

Coronation Merchant Bank RC207138
AUDITED REPORTS FOR THE SIX MONTHS ENDED JUNE 30, 2016

The Board of Directors of Coronation Merchant Bank is pleased to announce the Group's audited results for the six months ended June 30, 2016

CORONATION
MERCHANT BANK

CORONATION MERCHANT BANK LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	GROUP 30 June 2016 N'000	GROUP 31 Dec 2015 N'000	BANK 31 Dec 2016 N'000	BANK 31 Dec 2015 N'000
Assets				
Cash and balances with banks	42,940,421	23,770,743	42,900,117	23,770,743
Non pledged trading assets	544,774	-	544,774	-
Investment securities	32,378,982	24,357,965	31,504,644	24,357,965
Pledged assets	2,581,383	20,086,561	2,581,383	20,086,561
Loans and advances to customers	9,834,607	2,475,468	9,834,607	2,475,468
Other assets	1,320,341	203,258	782,298	203,258
Investment in subsidiaries	-	-	1,864,711	520,260
Intangible assets	1,096,277	388,435	407,098	388,435
Property and equipment	2,502,663	1,732,500	2,473,371	1,732,500
Deferred tax assets	5,217,194	5,217,194	5,217,194	5,217,194
	98,416,642	78,232,124	98,110,198	78,752,384
Assets held for sale	29,575	48,756	29,575	48,756
Total assets	98,446,217	78,280,880	98,139,773	78,801,140
Liabilities				
Deposits from financial institutions	9,006,819	22,852,261	9,006,819	22,852,261
Due to customers	51,307,834	34,877,290	51,056,310	34,877,290
Current tax liabilities	186,332	137,911	155,589	137,911
Other liabilities	15,207,688	176,677	15,148,907	176,677
Deferred tax liabilities	7,032	-	-	-
Total liabilities	75,715,705	58,044,139	75,367,625	58,044,139
Equity				
Share capital	5,050,546	4,854,118	5,050,546	4,854,118
Share premium	3,655,348	3,331,241	3,655,348	3,331,241
Statutory reserve	4,755,102	3,968,782	4,755,102	3,968,782
Treasury stock	-	(520,260)	-	-
Available for sale reserve	(192,084)	443,156	(187,196)	443,156
Regulatory risk reserve	185,230	60,948	185,230	60,948
Retained earnings	9,276,370	8,098,756	9,313,117	8,098,756
Total equity	22,730,512	20,236,741	22,772,147	20,757,001
Total equity and liabilities	98,446,217	78,280,880	98,139,772	78,801,140

The financial statements were approved by the board of directors on 4 August 2016. Signed on behalf of the directors by:


 Eniola R. Abiola
 Finance Controller
 FRC/2016/ICAN/0000014352


 Chukwukadibia Okoye
 Chief Financial Officer
 FRC/2016/NIM/0000014293


 Babatunde Folawiyo
 CHAIRMAN
 FRC/2014/NBA/0000006371


 Abubakar Jimoh
 MANAGING DIRECTOR
 FRC/2013/ICAN/00000001481

CORONATION MERCHANT BANK LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP 30 June 2016 N'000	GROUP 30 June 2015 N'000	BANK 30 June 2016 N'000	BANK 30 June 2015 N'000
Interest and similar income	5,612,214	5,996,966	5,604,766	5,996,966
Interest and similar expense	(2,033,580)	(4,370,807)	(2,025,712)	(4,370,807)
Net interest income	3,578,634	1,626,159	3,579,054	1,626,159
Net (impairment)/ writeback on financial assets	(34,710)	500	(23,382)	500
Net interest income after impairment charge on financial assets	3,543,924	1,626,659	3,555,672	1,626,659
Fee and commission income	629,612	5,245	538,294	5,245
Net gains on investment securities	201,854	516,164	201,854	516,164
Net foreign exchange income	74,741	-	74,741	-
Other operating income	4,322	5,889	4,322	5,889
Personnel expenses	(577,227)	(281,265)	(537,311)	(281,265)
Other operating expenses	(1,132,557)	(555,155)	(1,059,305)	(555,155)
Profit before tax	2,744,669	1,317,537	2,778,267	1,317,537
Income tax credit / (charge)	(160,351)	(121,218)	(157,202)	(121,218)
Profit for the period	2,584,318	1,196,319	2,621,065	1,196,319
<i>Other comprehensive income (OCI) net of income tax:</i>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Net fair value gains/(losses) on available for sale	(155,950)	164,153	(151,061)	164,153
Other comprehensive income for the period (net of tax)	(155,950)	164,153	(151,061)	164,153
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,428,368	1,360,472	2,470,004	1,360,472
Earnings per share for profit attributable to equity holders				
Basic (kobo)	102	52	104	49
Diluted (kobo)	102	52	104	49

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CORONATION MERCHANT BANK LIMITED

Report on the financial statements

We have audited the accompanying separate and consolidated financial statements of Coronation Merchant Bank ("the bank") and its subsidiaries (together "the group"). These financial statements comprise the statement of financial position as at 30 June 2016 and the statements of comprehensive income, changes in equity and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with IAS 34 "Interim Financial Reporting" and with the requirements of the Companies and Allied Matters Act and the Banks and Other Financial Institutions Act and for such internal control, as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

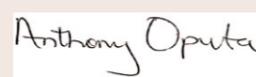
Opinion

In our opinion the accompanying consolidated and separate financial statements give a true and fair view of the state of the financial affairs of the bank and the group as at 30 June 2016 and of the financial performance and cash flows for the period then ended in accordance with IAS 34 "Interim Financial Reporting" and the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act.

Report on other legal and regulatory requirements

The Companies and Allied Matters Act and the Banks and Other Financial Institutions Act require that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- the Bank has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from branches not visited by us;
- the Bank's statement of financial position and statement of comprehensive income are in agreement with the books of account;
- the information required by Central Bank of Nigeria Circular BSD/h/2004 on insider related credits is disclosed on Note 34d to the financial statement;
- except for the contraventions disclosed in Note 37 to the financial statements, the bank has complied with the requirements of the relevant circulars issued by the Central Bank of Nigeria.



For: PricewaterhouseCoopers
 Chartered Accountants
 Lagos, Nigeria
 Engagement Partner:
 Anthony Oputa
 FRC/2013/ICAN/0000000980

