



Diamond Bank Plc
First Quarter results for the three months ended 31 March 2011

**DIAMOND BANK PLC REPORTS CONTINUED OPERATING PERFORMANCE
IMPROVEMENTS IN FIRST QUARTER 2011**

LAGOS, NIGERIA – 7 April 2011 Diamond Bank Plc, (Bloomberg: DIAMONDB NL) (“Diamond Bank” or the “Bank”), the provider of comprehensive banking and other financial services to corporate and individual customers across Nigeria and Africa announces Group results for the three months ended 30 March 2011.

Speaking from headquarters in Lagos, Alex Otti, Managing Director of Diamond Bank commented: *“Diamond bank has remained profitable in the first quarter of 2011, our operating profit has grown 28.6% against last year’s Q1 levels on the back of growing revenues and a stable expense base. We have maintained our strong liquidity position and our risk asset quality continues to improve. As our retail banking push continues, our customer base is growing with recurring monthly fee income improving and our growing retail liabilities have reduced our overall cost of funds to 2.2% from 6.4%. The bank currently operates through 215 branches across the 36 states of Nigeria and we intend to increase this to 300 in the near future. When combined with the stable operating cost structure, and our upward trending operating income over the last three years, we can safely say that Diamond bank is well positioned to continue to be Nigeria’s fastest growing retail bank. Despite our very positive operating performance, the group continued to experience headwind from legacy loans and losses on disposal of its non-core assets in 2011. The new management that assumed office in March 2011 is already taking steps to firmly resolve the legacy issues in the course of the current financial year, and set a new and significantly more profitable direction for the Group in 2012 and going forward.*

Financial Highlights

Group Profit & Loss – continued profitability despite challenging environment

- Gross earnings of N20.3 billion, a year on year decrease of 17.1% (N24.5 billion March 2010)
- Net interest income of N12.3 billion, an increase of 20.6% (N10.2 billion March 2010)
- Operating expenses stable at N11.9 billion (N11.6 billion March 2010)
- Operating profit of N6.3 billion, an increase of 28.6% (N4.9 billion March 2010)
- Profit before tax of N1.8 billion, a decrease of 10.0% (N2.0 billion March 2010)
- Provision for loans and investment losses of N4.5 billion (N2.9 billion March 2010)

Group Balance Sheet –*stable risk assets with significant growth in off balance sheet items*

- Total Assets up 7.1% quarter on quarter to N636.8 billion (N594.8 billion Dec 2010)
- Risk Assets up 4.7% to N327.0 billion (N312.2 billion Dec 2010)
- Acceptances and guarantees up 4.0% to N238.0 billion (N228.8 billion Dec 2010)
- Customer deposits up 8.9% to N448.5 billion (N412.0 billion Dec 2010)

Key Ratios and per share data – *stable NPL and cost ratios*

- Cost/income ratio stable at 65.2%
- Cost of funds of 2.2%
- Capital adequacy of the Bank of 17.2%
- Loan/deposit ratio of 81.3%
- NPL ratio stable at 14.4%
- ROAE of 4.0% (*annualized*)
- High liquidity ratio of the Bank of 42.9% (CBN Statutory minimum of 30%)
- EPS (*diluted*) of 30K (*annualized*)

(For the detailed Profit and Loss Account, Balance Sheet, Cashflow statement and notes to the accounts, please visit our website – www.diamondbank.com)

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For further information please contact:

Chiugo Ndubisi cmdubisi@diamondbank.com +234 (1) 448 9832

Africa Practice / Financial Dynamics

London:

Ed Gascoigne-Pees ed.gascoigne-pees@fd.com +44 (0)20 7269 7132

Kat Bloom kat.bloom@fd.com +44 (0)20 7269 7223

Lagos:

Nick Chambers nchambers@africapractice.com +234 813 574 3544

Oberhi Majoroh omajoroh@africapractice.com +234 805 193 7592

Notes to editors:

About Diamond Bank plc

Diamond Bank Plc began as a private limited liability company on March 21, 1991 (the company was incorporated on December 20, 1990). Ten years later, in February 2001, it became a universal bank. In January 2005, following a highly successful Private Placement share offer which substantially raised the Bank's equity base, Diamond Bank became a public limited company. In May 2005, the Bank was listed on The Nigerian Stock Exchange.

Today, Diamond Bank is one of the leading banks in Nigeria* - respected for its excellent service delivery, driven by innovation and operating on the most advanced banking technology platform in the market. Diamond Bank has over the years leveraged on its underlying resilience to grow its asset base and to successfully retain its key business relationships.

We have retained excellent banking relationships with a number of well-known international banks, allowing us to provide a bouquet of world class banking services to suit the business needs of our clients. These international banking partners include Citibank; HSBC Bank; ANZ Banking Group; ING BHF Bank AG; Standard Chartered Bank; Belgolaise Bank S.A; Deutsche Bank; Commerzbank; and Nordea Bank Plc.

** Diamond Bank's A- rating by Fitch Ratings and A+ rating by GCR, reflects the bank's sustainable liquidity, sound and professional practices and good standing as a high investment grade institution.*

More information can be found at www.diamondbankplc.com