recognised in respect of loans granted to key management (2015: nil). The mortgage loans and instalment sale and finance leases are secured by the underlying assets. All other loans are unsecured.

Deposit and current accounts

Deposits outstanding at beginning of the period	373	352
Net movement during the period	37	21
Deposits outstanding at end of the period	410	373

Deposits include cheque, current and savings accounts.

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

22 Related party transactions continued

22.4 Service contracts with related parties

In the normal course of business, current accounts are operated and placements of foreign currencies and trades between currencies are made between the parent company and other group companies at interest rates that are in line with the market.

	31 Mar. 2016	31 Dec. 2015
	N million	N million
(i) Due from group companies		
Trading assets	1,053	811
Loans to banks	20,314	23,782
Current account balances	17,141	15,219
Derivatives	6	18
Other assets	912	978
	39,426	40,808
(ii) Due to group companies		
Deposits and current accounts	39,823	71,115
Derivatives	142	67
Trading liabilities	10,059	10,190
Subordinated debt	8,198	8,001
Other borrowings	34,846	37,229
Other liabilities	8,362	7,588
	101,430	134,190
(iii) Profit or loss impact of transactions with group entities		
Interest income earned	89	13
Interest expense paid	(912)	(949)
Trading revenue	(119)	(685)
Operating expense incurred	-	893

STANBIC IBTC HOLDINGS PLC

Notes to the condensed consolidated interim financial statements (continued)

for the three months period ended 31 March 2016

23 Summarised financial statements of the consolidated entities

	Stanbic IBTC Holdings PLC Company N'million	Stanbic IBTC Bank PLC N'million	Stanbic IBTC Capital Ltd N'million	Stanbic IBTC Pension Managers Ltd N'million	Stanbic IBTC Asset Mgt Ltd N'million	Stanbic IBTC Ventures Ltd N'million	Stanbic IBTC Trustees Ltd N'million	Stanbic IBTC Stockbrokers Ltd N'million	Stanbic IBTC Insurance Brokers Ltd N'million	Consoli-dations / Elimina -tions N'million	Stanbic IBTC Holdings PLC Group N'million
Income statement											
Net interest income	3	9,816	24	486	141	24	14	42	-	-	10,550
Non interest revenue	210	9,897	237	5,751	715	4	93	144	93	(206)	16,938
Total income	213	19,713	261	6,237	856	28	107	186	93	(206)	27,488
Staff costs	(92)	(5,744)	(332)	(714)	(207)	-	(49)	(69)	(10)	-	(7,217)
Operating expenses	(130)	(6,642)	(240)	(710)	(146)	(2)	(16)	(65)	(14)	206	(7,759)
Credit impairment charges	-	(2,269)	-	-	-	-	-	-	-	-	(2,269)
Total expenses	(222)	(14,655)	(572)	(1,424)	(353)	(2)	(65)	(134)	(24)	206	(17,245)
Profit before tax	(9)	5,058	(311)	4,813	503	26	42	52	69	-	10,243
Tax	(330)	(271)	(9)	(1,592)	(156)	(6)	(12)	(50)	(26)	-	(2,452)
Profit for the period	(339)	4,787	(320)	3,221	347	20	30	2	43	-	7,791
At 31 March 2015	(86)	1,199	149	2,418	177	65	26	266	-	-	4,214

**Risk management
for the three months period ended 31 March 2016**

Risk management

Risk management is at the core of the operating and management structures of the group. The group seeks to limit adverse variations in earnings and equity by managing the balance sheet and capital within specified levels of risk appetite. Managing and controlling risks, and in particular avoiding undue concentrations of exposure and limiting potential losses from stress events are essential elements of the group's risk management and control framework, which ultimately leads to the protection of the group's reputation and brand.

The most important types of risk arising from financial instruments are credit risk, liquidity risk and market risk. The management of these risks is discussed in the consolidated financial statements of the group as at and for the year ended 31 December 2015.

There have been no significant change in the group's risk factors and uncertainties relative to those described in the consolidated financial statements as at and for the year ended 31 December 2015.

Capital management

Capital adequacy

Capital adequacy ratio, which reflects the capital strength of an entity compared to the minimum regulatory requirements, is monitored by the management, essentially employing approaches based on the guidelines developed by the regulators for supervisory purposes. It is calculated by dividing the regulatory capital held by the bank by its risk-weighted assets. Regulatory capital comprises Tier 1 and Tier 2 capital as disclosed below while risk weighted assets comprise computed risk assets from credit, operational and market risks.

Risk-weighted assets for credit risk adopt the standardised approach using risk weight assigned to individual asset classes by the Central Bank in place of external credit assessment institutions' ratings, and taking into account any eligible collateral or guarantees. A similar treatment is adopted for off balance sheet exposures, with some adjustments to reflect the more contingent nature of the potential losses.

Notional risk weighted asset for market risk is calculated using the standardised approach while operational risk is determined using the basic indicator approach.

The Central Bank requires the bank to hold a minimum regulatory capital of N25 billion and maintain a minimum of 10% capital adequacy ratio.

Regulatory Capital

The group's regulatory capital is split into two:

Tier 1 capital includes ordinary share capital, share premium, retained earnings, statutory reserves, other reserves and non controlling interest less deferred tax asset.

Tier 2 capital includes subordinated debts and revaluation reserves.

Investment in unconsolidated subsidiaries are deducted from Tier 1 and 2 capital to arrive at total regulatory capital.

STANBIC IBTC HOLDINGS PLC

Risk management for the three months period ended 31 March 2016

Capital management - BASEL II regulatory capital

Stanbic IBTC Bank PLC

	31 Mar. 2016 N'million	31 Dec. 2015 N'million
Tier 1	94,502	96,402
Paid-up ordinary shares	1,875	1,875
Share premium	42,469	42,469
Retained profits	30,725	30,725
Statutory reserve	18,086	20,262
Other reserves	308	32
Non controlling interest	-	-
SMEEIS Reserve	1,039	1,039
Less: regulatory deduction	9,494	9,494
Increase in equity capital resulting from a securitization	-	-
Investment in own shares (treasury stock).	-	-
Losses for the current financial year	-	-
Goodwill	-	-
Deferred tax assets	9,444	9,444
Other intangible assets	-	-
Under-impairment	-	-
	50	50
50% of investments in banking and financial subsidiary/associate companies	-	-
Excess exposure(s) over single obligor without CBN approval	-	-
Exposures to own financial holding company	-	-
Unsecured lending to subsidiaries within the same group	-	-
Eligible Tier I capital	<u>85,008</u>	<u>86,908</u>
Tier II	23,685	24,282
Hybrid (debt/equity) capital instruments	-	-
Subordinated term debt	24,246	23,699
Other comprehensive income (OCI)	(561)	583
Less: regulatory deduction	50	-
50% of investments in unconsolidated banking and financial subsidiary/associate companies	50	50
Eligible Tier II capital	<u>23,635</u>	<u>24,282</u>
Total regulatory capital	<u>108,643</u>	<u>111,190</u>
Risk weighted assets:		
Credit risk	397,087	445,378
Operational risk	128,524	128,524
Market risk	2,487	2,004
Total risk weight	<u>528,098</u>	<u>575,907</u>
Total capital adequacy ratio	20.6%	19.3%
Tier I capital adequacy ratio	16.1%	15.1%