

Access Bank Plc Signs Memorandum of Agreement with Diamond Bank Plc

The Board of Access Bank Plc ("Access") today announces it has signed a Memorandum of Agreement (MoA) with Diamond Bank Plc ("Diamond") regarding a potential merger of the two banks that will create Nigeria and Africa's largest retail bank by customers. This follows its selection as preferred bidder after a competitive process undertaken by the Board of Diamond Bank.

The proposed merger would involve Access Bank acquiring the entire issued share capital of Diamond Bank in exchange for a combination of cash and shares in Access Bank via a Scheme of Merger. Based on the agreement reached by the Boards of the two financial institutions, Diamond Bank shareholders will receive N3.13 per share, comprising

- i. a cash consideration of N1.00 (one Naira) per Diamond Bank Share representing a total cash amount of N23,160,388,968 (twenty-three billion, one hundred and sixty million, three hundred and eighty-eight thousand, nine hundred and sixty-eight Naira), or US\$ 75,588,736.84 (seventy five million, five hundred and eighty eight thousand, seven hundred and thirty six dollars and eighty four cents) and;
- ii. the allotment of 6,617,253,991 (six billion, six hundred and seventeen million two hundred and fifty-three thousand, nine hundred and ninety-one) new Access Bank ordinary shares, representing the 2 new Access Bank ordinary shares for every 7 Diamond Bank shares. The offer represents a premium of 260% to the closing market price of N0.87 per share of Diamond Bank on the Nigerian Stock Exchange as of December 13, 2018, the date of the final binding offer.

The completion of a transaction would be subject to formal regulatory and shareholder approvals.

Commenting on the MoA, Herbert Wigwe, CEO of Access, said: *"Access has a strong track record of acquisition and integration and has a clear growth strategy. Access and Diamond have complementary operations and similar values, and a merger with Diamond, with its leadership in digital and mobile-led retail banking, could accelerate our strategy as a significant corporate and retail bank in Nigeria and a Pan-African financial services champion. Access has a strong financial profile with attractive returns and a robust capital position with 20.1% CAR as at 30 September 2018. We believe that this platform, together with the two banks' shared focus on innovation, financial inclusion and sustainability, can bring benefits to Access and Diamond customers, staff and shareholders."*

Uzoma Dozie, the CEO of Diamond Bank, said: *"The proposed combination with Access Bank will create one of Africa's leading financial institutions. There is clear strategic rationale for the proposed merger and strong complementarities between the two institutions. While Diamond Bank has pioneered Nigeria's largest technology-led retail banking platform, Access Bank is one of Nigeria's leading full-service commercial banks. Consolidation in the Nigerian banking industry is an inevitable, natural progression in a sector where the gap between Tier 1 and Tier 2 banks has been widening and scale has become critical; where technology will disrupt the traditional business model while enabling broader financial inclusion"*

Citigroup Global Markets Limited and Chapel Hill Denham acted as Financial Advisers to Access Bank Plc and Banwo & Ighodalo, acted as Legal Advisers to Access Bank.



Access Bank Plc.

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There will be an audio conference call for analysts and investors on **19 December 2018 at 16:00hrs** Lagos (**10:00hrs** New York, **15:00hrs** London, **17:00hrs** Johannesburg).

More details will be communicated.

ABOUT ACCESS BANK PLC

Access Bank is a full service commercial bank operating through branches and service outlets located in major centres primarily across Nigeria and sub-Saharan Africa, as well as the United Kingdom (extension to United Arab Emirates (Dubai)), with representative offices in China, Lebanon, and India. The Group provides a wide range of banking and other financial services to over 9 million customers from 392 branches and service centres.

Listed on the Nigerian Stock Exchange in 1998, the Bank serves its various markets through four business segments: Personal, Business, Commercial and Corporate & Investment Banking. The Bank has over 830,000 shareholders including several Nigerian and International Institutional Investors and has enjoyed what is arguably Africa's most successful banking growth trajectory in the last twelve years ranking amongst Africa's top 20 banks by total assets and capital in 2015.

As part of its continued growth strategy, Access Bank is focused on mainstreaming sustainable business practices into its operations. The Bank strives to deliver sustainable economic growth that is profitable, environmentally responsible and socially relevant.

ABOUT DIAMOND BANK PLC

Diamond Bank Plc was incorporated on December 20, 1990 and began operating as a private limited liability company on March 21, 1991. Ten years later, in February 2001, Diamond Bank became a universal bank. Diamond Bank is the fastest growing retail bank in Nigeria with a track record of high quality banking solutions for customers. It is the lead driver of financial inclusion and enhanced customer experience through innovation and technology. Diamond Bank has over the years leveraged on its underlying resilience to grow its asset base and to successfully retain its key business relationships.

The information presented herein is based on sources which Access Bank Plc. (the "Bank") regards dependable. This presentation may contain forward looking statements. These statements concern or may affect future matters, such as the Bank's economic results, business plans and strategies, and are based upon the current expectations of the directors. They are subject to a number of risks and uncertainties that might cause actual results and events to differ materially from the expectations expressed in or implied by such forward looking statements. Factors that could cause or contribute to differences in current expectations include, but are not limited to, regulatory developments, competitive conditions, technological developments and general economic conditions. The Bank assumes no responsibility to update any of the forward-looking statements contained in this presentation.