


Compliments of the Group Managing Director

A handwritten signature in black ink on a light blue background. The signature is stylized and appears to read 'Falalu Bello'.

Falalu Bello, OFR, FCIB

Vision & Mission

Vision

To be one of the top five financial services institutions in Nigeria by 2016

Mission

To create superior wealth for our stakeholders

C ONTENTS



	PAGE
INTRODUCTION	
Financial Highlights	2
Overview of UnityBank	3
Chairman's Statement	5
Group Managing Directors/CEO Review	11
Board of Directors	15
Corporate social responsibility	23
Awards	25
BUSINESS REVIEW	27
Operational Review	28
Strategy	31
Financial Performance	41
Risk Management Disclosures	43
FINANCIAL STATEMENTS	61
Directors' Report	62
Corporate Governance	72
Professional Advisers	89
Directors responsibility	90
Report of the Independent Auditors	92
Report of the Audit Committee	93
Statement of Significant Accounting Policies	94
Abridged Accounts	105
Profit and Loss Account	106
Balance Sheet	107
Statement of Cashflows	108
Notes to the Financial Statements	109
Group Statement of Value Added	143
Bank Statement of Value Added	144
Group Five Year Financial Summary	145
Bank Five Year Financial Summary	147
CORPORATE INFORMATION	149
Principal Officers	150
Subsidiaries	152
Contact Information	157
Product Information	158
Branch Network	161
SHAREHOLDER INFORMATION	167
Notice of Annual General Meeting	168
Proxy Form	170
Mandate For e-Dividend	172
CSCS Account Notification	173

INTRODUCTION

BUSINESS
REVIEW

FINANCIAL STATEMENTS

CORPORATE
INFORMATION

SHAREHOLDER
INFORMATION

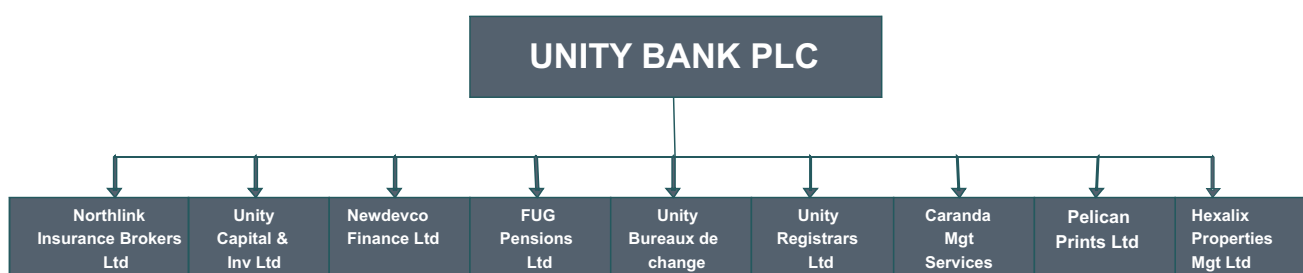
Financial Highlights



UNITYBANK PLC-2010 FINANCIAL HIGHLIGHTS	The Group		The Bank	
	12 Months to Dec-10 N'000	13 Months to Dec-09 N'000	12 Months to Dec-10 N'000	13 Months to Dec-09 N'000
MAJOR BALANCE SHEET ITEMS				
Total Assets and Contingencies	309,609,933	274,723,697	309,415,131	273,585,573
Total Assets	305,477,735	257,936,208	305,282,933	256,798,085
Loans & Advances	113,974,907	87,822,527	113,934,122	87,817,499
Deposits	221,700,606	214,986,082	222,145,561	214,820,710
Share Capital	16,641,688	7,976,047	16,643,588	7,976,047
Share Holders' funds	43,901,128	6,911,999	44,153,233	7,183,678
MAJOR PROFIT AND LOSS ITEMS				
Gross Earnings	63,492,066	46,420,051	61,358,173	44,963,099
Charge for Doubtful Accounts	(6,795,204)	(14,232,704)	(6,734,204)	(14,086,398)
Profit Before Exceptional Item and Taxation	13,409,900	(21,098,901)	13,375,750	(20,970,488)
Exceptional Item	-	(20,791)	-	-
Profit After Exceptional Item Before Taxation	13,409,900	(21,119,692)	13,375,750	(20,970,488)
Taxation	(922,348)	5,006,829	(899,277)	5,114,633
Profit After Taxation	12,487,551	(16,127,535)	12,476,473	(15,855,855)
Non Controlling Interest	(52,354)	(14,672)	-	-
INFORMATION PER 50K ORDINARY SHARE				
Earnings	Kobo	Kobo	Kobo	Kobo
Basic	37.52	(101)	37.48	(99)
Adjusted	89.10	(101)	88.58	(99)
Net Assets	132	43	133	45
Total Assets	918	1,617	917	1,610
Stock Exchange Quotation as at 31 December	-	-	120	84
RATIOS				
Cost to Income	79	145	78	147
Return on Assets	4	(6)	4	(6)
Return on Shareholders' funds	28	(233)	28	(221)
Capital Adequacy	10.85%	(12.36)	-	-
Liquidity	-	-	47.44%	28.45%
OTHERS				
Number of branches	-	-	237	215
Number of Subsidiaries	-	-	9	8
Number of staff	2,992	3,001	2,772	2,792
Number of Shares in issue(N'000)	33,283,377	15,952,094	33,287,177	15,952,094

GROUP STRUCTURE

The Unity Bank group comprises 9 subsidiaries, spanning a wide range of financial services such as Insurance, capital markets, pension administration, investment banking, and foreign exchange dealings. It also has subsidiaries rendering services in the non-financial sector such as outsourcing, estate management, construction and printing.



HISTORY OF UNITY BANK PLC

Unity Bank Plc (formerly Intercity Bank Plc) was incorporated on 27 April, 1987 as a Private Limited Liability Company. It converted to a Public Limited Company on 8 September, 1992. The bank changed its name from Intercity Bank Plc to Unity Bank Plc after its merger with 8 other banks in line with the consolidation reform of the Central Bank of Nigeria which was announced in July, 2004. Unity Bank Plc came into effect from 1 January 2006 and its shares are quoted on the Nigerian Stock Exchange. The Bank merged with the following banks on 22 December 2005:

1. CentrePoint Bank Plc
2. First Interstate Bank Plc
3. Pacific Bank Plc
4. Societe Bancaire Nigeria Limited
5. Tropical Commercial Bank Plc

It further merged with the following banks on 2 March, 2006

6. Bank of the North Limited
7. New Africa Bank Plc
8. NNB International Bank Plc

BANK OPERATING MODEL

The Market facing activities of Unity Bank Plc have been structured along geographical lines. This structure is in tandem with the nation's historical orientation as well as the political, economic and commercial disposition.

ZONES	BUSINESS ACTIVITY	REGIONS, BRANCHES AND STAFF	CONTRIBUTION TO UNITY BANK PLC		
			Deposits	Loans	PBT
LAGOS & WEST	Treasury, Transportation, Telecoms, Real Estate, Energy etc	R 4 B 48 S 165	13	65	25
SOUTH	Key Industries, Oil & Gas, Construction, Trading, Retail	R 3 B 42 S 111	7	3	1
NORTHEAST	Key Industries Agriculture, general commerce, retail Services, Public sector, Utilities	R 3 B 31 S 92	5	3	1.2
NORTHWEST	Key Industries Agriculture, General commerce, retail Services, Public sector, Utilities	R 4 B 74 S 245	24	17	39
CENTRAL	Public Sector, General commerce, Public sector, Utilities, Retail Services	R 4 B 47 S 222	51	12	34

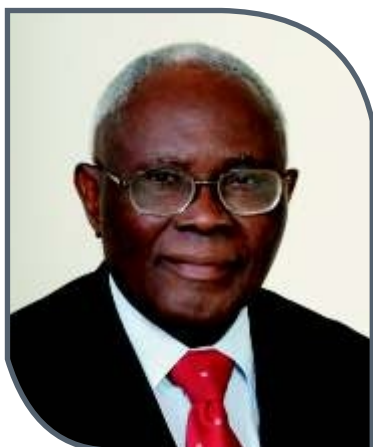


KEY: R=Number of Regions; B= Number of Branches; S= Number of Staff

RATING

AGENCY	REPORT DATE	RATING	OUTLOOK
Agusto & Co	December 2009	B	Stable

Chairman's Statement



ANNUAL GENERAL MEETING FOR THE YEAR ENDED DECEMBER, 2010

Fellow Shareholders, Invited Guests, Distinguished Ladies And Gentlemen, I welcome you all to the 5th Annual General Meeting (AGM) of our great Financial Institution, Unity Bank Plc, and present to you the Annual Report and Financial Statements for the financial year ended December 31, 2010.

It has surely been a year of challenges and it is therefore with a high sense of humility that I proceed to review the economic environment which can best be described as less than encouraging.

GLOBAL ECONOMY

The global economic recovery between the advanced and emerging economies appears to be moving in opposite directions. **The Central Bank of Nigeria Communiqué No. 74 of the Monetary Policy Committee Meeting, January 24-25, 2011** noted that economic uncertainties contributed to the weak recovery in advanced economies. As a result, growth was sluggish and concerns about inflation were dominant on account of the rising oil and commodity prices in the international markets and fears of fiscal stress in the years ahead. On the other hand, robust economic growth was recorded in emerging markets based essentially on strong domestic demand which offset weak export demand. Financial market conditions in advanced economies were, however, more stable than in the preceding two years while some emerging economies were confronted with challenges posed by large volatile capital inflows .

Furthermore, unemployment, sovereign debt and muted consumption characterized the advanced economies of the US and Euro zones. Unemployment in the USA remained high, standing at 9.4 per cent in December, 2010 which is almost the same level as when the recession ended. The prospect of US economy recovery (which grew by 0.6 per cent in the third quarter compared to 0.9 per cent and 0.4 per cent in the first and second quarter) is largely dependent on the success of government led stimulus package. The combined effect of the tax cuts and the continued expansion of monetary supply by the Federal Reserve is expected to have a significant impact on national economic growth.

However, there is concern about the Euro area economy especially the weaker economies of Greece, Spain, Ireland and Portugal which witnessed sovereign debt crisis in the second quarter (triggered by Greece) leading to a rating downgrade from A- to BBB+ (the lowest rating of any Euro zone member) by Fitch.

“Robust economic growth was recorded in emerging markets based essentially on strong domestic demand which offset weak export demand.”

Chairman's Statement



Spain's credit rating was also downgraded from investment grade of AAA to AA+, while Ireland and Portugal were also downgraded as a result of the huge size of their public debt.

In its quarterly review of Africa and Global Economic Trends, Fourth Quarter 2010 volume 4, issue 4 January 13, 2011, The African Development Bank (ADB) Group asserted that African economies as a whole kept pace with the global economy during the third quarter of 2010, but with significant divergences across individual countries. It also added that recent data suggest that economic growth is moderating across the continent, in line with global economic developments, especially the deceleration in world trade volumes. The ADB noted that in South Africa, GDP growth increased modestly during the third quarter by 0.6 per cent, compared to the previous quarter, as industrial action and strikes took their toll on manufacturing output and public sector performance. This was however compensated by higher output in the primary sector as mining production recovered and agricultural production surged, following a bumper maize crop harvest. In the third quarter of 2010, North African economies maintained a fairly brisk growth rate, despite faltering commodity demand from the Euro area. The four African OPEC countries (Algeria, Angola, Libya, and Nigeria) witnessed a stabilization of total crude oil production during recent months, but with a slight decrease of -0.6 per cent in November compared to the previous month.

DOMESTIC ECONOMY

The Nigerian economy has been witnessing impressive growth with continued recovery of the capital market. Also, there has been significant progress in restoring stability in the banking sector by the Central Bank of Nigeria (CBN) even though there has been concern about the high rate of inflation. The Nigerian Bureau of Statistics (NBS) released provisional data which indicated that Real Gross Domestic Product (GDP) grew by 8.29 per cent in the fourth quarter of 2010, up from 7.86 per cent recorded in the third quarter. The overall GDP growth for 2010 was estimated to be 7.85 per cent, compared to the revised growth rate of 6.96 per cent recorded in 2009.

The non-oil sector remained the major driver of overall growth, with agriculture, wholesale and retail trade, and services contributing 2.39, 2.04 and 2.08 per cent, respectively. Inflation rate (year-on-year) which stood at 13.90 per cent as at end-December 2009, decelerated to 13.6 per cent and closed the year at 11.80 per cent, thus failing to meet the single digit target for the year.

The exchange rate of the Naira against the US dollar was fairly stable throughout the year depreciating marginally from N148.10/US\$1 at end-December 2009 to N149.17/US\$1 at end-December 2010.

On Monetary, Credit and Financial Market Developments, Provisional data showed that the growth in broad measure of money supply (M2) was generally below the indicative benchmark throughout 2010 when compared with the level at end-December 2009. Specifically, at end-December 2010, M2 growth was 6.70 per cent compared with the indicative benchmark of 29 per cent for 2010. Available data indicated that growth in aggregate credit to the domestic economy (net) was similarly sluggish at 6.13 per cent in December 2010 compared with 59.6 per cent recorded in the corresponding period of 2009. This development is connected to the

Chairman's Statement

damaged balance sheets of the DMBs in the wake of the global financial and economic crises. However, aggregate credit to the Federal, as well as State governments grew by 67.83 per cent and 19.17 per cent, respectively, in 2010. Credit to the private sector contracted by 4.92 per cent in contrast to the indicative benchmark growth of 31.54 per cent for 2010.

A number of quantitative measures were introduced by the Central Bank of Nigeria during the year to ensure the provision of adequate liquidity to the banking system, promote activities in the interbank market and reduce interest rates volatility and level with a view to enhancing the availability of credit to the domestic economy. Hence, the establishment of the N200 billion Asset Purchase Facility Fund (APF) and the N500 billion infrastructure facility for on-lending by Bank of Industry (BOI), at concessionary interest rates to projects in the power and aviation subsectors as well as Small and Medium Enterprises (SMEs). Also, the Asset Management Corporation of Nigeria (AMCON) Bill was passed into law by the National Assembly and subsequently assented to by the President of the Federal Republic of Nigeria. AMCON was conceived as a vehicle to absorb the toxic assets of the banking system with a view to freeing up the hitherto encumbered balance sheets of the Deposit Money Banks in order to stimulate the recovery of the financial system.

It is heartwarming to note that by the close of the year AMCON had taken over toxic assets of DBMs with a face value of over N2 trillion. The loans were purchased at a discount and paid for by AMCON through the issuance of three (3) year zero-coupon bonds.

In the banking sector, the Central Bank of Nigeria (CBN) repealed the 10 year old Universal Banking model and replaced it with segregated Commercial/Merchant/Specialised Banking model. According to the CBN, the one-model-fits-all structure was repealed to correct the observed weakness in the aftermath of the global economic and financial crises to ensure the safety of depositors' fund. The CBN now requires all existing Banks to either divest from their non-Banking business and focus solely on Commercial/Merchant/Specialised Banking or form a holding company structure in the event that the Banks desire to retain their non-Banking subsidiaries. Commercial Banks are further categorised into International, National and Regional depending on their capital base and are required to obtain new licenses. Those in the International category are required to have a capital base of not less than N50 billion, National N25 billion while that of Regional is N10 billion. According to the CBN exposure draft on the Holdco framework, the Holdco shall own a Bank (or Banks) and may also engage in other financial services activities closely related to Banking but only through non-Bank subsidiaries. As you are all

"In the face of the challenging environment and intense competition in the year under review, our bank posted an impressive performance. Although we are yet to get to our destination, it is still a significant milestone considering where we are coming from."

Chairman's Statement

aware, your bank at an Extra Ordinary General Meeting held on the 30th December, 2010 agreed in the short term to divest from all its subsidiaries and place them under the management of Investment Supervision Company which is expected to transmute into an Investment Holding Company in future.

In the capital market, there was a remarkable improvement in 2010, after the decline associated with the global financial and economic crises in 2008/2009. The Nigerian Stock Exchange (NSE) All-Share Index (ASI) rose from 20,827.17 points as at end-December 2009 to 24, 770.52 points as at end-December 2010, representing a growth of 18.93 per cent. The Market Capitalization (MC) of the Exchange rose from N4.98 trillion as at end-December 2009 to N7.91 trillion as at end-December 2010, representing a growth of 58.83 per cent. The increase in ASI and MC was partly due to share price recoveries in the Banking, Food/Beverage, Insurance and Oil & Gas sectors and the listing of Dangote's 15.5 billion ordinary shares at N135.00 per share.

During the year, our bank with your efforts successfully raised N17 billion by way of Rights Issue in the ratio of 3 to 2 to existing shareholders to meet the CBN minimum capital adequacy ratio and also improve on the bank's infrastructure and branch expansion across the country. As you are already aware, the offer was over 70 per cent subscribed and has been adjudged as one of the best in recent times, considering the pervading gloom in the market at the time. This is an eloquent testimony of our budding brand and level of confidence reposed on the current management. To this my fellow shareholders, I will say thank you for being there at the moment of need. We promise not to let you down.

UNITY BANK PERFORMANCE

In the face of the challenging environment and intense competition in the year under review, our bank posted an impressive performance. Although we are yet to get to our destination, it is still a significant milestone considering where we are coming from. For the financial year ended December 31, 2010, gross earnings was N61.36 billion, representing a 36.46 per cent increase over last year's figure of N44.96 billion. Profit after tax stood at N12.41 billion as at end-December 2010 as against a loss of N15.86 billion the previous year, implying an increase of 178.65 per cent. Also, total deposits increased marginally by 3.41 per cent to N222.15 billion in the year under review from N214.82 billion in 2009; while shareholders' fund stood at N44.15 billion in 2010, from N7.18 billion in 2009 representing an increase of 515.40 per cent.

The group's gross earnings rose from N46.42 billion as at end-December 2009 to N63.49 as at end-December 2010 representing an increase of 36.78 per cent while profit attributable to the group stood at N12.49 in 2010 billion as

"Customers' expectations and preferences are changing rapidly and are reshaping the financial landscape. It is my firm belief that successful companies will be those who put their customers' needs first and know how to serve them."

Chairman's Statement

against a loss of N16.13 as at end-December 2009, implying an increase of 177.45 per cent. The group's shareholders' fund before non-controlling interest stood at N43.90 billion in 2010, from N6.91 billion in 2009 representing an increase of 534.13 per cent.

OUR FUTURE

Fellow shareholders, let us at this moment take an excursion into our history as a bank in order to better appreciate our current position. Our bank is the only bank in the history of banking in the world that has successfully merged nine (9) banks with varying organizational culture and values. That we have seamlessly integrated nine (9) member institutions distinguished shareholders is not a mere feat. I am convinced that you will all agree with me that our bank is now well positioned to take advantage of business opportunities in the emerging economy.

Customers' expectations and preferences are changing rapidly and are reshaping the financial landscape. It is my firm belief that successful companies will be those who put their customers' needs first and know how to serve them. Capitalizing on changing customer's preference and building on our business capabilities, we will build and invest more in bank distribution platforms, reinforce our product capabilities in asset management and asset gathering and increasingly allocate our capital to high-growth markets. It is clear that we can fulfil our strategic initiatives only with a highly skilled and dedicated work force that is willing to go the extra mile for our clients. Therefore, we will put a lot of effort into attracting and retaining the best people. Also, being a good corporate citizen conscious of our role in the society, we will continuously seek to meet the highest levels of sound business ethics and corporate social responsibility.

BOARD OF DIRECTORS

In line with recent CBN directives on the tenure of Board of Directors, my humble self and the following Directors will retire and will not be eligible for re-election. They are Dr. Adedeji Adeleke, Alhaji Umaru S. Ndanusa OON, Senator Samaila Mamman, OFR, Hajiya Bola M. Shagaya, Alhaji Muhammad Babangida, Alhaji Abubakar Sadauki, and Mr. Felix Ohiwerei OFR.

Furthermore, our Group Managing Director Mallam Falalu Bello, OFR, FCIB has served notice to retire from the services of the Bank effective 1st July 2011. Alhaji Ado Yakubu Wanka, our Executive Director Risk Management & Control has been approved by the Central Bank of Nigeria as the MD designate to replace Mallam Falalu Bello. Our Executive Director, Operations and Information Technology, Dr Evans Woherem has also tendered his notice to retire from the services of the Bank effective 1st July 2011.

"Our Group Managing Director Mallam Falalu Bello, OFR, FCIB has served notice to retire from the services of the Bank effective 1st July 2011. Alhaji Ado Yakubu Wanka, our Executive Director Risk Management & Control has been approved by the Central Bank of Nigeria as the MD designate"

Chairman's Statement

Also, within the year, Alhaji Lamis S. Dikko our Executive Director Central retired from the services of the Bank while Mr Adekunle A Oyinloye Executive Director, Lagos and South West was seconded to Urban Development Bank as its Managing Director.

In place of the resigned/retired Directors, the Board approved the appointment of the following nominees as Executive Directors, Independent Directors and Non Executive Directors in the Bank:

- | | |
|---------------------------------------|---|
| i) Alhaji Nu'uman Barau Danbatta, CON | Non-Executive Director and Chairman |
| ii) I. T. Mohammed | Executive Director (IT & Operations) |
| iii) Ahmed Yusuf | Executive Director (Risk Mgt. & Controls) |
| iv) Ismaila Galadanchi | Executive Director (Central) |
| v) Lanre Elisha Fagbohun | Executive Director (Lagos & South West) |
| vi) Alhaji Gimba Ibrahim | Non-Executive Director (Independent Director) |
| vii) Mr Gboyega Asabia | Non-Executive Director (Independent Director) |
| viii) Alhaji Aminu Babangida | Non-Executive Director |
| ix) Mr Thomas Eruh | Non-Executive Director |
| x) Alhaji M. A. Kaugama | Non-Executive Director |
| xi) Engr. Oluseun Mabogunje | Non-Executive Director |
| xii) Dr Oluwafunsho Obasanjo | Non-Executive Director |
| xiii) Mr Hakeem Shagaya | Non-Executive Director |

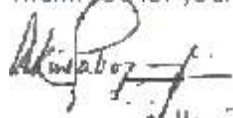
The retired non-executive directors and executive directors collectively merged the nine legacy banks into Unity Bank, integrated them into a seamless operating entity and saw to it that the Bank emerged into profitable operation. These former directors are indeed the founders of the Bank and we thank them all for their services and wish those of us retiring peaceful retirement. To those few going into new endeavour in life, we wish them God's guidance and success in their endeavours.

To those coming on board as Directors of the Bank, I wish them successful tenures and pray that they shall take this Bank built by the founding directors to its next level of high profitable operation.

APPRECIATION

I will end my review by saying, on behalf of the entire Board of Directors and fellow shareholders of our Bank, I thank our valued customers and stakeholders for their support over these many years. I would also like to thank my fellow Board members, employees and all other stakeholders for their continued support and confidence in Unity Bank.

Thank you for your attention.

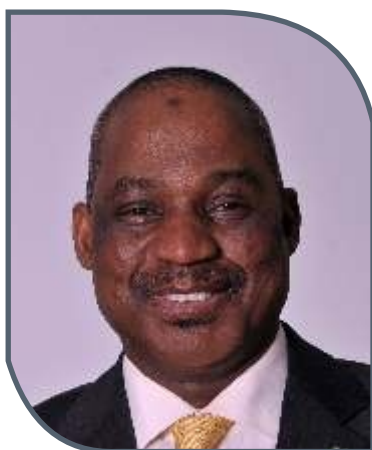


Professor A. L. Mabogunje, CON, NNOM
Chairman of the Board

Distinguished shareholders, ladies and gentlemen, it is my honour to present to you our Bank's financial statements for the year ended December 31, 2010 and report on the progress we have continued to achieve.

THE OPERATING ENVIRONMENT

The Economy: The Year 2010 was characterized by relative macroeconomic stability as the global economy recovered from the recession that held sway in the last two years. The price of crude oil, Nigeria's main export product rose significantly peaking at \$100pb and averaging \$77.5pb, about 27% higher than the previous year's average. The extended amnesty programme positively affected daily crude petroleum outturn. Thus, crude oil production rose 21% from 2.04mbd in 2009 to 2.47mbd in 2010. The combined effect of higher oil prices and production implied that government revenues were significantly higher in the year. However, this did not reflect in the level of external reserves which actually declined by approx 25% from \$42.41bn to about \$31.99bn in the year. The sharp drop in the reserve level came on the back of higher disbursements at the foreign exchange markets as increased investor confidence led to greater demand for imported goods and services. Total foreign exchange supplied at the official window rose 28% to \$26billion whilst the naira depreciated marginally by 0.7% to N148.67/Dollar.



GDP Growth: Official figures released by the National Bureau of Statistics reveals that real GDP growth averaged 7.85% in 2010 as against a revised growth rate of 6.96% in 2009. The non-oil sector maintained its dominance as the key driver for overall growth, as agriculture, wholesale and retail trade, and services contributed 2.39, 2.04 and 2.08% respectively.

Money & Capital Markets: The Central Bank of Nigeria fought valiantly to keep resurgent inflationary pressure in check all year round, deploying the various tools of monetary policy in its arsenal. It adjusted the Monetary Policy Rate (MPR) upwards by 25 basic points to 6.25% in September switching from monetary easing to contractionary policy. The market responded accordingly with domestic interbank money rates (overnight, call and open buy-back) rising to a two year high.

The sudden spike in interest rates affected the money and capital markets differently. Bond yields increased sharply on account of the spike in interest rates forcing a deterioration in the mark-to-market value of many banks' portfolio. In comparison, the capital market recovered appreciably after the lull occasioned by the after-effects of the downturn in the global economy. The All Share Index rose 19% with market capitalisation spiking 57% to about \$53bn, bolstered by the listing of Dangote Cement Plc, over 15 billion ordinary shares which reportedly added about 25% to the value of the market. The market also benefitted from the announcement effect of the take-off of the Asset Management Corporation as it raised investors expectation of an imminent recovery.

INDUSTRY REVIEW

Globally, the banking sector recovered from the after-shocks of the financial crisis with many banks in the developed markets reporting profits as against the huge losses recorded in the previous year. However, the global recovery was tempered by the sudden revelation of huge deficits in the Euro zone with Portugal, Ireland, Greece and Spain (PIGS) fingered as key threats to the economic stability of the world's largest economic bloc. The International Monetary Fund and the World Bank collaborated with the EU countries to combat the problem, thus preventing a double-dip recession. In spite of this, experts are wary of the contagion effect of the financial instability of these countries and are cautiously requesting for a Plan B to save the economic bloc and to ensure that the global recovery remains on track.

“The International Monetary Fund and the World Bank collaborated with the EU countries to combat the problem, thus preventing a double-dip recession.”

The domestic banking market remained resilient in spite of the challenges in the macroeconomic environment with many banks reporting profits compared to the dismal results of the previous year. Of the 17 banks that have so far released their 2010 financial results, Unity bank emerged 7th in PAT, 9th in PBT and 11th in gross earnings. It is expected that the full year results of the remaining banks will be more positive given the anticipated salutary effect of the operationalization of the Asset Management Corporation of Nigeria (AMCON). The agency released about N1.5trillion to 21 banks via bonds thus lifting the pressure placed on banks, books by toxic assets and paving way for a resurgence in lending activities. The various intervention schemes being implemented by the Central Bank on SMEEIS, agriculture, power and, aviation sectors have also impacted positively on the industry's performance.

Another major milestone in the banking sector in the year under review was the announcement by the Central bank of Nigeria repealing Universal Banking, via a circular titled "Regulation of the Scope of Banking Activities & Ancillary Matters, No.3. Under the proposed regulatory regime banks are expected to operate as commercial, merchant or specialized banks as against the previous practice which allowed a combination of these distinct business models. The new regulation which takes effect from May 2011 is expected to completely alter the architecture of the industry as well as have a lasting effect on the competitive dynamics and performance of industry players.

"The Bank has successfully reversed the loss trend that characterised its results during the two preceding periods and launched itself into profitability."

OUR ACTIVITIES AND RESULTS

Our Bank recorded an impressive performance during the period under review. Gross earnings grew from 44.96 billion to N61.36 billion representing an increase of N14.4 billion or 36.48% over the corresponding period of 2009. Profit before tax increased by N33.31 billion or 158.85% from a loss before tax of N20.97 billion in 2009 to a profit before tax of N13.37 billion in 2010. Similarly, profit after tax increased by N28.2 billion or 177.81% from a loss after tax of N15.86 billion in 2009 to a profit after tax of N12.47 billion in 2010. The Bank has successfully reversed the negative performance trend that characterised its results during the two preceding periods and launched itself into profitability.

FUTURE OUTLOOK

The outlook for 2011 is projected to be generally favourable in view of the continued improvements in the international crude petroleum market, the relative stability in the production fields of the Niger Delta and the strong performance of the non-oil sector of the economy. At Unity Bank, we have successfully recapitalised through a rights issue carried out during the year, which was overwhelmingly subscribed. Our Bank's capital base is now in excess of the regulatory requirement thereby meeting, and indeed, exceeding the minimum capital adequacy ratio set by the Central Bank. Another milestone achieved in the period under review was the successful conclusion of the credit rating exercise by Agosto & co. The agency accorded our Bank a **'B' rating with a stable outlook**. This particular achievement served to raise our profile in the industry from an "unrated" to a **"rated" financial institution** and brightened the prospects of marketing for our market-facing teams. With the milestones achieved so far, the future of our Bank is very bright.

"Our Bank's capital base is now in excess of the regulatory requirement ."



Prof. Akinlawon L. Mabogunje,
CON, NNOM Chairman

Professor Mabogunje is a highly respected scholar and administrator who has distinguished himself in various positions of authority within and outside Nigeria. A 1990 Visiting Research Fellow to the World Bank, Prof. Mabogunje was the Executive Chairman of the National Board for Community Banks between 1991 and 1994.

His track record of visionary leadership includes Chairmanship of the Board of the defunct First Interstate Bank (one of the Legacy Banks of UnityBank Plc) from 1995 to 2005. Prior to that, he was President, Governing Council, Pan-African Institute for Development, Douala, Cameroun (1978 to 1984) and Executive Chairman, Development Policy Centre, Ibadan (1996 – 2000). He was also Chairman, Technical Board, Federal Mortgage Bank of Nigeria from 2002 to 2008 and the current Chancellor, Bells University of Technology, Ota, Ogun State.

Prof. Mabogunje was educated at University College, Ibadan (1953) and University College, London (1958). He was a Visiting Professor at Northwestern University, Evanston, Illinois, USA (1963/64; 1967/68); Universities of London, Oxford, Cambridge and Durham (1971) University of Rio de Janeiro, Brazil (1975) and Stockholm School of Economics, Sweden (1976) among others. In addition to several National and International awards, Prof. Mabogunje is a recipient of the National Honours of Commander of the Order of the Niger (CON), and Nigeria National Order of Merit (NNOM).

He joined the Board of UnityBank Plc at inception in 2006.

Falalu Bello has managed four different banks in a space of twelve years. He was the MD/CEO of the then Habib Bank, Intercity Bank Plc, Nigerian Agricultural Cooperative & Rural Development Bank (NACRD) and he has been at the helm of affairs of Unity Bank Plc from January 2006 till date. His leadership exposure has spanned the private and public sector including a stint as the Kaduna State Commissioner for Trade and Industry in 1983 at the age of 28.

He began his working career in the Kaduna State judiciary in 1980. He was at different times, Senior Legal Executive/Ag. Company Secretary of New Nigerian Investment Limited (NNIL), Company Secretary/Legal Adviser of National Freight Company Limited between 1980 -1983.

He joined the banking industry in 1984 as a Senior Manager in the then Habib Bank Nigeria Limited and rose to become its Managing Director/CEO in 1994. He is the Chairman of UnityKapital Assurance Plc (a member of the UnityBank Group) as well as director of several corporate organizations such as British American Tobacco Nigeria Limited, Jaiz International Plc and Kakawa Discount House Limited amongst others.

Falalu Bello was educated at the Ahmadu Bello University, Zaria where he obtained a Bachelor of Law Degree in 1978, and was called to the Bar in 1979. Besides attending several professional courses, he is also an alumnus of the Harvard Business School, Boston, and a fellow of the Chartered Institute of Bankers of Nigeria.

He joined the Board of Unity Bank Plc at inception in 2006.

Falalu Bello OFR, FCIB
Group Managing Director/CEO





Mr. Felix Ohiwerei, OFR

Mr. Felix Ohiwerei, OFR, is one of Nigeria's foremost Business Leaders and Strategist. He was the longest serving Managing Director of Nigeria Breweries Plc and is currently the Chairman, Unilever Nigeria Plc and Bankers Warehouse Limited amongst others.

He is also a Director of Shell Nigeria Closed Pension Fund Administrator Limited, Unilever African Advisory Council and Heineken African Advisory Council.

He was Chairman of defunct NNB International Bank, one of the legacy banks that consolidated into Unity Bank Plc and is currently a Director on the Board of the Bank.

Mr. Ohiwerei is a Fellow of Nigeria Marketing Association, Geography Society of Nigeria, Institute of Directors, Advertising Practitioners Council of Nigeria and Member, Nigerian Economic Summit Board of Directors, Member of the Lagos Business School Council and Chairman, Board of Friendship Bible Fellowship Ministry. The University of Ibadan has honoured Mr. Ohiwerei with Honorary Doctor of Laws Degree (LL.D), and he is a recipient of the National Honour of the Order of the Federal Republic (OFR).

Mr. Ohiwerei graduated from the University of Ibadan in 1961 with a B.A. in Geography. He joined the Board of UnityBank Plc in 2007.

Hajiya Bola Shagaya is a successful and consummate business woman. A first rate Entrepreneur and founder of five companies cutting across Oil & Gas, Cocoa Export, Real Estate and Fast moving Consumer Goods (FMCG) distribution, she also owns and manages several other companies and was a onetime Director, defunct Intercity Bank Plc.

Hajiya Shagaya's career started some 26 years ago at the Audit Department of the Central Bank of Nigeria from where she moved on to establish her own private business. She has attended several courses on Corporate Governance, Anti-money laundering and strategy training organized by KPMG and Euromoney.

Hajiya Shagaya holds two degrees in Accountancy and Economics from Armstrong College, Oakland, California (1983) and Ahmadu Bello University (ABU), Zaria (1980) respectively.

She has been on the Board of UnityBank Plc from inception in 2006



Hajiya Bola Muinat Shagaya, MON



Engr. Ahmed Ibrahim

Engr. Ahmed Ibrahim is a Chemical Engineer who transitioned from his engineering background into the financial sector and has served in several organizations with varied business interests. He is a Director on the Board of Ashaka Cement Plc and the Managing Director of AlphaPraxis (Nig.) Ltd.

Engr. Ibrahim also served as Managing Director of Drake & Scull Nig. Ltd (a subsidiary of NNDC Ltd) between 1995 and 1999 and subsequently between 2004 and 2005. Prior to that, he was Managing Director of NNIL Commercial Co. Ltd (a subsidiary of NNDC Ltd.) from 1999 to 2004. He was also the Managing Director of defunct Bank of the North Limited from November 2005 to March 2006.

He studied at the Ahmadu Bello University, Zaria where he earned a B.Eng. in Chemical Engineering (1988) and an MBA in Finance (1998), Harvard Business School, USA, Certificate on "Achieving Breakthrough Service leveraging Employee & Customer Satisfaction for Profit & Growth" 2006.

Engr. Ibrahim is a member of several professional bodies like the Nigeria Institute of Management, the Nigeria Society of Chemical Engineers and the Nigeria Society of Engineers.

He has been on the Board of UnityBank Plc since 2006.

Senator Samaila Mamman has had an accomplished Public Sector career traversing the public sector as a career civil servant. He was Commissioner for Finance in the old Kaduna State, Minister of Trade in 1986 and Minister of Agriculture in 1990. In between these years, he also served as a Director in the Federal Civil Service and eventually disengaged as a Permanent Secretary.

He was Managing Director of Kaduna Investments Company Ltd and served on the Board of several companies such as defunct New Africa Merchant Bank Ltd, Bank of the North Ltd, the Nigeria Stock Exchange, Kaduna branch, Cement Company of Northern Nigeria Ltd and Katsina Oil Mills Ltd.

Senator Mamman graduated from Ahmadu Bello University, Zaria in 1972 with a B.Sc. Economics and obtained a Post Graduate Diploma in Development Economics from University of Ife in 1973.

Senator Mamman is a life member of Nigeria Economic Society.

He joined the Board of UnityBank Plc in 2006.



Senator Samaila Mamman, OFR



Alhaji Abubakar Sadauki

Alhaji Abubakar Sadauki is an accomplished Banker, technocrat and Public Servant. He was a onetime Executive Director, First Bank of Nigeria Plc, a top Management staff of Union Bank Plc, Secretary to the Kano State Government and a Permanent Secretary, Kano State Ministry of Education. He was also a Commissioner of the Revenue Mobilization Allocation and Fiscal Commission.

Alhaji Sadauki served on the Boards of Kano Bendel Timber Company, Institute of Administration, Ahmadu Bello University, Zaria, Kaduna Polytechnic, NNDC and defunct Bank of the North Ltd, where he was Chairman.

Alhaji Sadauki acquired extensive training in Planning and Economic Management both in Nigeria and abroad and attended the University of Ibadan (1966) and Williams College Massachusetts, United States (1970) and obtained a B.Sc. degree in Economics and an M.A. in Economic Development respectively.

He has been on the Board of UnityBank Plc since 2007.

Alhaji Muhammad Babangida has had substantial experience in business, with interest in banking, Oil & Gas, real estate and security services. He is the Executive Chairman, Profile Group of Companies comprising Profile International Limited, Profile Technologies Limited, Profile Security Services Limited and Profile Properties Limited.

He is also a Director of El-Amin Nigeria Limited, a privately owned company with interests in Education and Agriculture. Between 1998 and 2006, he served as Director of Intercity Bank Plc, one of the Legacy banks of Unity Bank Plc.

In addition to attending several courses within and outside Nigeria, Alhaji Babangida holds a BA in Business (1993) and an MA in Public Relations and Business Communications from the European University Monteux, Switzerland (1994).

Alhaji Babangida has been on the Board of UnityBank Plc since inception in 2006.



Alhaji Muhammad Babangida



Dr. Adedeji Tajudeen Adeleke

Dr. Adeleke is a reputable entrepreneur holding investment portfolios in diverse companies. He is the founder and Chairman of Pacific Group of Companies - Pacific Drilling Company, Pacific Farms Limited, Pacific Holdings Limited, Pacific Freightliners Limited and Pacific Gas Company Limited. He was also Chairman of the defunct Pacific Bank Limited, one of the Legacy banks in Unity Bank Plc.

Dr. Adeleke had his first degree in the United States at Western Kentucky University, Bowling Green, Kentucky 1979 where he earned a B.Sc in Finance. He earned a Masters degree in Business Administration from the same school in 1981 before proceeding to Columbia Pacific University, Mills Valley, California, where he earned a Ph.D in International Business.

Dr. Adeleke has been on the Board of UnityBank Plc since inception in 2006.

Alhaji Umaru Shehu Ndanusa's diverse and rich business experience spans across Engineering, Oil Explorations, Banking & Insurance, Manufacturing, Agro-Allied, Mining, Fishing and Computer Services.

As a notable entrepreneur who has been involved in the founding and co-founding of several companies, he was a Director in the defunct First Interstate Bank Plc, one of the Legacy banks that made up UnityBank.

He also had extensive exposure in the Public Sector where he served/chaired Boards of various institutions such as National Truck Manufacturing Company, Peugeot Nigeria Ltd, National Council on Privatization and National Electric Power Authority now (Power Holding Company of Nigeria).

He was a member of the Federal Government's delegations to the Far East on Economic Diplomacy from 1988 to 1990 and a member of the Presidential Committee on Urban Development and Housing. Alhaji Ndanusa is currently the Chairman, Niger North Nigeria Limited.

Alhaji Ndanusa holds an M.Sc degree in Business Administration from LaSalle University of Louisiana, USA and is a recipient of the National Honour of the Order of the Niger (OON).

He has been on the Board of UnityBank Plc from inception in 2006.



Alhaji Umaru Shehu Ndanusa, OON, FNISM



Alhaji Ado Yakubu Wanka

Group Executive Director, Risk Mgt. & Controls

Alhaji Ado Wanka has had varied and wide experience in finance and banking having crisscrossed some of Nigeria's major banking institutions as well as International Investment, regulatory function management. He served as Executive Director, Finance and Administration and later on, Chairman of the Board of the Nigeria and Sao Tome joint Development Authority.

He began his banking career in 1988 with the then Nigerian International Bank (Citibank Nigeria) as a Deputy Manager before moving to the then FSB International Bank Plc (1991-1997) where he rose to become an Executive Director. He assumed duty as the MD/CEO of the then Gamji Bank Limited in 1997, moved to First Bank of Nigeria Plc in 1998 as an Executive Director where he spent eight (8) years.

Alhaji Wanka is currently the Chairman, Newdevco Investments and Securities Company Limited (a member of the UnityBank Group). He is also a member of the Institute of Directors (IoD) and a fellow of the Nigerian Institute of Management (FNIM).

Alhaji Wanka holds a B.Sc in Chemical Engineering from Ahmadu Bello University, Zaria, 1977) and an MBA from the same institution, 1984. He is also an alumnus of the Harvard Business School and Switzerland's Institute of Management Development, Lausanne. Alhaji Wanka joined the Board of UnityBank Plc in 2008.

Alhaji Lamis Dikko has varied and rich experience in management, journalism academia and banking. Alhaji Dikko began his working career in 1980 as a News and Current Affairs Producer with the Kaduna State Radio; in 1984, he moved to the Nigerian Standard Newspaper, Jos as a Sub-Editor. He returned to Zaria in 1985 as an Assistant Lecturer with the College of Advanced Studies and in 1986, joined Habib Bank Nigeria Limited where he served for twelve years and left as an Assistant General Manager. He moved to Intercity Bank Plc in 1998 as a General Manager and was appointed the Bank's MD/CEO in 2001, a position he held until Intercity Bank Plc merged with eight other banks to form Unity Bank Plc in 2006.

Alhaji Dikko is a director of several organizations including Legacy Pension Limited as well as Chairman, Katsina State Investment and Property Company Limited, Unity Capital & Trust Limited (a subsidiary company of UnityBank Plc) and LSD Associates. He is also a member of the Nigerian Institute of Management (NIM), the Chartered Institute of Bankers of Nigeria (CIBN) and other professional Associations.

He is 1984 Economics graduate of the Queen Mary College, University of London. He is also an alumnus of the Harvard Business School, 2000.

Alhaji Dikko joined the Board of UnityBank Plc from inception in 2006 and left the services of the Bank in August 2010.

Alhaji Lamis Shehu Dikko
Group Executive Director, Central





Dr. Evans Woherem
Group Executive Director, (Operations & IT)

Dr. Woherem is a scholar with experience in international banking, consulting and Information Communications Technology.

He worked with the Lloyd's Register (UK) in 1989, before moving to ABSA Bank (South Africa) in 1994 as a Senior Consultant. He returned to Nigeria in 1996 to join FSB International Bank as a General Manager and later moved to First Bank of Nigeria in 2001 to become an Executive Director.

Dr. Woherem is a fellow of the Nigerian Institute of Credit Administration, Member, International Professional Associations of Repute, Member, Chattered Institute of Bankers of Nigeria (CIBN), Member, Institute of Directors (IoD) and South Africa Computer Society. He is the author of two highly acclaimed books on ICT & Development as well as the Chairman, Caranda Management Services Limited (a member of the UnityBank Group)

He holds a B.Sc degree in Behavioral Science from the University of Laverne, California - USA, 1983; an MA, Economics and Social Studies from the University of Manchester UK, 1987, and a PHD in Artificial Intelligence. He is also an alumnus of the Harvard Business School, 2004, Dr. Woherem joined the Board of UnityBank Plc from inception in 2006.

Mr. Oyinloye has had enviable experience in consulting, economic and turn-around management. He began his working career with the National Centre for Economic Management and Administration (NCEMA), Ibadan, in 1983. He later joined the services of Societe Generale Bank Limited in 1990. In 1993, he became the Principal Consultant and Chief Operating Officer of Prime Plus Consulting Limited Lagos. Mr. Oyinloye moved to Access Bank in 2000 before joining Global Bank plc. He later joined the re-engineering Team of Pacific Bank Plc in 2003 as pioneer Head, Commercial Banking Group. He rose to become a General Manager before the consolidation exercise that led Pacific Bank to become one of the nine legacy banks of Unity Bank Plc.

Mr. Oyinloye is the Chairman, UnityBank Bureau de Change Limited, Director, UnityKapital Assurance Plc (subsidiary companies of UnityBank Plc) amongst others. He is a Member of several Professional Associations like the Chartered Institute of Bankers of Nigeria, as well as Fellow of the Institute of Direct Marketing of Nigeria and the Institute of Credit Administration.

He holds a B.SC. in Economics from Ahmadu Bello University, Zaria, 1988, M.SC in Banking & Finance from University of Ibadan (1997) as well as an M.S in Economics from the University of Lagos 1999.

He joined the Board of UnityBank Plc in 2009

Mr. Adekunle Abdulrazaq Oyinloye
Group Executive Director, Lagos & West





Alhaji Rislanudeen Muhammad
Group Executive Director, North West

Alhaji Rislanudeen has exposure in public service and in banking where he has garnered experience in investment and commercial banking.

After a stint in the Budget & Economic Planning Directorate of the Kano State Government, he joined the banking industry in 1993, starting as an Assistant Manager with CentrepoinBank Plc, one of the nine legacy banks of Unity Bank Plc.

He moved to Tropical Commercial Bank Limited (another legacy bank of Unity Bank Plc) in 1995 where he served for a decade before rising to become its MD/CEO in 2005.

Alhaji Rislanudeen attended many noteworthy courses within and outside the country and is a member of a number of Professional Associations like the Chartered Institute of Bankers of Nigeria (CIBN), Nigerian Institute of Management Consultants and the Nigerian Economic Society where he is a life Member.

Alhaji Rislanudeen is a Director on the Boards of UnityBank Bureau de Change Limited and UnityCapital & Trust Limited (subsidiary companies of UnityBank Plc). He is an alumnus of three prestigious Business Schools - Harvard, London and Lagos Business Schools. He holds a Bachelors degree in Economics from the Bayero University, Kano, 1985; and an M.SC degree in the same discipline from the Ahmadu Bello University, Zaria, 1990.

He joined the Board of UnityBank Plc in 2009.

Mrs. Abraham comes with a rich experience in legal practice spanning solicitorship, legal education and company secretarial practice. She was a Senior Partner in Baiyee, Abubakar & Co where she was involved in the setting up of Small Scale Industries and Small Scale Businesses. She was a Graduate Assistant in the Faculty of Law, Ahmadu Bello University, Zaria from 1985 to 1986. Mrs Abraham was also in the Legal and Company Secretariat Department of NAL Merchant Bank Plc between 1986 and 1988, Credit & Marketing Department of Ivory Merchant Bank 1990, Company Secretary/Legal Adviser of Shelter Savings & Loans Limited 1992-1994. Mrs. Abraham was also one of the Pioneer Directors of Urban Development Bank of Nigeria in 1992 and was Company Secretary/Legal Adviser of First Interstate Bank Plc 2002 - 2006, one of the nine legacy banks that made up Unity Bank Plc.

She was the Project Secretary and the Secretary to the Steering Committee and Committee of Directors of the Banks in-consolidation that became Unity Bank Plc. She is currently the Group Company Secretary of Unity Bank Plc and a Director in Unity Registrars, Limited (a subsidiary company of the Bank).

She obtained an LL.B degree from the Ahmadu Bello University, Zaria, 1982 and was called to the Nigerian Bar in 1983.

Mrs. Abraham has been Secretary of the Board of Unity Bank Plc from inception in 2006.



Mrs. Aisha Azumi Abraham
Group Company Secretary

It is our belief that business is sustainable when it is done ethically while committing actively to delivering on reasonable societal expectations of responsible corporate citizenship.

Aside operating within the regulatory framework governing the financial service industry to achieve its primary business objectives, Unity Bank believes in fully playing its role as a social development partner for the common good.

In 2010, the Bank committed resources to projects and programmes that conform to the objectives of its CSR strategy. Our investment in CSR cut across health, security, education & capacity building, youth, sports and cultural development sectors. In this regard, we committed N52,982,460.00 to community/societal enhancement programmes nationwide. While the amount is lower than the N114 million spent in the previous year, the Bank intends to increase its financial commitment to CSR into the future.



Notable amongst the projects are outlined as follows:

	Amount N
HEALTH	
* Contribution to International Cancer Centre, Abuja	300,000
* Co- sponsor, International Cancer awareness dinner in Honour of Hajia Maryam Babangida, Abuja	300,000
COMMUNITY INTERVENTION	
* Donations to victims of civil crises in Jos, Plateau State	5,000,000
* Donations to flood victims in Kebbi, Jigawa and Sokoto States	25,000,000
* Sponsorship Fund Raiser NRCS/Jos/Haiti Appeal Fund	1,000,000
EDUCATION/CAPACITY BUILDING	
* Donations toward Launch of Mathematics Dictionary	350,000
* Book launch by Benue State Government	250,000
* National Association of Nigerian Students Logistics Offset (NANS) held in Sheraton, Abuja	150,000
* Donation of a Book Launch in Honour of Former President, Ibrahim Badamasi Babangida	500,000
SPORTS	
* Donation to Kaduna Polo Tournament	1,000,000
* Donation to Nigerian Army Golf Tournament, Zaria	1,872,460
* Sponsorship of Daily Trust Golf Tournament @ Kano Golf Club, Kano	300,000
CULTURAL DEVELOPMENT	
* Sponsorship of Abuja Carnival	1,000,000
* Contribution to Project Nigeria @ 50 organised by African Business Round Table, Transcorp Hilton, Abuja	1,000,000

Unity Bank Plc is very active in promoting societal cohesion and wellbeing through sports and culture. We have successfully established Unity Stars Football Club which has won several awards and trophies. The Bank equally won an award for its partnership towards the success of the 2010 edition of the Abuja International Carnival.

SPORTS AWARDS/TROPHIES

- * Lisadeen Consult Bankers Football Championship (Gold Medalist and a player of the club won the awards of highest goal scorer and the most valuable player in the competition);
- * The CBN Governor Financial Institutions Football Competition (Silver Medalist);
- * Jigawa State-government-promoted 50th Anniversary Corporate Soccer Cup competition (Gold Medalist).

BUSINESS AWARDS

During the year under review, Unity Bank participated in a number of trade fairs in the country in furtherance of its retail service delivery and socio-economic responsiveness. The Bank won five distinguished awards at the Kaduna International Trade Fair. These awards were presented to the Bank by Kaduna Chamber of Commerce, Mines, Industry & Agriculture. They include:

- * Best Exhibitor Award
- * Banker of the Fair Award
- * Most Courteous Bank Award
- * Most Efficient Bank Award
- * Most Improved & Functional Bank Award.

Similarly, Commerce & Industry Correspondents Association of Nigeria (CICAN), an affiliate of the Nigerian Union of Journalists (NUJ) also honoured Unity Bank with an award being recognition as the “Most Impactful Financial Brand-Crystal of Excellence.”



Official Sponsor, Abuja Carnival-2010



Crystal of Excellence for Most Impactful Brand By CICAN, 2010



Most Valuable Player- Lisadeen Football Bankers Championship, 2010



Highest Goal Scorer- Lisadeen Football Bankers Championship



WINNER- Lisadeen Consult 2010 Bankers Football Championship

BUSINESS REVIEW

The Economy

The Year 2010 was characterized by relative macroeconomic stability as the global economy recovered from the recession that held sway in the last two years. The price of crude oil, Nigeria's main export product rose significantly testing \$100pb and averaging \$77.5pb, about 27% higher than the previous year's average. The extended amnesty programme positively affected daily crude petroleum outturn. Thus crude oil production rose 21% from 2.04mbd in 2009 to 2.47mbd in 2010. The combined effect of higher oil prices and production implied that government revenues were significantly higher in the year. However, this did not reflect in the level of external reserves which actually declined by approx 25% from \$42.41bn to about \$31.99bn in the year. Total foreign exchange supplied at the official window rose 28% to \$26billion whilst the naira depreciated marginally by 0.7% to N148.67/Dollar.

GDP Growth

Data from the Central Bank of Nigeria based on provisional data from the National Bureau of Statistics reveals that real GDP growth averaged 7.85% in 2010 as against a revised growth rate of 6.96% in 2009. The non-oil sector maintained its dominance as the key driver for overall growth, with agriculture, wholesale and retail trade, and services respectively contributing 2.39, 2.04 and 2.08%.

Money & Capital Markets

The Central Bank of Nigeria fought valiantly to keep resurgent inflationary pressure in check all year round, deploying the various tools of monetary policy in its arsenal. It adjusted the Monetary Policy Rate (MPR) upwards by 25 basis points to 6.25% in September switching from monetary easing to contractionary policy. The market responded accordingly with domestic interbank money rates (overnight, call and open buy-back) rising to a two year high. The sudden spike in interest rates affected the money and capital markets differently. Bond yields increased sharply on account of the spike in interest rates forcing deterioration in the mark-to-market value of many banks' portfolio. In comparison, the capital market recovered appreciably after the lull occasioned by the after-effects of the downturn in the global economy.

The All Share Index rose 19% with market capitalisation spiking 57% to about \$53bn, bolstered by the listing of Dangote Cement Plc, over 15 billion ordinary shares which reportedly added about 25% to the value of the market. The market also benefited from the announcement effect of the take-off of the Asset Management Corporation of Nigeria as it raised investors expectation of an imminent recovery.

The Banking Sector

Globally, the banking sector recovered from the after-shocks of the financial crisis with many banks in the developed markets reporting profits as against the huge losses recorded in the previous year. However, the global recovery was tempered by the sudden revelation of huge deficits in the Euro zone with Portugal, Ireland, Greece and Spain (PIGS) fingered as key threats to the economic stability of the world's largest economic bloc. The International Monetary Fund and the World Bank collaborated with the EU countries to combat the problem, thus preventing a double-dip recession. In spite of this however, experts are wary of the contagion effect of the financial instability of these countries and are cautiously requesting for a Plan B to save the economic bloc and to ensure that the global recovery remains on track.

The domestic banking market remained resilient in spite of the challenges in the macroeconomic environment with many banks reporting profits compared to the dismal results of the previous year.

During the year also, the bill on Asset Management Corporation of Nigeria (AMCON) was passed into law and in its first bench released about N1.5trillion to 21 banks via bonds thus lifting the pressure placed on banks books by toxic assets and paving way for a resurgence in lending activities. Another major milestone in the banking sector in the year under review was the announcement by the Central Bank of Nigeria repealing Universal Banking, via a circular titled "Regulation of the Scope of Banking Activities & Ancillary Matters, No.3. Under the proposed regulatory regime banks are expected to operate as commercial, merchant or specialized banks as against the previous practice which allowed a combination of these distinct business models.

The new regulation which takes effect from May 2011 is expected to completely alter the architecture of the industry as well as having a lasting effect on the competitive dynamics and performance of industry players.

Outlook



The outlook for 2011 is projected to be generally favourable in view of the continued improvements in the international crude petroleum market, the relative stability in the production fields of the Niger Delta and the strong performance of the non-oil sector of the economy.



OUR APPROACH

After the consolidation exercise in 2006, Unity Bank conducted a detailed review of the industry, the operating environment as well as its internal strengths to articulate a new Corporate Strategy for the 2008-2012 planning period

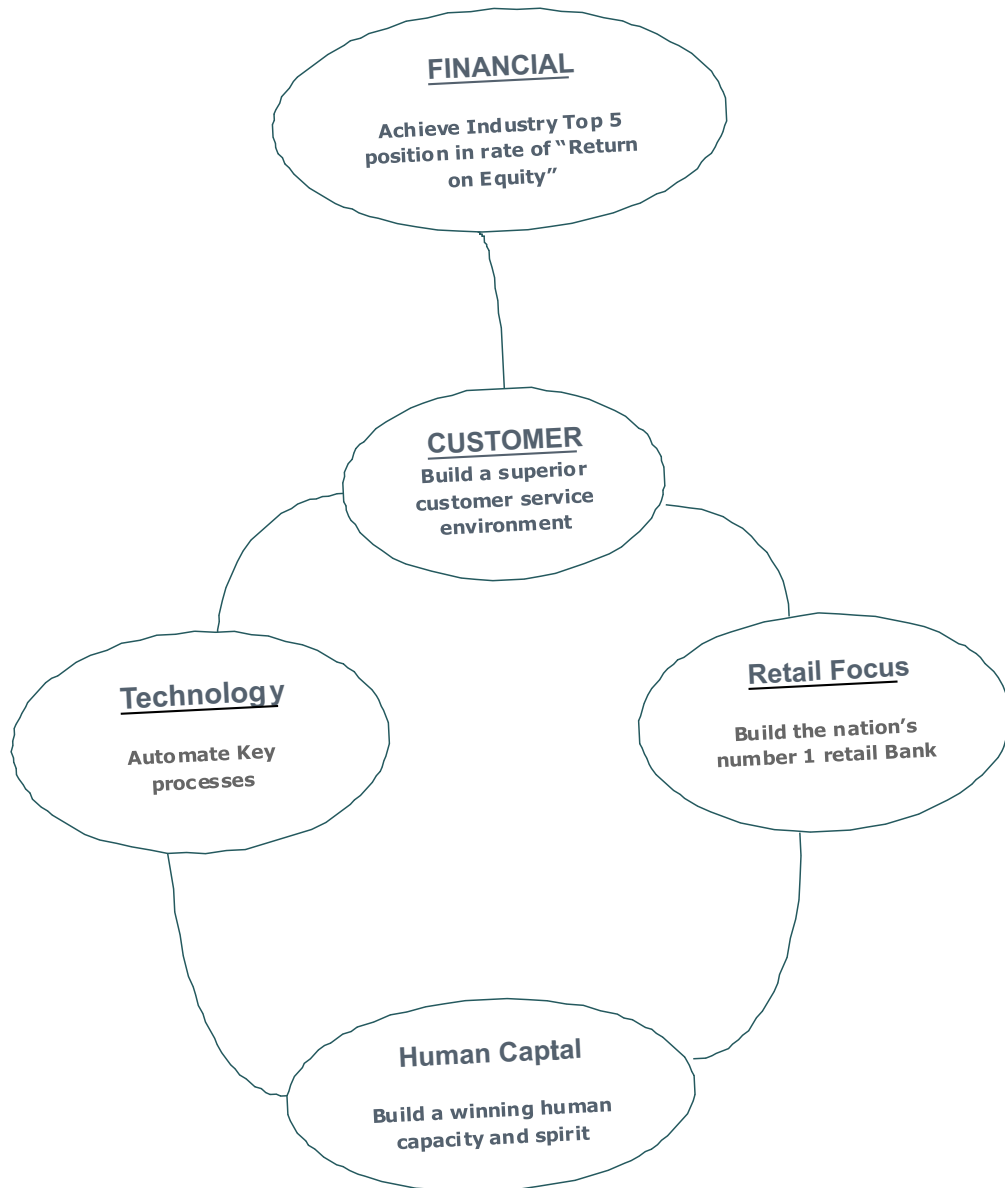
The following include highlights of the key issues that the Strategic planning process sought to clearly articulate:

- * What should be Unity Bank's business proposition?
- * What should be the bank's Business definition, vision, mission, corevalues, discriminating competencies and strategic direction?
- * What business model should be adopted by Unity Bank?
- * What shall be Unity Bank's competitive strategy/leverage?
- * What markets will Unity Bank play in and how?
- * What organizational arrangements will be adopted by Unity Bank?

BANK ASPIRATION

Unity Bank aspires to be "One of the top five financial services institutions in Nigeria, in terms of profitability and efficiency by 2016."

Our strategic focus can be broadly broken down into:



Financial

With respect to financial targets the bank has set the following as minimum benchmarks of success:

- * To achieve Industry Top 5 position in rate of "Return on Equity" and
- * To attain Industry Top 5 ratio of Income to cost by 2016.

To achieve the above, the Bank will continue to re-align sales efforts around specific customer/ market segments and ensure ownership and focus on attractive market segments.

The bank recently successfully raised additional capital through a Rights Issue to take its capital base to approx N44billion and to support its overall growth strategy.

Customer

As a Bank, our desire is to build a superior customer service environment that will make our institution the preferred choice for provision of banking services to a wide range of customers.

Unity Bank is determinedly focused on breaking into the top-ranked Nigerian banks with respect to customer service delivery level. We have thus instituted several initiatives to boost our customer service delivery by upgrading our Customer Care Centre into a world class Multi-Channel Contact Centre to actively interact with our esteemed customer in meeting their various service needs. The overarching aim of the enhanced Service Management strategy is to create a high customer service orientation and boost customer satisfaction in the Bank.

Technology

Unity Bank will significantly improve technology leverage. We have taken decisive steps to automate our key processes/functions within all departments in the bank in order to drive our growth and efficiency ambitions and to enable us achieve Top 5 ranking in utilization of e-business products and service along key parameters including but not limited to the following:

- * Number of ATMs,
- * Number of Cards,
- * Number of transactions,
- * Corporate Payments/Collections, etc

Our target as a Bank is to maintain high quality service levels through deployment of the requisite technology platform. This underpins our strategic decision to invest in Technological Expansion by purchasing State-of-The Art IT Infrastructure including Enterprise Servers, Backup Solutions and Network Communications using part of the proceeds of our Rights Issue. The expected outcome of this investment is a reduction in unscheduled network down-time bank wide to a minimum, whilst achieving 98.5% all-year availability to further enhance our service delivery to all our esteemed customers.

Human Capital

Build a winning human capacity and spirit

Our desire at Unity Bank is to continue to significantly upgrade human resources capacity within the bank in our quest to improve staff productivity, efficiency and profitability.

To achieve the above, Unity Bank is currently

- * Applying the balanced scorecard model as a performance measurement system. This will spur the organization and create a performance mentality in the Bank whilst aligning individual, team, unit, department, division and directorate objectives.
- * Reviewing its staffing strategy/policies to incorporate emerging industry trends and to ensure that it emerges as the employer of choice for top performing professionals in the economy

Retail Focus

Our aspiration is to be among the Top 5 Leading retail bank in Nigeria.

To achieve the above, we have realigned our organization structure to enable the bank place required focus on retail banking. We are consistently upgrading existing physical branch network and expanding distribution channels - physical branches, ATM and POS terminal network, cash centers, kiosks etc and develop new retail products in order to actualize the dream of serving a wider retail target market. Nigeria's significantly large population of over 140million makes it the biggest consumer market on the African continent.

This underpins our strategic purpose of striving to be the largest retail bank in Nigeria, both in terms of profitability and branch network.

RE-ALIGNING STRUCTURE WITH STRATEGY

In June 2009, Unity Bank embarked upon a major initiative to redesign its operating structure and facilitate decision-making, information dissemination and effective supervision/management of its widely dispersed branch network. The major thrust of the restructuring exercise was to make the Bank's workforce more agile, the structure more efficient and effective as well as to reduce staff cost and improve productivity in line with industry standards.

Based on the review, the Bank evolved a new structure and a market thrust that is geared towards achieving its core strategy of building a solid retail franchise. The new structure was aligned along geographic dimensions that would see the bank covering every nook and cranny of the six geo-political zones of the country thus helping to improve the national banking density and vastly improving access to financial services for the country's large population. This required the collapsing of the Strategic Business Unit structure which had been in existence in favour of Business Directorate Structure to operate closer to the customer and enhance the effective deployment of our retail strategy.

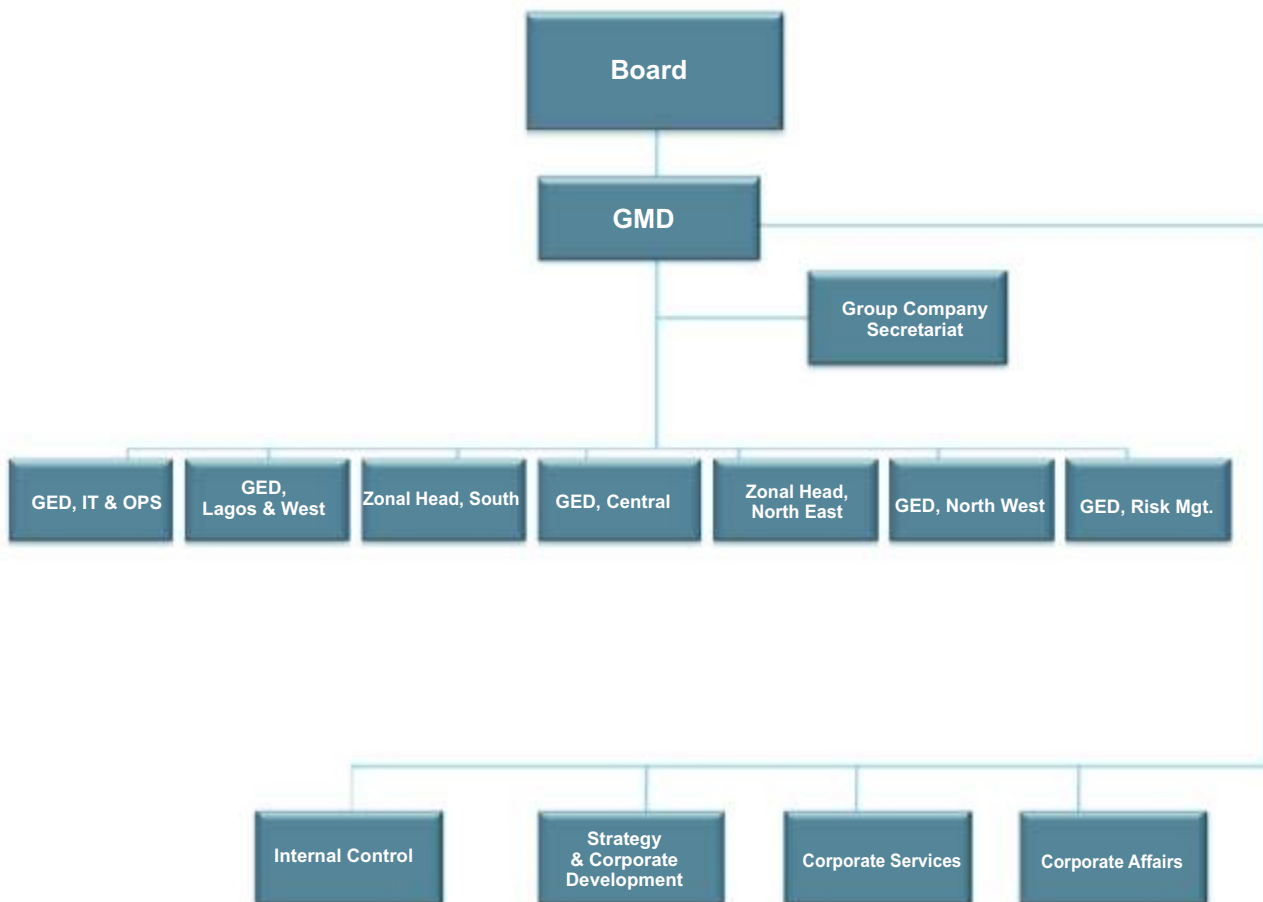
The bank has five business directorates and three support directorates as depicted below

S/N	DIRECTORATE	LOCATION	FUNCTION
1	GMD'S Directorate	Head Office , Abuja	Support
2	North West Directorate/Zone	Kano	Business
3	North East Directorate/Zone	Maiduguri	Business
4	Central Directorate/Zone	Abuja	Business
5	Lagos & West Directorate/Zone	Lagos	Business
6	South Directorate/Zone	Portharcourt	Business
7	Operations & IT Directorate	Head Office , Abuja	Support
8	Risk Management Directorate	Head Office , Abuja	Support

Each of the Directorate is headed by a Group Executive Director or a Zonal Head. The Zones are further broken for operational efficiency into eighteen (18) Regional Offices across the country. This has helped in speeding up our decision making process and ensures that our banking services are effectively discharged to our teeming customers across the eighteen regions.

The current Unity Bank Corporate Structure is as depicted below:

CORPORATE STRUCTURE





Rebranding

Having successfully completed our consolidation exercise and in line with our strategy to imprint our name in the hearts and minds of all users of banking services in Nigeria, we embarked on a comprehensive rebranding exercise. We modified our corporate signature and changed our colour schemes to capture the essence of the distinctive attributes and values that will define the way we run our business in the medium and long-term. The objective was to create a refreshing and reinvigorating “look and feel” through our new corporate brand assets.

Our strategy is to drive our reputational capital by building a corporate perception of meaningful partnership with our stakeholders and embedding a new culture that is driven by competence and characterized by the quality of service and improved systems and processes expected of a 21st century bank.

Our re-branding has equally resulted in significant changes to the architecture of our business premises nation-wide. Our aim is to create a natural warmth to dilute the rigidity and seriousness that is peculiar to most business environments. We have a welcoming and caring ambience in our premises for the comfort of our customers.

Strategic Branch Expansion

Bearing in mind our strategic focus of emerging as the largest retail bank in Nigeria we have embarked on a massive upscale of our branch network. Currently we have 237 operational business offices spread across the country with another 10 close to completion. This places us in the sixth position in terms of branch locations in the industry. We are also planning to establish another 40 new branches in the upcoming financial year as part of our retail push.

UNITY BANK COMPETITIVE STRATEGY

Unity Bank will compete using the following levers:

1. Cost Leadership

Unity Bank's group sharing initiatives includes outsourcing and off-shoring where possible. This strategy will be further enhanced as soon as the bank's plan to divest non-core banking subsidiaries and set up an investment supervision company that will provide common services to members, materializes. The shared services will include: Legal, IT Platform, Audit, Training, Secretariat Services, etc.

Our deposit mobilization and performance measurement system is also being aligned to ensure that the sales force mobilizes deposits in a pre-determined structure that minimizes the bank's cost of funds

2. Highly motivated People

A comprehensive training program for all roles and levels of the bank is constantly being developed and executed to ensure that people are provided with relevant training not only to perform their core job functions but also in other key areas including but not limited to: Marketing, Interpersonal Skills, Customer Service, Communication skills, etc

3. Value Chain Banking

Value chain banking will be a critical competitive strategic thrust for the bank and we will adopt this to ensure we capture the following generic business linkages

- * Public Sector Banking and Commercial Banking Linkages
- * Nationwide distributive trade in key locations
- * Corporate Banking and Commercial Banking Linkages
- * Commercial Banking and Retail Banking Linkages

Once specific linkages are identified, deliberate action plans will be put in place to secure businesses at both ends of the value chain as required:

- * New Products,
- * New branches,
- * Training & Education
- * New projects

2. Niche Play

Nigeria's huge population, consistently high economic growth rate over the years, and Agrarian economic base (Agriculture contributes 42% to Gross Domestic Product and employs about 70% of the population), portends untapped opportunities in the agricultural sector. Part of our strategy is to emerge as a niche player in this segment by exploiting the burgeoning opportunities in the agro-allied space.

Moving From Strategy to Implementation

Due to the breadth of initiatives envisioned by the Bank, a dedicated Strategy & Corporate Development is in place and staffed with highly skilled personnel. The department is responsible for the implementation monitoring of the Bank's strategy, implementation of the new structure, Service Quality Management, Branch Expansion and Transformation as well as Research and Business Development functions.

Compliance with New Industry Regulatory Model

Unity Bank submitted to the regulatory authorities well in advance of the deadline a compliance plan detailing its choice of structure in the emerging industry landscape post universal banking. With our capital base of N52billion we propose to secure a national banking license and to divest from non-core banking subsidiaries, thus allowing for the establishment of an investment supervision company to manage the divested firms on behalf of agreeing shareholders in the immediate term. The investment supervision company is expected to transmute to a full-fledged

investment holding company in the medium to long term and will feature the following under its expanded structure:

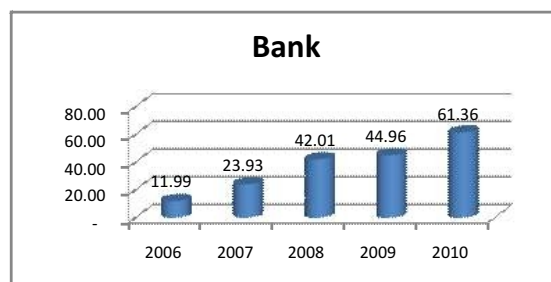
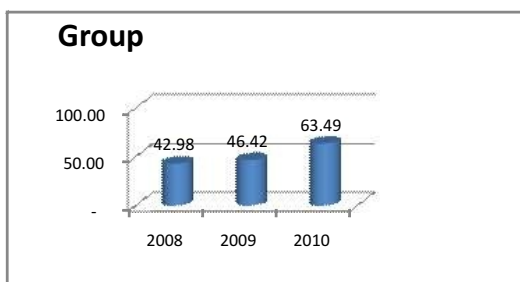
- * Banking Sub-group
- * Management Services Sub-group
- * Insurance Sub-group
- * Shared Services Sub-group

FINANCIAL PERFORMANCE



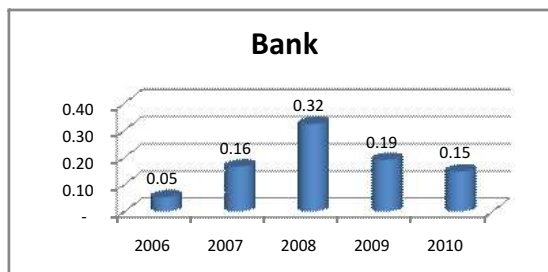
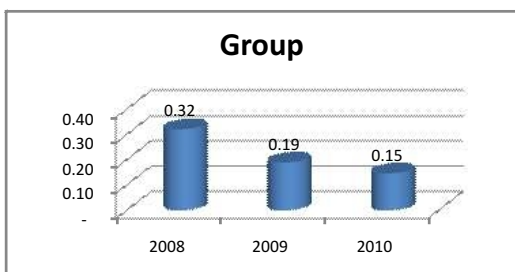
GROSS EARNINGS(N'Billions)

Gross earnings grew by 37% to N63.49b at the end of the 2010 financial year for the group and by 36% to N61.36 b for the Bank. This was achieved largely due to increased lending and recovery activities of the Bank and operations of the group as a whole



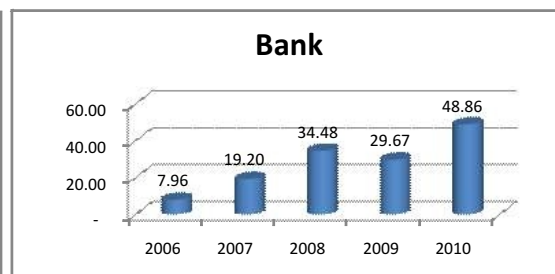
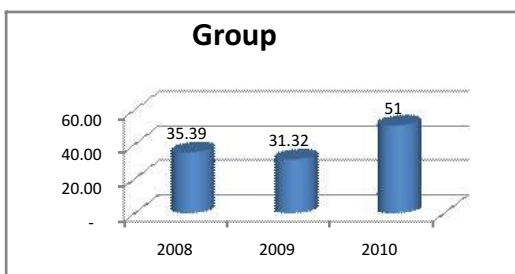
NET INTEREST MARGIN(N'Billions)

The Groups Net Interest margin ratio which is defined as the ratio of our Net Interest Income (Interest income less interest expense) to average interest earning assets held as at 31 December 2010, is still competitive. This shows the strength and quality of our core business.



OPERATING INCOME(N'Billions)

Operating income improved significantly with a 63% and 64% growth for the group and bank respectively in the period. This reflects our revenue generating capacity from underlying operations. This resulted from increase in our earning assets and protection of our interest margin in the face of stiff competition.

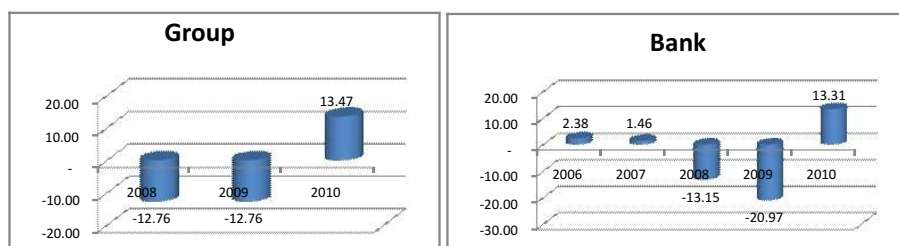


FINANCIAL PERFORMANCE



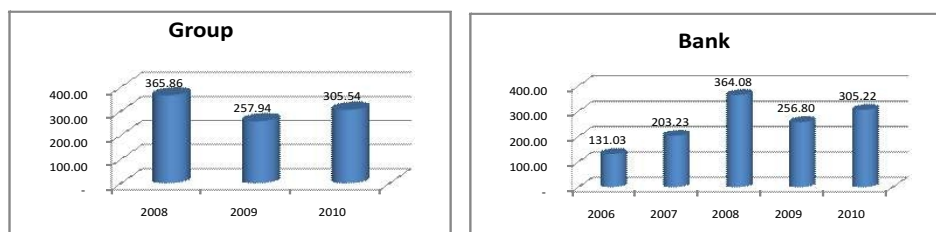
PROFIT BEFORE TAX(N'Billions)

Our profit before tax for year 2010, both for the group and the bank reflects the operational efficiency occasioned by improved processes and practices. The group and bank went from losses of N16.12b and N15.85b to N13.47b and N13.37b respectively in the year. It is worthy to note here that the income earned by the bank on the acquisition of its toxic assets by the Asset Management Company of Nigeria (AMCON) impacted positively on the performance and profitability.



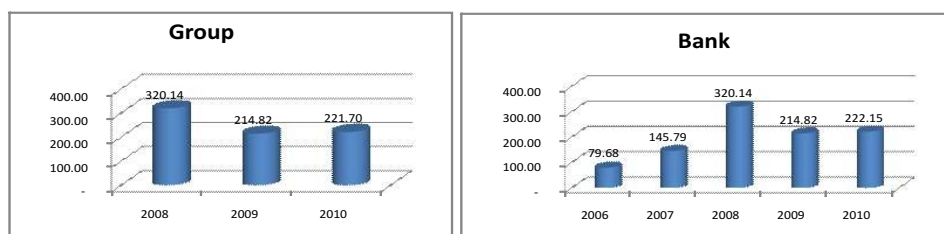
BALANCE SHEET(N'Billions)

Our balance sheet size increased by 18% both for the group and the bank. This was largely due to improved profitability, the resulting reserve increase from the revaluation of some of the bank's assets as well as increase in equity capital recorded during the year.



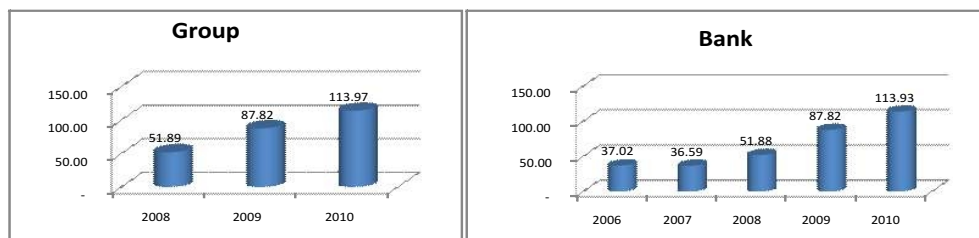
DEPOSITS(N'Billions)

Increases recorded is as a result of new alliances forged by the bank in both the private and public sectors.



LOANS AND ADVANCES(N'Billions)

Our loans and advances increased by 30% over the figures recorded last year for both group and bank. The Loan portfolio increased by careful selection of high rated obligors in several sectors of the economy. With this portfolio growth, a loan-to-deposit ratio of 51% was achieved.



RISK GOVERNANCE STRUCTURE

The Bank's risk governance structure is in place and running. The Board which represents shareholders is the overall risk owner of the Bank hence it has ownership of the entire risk policies, procedures and overall management of risks in the Bank in an enterprise-wide manner through an effective oversight procedure.

BOARD RISK MANAGEMENT COMMITTEE

The Board set up the Board Risk Management Committee to ensure effective oversight on risk management implementation bankwide and also to ensure that Management complies with risk limits and targets set by the Board. The Committee meets on quarterly basis.

Membership of Board Risk Management Committee

Dr Adedeji Adeleke	Non -Executive Director	Chairman
Eng. Ahmed Ibrahim	Non -Executive Director	Member
Alhaji Umaru S. Ndanusa	Non -Executive Director	Member
Alhaji Falalu Bello(OFR, FCIB)	Group Managing Director	Member
Alhaji Ado Yakubu Wanka	GED, Risk Mgt & Control	Member
Mrs. Aisha Abraham	Group Company Secretary	Secretary

MANAGEMENT RISK COMMITTEE:

At Management level, the Bank has set up a Committee to ensure the full implementation of Enterprise Risk Management. During the coming year, attention will be focused on the acquisition of the necessary information technology and communication platform to ensure the full implementation of Enterprise-wide Risk Management. This notwithstanding, the Bank has incorporated risk management procedures in its decision-making processes.

Membership of this Committee includes the following: -

Divisional Head, Internal Control	Chairman
Divisional Head, Risk Management	Member
Divisional Head, Products and Channels	Member
Divisional Head, Operations Division	Member
Head, Financial Control Department	Member
Head, Market & Operations Risk	Member
Head, Credit Risk Department	Member
Head, IT Department	Member
Head, Legal Services Department	Member
Head, Strategy Department	Member
Risk Management Division	Secretariat

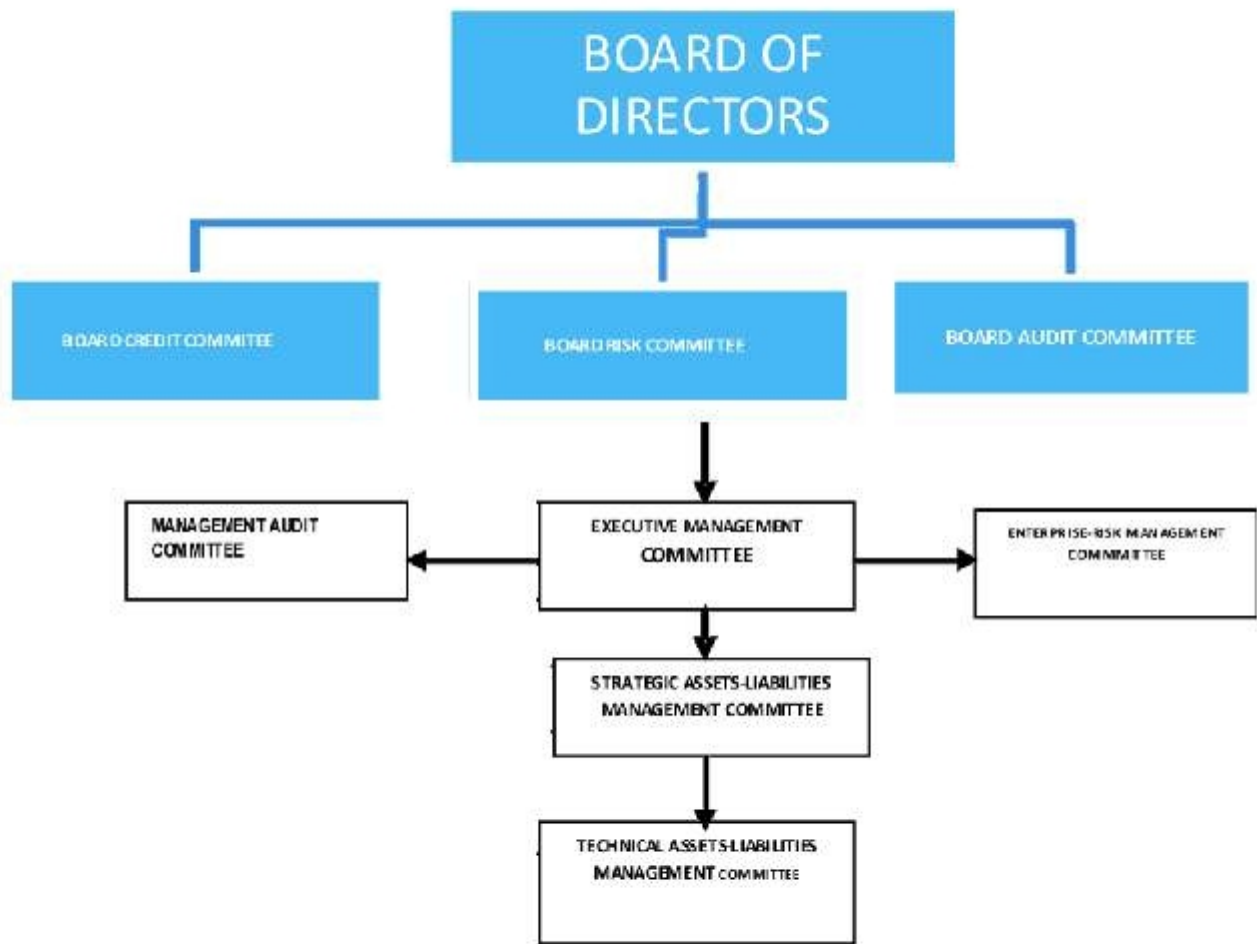
RISK MANAGEMENT FRAMEWORK

A framework for risk management is in place in line with the regulatory requirements. The framework is subject to constant review to ensure its robustness in capturing all risk elements in the business.

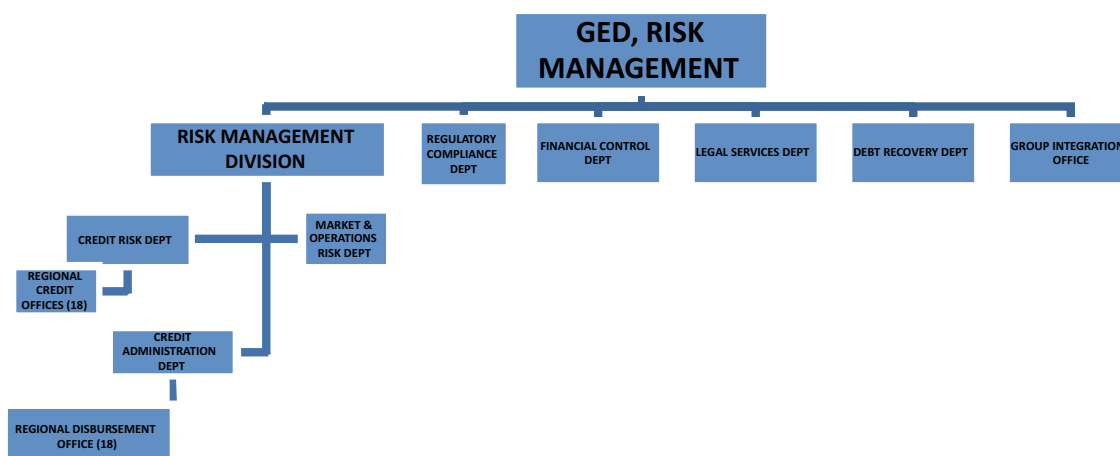
RISK MANAGEMENT DEPARTMENTS

Under the approved framework, the role of coordination of the management of the Bank's exposure to financial risks rests on the Risk Management & Control Directorate made up of the Credit Administration, Debt Recovery and four specialised Departments of Credit Risk Management, Market & Operations Risk Management, Regulatory Compliance and Legal Services Departments.

RISK MANAGEMENT ORGANOGRAM AND RELATIONSHIP WITH OTHER COMMITTEES



RISK MANAGEMENT AND CONTROLS ORGANOGRAM



OPERATIONAL RISK DEPARTMENT

The Bank defined exposure to operational risk as exposure to loss resulting from inadequate or failed internal processes, people and systems or from external events. It shall incorporate strategic and reputation risk for the purposes of appreciation and not capital charge.

The Bank has set up the process of identification, measurement, management, control and reporting of exposure to operational risks bank-wide. The following table identifies the key risks facing the Bank with respect to operational risk.

S/N	Unity Bank Name	Definition of risk
1	Fraud by insiders	Losses caused by act intended to defraud, misappropriate property or circumvent regulations, law or company policy. Eg employee theft, insider trading on an employee's own account, intentional misreporting of positions.

RISK MANAGEMENT DISCLOSURE



2	Fraud by outsiders	Losses caused by acts of an outsider or third-party with intention to defraud, misappropriate property or circumvent the law. Eg, robbery, forgery, cheque kitting, loss or damage from computer hacking.
3	Staff welfare/Employee relations management risk	Losses arising from acts inconsistent with employment, health, or safety laws or agreements eg, losses from litigations by ex - staff on termination, payment of personal injury claims, discrimination claim payments.
4	Relationships and products management risk.	Losses arising from relationship management failures unintended or due to negligence, breach of contracts, product failures, money laundering violations, litigations arising from customer information disclosure.
5	Process errors and failure risk	Losses arising from failed transactions, errors in processing, accounting errors, un-reconciled balances, human capital competence and attitude issues.
6	Business disruption and system failures risk.	Losses attributable to system failures, communication failures, software failures, system downtime, etc.
7	Damage to physical assets	Losses arising from damages or outright loss of assets due to natural events like fire, flood, rain or thunderstorms, terrorism, vandalism, earthquakes, civil unrest.

MARKET RISK

DEFINITION OF MARKET RISK

Market risk is defined as the risk that movements in market prices and rates comprising interest rates, equity prices, foreign exchange rates, commodity prices will negatively impact on the earnings of the Bank. This risk could either arise from the Bank's trading book or banking book positions. Trading positions are used to take advantage of movements in prices as well as manage the Bank's liquidity positions.

The Bank business strategy is focused on core traditional banking function of creating quality loans and advances and processing deposit and payments of its customers. Less than a third of the Bank's resources were deployed to take market risk exposure in the securities market. Thus, exposures to market risk in the trading book are limited mainly to local currency trading book activities which revolves around interest rate risk. These exposures are managed mainly from the Assets-Liabilities Management functions of the Bank.

The Bank's foreign exchange assets and transactions are very negligible compared to its total assets and activities. Similarly, exposure to the equity market is negligible compared to its asset base while there are no direct exposure in commodities trading market except for facilities granted to obligors who trade in commodities. This type of risk exposures are managed from the credit risk management function of the Bank.

Thus apart from exposure to market risk with particular reference to interest rate risks, the Bank has negligible exposure to market risk in foreign currency trading.

Therefore, its overall exposure to market risk is negligible. However, exposures to interest rate risk (IRR) in the banking book and liquidity risks are being managed on a proactive basis.

Mark-to-market model is used to measure exposure to market risks for the Bank's proprietary investments and the resultant loss have been adjusted in the Bank's Profit and Loss Account.

Similarly, the traditional standardised approaches are employed to measure exposure to market risk with respect to its little portfolio of tradable instruments especially government investments such as treasury bills and bonds.

ASSET-LIABILITIES MANAGEMENT COMMITTEE

The Bank set up two levels of Asset Liability Committees to consistently review its liquidity and asset-liability gaps as affected by exposure to interest rate risks. The senior executives of the Bank meet on monthly basis or as it is deemed necessary under the auspices of Strategic ALCO. The key term of reference is to ensure that the Bank's profitability and liquidity objectives are met on a proactive basis.

MEMBERSHIP:

GMD/CEO	Chairman
GED, Risk Management and Controls	Member
GED, IT & Operations	Member
GED, Central	Member
GED, Lagos & West	Member
GED, North West	Member
Zonal Head, South	Member
Divisional Head, Operations	Member
Divisional Head, Products and Channels	Member
Head, Financial Control	Member
Divisional Head, Corporate Services	Member
Zonal Head, North-East	Member
Head, Market & Operations Risk	Secretary
Head, Strategy and Corporate Development	Member

The Technical ALCO meets regularly focusing on detail issues of gaps liquidity, currency or interest rate, profitability and growth. The Committee reports to the Bank's Executive Management Committee and Strategic ALCO.

The Technical ALCO is made up of the following membership:-

Divisional Head, Risk Management	Chairman
Divisional Head, Operations	Member
Head, Financial Controls Dept	Member
Divisional Head, Products & Channels	Member
Head, Information Technology	Member
Regional Manager, Abuja	Member
Regional Manager, Garki	Member
Head, Market & Operations Risk	Secretary

LIQUIDITY RISK

The Bank has maintained a tradition of ensuring optimal liquidity in meeting its short-term obligations as and when due at optimal cost. The result of this effort is that the Bank maintained its tradition as a net placer in the interbank market.

The framework for liquidity management in the Bank is as enumerated below:-

* **GOVERNANCE**

The Bank takes the issue of its liquidity management as pivotal to its business strategy. Thus the Board and Management put the necessary machinery in place to ensure that the overall liquidity management objective is met. Through the organ of Assets-Liabilities Management, liquidity risk issues are managed on regular basis. However on daily basis, liquidity reports are escalated to all Management staff.

The Bank operates a centralized liquidity risk management framework with Treasury Marketing Department having overall responsibility for the day-to-day management of the Bank's liquidity and ensuring optimal deployment of its liquid assets. The risk management oversight of liquidity management function resides with the Risk Management Division.

* LIQUIDITY RISK EVENT IN THE FINANCIAL YEAR

There was general liquidity overhang in the money market arising from regulatory actions especially from the first quarter through to the end of the third quarter of the year due to risk-averse mood of banks in creating risk assets. The excess liquidity coupled with little or no viable outlets of acceptable risk had some impact on profitability. This was a systemic industry-wide challenge. However by the last quarter of the year, the money market became active and yield became attractive subsequently. The Bank responded to this challenge by increasing its trading portfolio of sovereign bonds and treasury bills with some cautious expansion of risk assets.

* LIQUIDITY RISK BENCHMARKS AND LIMITS

LIQUIDITY RATIO

Apart from the mandatory 1% cash reserve requirement, Liquidity ratio minimum bench mark set by the Bank was 30 per cent which represented 5 per cent above the regulatory benchmark of 25 per cent. The Bank maintained an average ratio above industry.

LOAN TO DEPOSIT RATIO

Also, the risk limit of 60 per cent was set as internal risk limit for portion of the Deposit base that can be utilized in creating risk assets. This is 20 per cent lower than regulatory limit of 80 per cent. However, due to the liquidity overhang in the system, the internal limit was exceeded severally during the year to accommodate cautious expansion of the portfolio.

CURRENCY GAP

Open position limit of five (5) per cent of shareholders' fund as set by regulators guided the Bank's risk limit on foreign currency mis-match allowable.

* CASH LIMITS

Cash limits are set for branch and Cash Management Units in the Bank to ensure a balance between cash availability and profitable deployment of liquidity. These limits are monitored daily and reviewed on periodic basis.

* FUNDING SOURCES

The Bank funding sources were maintained as diverse as possible with the key ones as follows:

- * Deposit liabilities
- * Other Liabilities
- * Shareholders' fund
- * Debt sources
- * Interbank Takings

PERFORMANCE OF FUNDING SOURCES

The instrumentality of budget was used to set targets for funding sources. Performance of actual sources against budget was satisfactory.

Though debt was not issued officially, the Bank took advantage of the various long-term financing intervention funds made available by the Government such as Commercial Agriculture Credit Scheme, Bank of Industry Refinancing Facilities for manufacturing industries.

DEPOSIT LIABILITY STRUCTURE

The Bank's deposit liability is well structured in favour of low cost deposit types demand deposit and savings contributed 67% of deposit base which was the core deposit.

The Bank devised strategies to manage risk of deposit volatility by obtaining daily reports of deposit movements and tracking the material amounts for the purposes of retention.

TOP PROVIDERS AND TOP USERS OF FUNDS

Reports of top providers and users of funds are generated and reviewed on regular basis as part of the Bank's liquidity management strategy. Issues of concentration risk are escalated and managed as they occur.

CONTINGENCY FUNDING PLAN

The Bank also has a Liquidity and Capital Contingency Plan to ensure that pragmatic steps are taken to manage exposure to liquidity risks in an optimal way. There was no liquidity pressure that would have necessitated the activation of the contingency funding plan.

STRATEGY RISK

The Bank's Vision to be among the top five banks in five years with effect from 2008 was largely validated by the events that unfolded during the intervention of the Regulatory Authorities. The Bank is the 6th largest by number of branches with 237 branches nationwide.

The strategic risks of the Bank were identified and are being managed accordingly and are restated below:

Evolution of strategy: The strategy of the Bank was developed through a rigorous process of review of the Bank's legacy issues, strengths, weaknesses, opportunities and threats. A consultant was engaged to work with the Bank who carried out extensive review of the parameters. Stakeholders were engaged from bottom up. Also Strategy Sessions were held for the Bank to arrive at its strategic blueprint containing its vision and mission well defined, target market and the strategy to achieve the set objectives.

The strategy also undergoes periodic reviews and fine-tuning accordingly. Though, the business formation along business unit lines was reviewed to geographical lines as reported previous year, the principle and spirit of the strategy remains the same.

The Board and Management Team believe that the Bank's vision is still valid in the light of its potentials and strengths vis-à-vis industry realities

Communication: The Bank's strategy is well known to the Bank and communicated. More efforts are being geared towards ensuring continual communication of the strategy.

REPUTATIONAL RISK

While the Bank established a full-fledged brand management Department, Corporate Affairs Department which is actively watching over its image, Board and Management Team evolved three-pronged approaches to re-energise the Bank's brand capital namely, Acculturation Project, Rebranding Project and establishment of a 24/7 Customer Contact Centre being managed by the Bank's Chief Customer Care Officer.

All of the above are being implemented to ensure that the Bank protects itself from damage to brand capital.

LEGAL & COMPLIANCE RISKS

The Bank has a robust compliance management framework in place to ensure that it does not fall short of regulations issued from time-to-time. The Department responsible for coordinating compliance matters is under the management of a Management staff of Assistant General Manager status. Anti-money laundering policies are in place and running supported by appropriate technology. Customers with deficient information documentations on the accounts were given up to December 31st, 2010 to up-date their records after which the accounts will be restricted.

A full fledged Legal Department is in place to advise and manage all of the bank's legal issues. All exposures to legal risks are being managed and mitigated on a proactive basis. Contingent liabilities are monitored closely and disclosed accordingly.

The two Departments responsible for managing legal and regulatory risk exposures of the Bank report to the GED, Risk Management & Control Directorate.

SYSTEMIC RISK

The Bank put in place a comprehensive action plan to manage exposure to systemic risk. Transmission points of systemic risks were identified as follows:

1. Lending transactions
2. Interbank activities
3. Clearing activities
4. Funding sources

A mechanism for putting up a systematic response to systemic risk occurrence was put in place by the Board. It is the responsibility of the Divisional Head, Risk Management to declare the occurrence of systemic risk situation and respond in line with the policy and procedure guidelines as approved by the Board. There was no event that could trigger the activation of the Bank's Contingency Plan during the period.

On the contrary, given the excess liquidity overhang in the industry, the Bank actually devised strategies to deploy its excess liquidity optimally. The excess liquidity was deployed to the creation of financial instruments such as bonds and treasury bills, minimum risk assets and cautious expansion of core risk assets.

INFORMATION SECURITY MANAGEMENT

The Bank takes the issue of security of its information assets very seriously. The objectives of the policy framework comprise integrity, confidentiality and availability of its information assets.

In order to ensure full satisfaction of its customers, the Bank is in the process of adopting the ISO 27001 Standard in managing its information asset security in order to achieve the specified objectives.

A full fledged Information Security Unit has been established in the Information Technology Department saddled with the responsibility of coordinating the management of Information Asset security in the Bank.

With respect to physical security, a full-fledged Security is in place to ensure that physical security is managed to achieve the Bank's objective of full protection of its assets.

CREDIT RISK

Credit risk arises when an obligor fails to meet with the terms and conditions specified and agreed in a trading or loan contract or when its ability to perform such obligations is impaired. This may arise not only when an obligor or borrower defaults in payment of a loan or settlement but also when his repayment capability dwindles.

Credit risk events occur from activities both On and Off Balance Sheet engagements which include trade or project finance, interbank transactions, foreign exchange, bonds, guarantees, commitment and settlement transactions.

Credit Risk Management is a full fledged Department headed by an Assistant General Manager. The Department is under the Risk Management Division which is headed by a Deputy General Manager.

The Bank operates a policy of clear separation of business powers as business officers involved in credit approvals do not have powers to approve disbursement of credits as this resides in the control officers in Risk Management Directorate.

The responsibilities of the Department include:

- a. Planning of the credit portfolio of the Bank
- b. Review of all credit proposals at various levels before consideration for approval.
- c. Reviews the Credit Policies and Procedures from time to time and issue Credit Circulars on matters bothering on credit performance.
- d. Monitors the use of delegated business powers and recommends sanctions for abuse.

PRINCIPAL CREDIT POLICIES

The Bank's Risk Assets mission is "to generate and manage a qualitative diversified loan portfolio that provides returns consistent with the Bank's expectations in terms of assumed risk, return on asset and value added to individual credit transactions within the context of the overall regulatory requirements".

The main objectives for creating risk assets are:

1. To generate Income, while ensuring Liquidity, Safety Solvency and Growth
2. Market for and obtain credit businesses that are consistent with the Bank's Risk Assets Acceptance Criteria as defined in the Credit Policy;
3. Manage credit risk so that the Bank's portfolio performance measured by levels of non-performing assets and write-offs is consistently one of the best in the industry;
4. In a timely and professional manner avoid granting credit facilities to customers not able to, on a sustainable basis, satisfy the Risk Assets Acceptance Criteria and;
5. Maintain a Deposit ratio within the levels provided by regulatory authorities as may be prevailing from time to time.

Other key objectives for credit risk management include:

1. Deliberately manage its risk asset portfolio to ensure that the risk of concentration to any sector or individual customer is minimised and ensuring portfolio flexibility and liquidity.
2. Ensure exposure to any industry or customer is determined by the regulatory guidelines, internal policies and procedures, debt service capability and balance sheet management.
3. Extend credit to only suitable and well identified customers who have complied with the "Know Your Customer" KYC principle and meet the "Risk Assets Acceptance Criteria" RAAC of the Bank
4. Credits are to be extended to customers where the source of repayment is known and can be ascertained but not for speculative purposes and where the purpose and destination of funds are not disclosed.
5. Ensure that the primary source of repayment for each credit is from an identifiable cashflow from the counterparty's normal business operations or other financial arrangements. Realisation of security remains a fall back option.
6. Adoption of a pricing model that reflects variation in the risk profile of various exposures to ensure that higher risks are compensated by higher returns.
7. Ensure that the quantum of exposure and quality and value of collateral required are determined based on the risk profile of the counter party
8. Avoid all conflict of interest situations and report all insider related credits to appropriate bodies.

CREDIT RATING SYSTEM

The Bank currently has an Internal Rating System designed in-house. The rating system was designed around the following criteria with scores ranging between 1 and 5 for every parameter under these criteria.

- * Borrowers Economic Performance
- * Industry performance
- * Collateral
- * Actual Credit/Track Record or Performance with Unity Bank Plc or other related banks

The credit scoring ranges from A to C as depicted below:

- A rating with scores between 15 - 12
- B+ rating with scores between 11 - 10
- B- rating with scores between 9 - 8
- C rating with scores between 7 and below

CREDIT APPROVAL LIMITS

The Bank operates a decentralised Delegation of Business Powers which is approved by the Board of Directors which delegated powers to the following bodies:

- * Board of Directors
- * Board Credit Committee
- * Executive Management Committee and
- * The Group Managing Director.

The Group Managing Director in consequence of business exigencies further delegated Business powers to key officers based on responsibilities and accountability as follows:

- * Group Executive Directors (Business Directorates)
- * Zonal Heads
- * Regional Managers
- * Branch Managers.

Exposure to credit risk is considered the largest risk in most financial institutions. It therefore attracts adequate attention and resources for a proactive and effective management.

The following structure exists for the management of credit risk in the Bank:

- * The Board has ownership of the Bank's credit risk. Policies and procedures are approved by the Board and reviewed from time-to-time.
- * Credit management is carried out in the Bank under well-defined credit policies and procedure manuals. There is dual control in credit origination in the Bank namely the Business Units with the concurrence of Risk Management Unit.
- * Credit approval powers are devolved across authority lines in the Bank.
- * Credit Administration Department is saddled with the responsibility of general administration of the Bank's credit process. Disbursement and documentation, remedial management, monitoring and classification of credit exposures, as well as credit portfolio reporting are the primary concern of the Department.
- * Also there is a full-fledged Debt Recovery Department that concentrates on the recovery of certain non-performing loans.
- * Portfolio distribution is being watched regularly to ensure that there is no risk of concentration.

FINANCIAL STATEMENT

The Directors present their annual report on the affairs of UnityBank Plc (“the Bank”) and its subsidiaries (“the Group”) together with the financial statements and auditors' report for the year ended 31 December, 2010.

a. Legal Form

The Bank was incorporated in Nigeria under the Companies and Allied Matters Act CAP C20 LFN 2004 as a private limited company on 27 April 1987 with the name Intercity Bank Limited. It was granted license on the 28 October 1987 to carry on the business of commercial banking and commenced full banking business operation on 28 October 1988. The bank was converted into a Public Limited Liability Company on 8 September, 1992. Following the consolidation reforms introduced and driven by the Central Bank of Nigeria in 2004, the Bank merged with the following Banks on 22 December, 2005:

1. CentrePoint Bank Plc;
2. First Interstate Bank Plc;
3. Pacific Bank Limited;
4. Societe Bancaire Nigeria Limited;
5. Tropical Commercial Bank Plc'

However, it changed its name to UnityBank Plc on 30 December, 2005 and further merged with the following other Banks on 2 March, 2006:

1. Bank of the North Limited;
2. New Africa Bank Plc;
3. NNB International Bank Plc.

The Bank's shares are currently quoted on the Nigerian Stock Exchange.

b. Principal Activity

The principal activity of the Bank is the provision of banking and other financial services to corporate and individual customers. Such services include granting of Loans and Advances, Corporate Banking, Consumer and Trade Finance, International Banking, Cash Management, Electronic Banking services and money market activities. Its major subsidiaries carry on various business activities which include Capital Market, Insurance, Trusteeship, Assets Management, Pension Fund Management and Administration.

The Bank has nine subsidiaries namely Unity Capital & Trust Limited, FUG Pensions Limited, Pelican Prints Limited, Unity Registrars Limited, NewDevco Investment & Securities Company Limited, Caranda Management Services Limited, NorthLink Insurance Brokers Limited, Unity Bureaux de Change and Hexalix Properties Limited.

The Bank prepared consolidated financial statements capturing the performance of all the subsidiaries except Unity Bureaux de Change which could not be consolidated as a result of some regulatory challenges.

a. Business Review and Future Development

The Bank carried out banking activities in accordance with its Memorandum and Articles of Association. A comprehensive review of the business for the year and the prospects for the ensuing year is contained in the Managing Director's report.

b. Fixed Assets

Information relating to the movements in fixed assets of the Bank during the year is provided in note 20 on pages 128 and 129 of the notes to the accounts. In the opinion of the Directors, the market value of the Bank's properties is not less than the value shown in the accounts.

c. Operating Results

Gross earnings increased by 36.46% and profit before tax of the Group increased by 197%.

Highlights of the Group's operating results for the year under review are as stated below:

	2010 N'000	2009 N'000
Gross earnings	63,492,066	46,420,051
(Loss)/Profit before exceptional item& tax	13,470,900	(21,098,901)
Exceptional item	-	(20,791)
Profit before taxation	13,409,900	(21,119,692)
Taxation	(922,348)	(297,410)
Deferred taxation	-	5,304,239
Profit after taxation	12,487,551	(16,112,863)
Non Controlling Interest	(52,354)	(14,672)
Profit Attributable to the group	12,435,197	(16,127,535)
APPROPRIATIONS:		
Transfer to statutory reserve	3,724,642	-
Transfer to small scale industries reserve	-	-
Transfer to general reserve	8,710,555	(16,127,535)

a. Directors

The names of the Directors during the year ended 31 December, 2010 are as follows:

NAMES	POSITION HELD
Prof. Akin L. Mabogunje, CON, NNOM	Chairman
Falalu Bello, OFR, FCIB	Group Managing Director/CEO
Abubakar Sadauki	Director
Dr Adedeji Adeleke	Director
Eng. Ahmed Ibrahim	Director
Felix Ohiwerei, OFR	Director
Mohammed B. Babangida	Director
Muinat Bola Shagaya, MON	Director
Senator Samaila Mamman, OFR	Director

DIRECTORS' REPORT



Umaru Shehu Ndanusa, OON	Director
Lamis Shehu Dikko	Group Executive Director (resigned wef 24/8/2010)
Dr Evans Woherem	Group Executive Director
Ado Yakubu Wanka	Group Executive Director
Adekunle A. Oyinloye	Group Executive Director (seconded to UDB wef 01/12/10)
Rislanudeen Muhammed	Group Executive Director

In accordance with Article 82(3) of the Bank's Articles of Association, the following Director will retire by rotation at this Annual General Meeting:

* Engr. Ahmed Ibrahim and being eligible, offer himself for re-election.
The appointments of the following Directors are tabled for your approval:

- | | | | |
|------|------------------------|-------|-------------------------------|
| i) | I T Mohammed | viii) | Mr Thomas Etuh |
| ii) | Ahmed Yusuf | ix) | Alhaji M A Kaugama |
| iii) | Ismaila Galadanchi | x) | Engr Olaseun Mabogunje |
| iv) | Lanre Elisha Fagbohun | xi) | Dr Oluwafunsho Obasanjo |
| v) | Alhaji Gimba Ibrahim | xii) | Mr Hakeem Shagaya |
| vi) | Mr Gboyega Asabia | Xiii) | Alhaji Nu'uman Barau Danbatta |
| vii) | Alhaji Aminu Babangida | | |

b. Director's shareholding

The direct and indirect interests of Directors in the issued share capital of the Bank as recorded in the register of Directors' shareholding and/or as notified by the Directors for the purposes of Sections 275 and 276 of the Companies and Allied Matters Act and the listing requirements of the Nigerian Stock Exchange is as stated below:

Directors' Names	2010		2009	
	Direct	Indirect	Direct	Indirect
Prof. Akin L. Mabogunje, CON, NNOM	28,966,352	2,778,303,180	18,966,352	278,393,180
Falalu Bello, OFR, FCIB	622,942,545	5,992,092	66,045,390	2,396,837
Dr. Adedeji Adeleke	174,696,364	-	174,696,364	-
Felix Ohiwereji, OON	5,488,888	-	2,688,888	-
Muhammad B. Babangida	2,446,465	1,934,752,107	978,586	379,100,843
Muinat Bola Shagaya, MON	592,790,144	-	92,322,265	-
Senator Samaila Mamman, OFR	192,278,208	-	192,278,208	-
Umaru Shehu Ndanusa, OON	1,004,848	-	1,004,848	-
Lamis Shehu Dikko	65,239,102	464,515	6,855,124	5,109,667
Dr. Evans Woherem	170,584,800	1,207,936,506	233,920	1,207,936,506
Ado Yakubu Wanka	350,000,000	-	10,000,000	-
Rislanudeen Muhammed	146,937,582	-	2,775,033	-
Adekunle Oyinloye	143,126,747	-	-	-
Abubakar Sadauki	3,097,500	-	-	-
Engr. Ahmed Ibrahim	-	20,000,000	-	-

The indirect shares were held on behalf of the following corporate organizations:

Holding Directors	Names of Organizations	Share Holdings
Prof. Akin L. Mabogunje CON, NNOM	Tempo Food & Packing Limited	107,061,504
" " "	Obasanjo Holdings	111,992,655
" " "	Alarab Properties Limited	302,579,062
" " "	Agro Mixed Nigeria Limited	107,061,504
" " "	Ibad Limited	2,149,698,455
Prof. Akin L. Mabogunje CON, NNOM	Total	2,778,393,180
Falalu Bello OFR, FCIB	MFB Holdings Limited	5,992,092
Muhammad B. Babangida	El-Amin (Nig) Limited	1,934,752,107
Lamis Shehu Dikko	LSD Association Limited	464,515
Dr Evans Woherem	Rivers State Government	1,207,936,506
Engr. Ahmed Ibrahim	Alpha Praxis Limited	20,000,000

c. Shareholding Analysis

The shareholding pattern of the Bank as at 31 December 2010 is as stated below:

Share Range	No of	Percentage of	No of	Percentage	
To	Shareholders	Shareholders	Holdings	Holdings	PERCENT
1- 9,999	55,882	70.61	95,471,516	0.29	0.29
10,000 -50,000	14,470	18.28	310,643,460	0.93	0.93
50,001 -100,000	2,890	3.65	235,392,478	0.7	0.7
100,001-500,000	3,864	4.88	991,942,832	2.98	2.98
500,001-1,000,000	942	1.19	784,551,746	2.36	2.36
1,000,001-5,000,000	876	1.11	1,955,629,390	5.88	5.88
5,000,001-10,000,000	83	0.1	572,676,117	1.72	1.72
10,000,001-50,000,000	75	0.09	1,767,801,127	5.31	5.31
50,000,001-100,000,000	10	0.01	712,227,353	2.14	2.14
100,000,001-500,000,000	33	0.04	9,340,823,348	28.06	28.06
500,000,001-1,000,000,000	12	0.02	6,613,826,044	19.87	19.87
1,000,000,001 and above	5	0.02	9,906,191,827	29.76	29.76
	79,142	100	33,287,177,238	99.992843	100

d. Substantial interest in shares

According to the register of members at 31 December 2010, no other shareholder held more than 5% of the issued share capital of the Bank except the following:

S/N	Shareholder's Name	No of Shares Held	Percentage of Shareholding (%)
1	Arewa Investment Alliance Limited	2,801,900,000	8.42
2	Ibad Limited	2,149,698,455	6.46
3	El-Amin	1,934,752,107	5.81
4	Mr. Ikwe Ernest	1,811,904,759	5.44
	Total	8,698,255,321	26.13

e. Acquisition of own shares

The Bank did not purchase its own shares during the period.

f. Donations and Charitable Gifts

The Bank made contributions to charitable and non-government/political organizations amounting to N53 million during the year (2009- N114.04 million), details of which are presented below:

S/N	DESCRIPTION	AMOUNT
		N
1	Sponsorship of Money Market Association, Annual General Meeting	250,000
2	Donation to International Cancer Center, Abuja	300,000
3	Sponsorship of Retreat: Chief Inspectors of Banks	750,000
4	Purchase of a Toyota Hilux Van for Nigeria Police Force, Asaba	1,050,000
5	Donation to Uthman Danfodio University, Sokoto for NIPOGA Zonal Games	100,000
6	Stakeholders Meeting of NDDC	100,000
7	International Cancer awareness dinner in Honour of Hajiya Maryam Babangida	300,000
8	Ministry of Agriculture Natural Resources & rural Development - Oyo state Agric Show	50,000
9	Donation to victims of Civil crisis in Jos, Plateau State	5,000,000
10	Northern States SME summit, Kaduna	250,000
11	Launch of Mathematics Dictionary	350,000
12	Sponsorship of Chartered institute of Bankers of Nigeria (CIBN) Annual Dinner 2010, Abuja Chapter	250,000
13	Sponsorship of Premier Show sunset for a rare gem to Mandawari Enterprises	500,000
14	Sponsorship of HAJJ 2010 Quiz competition - FRCN	500,000
15	NANS first student enterpreneurship and investment summit	250,000
16	National Economic Awards 2010	500,000
17	Donation to Brigade Command, Ikeja	250,000
18	Sponsorship of Golf Tournament - The Nigerian Army	1,872,460
19	Sponsorship of 2010 Annual CIBN Dinner, Lagos Chapter	400,000
20	Honorarium to National Association of Nigerian Students	150,000
21	Co-Sponsorship fee to Nigeria- American Chamber of Commerce	200,000
22	Kaduna Chambers of Commerce for hosting Education Fair	250,000
23	Sponsorship of Verification Officers Conference	1,000,000
24	Donation to Kaduna Polo Club	1,000,000
25	Donation to Jigawa Sate - flood victims	20,000,000
26	Donation to kebbi State - flood victims	2,500,000
27	Donation to Sokoto State - flood victims	2,500,000
28	Sponsorship of Hajjin Bana-FRCN Kaduna	210,000
29	Sponsorship of Fund Raising for NRCS/Jos/Haiti Appeal Fund	1,000,000
31	Sponsorship for Daily Trust Golf tournament	300,000
32	Donation to Maryam Babangida Foundation	500,000
33	Donation to NASE/NNDC for Northern SME summit	250,000
34	Donation to a book launch on Cancer Awareness Program	500,000
35	Support of Nig. Supreme Council for Islamic Affairs	50,000
36	Donation for Book presentation in Benue State	250,000
37	Donation towards successful hosting of squash matches	50,000
38	Donation to St Andrew Catholic Church	250,000
39	Sponsorship of delegation to 19 FIFA world cup	7,000,000
40	Contribution to project Nigeria at 50	1,000,000
41	Sponsorship of 2010 Abuja Carnival	1,000,000
	TOTAL	52,982,460

g. Post Balance Sheet Events

There were no post balance sheet events that could have a material effect on the affairs of the Bank as at 31 December, 2010 which have not been adequately provided for or disclosed.

h. Human Resources

□ Employment of Disabled Persons

The Bank continues to maintain a policy of giving fair consideration to the application for employment made by disabled persons with due regard to their abilities and aptitudes. The company's policy prohibits discrimination of disabled persons in the recruitment, training and career development of its employees. In the event of members of staff becoming disabled, efforts are made to ensure that their employment with the Bank continues and appropriate training arranged to ensure that they fit into the Bank's working environment.

□ Health, Safety and Welfare at Work

The Bank enforces strict health and safety rules and practices at the work environment, which are reviewed and tested regularly and employees are aware of existing regulations. The Bank provides subsidies to all levels of employees for transportations, housing, lunch and also medical expenses both for staff and their immediate families.

Fire prevention and fire-fighting equipment are installed in strategic locations within the company's premises.

The Bank operates both a Group Personal Accident and the Workmen's Compensation Insurance covers for the benefit of its employees. It also operates a contributory pension plan in line with the Pension Reform Act 2004.

Employee Involvement and Training

The Bank is committed to keeping employees fully informed as much as possible regarding the bank's performance and progress and seeking their opinion where practicable on matters which particularly affect them as employees.

In accordance with the Bank's policy of continuous development, training is carried out at various levels and employees are nominated to attend both local and international courses. These are equally complimented by on-the job training. Formal and informal channels are also employed in communicating with employees with an appropriate two-way feedback mechanism. Incentive schemes designed to encourage involvement of employees in the Bank's performance are implemented when ever appropriate.

i. Audit Committee

Pursuant to Section 359 (3) of the Companies and Allied Matters Act, CAP C20 LFN 2004, the Bank has in place an audit Committee comprising three directors and three shareholders as follows:

1.	Alhaji Mustapha B. Atiku (Shareholder)	Chairman
2.	Mr. Ifeanyichukwu Ugwu-Anichi (Shareholder)	Member
3.	Hajiya Amina Ladan- Baki, MON (Shareholder)	Member
4.	Umaru Shehu Ndanusa (Non-Executive Director)	Member
5.	Eng. Ahmed Ibrahim (Non-Executive Director)	Member

6. Muinat Bola Shagaya (Non-Executive Director) Member

j. Auditors

In compliance with the provisions of paragraph 8.2 of the CBN Code of Corporate Governance for Banks as it relates to tenure of the Auditors in a given bank and published by CBN in a press release dated 13th September, 2010, Messrs PKF Pernel Kerr Forster were considered to have served for the maximum period of ten years as the Auditors of UnityBank Plc and so no longer qualified for reappointment in that capacity.

In accordance with Section 357 (2) of the Companies and Allied Matters Act 2004 and in line with the provisions of Section 29 BOFIA 1991 as amended, a resolution will be proposed at the Annual General Meeting to authorize the Directors to determine the appointment and remuneration of a new firm of Auditors, Messrs Ahmed Zakari & Co for the Bank effective January 1, 2011.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read "Aisha A. Abraham".

AISHA A. ABRAHAM

Company Secretary/Legal Adviser

UnityBank Tower

Plot 785 Herbert Macaulay Way

Central Business District, Abuja

Dated this 11th Day of May, 2011

The Central Bank of Nigeria in its Circular BSD/04/2006 of March 2, 2006 released a new Corporate Governance Code which includes the protection of equity ownership, enhancement of sound organizational structure and promotion of industry transparency. The code requires Banks to include in their annual report and accounts, compliance report to the Code of Corporate Governance. In compliance therefore, we state below our Compliance Report as at December 31st 2010.

COMPLIANCE STATUS

In line with the provisions of the new code, the Bank has put in place a robust internal control and risk management framework that will ensure optimal compliance with internationally acceptable corporate governance indices in all its operations. In the opinion of the Board of Directors, the Bank has complied in all material respects with the new code of Corporate Governance during the 2010 financial year.

STATUTORY BODIES

Apart from the CBN Code of Corporate Governance, which the Bank has striven to comply with since inception, it further relies on regulatory bodies to direct its policy thrust on Corporate Governance.

SHAREHOLDERS' MEETING

The shareholders remain the highest decision making body of UnityBank Plc, subject however to the provisions of the Memorandum and Articles of Association of the Bank, and any other applicable legislation. At the Annual General Meetings (AGM), decisions affecting the management and strategic objectives of the bank are taken through a fair and transparent process. Such AGMs may be attended by the shareholders or their proxies and proceedings at such meetings are usually monitored by members of the press and representatives of the Nigerian Stock Exchange, Central Bank of Nigeria, Corporate Affairs Commission, Securities and Exchange Commission and the Bank's External Auditors. An Extraordinary General Meeting may be convened at the request of the Board or Shareholders holding not less than 10% of the paid up capital of the Bank.

OWNERSHIP STRUCTURE

Although the Government ownership structure within the bank is more than 10%, the Bank had advised the Shareholders of the need to come down to not more than 10% and efforts are on to ensure that this is achieved. Consequent upon the bank's rights issue during the year Government holding has reduced to 32.61% from 70.19% in 2009.

BOARD OF DIRECTORS

During 2010, membership of the Board of Directors reduced to fourteen (14) from fifteen (15) of the previous year due to the secondment of an Executive Director to Urban Development Bank of Nigeria (UDBN). The 14-member Board of Directors consists of the Chairman, Group Managing Director/Chief Executive Officer (GMD/CEO), four (4) Group Executive Directors (GED) and eight (8) Non-Executive Directors (Non-ED). The members of the Board of Directors have diversified background covering Economics, Agriculture, Management, Accounting, Law, Engineering, and Business Administration. These competences have impacted on the Bank's stability and growth. The Chairman of the Board is a separate person from the Managing Director/Chief Executive Officer and does not participate in daily activities of the Bank. There are no family ties within the Board membership. We confirm that the Chairman of the Board is not a member of any Board Committee. Appointment to the Board is made by the shareholders at the Annual General Meeting upon the recommendation of the Board of Directors.

MEMBERSHIP OF THE BOARD OF DIRECTORS

The constitution of the Board of Directors is as already stated in the Chairman's report.

TENURE OF OFFICE

The tenure of office of a Non-Executive Director is three (3) terms of four (4) years each i.e. twelve years while the tenure of an Executive Director is a renewable two (2) terms of four (4) years.

DELEGATION OF POWER

The Board of Directors delegates any of their powers to Committees consisting of such members of their body as they think fit and have oversight functions on the Committees.

The Board also delegates authority to Management.

In line with the best practices, the ongoing reforms of the Bank's corporate governance framework transcends the Board's obligation of just providing strategic guidance to the Bank, to effectively monitor management but equally stress the importance of local responsiveness of the Board. The key challenge in this regard is ensuring that the Board is accountable to the Bank and its shareholders.

As representative of shareholders, the Board has delegated the responsibility for the day-to-day management of the Bank to the GMD/CEO, who is supported in this task by the Group Executive Directors.

STANDING BOARD COMMITTEES

The Board carries out the above responsibilities through six (6) standing Committees whose terms of reference it reviews regularly. All the Committees have clearly defined terms of reference, which set out their roles, responsibilities and functions, scope of authority and procedures for reporting to the Board.

In compliance with Code No. 6 on industry transparency, due process, data integrity and disclosure requirement, the Board has in place the following Committees and reporting structures through which its oversight functions are performed:

- * Board Audit Committee;
- * Board Credit Committee;
- * Board Risk Management Committee;
- * Board Finance and General Purpose Committee;
- * Board Information Technology Steering Committee;
- * Board Compensation/Appointment Committee.

BOARD AUDIT COMMITTEE

This is a joint shareholders/Board Committee populated by equal number of shareholders and Board members. The Committee has oversight function on Internal Control system and financial reporting.

Other responsibilities include:

- * Examining the External Auditors report and making recommendations thereon;
- * Examining CBN/NDIC Examination reports and make recommendations thereon;
- * Receiving and reviewing on Quarterly basis, Internal Auditor's reports of the Bank;
- * Reviewing the Scope and Planning of annual audit requirements;
- * Reviewing the effectiveness of the Bank's Accounting System and Internal Control;
- * Making recommendations to the Board of Directors on the appointment, renewal and remunerations of the External Auditors of the Bank; and
- * Reviewing the integrity of the Bank's financial reporting and protect the Independence and objectivity of the External Auditors.

The Committee comprises of a total number of six (6) members made up of three (3) Directors and three (3) Shareholders as follows:

Shareholders

1)	Alhaji Mustapha B Atiku (Shareholder)-		Chairman
2)	Hajia Amina Ladan Baki "	-	Member
3)	Mr. Ifeanyichukwu Ugwu-Anichi "	-	Member
4)	Alhaji Umaru Shehu Ndanusa	-	Director
5)	Engr Ahmed Ibrahim	-	"
6)	Hajiya Muinat Bola Shagaya	-	"

Quorum : Four (4) members

BOARD CREDIT COMMITTEE

The Board Credit Committee is charged with the responsibility of evaluating and or approving all credits beyond the powers of the Executive Management Committee.

The responsibilities of the Committee also include:

- * Evaluation and approving all credits within its powers delegated by the Board;
- * Evaluation and recommending all credits beyond its powers to the Board;
- * Review of credit portfolio in line with set objectives.
- * Review of classification of Advances of the Bank based on prudential guidelines on Quarterly basis;

- * Approving the restructuring and rescheduling of credit facilities within its powers;
- * Write-off and grant of waivers within powers delegated by the Board; and
- * Periodic review of Credit Manuals and Guidelines.

Membership

The Committee has ten (10) members comprising of five (5) Non-Executive Directors, the Group Managing Director and four (4) Business facing Group Executive.

Directors as follows:

1.	Senator Samaila Mamman	-	Chairman
2.	Alhaji Abubakar Sadauki	-	Member
3.	Hajiya Bola Shagaya	-	"
4.	Dr. Adedeji Adeleke	-	"
5.	Alhaji Mohammed Babangida	-	"
6.	Group Managing Director/Chief Executive Officer	-	"
7.	Group Executive Director (Central Directorate)	-	"
8.	Group Executive Director (North West Directorate)	-	"
9.	Group Executive Director (Lagos & West Directorate)	-	"
10.	Group Executive Director (Risk Management & Control)	-	"

Quorum

Five (5) members with at least two (2) non-Executive Directors and two (2) Group Executive Directors.

BOARD RISK MANAGEMENT COMMITTEE (BRMC)

The Board Risk Management Committee has the oversight function of insulating the Bank from operational and lending risks and is charged with the following responsibilities:

- * Overseeing the overall Risk Management of the Bank;
- * Review periodically, Risk Management objectives and Policies for consideration of the full Board;
- * Establish the Risk Rating Agencies, Credit Bureau and other related services providers to be engaged by the Bank;
- * Approve the Internal Risk Rating Mechanism;
- * Review the Risk compliance reports for regulatory authorities;
- * Review and approve exceptions to Group Risk policies
- * Review of policy violations on Risk issues at Senior Management level;
- * Certify Risk reports for credits, operations, market/liquidity subject to limits set by the Board.

Membership

The Committee has five (5) members; three (3) Non-Executive Directors and two (2) Group Executive Directors as follows:

1.	Dr. Adedeji Adeleke	-	Chairman
2.	Engr. Ahmed Ibrahim	-	Member
3.	Alhaji Umaru S Ndanusa	-	"
4.	Group Managing Director/Chief Executive Officer	-	"
5.	Group Executive Director (Risk Management & Control)	-	"

Quorum

Three (3) members with a member each of the status of Non-Executive and Group Executive Director.

BOARD FINANCE AND GENERAL PURPOSES COMMITTEE

The Finance & General Purposes Committee of the Board has oversight function on capital and operational expenditures of the Bank as well as staff matters.

Its terms of reference are as follows:

- * Periodic review of the Bank's Strategic Plans inclusive of required Organisational Structure to drive the plans;
- * Review of the Bank's annual budget and on quarterly basis, budget variances.
- * Review Management accounts and operating results with a view to measuring actual performance against budget;
- * Monitor compensation arrangements to ensure that the Bank is attracting and retaining highly qualified staff through competitive salary and benefits, programmes and awards;
- * Review long range planning for Top and Senior Management development and succession;
- * Employment, disengagement and promotion of staff of PM grade and recommendations on such issues of staff in grades of AGM and above to the Board;
- * Formulate Board Training Program/Schedule;
- * Review the recommendation of Management for the total size and distribution of the Annual Incentive Bonus and approve such amounts or recommend to the Board.

Membership

The membership of the Committee is six (6) made up of three (3) Non-Executive Directors and three (3) Group Executive Directors as follows:

- | | | | |
|----|-------------------------|---|----------|
| 1. | Mr. Felix Ohiwerei | - | Chairman |
| 2. | Alhaji Abubakar Sadauki | - | Member |
| 3. | Hajiya Bola Shagaya | - | " |

- | | | | |
|----|---|---|---|
| 4. | Group Managing Director/Chief Executive Officer | - | “ |
| 5. | Group Executive Director (Operations & IT) | - | “ |
| 6. | Group Executive Director (Risk Management & Control)- | | “ |

Quorum

Four (4) members with a member each from the status of Executive and Non-Executive Directors.

BOARD INFORMATION TECHNOLOGY STRATEGY COMMITTEE

The IT Strategy Committee, on behalf of the Board, drives the Bank's computerization process and ensures value is derived from expenditure on computerization. Specifically, the Committee has the following functions.

* Strategic Alignments

- 1) Provide strategic direction and ensure I.T. strategy is aligned with the Bank's business objective.
- 2) Issue high level policy guidance relating to risk funding and partnerships.
- 3) Verify the compliance of the implementation of the strategy to the agreed objectives and goals.

* IT Resource Management

- i. Provide high level direction on sourcing and utilization of IT resources;
- ii. Oversee funding of IT and approve all expenditures to be incurred on IT within delegated powers by the Board.

* **Risk Management**

- a) Ascertain that Management has resources in place to ensure management of IT risks.
- b) Confirm that critical IT risks are managed.

* **Performance Management**

- A. Review strategic compliance and achievement of goals and objectives.
- B. Review IT performance measurement and contribution to the business.

Membership

The membership is Five (5) made up of three (3) Non-Executive Directors and two (2) Group Executive Directors as follows:

- | | | | |
|----|---|---|----------|
| 1. | Alhaji Umaru S Ndanusa | - | Chairman |
| 2. | Eng. Ahmed Ibrahim | - | Member |
| 3. | Alhaji Mohammed Babangida | - | " |
| 4. | Group Managing Director/Chief Executive Officer- | | " |
| 5. | Group Executive Director (Operations & IT Directorate)- | | " |

Quorum

Three (3) with at least one each from the status of Non-Executive and Group Executive Director.

BOARD COMPENSATION/APPOINTMENT COMMITTEE (BCAC)

The BCAC concentrates on Board Compensations/Appointment matters with the following membership and terms of reference:

Membership:

- | | | | |
|---|-----------------------------|---|----------|
| - | Alhaji Abubakar Sadauki | - | Chairman |
| - | Senator Samaila Mamman, OFR | - | Member |

- Mr. Felix Ohiwerei, OFR - “
- Alhaji Muhammed Babangida - “
- Alhaji Umaru S. Ndanusa, OON- “

Quorum:

Three members constitute a quorum.

Meeting:

The Committee meets once in a year or when necessary.

Functions.

- * The Committee handles matters relating to Board's remunerations and Appointment;
- * Determine the remuneration, incentive arrangements and benefits of the Chairman of the Board;
- * Determine the incentive arrangements and benefits of the Executive and Non-Executive Directors of the Bank within the limits imposed by Regulatory Authorities;
- * Review and submit to the full Board, recommendations concerning Executive Directors compensation plans and perquisites and ensure that their packages are competitive;
- * Recommend any proposed change(s) to the Board;
- * Keeps under review the need for appointments;
- * Prepare a description of the specific experience and abilities needed for each Board appointment, consider candidates for appointment as either Executive or Non-Executive Directors and recommend such appointments to the Board;
- * Review the tenor of the Non-Executive Directors on the Board and Board Committee assignments and other commitments to the Bank;
- * Recommend to the Board renewal of appointment of Executive/Non Executive Directors at the end of their 1st and/ 2nd term of office based on the outcome of review of Directors performance;
- * Advise the Board on succession planning regarding the roles of the Chairman, Chief Executive Officer and Executive Directors.

To advise the Board on the contents of the Directors Annual Remuneration report to shareholders;

To obtain outside or other independent professional advice from third parties with relevant experience in connection with the matters within the Committee's Terms of Reference and establish the selection criteria and to select, appoint and set the terms of payment for any "Remuneration Consultant" engaged by the Committee to advise it;

To consider and decide on such matters as the Board may refer to it.

REMUNERATION OF DIRECTORS

The Shareholders, at the Bank's Annual General Meeting, set and approve the annual remuneration of members of the Board of Directors. The annual emoluments of the Directors are stated in the Annual Report.

INTERNAL CONTROL

The Bank has separate staff within the internal control function from operational and management Internal Control Charter for its internal audit exercise. The Charter isolates and insulates the Internal Control Department from the control and influence of the Executive Management and also responsibility that could impair their ability to make independent review of the Bank's operations. Under the Charter, the Internal Auditors' report is submitted directly to the Board Audit Committee.

MANAGEMENT COMMITTEES

There are basically four Management Committees comprising of senior management staff of the Bank. The Committees are the Executive Management Committee, the Strategic Assets and Liability Committee, IT Steering Committee and the Enterprise Risk Management Committee.

The Committees' main functions are to identify, analyze, synthesize and make recommendations on risks arising from day to day activities of the Bank and to ensure that risk limits as contained in the Board and Regulatory policies are complied with at all times. The Committees further provide inputs for the respective Board Committees and also ensure that recommendations of the Board Committees are effectively and efficiently implemented. They meet as frequently as risk issues occur to take actions and decisions within the confines of their powers.

EXECUTIVE MANAGEMENT COMMITTEE

The Executive Management Committee (EXCO) reviews and approves credit facilities up to its limit and an amount above its limit goes to the Board Credit Committee for review and approval. The Committee meets monthly.

Membership of the Executive Management Committee (EXCO) is as follows:

Chairman: Group Managing Director/Chief Executive Officer

Members: Group Executive Director, Risk Management & Control Directorate

Group Executive Director, Operations & IT Directorate

Group Executive Director, Central Directorate

Group Executive Director, Lagos and West Directorate

Group Executive Director, North West Directorate

Zonal Head, Southern Directorate

Zonal Head, North East Directorate

Secretary: Group Company Secretary

Functions of the Committee

- * Providing direction on risk assets creation for the Bank;
- * Consider for approval, newly booked, restructured and/or enhanced credits;

- * Renewal of expired credits and forbearances which are above the approval limit of the Chief Executive;
- * Ensure compliance and enforcement of credit standards as contained in the Credit Policies and Guidelines of the Bank;
- * Recommend newly booked, restructured and/or enhanced credits beyond the powers of the EXCO to Board Credit Committee or the full Board for approval.

ASSETS AND LIABILITY COMMITTEE

The Strategic Assets and Liability Committee meets periodically to consider the financial position of the Bank. It manages the assets and liabilities of the Bank, measures the performance of same within budgetary limits and assesses regulatory compliance in this regard.

Membership of the Assets and Liability Committee (ALCO) is as follows:

Chairman: Group Managing Director/Chief Executive Officer

Member: Group Executive Director, Risk Management & Control Directorate

Group Executive Director, Operations & IT Directorate

Group Executive Director, Central Directorate

Group Executive Director, Lagos & West Directorate

Group Executive Director, North West Directorate

Zonal Head, Southern Directorate

Zonal Head, North-East Directorate

Divisional Head, Products and Channels Division

Divisional Head, Operations Division

Head, Financial Control Department

Divisional Head, Corporate Services Division

Head, Strategy & Corporate Development Department

Secretary: Head, Market & Operations Risk Department

Functions of the Assets and Liability Committee

- * Ensure optimal liquidity and pricing;
- * Identify & shore up weak points in the Bank's Assets and Liability profiles;

- * Identify opportunities in the economy.

TECHNICAL ASSETS AND LIABILITY COMMITTEE (TALCO)

The Technical ALCO is made up of the following membership:-

Chairman: Divisional Head, Risk Management
Divisional Head, Products & Channels
Divisional Head, Operations
Head, Financial Control Department;
Head, Information Technology Department
Regional Manager, Abuja Region
Regional Manager, Garki Region
Head, Administration Department
Head, Market & Operations Risk Department
Head, Strategy & Corporate Development Department

The Technical Committee meets on weekly basis with a key focus on detail issues of gaps, profitability and growth. The Committee reports to the Bank's Executive Management Committee and Strategic ALCO.

MANAGEMENT IT STEERING COMMITTEE

Membership of the Management IT Steering Committee is as follows:

Chairman: Group Executive Director, Operations & IT Directorate
Members: Divisional Head, Internal Control
Divisional Head, Operations
Divisional Head, Risk Management & Control
Head, Financial Control Department
Head, Administration Department
Head, Information Technology Department
Head, Market & Operations Risk Department
Head, e-Banking Department

Head, IS Audit Department
Business Service Manager, Head Office Branch
Business Service Manager, Garki Branch
Business Service Manager, Bannex Plaza Branch

Secretariat: Information Technology Department

Functions of the Management IT Steering Committee are as follows:

- * IT Policy formulation
- * Alignment to banks strategy
- * Ensure project direction and milestones monitoring
- * Budgetary authority

ENTERPRISE RISK MANAGEMENT COMMITTEE

The Enterprise Risk Management Committee oversees the establishment of a formal written policy on the overall risk management system and provides guidelines and standards to administer the acceptance and on-going management of all risks. The Committee also ensures compliance with established policies through periodic review of reports provided by management, internal and external (statutory) auditors and the supervisory authorities. On periodic basis, the Committee re-evaluates the risk management policy of the Bank to accommodate major changes in the internal and external factors. The Committee meets monthly to review its activities and render report to the Executive Management Committee through the Group Executive Director, Risk Management & Control.

Membership of the Committee is as follows:

Chairman: Chief Inspector
Member: Divisional Head, Risk Management
Divisional Head, Operations
Divisional Head, Product & Channels
Head, Market & Operational Risks Department;
Head, Credit Risk Department;
Head, Information Technology Department;

Head, Legal Services Department;
Head, Strategy & Corporate Development Department;
Head, Financial Control Department;

Functions of the Committee:

- * Review and update all existing enterprise risk management policies and procedures;
- * Champion data update initiatives;
- * Determines Information Technology platform requirements including Software for Enterprise Risk Management;
- * Implement Enterprise Risk Management in the Bank.

RISK MANAGEMENT

The Board of Directors and Management of Unity Bank Plc are committed to establishing and sustaining tested practices in risk management at par with leading international banks. For this purpose, the Bank operates a centralized Risk Management and Control Directorate, with responsibility to ensure that the risk management processes are implemented in compliance with policies approved by the Board of Directors.

The Board of Directors determines the Bank's goals, in terms of risk, by issuing a risk policy. The policy both defines acceptable levels of risk for day-to-day operations as well as the Bank's willingness to incur risk, weighed against the expected rewards. The risk policy is detailed in the Enterprise Risk Management (ERM) Framework, which is a structured approach to identifying opportunities, assessing the risk inherent in these opportunities and managing these risks proactively in a cost effective manner. It is a top-level integrated approach to events identification, analysis, assessment, monitoring and identification of business opportunities. Specific policies are also in place for managing risks in the different risk area of credit, market and operational risks.

The evolving nature of Risk Management practices and the dynamic character of the banking industry necessitate regular review of the effectiveness of each enterprise risk management component. In the light of this, the Bank's Enterprise Risk Management Framework is subject to continuous review to ensure effective and cutting-edge risk management. The review is done in either or both of the following ways: -

Continuous self evaluation and monitoring by the Risk Management and Control Directorate in conjunction with Internal Control; and Independent evaluation by external auditors and examiners.

Implementation of Code of Corporate Governance

In compliance with Code No. 6.1.11, the Bank has established a Regulatory Management & Compliance Department saddled with responsibilities of implementing Code of Corporate Governance in addition to monitoring compliance of the money laundering requirements.

- * In compliance with section 6.1.12 of the Code of Corporate Governance, we have established alert on our web site where all stakeholders can access and provide any useful information or grievances on any issue that directly and /or indirectly affect them;
- * The Chairman of the Board does not serve as Chairman/Member of any of the board committees;
- * The Bank's organizational chart approved by CBN reflects clearly defined lines of responsibility and hierarchy;
- * The Bank also has in place, a system of internal control, designed to achieve efficiency, effectiveness of operations, reliability of and regulations at all levels of financial reporting and compliance with applicable laws.

BREACHES OF THE CODE

Ownership Structure

Although the Government ownership structure within the bank is more than 10%, a Memorandum of Understanding (MOU) between the Northern States Governor's Forum and the Bank has been signed and submitted to the CBN. The implementation of the provisions of the MOU towards the divestment of Government holding is being pursued.

Apart from the above, we are not aware of any other violation to the Code of Corporate Governance.

UNITY BANK PLC - 2010 ANNUAL ACCOUNTS AND REPORT
PROFESSIONAL ADVISERS

AUDITORS

Pannell Kerr Foster(PKF)
Accountants & Business Advisers
8th Floor, NNDC Building
18/19 Ahmadu Bello Way
Kaduna

REGISTRAR AND TRANSFER OFFICE

Unity Registrars Limited
Unity Bank Building
94 Agege Motor Road,
Idi-Oro, Lagos

SETTLEMENT BANK

First Bank of Nigeria PLC
Samuel Asabia House
35 Marina
Lagos

FOREIGN CORRESPONDENT BANKS

Dutche Bank, New York
Standard Chartered Bank, London
Habibson Bank, London

DIRECTORS RESPONSIBILITY FOR ANNUAL FINANCIAL STATEMENTS

The Companies and Allied Matters Act and the Banks and Other Financial Institutions Act, require the directors to prepare financial statements for each financial year that gives a true and fair view of the state of financial affairs of the Bank at the end of the year and of its profit or loss. The responsibilities include ensuring that the Bank:

- i. keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the bank and comply with the requirements of the Companies and Allied Matters Act and the Banks and Other Financial Institutions Act ;
- ii. establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- iii. Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, that are consistently applied.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with,

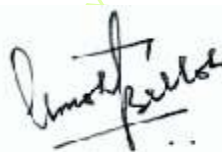
- Nigerian Accounting Standards;
- Prudential Guidelines for Licensed Banks;
- Relevant circulars issued by the Central Bank of Nigeria;
- The requirements of the Banks and Other Financial Institutions Act; and
- The requirements of the Companies and Allied Matters Act .

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Bank and Group and of the profit for the year. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Bank will not remain a going concern for at least twelve months from the date of this statement.



ADO YAKUBU WANKA
Group Executive Director
(Risk Management & Controls)



FALALU BELLO (OFR,FCIB)
Group Managing Director/Chief Executive

REPORT OF THE INDEPENDENT AUDITORS TO MEMBERS OF UNITY BANK PLC

Report on the Financial Statements

We have audited the accompanying financial statements of Unity Bank Plc, as at 31 December 2010, set out on pages 108 to 150 which have been prepared on the basis of the significant accounting policies on pages 96 to 106.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the Companies and Allied Matters Act CAP C20 LFN 2004, Banks and Other Financial Institutions Act CAP B3 LFN 2004. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 the audit to obtain reasonable assurance whether 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 auditors' judgment, 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 auditors consider 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 directors, as well as evaluating the overall presentation of the financial statements.

Opinion

In our opinion the Bank has kept proper accounting records and the financial statements are in agreement with the records in all material respects and give in the prescribed manner, information required by the Companies and Allied Matters Act CAP C20 LFN 2004 and the Banks and Other Financial Institutions Act CAP B3 LFN 2004. The financial statements give a true and fair view of the financial position of Unity Bank Plc as at 31 December 2010, and of its financial performance and its cash flows for the year ended in accordance with the Statements of Accounting Standards issued by the Nigerian Accounting Standards Board.

Report on Other Legal and Regulatory Requirements

In accordance with circular BSD/1/2004 issued by the Central Bank of Nigeria, details of insider related credits are as disclosed in the relevant note to the financial statements.

Contraventions

During the year ended 31 December, 2010, the Bank did not contravene any section of the Banks and Other Financial Institutions Act 1991.

Chartered Accountants
Kaduna, Nigeria
Date:



In accordance with the provisions of Section 359(6) of the Companies and Allied Matters Act, cap C20 LFN 2004, we confirm that the accounting and reporting policies of the bank conformed with statutory requirements and agreed ethical practices.

In our opinion, the scope and planning of both the internal and external audits for the financial year ended 31 December 2010 were adequate and we have received the auditors' findings on management matters which we have reviewed, discussed and were satisfied with the departmental responses thereon.

The Committee reviewed the Audit Report on insider related party transactions and were satisfied with their status as required by the Central Bank of Nigeria (CBN).

The internal control system of the Bank was also in our opinion, being constantly and effectively monitored.

Dated 3rd March, 2011



Alh. Mustapha Atiku
(Chairman, Audit Committee)

Members of the Audit Committee

- | | | |
|----|--|------------|
| 1. | Alh. Mustapha Atiku (Shareholder) | (Chairman) |
| 2. | Hajia Amina Ladan-Baki, MON, (Shareholder) | Member |
| 3. | Mr. Ifeanyichukwu Ugwu-Anichi, ACI Arb (Shareholder) | Member |
| 4. | Alh. Umaru S. Ndunusa, OON (Non-Executive Director) | Member |
| 5. | Hajia Bola M. Shagaya, MON (Non-Executive Director) | Member |
| 6. | Eng. Ahmed Ibrahim (Non-Executive Director) | Member |

The following are the significant accounting policies adopted by the Bank in the preparation of its financial statements.

1. Basis of Preparation

The Group consolidated financial statements are prepared under the historical cost convention, as modified by the revaluation of certain investment securities, property, plant and equipment. The financial statements are prepared in accordance with the Statements of Accounting Standards issued by the Nigerian

Accounting Standards Board.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of Current events and actions, actual results ultimately may differ from those estimates.

2. Consolidation

i) Subsidiaries

Subsidiary undertakings, which are those companies in which the Bank, directly or indirectly, has an interest of more than half of the voting rights or otherwise has power to exercise control over their operations, have been consolidated. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the Policies adopted by the Bank. Separate disclosure is made for minority interest.

The acquisition method is used to account for business combinations. The cost of an acquisition is measured as the market value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their market values at acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the value of the Group's share of the identifiable net assets acquired is Recorded as goodwill. If the cost of acquisition is less than the value of the net assets of the subsidiary Acquired, the difference is recognised directly in the profit and loss account.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

ii) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement; its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

3. Stocks

Stocks of stationery and consumables held by the Group are stated at the lower of cost and net realisable value.

4. Fixed assets

Fixed assets are initially recorded at cost. They are subsequently stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Where an item or a group of items of fixed assets are revalued, such an item or group of items is stated at revalued amount less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. All other repairs and maintenance are

charged to the profit and loss account during the financial period in which they are incurred.

Construction cost in respect of offices is carried at cost as work in progress. On completion of construction, the related amounts are transferred to the appropriate category of fixed assets. Payments in advance for items of fixed assets are included as Prepayments in Other Assets and upon delivery are reclassified as additions in the appropriate category of property and equipment.

Depreciation is provided on a straight-line basis to write off the cost of assets over their estimated useful lives.

The principal annual rates which are consistent with previous years are as follows:

Motor vehicles	25%	
Furniture and fittings	20%	
Equipment	20%	
Computer equipment	20%	
Buildings	2%	
Leasehold buildings over the expected life of the lease		Leasehold improvements over the period of the lease

No depreciation is charged until the assets are put into use. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's value less costs to sell and value in use.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the profit and loss account for the year.

5. Advances under finance leases

The Group classifies a lease as a finance lease if the following conditions are met:

- (a) lease is non-cancelable, and
- (b) any of the following is applicable:
 - i. the lease term covers substantially (80% or more) the estimated useful life of the asset or,
 - ii. the net present value of the lease at its inception using the minimum lease payments and The implicit interest rate is equal to or greater than the fair value of the leased asset or,
 - iii. the lease has a purchase option which is likely to be exercised.

A lease that does not qualify as a finance lease is treated as an operating lease.

Advances to customers under finance lease are stated net of unearned income. Lease finance income is recognized in a manner which provides a constant yield on the outstanding net investment over the lease period.

Provisions are determined from a specific assessment of each customer's account and relate to those advances considered doubtful in line with the Central Bank of Nigeria Prudential Guidelines for Licensed Banks. A general provision of at least 1% is made on advances which have not been specifically provided for.

6. Operating lease

Equipment on lease to customer is stated at cost less accumulated depreciation. The depreciation of these assets is on the basis of the Group's normal depreciation policy for various classes of equipment leased out. The periodic lease rentals receivable are treated as rental income during the period they occur and charge thereon is included in operating expenses while initial direct cost incurred are written off to the income statement in the period they are incurred.

7. Loans and advances

Loans and advances are stated net of provision for bad and doubtful debts. The provision is determined from a specific assessment of each customer's account in accordance with the Central Bank of Nigeria's Prudential Guidelines and (SAS 10) issued by Nigerian Accounting Standard Board. A minimum general provision of 1% is made on all risk assets, which have not been specifically provided for.

Interest and or Principal That is outstanding for:	Classification	Provision
- 90 days but less than 180 days	Substandard	10%
- 180 days but less than 360 days	Doubtful	50%
- 360 days and over	Lost	100%

When a loan is deemed not collectible, it is written off against the related provision for impairments and subsequent recoveries are credited to the provision for loan losses in the profit and loss account.

If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is credited as a reduction of the provision for impairment in the profit and loss account.

- i) Interest income on loans and advances is recognized on an accrual basis. Interest overdue for more than 90 days is suspended and recognized on cash basis only.
- ii) Credit related fee income is deferred and amortized over the life of the related credit in proportion to the outstanding credit risk where it constitutes at least 10% of the projected annual yield of the related facility.
- i) Non-credit related fee income is recognized at the time the services or the transaction is effected.
- ii) Interest earned on investment securities is reported as interest income. Dividends are recognised in

The income statement when the entity's right to receive payment is established.

iii) Foreign income:

- a) Commission on negotiation of various letters of credit and overdue interest on delayed foreign payments are accounted for on receipt.
- b) Other interest and income earned on the Group's own funds held outside Nigeria are accounted for on receipt.

9. Transactions in Foreign Currencies

- i) The consolidated financial statements are presented in Nigerian naira, which is the Group's reporting currency.
- ii) Transactions in foreign currencies are recorded in the books at the rate of exchange ruling at the date of such transactions.
- iii) Assets and liabilities in foreign currencies are converted into Naira at the rate of exchange Ruling at the balance sheet date.
- iv) All exchange differences are included in the profit and loss account for the year.

10.a) Current Income Taxation

Income tax is the amount of income tax payable on the taxable profit for the period determined in accordance with current statutory rate. Income tax payable on profits, based on the applicable tax law, is recognised as an expense in the period in which the related profits arise.

Decreases that offset previous increases of the same asset are charged against the revaluation reserve; all other decreases are charged to the profit and loss account.

A change in market value of investment securities is not taken into account unless it is considered to be permanent.

(B) Investments in subsidiaries

Investments in subsidiaries are carried in the company's balance sheet at cost less provisions for impairment losses. Where, in the opinion of the Directors, there has been impairment in the value of an investment, the loss is recognised as an expense in the period in which the impairment is identified.

10.b) Deferred taxation

Provision for deferred taxation is made by the liability method and calculated at the current rate of taxation on the timing differences between the net book value of qualifying fixed assets and their corresponding tax written down value in accordance with the Company Income Tax Act (CITA).

The principal timing differences arise from depreciation of property, plant and equipment, provisions for loan losses and tax losses carried forward. The rates enacted or substantively enacted at the balance sheet date are used to determine deferred income tax.

Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the timing differences can be utilised.

11. Investments

a) Investment Securities

The Group categorises its investment securities into the following categories: short term investments and long term investments. Investment securities are initially recognised at cost and management determines the classification at initial investment.

Short term investments

Short-term investments are investments held temporarily in place of cash and which can be converted into cash when current financing needs make such conversion desirable. In addition, management intends to hold such investment for not more than one year.

Short-term investments are initially recognized at cost and subsequently re-measured at the lower of cost and market value. The amount by which cost exceeds market value (unrealized loss) is charged to the profit and loss account for the period.

ii) Long term investments

Long-term investments are investments held by management over a long period of time to earn income. Long-term investments may include debt and equity securities.

Long term investments are carried at revalued amounts. Gains and losses arising from changes in the market value of long term investments are recognised in revaluation reserve.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit and loss account.

12. Retirement benefits

Retirement benefits to employees are provided under a defined contribution scheme, which is funded by contribution from the bank and employees. Funding under the new Scheme is 7.5% each by staff and the Group based on annual basic salary, housing and transport allowances in line with the Pension Reform Act, 2004. Membership of the scheme is automatic upon resumption of duty with the Group. The Group has no further payment obligations once the contributions have been paid.

The Group's liabilities in respect of the defined contribution are charged against the profit of the year in which they become payable. Payments are made to Pension Fund Administration companies, who are financially independent of the bank.

13. Goodwill

Goodwill arising on consolidation represents the excess of cost of acquisition over the fair value of the Group's share of the identifiable assets and liabilities of the acquired entity at the date of acquisition. Goodwill, in line with the Statement of Accounting Standard on Business Combinations SAS 26, is subjected to annual impairment test and carried at cost less accumulated impairment losses. Impairment losses are recognized in The profit and loss account in the year they occur.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

14. Provisions, Contingent Assets and Contingent Liabilities

Provision is recognized when the Group has a present obligation whether legal or constructive as a result of a past event for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably measured, in accordance with the Statement of Accounting Standards (SAS 23).

Transactions that are not currently recognised as assets or liabilities in the balance sheet, but which nonetheless give rise to credit risks, contingencies and commitments are Reported off Balance sheet. Such transactions included letters of credit, bonds, guarantees, acceptances, trade related contingencies such as documentary credits etc. Outstanding and unexpired commitments at year end in respect of these transactions are Shown by way of note to the financial statements.

Income on off balance sheet engagement is in form of commission and fees. Commission and fees are recognised when transactions are executed.

15. Borrowings

Borrowed funds are recognised initially at their issue proceeds and subsequently stated at cost less any repayments.

Transaction costs where immaterial, are recognized immediately in the profit and loss account. Where transaction costs are material, they are capitalized and amortised over the life of the loan.

Interest paid on borrowings is recognised in the profit and loss account for the year.

16. Fiduciary activities

The Group acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these financial statements, as they are not assets of the Group.

17. Segment Reporting

The Group prepares its segment information based on geographical and business segments as primary and secondary reporting segments, respectively.

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns different from those of segments operating in other economic Environments.

18. Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the Liability Simultaneously.

19. Cash and cash equivalents

Cash comprises:

- i) Cash in hand
- ii) Balances held with Central Bank of Nigeria
- iii) Balances with banks in Nigeria and outside Nigeria
- iv) Demand deposits denominated in Naira and other foreign currencies.

Cash equivalents are short-term, highly liquid instruments which are:

- (a) readily convertible into cash, whether in local or foreign currency; and
- (b) so near to their maturity dates as to present insignificant risk of changes in value as a Result of changes in interest rates.

Cash and Cash Equivalents are stated net of provision for amounts doubtful of collection.

20. Ordinary Share capital

i. Share issue costs

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

ii. Dividends on ordinary shares

Dividends on ordinary shares are appropriated from revenue reserve in the period they are approved by the Bank's shareholders.

Dividends for the year that are approved by the shareholders after the balance sheet date are dealt with in the subsequent events note

Dividends proposed by the Directors' but not yet approved by members are disclosed in the financial statements in accordance with the requirements of the Company and Allied Matters Act 1990.

21. Investment property

An Investment Property is an investment in land or buildings held primarily for generating income or capital appreciation and not occupied substantially for use in the operations of the enterprise. A piece of property is treated as an investment property if it is not occupied substantially for use in the operations of the Group, an occupation of more than 15% of the property is considered substantial.

Investment properties are carried in the balance sheet at their market value and revalued periodically on a systematic basis at least once in every three years. Investment properties are not subject to periodic charge for depreciation.

When there is a decline in value of an investment property, the carrying amount of the property is written down to recognize the loss. Such a reduction is charged to the profit and loss account. Reductions in carrying amount are reversed when there is an increase, following a revaluation in accordance with the Group's policy, in the value of the investment property, or if the reasons for the reduction no longer exist.

An increase in carrying amount arising from the revaluation of investment property is credited to owners' equity as revaluation surplus. To the extent that a decrease in carrying amount offsets a previous increase, for the same property that has been credited to revaluation surplus and not subsequently reversed or utilized, it is charged against that revaluation surplus rather than the profit and loss account.

An increase on revaluation which is directly related to a previous decrease in carrying amount for the same property that was charged to the profit and loss account, is credited to profit and loss account to the extent that it offsets the previously recorded decrease.

Investment properties are disclosed separate from the property and equipment used for the purposes of the business.

ABRIDGED ACCOUNTS



ABRIDGED STATEMENTS

UNITY BANK PLC

BALANCE SHEET

As at 31 December 2010

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
Cash and short-term funds	17,388,078	7,769,987	17,334,974	7,542,882
Nigerian treasury bills	20,721,952	9,500,000	20,721,952	9,500,000
Due from other banks	31,722,834	52,913,433	31,721,965	52,720,679
Loans and advances	113,974,907	87,822,527	113,934,122	87,817,499
Advances under finance leases	4,627,139	556,195	4,627,139	556,195
Investment securities	42,013,291	10,783,100	41,336,446	7,961,549
Investment in subsidiaries	287,300	-	1,921,177	1,572,867
Goodwill	17,085,024	17,085,024	17,085,024	17,085,024
Deferred tax assets	9,722,548	9,584,824	9,584,824	9,584,824
Other assets	24,147,406	46,223,442	23,699,191	45,931,387
Fixed assets	23,787,256	15,697,675	23,255,120	16,525,180
Total assets	305,477,735	257,936,207	305,221,933	256,798,086
LIABILITIES				
Customer deposits	221,700,606	214,986,082	222,145,561	214,820,710
Long term borrowing	17,738,789	-	17,738,789	-
Current income tax	1,033,621	414,017	899,277	309,598
Other liabilities	18,692,121	33,398,348	18,266,779	32,540,890
Deferred income tax liabilities	1,788,898	1,823,432	1,788,112	1,788,112
Retirement benefit obligations	238,989	155,097	230,182	155,097
	261,193,023	250,776,975	261,068,700	249,614,407
CAPITAL AND RESERVES				
Share capital	16,641,688	7,976,047	16,643,588	7,976,047
Share reconstruction reserve	14,501,904	14,501,904	14,501,904	14,501,904
Share premium	14,509,272	5,841,730	14,509,272	5,841,730
Statutory reserve	5,108,288	1,381,897	5,106,539	1,381,897
Reserve for SMEIES	440,116	440,116	440,116	440,116
Asset revaluation reserve	7,219,000	-	7,219,000	-
Retained earnings - General reserve	(14,519,140)	(23,229,695)	(14,267,186)	(22,958,016)
Attributable to equity holders of the parent	43,901,128	6,911,999	44,153,233	7,183,678
Non-controlling interest	383,583	247,234	-	-
Total Equity	44,284,712	7,159,233	44,153,233	-
Total Liabilities	305,477,735	257,936,208	305,221,933	249,614,407
Contingent liabilities	4,132,198	16,787,489	16,787,489	7,390,962

REPORT OF THE INDEPENDENT AUDITORS TO MEMBERS OF UNITY BANK PLC

Report on the Financial Statements

We have audited the accompanying financial statements of **Unity Bank Plc**, as at 31 December, 2010, which have been prepared on the basis of the significant accounting policies.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the Companies and Allied Matters Act CAP C20 LFN 2004, Banks and Other Financial Institutions Act CAP B3 LFN 2004. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 the audit to obtain reasonable assurance whether 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 auditors' judgment, 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 auditors consider 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 directors, as well as evaluating the overall presentation of the financial statements.

Opinion

In our opinion, the Bank has kept proper accounting records and the financial statements are in agreement with the records in all material respects and give in the prescribed manner, information required by the Companies and Allied Matters Act CAP C20 LFN 2004 and the Banks and Other Financial Institutions Act CAP B3 LFN 2004. The financial statements give a true and fair view of the financial position of **Unity Bank Plc** as at 31 December 2010, and of its financial performance and its cash flows for the year then ended in accordance with the Statements of Accounting Standards issued by the Nigerian Accounting Standards Board.

Report on Other Legal and Regulatory Requirements

In accordance with circular BSD/1/2004 issued by the Central Bank of Nigeria, details of insider related credits are as disclosed in the relevant note to the financial statements.

Contraventions

During the year ended 31 December, 2010, the Bank did not contravene any sections of the Banks and Other Financial Institutions Act, 1991.



Chartered Accountants
Kaduna, Nigeria

Date:

PROFIT AND LOSS ACCOUNT



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
Gross earnings		63,492,066	46,420,051	61,358,173	44,963,099
Interest and similar income	2	29,165,385	31,618,885	29,019,778	31,618,885
Interest and similar expense	3	(12,502,829)	(15,022,361)	(12,496,677)	(14,950,419)
Net interest income		16,662,555	16,596,524	16,523,100	16,668,466
Fee and commission income	4	9,125,290	5,355,506	7,459,700	5,320,558
Fee and commission expense		-	-	-	-
Net Fee and commission income		9,125,290	5,355,506	7,459,700	5,320,558
Foreign exchange income		86,238	834,664	86,238	834,664
Trusteeship income		276	-	4	-
Income from investments	5a	209,459	335,185	157,623	335,185
Other income	5b	24,905,419	8,194,451	24,634,831	6,509,525
Operating income		50,988,961	31,316,329	48,861,495	29,668,397
Operating expenses	6	(30,783,858)	(38,182,525)	(28,751,542)	(36,552,487)
Diminution in asset values	19	(6,795,204)	(14,232,704)	(6,795,204)	(14,086,398)
Profit before exceptional item and taxation		13,409,900	(21,098,901)	13,314,750	(20,970,488)
Exceptional item	7	-	(20,791)	-	-
Profit after exceptional item before taxation		13,409,900	(21,119,692)	13,314,750	(20,970,488)
Current taxation	23	(922,348)	(297,410)	(899,277)	(224,926)
Deferred taxation	26	-	5,304,239	-	5,339,559
Profit after taxation		12,487,551	(16,112,863)	12,415,473	(15,855,855)
Non controlling Interest	27	(52,354)	(14,672)	-	-
Profit attributable to the group		12,435,197	(16,127,535)	12,415,473	(15,855,855)
APPROPRIATIONS					
Statutory reserve	30	3,724,642	-	3,724,642	-
Small and medium scale industries equity	30	-	-	-	-
Investment scheme	30	-	-	-	-
Retained earnings/General reserve		8,710,555	(16,127,535)	8,690,831	(15,855,855)
Earnings per share - basic (kobo)		37.52	(1.01)	37.48	(0.99)
Earnings per share - Adjusted (kobo)		89.10	-	88.58	-

The accounting policies and other explanatory notes on pages 110 to 148 form part of these financial statements

BALANCE SHEET



BALANCE SHEET AS AT 31 DECEMBER 2010

	Note	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
ASSETS					
Cash and short-term funds	8	17,388,078	7,769,987	17,334,974	7,542,882
Nigerian treasury bills	9	20,721,952	9,500,000	20,721,952	9,500,000
Due from other banks	10	31,722,834	52,913,433	31,721,965	52,720,679
Loans and advances	11	113,974,907	87,822,527	113,934,122	87,817,499
Advances under finance leases	13	4,627,139	556,195	4,627,139	556,195
Investment securities	14	42,013,291	10,783,100	41,336,446	7,961,549
Investment in subsidiaries	15	287,300	-	1,921,177	1,572,867
Goodwill	17	17,085,024	17,085,024	17,085,024	17,085,024
Deferred tax assets	26	9,722,548	9,584,824	9,584,824	9,584,824
Other assets	18	24,147,406	46,223,442	23,699,191	45,931,387
Fixed assets	20	23,787,256	15,697,675	23,255,120	16,525,180
Total assets		305,477,735	257,936,207	305,221,933	256,798,085
LIABILITIES					
Customer deposits	21	221,700,606	214,986,082	222,145,561	214,820,710
Long term borrowing	22	17,738,789	-	17,738,789	-
Current income tax	23	1,033,621	414,017	899,277	309,598
Other liabilities	24	18,692,121	33,398,348	18,266,779	32,540,890
Deferred income tax liabilities	26	1,788,898	1,823,432	1,788,112	1,788,112
Retirement benefit obligations	25	238,989	155,097	230,182	155,097
		261,193,023	250,776,975	261,068,700	249,614,407
EQUITY					
Share capital	29	16,641,688	7,976,047	16,643,588	7,976,047
Share reconstruction reserve	29	14,501,904	14,501,904	14,501,904	14,501,904
Share premium	29	14,509,272	5,841,730	14,509,272	5,841,730
Statutory reserve	30	5,108,288	1,381,897	5,106,539	1,381,897
Reserve for small and medium scale industries	30	440,116	440,116	440,116	440,116
Asset revaluation reserve	30	7,219,000	-	7,219,000	-
Retained earnings - General reserve	30	(14,519,140)	(23,229,695)	(14,267,186)	(22,958,016)
Attributable to equity holders of the parent		43,901,128	6,911,999	44,153,233	7,183,678
Non-controlling interest	27	383,583	247,234	-	-
Total Equity		44,284,712	7,159,232	44,153,233	7,183,678
Total liabilities		305,477,735	257,936,207	305,221,933	256,798,085
Acceptances and guarantees	28	4,132,198	16,787,489	4,132,198	16,787,489

The accounting policies on pages 94 to 104 and the financial statements on pages 105 to 148 were approved by the board of directors on 9th MARCH, 2011 and signed on its behalf by:

Alh. Ado Y. Wanka- Group Executive Director

Alh. Falalu Bello (OFR)- Group Managing Director

Prof. A. L. Mabogunje (CON, NNOM)- Chairman

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2010

	The Group		The Bank	
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
Cash flows from operating activities				
Interest and commission earned	63,492,066	46,420,051	61,358,173	44,963,099
Interest expense	(12,502,829)	(15,022,361)	(12,496,677)	(14,950,419)
Recoveries on loans and advances and other risk assets	(9,270,860)	(8,221,385)	(9,270,860)	(8,221,385)
Cash payments to employees and suppliers	(28,512,089)	(38,182,526)	(25,437,372)	(34,013,174)
Income tax paid	(272,744)	-	(264,991)	-
Operating profits before changes in operating assets and liabilities	12,933,545	(15,006,220)	13,888,272	(12,221,878)
Changes in operating assets and liabilities				
Loans and advances	(26,152,379)	(35,930,847)	(26,116,623)	(38,410,841)
Advances under finance lease	(4,070,944)	(947,591)	(4,070,944)	(164,799)
Other assets	22,076,036	18,813,603	22,232,196	16,491,493
Deposits and current accounts	6,714,524	(105,276,644)	7,324,851	(105,318,815)
Other liabilities	(14,622,335)	8,815,392	(14,199,026)	8,931,633
Net cash provided by operating activities	(16,055,099)	(114,526,086)	(14,829,547)	(118,471,329)
	(3,121,554)	(129,532,307)	(941,274)	(130,693,207)
Cash flows from investing activities				
Proceeds from disposal of fixed assets	2,430,393	-	2,430,393	-
Purchases of fixed assets	(3,213,875)	(6,929,448)	(2,824,454)	(5,573,762)
Sale/(purchase) of long term investments	(31,517,492)	5,679,157	(33,723,206)	5,503,739
Net cash flow provided by/used in investing activities	(32,300,974)	(1,250,291)	(34,117,268)	(70,023)
Net cash flow from operating and investing activities	(35,422,528)	(130,782,598)	(35,058,542)	(130,763,231)
Cash flows from financing activities				
Longterm borrowing	17,738,789	-	17,738,789	-
Share capital	8,665,641	-	8,667,541	-
Share premium	8,667,542	-	8,667,542	-
Net cash used in financing activities	35,071,972	-	35,073,872	-
Net increase in cash and cash equivalents	(350,556)	(130,782,598)	15,330	(130,763,231)
Cash and cash equivalents, beginning of period	70,183,420	200,966,018	69,763,560	200,526,791
Cash and cash equivalents, end of period	69,832,864	70,183,420	69,778,890	69,763,560

STATEMENT OF CASH FLOWS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

1 Segment Analysis

a) By Business segment

The Group is divided into three main business segments on a national basis:

Retail banking – incorporating private banking services, private customer current accounts, savings, deposits, investment saving products, custody, credit and debit cards, consumer loans and mortgages.

Corporate banking – incorporating direct debit facilities, current accounts, deposits, overdrafts, loan and credit facilities, foreign currency and derivative products.

Treasury and investment banking – incorporating financial instruments trading, structured financing, corporate leasing, and merger and acquisitions advisory services.

The activities of the bank in the business segments described above are shown below

	Retail Banking		Commercial Banking		Treasury		Unallocated Assets		Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	
REVENUE									
Derived from external customers	18,236,101	15,804,363	5,882,229	46,792,501					
Derived from other segments	-	-	-	-					
Total	18,236,101	15,804,363	5,882,229	46,792,501					
Interest Expenses	(2,718,985)	(8,080,079)	(1,687,920)	(12,486,984)					
	15,517,116	7,724,284	4,194,309	34,305,517					
Depreciation	1,051,700	523,511	284,258	2,325,031					
Profit on ordinary activities before taxation	14,465,416	7,200,773	3,910,051	31,980,486					

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

1 Segment Analysis

b) By geographical segment

The Group's business is organized within one geographical area which is Nigeria. It has no presence outside the country. In Nigeria, the geographical segments are divided into five (5) zones with each zone headed by a zonal director. An analysis of the revenues, operating profits, assets and liabilities of the zonal segments is shown below

	CENTRAL	LAGOS & WEST	NORTH WEST	NORTH EAST	SOUTH	TOTAL
	N'000	N'000	N'000	N'000	N'000	N'000
Segment Revenues	14,675,377	9,376,197	12,243,138	2,704,618	3,130,429	42,129,759
Operating Profit	9,109,105	6,944,005	10,049,782	2,168,944	2,563,934	30,835,770
Profit before tax	4,803,328	3,496,159	5,423,585	168,741	105,163	13,996,976
Income tax	(105,981)	(77,140)	(119,667)	(3,723)	(2,320)	(308,831)
Profit for the year	4,697,347	3,419,019	5,303,918	165,018	102,843	13,688,145
Segment assets	118,789,335	35,440,749	60,775,750	13,506,248	16,065,849	244,577,931
Unallocated assets	-	-	-	-	-	-
Segment liabilities	118,789,335	35,440,749	60,775,750	13,506,248	16,065,849	244,577,931
Unallocated revenues	-	-	-	-	-	-
	118,789,335	35,440,749	60,775,750	13,506,248	16,065,849	244,577,931

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2010

	The group	The group	The Bank	The Bank
	2010	2009	2010	2009
	N'000	N'000	N'000	N'000
2 Interest and similar income				
Interest and similar income comprise:				
Placements	2,962,409	5,477,675	2,949,503	5,477,675
Treasury bills and Investment securities	4,742,454	2,053,637	4,609,784	2,053,637
Loans and advances	21,279,136	17,010,483	21,279,105	17,010,483
Advances under finance lease	181,385	7,077,089	181,385	7,077,089
	29,165,385	31,618,885	29,019,778	31,618,885
3 Interest and similar expense				
Interest and similar expense comprises:				
Current account	1,375,111	1,734,187	1,375,111	1,723,494
Savings account	746,102	910,817	746,102	905,201
Time deposits	10,049,370	9,022,329	10,043,218	8,966,696
Interbank	322,553	3,355,028	322,553	3,355,028
Other interest expense	9,694	-	9,694	-
	12,502,829	15,022,361	12,496,677	14,950,419
4 Fees and commission income				
Credit related fees	1,267,094	969,847	1,264,505	969,847
Commission on turnover	2,264,118	2,407,714	2,264,118	2,372,766
Commission on off balance sheet transactions	95,675	3,539	95,675	3,539
Remittance Fees	38,342	74,012	38,342	74,012
LC commission and fees	60,485	43,601	60,485	43,601
Facility management fees	1,078,085	653,785	1,078,085	653,785
Other fees and commissions	4,321,492	1,203,007	2,658,491	1,203,007
	9,125,290	5,355,506	7,459,700	5,320,558
5 a Income from Investments				
Dividend income	81,732	335,185	74,290	335,185
Profit on sale of securities	78,105	-	37,216	-
rental income	49,621	-	46,116	-
	209,459	335,185	157,623	335,185
b Other Income				
Recovery on provisioned other assets	7,188,069	-	7,188,069	-
Recovery on fraud losses	10,668	-	10,668	-
Recovery on provisioned loans	17,403,318	6,509,525	17,403,318	6,509,525
Lease rental income	32,776	-	32,776	-
Subsidiaries income	270,588	1,684,926	-	-
	24,905,419	8,194,451	24,634,831	6,509,525

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010**

	The group	The group	The Bank	The Bank
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
6 Operating expenses				
Staff Costs	15,512,385	24,348,724	13,906,470	22,018,929
Goodwill impairment	-	-	-	-
Depreciation	2,325,031	2,475,935	2,247,652	2,267,867
Auditors remuneration	131,862	105,175	124,858	100,000
Directors emoluments	1,305,209	121,139	1,267,578	90,913
Loss/(Profit) on disposal of Property and equipment	(1,316,901)	(344,284)	(1,315,630)	(344,284)
Lease rental Expenses	677	-	677	-
Other operating expenses	12,825,596	11,475,837	12,519,937	12,419,062
	30,783,858	38,182,525	28,751,542	36,552,487
7 Exceptional (Loss)/Income		(20,791)	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
8 CASH AND SHORT TERM FUNDS				
Cash	4,226,936	4,756,569	4,173,845	4,529,465
Operating current account with CBN	11,032,533	1,378,240	11,032,533	1,378,240
	15,259,469	6,134,809	15,206,377	5,907,705
Mandatory reserve deposits with CBN	2,295,718	2,037,073	2,295,705	2,037,072
	17,555,186	8,171,882	17,502,082	7,944,777
Mandatory reserve deposits are not available for use in the Groups day to day operations				
Provision for amounts doubtful of recovery				
Provision for doubtful balances	(167,108)	(401,895)	(167,108)	(401,895)
	17,388,078	7,769,987	17,334,974	7,542,882
	20,721,952	9,500,000	20,721,952	9,500,000
9 TREASURY BILLS				
Treasury bills amounting to N7,253,970,000 was pledged as collateral for the bank's clearing position with the CBN				
	20,721,952	9,500,000	20,721,952	9,500,000
10 DUE FROM OTHER BANKS				
Balances with bank within Nigeria	841,234	45,480,882	840,365	45,288,128
Balances with banks outside Nigeria	6,448,512	7,692,964	6,448,512	7,692,964
Placements with Banks and discount houses	26,112,650	403,126	26,112,650	403,126
	33,402,396	53,576,972	33,401,527	53,384,218
Provision for amounts doubtful of recovery	(1,679,562)	(663,539)	(1,679,562)	(663,539)
	31,722,834	52,913,433	31,721,965	52,720,679

All placements with banks and discount houses are within Nigeria.

(a) Included in bank and cash balances outside Nigeria is an amount of 2009:N14 million (2008: N1,365

This represents provision for cash and short-term funds doubtful of recovery. The movement on provision for amounts doubtful of recovery during the year was as follows:

	Cash & short-term funds N'000	Due from other banks N'000	Cash & short-term funds N'000	Due from other banks N'000
Balance, beginning of period	401,895	663,539	401,895	663,539
			-	-
Provision no longer required	(280,312)	(102,915)	(280,312)	(102,915)
Additional provision/Writeback	45,525	1,118,938	45,525	1,118,938
Balance, end of period	167,108	1,679,562	167,108	1,679,562

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010**

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
11 LOANS AND ADVANCES				
a				
Overdrafts	67,488,083	62,332,767	67,488,083	62,332,767
Term Loans	45,552,394	25,507,015	45,549,086	25,507,015
Others	15,561,370	52,450,404	15,523,893	52,447,096
	128,601,847	140,290,185	128,561,062	140,286,877
Loan Loss Provision	(8,685,051)	(38,101,882)	(8,685,051)	(38,103,602)
Interest in suspense	(5,941,889)	(14,365,776)	(5,941,889)	(14,365,776)
	113,974,907	87,822,527	113,934,122	87,817,499
b				
Analysis by security				
Secured against real estate	87,180,986	95,104,674	87,155,393	95,104,674
Otherwise secured	24,750,875	27,000,428	24,743,610	27,000,428
Unsecured	16,669,985	18,185,083	16,662,060	18,181,775
	128,601,847	140,290,185	128,561,062	140,286,877
Gross loans				
Loan loss provision				
- General	(1,089,362)	-	(1,089,362)	-
- Specific	(7,595,689)	(38,101,882)	(7,595,689)	(38,103,602)
Interest in suspense	(5,941,889)	(14,365,776)	(5,941,889)	(14,365,776)
	(14,626,940)	(52,467,658)	(14,626,940)	(52,469,378)
	113,974,907	87,822,527	113,934,123	87,817,499

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Analysis by Industry(Bank)

SECTORAL

Sector Type	Loans and Advances		Advances Under Leases		Banker Acceptances	Commercial Papers		Bills Discounted	Total	% of Total	Value of Collateral		Performing	Non Performing
	N'000	N'000	N'000	N'000		N'000	N'000				N'000	N'000		
Agriculture, forestry and fishing	5,334,322	210,986	-	459,806	-	-	-	6,005,115	4.51	5,043,185	5,120,389	884,726		
Oil & Gas	7,807,491	308,807	-	672,988	-	-	-	8,789,286	6.60	7,381,373	7,494,371	1,294,914		
capital Market	4,624,278	182,902	-	398,602	-	-	-	5,205,782	3.91	4,371,893	4,438,821	766,961		
Consumer Credit	-	-	-	-	-	-	-	-	-	-	-	-		
Manufacturing	10,946,971	432,981	-	943,604	-	-	-	12,323,557	9.25	10,349,506	10,507,943	1,815,614		
Mining & Quarrying	-	-	-	-	-	-	-	-	-	-	-	-		
Mortgage	-	-	-	-	-	-	-	-	-	-	-	-		
Real Estate & Construction	15,615,179	617,621	-	1,345,993	-	-	-	17,578,793	13.19	14,762,932	14,988,932	2,589,861		
Finance & Insurance	12,465,343	493,037	-	1,074,484	-	-	-	14,032,864	10.53	11,785,008	11,965,420	2,067,444		
Government	7,857,525	310,786	-	677,301	-	-	-	8,845,611	6.64	7,428,676	7,542,398	1,303,213		
Power	58,219	2,303	-	5,018	-	-	-	65,541	0.05	55,042	55,885	9,656		
General Commerce	15,297,353	605,050	-	1,318,597	-	-	-	17,221,001	12.92	14,462,453	14,683,853	2,537,148		
Other Public Utilities	48,625	1,923	-	4,191	-	-	-	54,739	0.04	45,971	46,674	8,065		
Transportation & Comm	6,803,148	269,082	-	586,416	-	-	-	7,658,647	5.75	6,431,845	6,530,308	1,128,339		
Communication	1,824,642	72,169	-	157,280	-	-	-	2,054,091	1.54	1,725,056	1,751,464	302,627		
Education	586,779	23,209	-	50,579	-	-	-	660,567	0.50	554,754	563,246	97,320		
Human health and social work activities	125,942	4,981	-	10,856	-	-	-	141,779	0.11	119,068	120,891	20,888		
Arts, entertainment and recreation	17,222	681	-	1,485	-	-	-	19,388	0.01	16,282	16,531	2,856		
Professional, scientific & technical activities	433,403	17,142	-	37,358	-	-	-	487,904	0.37	409,749	416,021	71,882		
Administrative and support services	198,443	7,849	-	17,105	-	-	-	223,397	0.17	187,612	190,484	32,913		
General	28,313,918	1,119,890	-	2,440,595	-	-	-	31,874,403	23.92	26,768,598	27,178,388	4,696,015		
TOTAL	118,358,803	4,681,401	-	10,202,259	-	-	-	133,242,463	100	111,899,003	113,612,021	19,630,441		

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2010

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
13 Advances under finance leases				
(a) Advance under finance leases comprise:				
Gross investment in finance leases	4,681,401	583,054	4,681,401	583,054
Unearned income	(1,948)	-	(1,948)	-
Net investment in finance leases	4,679,453	583,054	4,679,453	583,054
Provision	(52,314)	(26,859)	(52,314)	(26,859)
	4,627,139	556,195	4,627,139	556,195
ANALYSIS				
(i) By Performance				
Performing	4,675,845	325,054	4,675,845	325,054
Non-Performing	5,556	258,000	5,556	258,000
	4,681,401	583,054	4,681,401	583,054
(c) (ii) By maturity:				
0-30 days	-	-	-	-
1 - 3 months	-	-	-	-
3 - 6 months	537,725	66,972	537,725	66,972
6 - 12 months	1,207,328	150,369	1,207,328	150,369
Over 12 months	2,936,348	365,713	2,936,348	365,713
	4,681,401	583,054	4,681,401	583,054
ii. By Tenor				
Current Portion	1,745,053	217,341	1,745,053	217,341
Long Term portion	2,936,348	365,713	2,936,348	365,713
	4,681,401	583,054	4,681,401	583,054
Movement in provision for advance under finance leases was as follows:				
(b) Balance, beginning of period	26,859	26,859	26,859	26,859
Additional provision	25,455	-	25,455	-
Balance end of the period	52,314	26,859	52,314	26,859
(c) Provision on leases				
General	46,758	-	46,758	-
Specific	5,556	26,589	5,556	26,589
	52,314	26,859	52,314	26,859

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
14 Investment Securities				
Longterm Investments				
Debt securities at Cost				
Listed	-	-	-	-
Unlisted	37,075,050	1,935,194	36,875,050	1,935,194
Equity securities at cost				
Listed	4,109,750	4,956,594	3,530,016	3,552,725
Unlisted	3,628,126	5,697,034	3,600,576	3,793,022
	44,812,926	12,588,822	44,005,643	9,280,941
Provision for diminution in value	(2,799,634)	(1,805,722)	(2,669,197)	(1,319,392)
	42,013,292	10,783,100	41,336,446	7,961,549
a) Unlisted debt securities				
Investment in Government stocks and bonds				
Unearned Income	42,477,005	1,935,194	42,277,005	1,935,194
	(5,401,955)	-	(5,401,955)	-
	37,075,050	1,935,194	36,875,050	1,935,194

Included above is a consideration Bond of N21.071 billion (2013) representing Bonds issued by the Asset Management Corporation of Nigeria (AMCON) in respect of loan assets sold.

b) **Quoted investments in Nigeria**

	The Group 2010	The Group 2009	The Bank 2010	The Bank 2009
Unity Capital Assurance Plc	3,461,478	3,460,374	3,461,478	3,460,374
Union Bank Of Nigeria Plc	1,180	1,180	1,180	1,180
Mutual Benefits Assurance Plc	37,568	37,566	37,568	37,566
Cadbury Nigeria Plc	26,411	26,411	26,411	26,411
Total Nigeria Plc	-	2,703	-	2,703
Cement Company Of Nigeria Plc	-	4	-	4
First Bank Of Nigeria Plc	-	13	-	13
African Petroleum Plc	-	2,700	-	2,700
PZ Plc	881	881	881	881
Zenith Bank Plc	-	1,003	-	1,003
Guaranty Trust Bank Plc	-	9,982	-	9,982
Oando Plc	-	18	-	18
UACN Plc	-	7,173	-	7,173
UTC Debt Stock	2,500	2,500	2,500	2,500
United Bank for Africa Plc	-	200	-	200
WAPCO Plc	-	17	-	17
Others	579,734	1,403,869	-	-
	4,109,750	4,956,594	3,530,016	3,552,725

NOTES TO THE FINANCIAL STATEMENTS

Market value:- N3,508.8million (2009: 3.101 million).

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
(c) Other investments not quoted:				
Nigeria Interbank Settlement System	52,649	52,649	52,649	52,649
JAIZ International Plc	52,000	52,000	52,000	52,000
Kakawa Discount House Ltd	968,155	968,155	968,155	968,155
Ferdinand Oil	1,764	1,764	1,764	1,764
Afrexim Bank	8,111	8,111	8,111	8,111
Shonga farms Ltd	200,000	200,000	200,000	200,000
First Securities Discount House Ltd	571,659	-	571,659	-
Portfolio Management	207,278	800,000	207,278	800,000
Banque International e Du Benin SA	66,203	66,203	66,203	66,203
Investment in SMEIES(See 14(d))	160,439	-	160,439	331,756
Other securities	1,339,868	3,548,152	1,312,319	1,312,384
Balance, end of period	3,628,126	5,697,034	3,600,576	3,793,022

NOTES TO THE FINANCIAL STATEMENTS



UNITY BANK PLC

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2010

(d) Investments in small and medium scale enterprises

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
Leto Nig. Ltd.	41,000	41,000	41,000	41,000
Gusau oil	50,000	50,000	50,000	50,000
Super Fast Food	24,439	24,439	24,439	24,439
ITW Ltd	-	11,000	-	11,000
Rima Plastic	25,000	25,000	25,000	25,000
Extract Oil	5,000	5,000	5,000	5,000
Airflow Engineering works Ltd.	15,000	15,000	15,000	15,000
Investments in SMIES- Pacific	-	24,265	-	24,265
SMIES Investment with CBN (Former BON)	-	85,607	-	85,607
SMIES Investment held CBN (Former FIB)	-	21,071	-	21,071
SMIES investments with CBN (former Intercity Bank)	-	29,374	-	29,374
	160,439	331,756	160,439	331,756

(e) The movement in long-term investments during the year was as follows:

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
Balance, beginning of period	10,783,103	17,264,781	9,534,416	16,357,547
Addition/(disposal) during the period	34,317,124	(5,503,740)	36,392,403	(5,503,739)
	45,100,227	12,588,825	45,926,819	10,853,808
Provision for diminution in value	(2,799,634)	(1,805,722)	(2,669,197)	(1,319,392)
Balance, end of period	42,300,593	10,783,103	43,257,622	9,534,416
Provision for diminution in value of long-term investments:				
Balance, beginning of period	1,805,722	802,522	1,319,392	462,498
Writeback	(355,893)	-	-	-
Charge during the period	1,349,805	1,003,200	1,349,805	856,894
Balance, end of period	2,799,634	1,805,722	2,669,197	1,319,392

(f) Summary of provisions on longterm investments

Investment in Government Stocks & Bonds	1,680,248	1,680,248
Quoted investments	161,539	31,102
Other investments not quoted	812,404	812,404
Investments in small and medium scale enterprises	145,443	145,443
	2,799,634	2,669,197

NOTES TO THE FINANCIAL STATEMENTS



16 Condensed results of consolidated entities

i Condensed Profit & Loss	Northlink							
	FUG Pensions	Pelican	Unity Capital	Northlink	Unity	Caranda	New	Hexalix Ltd
	Plc	Prints Ltd	& Inv. Ltd	Brokers Ltd	Registrar Ltd	Mgt Ltd	Devco Ltd	Hexalix Ltd
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Operating income	144,267	18,808	77,027	121,524	63,241	1,446,552	129,147	127,764
Operating expenses	(214,740)	(31,869)	(105,474)	(107,453)	(50,313)	(1,317,437)	(120,492)	(85,128)
Provision expense	-	-	-	-	-	-	-	-
PBT	(70,473)	(13,061)	(28,447)	14,071	12,928	129,115	8,655	42,636
Tax	-	(256)	(562)	(4,503)	(4,242)	(7,833)	-	(5,677)
Profit for the year	(70,473)	(13,317)	(29,009)	9,568	8,686	121,282	8,655	36,959

ii Condensed Financial Position	Unity							
	FUG Pensions	Pelican	Unity Capital	Northlink	Unity	Caranda	New	Hexalix Ltd
	Plc	Prints Ltd	Ltd	Ltd	Registrar Ltd	Ltd	Ltd	Hexalix Ltd
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
ASSETS								
Cash and short-term funds	8,180	45	540,422	116,183	129,446	91,890	69,169	13,382
Due from other banks	-	-	-	-	-	-	-	-
Nigerian treasury bills	-	-	-	-	-	-	-	-
Loans and advances	1,262	-	4,904	2,996	-	37,106	-	27
Advances under finance leases	-	-	-	-	-	-	-	-
Deferred tax assets	137,723	-	-	-	-	-	-	-
Other assets	106,483	18,675	34,754	1,987	17,626	103,423	218,833	26,422
Investments	325,000	-	233,980	11,041	120,058	10,512	103,154	-
Fixed assets	31,068	10,074	121,346	17,071	5,265	109,542	49,665	114,644
Total assets	609,716	28,794	935,406	149,278	272,395	352,473	440,821	154,475
LIABILITIES								
Deposits and current accounts	-	-	591,898	-	-	-	2,891	-
Due to Other Banks	-	-	-	-	-	-	-	-
Tax payable	-	2,751	562	9,669	4,242	24,653	86,788	5,677
Dividend payable	-	-	-	-	-	-	-	-
Other liabilities	147,133	9,600	48,039	77,812	118,098	17,657	14,250	11,840
Deposits for Shares	-	-	-	-	-	303	-	-
Deferred taxation	-	-	786	-	-	-	-	-
Long term borrowing	-	-	1,456	-	-	-	-	-
	147,133	12,351	642,741	87,481	122,340	42,613	103,929	17,517
Net Assets	462,583	16,443	292,665	61,797	150,055	309,860	336,892	136,958
CAPITAL AND RESERVES								
Share capital	1,000,000	29,759	401,500	20,360	152,440	130,000	372,716	100,000
Share reconstruction reserve	-	-	-	-	-	-	-	-
Share premium	-	-	-	-	-	-	62,043	-
Reserves	(537,417)	(13,316)	(108,835)	41,437	(2,385)	179,860	(97,867)	36,958
Shareholders Funds	462,583	16,443	292,665	61,797	150,055	309,860	336,892	136,958

iii Condensed Cashflow	Unity							
	FUG Pensions	Pelican	Unity Capital	Northlink	Unity	Caranda	New	Hexalix Ltd
	Plc	Prints Ltd	& Inv. Ltd	Ltd	Registrar Ltd	Mgt Ltd	Devco Ltd	Hexalix Ltd
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Net cash from Operating Activities	(5,794)	(28)	420,281	62,912	64,232	5,522	(19,950)	13,839
Net cash from Financing Activities	-	-	86,500	-	-	113,361	-	100,000
Net cash from Investing Activities	(2,231)	(85)	(81,620)	(41,312)	(8,290)	(114,699)	56,620	(100,457)
Increase in cash and cash equivalents	(8,025)	(113)	425,161	21,600	55,942	4,184	36,670	13,382
At period start	16,205	158	115,261	94,570	73,504	87,706	32,499	-
At period end	8,180	45	540,422	116,170	129,446	91,890	69,169	13,382
Increase in cash and cash equivalents	(8,025)	(113)	425,161	21,600	55,942	4,184	36,670	13,382

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010**

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
17 Goodwill				
At start of year	17,085,024	17,085,024	17,085,024	17,085,024
Exchange differences	-	-	-	-
Acquired during the year	-	-	-	-
Impairment charge	-	-	-	-
	<u>17,085,024</u>	<u>17,085,024</u>	<u>17,085,024</u>	<u>17,085,024</u>

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. There was no impairment during the year (2009: nil).

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2010

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
18 Other assets				
(a) Other assets comprise:				
Prepaid expenses	3,328,333	3,422,893	3,269,351	3,402,757
Prepaid staff allowances	3,088,293	2,884,557	3,079,695	2,861,327
Accrued income	-	1,757	-	1,757
Interbranch balances	10,304,233	20,462,081	10,304,233	20,462,081
Due from subsidiaries	369,956	323,645	369,957	323,645
Fraud suspense	636,778	557,295	636,778	557,295
Stationery stocks	272,824	636,664	269,578	622,213
Other stocks	261,840	-	239,613	-
Head Office suspense accounts	3,284,665	7,519,267	3,284,023	7,519,267
Accounts receivables (internal)	192,643	165,502	119,601	165,502
Deposit for investments	171,032	-	-	-
Unity Asset Management Company Limited	-	62,908	-	62,908
Other debit balances (Note 18(b) below)	13,710,528	30,244,967	13,592,737	30,010,729
	35,621,126	66,281,536	35,165,566	65,989,481
Provision on other assets (Note 18(c))	(11,473,719)	(20,058,094)	(11,466,374)	(20,058,094)
	24,147,406	46,223,442	23,699,191	45,931,387
(b) Other debit balances:				
Other debit balances comprise of:				
Cash advance	47,936	55,010	44,003	55,010
Merger expenses	3,641,771	5,590,073	3,641,771	5,590,074
Cash shortage	166	10,519	88	10,519
VAT and WHT	450	965	-	964
Uncleared effects	4,687,572	17,144,754	4,687,572	17,144,756
Conversion suspense - Prebanks	3,911	794,153	3,911	794,153
ATM suspense	-	-	-	-
Difference in accounts	39,358	-	39,358	-
ICB/NAB Loan suspense	-	136,921	-	136,921
Draft paid awaiting cover	1,125	34,143	1,125	34,143
Other sundry debits	5,288,239	6,478,429	5,174,909	6,244,189
	13,710,528	30,244,967	13,592,737	30,010,729
(c) The movement on provision for doubtful account during the year was as follows				
Balance, beginning of year	20,058,094	14,106,999	20,058,094	14,106,999
Writeback during the year	(9,054,063)	-	(9,061,408)	-
Provision during the year	469,688	5,951,095	469,688	5,951,095
Balance, end of year	11,473,719	20,058,094	11,466,374	20,058,094

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010**

19 Provision for losses

The charge for the year is analysed as follows:

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
Loan and advances - specific	3,785,792	7,170,574	3,785,792	7,170,574
Provision for advances under finance lease	25,455	-	25,455	-
Provision for bank balances	1,164,464	107,835	1,164,464	107,835
provision for dimunition in Investments	1,349,805	1,003,200	1,349,805	856,894
Provision for other assets	469,688	5,951,095	469,688	5,951,095
	6,795,204	14,232,704	6,795,204	14,086,398

NOTES TO THE FINANCIAL STATEMENTS



20 Fixed assets

20.1 The Group

The movement on these accounts during the year was as follows:

Cost/Valuation	Balance at 1 January 2010 N'000	Additions N'000	Revaluation N'000	Adjustments N'000	Disposals N'000	Balance at 31 December 2010 N'000
Land & buildings	11,135,334	1,253,766	7,294,412	(1,002,287)	(962,722)	17,718,503
Leasehold improvement	1,553,028	401,069	-	(309,907)	-	1,644,190
Motor Vehicles	2,420,524	181,178	-	192,388	(82,377)	2,711,713
Plant & equipment	11,571,453	1,163,288	-	170,705	(1,200)	12,904,246
Furniture & Fittings	1,645,976	214,574	-	137,066	-	1,997,616
Total	28,326,315	3,213,875	7,294,412	(812,035)	(1,046,299)	36,976,268

Accumulated Depreciation	Balance at 1 January 2010 N'000	Charge for the year N'000	Revaluation N'000	Adjustments N'000	Disposals N'000	Balance at 31 December 2010 N'000
Land & buildings	1,117,155	260,049	(988,698)	698,159	(169,288)	917,377
Leasehold improvement	784,685	68,101	-	272,996	-	1,125,782
Motor Vehicles	1,913,482	413,297	-	(44,502)	(461,783)	1,820,494
Plant & equipment	7,420,387	1,369,216	-	(611,910)	-	8,177,693
Furniture & Fittings	847,464	214,368	-	85,834	-	1,147,666
Total	12,083,173	2,325,031	(988,698)	400,577	(631,071)	13,189,012

Net book Value	At 31 December 2010 N'000	At 31 December 2009 N'000
Land & buildings	16,801,126	9,472,712
Leasehold improvement	518,408	768,343
Motor Vehicles	891,219	507,042
Plant & equipment	4,726,553	4,151,066
Furniture & Fittings	849,950	798,512
Total	23,787,256	15,697,675

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2010

20.2 The Bank

Cost/Valuation	Balance at 1 January 2010 N'000	Additions N'000	Revaluation N'000	Adjustments N'000	Disposals N'000	Balance at 31 December 2010 N'000
Land & buildings	11,093,384	908,788	7,219,412	(967,715)	(912,722)	17,341,147
Leasehold improvement	1,569,371	393,508	-	(340,210)	-	1,622,669
Motor Vehicles	2,450,005	158,269	-	(753)	(49,177)	2,558,344
Plant & equipment	11,535,611	1,156,883	-	3,680	-	12,696,174
Furniture & Fittings	1,731,009	207,006	-	(3,501)	-	1,934,514
Total	25,379,380	2,824,454	7,219,412	(1,306,499)	(961,899)	36,152,848

Accumulated Depreciation	Balance at 1 January 2010 N'000	Charge for the year N'000	Revaluation N'000	Adjustments N'000	Disposals N'000	Balance at 31 December 2010 N'000
Land & buildings	1,624,762	255,081	(988,698)	190,552	(169,288)	912,409
Leasehold improvement	1,243,376	66,379	-	(190,553)	-	1,119,202
Motor Vehicles	1,382,655	386,056	-	406,232	(451,369)	1,723,574
Plant & equipment	6,699,450	1,333,846	-	(1,000)	-	8,032,296
Furniture & Fittings	903,957	206,290	-	-	-	1,110,247
Total	11,854,200	2,347,652	(988,698)	405,231	(620,657)	12,697,728

Net book Value	At 31 December 2010 N'000	At 31 December 2009 N'000
Land & buildings	15,428,738	9,468,622
Leasehold improvement	503,467	325,995
Motor Vehicles	834,770	1,067,350
Plant & equipment	4,663,578	4,836,161
Furniture & Fittings	824,257	827,052
Total	23,255,120	16,525,180

- i The Group applies the straight line method of depreciation of its property and equipment to allocate the cost of the assets over their estimated economic useful life.
- ii The assets(Land & Buildings) of the bank were revalued in August 2010 by Messrs Mohammed & Co. the sum of N7.219 Billion was approved by the CBN and has been incorporated into the accounts of the bank.
- iii Leased assets of the bank have been disclosed separately as Leasehold improvement as shown above.
- iv There are no outstanding commitments on lease payments.

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2010

	The Group	The Group	The Bank	The Bank
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
21 Deposits and other accounts				
a) Deposits and other accounts comprise				
Demand	122,921,003	114,783,528	123,079,242	114,660,440
Savings	25,326,082	20,868,263	25,326,082	20,868,263
Time deposits	63,407,687	4,181,328	63,587,804	4,181,328
Special product	7,933,268	58,504,020	8,042,757	58,461,736
Domiciliary	2,102,193	1,978,575	2,102,193	1,978,575
Due to other banks	10,373	14,670,368	7,483	14,670,368
	221,700,606	214,986,082	222,145,561	214,820,710
b) The maturity profile of these deposits and other accounts is as follows:				
Under 1 month	129,034,573	125,126,574	129,257,814	124,995,770
1-3 months	39,130,340	37,945,221	39,223,963	37,930,623
3-6 months	24,864,089	24,111,044	24,923,579	24,101,769
6-12 months	27,177,500	26,354,389	27,242,524	26,344,251
Above 12 months	1,494,105	1,448,854	1,497,680	1,448,297
	221,700,606	214,986,082	222,145,561	214,820,710
22 Longterm Borrowing				
Bank of Industry Loan	17,738,789	-	17,738,789	-

The amount represents finances from the Bank of industry as intervention funds for some industries. Disbursements have been made and form part of the bank's total loan portfolio. The bank has pledged FGN Bonds for the above sum.

23 Tax payable

The movement on the tax payable account during the year was as follows:

Balance, beginning of period	414,017	174,030	309,598	88,063
Charge for the period	922,348	297,410	899,277	224,926
	1,336,365	471,440	1,208,875	312,989
Adjustment during the period	(30,002)	-	(44,607)	-
Payments during the period	(272,744)	(57,423)	(264,991)	(3,391)
Balance, end of period	1,033,620	414,017	899,277	309,598

The charge for the income tax in these financial statements is based on the provisions of the Company Income Tax Act Cap C21 LFN 2004. The charge for education tax is based on the provisions of the Education Tax Act, Cap E4 LFN 2004. The Charge for Capital Gains Tax is based on the Provisions of the Capital Gain Tax Act CAP C1 LFN 2004. The charge for information technology levy is based on the provisions of the Nigerian Information Technology Development Agency Act 2007.

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2010

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
24 Other liabilities				
Other liabilities comprise:				
Foreign currency denominated liabilities	-	14,146	-	14,146
Bankers payment and branch drafts	1,595,578	19,676,982	1,592,994	19,676,981
Accounts payable suspense	1,611,064	12,808	1,433,151	12,808
Provisions and accruals	2,064,066	113,088	1,990,525	113,088
Unearned discounts and incomes	592,300	524,476	582,772	524,476
Interest payable	281,612	(283,119)	281,612	(283,119)
Margin on letters of credit	852,197	688,757	852,197	688,757
Sundry Creditors (24b)	11,695,303	12,651,210	11,533,527	11,793,752
	18,692,120	33,398,348	18,266,779	32,540,890
b Sundry creditors				
Sundry creditors is made up of:				
Account payable (Internal)	41,829	1,837,854	41,829	1,837,854
Other payables	171,828	979,375	118,818	979,375
Collection remittance accounts	1,341,394	762,377	1,317,503	762,377
Sundry liabilities	10,140,251	9,071,605	10,055,376	8,214,147
	11,695,303	12,651,210	11,533,527	11,793,752
25 Retirement Benefit Obligations				
Defined Contribution schemes	238,989	155,097	230,182	155,097
Movement in defined contribution scheme during the year is as follows:				
Balance, beginning of period	155,097	52,413	155,097	52,413
Provision for the period	855,480	102,684	843,480	102,684
	1,010,577	155,097	998,577	155,097
Released to pension fund administrators	(771,588)		(768,395)	
Balance, end of period	238,989	155,097	230,182	155,097

The Group and its employees make a joint contribution of 15% of basic salary, housing and transport allowance to each employee's retirement savings account maintained with their nominated Pension Fund Administrators

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010**

	The Group	The Group	The Bank	The Bank
	2010	2009	2010	2009
26 Deferred taxation				
Deferred tax liabilities	1,788,898	1,823,432	1,788,112	1,788,112
Deferred tax assets	(9,722,548)	(9,584,824)	(9,584,824)	(9,584,824)
	(7,933,650)	(7,761,392)	(7,796,712)	(7,796,712)
The movement on the deferred tax payable account during the year was as follows:				
Balance, beginning of period	(7,761,392)	1,788,112	(7,796,711)	1,788,112
Charged to profit and loss account	-	(5,304,239)	-	(5,339,559)
Prior year deferred tax assets	-	(4,245,265)	-	(4,245,264)
Adjustments	(172,258)	-	-	-
Balance, end of period	(7,933,650)	(7,761,392)	(7,796,711)	(7,796,711)
27 Non Controlling Interest	N'000	N'000	N'000	N'000
Balance, beginning of period	247,234	85,119	-	-
Transfer from profit and loss account	52,354	14,672	-	-
Prior year understatement	-	147,443	-	-
Adjustment for current year	83,995	-	-	-
Balance, end of period	383,583	247,234	-	-
28 Contingent liabilities and other obligations				
These comprise:				
Bonds and guarantees	4,132,198	16,787,489	4,132,198	16,787,489
	4,132,198	16,787,489	4,132,198	16,787,489

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2010

	The Group	The Group	The Bank	The Bank
	2010	2009	2010	2009
	N'000	N'000	N'000	N'000
29.1 Share capital				
Authorised:				
60,000,000,000 ordinary shares of 50 kobo each	<u>30,000,000</u>	<u>30,000,000</u>	<u>30,000,000</u>	<u>30,000,000</u>
Issued and fully-paid:				
33,287,177,238 Ordinary shares of 50k each	<u>16,641,688</u>	<u>7,976,047</u>	<u>16,643,588</u>	<u>7,976,047</u>
Movement in issued and fully paid up capital during the period				
Balance, beginning of period	7,976,047	7,250,952	7,976,047	7,250,952
Adjustment for bonus issue		725,095	-	725,095
Adjustment for Parent shares held by Subsidiary	(1,900)	-	-	-
Rights issue	8,667,541	-	8,667,541	-
Balance, end of period	<u>16,641,688</u>	<u>7,976,047</u>	<u>16,643,588</u>	<u>7,976,047</u>
Dividends are paid as approved by the Board from time to time.				
29.2 The shareholders of the bank agreed at the Extra-Ordinary General Meeting of the Bank held at Nicon Hilton Hotel, Abuja on 6 December 2006 to restructure the issued and fully paid share capital from N21, 752, 856 to N7,250, 952 which represents one new issued share for every three previously held leading to capital reserve of N14,501,904,000 .				
29.3 Share premium	<u>14,509,272</u>	<u>5,841,730</u>	<u>14,509,272</u>	<u>5,841,730</u>
Movement in share premium				
At 1 January 2008	5,841,730	6,566,825	5,841,730	6,566,825
Adjustment for 2006 bonus issue	-	(725,095)	-	(725,095)
At 31 December 2009	5,841,730	5,841,730	5,841,730	5,841,730
Issued during the year	8,667,542	-	8,667,542	-
At 31 December 2010	<u>14,509,272</u>	<u>5,841,730</u>	<u>14,509,272</u>	<u>5,841,730</u>

NOTES TO THE FINANCIAL STATEMENTS



30 Reserves	Statutory Reserves	SMIEIS	Retained Earnings	Asset Revaluation Reserves
The Group	N'000	N'000	N'000	N'000
Balance at beginning of period	1,381,897	440,116	(23,229,695)	-
Transfer to Share Capital	-	-	-	-
Dividend Paid	-	-	-	-
Transfer from profit and loss account	3,724,642	-	8,710,555	-
Unity Registrars	1,749	-	-	-
Loss on longterm investments(UCIL)	-	-	-	-
Revaluation gain on fixed assets	-	-	-	7,219,000
Capital reserve (UCIL)	-	-	-	-
Prior Year adjustment	-	-	-	-
	5,108,288	440,116	(14,519,140)	7,219,000

The Bank	Statutory Reserves	SMIEIS	Retained Earnings	Asset Revaluation Reserves
	N'000	N'000	N'000	N'000
Balance at beginning of period	1,381,897	440,116	(22,958,016)	-
Transfer to Share Capital	-	-	-	-
Dividend Paid	-	-	-	-
Transfer from profit and loss account	3,724,642	-	8,690,831	-
Revaluation gain on longterm investments	-	-	-	-
Revaluation gain on fixed assets	-	-	-	7,219,000
Capital Reserve	-	-	-	-
Prior Year adjustment	-	-	-	-
	5,106,539	440,116	(14,267,186)	7,219,000

Nigerian banking regulations require the bank to make an annual appropriation to a statutory reserve. As stipulated by Section 16(1) of the Bank and Other Financial Institutions Act of 1991 (amended), an appropriation of 30% of profit after tax is made if the statutory reserve is less than the paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up share capital. No appropriations was made in 2009 .

The SMEIS reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investments in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax and shall continue after the first 5 years but banks' contributions shall thereafter reduce to 5% of profit after tax. The small and medium scale industries equity investment scheme reserves are non distributable. However, this is no longer mandatory. The outstanding balances are balances incurred before the reversal of the Central Bank's policy on same. Where impaired, adequate provision has been made thereon.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2009

31 Contingent Liabilities and Commitments

a Legal Proceedings

The Group in the ordinary course of business is presently involved in 441 litigation suits none of which may give rise to any material contingent liability.

The Directors are of the opinion that none of the aforementioned cases is likely to have a material adverse effect on the bank and are not aware of any other pending or threatened claims and litigations.

b Capital Commitments

At the balance sheet date, the group had capital commitments amounting to N130.974million in respect of authorized and contracted capital projects.

c Operating Lease Commitments

The group had no operating lease commitments for 2010 and 2009 financial years ended.

d Off balance sheet engagements.

In the normal course of business, the Group is party to financial instruments with off-balance sheet risk. The instruments are used to meet the credit and other financial requirements of customers. The contractual amounts of the off-balance sheet financial instruments are:

	The Group 2010 N'000	The Group 2009 N'000	The Bank 2010 N'000	The Bank 2009 N'000
Performance Bonds and gaurantees	4,132,198	16,787,489	4,132,198	16,787,489

32 Related Party Transactions

A number of banking transactions are entered into with related parties in the normal course of business. These include loans, deposits and foreign currency transactions. The volumes of related-party transactions, outstanding balances at the year-end, and relating expense and income for the year are as follows:

a Risk assets outstanding as at 31 December 2010

i Direct credit assets

Included in loans and advances is an amount of N12.248 billion (2009: N11.317 billion) representing credit facilities to companies in which certain directors and shareholders have interests. The balances as at 31 December, 2010 are as follows:

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2010

INSIDER RELATED CREDITS AS AT 31 DECEMBER 2010

NAME OF BORROWERS	ACCT_NO	RELATIONSHIP TO REPORTING INSTITUTION	NAME OF THE RELATED PARTY	DATE GRANTED	EXPIRY DATE	APPROVED CREDIT LIMIT	PRINCIPAL AMOUNT GRANTED	PERFORMING	NON PERFORMING	TOTAL	RATE OF INTEREST %	SECURITY
ALH. MUHAMMAD DANKWANO	201530935/1/10	EX-DIRECTOR (TCB)	ALH. MUHAMMAD DANKWANO	10-07-2002	7/9/2005	15,000,000	15,000,000	(2,261,480)	(2,261,480)	(2,261,480)	0	Personal Guarantee of Director
ALHAJI HARUNA USMAN ILLO	2011374749/1/10	EX-DIRECTOR (BON)	ALHAJI HARUNA USMAN ILLO	20-06-1995	12/5/1999	9,200,000	19,200,000	(2,834,386)	(2,834,386)	(2,834,386)	0	Legal mortgage
ALHAJI HARUNA USMAN ILLO	2011374749/1/10	EX-DIRECTOR (BON)	ALHAJI HARUNA USMAN ILLO	06-01-1997	11/01/1999	5,000,000	5,000,000	(968,995)	(968,995)	(968,995)	0	Legal mortgage
BACKBONE CONNECTIVITY NETWORKS LTD	321688840/1/2001	DIRECTOR	ALHAJI JAMES S. DIKIO	31/07/2008	28/07/2011	5,000,000	510,755,348	(654,868,653)	(654,868,653)	(654,868,653)	26	Deed of debenture
BAGAUDA TEXTILE (ABDUSSAMAD I RABU)	405157387/1/10	EX-TGB CHAIRMAN	ABDUSSAMAD I RABU	30-07-1995	2/26/1996	10,000,000	10,000,000	(469,306)	(469,306)	(469,306)	24	Personal Guarantee of Director
BAUCHI STATE GOVERNMENT	224181275/1/10	DIRECTOR	BAUCHI STATE GOVERNMENT	2002		500,000,000	500,000,000	(2,505,676)	(2,505,676)	(2,505,676)	24	
GOMBE STATE GOVT. FED ALLOCATION A/C	228175085/1/2010	DIRECTOR	GOMBE STATE GOVT. FED ALLOCATION A/C	2005/2010	25/12/2011	2,000,000,000	2,000,000,000	(666,666,667)	(666,666,667)	(666,666,667)	22	Domiciliation of FAAC
IBRAHIM BABANGIDA B.	203107298/1/10	RELATION OF DIRECTOR	MALLAM MUHAMMAD BABANGIDA	20/09/06	20/09/07	230,000,000	230,000,000	(143,764,376)	(143,764,376)	(143,764,376)	21	Equitable Mortgage
INTEGRATED SYSTEM AND DEVICES	330173800/1/10	CHAIRMAN	PROF. MABOQUINE	15/07/2009	15/01/2010	60,000,000	60,000,000	(50,072,311)	(50,072,311)	(50,072,311)	22	Legal mortgage
JIGAWA STATE GOVERNMENT (TRICYCLE CO.)	3551748994/1/2010	DIRECTOR	JIGAWA STATE GOVERNMENT (TRICYCLE CO.)	15/02/2010	29/04/2011	425,000,000	425,000,000	(344,969,589)	(344,969,589)	(344,969,589)	23	Domiciliation
JIGAWA STATE GOVERNMENT (TRICYCLE CO.)	3551748994/1/10	DIRECTOR	JIGAWA STATE GOVERNMENT (TRICYCLE CO.)	31/03/2009	29/04/2011	425,000,000	425,000,000	(704,973,538)	(704,973,538)	(704,973,538)	23	Domiciliation
KABO AIR LIMITED	405157337/1/2010	EX-CHAIRMAN	MUHAMMADU ADAMU DANKWABO	21/5/2008	21/7/2013	3,570,000,000	2,570,000,000	(1,251,341,007)	(1,251,341,007)	(1,251,341,007)	18	Legal mortgage
KABO AIR LIMITED	405157337/1/10	EX-CHAIRMAN	MUHAMMADU ADAMU DANKWABO	29/06/2009	28/09/2009	3,500,000,000	2,500,000,000	(2,842,210,902)	(2,842,210,902)	(2,842,210,902)	18	Legal mortgage
KDC CONSTRUCTION (BULAMA)	201099671/1/5831	RELATION OF DIRECTOR	ALH. MOHAMMED BULAMA	31/01/2002	29/11/2002	50,000,000	50,000,000	(69,759,041)	(69,759,041)	(69,759,041)	0	C of O No. 745
KDC CONSTRUCTION (BULAMA)	231120137/1/10	RELATION OF DIRECTOR	ALH. MOHAMMED BULAMA	29/10/2002	29/11/2002	150,000,000	150,000,000	(287,927)	(287,927)	(287,927)	22	C of O No. 745
MBS MERCHANTS LTD	207137251/1/10	MANAGING DIRECTOR	FALALU BELLO	21/10/2010	18/02/2011	500,000,000	500,000,000	(406,489,151)	(406,489,151)	(406,489,151)	18	Equitable Mortgage
MBS MERCHANTS LTD	207137251/1/10	MANAGING DIRECTOR	FALALU BELLO	22/10/2010	21/11/2011	1,750,000,000	1,750,000,000	(1,550,000,000)	(1,550,000,000)	(1,550,000,000)	9	Equitable Mortgage
MR. ABELUPO ADEBEMI	201549595/1/10	EX-DIRECTOR	MR. ABELUPO ADEBEMI	08/08/2008	31/02/2009	10,000,000	10,000,000	(12,495,855)	(12,495,855)	(12,495,855)	0	Len on Share
NASARAWA STATE GOVERNMENT	2611098909/1/10	DIRECTOR	NASARAWA STATE GOVERNMENT	16/09/2008	31/08/2010	1,250,000,000	1,250,000,000	17,611,731	17,611,731	17,611,731	18	Guarantee of MFI
NASARAWA STATE GOVERNMENT	2611098909/1/10	DIRECTOR	NASARAWA STATE GOVERNMENT	16/09/2008	31/08/2010	1,250,000,000	1,250,000,000	472,956,415	472,956,415	472,956,415	18	Guarantee of MFI
NIGER NORTH LIMITED	205149371/1/2015	DIRECTOR	ALH. UMIRU INDANUSA	24-06-2009	23-06-2010	10,000,000	10,000,000	(46,666,667)	(46,666,667)	(46,666,667)	24	Legal mortgage
NIGER NORTH LIMITED	205149371/1/10	DIRECTOR	ALH. UMIRU INDANUSA	24-06-2009	23-06-2010	10,000,000	10,000,000	(19,452,257)	(19,452,257)	(19,452,257)	24	Legal mortgage
NIGER STATE GOVERNMENT (L.G. JOINT A/C)	203117345/1/2003	DIRECTOR	NIGER STATE GOVERNMENT (L.G. JOINT A/C)	15/12/2010	15/02/2011	1,444,452,023	1,444,452,023	(262,627,641)	(262,627,641)	(262,627,641)	26	Irrevocable Standing Order
PETER HAMAN JODA	201010975/1/1/583/10	EX-DIRECTOR (BON)	PETER HAMAN JODA	30-11-1998	10/20/1999	2,000,000	2,000,000	(384,379)	(384,379)	(384,379)	0	Personal Guarantee of Director
STONEBRIDGE INVESTMENTS LTD	23351668/1/10	EX-DIRECTOR	CHIEF RAYMOND IREMBE	11-08-2007	30-4-08	60,000,000	60,000,000	(2,365,420)	(2,365,420)	(2,365,420)	22	Len on Share
TSESAR MAGDALENE MORGIA	2012201/1/10	EX-DIRECTOR(PBU)	BUNMI ELESIO	01/12/04	4/5/2005	9,500,000	9,500,000	(15,049,717)	(15,049,717)	(15,049,717)	0	Deed of sale
YABAGI SANI	201149630/1/10	EX-DIRECTOR	YABAGI SANI	5-03-2003	12/3/2004	30,000,000	30,000,000	(15,788,715)	(15,788,715)	(15,788,715)	0	Legal mortgage
ZAMFARA STATE ACCOUNTANT GENERAL	273556675/1/1/2002	DIRECTOR	ZAMFARA STATE ACCOUNTANT GENERAL	06-04-2010	31/07/2003	658,000,000	658,000,000	(3,668,939,131)	(3,668,939,131)	(3,668,939,131)	22	Domiciliation of VAT
ZAMFARA STATE ACCOUNTANT GENERAL	273556675/1/10	DIRECTOR	ZAMFARA STATE ACCOUNTANT GENERAL	22/10/2009	20/04/2011	470,000,000	470,000,000	(11,634)	(11,634)	(11,634)	22	Domiciliation of VAT
						14,968,700,000	16,923,907,371	(12,124,991,354)	(12,247,836,565)	(12,247,836,565)		

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010**

ii Off balance sheet engagements

Included in off balance sheet engagements is an amount of N179,416 million representing bankers acceptances and guaranteed commercial papers to companies in which certain directors and shareholders have interests. The balances as at 31 December, 2010 are as follows:

	2010 N'000	Security Status
	N'000	Status
	8,972	Secured
	170,444	Secured
	179,416	

b Deposits as at 31 December 2010

Name of individual /Company	Relationship	Deposit Type	2010 N'000	2009 N'000
FUG Pensions Plc	Subsidiary	Current	8,009	30,396
Pelican Prints Ltd	Subsidiary	Current	45	158
Unity Capital and Trust Limited	Subsidiary	Current & Time	540,386	115,035
Northlink Insurance Brokers Ltd	Subsidiary	Current & Time	116,020	94,547
Unity Registrar Ltd/First venture Ltd	Subsidiary	Current & Time	129,444	21,292
Caranda Management Services Ltd	Subsidiary	Current & Time	91,890	87,673
New Devco Finance Services Ltd	Subsidiary	Current	52,730	18,543
Hexalix Property Mgt Ltd	Subsidiary	Current	13,382	-
			951,906	367,644

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2010

33 Employees and Directors	Group 2010	Group 2009	Bank 2010	Bank 2009
a Employees				
The average number of persons employed by the Group during the year was as follows				
	Number	Number	Number	Number
Executive Directors	13	13	6	6
Management	515	138	476	112
Non-management	2,477	2,863	2,296	2,680
	<u>3,005</u>	<u>3,014</u>	<u>2,778</u>	<u>2,798</u>
Compensation for the above staff (excluding executive directors) include:				
	Group 2010 N'000	Group 2009 N'000	Bank 2010 N'000	Bank 2009 N'000
Salaries and wages	15,512,385	22,983,324	13,062,990	22,018,929
Pension costs				
Defined contribution plans	-	1,365,400	843,480	-
Defined benefit plans	-	-	-	-
Other retirement plans	-	-	-	-
	<u>15,512,385</u>	<u>24,348,724</u>	<u>13,906,470</u>	<u>22,018,929</u>
The number of employees of the Group, other than directors, who received emoluments in the following ranges (excluding pension contributions), were:				
	Group 2010 Number	Group 2009 Number	Bank 2010 Number	Bank 2009 Number
N300,000 and below	44	55	-	-
N300,001 - N2,000,000	132	129	-	-
N2,000,001- N2,800,000	1,309	1,257	1,303	1,244
N2,800,001- N3,500,000	393	427	371	418
N3,500,001- N4,000,000	7	5	-	-
N4,000,001- N5,500,000	624	665	622	663
N5,500,001- N6,500,000	-	141	-	141
N6,500,001- N7,800,000	258	110	252	110
N7,800,001- N9,000,000	100	101	99	100
N9,000,001- and above	125	124	125	122
	<u>2,992</u>	<u>3,014</u>	<u>2,772</u>	<u>2,798</u>
Rumeration paid to Group directors was:				
	Group 2010 N'000	Group 2009 N'000		
Fees and sitting allowances	134,892	70,040		
Executive compensation	-	-		
Retirement benefit costs	400,810	-		
Other director expenses and benefits	26,655	20,873		
	<u>562,357</u>	<u>90,913</u>		
Fees and other emoluments disclosed above include amounts paid to:				
The Chairman	<u>31,000</u>	<u>9,720</u>		
The highest paid director	<u>36,250</u>	<u>36,250</u>		
The number of directors who received fees and other emoluments (excluding pension contributions)				
	Number	Number		
Below N1,000,000	-	-		
N1,000,000 - N2,000,000	-	-		
N2,000,001 - N3,000,000	-	-		
N5,500,001 - and above	14	15		
	<u>14</u>	<u>15</u>		

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2010

	Group 2010 N'000	Group 2009 N'000	Bank 2010 N'000	Bank 2009 N'000
34 Reconciliation of profit before tax to cash generated from operations				
Profit before tax	13,409,900	(21,119,692)	13,314,750	(20,970,488)
Adjustments to reconcile profit to net cashflow from operating activities				
Depreciation	2,325,031	2,475,935	2,247,652	2,267,867
Provision for deferred taxes	-	5,304,239	-	5,339,559
Profit on sale of fixed assets	(1,316,901)	(344,284)	(1,315,630)	(344,284)
Net change in operating assets	(8,147,288)	(18,064,835)	(7,955,372)	(22,084,147)
Net change in operating liabilities	(10,011,899)	(98,023,657)	(7,822,353)	(95,123,249)
Increase/(Decrease) in tax payable	619,604	239,987	589,679	221,535
Net Cash from Operating activities	<u>(3,121,554)</u>	<u>(129,532,307)</u>	<u>(941,274)</u>	<u>(130,693,207)</u>

35 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year. The adjusted EPS is calculated using the number of shares in issue at the balance sheet date. Where a stock split has occurred, the number of shares in issue in the prior year is adjusted to achieve comparability.

	Group 2010 N'000	Group 2009 N'000	Bank 2010 N'000	Bank 2009 N'000
Net profit attributable to shareholders	<u>12,435,197</u>	<u>(16,127,535)</u>	<u>12,415,473</u>	<u>(15,855,855)</u>
No of shares in issue at period end	<u>33,287,177</u>	<u>15,952,094</u>	<u>33,287,177</u>	<u>15,952,094</u>
Time weighted average number of shares in issue	<u>14,015,707</u>	<u>15,952,094</u>	<u>14,015,707</u>	<u>15,952,094</u>
Basic earnings per share(kobo)	<u>0.37</u>	<u>(1.01)</u>	<u>0.37</u>	<u>(0.99)</u>
Adjusted earnings per share	<u>0.89</u>	<u>-</u>	<u>0.89</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

36 **Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents include cash and non-restricted balances with central banks, treasury bills and other eligible bills, operating account balances with other banks, amounts due from other banks and short-term government securities

	Group 2010 N'000	Group 2009 N'000	Bank 2010 N'000	Bank 2009 N'000
Cash and balances with central bank	17,388,078	7,769,987	17,334,974	7,542,882
Treasury bills	20,721,952	9,500,000	20,721,952	9,500,000
Due from other banks	31,722,834	52,913,433	31,721,965	52,720,678
	69,832,864	70,183,420	69,778,890	69,763,560

37 **Compliance with banking regulations**

The bank did not contravene any section of the Banks and Other Financial Institutions Act 1991

38 **Events after the balance sheet date**

There are no post balance sheet events which could have had a material effect on the financial statements as at 31 December, 2010

39 **Maturity Profile on Off Balance Sheet**

2010	Up to 1 month N'million	1 – 3 months N'million	3 – 6 months N'million	6 –12 months N'million	1 – 5 years N'million	Over 5 years N'million	Total N'million
	1,002	1,872	711	498	49	-	4,132
2009	Up to 1 month N'million	1 – 3 months N'million	3 – 6 months N'million	6 –12 months N'million	1 – 5 years N'million	Over 5 years N'million	Total N'million
	4,054	7,572	2,876	2,014	200	-	16,716
	4,054	7,572	2,876	2,014	200	-	16,716



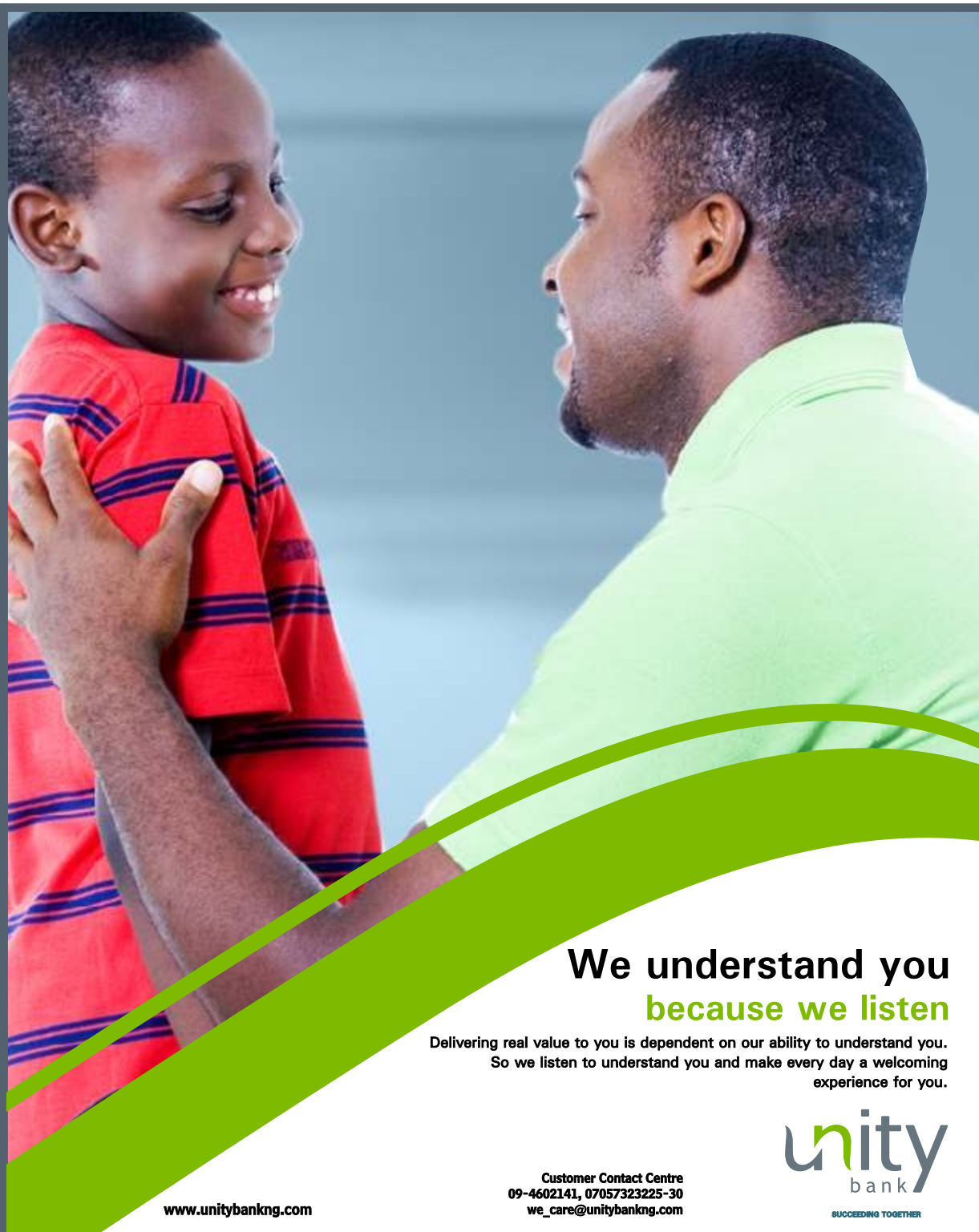
**We listen
because we care**

When you come to us, we listen because we care about your dreams and aspirations. That's why banking with us is always a heartwarming experience.

**unity
bank**
SUCCEEDING TOGETHER

www.unitybankng.com

Customer Contact Centre
09-4602141, 07057323225-30
we_care@unitybankng.com



**We understand you
because we listen**

Delivering real value to you is dependent on our ability to understand you.
So we listen to understand you and make every day a welcoming
experience for you.

www.unitybankng.com

Customer Contact Centre
09-4602141, 07057323225-30
we_care@unitybankng.com

unity
bank
SUCCEEDING TOGETHER

**STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED 31 DECEMBER 2010
THE GROUP**

	2010		2009	
	N'000	%	N'000	%
Gross earnings	63,492,066		46,420,051	
Interest expense	(12,502,829)		(15,022,361)	
	50,989,237		31,397,690	
Administrative and other expenses:				
Local & Imported	(12,293,852)		(303,856)	
Provision for other assets	(6,795,204)		(14,232,704)	
	31,194,961	100	17,566,351	100
Applied to pay:				
Employees:				
Wages, salaries and pensions	15,512,385	50	25,616,302	146
Taxes	922,348	3	297,410	2
Shareholders:				
Dividend	-		-	
Retained in business				
Depreciation	2,325,031	7	2,475,935	14
Deferred taxation	-		5,304,239	30
Profit/(Loss) for the year (including transfer to Statutory and SSI reserves)	12,435,197	40	(16,127,535)	(92)
	31,194,961	100	17,566,351	100

Value Added is the Wealth created by the efforts of the Bank and its Employees and its allocation among the employees, shareholders, government and re-investment for the future creation of wealth.

NOTES TO THE FINANCIAL STATEMENTS



STATEMENT OF VALUE ADDED FOR THE YEAR ENDED 31 DECEMBER 2010 THE BANK

	2010		2009	
	N'000	%	N'000	%
Gross earnings	61,358,173		44,963,099	
Interest expense	(12,496,677)		(14,950,419)	
	48,861,495		30,012,681	
Administrative and other expenses:				
Local	(12,597,420)		(4,300,942)	
Imported	-		(510,835)	
Provision for other assets	(6,795,204)		(11,205,477)	
	29,468,872	100	13,995,426	100
Applied to pay:				
Employees:				
Wages, salaries and pensions	13,906,470	47	22,018,929	157
Taxes	899,277	3	224,926	2
Information technology levy	-		-	-
Shareholders:				
Dividend	-	-	-	-
Retained in business				
Depreciation	2,247,652	8	2,267,867	16
Deferred taxation	-	-	5,339,559	38
(Loss) for the year (including transfer to Statutory and SSI reserves)	12,415,473	42	(15,855,855)	(113)
	29,468,872	100	13,995,426	100

Value Added is the Wealth created by the efforts of the Bank and its Employees and its allocation among the employees, shareholders, government and re-investment for the future creation of wealth.

NOTES TO THE FINANCIAL STATEMENTS



FIVE YEAR FINANCIAL SUMMARY THE GROUP

	2010 N'000	2009 N'000	2008 N'000	2007	2006
ASSETS					
Cash and short-term funds	17,388,078	7,769,987	12,317,821	-	-
Nigerian treasury bills	20,721,952	9,500,000	31,714,352	-	-
Due from other banks	31,722,834	52,913,433	156,933,845	-	-
Loans and advances	113,974,907	87,822,527	51,891,680	-	-
Advances under finance leases	4,627,139	556,195	391,396	-	-
Investment securities	42,013,291	10,783,100	16,462,259	-	-
Investment in subsidiaries	287,300	-	-	-	-
Goodwill	17,085,024	17,085,024	17,085,024	-	-
Deffered tax assets	9,722,548	9,584,824	-	-	-
Other assets	24,147,406	46,223,442	65,037,046	-	-
Fixed assets	23,787,256	15,697,675	14,028,487	-	-
Total assets	305,477,735	257,936,207	365,861,910	-	-
LIABILITIES					
Customer deposits	221,700,606	214,986,082	320,262,726	-	-
Other borrowings- Long term borrowing	17,738,789	-	-	-	-
Current income tax	1,033,621	414,017	174,030	-	-
Other liabilities	18,692,121	33,398,348	24,192,149	-	-
Deferred income tax liabilities	1,788,898	1,823,432	1,812,873	-	-
Retirement benefit obligations	238,989	155,097	52,413	-	-
	261,193,023	250,776,975	346,494,191	-	-
EQUITY					
Share capital	16,641,688	7,976,047	7,250,952	-	-
Share reconstruction reserve	14,501,904	14,501,904	14,501,904	-	-
Share premium	14,509,272	5,841,730	6,566,825	-	-
Statutory reserve	5,108,288	1,381,897	1,381,897	-	-
Reserve for small and medium scale industries	440,116	440,116	440,116	-	-
Retained earnings - General reserve	(14,519,140)	(23,229,695)	(10,859,096)	-	-
Attributable to equity holders of the parent	36,682,128	6,911,999	19,282,598	-	-
Non-controlling interest	383,583	247,234	85,118	-	-
Total Equity	44,284,712	7,159,232	19,367,716	-	-
Total liabilities	305,477,735	257,936,207	365,861,907	-	-

**FIVE YEAR FINANCIAL SUMMARY
THE GROUP**

	2010 N'000	2009 N'000	2008 N'000	2007 N'000	2006 N'000
Net operating income	50,988,961	31,316,329	35,394,464	-	-
Operating expenses	(30,783,858)	(38,182,525)	(27,240,782)	-	-
Provision for losses	(6,795,204)	(14,232,704)	(29,525,454)	-	-
Profit before exceptional item and taxation	13,409,900	(21,098,901)	(21,371,772)	-	-
Exceptional item	-	(20,791)	8,609,735	-	-
Profit after exceptional item before taxation	13,409,900	(21,119,692)	(12,762,037)	-	-
Current taxation	(922,348)	(297,410)	(133,437)	-	-
Deferred taxation	-	5,304,239	-	-	-
Profit after taxation	12,487,551	(16,112,863)	(12,895,474)	-	-
Non Controlling Interest	(52,354)	(14,672)	141,667	-	-
Profit attributable to shareholders	12,435,197	(16,127,535)	(12,753,807)	-	-
Earnings per share (basic)--kobo	37.36	(101.10)	(79.95)	-	-
Earnings per share (adjusted)--kobo	89.10	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS



FIVE YEAR FINANCIAL SUMMARY THE BANK

	2010 N'000	2009 N'000	2008 N'000	2007 N'000	2006 N'000
Cash and short-term funds	17,334,974	7,542,882	11,878,594	42,109,713	19,226,102
Nigerian treasury bills	20,721,952	9,500,000	31,714,352	11,306,877	16,323,227
Due from other banks	31,721,965	52,720,679	156,933,845	47,551,141	14,631,860
Loans and advances	113,934,122	87,817,499	51,882,213	36,590,002	37,023,358
Advances under finance leases	4,627,139	556,195	391,396	192,028	182,563
Investment securities	41,336,446	7,961,549	15,697,008	1,175,972	1,288,437
Investment in subsidiaries	1,921,177	1,572,867	198,040	188,040	188,040
Goodwill	17,085,024	17,085,024	17,085,024	17,085,024	16,533,894
Deferred tax assets	9,584,824	9,584,824	-	-	-
Other assets	23,699,191	45,931,387	64,395,016	33,870,801	12,810,827
Fixed assets	23,255,120	16,525,180	13,905,349	13,164,404	12,823,363
Total assets	305,221,933	256,798,086	364,080,837	203,234,002	131,031,671
LIABILITIES					
Customer deposits	222,145,561	214,820,710	320,139,525	145,793,517	79,683,488
Other borrowings- Long term borrowing	17,738,789	-	-	8,217,587	8,217,587
Current income tax	899,277	309,598	88,063	772,322	368,565
Other liabilities	18,266,779	32,540,890	23,218,452	14,106,156	9,509,355
Dividend Payable	-	-	-	196,942	196,942
Deferred income tax liabilities	1,788,112	1,788,112	1,788,112	1,788,112	1,469,217
Retirement benefit obligations	230,182	155,097	52,413	319,609	818,733
Total liabilities	261,068,700	249,614,407	345,286,565	171,194,245	100,263,887
EQUITY					
Share capital	16,643,588	7,976,047	7,250,952	7,250,952	21,752,856
Share reconstruction reserve	14,501,904	14,501,904	14,501,904	14,501,904	-
Share premium	14,509,272	5,841,730	6,566,825	6,566,825	6,566,825
Statutory reserve	5,106,539	1,381,897	1,381,897	1,381,897	1,165,644
Reserve for small and medium scale industries	440,116	440,116	440,116	440,116	368,032
Asset revaluation	7,219,000	-	-	-	-
Retained earnings - General reserve	(14,267,186)	(22,958,016)	(11,347,425)	1,898,063	914,427
Attributable to equity holders of the parent	44,153,233	7,183,678	18,794,269	32,039,757	30,767,784
Non-controlling interest	-	-	-	-	-
Total Equity	44,153,233	7,183,678	18,794,269	32,039,757	30,767,784
Total liabilities and Equity	305,221,933	256,798,085	364,080,834	203,234,002	131,031,671
Acceptances and guarantees	4,132,198	16,787,489	7,390,962	13,170,039	8,648,166

**FIVE YEAR FINANCIAL SUMMARY
THE BANK**

	2010 N'000	2009 N'000	2008 N'000	2007 N'000	2006 N'000
Net operating income	48,861,495	29,668,397	34,483,805	19,202,797	7,957,068
Operating expenses	(28,751,542)	(36,552,487)	(26,722,159)	(13,050,398)	(7,137,393)
Provision for losses	(6,795,204)	(14,086,398)	(29,525,454)	(4,688,756)	1,557,020
Profit before exceptional item and taxation	13,314,750	(20,970,488)	(21,763,808)	1,463,643	2,376,695
Exceptional item	-	-	8,609,735	-	-
Profit after exceptional item before taxation	13,314,750	(20,970,488)	(13,154,073)	1,463,643	2,376,695
Information technology Levy	-	-	-	(20,148)	-
Current taxation	(899,277)	(224,926)	(88,063)	(403,757)	(181,934)
Deferred taxation	-	5,339,559	-	(318,895)	(824,271)
Profit after taxation	12,415,473	(15,855,855)	(13,242,136)	720,843	1,370,490
Non controlling Interest	-	-	-	-	-
Profit attributable to shareholders	12,415,473	(15,855,855)	(13,242,136)	720,843	1,370,490
Earnings per share (basic)--kobo	37.48	(1.01)	4.97	5.85	12.28
Earnings per share (adjusted)--kobo	88.58	-	-	-	-

CORPORATE INFORMATION

PRINCIPAL OFFICERS



UNITY BANK PLC- DIVISIONAL HEADS AND HEADS OF DEPARTMENTS

DIVISIONAL HEADS

Name	Grade	Directorate	Division
Akinniyi Babatunde Sunday	General Manager	GMD's Directorate	Internal Control Division
Adeyinka Bridget Ibiyemi	Deputy General Manager	Central Directorate	Products & Channels Division
Mohammed Tanko Ibrahim	Deputy General Manager	GMD's Directorate	Corporate Services Division
Mairami Sanda Umar	Deputy General Manager	IT & Operations Directorate	Operations Division
Khalifa Yusuf M.I.S	Deputy General Manager	Risk Management Directorate	Risk Management Division

HEADS OF DEPARTMENTS

Name	Grade	Directorate	Division	Department
Olufe Modupe Omosede	Deputy General Manager	Lagos & West Directorate	GED's Division - Lagos & West	Treasury Marketing Department
Adamu Bashir	Deputy General Manager	Risk Management Directorate	Risk Management Division	Financial Control Department
Ismaila Olatunji Hakeem	Deputy General Manager	IT & Operations Directorate	GED's Division - IT & Operations	Information Technology Department
Abraham Azumi Aisha	Deputy General Manager	GMD's Directorate	GMD's Division	Group Company Secretariat
Umar Larai Bilikisu	Assistant General Manager	Risk Management Directorate	Risk Management Division	Regulatory Compliance Department
Adenowo Bilau Adekeyode	Assistant General Manager	GMD's Directorate	Internal Control Division	General Audit & Inspection Department
Ilori Babatunde Isaac	Assistant General Manager	IT & Operations Directorate	Operations Division	Reconciliation Department
Aliyu Ma'Aji Iliyasu	Assistant General Manager	GMD's Directorate	GMD's Division	Corporate Affairs Department
Suleman Najib Muhammad	Assistant General Manager	GMD's Directorate	Corporate Services Division	Human Capital Management Department
Adamu Mohammed Umar	Assistant General Manager	Risk Management Directorate	Risk Management Division	Legal Services Department
Atiku Abubakar Zubairu	Assistant General Manager	IT & Operations Directorate	Operations Division	Domestic Operations Department
Daihatu Umar	Assistant General Manager	Risk Management Directorate	Risk Management Division	Credit Administration Department
Abubakar Baba Danlami	Assistant General Manager	Risk Management Directorate	Risk Management Division	Credit Risk Department
Ahmadu Darma Abdu	Assistant General Manager	Risk Management Directorate	Risk Management Division	Debt Recovery Department
Abiade Ademola Muraina	Principal Manager	IT & Operations Directorate	Operations Division	Central Liability Operations Department
Sayyadi Lawan	Principal Manager	Risk Management Directorate	Risk Management Division	Group Integration Department
Alhassan Danhama Zulkifli	Principal Manager	GMD's Directorate	Internal Control Division	Internal Control Department
Riruwal Garba Abdu	Principal Manager	Central Directorate	Products & Channels Division	Agri-Business Department
Lere Aliyu Yahaya	Principal Manager	GMD's Directorate	Corporate Services Division	Administration Department
Sani Shehu	Principal Manager	Central Directorate	Products & Channels Division	Consumer Products Department
Amechi Nwaego Theodora	Senior Manager	Central Directorate	GED's Division - Central	Private Wealth Management Department
Akpakan Okon Ibere-Abasi	Senior Manager	Central Directorate	Products & Channels Division	E-Business Department
Hammed Moruff Tola	Senior Manager	Central Directorate	Products & Channels Division	Payments & Collections Department
Etaferhi Emmanuel	Senior Manager	GMD's Directorate	GMD's Division	Strategy & Corporate Development Department
Oloko Akintola Adetunji	Senior Manager	GMD's Directorate	Internal Control Division	Investigation Department
Ahmadu Habibu	Senior Manager	GMD's Directorate	Internal Control Division	IS Audit Department
Owolewa Anthony Oluyide	Senior Manager	Risk Management Directorate	Risk Management Division	Market & Operations Risk Department
Vandi S Jonah	Manager	GMD's Directorate	Internal Control Division	Internal Compliance Department

PRINCIPAL OFFICERS



REGIONAL MANAGERS

Name	Grade	Directorate	Regional Office
Mahmud Elems Umar	Assistant General Manager	Central	Abuja Central Regional Office
Ibrahim Giddi Mohammed	Principal Manager	Central	Minna Regional Office
Adamu Mohammed Kabir	Principal Manager	Central	Makurdi Regional Office
Baffa Aminu	Assistant General Manager	Central	Garki Regional Office
Umar Adabara Mohammed	Principal Manager	Lagos & West	Lagos Island Regional Office
Ezeh C Felix	Assistant General Manager	Lagos & West	Ikeja Regional Office
Awotunde Bamidele Raphael	Senior Manager	Lagos & West	Ibadan Regional Office
Yahaya Yinka Ibraheem	Assistant General Manager	Lagos & West	Apapa Regional Office
Muhammad Mustapha	Principal Manager	NorthEast	Maiduguri Regional Office
Umar Abdullahi Ahmad	Principal Manager	NorthEast	Bauchi Regional Office
Mohammed Abdal Mahmoud	Principal Manager	NorthEast	Yola Regional Office
Guri Muhammad Alhaji	Principal Manager	NorthWest	Sokoto Regional Office
Usman Tukur Fatimah	Assistant General Manager	NorthWest	Kaduna Regional Office
Muhammad Shu'Aibu Sani	Principal Manager	NorthWest	Kano Regional Office
Muhammad Yusuf	Principal Manager	NorthWest	Dutse Regional Office
Chukwurah Dac	Assistant General Manager	South	Benin Regional Office
Nwaiwu Idu Patricia	Assistant General Manager	South	Port Harcourt Regional Office
Agu Chukwuodi Magnus	Principal Manager	South	Enugu Regional Office



Kenneth E. Maduekwe (Ag. MD)

Unity Investment & Capital Limited formerly known as BON Trustees Limited was incorporated on October 7, 1988 under the name Bank of the North Trustees Limited. The Company (BON Trustees Limited) was registered and authorized to carry out the businesses of funds and portfolio management, trusteeship services and financial advisory services.

After the consolidation exercise in 2005, The Bank of the North merged with other eight banks to form Unity Bank Plc and in line with the Bank's strategic drive for effective and efficient service delivery, BON Trustees was adopted and made a Subsidiary of Unity Bank Plc.

During the year the businesses of Unity Capital and Trust Limited was combined with that of the investment arm of Bank to create Unity Investment & Capital Limited. It is 100% owned by Unity Bank Plc. The Company is registered with The Securities and Exchange Commission.

Northlink Insurance Brokers Limited a subsidiary of Unity Bank Plc is an Insurance Brokerage Company which was incorporated and commenced business on October 23rd, 1989. It is licensed by the National Insurance Commission of Nigeria (NAICOM) to practice Insurance Brokering business in Nigeria. Northlink Insurance Brokers Ltd renders insurance brokering services such as fire, marine, moto and all other classes of insurance business. It has its Head Office situated in Abuja at No.9, Abeokuta Street, Area 8, Garki and regional offices in Kaduna, Kano, Lagos, Maiduguri, Port-Harcourt and desk offices in Katsina and Sokoto States.



Yusuf S. Sankey (MD/CEO)



Mr Dele Ikotun (Ag. MD)

Unity Registrars Limited is a wholly owned subsidiary of Unity Bank Plc. It was incorporated on 18 November 1998 to carry on the business of share registration. It is duly registered with the Securities and Exchange Commission (SEC) as well as the Institute of Capital Market Registrars (ICMR). The operations of the company are fully automated reflecting the commitment to use technology to drive excellence in service delivery. It maintains the Registers of over eleven (11) companies that cut across various sub-sectors of the economy such as Petroleum (marketing), Agriculture, Banking, Insurance etc. With the vision of being a leading customer driven institution coupled with the mission to deliver innovative share registration solutions, acting on skilled and motivated workforce, using leading edge and strategic alliance, with objective of enhancing stakeholders value, it is rightly positioned to be a key player in the industry.

Future Unity Glanville Pensions Limited was established pursuant to the Pension Reform Act of 25th of June, 2004 to carry out the business of Pension Fund Administration. It was incorporated in April 2005 and commenced business in June 2007. It has a strong financial base, sound pedigree in investment and asset management, a network of over 600 contact points nationwide and personnel and management with an enviable track record in pension funds management. The services rendered by the company include the opening of retirement savings account (RSA) for each contributor and ensuring that a Personal Identification Number (PIN) is given from the PenCom National Data Bank. It also invests and manages contributions to maximise growth of the pension funds and assets in accordance with the investment guidelines stated in the Pension Reform Act.



USMAN B. SULEIMAN (MD)



Pelican Prints Limited was incorporated on 18 September 2007 as a Limited Liability Company.

The company has been in existence as a department in defunct Bank of the North Ltd and Subsidiary of Unity Bank Plc since 1994 and 2006 respectively. It has over the years acquired tremendous experience which has translated into quality and superb print outputs. It has in its fold, a very robust management team with a whale of experience in the printing business.

Salisu Ibrahim (MD/CEO)

Caranda Management Services Limited was incorporated as a private limited liability company in December 2003, with the main objectives of providing among other things, management and consultancy services in addition to human capital outsourcing function. The company has a Recruiters' License from the Federal Ministry of Labour; fully authorized and recognized as a Recruiting Agency. Caranda provides staff on contract basis to many organizations with Unity Bank Plc as its major client. The company provides to the bank all its Secretarial Executive Cadres, Office Assistants, Technicians, Dispatch Riders, Receptionists, Tellers, Bulk Tellers, Marketers and other non core-staff. Same category of staff is provided to other organizations some of which include UnityKapital Insurance Plc and UnityKapital & Trust Limited nationwide. In addition to this, Caranda also employ, train & provide personal staff e.g Drivers, Cooks, and Personal Assistants to many clients. The Company also has professional equipments and staff that provide Cleaning and Fumigation exercises to offices and homes nationwide. At the moment, the Company is the official cleaner of Unity Bank Plc, Unity Kapital Insurance Plc offices nationwide and the Department of Petroleum Resources (DPR) Kano office. Caranda maintains corporate presence in 12 locations nationwide through its Head Office at No. 9, Abeokuta Street, Area 8, Garki, Abuja.



Nura H. Kakira (MD/CEO)

SUBSIDIARIES



Mr. Bello Tanko Kofa (Ag. MD)

Newdevco was incorporated in 1978 by New Nigeria Development Company Limited (NNDC) and wholly owned by the latter until 1990 when 51% of the shares including its management was transferred to New African Bank Plc (Now part of Unity Bank Plc). Newdevco Investments & Sec. CO. LTD. (Formerly Newdevco Finance Serv. Co. Ltd.) is a member of the Nigerian Stock Exchange having been duly licensed by both the Nigerian Stock Exchange (NSE) and Securities and Exchange Commission (SEC) to operate as broker / dealer since 1978.

The company was primarily established to provide corporate and personal financial services including the following:

- * Financial and Investment Advisory Services
- * Stockbroking and Investment Counseling
- * Funds/Portfolio Management
- * Applications for Stock Exchange Quotations and Listings

Buy and sell Securities on behalf of clients

Unity Bureau De Change Limited is a wholly owned subsidiary of UnityBank Plc and was incorporated on 21st August, 2009 as a limited liability company under the name "UnityBank Bureau De Change Limited" and has commenced operations at its registered office at No. 290A, Akin Olugbade Street, Victoria-Island, Lagos. The company was recently granted approval of its final operating licence as a "Class A" Bureau De Change by Central Bank Nigeria (CBN) on April 9, 2010. The company's operations involve the business of sales and purchase of foreign exchange (FOREX) in all approved foreign currencies, prepaid cards, travellers cheques, import and export foreign exchange, money transfer inward and outward, Participation in CBN foreign exchange cash auction and any other financial activities which may be added to this list by the CBN from time to time.



Mr Kuliya Zahradeen (MD/CEO)



ENGR. ALI GONI MD/CEO

Hexalix Properties Limited commenced business on September 1 2009. It was incorporated to carry on the business of constructions, facility and property management. It has a versatile team of staff and management whose relevant disciplines cuts across building technology, project management, quantity surveying and architecture. They have successfully carried out various contracts including the renovation of the corporate headquarters of the bank building of some branches.

CONTACT INFORMATION



The head office addresses of the bank and its subsidiaries are provided below:

COMPANY	HEAD OFFICE	TELEPHONE NUMBER	E-MAIL ADDRESS
UNITY BANK PLC	Unity Bank Tower Plot 785 Herbert Macaulay Way Central Business District Abuja.	09-4616700-5 09-2342553	www.unitybankng.com
UNITY KAPITAL ASSURANCE PLC	Plot 497, Abogo Largerma Street, Off Constitution Avenue, CBD, Abuja	08-4619900	Info@unitykapital.com
CARANDA MANAGEMENT SERVICES LIMITED	9 Abeokuta Street Area 8, Garki Abuja	09-8708273 08061132321	Caranda2003@ yahoo.com
NORTHLINK INSURANCE BROKERS LIMITED	9 Abeokuta Street Area 8, Garki Abuja	08033006885 07023245317 07023243022	northlinkbrokers@yahoo.com
UNITY REGISTRARS LIMITED	Unity Bank Building 94 Agege Motor Road, Idi-Oro, Lagos.	01-7611185	Unityregistrars @yahoo.com
PELICAN PRINTS LIMITED	11 Civic Centre Kano	064-926614	pelicanprint@yahoo.com
UNITY INVESTMENT & CAPITAL LIMITED	6, Mediterranean Street Imani Estate, Maitama Abuja	09-8704412 09-8748493	
NEWDEVCO INVESTMENTS & SECURITIES LIMITED	29 Church House Marina Lagos	01-2634019 01-2634076	newdevcolagos@yahoo.com
FUG PENSIONS LIMITED	Plot 1230b, Bishop Oluwole Street Victoria Island Lagos	01-4627060 01-7406697 07025363168	info@fugpensions.com inquiries.fugpensions.com
UNITYBANK BEREAU DE CHANGE	Plot 140A, Akin Olugbade Street Victoria Island Lagos.	01-2705904	
HEXALIX PROPERTY MANAGEMENT LIMITED	6, Mediterranean Street Imani Estate, Maitama Abuja	09-8734931 07035882283	Info.hexalix@gmail.com

PRODUCT INFORMATION



CONSUMER PRODUCTS	AGRIC PRODUCTS	E-PRODUCTS	PAYMENTS & COLLECTIONS
Current Account	Unity Farmers Cooperatives Finance Scheme	Internet Banking (My Unity Online)	WEBSCHOOL
Savings Account	Unity Farmers Cooperatives Leasing Scheme	MasterCard Verve MasterCard Holy Trip MasterCard PrePaid Verve	E-PAYMENT
Double Edge Savings	Unity Industrial Input Farmers Scheme	Unity transaction Alert(Alert-u)	E-RECRUITMENT
Target Savings Account	General Agro Allied Scheme	Point of Sale(POS)	COLLECTIONS JAMB, PHCN, DSTV, ETISALAT, OANDO, NECO. WAEC, MYTV
Unity Kids Account	Commercial Agricultural Credit Scheme	Western Union Money Transfer	FED. TAXES, FIRS, CUSTOMS, NPA, VAT/WHT
Business Empowerment Thrift Account	Agricultural Trust und Model	ATM	
Unity Pays Account		Mobile Banking	
Holy Trip Christians Account		Mobile Payment	
Holy Trip Moslems Account			

CONSUMER PRODUCTS BENEFITS AND FEATURES

- * Current Account: Features:- Account Opening balance of N5000.00 for individuals and N10,000.00 for Corporate, cash/cheque lodgment, Clearing of banking and financial instrument, unlimited withdrawals, Flexible third party transactions. Benefits:- ATM card, Internet banking, SMS alert, COT Concessions, personalized Cheque booklet, attract interest payment
- * Savings Account: Features:- Minimum opening balance of N2000.00, allow cash lodgement/payment, quarterly statements of accounts. Benefits:- ATM card, Internet banking , SMS alert, Interest ,online deposit/withdrawal.
- * Double Edge: Features:- Combines features of savings and current accounts, Non clearing customized Cheque, opening minimum balance of N20,000.00 for individual and N50,000.00 for Corporate. Benefits:- Cheque/ dividend warrant lodgement, Interest bearing, COT free, Access internet banking, Allow withdrawals by third party.

PRODUCT INFORMATION



- * Target Savings Account: Features:- Flexible opening balance, cheque / dividend warrant lodgement , Cash lodgment and payment, Monthly statements of account .Benefits:- ATM card, Internet banking access, SMS alert, Interest Bearing.
- * Unity Kids Account: Features:- Normal savings Interest, One withdrawal per month, Converts automatically to major when the child turns to 18yrs.Benefits:- Free birthday gifts, Lodgement of cash/cheques, Automatic membership of ACE kiddy Club, participation in Unity Special Holiday and Education Retreat (USHER),Free customised welcome pack, A chance to win scholarship of 1M,Simplify payment of school fees .
- * Business Empowerment and Thrift Account (BETA): Features:- N2,000.00 Opening Balance, Personal cheque lodgement. Benefits:- Account can be used as collateral, ATM card, SMS alert, Cheques /Dividend warrants lodgement, Promotional gift pack, interest rate of 1% above normal saving rate, access to credit facility and Minimum deposit of 50,000 for three consecutive months provides an opportunity to win empowerment tools.
- * Holy Trip (Christian): Features: Deposit and withdrawal slips for cash lodgements, Initial deposit of N5, 000.00, duration as required by customer, allow bridging finance facility up to 500%. Benefits:- Access to PTA/BTA,normal interest rate payable.
- * Holy Trip(Muslim): Features : Non-interest savings account (Payable on demand), Deposit and withdrawal slips for cash lodgements and withdrawals, Initial deposit of N5,000, Duration as required by the customer, Personal cheque and dividend warrant lodgement. Benefits: . Access to PTA/BTA,

AGRICULTURAL PRODUCTS AND FEATURES

PRODUCTS	FEATURES AND BENEFITS
Unity Farmers Cooperatives Finance Scheme	<ul style="list-style-type: none"> • Targeted at farmers cooperative societies to meet their financial needs • Product scope include cropping, fishery, livestock, etc • Maintenance of 30% in savings account to serve as collateral support • joint and several liability of members • 75% CBN Guarantee on net amount in default and NAIC Insurance cover
Unity Farmers Cooperatives leasing scheme	<ul style="list-style-type: none"> • Targeted at farmers cooperative societies • Product scope include leasing of farm machinery and implements • lien on bills of purchase on the equipment being financed • Maintenance of 30% in savings account as collateral support • joint and several liability of members • 75% CBN Guarantee on net amount in default and NAIC insurance cover
Unity Industrial Input Farmers Scheme	<ul style="list-style-type: none"> • Product scope include cultivation of crops on large scale or purchase of produce/animal by-products In large quantities to serve as raw materials to industries • Domiciliation of sales proceeds to the Bank • Maintenance of a current account • 75% CBN Guarantee on net amount in default • NAIC insurance cover and 30% of the facility amount as collateral deposit

<p>Agricultural Trust Fund Model</p>	<ul style="list-style-type: none"> • Targeted at farmers cooperative societies through partnership with State Govts, local Govts, Private Companies and the Bank. • Employer/Chief Donor to contribute 50% of loan-able funds, farmers to contribute 25% while the Bank is to avail up to 4 times the collateral amount. • 75% CBN Guarantee on net amount in default and NAIC insurance cover
<p>Commercial Agriculture Credit Scheme</p>	<ul style="list-style-type: none"> • Targeted at Corporate, Large and medium scale Commercial farmers/Agro Enterprises as well as State Governments/FTC (for on - lending to farmers cooperative societies/self help groups) • Priced at single digit interest of 9% • Single obligor limit of N2.0b to commercial farmers with Tenor of seven years and N1.0b to State Governments with Tenor of two years • Covers the entire agricultural value chain (production, processing, storage/preservation and marketing) • Must have farm asset base of not less than N50.0m (non integrated) and N100 (integrated)
<p>General Agro-Allied Farmers Scheme</p>	<ul style="list-style-type: none"> • Targeted at those who need heavy mechanized farming equipments and structures such as tractors, harvesters, silos, etc • Collaterals include plants/equipments to be purchased • 75% CBN Guarantee on net amount in default and NAIC insurance cover

BRANCH NETWORK



LIST OF UNITY BANK OPERATIONAL BRANCHES

S/N	S/N	BRANCH NAME	REGION	ZONE	BRANCH ADDRESS
		ABIA STATE			
1	1	Factory road branch Aba	Port Harcourt	South	No 7 Factory Road Aba, Abia State.
2	2	Faulks road branch Aba	Port Harcourt	South	185, Faulks Road, Aba, Abia State.
3	3	Club Road Branch, Umuahia	Enugu	South	No. 2 Club Road, Umuahia, Abia State.
		ABUJA FCT			
4	1	Garki Branch	Garki	Central	No.11 Faskari Street, Area III Garki, Abuja, FCT.
5	2	Gwagwalada Branch	Garki	Central	Secretariat Road, Gwagwalada, FCT
6	3	Kwali Branch	Garki	Central	Area Council Road, Kwali LGA, FCT
7	4	Evarist House Branch	Garki	Central	Plot 1529, Naukachott Str, Wuse Zone I, Abuja, FCT.
8	5	Jabi Branch	Garki	Central	Sabon Dale Shopping Complex, Obafemi Awolowo Street, Jabi District, Abuja, FCT.
9	6	Maitama Branch	Abuja	Central	11 Imani Est, Shehu Shagari Way, Maitama, Abuja, FCT.
10	7	Wuse 2 Branch	Garki	Central	515 Adetokunbo Ademola Way, Wuse II, Abuja, FCT.
11	8	Wuse Market Branch	Garki	Central	Wuse Market, Wuse, Abuja, FCT.
12	9	Hafsat Plaza Branch	Abuja	Central	Hafsat Plaza, Plot 472, Constitution Ave. Central Area, Abuja, FCT.
13	10	Head Office Branch	Abuja	Central	Plot 785, Herbert Marculey Way, CBD, Abuja, FCT.
14	11	Russell Centre Branch	Abuja	Central	Russell Centre Complex, Plot 2097, Herbert Macaulay Way, Wuse Zone 4, Abuja, FCT.
15	12	FMBN Building Branch	Abuja	Central	Plot 266, Cadastral A O, FMBN Building, CBD Abuja, FCT.
16	13	NASS Branch	Abuja	Central	White House Basement, 3 Arms Zone, National Assembly Complex, Abuja, FCT.
17	14	Bannex Branch	Abuja	Central	Aminu Kano Crescent, Abuja, FCT.
18	15	Wuse 5 Branch	Garki	Central	Plot 628, Sokode Crescent, Wuse Zone 5, Abuja, FCT.
19	16	Bwari Branch	Abuja	Central	Bwari, Opposite JAMB Office, FCT
20	17	Kubwa Branch	Abuja	Central	Kubwa by Gado Nsako Junction, Abuja, FCT.
21	18	Gwarimpa Branch	Abuja	Central	Anafara Plaza, Gwarimpa Estate, Abuja, FCT.
		ADAMAWA STATE			
22	1	Yola Branch	Yola	North East	No. 1 Bank Road, Bekaji, Yola, Adamawa State.
23	2	Uba Branch	Yola	North East	Mubi Road, Uba, Adamawa State.
24	3	Mubi Branch	Yola	North East	Ahmadu Bello Way, Mubi, Adamawa State.
25	4	Numan Branch	Yola	North East	Plot 24/26 Yola Road, Numan, Adamawa State.
		AKWA IBOM STATE			
26	1	Ikot Ekpene Rd Branch Uyo	Port Harcourt	South	164 Ikot Ekpene Road Uyo
27	2	Aka Road Branch Uyo	Port Harcourt	South	26B, Aka Road, Uyo Akwa Ibom
		ANAMBRA STATE			
28	1	Niger House branch Onitsha	Enugu	South	Niger House Compound Onitsha
29	2	SGBN Building Branch	Enugu	South	38, New Market Road Nkpor.
30	3	Zik Avenue Branch, Awka	Enugu	South	37, Zik Avenue, Awka
31	4	New market road branch Onitsha	Enugu	South	No. 33 New Market Road, Onitsha.
		BAUCHI STATE			
32	1	Murtala Muh'd Way Branch	Bauchi	North East	560 Murtala Muh'd Way, Bauchi
33	2	Commercial Rd Branch	Bauchi	North East	Ahmed Abulkadir Road Bauchi
34	3	Alkali Branch	Bauchi	North East	Gombe Road, Alkali Town
35	4	Azare Branch	Bauchi	North East	Jama'are Road, Azare
		BAYELSA STATE			
36	1	Yenagoa Branch	Port Harcourt	South	No. 552 Chief Meiford Okilo Express way, Ebis Junction, Biogbolo, Yenagoa.
		BENUE STATE			
37	1	Otuokpo Branch	Makurdi	Central	63, Ahmadu Bello Way, Otuokpo
38	2	Gboko Branch	Makurdi	Central	42, J S tarka Way, Gboko

BRANCH NETWORK



39	3	Zaki Biam Branch	Makurdi	Central	Kaisina- Ala Road, Zaki Biam, Makurdi
40	4	New Bridge Branch	Makurdi	Central	Plot 1339, New Bridge Road, Makurdi
41	5	Ugbokolo Branch	Makurdi	Central	Old Otukpo Road, Ugbokolo
42	6	Bank Road Branch	Makurdi	Central	35, Bank Road, Makurdi
43	7	APA Branch	Makurdi	Central	Adoka - Ugbokpo Road, Ugbokpo, Benue State
BORNO STATE					
44	1	Lake Chad Rd Branch	Maiduguri	North East	Lake Chad Road, Maiduguri (Bank of the North Road).
45		Dikwa Branch	Maiduguri	North East	Gomoru Ngala Road, Dikwa, Maiduguri.
46	3	Monday Mkt, Maiduguri	Maiduguri	North East	Mongonu Road, Monday Market, Maiduguri.
47	4	Kirkisama Rd Branch	Maiduguri	North East	10 Kirkisama Road, Maiduguri
48	5	Baga Road Branch	Maiduguri	North East	Baga Road, Maiduguri
49	6	Bama Rd Branch	Maiduguri	North East	11 Bama Road, Maiduguri
CROSS RIVER STATE					
50	1	Calabar Branch	Port Harcourt	South	Ediba road by Ndidem Usang Iso Road junction, Calabar.
DELTA STATE					
51	1	Abraka Branch Abraka	Benin	South	Delta State University Road
52	2	Agbor branch Agbor	Benin	South	Old Lagos / Asaba Road
53	3	Asaba Branch Asaba	Benin	South	Dennis Osadebey Way
54	4	Efurun Branch Warri	Benin	South	29, Efurun/Warri Road
55	5	Kwale Branch Kwale	Benin	South	109, Umusadege Road
56	6	Oleh Branch Oleh	Benin	South	6, IDC Road Oleh
57	7	Sapele Branch Sapele	Benin	South	Court Road
58	8	Ughelli Branch Ughelli	Benin	South	2, Post Office Road
59	9	Warri Branch Warri	Benin	South	10 Warri Sapele Road
60	10	Orokope Branch	Benin	South	No. 124 Orokope Road, Delta State
61	11	Ozoro Branch	Benin	South	Urude Road, Ozoro, Delta State
EDO STATE					
62	1	Afuze branch Afuze	Benin	South	Auchi Afuze Road
63	2	Auchi Branch Auchi	Benin	South	Otaru Road
64	3	Mission road Branch Benin	Benin	South	69 Mission Road
65	4	New Benin Branch Benin	Benin	South	98 New Lagos Road
66	5	Ring Road Branch Benin	Benin	South	Ring Road Benin
67	6	Uromi Branch Uromi	Benin	South	Market Road
68	7	Igarra Branch Igarra	Benin	South	Momodu Ajayi Road, by Nigerian police Divisional HQ, Igarra, Edo
69	8	Uniben Branch Ugbowo Campus	Benin	South	University of Benin, Ugbowo Campus, Edo State
EKITI STATE					
70	1	Ado Ekiti branch	Ibadan	Lagos & West	158, Opopogboro Street, Ado-Ekiti
71	2	Otun Ekiti branch	Ibadan	Lagos & West	Moba Local Govt. secretariat Otun Eki
GOMBE STATE					
72	1	Biu Road, Branch	Yola	North East	Plot 9, Gombe/Biu Rd, Gombe
73	2	Gombe Commercial Area Branch	Yola	North East	Commercial Area, Gombe
74	3	Billiri Branch	Yola	North East	Yola Road, Billiri Town
75	4	Tudun Hatsi Branch	Yola	North East	Tudun Hatsi Grain Market, Emirs Palace Road, Gombe State
ENUGU STATE					
76	1	Ogui Road Branch, Enugu	Enugu	South	46, Ogui Road, Enugu
IMO STATE					
77	1	Wetheral Road Branch	Enugu	South	23 Wetheral Road, Owerri
JIGAWA STATE					
78	1	New Road, Duste	Duste	North West	New Dutse Road, Duste
79	2	Hadejia Branch	Duste	North West	Abubakar Maje Road, Hadejia
80	3	Kiyawa Road Branch	Duste	North West	Opposite PHCN, Kiyawa Rd, Dutse

BRANCH NETWORK



81	4 Mallam Madori Road Branch	North West	Mallam Madori Road, Hadejia Town
82	5 Maigatari Branch	North West	Chiroma Ahmadu Str, Maigatari
83	6 Kazaura Branch	North West	Daura Road, Kazaura
84	7 Jahun Branch	North West	Kafin Hausa Road, Jahun
85	8 Gwararam Branch	North West	Busirka Road, Gwararam
86	9 Gumel Branch	North West	No. 2 Unguwar Yadi Gumel
87	10 Kafin Hausa	North West	Kafin Hausa By Main Market and Old Motor Park
88	11 Birninkudu Town Branch	North West	Maiduguri Road, Birninkudu Town
KADUNA STATE			
89	1 InterCity Bank Street Branch	Kaduna	No. 1, Intercity Bank Street, Kaduna
90	2 Birnin Gwari Branch	Kaduna	Kaduna-Lagos Road, Birnin Gwari
91	3 Kachia Road Branch	Kaduna	No. 7 Kachia Road, Kaduna.
92	4 Kafanchan Branch	Kaduna	Kagoro Road, Kafanchan
93	5 Main Street, Zaria Branch	Kaduna	No. 1 Main Street, Zaria
94	6 Abubakar Gumi Mkt Branch1	Kaduna	Shiek Abubakar Gumi Mkt Road
95	7 Inuwa Abdulkadir Road Branch	Kaduna	24 Inuwa Abdulkadir Road, Kaduna South, Kaduna
96	8 Sokoto Road Branch	Kaduna	Sokoto Road, Zaria
97	9 Ikara Branch	Kaduna	No. 7, Secretariat Road, Ikara
98	10 Mangal Plaza Branch1 Lane Branch	Kaduna	No.1, Continental Lane by Tijjani Babangida Complex, Kaduna
99	11 Bakori House Branch	Kaduna	No. A3 Ahmadu Bello Way, Bakori House, Kaduna
100	12 Abubakar Gumi Mkt Branch2	Kaduna	Ibrahim Taiwo Road, Kaduna
101	13 Yakubu Gowon Way Branch	Kaduna	No. 1B, Yakubu Gowon way, Kaduna.
102	14 Independence Way Branch	Kaduna	Opposite Ranchas Babes Stadium, Independence Way, Kaduna
103	15 Junction Road Branch	Kaduna	No.179BZ, Junction Road, Kaduna.
104	16 KRPC	Kaduna	NNPC Staff Cooperative Plaza Building Kaduna Refinery, Kaduna.
105	17 Pambegua Branch	Kaduna	Kaduna - Jos Road, Near UBE Primary Education, Pambegua.
KANO STATE			
106	1 Takai Branch	Kano	No 2A Albasu Road, Takai Kano
107	2 Wudil Branch	Kano	Gaya Road, Wudil
108	3 Kantin Kwari Branch	Kano	83 Kantin Kwari Mkt, Fagge Ta Kudu, Kano
109	4 Ibrahim Taiwo Road Branch	Kano	89E Ibrahim Taiwo Road, Kano
110	5 Kano City Branch	Kano	No. 2, Durumin Iya Qtrs, Beside PHCN Kano City Service Station
111	6 Tajaludu Branch	Kano	No.311 Aminu Kano Way, Opposite Jagora Bookshop, Kano.
112	7 Kofar Ruwa Market Branch	Kano	Kofar Ruwa Market, Opposite Bank PHB, Kano
113	8 31/32 Bello Rd Branch	Kano	31/32 Bello Road, Kano
114	9 Zoo Road Branch	Kano	No.1 Zoo Road by New Court Road, Kano
115	10 10E Bello Rd Branch	Kano	10E Bello Road, Kano
116	11 Danbatta Branch	Kano	Kazaura Road, Danbatta
117	12 I.B.B. Way Branch	Kano	4 IBB Way, Kanin Kwari, Kano
118	13 Bompai Branch	Kano	18B Murtala Mohammed Way, Bompai
119	14 Sani Abacha Way Branch	Kano	5A Sani Abacha Way, Kano
120	15 Murtala Mohammed Way Branch	Kano	72B Murtala Mohammed Way, Kano
121	16 Sharada Branch	Kano	Sharada Ind Est, Phase 1, Kano
122	17 Chikomawa Toll Gate Branch	Kano	Chikomawa Toll Gate, Kano-Zaria Road
123	18 Dawakin Kudu Branch	Kano	Dawakin Kudu Unguwar Naibi, Kofar Arewa, Dawakin Kudu
124	19 Nassarawa Branch	Kano	No.2, Zaria Road, kano.
125	20 Dawanau Branch	Kano	Dawanau Grain Market, Katsina Road, Dawakin Tofa Local Govt. Kano
KATSINA STATE			
126	1 Dustin-Ma Branch	Kaduna	Opp.Gen. Hospital Dutsin-Ma
127	2 Funtua Branch	Kaduna	Sokoto Road, Funtua
128	3 Katsina Branch	Kaduna	210 IBB Way, PMB 2002, Katsina

BRANCH NETWORK



129	4	Daura Branch	Kaduna	North West	Kongolon Road, Daura
130	5	IBB Way Branch	Kaduna	North West	61 IBB Way KIPDECO Building Katsina
131	6	Katsina Central Market Branch	Kaduna	North West	Katsina Central Market, Katsina State
132	7	Musawa Branch	Kaduna	North West	Musawa Town, Adjacent Musawa market, Katsina
KEBBI STATE					
133	1	Birnin Kebbi Main Branch	Sokoto	North West	Ahmadu Bello Way, Birnin Kebbi
134	2	Wasagu Branch	Sokoto	North West	Wasagu Town
135	3	Sultan Abubakar Road Branch	Sokoto	North West	1 Sultan Abubakar Road, Birnin Kebbi
136	4	Jega Branch	Sokoto	North West	Jega, Kebbi State
137	5	Yauri Branch	Sokoto	North West	No.35 Kontagora - Sokoto Road, Yauri, Kebbi State
KOGI STATE					
138	1	Ankpa Branch	Minna	Central	Ayangba Road, Ankpa
139	2	Ajaokuta Branch	Minna	Central	Geregu Camp, Ajaokuta
140	3	Lokoja Branch	Minna	Central	Murtala Moh'd Way, Lokoja
141	4	Okene Branch	Minna	Central	Lokoja/Ajaokuta Road Junction, Okene
142	5	Iyara Branch	Minna	Central	Ilupa Qtrs Iyara-Kabba, Kwara
143	6	Anyigba Branch	Minna	Central	Km 1, Ankpa Road, Anyigba,
KWARA STATE					
144	1	Offa Branch	Minna	Central	Ibrahim Taiwo Road, Offa
145	2	Ilorin Market Branch	Minna	Central	New Market Road, Ilorin
146	3	Ilorin Main Branch	Minna	Central	147 Murtala Mohammed Way, Ilorin
LAGOS STATE					
147	1	Akin Adesola Branch V/I	Lagos Island	Lagos & West	274, Akin Adesola street
148	2	Balogun Branch Lagos	Lagos Island	Lagos & West	32, Balogun Street
149	3	Broad st Branch Lagos	Lagos Island	Lagos & West	114 Broad Street
150	4	Bar Beach Branch	Lagos Island	Lagos & West	NO 1230E, Ahmadu Bello Way, V/I
151	5	Adesola Odeku Branch	Lagos Island	Lagos & West	19, Adeola Odeku Street
152	6	Marina Branch	Lagos Island	Lagos & West	2/4 Davies Street Off Marina
153	7	Head Office Annex Branch V/I	Lagos Island	Lagos & West	Pt 290A, Akin Olugbade Street
154	8	Oke-arin Branch	Lagos Island	Lagos & West	No. 1 John Street, Oke-Arin, Lagos
155	9	Ebute Ero Branch	Lagos Island	Lagos & West	110, Alakoro Street
156	10	Lagos Adetokunbo Ademola Branch	Lagos Island	Lagos & West	Pt 1704, Adetokunbo Ademola St. V/I
157	11	Sanusi Fafunwa Branch	Lagos Island	Lagos & West	Pt 1683, Sanusi Fafunwa Street
158	12	Awolowo Road Ikoyi Branch	Lagos Island	Lagos & West	Awolowo Road,Lagos
159	13	Admiralty way Branch	Lagos Island	Lagos & West	Off Admiralty Way, Phase 1
160	14	Yaba Commercial Ave Branch	Apapa	Lagos & West	32A, Commercial Avenue,Sabo Yaba
161	15	Eleganza plaza Branch Apapa	Apapa	Lagos & West	Eleganza Plaza, Wharf Road
162	16	Creek Road Branch Apapa	Apapa	Lagos & West	18 Creek Road
163	17	Wharf Road Branch Apapa	Apapa	Lagos & West	No. 3 Wharf Road
164	18	Burma Road 1 Branch Apapa	Apapa	Lagos & West	44 Burma Road
165	19	Idi Oro Branch	Apapa	Lagos & West	No. 94, Agege Motor Road, Idi Oro, Mushin, Lagos.
166	20	Tincan Port Branch Apapa	Apapa	Lagos & West	Behind Tincan Port Admin Block
167	21	Burma Road 2 Branch Apapa	Apapa	Lagos & West	32, Burma Road, Apapa
168	22	Apapa Commercial Ave Branch	Apapa	Lagos & West	1, Commercial Avenue, Eleganza Plaza
169	23	Mushin Branch	Apapa	Lagos & West	87, Ladipo Street, Mushin
170	24	Alaba International Market Branch	Apapa	Lagos & West	9/11 Dubbil Ave Alaba Intl Mkt
171	25	Festac Branch	Apapa	Lagos & West	No. 26, second Avenue, Festac Town
172	26	Allen Ave Branch Ikeja	Ikeja	Lagos & West	NO 95, Allen Avenue
173	27	Opebi Road Branch Ikeja	Ikeja	Lagos & West	37, Opebi Road
174	28	Oba Akran Branch Ikeja	Ikeja	Lagos & West	42, Oba Akran Avenue
175	29	Abule Egba Branch	Ikeja	Lagos & West	Abule Egba Junction, Oko Oba

BRANCH NETWORK



176	30 Mile 12 Branch	Ikeja	Lagos & West	565, Ikorodu Road, Mile 12
177	31 Oregon Road Branch	Ikeja	Lagos & West	100, Kudirat Abiola Way, Ikeja
178	32 Ikorodu Branch	Ikeja	Lagos & West	No. 32 Lagos Road, Ikorodu
179	33 Lekki Express Way Branch	Lagos Island	Lagos & West	No. 1 Prince Ibrahim Olofin Street, Lekki Expressway
180	34 Iddo Branch	Apapa	Lagos & West	No. 8 Tailor Street, Gee Capa Building.
NASSARAWA STATE				
181	1 Lafia Branch	Makurdi	Central	Shadam Road, Opposite State Secretariate
182	2 Akwanga Branch	Makurdi	Central	Lafia Road, Akwanga
183	3 Doma Branch	Makurdi	Central	No. 27 Lafia Road, Doma town, Nassarawa State
184	4 Keffi Branch	Makurdi	Central	2 Abubakar Buga Road, Keffi
185	5 Mararaba Branch	Abuja	Central	2, Baba Street, Keffi Road, Mararaba
NIGER STATE				
186	1 Dawaki Rd Branch	Minna	Central	Dawaki Road, Suleja, After Shuaibu Naibi Primary School
187	2 Paiko Rd Branch	Minna	Central	Paiko Rd, Minna
188	3 Bida Branch	Minna	Central	Zungeru Road, Bida
189	4 Zungeru Branch	Minna	Central	Old Konlagora Road, Zungeru
190	5 BCC Rd Branch	Minna	Central	48 BCC Rd, Bida
191	6 Bosso Rd Branch	Minna	Central	No. 3 Commercial Complex, Bosso Road, Minna
192	7 Suleja Branch	Minna	Central	Usman Farouk Rd, Suleja
193	8 Agwara Branch	Minna	Central	Allong Yaurt-Gallah Road, Agwara
OGUN STATE				
194	1 Abeokuta Branch	Ikeja	Lagos & West	4, Tinubu Street, Ita-eko, Ogun State.
ONDO STATE				
195	1 Oba Adesida Branch Akure	Ibadan	Lagos & West	No 15A, Oba Adesida Road Akure
196	2 Commercial zone branch Akure	Ibadan	Lagos & West	Plot 9 Block XLIII Commercial Zone GRA Alagbaka Akure
197	3 Oyemekun road Branch Akure	Ibadan	Lagos & West	59/61, Oyemekun Road, Akure, Ondo
198	4 Igbokoda branch Ondo	Ibadan	Lagos & West	54, Broad Street, Igbokoda, Ondo
OSUN STATE				
199	1 Ibadan road Branch Oshogbo	Ibadan	Lagos & West	Gbongan/Ibadan Road, Osoybo
200	2 Ede Branch	Ibadan	Lagos & West	Station Road, Back to land Junction, Agip Area, Ede
OYO STATE				
201	1 Odutola road branch Ibadan	Ibadan	Lagos & West	Jimoh Odutola Street old Gbagi
202	2 Lebanon road branch Ibadan	Ibadan	Lagos & West	9, Lebanon Road
203	3 Iwo Road Branch, Ibadan	Ibadan	Lagos & West	No. 96, Iwo Road, Ibadan, Ibadan NorthEast Local Government, Ibadan, Oyo State
PLATEAU STATE				
204	1 Beach Rd Branch	Bauchi	North East	12 Beach Road, Jos
205	2 Ahmadu Bello Way Branch	Bauchi	North East	7, Ahmadu Bello Way, Jos
206	3 Anglo Jos Branch	Bauchi	North East	41, Yakubu Gowon Way Jos
207	4 Wase Branch	Bauchi	North East	New Layout, Lantang Road, Wase
208	5 Pankshin Branch	Bauchi	North East	New layout, Langtang Road, Pankshin
209	6 Farin Gada Branch	Bauchi	North East	No. 1 Farin Gada, Kaduna-Zaria Rd, Jos
RIVER STATE				
210	1 Azikiwe Rd Branch	Port Harcourt	South	No. 38 Azikiwe Road Port Harcourt
211	2 Old Aba Road Branch	Port Harcourt	South	PLOT 474, Trans Amadi industria
212	3 Omoku Branch	Port Harcourt	South	171, Ahoada Road Omoku Rivers
213	4 Aba Road 1 Branch	Port Harcourt	South	198A, Aba Road, Opposite Presidential Hotel
214	5 Woji Branch	Port Harcourt	South	Plot 98 Trans Amadi
215	6 Trans Amadi Branch	Port Harcourt	South	474, Trans Amadi Layout, Port Harcourt
216	7 Olu Obasanjo Road Branch PHC	Port Harcourt	South	Olu Obasanjo street, Port Harcourt
217	8 Aba Road 2 Branch	Port Harcourt	South	112E, Akara Aba Road Port Harcourt
218	9 Regional Office Branch	Port Harcourt	South	3, Nnamdi Azikiwe Street.

BRANCH NETWORK



		SOKOTO STATE			
219	1	Market Branch	Sokoto	North West	No. 1 Aliyu Jodi Road, Sokoto
220	2	Bodinga Branch	Sokoto	North West	Bimin Kebbi Bodinga
221	3	Gada Branch	Sokoto	North West	Gada Town
222	4	Sokoto Main Branch	Sokoto	North West	Gusau Road, Sokoto
223	5	Gwadabawa Branch	Sokoto	North West	Lailah Road, Gwadabawa Town
224	6	Sabon Birni Branch	Sokoto	North West	Sabon Birni Town
225	7	Yabo Branch	Sokoto	North West	Yabo Town, Sokoto
226	8	Aliyu Jodi Road Branch	Sokoto	North West	Aliyu Jodi Road, Sokoto
		TARABA STATE			
227	1	Jalingo Branch	Yola	North East	No. 11 Hama Ruwa Road, Jalingo
228	2	Wukari Branch	Yola	North East	Ibbi Road, Wukari
		YOBE STATE			
229	1	Damaturu Branch	Maiduguri	North East	Maiduguri Road, Damaturu
230	2	Potiskum Branch	Maiduguri	North East	Opposite NPN Market, Main Road, Potiskum
231	3	Nguru Branch	Maiduguri	North East	Market Road, Nguru
		ZAMFARA STATE			
232	1	Gusau Main Branch	Sokoto	North West	5 Canteen Road, Gusau
233	2	Talata Mafara Branch	Sokoto	North West	Gusau Road, Talata Mafara
234	3	Canteen Rd Branch	Sokoto	North West	35 Canteen Area, Gusau

UP COMING BRANCHES.

			REGION	ZONE
1	Ringim Branch	Dutse	North West	North West
2	Bodija Branch	Ibadan	Lagos & West	Lagos & West
3	Aspanda Branch	Apapa	Lagos & West	Lagos & West
4	Sunlere Branch	Kano	North West	North West
5	Bichi Branch	Kano	North West	North West
6	Karaye Branch	Kano	North West	North West
7	Gwarzo Branch	Enugu	South	South
8	Abakaliki Branch	Yola	North East	North East
9	Ganye Branch	Yola	North East	North East
10	Hong Branch	PortHarcourt	South	South
11	Ikwere Road Branch	Kano	North West	North West
12	Hotozo Branch			

SHAREHOLDER INFORMATION

NOTICE IS HEREBY GIVEN that the Fifth Annual General Meeting of members of UNITYBANK PLC will be held on Wednesday, 29th June, 2011, at 11.00 a.m. at the Golden Hall, Chelsea Hotel, Plot 123 Muhammadu Buhari Way, Central Business District, Abuja to transact the following:

ORDINARY BUSINESS

1. To receive the audited accounts for the year ended 31st December, 2010 together with the reports of the Directors, Auditors and Audit Committee thereon.
2. To declare a dividend
3. To elect/re-elect Directors.
4. To authorize the Directors to fix the remuneration of the Auditors.
5. To approve the remuneration of Directors.
6. To elect members of the Audit Committee.

SPECIAL BUSINESS

7. To consider and if thought fit, pass the following resolution as Ordinary Resolution:

“That pursuant to Article 107 of the Articles of Association of the Company, the Directors having so recommended, it is desirable to capitalize the sum of N1,664,358,862.00 (One Billion, Six Hundred and Sixty Four Million, Three Hundred and Fifty Eight Thousand, Eight Hundred and Sixty Two Naira) from the share premium account and that such sum be set free accordingly for distribution amongst the members on the Register of Members at the close of business on June 09, 2011 on condition that the same be not paid in cash but applied in paying up in full at par 1,664,358,862 (One Billion, Six Hundred and Sixty Four Million, Three Hundred and Fifty Eight Thousand, Eight Hundred and Sixty Two) of the un-issued ordinary shares of 50 kobo each to be allotted, distributed and credited as fully paid-up to and amongst such members in the proportion of one (1) new ordinary share for every twenty (20) ordinary shares held by them on that day and such new shares shall rank for all purposes parri passu with the existing issued ordinary shares. The shares so distributed being treated for all purposes as capital and not as income and the Directors to give effect to this Resolution on receipt of the necessary permission from the regulatory authorities.”

8. To consider and if thought fit, pass the following resolution as Special Resolution:

A. That the Memorandum and Articles of Association of the Company be amended as Follows:

That Article 88 be altered by deleting the words “the quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed shall be three, provided that if within one hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the next following business day at the same time and place, or to such other day and at such other time and place as the Chairman of the meeting may determine, and if at the adjourned meeting a quorum is not present within one hour from the time appointed for the meeting, a majority of the Directors for the time in office who were appointed pursuant to these Articles shall be a quorum” and substituting therefore with the words “the quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed shall be seven, provided that if within one hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the next following business day at the same time and place, or to such other day and at such other time and place as the Chairman of the meeting may determine, and if at the adjourned meeting a quorum is not present within one hour from the time appointed for the meeting, a majority of the Directors for the time in office who were appointed pursuant to these Articles shall be a quorum”.

B. “That effective January 01, 2011, the Bank's external Auditors be and are hereby changed from Messrs Pannell Kerr Forster (PKF) to Messrs Ahmed Zakari & Co. Chartered Accounts.”

NOTICE OF ANNUAL GENERAL MEETING



Dated this 11th day of May, 2011.

PROXY

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and vote in his stead. A proxy need not also be a member. A proxy form is attached at the end of the financial statements. All instruments of proxy should be duly stamped at the Stamp Duties Office and deposited at the registered office of the Company or the office of the Registrar, 94, Agege Motor Road, Idi-Oro, Lagos, not later than 48 hours before the time of holding the meeting.

NOTES:

- Dividend**
If approved, dividend warrants for the sum of 5kobo for every share of 50kobo will be posted on 30th June, 2011, to shareholders whose names are registered in the Register of Members at the close of business on 9th June, 2011.
- Closure of Register of Members**
The Register of Members and Transfer Books of the Company shall close from June 10th to June 14th 2011 (both dates inclusive) to enable the Registrars prepare for the payment of dividend and issuing of the bonus shares.
- Audit Committee**
In accordance with Section 359(5) of the Companies & Allied Matters Act, 2004, any shareholder may nominate a shareholder for appointment to the Audit Committee. Such nomination should be in writing and must reach the Company Secretary not less than 21 days before the Annual General Meeting.

By Order of the Board

A handwritten signature in black ink, appearing to read "Aisha A. Abraham".

AISHA A. ABRAHAM

Group Company Secretary
785 Herbert Macaulay Way
Central Business District Abuja, FCT

PROXY FORM



I/we being member/members of UnityBank Plc hereby appoint.....or failing him Prof. A. L. MABOGUNJE, NNOM, CON or failing him MALLAM FALALU BELLO, OFR, as my/our proxy to act and vote for me/us and on my/our behalf at the 5th Annual General Meeting of the Bank to be held on Wednesday, 29th June, 2011 at 11.00 a.m. and at any adjournment thereof.

As witness my/our hand thisday of ...2011.

Signed:.....

NOTE:

A member to attend and vote at the General Meeting is entitled to appoint a proxy in his stead. All proxy forms should be deposited at the Office of the Registrar, Unity Registrars Limited, 94 Agege Motor Road, Idi-Oro, Lagos not less than 48 hours before the time for holding the meeting. A proxy need not be a member of the company.

In the case of joint shareholders, any one of such may complete the form but the name of all joint shareholders must be stated.

It is required by law under the Stamp Duties Act, Cap 41 Law of the Federation of Nigeria 1990, that any adjustment of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholders must bear Stamp Duty at the appropriate rate, not adhesive postage stamps.

If the shareholder is a corporation, this form must be under its common seal or under the hand of some officers or attorney duly authorised in that behalf.

	ORDINARY BUSINESS	FOR	AGAINST
I/We desire this proxy to be used in favour of/or against the resolution as indicated alongside (strike out which ever is note desired).	1 To receive the audited accounts for the year ended 31 st December, 2010 together with the Reports of the Directors, Joint Auditors and the Audit Committee thereon.		
	2 To declare a Dividend.		
	3 To elect/re-elect Directors;		
	4 To authorize the Directors to fix the remuneration of the Auditors;		
	5 To approve the remuneration of Directors.		
	6 To elect members of the Audit Committee.		
	SPECIAL BUSINESS		
	7 To issue a bonus		
	8 To alter the MEMART		
9 To appoint Auditors			
Please indicate with "X" in the appropriate box how you wish your vote to be cast on the resolution set out above. Unless otherwise instructed, the proxy votes or abstains from voting at his/her discretion.			

Before depositing the above card, tear off this part and retain it.

ADMISSION CARD

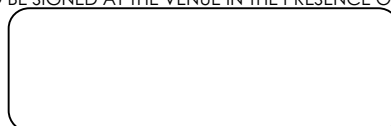
UNITY BANK PLC
5TH ANNUAL GENERAL MEETING

PLEASE ADMIT ONLY THE SHAREHOLDERS NAMED ON THIS CARD OR HIS DULY APPOINTED PROXY TO THE FIFTH ANNUAL GENERAL MEETING BEING HELD AT GOLDEN HALL, CHELSEA HOTEL, ABUJA ON 29TH JUNE 2011

NAME OF SHAREHOLDERS/PROXYSIGNATURE.....

ADDRESS.....

THIS CARD IS TO BE SIGNED AT THE VENUE IN THE PRESENCE OF THE REGISTRAR.



127

MANDATE FOR E-DIVIDEND PAYMENT

It is our pleasure to inform you that you can henceforth, collect your dividend through **DIRECT CREDIT** into your Bank Account. Consequently, we hereby request you to provide the following information to enable us process direct payment of your dividend (when declared) into your bank account.

Shareholder's Account Number Date: (DD/MM/YYYY)

--	--

Surname/Company's Name

--

Other Names (for Individual applicant only)

--

Present Postal Address

--

City/Town State

--	--

E-Mail Address

--

Mobile (GSM) Phone Number

--	--

Bank Name

--

Branch Address

--

Bank Account Number

--

Bank Sort Code

--

I/We hereby declare that from now, all dividend warrant(s) due to me/us from my/our holding(s) in all the companies you are registrars to be mandated to my/our Bank account named above.

Shareholder's Signature/Thumbprint 	Shareholder's Signature/Thumbprint 	Company Seal & Incorporation Number (Corporate Applicant)
Authorised Signature & Stamp of Bankers 		

CSCS ACCOUNT NOTIFICATION

To:
 The Registrar
 Unity Registrars Limited
 Unity Bank Building
 94 Agege Motor Road, Idi-Oro
 Lagos.

Please credit my account at Central Securities Clearing Systems Limited (CSCS) with all subsequent allotments and bonuses due to me from holdings in the companies as indicated in the right hand column.

Personal Data

Surname:

Other Names:

Address:

.....

.....

Mobile Phone:

E-mail:

Shareholder's Signature: 1)

2)

Corporate Seal/Stamp:
 (for Corporate Shareholders)

CSCS Details

Stockbroker:

Clearing House Number: C.....

CSCS Number:

Authorised Signature
 & Stamp of Stockbroker

Please attach a copy of your CSCS statement to this form as evidence that a CSCS account has been opened for you.

Name of Company	Account Number
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	
13.	