



UNION BANK OF NIGERIA PLC
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Dear Valued Customer,

UNION BANK PLC SIGNS TRANSACTION IMPLEMENTATION AGREEMENT WITH INVESTOR GROUP

It is with great pleasure that we inform you that, following our announcement on March 24, 2011, that Union Bank Plc (“Union Bank” or “the Bank”) and the African Capital Alliance Consortium (“the ACA Consortium”) had entered into a Memorandum of Agreement (“MOA”) by which the ACA Consortium would invest in Union Bank as a Core Investor, we are pleased to announce that on July 12, 2011 that a Transaction Implementation Agreement (“TIA”) has been signed by the parties. The ACA Consortium will invest \$750 Million in the bank, consisting of \$500 Million equity and \$250 Million Tier II capital.

The execution of the TIA represents a significant milestone in the recapitalisation of the Bank and the bank is well positioned to meet the Central Bank of Nigeria’s timeline of September 30, 2011.

African Capital Alliance (“ACA”), a leading private equity investment firm, investing in West Africa, is leading a consortium of international investment groups and development finance institutions to invest in Union Bank. The ACA Consortium which will invest as Union Global Partners Limited, consists of ACA B-Holding Limited (comprising ACA managed funds, FMO Netherlands, and other co-investors), The Keffi Group VIII LLC (comprised of the Keffi Group and several U.S financial institutions), ABC Holdings Limited (Banc ABC Botswana), and Discovery Group (based in Connecticut USA). Members of the Consortium have invested in financial services and several other sectors in various areas of the world, over the past twenty years.

The full capitalisation of the bank will be achieved through the Asset Management Corporation of Nigeria’s (“AMCON”) investment to bring net asset value to zero, Union Global Partners Limited’s investment and a Rights Issue, to be made to the bank’s existing shareholders.

The parties will now begin the process of seeking shareholder and regulatory approvals.

This proposed investment by the ACA Consortium, AMCON and existing shareholders will restore Union Bank to capital adequacy and position the Bank to regain its pride of place in the Nigerian banking sector. The bank will be able to rebuild its customer service franchise and restore its infrastructure to compete again across diversified financial services. The bank will also significantly focus on human capital development through staff training and development.

BOARD OF DIRECTORS

Musa Gella Yakubu SAN. OFR - (Chairman),
Olufunke Iyabo Osibodu (Mrs) - (Group Managing Director & Chief Executive),
Adekunle .M. Adeosun, Folashodun Adebisi Shonubi, Ibrahim Abubakar Kwargana, Philip Ikeazor, Ahmadu Abubakar,
Cosmas Paul Udofot, Festus Oha Odimegwu, Ibrahim Abdullahi Gobir, Mansur Ahmed,
Olusegun Olusanya, Onajite Okoloko, Onikepo Akande Chief (Mrs).





We thank you immensely for your steadfast support and understanding throughout this process, and we look forward to enhancing our longstanding valued relationship with your esteemed organisation.

Yours Sincerely

A handwritten signature in black ink, appearing to be 'S. J. J.', written over a faint, light blue watermark of a rearing horse.

Group Managing Director

