

2010 ANNUAL REPORT & ACCOUNTS



**THE Nigerian
STOCK EXCHANGE**

RC:2321

Our Vision

"To be the leading Stock Exchange in Sub-Saharan Africa for capital formation, driven by transparency, innovation, efficiency and liquidity."



To become the gateway to African
Frontier Markets

Mission Statement

To promote increased capital formation in Nigeria by providing issuers and investors with a responsive, fair and efficient stock market through competent and dedicated professionals, using the latest technology, thus assuring local and foreign investors access to the Nigerian stock market with confidence both in the regulatory framework and in the reliability of trading and settlement systems.

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NOTICE OF THE FIFTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fiftieth Annual General Meeting of Members of the Nigerian Stock Exchange will be held on the 11th floor, Stock Exchange House, 2/4 Customs Street Lagos, on 29 November 2011 at 11:00 a.m. to transact the following business:

ORDINARY BUSINESS

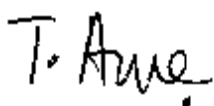
1. To present the Report of the National Council, the Financial Statements as at December 31, 2010, and the Report of the Auditors.
2. To elect members of Council.
3. To authorize members of Council to fix the remuneration of Auditors.

NOTE:

Proxy: A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him/her. No person shall be appointed a proxy who is not already a Member of The Exchange or the accredited representative of a Member and qualified to vote, save that a corporation being a Member of The Exchange may appoint as its proxy one of its Directors or other authorized representative who is not a Member of The Exchange. Executed proxy forms should be deposited at the registered office of The Exchange at least 48 hours prior to the time of the meeting. A proxy form is attached to this notice.

Dated this 8th day of November 2011

By Order of Council



Tinuade T. Awe
Acting Secretary to Council
Stock Exchange House
2/4 Customs Street
Lagos
Nigeria



COUNCIL MEMBERS AND ADVISERS

1.	Mallam Ballama Manu	Interim Head of Council
2.	Mr. Oscar Onyema	Chief Executive Officer (wef 04/04/11)
3.	Alhaji Aliko Dangote	1st Vice President
4.	Alabo Reginald Abbey Hart, MON	2nd Vice President
5.	Dr. Erastus Akingbola, CON	Chairperson Lagos/Ibadan Branch Council
6.	Dr. Oba Otudeko, OFR	Ex-Officio
7.	Alhaji Bello Maccido	National Member
8.	Mr. Emmanuel Ikazoboh	National Member (Interim Administrator up to 30/04/11)
9.	Mr. Nsa Harrison	National Member (wef 01/03/11)
10.	Mrs. Yemisi Ayeni	National Member
11.	Mr. Abubakar Mahmoud, SAN	National Member
12.	Mr. Abimbola Ogunbanjo	National Member
13.	Mr. Bismarck Rewane	National Member
14.	Mrs. Dorothy Ufot, SAN	National Member
15.	Mr. Hassan Usman	National Member
16.	Katsina State Investment & Property Dev. Company Limited	Institutional Member
17.	UNEX Capital Limited	Dealing Member (resigned 12/10/11)
18.	Partnership Investment Company Limited	Dealing Member
19.	Reward Investment & Services Limited	Dealing Member
20.	WSTC Financial Services Limited	Dealing Member
21.	APT Funds and Securities Limited	Dealing Member
22.	City-Code Trust & Investment Limited	Dealing Member
23.	ICON Stockbrokers Limited	Dealing Member
24.	StanbicBTC Stockbrokers Limited	Dealing Member

(wef 12/05/11)

(wef 12/05/11)

A.G. SECRETARY: Ms. Tinuade T. Awe

REGISTERED OFFICE: 8th and 9th Floors
Stock Exchange House
2/4 Customs Street, Lagos

AUDITORS: Akintola Williams Deloitte
(Chartered Accountants)

BANKERS: Access Bank Plc
Bank PHB (n/k/a Enterprise Bank)
First Bank of Nigeria Plc
GT Bank Plc
Intercontinental Bank Plc
Sterling Bank Plc
Union Bank of Nigeria Plc
United Bank of Africa Plc
Wema Bank Plc
Zenith Bank Plc



Mallam Ballama Manu
Interim Head of Council

Distinguished Ladies and Gentlemen:

It gives me great pleasure to welcome you all to the 50th Annual General Meeting of The Nigerian Stock Exchange and to present to you the Annual Report and Financial Statements for the year ended 31 December 2010.

The Economy

Economic performance was mixed in 2010. Provisional estimates from the National Bureau of Statistics (NBS) put the overall Gross Domestic Product (GDP) growth for 2010 at 7.85% higher than the growth rate of 6.96% recorded in 2009. The non-oil sector of the economy remained the main driver of growth. The contribution by the oil sector showed improvement due to the implementation of the amnesty and post amnesty programmes of the Federal government that severely reduced attacks on oil installations. Hence, crude oil production, which stood at approximately 1.9 million barrels per day in December 2009, was estimated to be in the region of 2.15 million barrels per day in December 2010. This put the country well above its agreed production target of 1.67 million barrels per day as a member of the Organization of Petroleum Exporting Countries (OPEC).

The price of Nigeria's Bonny light grade averaged \$80.9 per barrel, compared with the preceding year's average of \$62.1 per barrel, an increase of 30.3%. Also, the 2010 average price was 21 per cent higher than the reserve price of \$67 per barrel. OPEC's basket of eleven crude streams averaged \$77.35pb, 27% higher than the \$61.06pb of 2009. Despite the price increases, attributed largely to positive market sentiments, weaker US Dollar; growing demand, especially from India and China; drop in USA crude oil inventories; and instances of geo-political tensions, available statistics reflected that the government's revenue targets were not realized. Hence, to bridge the revenue gap, the Federal Government, aside from local borrowings applied the nation's savings under the Excess Crude Account (ECA). However, the ECA had been severely depleted from the augmentation of monthly statutory allocations and funding of on-going energy and infrastructural development projects. By year end, the balance in the ECA was \$300 million.

The manufacturing sector remained a minor catalyst in the growth and development equation. The sector contributed 1.14% to GDP during the first quarter while also growing by 6.42%. The performance of the manufacturing sector was sub-optimal due to the impact of financial crises, multiple taxation and levies, policy somersault, sharp deceleration in lending to the private sector associated with the structural issues in the banking system and increased risk aversion, decaying infrastructure, underdeveloped agricultural system, low power generation and poor distribution network, all of which led to increased manufacturing costs. The government in an effort to improve manufacturing capacity approved the establishment of N200 billion Small and Medium Enterprises Credit Guarantee Scheme (SMECGS) to promote access to credit by manufacturers and SMEs in Nigeria. Data released by the CBN showed that credit to the private sector recorded an 11-month growth rate of 5.3% (month-on-month) compared to 24.3% in 2009. In nominal terms, credit to the private sector was N10.75 trillion in November 2010 from N10.21 trillion at the end of 2009. The half year growth in credit to the private sector was negative at 1.0%. However, the month-on-month growth in credit to the private sector was positive for four consecutive months at 2.03% in November, 1.92% in October, 2.2% in September and 2.04% in August (for the first time since December 2009).

In April 2010, the CBN announced the creation of the N500 billion Power and Aviation Intervention Fund (PAIF), which was later extended to the manufacturing sector, in a bid to jumpstart activities in the comatose real sector of the Nigerian economy by stimulating private sector investment in the sectors. Later, it inaugurated N300 billion of the PAIF with the appointment of the Bank of Industry (BoI) as the managing agent vested with the responsibility of day-to-day administration of the fund. The African Finance Corporation (AFC) is the technical adviser.

The CBN sustained its banking sector reform during 2010. Though, set time lines were not realized due largely to the delay in the commencement of operations of the Asset Management Company of Nigeria (AMCON), significant milestones were recorded especially in the areas of releasing the new prudential guidelines, tenure limits for Managing Directors as well as non executive directors of banks, release of the guidelines for the reintroduction of merchant banking, implementation of the Nigerian Uniform Bank Account Number scheme (NUBAN) to mention just a few. By year end, signs of the banking sector's recovery from the crisis were becoming evident as shown in return to profitable growth by the third quarter, albeit at differing levels. The plan is to complete the sector reform in 2011, which would culminate in the selling to new investors of the banks taken

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over in 2009 and subsequent recapitalization. Also, we are likely going to witness some merger arrangements in the banking sector.

With the approval of the Board of Directors of AMCON on November 3, 2010, members set to work immediately. At the end of the first Board of Directors meeting, AMCON approved the purchase of all the margin loans in the banking sector, including total non-performing loans (NPLs) of banks rescued by the CBN in 2009. The total loans to be purchased were initially estimated at about N2.2 trillion. AMCON had valued non-performing loans backed by shares of listed companies "at an implied premium of approximately 60 per cent on the 60-day average of recent prices, ending November 15, 2010." On 31 December 2010, a total of N1.04trillion non performing loans were purchased from the banks with a three year initial consideration zero coupon bond which will subsequently be registered with SEC and become discountable at the CBN. Additional purchases of NPL were scheduled for the first quarter of this year while it is planned that by 31st March all qualified NPL from all banks would have been purchased. It is not only the banks that would submit their toxic assets for purchase by AMCON. The Nigeria Deposit Insurance Corporation (NDIC) will also benefit from the initiative. It is believed that NDIC is carrying huge NPLs, presumably from the banks for which it (NDIC) continues to serve as undertaker, among which are the 14 banks that failed to meet the December 31, 2005, deadline for recapitalization. Most of the banks have however been sold to healthy ones under the CBN's purchase and assumption model for bank distress resolution.

The country's foreign reserves came under considerable pressure during 2010, especially from demand by foreign exchange users and as the CBN supported the exchange rate. This caused the depletion of the reserves by 24% from \$42.41 billion in December 2009 to \$32.35 billion on December 31, 2010. An analysis of the movement in the reserve positions indicated that month-on-month, the level of reserves dropped between January and December within the range of (0.85) and (5.35) - negative. Reserve depletion was highest in the second quarter at 8.2% and lowest in the first quarter at 4.13%. The rate of depletion dropped in October and November, which may be attributed to the increased prices of crude oil, decline in demand for foreign exchange, rise in interest rates and efforts by the CBN to curtail massive depletion of the reserves, notably among which was the withdrawal of the licenses of all Class "A" Bureau De Change (BDC). Our in-house database indicated that \$25.013 billion was committed to the official foreign exchange market in 97 bidding sessions.

The Naira/Dollar exchange was fairly stable during 2010. The nation's currency, the Naira, remained largely within CBN target of N150/\$ while breaching on few instances. The exchange rate depreciated by 0.72% from N148.10/\$ to N149.16/\$ on year-on-year basis. The official exchange rate oscillated between N147.60/\$ and N150.05/\$. The CBN should be commended for the proactive measures to save the Naira from falling freely, especially in an era when most currencies are struggling to maintain their value. At the interbank market, the end period exchange rate indicated a depreciation by 0.33%, the rate having moved from N150.4/\$ to N150.9/\$. The gap between the official and parallel market rates dropped from N2.30 to N1.74 by year end.

The Debt Management Office (DMO) put Nigeria's total public debt figure at \$32.5 billion as at September 2010. The figure which represented 16.8 per cent of the country's Gross Domestic Product (GDP) was made up of \$4.5 billion external and \$28 billion internal debts. Consequently, Nigeria debt/GDP ratio was about 17 per cent compared with the global limit set at 40 per cent. In 2009, Nigeria owed \$25.9 billion made up of \$3.9 billion external and \$21.9 billion internal debt. Nigeria's domestic debt is believed to have grown at the

fastest pace in 11 years during 2010. The growth in net domestic credit to the economy at 13.40% in December 2010 dropped from the 59.61% recorded in 2009. Unlike in 2009, however, credit to government grew faster than to the private sector, renewing fears of crowding out of the private sector borrowing. Credit to government grew by 75.21% on month on month basis (compared with 25.92% in 2009), while private sector credit contracted by 4.43% in 2010 (as against 26.63% growth recorded in 2009).

Inflation rate though moderated during the year, still remained on the high side despite reforms to curtail it. The National Bureau of Statistics (NBS) reduced the food component in the Consumer Price Index (CPI) by 13.1% from 69% to 50.7% while introducing an imported Food Index with a weight of 13.2%. Also, the agency revised the Consumer Price Index (CPI) based on Nigeria Living Standard Survey (NLSS) 2003/2004 while adopting November 2009 as the base period for the computation of the consumer price index (CPI). Hitherto, May 2003 was applied as the base period. Though the base period change resulted in higher inflationary figures, however, the year-on-year (YoY) inflation dropped to 13.6% at the end of the third quarter compared with 14.1% at the end of the second quarter while further decelerating to 11.8% in December 2010. The 12-month average (YoY) Inflation rate was 13.8% compared with 12.6% in 2009. The target in 2010 was to achieve an inflation rate of 11.2%, which was elusive throughout the year as the rate oscillated between 12.8 and 15.6 per cent during the year. With average all-maturities at below 10 percent, the real rate of interest is negative, with serious implications for investments.

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In a bid to contain inflation amid concerns over rising liquidity, CBN at the meeting of the Monetary Policy Committee on September 21, 2010 increased the Monetary Policy Rate (MPR) by 25 basis points from 6% to 6.25%. The money market operated within the burst-boom cycle with the later defined by the release of statutory allocations. The average all-maturities Nigerian Interbank Offer rate (NIBOR) was 8.62%, lower than the 16.24% recorded in 2009. The average rate was lowest during the third quarter at 6.20%. However, rates spiked higher during the fourth quarter averaging 12% in response to liquidity pressure and the apex bank's monetary tightening measures.

In its latest rating, Standard & Poor's affirmed its B+ long-term rating on Nigeria with a stable outlook. It also affirmed B short-term foreign and local currency sovereign credit ratings on Nigeria. The agency claimed the outlook is stable, reflecting expectation that Nigeria will maintain its strong external and fiscal balance sheet and that its budgetary performance will gradually improve over the next few years. Fitch had recently lowered its sovereign credit outlook on Nigeria's BB-rating from stable to negative because of withdrawals from the Excess Crude Account and a drop in foreign currency reserves, as well as heightened political uncertainty.

A survey on socio-economic activities, jointly conducted by the National Bureau of Statistics (NBS), CBN and the Nigerian Communications Commission in March 2009 indicated that the national average unemployment rate increased from 14.9% in 2008 to 19.7 per cent in 2009. Also, unemployment rates in 16 states, including the Federal Capital Territory were higher than the national average. The high incidence of unemployment amid economic growth reveals major dislocations in Nigeria's socio-economic system. According to the United Nations Development Programme (UNDP), 70% of Nigeria's population live below the poverty line.

Higher proportion of unemployment was found to be prevalent among secondary school leavers. To solve the problem of unemployment, the Federal Government on July 16, 2010 inaugurated the private sector led-National Committee on Job Creation to tackle the increasing rate of unemployment across the country. In its final report, the Committee asserted that over 15 million new jobs could be created over the next five years if its recommendations are thoughtfully implemented. The report prioritized target sectors including agriculture and (agro-allied industries) manufacturing, and building and construction as areas having strong and natural comparative advantage where job creation chances could be remarkable.

The contributory pension scheme continued to work as planned. To keep the industry afloat, the National Pension Commission (PenCom) worked assiduously to ensure that organizations abide by the rules governing the sector. By August 2010, assets worth N1.8 trillion had accumulated in the pension industry with about 67 per cent of the amount realized from the private sector. Also, by July 2010, 4.3 million workers have registered with the Pension Fund Administrators (PFAs) under the contributory pension scheme. The commission continued to issue additional guidelines and regulations to further guide operations in the pension industry to entrench sound corporate governance in the activities of pension operators. PENCOM issued revised guidelines for pension funds in December 2010. These guidelines permit PFAs to invest in infrastructure funds and foreign currency bonds issued by Multilateral Development Finance Organizations (MDFOs) like the International Bank for Reconstruction and Development (World Bank), African Finance Corporation (AFC), African Development Bank (ADB) and the International Monetary Fund (IMF), among others. Under the new guidelines, pension assets can also now also be invested in foreign currency denominated bonds issued by the Federal Government of Nigeria (FGN), or the CBN or agencies and companies owned by the Federal Government provided that the securities are fully guaranteed by the CBN or Federal Government. Infrastructure bonds issued by corporate entities are also allowable investments; along with bonds, debentures, redeemable and convertible preference shares, and other debt instruments including asset backed securities.

Stock Market Activity

The harsh operating environment led to mixed performance by listed companies as shown in their interim and final reports. Declining incomes and savings attributed to rising unemployment, weakened purchasing power arising from inflationary pressure, and investors' apathy caused a decline in the participation of Nigerians in the stock market. Similarly, the rise in interest rates especially during the fourth quarter, profit taking and absence of margin facilities exerted downward pressure on the stock market. The huge margin loans overhang contributed to the lull in the capital market as banks withheld funding acquisition of equities by investors. Besides, banks offloaded shares to reduce their exposure to margin loans as directed by the apex bank while profit taking by investors dictated the pace of movements in key indicators. The decline in deposit interest rates during the first quarter enabled the stock market to recover some of the losses recorded during the preceding years. We note however that the investors' pessimism that was widespread after two consecutive years of losses in 2008 and 2009 gradually gave way to cautious optimism as the various confidence building measures initiated by the regulatory authorities such as: the introduction of Asset Management Company of Nigeria (AMCON), zero tolerance for market infractions and compliance with post listing requirements, begin to yield results. Despite the 25 basis points increase in the Monetary Policy Rate (MPR) and the subsequent rise in interest rates in September, most stock market indicators recorded positive changes during the fourth quarter.

The value of total volume of transactions on The Exchange closed the year at N797.551 billion (or 3.22% of GDP). Hence, while value traded rose by 16.31%, volume traded dropped by 9.25% from the 102.85 billion

valued at N685.72 billion (2.9% of GDP) recorded in 2009. Volume and value traded had in 2009 dropped by 46.75% and 71.43%, respectively. Average daily activity dropped from 414.73 million shares worth N2.8 billion in 2009 to 377.9 million shares valued at N3.2 billion in 2010.

The bulk of the transactions were in equities, which accounted for N797.54 billion or 99.99% of the turnover value compared to N685.3 billion or 99.94% recorded in 2009. Transactions in the State Government bonds sector were very minimal accounting for only 13,000 units valued at N14.14 million. However, trading in Industrial bonds and Preference Stock sectors were inactive compared to N412.8 million traded in 2009.

In 2010 just as in 2009, trading in Federal Government bonds on The Exchange was inactive. Significantly, a turnover of 13.8 billion units valued at N15.34 trillion in 137,080 deals was recorded in the Over-the-Counter (OTC) market for Federal Government bonds, as against 17.1 billion units valued at N10.44 billion in 78,248 deals recorded in that market in 2009.

The number of securities listed on The Exchange dropped from 266 in 2009 to 264 in 2010. Of these 264 securities, 217 were equities. The total market value of 264 securities listed on The Exchange increased by 41.12% from N7.03 trillion to stand at N9.92 trillion by year-end. The rise in market capitalization resulted mainly from new listings of equities and state government bonds coupled with price appreciation by equities. Market capitalization had in 2009 declined by 26.5%.

By year-end, the market capitalization of the 217 listed equities accounted for N7.92 trillion or 79.85 per cent of the aggregate market capitalization (2009: 216 equities accounted for N5 trillion or 71.04 per cent of market capitalization). Also, by year-end, seventeen (17) subsectors recorded increased market capitalization of between 3.9% and 622.05% while sixteen (16) subsectors suffered reduction in market capitalization of between 2.8% and 48%. Two subsectors (Machinery Marketing and Aviation) did not record a change in market capitalization. The Nigerian Stock Exchange All-Share Index increased by 3,943.35 points or 18.5% to close at 24,770.52. The NSE ASI had in 2009 dropped by 33.8% or 10,623.61 points to close at 20,827.17. The performance of the Index reflects the increase in the prices of quoted equities during the year. By year end, 68 stocks recorded price appreciations and 95 stocks recorded price declines while the prices of 54 remained constant. In 2009, 23 stocks recorded price appreciations and 159 stocks recorded price declines while the prices of 35 remained constant. Also, the NSE-30 Index in 2010 increased by 253.96 points or 28.01% to close at 1,081.95, a reversal from the decline by 25.44 points or 3% suffered in 2009.

The Primary Market was more active during 2010 than in 2009. This can be attributed to the relative stability recorded in the stock market, which boosted investors' confidence. The Exchange considered and approved thirty-one (31) applications for new issues valued at N2.44 trillion or 9.83% of GDP, as against thirty (30) applications for new issues valued at N279.25 billion or 1.2% of GDP in 2009.

The non-bank corporate issues accounted for 90.5% with nineteen (19) applications valued at N2.21 trillion

The National Pension Commission (PenCom) worked assiduously to ensure that organizations abide by the rules governing the sector. By August 2010, assets worth N1.8 trillion had accumulated in the pension industry with about 67 per cent of the amount realized from the private sector.

while the banking sector accounted for 5.41% with eight (8) applications valued at N131.8 billion. States Government bond issue with four (4) applications accounted for N88 billion or 3.6% of the total amount approved during the year. Of the non-bank applications, the Building Materials subsector with one (1) application accounted for N2.1 trillion or 86% of the approved new issues. Similarly, the Insurance subsector with four (4) applications accounted for N6.32 billion or 0.3% of the total applications considered.

In 2009, the non-bank corporate issues accounted for 71.5% with 25 applications valued at N199.65 billion while the banking sector accounted for 3.6% with 1 application valued at N10.1 billion. States Government bond issue accounted for N69.5 billion or 24.9% of the total amount approved during the year. Of the non-bank applications, the Foreign Listings and Insurance subsectors accounted for N27.5 billion and N33.22 billion or 9.84% and 11.9%, respectively of total applications considered.

new issues approved in 2010 showed that no new IPO was approved in 2010, same as in 2009 while N46.6 billion was raised through rights issues; and N173.7 billion through bonds issue, including the four (4) State Government Bonds.

Further analysis of new issues approved in 2010 showed that no new IPO was approved in 2010, same as in 2009 while N46.6 billion was raised through rights issues; and N173.7 billion through bonds issue, including the four (4) State Government Bonds. Listings by Introduction accounted for N17.7 billion while Shares Placing with ten (10) applications accounted for N92.8 billion and Mergers with two (2) applications accounted for N2.1 trillion. Also approved were four applications by Unit Trusts for memorandum listings valued at N12.7 billion.

Market Development

As in previous years, there were certain developments in the market in 2010 which had some effects on broadening participation, expanding services, improving liquidity, and generally propelling the market to greater heights. Some of these developments are still work in progress and they include the following:

Extension of Trading Hours

The trading hours were extended by two hours daily from 9.30am to 2.30pm from the erstwhile trading time of 9.30am to 12.30pm. The new trading time became effective on December 6, 2010. The extension of the trading hours became necessary in order to give an opportunity for on line real time participation to a wider range of investors located in different time zones.

Upgrading the Exchange's Trading Platform

We commenced discussions with notable global vendors to purchase a new trading platform for The Exchange. The Exchange created an ad-hoc stakeholders Committee comprised of staff of the Exchange and market operators to ensure that the envisaged trading platform comes with improved functionalities that would impact positively on trading on The Exchange. By December 2010, The Exchange had decided to purchase the platform from one of the vendors. During 2011, it is expected that a final contract will be entered into with this vendor following detailed negotiations.

Meanwhile, the existing market infrastructure remains sound and capable of meeting the current needs of

investors, issuers of securities, and market operators.

The Index Committee

For the first time in the Exchange, we have in place an Index Committee comprised of diverse analysts complemented with an external adviser. The goal of the Committee is to ensure that the NSE 30 and Sectorial Indices remain leading indicators of the Nigerian equities market, reflecting the risk and return characteristics of the broader All-share index on an on-going basis. Also, the Index Committee monitors constituent liquidity to ensure efficient portfolio trading while keeping index turnover to a minimum. In this instance, members strive to minimize unnecessary turnover in index membership and each removal is determined on a case-by-case basis.

The NSE Index Committee follows a set of published guidelines for maintaining the indices. Complete details of these guidelines, including the criteria for index additions and removals are available in the NSE Factbook 2009 and on the official website of The Exchange <http://www.nigerianstockexchange.com>. These guidelines provide the transparency required and fairness needed to enable investors to replicate the index and achieve the same performance as The Exchange.

New Products

The Exchange is committed to introducing new tradable instruments as the market develops. During the year, SEC released the proposed draft rules on Exchange Traded Funds while the Exchange is working on the designing the listing requirements for the instrument. We expect ETF trading to debut in our market in 2011 and in preparation, both SEC and NSE are involved in capacity building preparatory to its take off.

Strict Enforcement of The Exchange's Rules and Post Listing Requirements

We observed some lapses in the enforcement of post listing rules on our quoted companies, particularly as they relate to corporate reporting of interim and final audited accounts. Also, market operators were below par in the observance of the code of conduct. Consequently, under the direction of the Council, Management has taken initiatives to resolve the problem. In relation to our dealing members, new guidelines for their financial reporting for interims have been issued recently and compliance with these new guidelines is being strictly enforced.

The principle of fairness as contained in The Exchange's Mission Statement requires that we must continually be guided by the strict adherence to the post listing rules of The Exchange and more importantly the principles of corporate governance while ensuring fairness to all our stakeholders. No doubt some of the actions taken so far may have been rather drastic, we took them believing they are noble and would in the medium to long term propel the Nigerian stock market on the path to a self sustaining growth. For us to be taken seriously as a global player, we must work by the rules and ensure strict adherence as obtained in other climes. The various confidence building measures instituted by Council have started to stabilize the market and build investors' confidence.

World Federation of Exchanges (WFE)

Renewed efforts commenced recently at ensuring that the Exchange fulfills the requirements for membership of the World Federation of Exchange (WFE). In so doing, a baseline for improving the governance structure of the Exchange as well as the market at large (as it relates to compliance by our listed companies with post listing requirements) have been established.

Inspection of Dealing Member Firms

A total of 251 stock brokerage firms were inspected out of the 262 scheduled for inspection. The remaining firms had their inspections rescheduled. Several firms reported trading losses and negative shareholders funds. Most of them attributed this development to the financial crisis that followed the economic downturn. They have been advised to inject fresh funds and return their firms to profitability.

New Dealing Member Firms

The Exchange conducted pre-trading inspections on the under-listed nine (9) firms compared with six (6) in 2009:

1. Dunbell Securities Limited
2. Covenant Securities Asset Management Limited
3. DSC Brokerage Services Limited
4. Bauchi Investment Corporation Securities Limited
5. Gem Asset Management Limited
6. Waila Securities & Funds Limited
7. Global View Consult & Investment Limited
8. Gombe Securities Limited
9. Consortium Investments Limited a/k/a Kedari Securities Limited

As at December 23, 2010, all the new firms had commenced trading except for DSC Brokerage Services Limited which is yet to be cleared for trading.

Branch Opening

During 2010, the following six (6) Dealing Member firms (compared to seven (7) in 2009) opened branch offices and inspections were conducted to determine the suitability of the offices for stock brokerage activities:

1. Citi Investment Capital Limited
2. Spring Trust & Investment Limited
3. Skyview Capital Limited
4. Waila Securities & Funds Limited
5. Plural Securities Limited
6. EDC Securities Limited

All the branch offices met the requirements for operating stock brokerage businesses viz cashless transactions, imbibing "Know Your Client" (KYC) principles, centralized operations and engagement of qualified personnel.

Complaints/Infractions

A total of 449 complaints were received in 2010 compared to 249 during 2009. Of the complaints received, of 360 were against active Dealing Member firms while eighty (80) were against non-dealing members and nine (9) against inactive houses. A total of 135 complaints were resolved while 231 are still being investigated pending resolution.

The Exchange observes that complaints of unauthorized sales and failure to remit proceeds of sales continue to persist in the market. This can be attributed to illiquidity suffered by the majority of Dealing Member Firms, the high loan exposure of many Dealing Member firms and the desperate efforts of the banks to recoup outstanding facilities.

In addition, it was observed that some Dealing firms do not comply with the Know Your Client (KYC) requirements set forth in Article 102 of the Rules and Regulations Governing Dealing. As a result, fraudulent sales have occurred based on instructions from persons who are not the true owners of the securities.

Violation of Rules of The Exchange

During the year, seventy-four (74) Dealing firms were suspended for failure to submit Audited Accounts for 2008, 2009 and 2010 accounting years, respectively compared to six (6) during 2009. This is contrary to Article 15 (H) of the Rules and Regulations Governing Dealing Members.

Also, a new reporting format for the rendition of interim reports meant to provide uniform reporting and ease of comparison of members was introduced. The implementation of this format has commenced. Similarly, during 2011, The Exchange has been enforcing the following rules against Dealing firms:

1. Separation of client accounts from that of the Dealing Member Firm;
2. Rendition of returns to the Exchange as and when due.

Outlook

The global economy is gradually recovering from the impact of the economic meltdown. The International Monetary Fund (IMF) in the latest World Economic Outlook posited that the continent of Africa would grow by 5.5 percent in 2011 while Nigeria is expected to grow by 7.4 per cent. The International Monetary Fund, at its last annual meeting in Washington DC rated the Nigerian economy as third fastest growing globally after China and India. The Federal Government expects a GDP growth rate of 7% in 2011.

Over the medium term, it is expected that economic growth will continue to be driven by the non-oil sector. However, a structural shift in the economy is expected to begin as sectors such as manufacturing, telecommunications, wholesale and retail trade amongst others increase their contributions to GDP growth. Investments in critical infrastructure and continued focus on promoting macroeconomic stability are expected to facilitate this shift in the economy. Perhaps the icing on the cake would be the increased in local refining capacity of petroleum products, which would reduce importation and government expenditure on subsidy. It is hoped that with the new policies and programmes being implemented by the Federal Government and complemented by existing ones, the economy would witness a turnaround in the medium term. The nation's domestic and the international capital market promises to be very busy as from the month of January, as the Federal Government and various government agencies source funds from both markets. The Asset Management Corporation of Nigeria (AMCON) is expected to register and issue an estimated N3 trillion zero coupon ten year bond to enable the corporation buy toxic

The Exchange observes that complaints of unauthorized sales and failure to remit proceeds of sales continue to persist in the market.

assets off the books of the banks. Meanwhile, the sustained expansion in public borrowing risks crowding out the private sector.

Inflationary risk will remain a threat in the months ahead due to the implementation of the 64% increased minimum wage to N18,000 in the public service, rising government borrowing and the expected increased political spending up to the 2011 general elections combined with releases from the Excess Crude Account (ECA).

We expect some manufacturing companies to beef up their capital bases using instruments available in the market, particularly rights and medium tenor bond. The initial preparation for the demutualization of the Exchange has commenced. Other issues that have and will continue to demand the attention of the Council and Management in 2011 include the following:

- How to broaden and deepen the market both in terms of tradable asset class on our platform and participants in the market;
- The introduction of market makers, which would bring some fundamental changes in our trading processes as well as licensing of Designated Advisers, who will anchor the operations of the Alternative Securities Market (ASEM);
- Provision of alternative capital raising mechanisms that will deepen the market and improve liquidity; Intensifying collaboration between the SEC, The Exchange and our Clearinghouse, the Central Securities and Clearing System, (CSCS) for the full dematerialization of share certificates still being held outside CSCS;
- Resolving issues surrounding stock lending and stock borrowing to allow these activities debut in our market;
- Extending and deepening existing partnerships with other Exchanges, on the continent and other parts of the world;
- Securing membership of World Federation of Exchanges (WFE).

More importantly, we expect the debut of new tradable instruments in our market during 2011, including Exchange Traded Funds (ETFs) while we will continue to strengthen existing instruments like the Bond Market and Real Estate Investment Trusts (REITs). REITs, which debuted in our market in 2008, are no doubt facing challenges, chief among which are limited product awareness and liquidity. Efforts will be made to tackle these challenges in 2011.

The Federal Government through the Debt Management Office (DMO) and the CBN sustained the Sovereign Bond issuance programme. However, for the purpose of transparency and pricing efficiency, we once again request that the DMO consider migrating trading on the OTC to The Exchange's trading platform, which has the technology to deliver on transparency and efficiency. We request DMO and CBN to hasten the process of listing the FGN Bonds after the auction process had been concluded so as to ensure prompt secondary market trading.

Over time, we have brought to the fore the challenges militating against the further development of the Nigerian capital market. These challenges include the incidence of multiple tax regimes on businesses and investors and the slow pace in the implementation of the privatization programme, especially of those entities earmarked for privatization via the stock market. It is necessary for the National Assembly to expedite the enactment of appropriate legislation to address these challenges.

The Exchange will continuously work to support government and its agencies towards the realization of Nigeria's economic development and growth objectives, working closely with the Federal Ministry of Finance, CBN, SEC and other members of the Financial Sector Regulation Coordinating Committee (FSRCC), while maintaining relationship with operators in the international arena with a view to facilitating the flow of international investment capital to Nigeria. We will continue to take pro-active measures that will enhance the quality of the overall market.

Intervention by the Securities and Exchange Commission, Nigeria

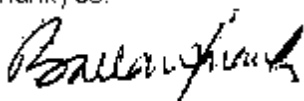
In a regulatory move on 4 August 2010, the SEC intervened in the management of The Exchange. On 5 August, the SEC removed Prof. Ndi Okereke-Onyiuke as Director-General of The Exchange. The SEC also directed Alhaji Aliko Dangote to cease acting as President of the Council of The Exchange in compliance with a court order nullifying his election as President and pending the outcome of ongoing litigation. Consequently, the SEC established an interim administration for The Exchange by appointing Mr. Emmanuel Ikazoboh and I as Interim Administrator and Interim Head of Council respectively.

Key among the mandates of the SEC to the interim administration was the appointment of a new executive management for The Exchange. On 4 April 2011, following a rigorous selection process, Mr. Oscar Onyema assumed office as The Exchange's new Chief Executive Officer. The SEC directed that Mr. Ikazoboh should overlap with Mr. Onyema for one month to enable a proper handover, following which Mr. Ikazoboh ceased to be the Interim Administrator of The Exchange. The SEC further directed that The Exchange should admit to membership of The Council six (6) professionals as an interim measure in the public interest in order to strengthen the Council and support the new management team. Together with Mr. Ikazoboh and I, these six professionals are to work with existing Council members to achieve a number of objectives, including guiding the new management team for a period of time. It is my pleasure to report the excellent contributions of these six professionals to Council deliberations and decisions.

Conclusion

On your behalf, I thank members of Council for their steadfastness and quality advice during the year. I welcome the new members of Council with whom we hope to take The Exchange to greater heights. Finally, I thank the management of The Exchange for their loyalty and the invaluable role they are playing as we seek to achieve our vision of becoming the leading stock exchange in Sub-Saharan African.

Thank you.



Mallam Ballama Manu
Interim Head of Council

HIGHLIGHTS OF THE YEAR

	2009	2010	% Change
Market Capitalization	₦7.03tr	₦9.92tr	41.1
The NSE All-Share Index	20,827.17	24,770.52	18.9
The NSE 30 Index	827.99	1,081.95	30.7
The NSE Food/Beverage Index	526.71	778.47	47.8
The NSE Banking Index	339.32	399.08	17.6
The NSE Insurance Index	249.01	168.34	(32.4)
The NSE Oil/Gas Index	288.06	338.85	17.63
Total Turnover Volume	102.85b shares	93.335b shares	(9.25)
Total Value of Shares Traded	₦685.72b	₦797.55b	16.31
Average Daily Volume	414.73m units	377.9m units	(8.9)
Average Daily Turnover	₦2.76b	₦3.23b	17.02
New Issues Approved	₦279.25b	₦2.44tr	772.8
Number of Applications Considered	30	29	(3.3)
Number of Listed Companies	216	217	(0.5)
Number of Listed Securities	265	264	(0.4)
Number of Trading Days	248	247	(0.4)
Performance in US Dollars	2009	2010	% Change
Market Capitalization	\$47.75b	\$66.24b	38.72
Total Turnover Value	\$4.7b	\$5.34b	13.62
Average Daily Turnover	\$18.8m	\$21.56m	14.68
New Issues Approved	\$1.9b	\$16.3b	757.89

Average Exchange Rate of ₦149.79/\$

The Council Members submit their report together with the financial statements of The Exchange for the year ended 31 December 2010.

1. RESULTS	'000
Group operating surplus of the Exchange for 2010 was	357,949
Transfer to development fund	-
	<hr/>
Retained surplus of the Group for the year transferred to accumulated fund	357,949

2. PRINCIPAL ACTIVITIES

The principal activity of the Exchange is to provide facilities to the public for the purchase and sale of securities of any kind.

3. LEGAL FORM

The Exchange was incorporated in Nigeria as a private company limited by shares on 15 September 1960 as Lagos Stock Exchange and its name was changed to The Nigerian Stock Exchange on 15 December 1977. The company was re-incorporated as a company limited by guarantee on 18 December 1990.

4. COUNCIL MEMBERS

- i. The Members of Council are listed on page 04.
- ii. Under clause 5(9) of the Articles of Association, Alhaji Bello Maccido, Mr. Nsa Harrison, Mr. Emmanuel Ikazoboh, Mrs. Yemisi Ayeni, Mr. Abubakar Mahmoud, SAN, Mr. Abimbola Ogunbanjo, Mr. Bismarck Rewane, Mrs. Dorothy Ufot, SAN, Mr. Hassan Usman, Katsina State Investment & Property Development Company Limited, Partnership Investment Company Limited, WSTC Financial Services Limited, Reward Investments & Services Limited, APT Funds and Securities Limited, City-Code Trust & Investment Limited, ICON Stockbrokers Limited, and Stanbic/BTC Stockbrokers Limited were co-opted onto Council and offer themselves for election.
- iii. UNEX Capital Limited, which was co-opted onto the Council on 13 August 2008 resigned its membership of the Council by a letter dated 12 October 2011. Chief Reginald Abbey Hart, MON, having completed his three year term as Second Vice-President of The Exchange retires from the Council. Dr. Erastus Akingbola, OON having been a Council Member since 2007, also retires from the Council.

5. FIXED ASSETS

Movements in fixed assets during the year are shown in note 2 on page 32. In the opinion of the Council Members, the market value of the company's properties is not less than the value shown in the financial statements.

6. COUNCIL MEMBERS' RESPONSIBILITIES

The Council Members are responsible for the preparation of financial statements which give a true and fair view of the state of affairs and comply with the Companies and Allied Matters Act Cap C20 LFN 2004. They are obliged to ensure that:

- Proper accounting records are maintained;
- Internal control procedures are instituted which, as far as is reasonably possible; safeguard the assets, prevent and detect fraud and other irregularities;
- Applicable accounting standards are followed;
- Judgments and estimates made are reasonable and prudent;
- Suitable accounting policies are adopted and consistently applied; and
- The going concern basis is used, unless it is inappropriate to presume that the company will continue in business.

7. POST BALANCE SHEET EVENTS

Council Members are not aware of any significant post balance sheet events which could have had a material effect on the state of affairs of The Exchange as at 31 December 2010 which have not been adequately provided for or disclosed.

8. EMPLOYMENT AND EMPLOYEES

i. Persons with Physical Disabilities

Applications for employment by persons with physical disabilities are given full and fair consideration having regard to the aptitude and ability of each applicant. As of 31 December 2010, The Exchange had one employee with physical disabilities.

ii. Health and Safety

The Exchange accords the greatest priority to health and safety in its operations. The Exchange retains for use by employees and their families, the services of consulting medical organizations in all cities in which it has offices.

iii. Personnel Communication

The Exchange is committed to keeping employees fully informed as much as possible regarding its performance and progress and seeking their views whenever practicable on matters which particularly affect them as employees.

iv. Training and Development

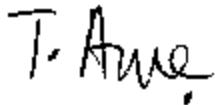
It is the policy of the Exchange to apply a uniform training and development program to all employees. In accordance with the company's policy of continuous development of its

manpower resources, a great effort is made to ensure that training courses meet specific needs of the nominated employee. During the year under review, some staff went on overseas training while many others attended local courses.

9. AUDITORS

In accordance with section 357(2) of the Companies and Allied Matters Act CAP C20 LFN 2004, Messrs Akintola Williams Deloitte have indicated their willingness to continue in office. A resolution authorizing the Council Members to determine their remuneration shall be proposed at the next annual general meeting.

BY ORDER OF THE COUNCIL.



TINUADE T. AWE
ACTING SECRETARY TO COUNCIL

LAGOS, NIGERIA
October 11, 2011

Deloitte.

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We have audited the accompanying consolidated financial statements of The Nigerian Stock Exchange ("The Exchange") and its subsidiaries (together, "The Group") set out on pages 23 to 28, which comprise the consolidated balance sheet as at 31 December 2010, the consolidated income statement, and consolidated statement of cash flows for the year then ended, summary of significant accounting policies, value added, financial summary and other explanatory information.

Council's Responsibility for the Consolidated Financial Statements

The Council is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Companies and Allied Matters Act CAP C20 LFN 2004, and for such internal control as the Council determine is necessary, to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Exchange and its Subsidiaries as at 31 December 2010, and of its financial performance and its cash flows for the year then ended; the Exchange and its Subsidiaries have kept proper books of account, which are in agreement with the consolidated balance sheet and consolidated income statement, in a manner required by the Companies and Allied Matters Act, Cap C20 LFN 2004, and, in accordance with the Statements of Accounting Standard issued by the Nigerian Accounting Standards Board.

Emphasis of matter

We draw attention to the basis for qualification of the consolidated financial statements as at 31 December, 2009 regarding contraventions of section 26(3) of Companies and Allied Matters Act, Cap C20 LFN 2004 and section 6 of the Memorandum and Articles of Association of the Exchange. We are not aware of similar contraventions during the year ended 31 December 2010. Our opinion is not qualified in respect of this matter.

Atinola Collinson Debitto

Chartered Accountants
Lagos, Nigeria
21 July 2011



The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. Basis of accounting

The financial statements are prepared under the historical cost convention modified by the revaluation of fixed assets and comply with the Statement of Accounting Standards issued by the Nigerian Accounting Standards Board.

2. Consolidation

Subsidiary undertakings, are those companies in which the Exchange, directly or indirectly, has an interest of more than half of the voting rights or otherwise has power to exercise control over their operations.

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

Inter-company transactions, balances and unrealized gains on transactions between Group Companies are eliminated. Unrealized losses are also eliminated unless the transactions provide evidence of impairment of the asset transferred.

3. Associate

An Associate is an entity in which the Group has significant influence, but not control over the operating and financing management policy decisions. This is generally demonstrated by the Group holding the excess of 20%, but not more than 50% of the voting rights.

Investments in associates are accounted for by the equity method of accounting and are initially recognized 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 profit or losses is recognized in the income statement; its share of post-acquisition movement in reserves is recognized 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 recognize further losses unless it has incurred obligations or made payments on behalf of the associate.

4. Gross fees

Gross fees comprise the value of annual quotation, entrance and transaction levies charged companies dealing with the Exchange. These include listing fees, entrance levy, and transaction levy:

4.1 Listing fees

Listing fees represents the annual fees charged on companies quoted on the Exchange based on average annual capitalisation of companies and is accounted for on accrual basis.

4.2 Entrance levy
Entrance levy represents the fee charged on companies sourcing funds from the capital market and is based on the amount of funds being sought.

4.3 Transaction levy
Transaction levy is based on value of shares traded on the floor of The Nigerian Stock Exchange charged on the investors at 0.50% of sales, this was reduced to 0.30% in August of 2008 and is accounted for on an accrual basis.

5. Investments in securities
The group categorises its investment securities into the following categories: long term quoted investment and unquoted investment. Investment securities are initially recognized at cost and Management determines the classification at initial investment.

5.1 Long term investment
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 cost less impairment. An investment is impaired if its carrying amount is greater than its estimated recoverable amount. The amount of the impairment loss for assets carried is calculated as the difference between the assets carrying amount and the market value.

Interest earned whilst holding investment securities is reported as interest income. Dividend receivable is included separately in dividend income when a dividend is declared. A change in the market value of investment securities is not taken into account unless it is considered to be permanent.

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

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.

7. Debtors
Debtors are stated after making provision for balances considered bad or doubtful of recovery.

8. Fixed assets
All property, plant and equipment 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.

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with 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.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2010 (Cont'd)

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 property, plant and equipment. Payments in advance for items of property, plant and equipment are included as prepayments in other assets and upon delivery are reclassified as additions in the appropriate category of property, plant and equipment. No depreciation is charged until the assets are put into use.

Depreciation is calculated on a straight line basis to write down cost of property, plant and equipment to their residual values over their estimated useful lives as follows:

	%
Motor vehicles	- 25
Furniture, fixtures and fittings	- 12.5
Office equipment	- 20
Leasehold improvements	- 2
Freehold buildings	- 2

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

Where items of property, plant and equipment are subsequently carried at revalued amounts, an entire class of property, plant and equipment is revalued or the selection of the items for revaluation is done on a systematic manner.

Any accumulated depreciation at the date of revaluation is not credited to profit and loss account or retained profit.

On revaluation of property, plant and equipment, an increase in the net book value is credited to a revaluation surplus reserve. A decrease in the net book value is used to reduce the amount of any existing revaluation surplus on the same item before it is charged to profit and loss account.

Upon sale or disposal of an item of property, plant and equipment, the difference between the proceeds and the net book value is transferred to profit and loss account. Any balance in the revaluation surplus reserve in respect of such items is transferred to income and expenditure account.

Subsequent depreciation on revalued items of property, plant and equipment is calculated on the new value and charged to income.

Freehold buildings are periodically revalued every 5 years by external professional valuers.

9. Foreign currencies

Transactions in foreign currencies are translated to Naira at the rates of exchange ruling at the dates of the transactions. Foreign currency balances are converted to Naira at the rates of exchange ruling at the balance sheet date. Exchange differences are included in the income and expenditure account.

10. Taxation

Income tax is provided on taxable profit at the current statutory tax rate. The Exchange in 2004 exercised its rights under Section 23(1) of Companies Income Tax Act, CAP 21, LFN 2004 (as amended) to apply for tax exempt status. The Federal Board of Inland Revenue upheld that the income of the Exchange is not liable to tax since it is a company limited by guarantee.

11. Deferred taxation

Provision for deferred taxation is made by the liability method and calculated at the current rate of taxation on the differences between the net book value of fixed assets qualifying for capital allowances and their corresponding tax written down value.

12. Staff gratuity and pensions

The Group has both defined benefit gratuity scheme and contributory pension scheme.

A defined benefit gratuity plan is a plan that defines an amount of gratuity benefit that an employee will receive on retirement, usually dependent on one or more factors, such as years of service and compensation.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. In a defined contribution plan, the Group makes contributions on behalf of qualifying employee to a mandatory scheme under the provisions of the Pension Reform Act of 2004. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due.

13. Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events, not wholly within the control of the Group, or the Group has a present obligation as a result of past events but is not recognized because it is not likely that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated.

Contingent liabilities normally comprise of legal claims under arbitration or court process in respect of which a liability is not likely to eventuate.

14. Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity included the carrying amount of goodwill relating to the entity sold.

15. Cash and cash equivalent

Cash comprises cash on hand and demand deposits denominated in Naira. Cash equivalents are short-term, highly liquid instruments which are:

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2010 (Cont'd)

- a) Readily available 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.

16. Segment reporting

A business segment is a distinguishable component of the company that is engaged in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments. Segment information is required to be presented in respect of the group's business segments, where applicable.

The group's primary format for segment reporting is based on business segments. The business segments are determined by management based on the group's internal reporting structure.

Segment result, asset and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

BALANCE SHEET
AS AT 31 DECEMBER, 2010



	Note	The Group		The Exchange	
		2010 N'000	2009 N'000	2010 N'000	2009 N'000
ASSETS					
Fixed assets	2	5,653,832	5,979,073	3,002,791	3,609,822
Investment in subsidiaries	3	-	-	945,700	945,700
Investment in associated company	4	3,188,496	3,035,934	387,804	387,804
Investment in quoted equities	5	333,893	322,376	4,609	4,609
Goodwill	6	4,635	9,268	-	-
Inventories	7	17,135	16,496	17,135	16,496
Debtors and prepayments	8	2,200,336	968,666	2,167,355	933,887
Construction in progress	9	1,677,640	1,674,663	-	-
Inter company balances	10	-	-	3,755,318	3,750,081
Cash and short term funds	11	2,635,789	1,279,216	2,528,286	1,227,750
TOTAL ASSETS		15,711,756	13,285,692	12,808,998	10,876,149
LIABILITIES					
Due within one year:					
Fees received in advance	12	528	-	528	-
Creditors and accruals	13	4,286,447	1,962,965	4,137,313	1,772,364
Security deposits	14	2,000	2,000	2,000	2,000
Taxation	15	65,347	51,826	-	-
Due after one year:					
Staff gratuity and pension	16	1,295,432	1,723,646	1,295,432	1,723,646
Deferred taxation	17	411,236	388,747	-	-
		6,060,990	4,129,184	5,435,273	3,498,010
RESERVES					
Accumulated fund	18	8,641,949	8,560,337	7,373,725	7,378,139
Revaluation reserve	19	1,008,817	596,171	-	-
		9,650,766	9,156,508	7,373,725	7,378,139
		15,711,756	13,285,692	12,808,998	10,876,149

These financial statements were approved by the Council Members on 21 July 2011 and signed on their behalf by:

Mr. Ballama Manu

Mr. Emmanuel Ikazoboh

}
} Interim Head of Council
}
} Council Member

The accounting policies on pages 23 to 27 and the notes on pages 32 to 46 form part of these financial statements.

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2010



	Note	The Group		The Exchange	
		2010 N'000	2009 N'000	2010 N'000	2009 N'000
Gross fees	20	4,011,033	3,239,545	4,146,034	3,442,046
Share of profit in associated company	4	445,133	473,268	-	-
Other income	21	337,072	369,443	259,133	332,175
Gross income		4,793,238	4,082,256	4,405,167	3,774,221
Staff costs		1,354,077	1,620,869	1,354,077	1,613,871
Operating expenses		1,982,606	3,466,314	2,016,462	3,232,250
Impairment of goodwill	6	4,632	52,517	-	-
Depreciation		878,496	896,747	740,932	743,196
Interest payable and similar charges		4,219,811	6,036,447	4,111,471	5,589,317
		21,897	38,125	21,773	37,928
		4,241,708	6,074,572	4,133,244	5,627,245
Operating surplus/(deficit) before taxation	22	551,530	(1,992,316)	271,923	(1,853,024)
Taxation	15	(193,581)	(225,870)	-	-
Surplus/(deficit) for the year transferred to accumulated fund	18	357,949	(2,218,186)	271,923	(1,853,024)

The accounting policies on pages 23 to 27 and the notes on pages 32 to 46 form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2010



	Note	The Group		The Exchange	
		2010 N'000	2009 N'000	2010 N'000	2009 N'000
Cash flows from operating activities					
Gross income		4,793,238	4,082,256	4,405,167	3,774,221
Payments to employees and suppliers		(3,515,693)	(5,729,123)	(3,239,410)	(4,991,422)
Interest and similar charges		(21,897)	(38,125)	(21,773)	(37,928)
Operating (deficit)/surplus before changes in operating assets and liabilities		1,255,648	(1,684,992)	1,143,984	(1,255,129)
Changes in operating assets and liabilities					
(Decrease)/increase in debtors and prepayments		(1,513,267)	48,584	(1,515,065)	59,310
Increase in stocks		(639)	(2,736)	(639)	(2,736)
Increase/(decrease) in creditors and accruals		2,323,482	(651,220)	2,364,949	(616,707)
Decrease in staff retirement benefits		(428,214)	(407,448)	(428,214)	(407,448)
Increase/(decrease) in fees received in advance		528	(70,618)	528	(70,618)
Decrease in security deposit		-	(5,670)	-	(5,670)
Decrease/(increase) in intercompany balances		-	-	6,280	(389,310)
Net cash provided/(used) in operating activities	23	1,637,538	(2,774,100)	1,571,823	(2,688,307)
Cash flows from investing activities					
Increase in construction in progress		(2,977)	-	-	-
Proceeds from sale of fixed assets		54,245	79	11,285	79
Purchase of fixed assets	2	(187,234)	(446,575)	(137,572)	(215,087)
Net cash used in investing activities		(135,966)	(446,496)	(126,287)	(215,008)
Net increase/(decrease) in cash and cash equivalents		1,501,572	(3,220,596)	1,445,536	(2,903,315)
Cash and cash equivalents at the beginning of the year		1,306,510	4,527,106	1,255,044	4,158,359
Cash and cash equivalents at the end of the year	11	2,808,082	1,306,510	2,700,580	1,255,044

The accounting policies on pages 23 to 27 and the notes on pages 32 to 46 form part of these financial statements.

FINANCIAL STATEMENTS



1. The Exchange

1.1 Legal form

These financial statements are the consolidated financial statements of The Nigerian Stock Exchange (The Exchange), which was incorporated in Nigeria as a private company limited by shares on 15 September, 1960 as Lagos Stock Exchange and its name was changed to the Nigerian Stock Exchange on 15 December 1977. It was re-incorporated as company limited by guarantee on 18 December 1990 and its subsidiaries (hereinafter collectively referred to as "the Group").

1.2 Principal activities

The principal activity of the Exchange is the provision of facilities to the public for the purchase and sale of bonds, stocks and shares of any kind.

2 Fixed assets

2.1 The Group

Summary	Freehold buildings N'000	Leasehold improvements N'000	Office equipment N'000	Furniture, fittings and fixtures N'000	Motor vehicles N'000	Total N'000
Cost/valuation						
At 1 January	2,083,717	1,375,859	3,353,093	607,802	889,099	8,309,570
Revaluation surplus	119,571	-	-	-	-	119,571
Additions	39,569	-	82,329	31,562	33,774	187,234
Disposals	(3,288)	-	(42,954)	(815)	(50,559)	(97,616)
At 31 December	2,239,569	1,375,859	3,392,468	638,549	872,314	8,518,759
Depreciation						
At 1 January	293,767	57,434	1,131,730	252,965	594,600	2,330,496
Eliminated on revaluation	(293,075)	-	-	-	-	(293,075)
Charge for the year	56,147	27,729	559,550	74,610	160,460	878,496
Disposal	(758)	-	-	(810)	(49,421)	(50,989)
At 31 December	56,081	85,163	1,691,280	326,765	705,639	2,864,928
Net book value						
At 31 December 2010	2,183,489	1,290,696	1,701,188	311,784	166,675	5,653,832
At 31 December 2009	1,789,950	1,318,425	2,221,363	354,836	294,499	5,979,073

- i Certain items of Leasehold improvements have been reclassified as Freehold buildings during the year to give a more meaningful classification.
- ii "Freehold building at 2/4 Customs Street, Lagos (with an initial cost of N903,829,000) was revalued on the basis of an open market valuation for existing use in March, 2005 at N1,500,000,000 by Messrs Triumph Real Estate (Estate Surveyors and Valuers). The revaluation surplus of N596,171,000 at the revaluation date has been included in the revaluation reserve. On 5 March, 2010, the Freehold building at 2/4 Customs Street, Lagos was revalued at N2,200,000,000 by Messrs Ora Egbunike & Associates (Estate Surveyors, Valuers and Facilities Managers). The surplus on revaluation was transferred to revaluation reserve."

2.2 The Exchange Summary	Freehold buildings N'000	Leasehold improvements N'000	Office equipment N'000	Furniture, fittings and fixtures N'000	Motor vehicles N'000	Total N'000
Cost						
At 1 January	3,288	1,375,859	2,607,389	536,357	886,399	5,409,292
Additions	-	-	82,329	21,470	33,773	137,572
Disposals	(3,288)	-	-	(815)	(50,558)	(54,661)
At 31 December	-	1,375,859	2,689,718	557,012	869,614	5,492,203
Depreciation						
At 1 January	692	57,434	928,452	220,766	592,125	1,799,469
Charge for the year	66	27,489	490,753	62,389	160,235	740,932
Disposal	(758)	-	-	(810)	(49,421)	(50,989)
At 31 December	-	84,923	1,419,205	282,345	702,939	2,489,412
Net book value						
At 31 December 2010	-	1,290,936	1,270,513	274,667	166,675	3,002,791
At 31 December 2009	2,596	1,318,425	1,678,937	315,590	294,274	3,609,822

- i Certain items of Leasehold improvements have been reclassified as Freehold buildings during the year to give a more meaningful classification.

	The Group		The Exchange	
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
3. Investment in subsidiaries				
NSE Consult Limited	-	-	1,000	1,000
Coral Properties Plc	-	-	72,000	72,000
Naira Properties Limited	-	-	945,700	945,700
Provision for diminution in value (note 3.1)	-	-	1,018,700 (73,000)	1,018,700 (73,000)
	-	-	945,700	945,700

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2010 (Cont'd)

	The Group		The Exchange	
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
3.1 Provision for impairment				
At 1 January	-	-	73,000	72,000
Arising during the year	-	-	-	1,000
At 31 December	-	-	73,000	73,000

3.2 Information on subsidiaries

The Exchange has three subsidiaries:

	%
NSE Consult Limited	100
Coral Properties Plc	100
Naira Properties Limited	100

All the subsidiary companies are incorporated in Nigeria. The results of all subsidiaries have been consolidated with those of The Exchange except for Coral Properties Plc.

(a) NSE Consult Limited

The Consult was incorporated on 19 May 2004 and commenced business on 15 April 2005. Its principal objective is to carry on business as consultants, financial advisers and analysts, and to carry on business as the investment and private sector arm/subsidiary of The Nigerian Stock Exchange.

(B) Coral Properties Plc

Coral Properties Plc was incorporated in Nigeria as a private limited liability company on 20 May 1993 and became a public Company on 29 August 1995.

(c) Naira Properties Limited

Naira Properties Limited was incorporated on 29th June 1974 as a limited liability company. The company became a wholly owned subsidiary of the Exchange in 2005 when the Daily Times' divested its 60% equity interest in the company. The company's main activities are property letting and investment.

	The Group		The Exchange	
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
4. Investment in associated company				
Central Securities Clearing System Limited (note 4.1)	3,188,496	3,035,934	387,804	387,804
4.1 Central Securities and Clearing System Limited				
Cost of investment on acquisition	387,804	387,804	387,804	387,804
Share of profit of previous years	2,648,130	2,520,276	-	-
	3,035,934	2,908,080	387,804	387,804
Share of current year profit @ 27%	445,133	473,268	-	-
Share of current year tax @ 27%	(157,571)	(142,914)	-	-
Dividend received	(135,000)	(202,500)	-	-
	3,188,496	3,035,934	387,804	387,804

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2010 (Cont'd)

4.2 Central Securities and Clearing System Limited (CSCS) was incorporated in Nigeria as a private limited liability company on 29 July 1992 and commenced operations on 14 April 1997. The principal activities of the Company are to function as central depositories for all share certificates of quoted securities including government stocks; clearing and settlement of stocks traded on the floors of The Nigerian Stock Exchange; to provide custodian services for share certificates of local and foreign investors and act as sub-registry for all quoted securities in conjunction with registrars of quoted companies. The Nigerian Stock Exchange owns only 27% of the shares of the Company.

	The Group		The Exchange	
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
5. Investment in quoted equities				
12.5% FRN Development Stock 2011 [Market value -N401,000 (2009 - N401,000)]	401	401	401	401
Equities [Market value -N14,410,234 (2009 - N13,737,375)]	4,208	4,208	4,208	4,208
Managed funds (note 5.1)	600,000	600,000		
	604,609	604,609	4,609	4,609
Provision for diminution in value	(270,716)	(282,233)		-
	333,893	322,376	4,609	4,609

5.1 Managed funds represents investments held with various portfolio managers. The investments are in quoted equities on discretionary basis. Provision is made for any impairment or diminution in the value of investment.

	The Group		The Exchange	
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
6. Goodwill				
At 1 January	9,268	61,785	-	-
Impairment	(4,632)	(52,517)	-	-
At 31 December	4,635	9,268	-	-

This represents the excess of the purchase consideration over the fair value of the aggregate assets of the subsidiary (Naira Properties Limited) at the time of acquisition in 2005. Goodwill arising on the acquisition has been subjected to tests for impairment as at 31 December, 2010 in accordance with the provision of the statement of Accounting Standard (SAS) 26 and was found by the Council to be impaired.

7. Inventories				
Stationery	7,072	2,357	7,072	2,357
Souvenirs	4,888	114	4,888	114
Library books	5,175	14,025	5,175	14,025
	17,135	16,496	17,135	16,496

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2010 (Cont'd)

	The Group		The Exchange	
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
8. Debtors and prepayments				
Trade debtors				
- Listing fees	232,114	247,215	232,114	247,215
- Transaction levy	190,236	243,629	190,236	243,629
- Eligibility fees	-	191,764	-	136,397
- Rent receivable	47,940		-	-
Interest receivable	15,256	19,728	15,256	19,728
Prepayments and other debit balances	18,485	138,950	18,485	138,951
Staff debtors	120,517	140,309	120,517	140,310
Due from NSE/CSCS Multipurpose Cooperative Society (note 8.1)	274,979	200,000	274,979	200,000
Deferred recovery of bonuses (note 8.2 and note 13.2)	1,482,565		1,482,565	-
Gratuity scheme funds (note 16.3)	307,143	276,337	307,143	276,337
Sundry debtors	10,106	4,477	-	-
	2,699,341	1,462,411	2,641,295	1,402,567
Provision for doubtful accounts (note 8.3)	(499,005)	(493,745)	(473,940)	(468,680)
	2,200,336	968,666	2,167,355	933,887
8.1	Included in amount due from NSE/CSCS Multipurpose Cooperative Society is N150 million which represents payments charged to but disputed by NSE/CSCS Multipurpose Co-operative Society in connection with the purchase of shares. Effort is being made by management to recover this amount and this transaction is currently the subject of a litigation.			
8.2	Between 2006 - 2008, N1.39billion was distributed to certain Council members as share of surplus. Because this payment is against section 26(3) of Companies and Allied Matters Act 1990, the Securities and Exchange Commission directed The Exchange to recover the money from the Council Members involved. Refunds amounting to N607million (note 13.1) have been received and are maintained in an escrow account with FCMB. Part of the outstanding balance of N783.8million (note 13) is the subject of a litigation on account of a dispute over the basis of payment.			
8.3	Provision for doubtful accounts			
At 1 January	493,745	369,218	468,680	369,218
From newly consolidated subsidiaries	-	25,065	-	-
	493,745	394,283	468,680	369,218
Arising during the year	141,002	99,462	141,002	99,462
Provision no longer required	(135,742)	-	(135,742)	-
At 31 December	499,005	493,745	473,940	468,680
9. Construction in progress				
Due from Coral Properties Plc	1,677,640	1,674,663	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2010 (Cont'd)

This represents the total funds disbursed by The Exchange as at 31 December 2010 on behalf of one of its subsidiaries; Coral Properties Limited towards the construction of a commercial building of 15 floors in Port Harcourt, Rivers State of Nigeria. The construction is still in progress.

Construction work on site has stopped since 2008. The company's Directors has decided to put up the building for sale.

	The Exchange	
	2010	2009
	N'000	N'000
10. Intercompany balances		
Due from Coral Properties Plc	1,677,640	1,674,663
Due from NSE Consult Limited	640,569	637,297
Due from Naira Properties Limited	1,707,825	1,720,353
	4,026,034	4,032,314
Provision for doubtful accounts (note 10.1)	(270,716)	(282,233)
	3,755,318	3,750,081

10.1 Provision for doubtful accounts

At 1 January	282,233	535,844
Arising during the year	-	149,824
Provision no longer required	(11,517)	(403,435)
At 31 December	270,716	282,233

	The Group	The Group	The Exchange	
	2010	2009	2010	2009
	N'000	N'000	N'000	N'000
11. Cash and short term funds				
Cash	84,162	29,068	24	-
Current accounts	1,562,977	550,087	1,562,977	550,090
Escrow account with FCMB (note 8.2)	611,632	-	611,632	-
Fixed deposits	549,311	727,355	525,947	704,954
	2,808,082	1,306,510	2,700,580	1,255,044
Provision for doubtful accounts	(172,294)	(27,294)	(172,294)	(27,294)
	2,635,789	1,279,216	2,528,286	1,227,750

11.1 Provision for doubtful accounts

At 1 January	27,294	27,294	27,294	27,294
Arising during the year	145,000	-	145,000	-
At 31 December	172,294	27,294	172,294	27,294

12. Fees received in advance

This represents listing fees received from certain companies for the purpose of listing their shares on the floor of The Exchange for which the process had not been concluded as at 31 December 2010.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2010 (Cont'd)

	The Group		The Exchange	
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
13. Creditors and accruals				
Accrued expenses	262,073	436,263	231,974	351,474
Due to Central Securities Clearing System Limited	928,287	1,045,324	928,287	1,045,324
Escrow account with FCMB (note 13.1 and 8.2)	611,631	-	611,631	-
Subsidiary's preference share	300	300	-	-
Due to African Securities Exchanges Association	13,531	723	-	-
Deferred recovery of bonuses (note 13.2 and note 8.2)	1,482,565	-	1,482,565	-
Deferred recovery from NSE/CSCS Multipurpose Cooperative Society	114,979	-	114,979	-
Tax on prior periods' bonuses (note 13.3)	366,686	-	366,686	-
Other liabilities	506,395	480,355	401,191	375,566
	4,286,447	1,962,965	4,137,313	1,772,364

13.1 Escrow account with FCMB

Principal amount	607,000	-	607,000	-
Interest	4,631	-	4,631	-
	611,631	-	611,631	-

	As council members	As staff members	Outstanding amount	2009 N'000
	2010 N'000	2009 N'000	2010 N'000	
13.2 Deferred recovery of bonuses				
1 Alhaji Mohamadu Koguna	67,000	-	67,000	-
2 Raymond Obieri	110,000	-	110,000	-
3 Dr Mrs Ndi-Okereke Onyiuke	146,800	445,754	592,554	-
4 Erastus Akingbola	80,000	-	80,000	-
5 Chidi Ajaegbu	50,000	-	50,000	-
6 Hauwa Audu	55,000	-	55,000	-
7 Babatunde Sobamowo	64,000	-	64,000	-
8 Nduka Nwonye	64,000	-	64,000	-
9 Lance Elakama	56,000	253,011	309,011	-
10 Josephine Igbinosun	11,000	-	11,000	-
11 Alhaji Mukhtar Alkali	50,000	-	50,000	-
12 Reginald Abbey Hart	30,000	-	30,000	-
	783,800	698,765	1,482,565	-

13.3 Between 2006 and 2009, bonuses were paid to managers and staff of The Exchange. The personal income tax effect amounts to N366.6 million. Full provision has been made in the current year for this amount.

14. Security deposits

This represents security deposit collected by The Exchange on behalf of Investors Protection Fund ("the Fund") from newly registered stockbroking firms as a guarantee to investors for mitigating against loss which was remitted subsequent after the year end.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2010 (Cont'd)

	The Group		The Exchange	
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
15. Taxation				
Income tax	13,521	1,130	-	-
Share of associate's tax	157,571	142,914	-	-
Deferred taxation	22,489	81,826	-	-
	193,581	225,870	-	-
At 1 January	51,826	-	-	-
From newly consolidated subsidiaries	-	50,696	-	-
Share of associate profit	(157,571)	(142,914)	-	-
Deferred taxation	(22,489)	(81,826)	-	-
At 31 December	65,347	51,826	-	-

The charge for income tax in these financial statements is based on the provisions of the Companies Income Tax Act, CAP C21 LFN 2004 (Laws of the Federation of Nigeria CAP 60) as amended.

The Exchange in 2004 exercised its rights under Section 23(1) of Companies Income Tax Act, CAP 21, LFN 2004 (as amended) to apply for tax exempt status. The Federal Board of Inland Revenue upheld that the income of the Exchange is not liable to tax since it is a company limited by guarantee.

	The Group		The Exchange	
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
16. Staff gratuity and pensions:				
1. Per income and expenditure account				
Provision for staff gratuity:				
- excess on fund assets	(307,143)	(276,337)	(307,143)	(276,337)
- release during the year	(113,130)	-	(113,130)	-
Provision for pension scheme:				
- Charge for the year	117,216	133,339	117,216	133,339
- Release for the year	(215,227)	-	(215,227)	-
	(518,284)	(142,998)	(518,284)	(142,998)
2. Per balance sheet				
Pension				
At 1 January	215,227	81,888	215,227	81,888
Charge for the year	117,216	133,339	117,216	133,339
Release for the year	(215,227)	-	(215,227)	-
Payment to fund managers	(117,216)	-	(117,216)	-
At 31 December	-	215,227	-	215,227
Gratuity				
At 1 January	1,508,419	2,049,206	1,508,419	2,049,206
Release for the year	(113,130)	-	(113,130)	-
Payments to fund managers	(99,857)	(540,787)	(99,857)	(540,787)
At 31 December	1,295,432	1,508,419	1,295,432	1,508,419
	1,295,432	1,723,646	1,295,432	1,723,646

3. Transition of pension scheme

"The Exchange discontinued the staff defined benefit pension scheme and transitioned to the contributory pension scheme effective 31 December, 2009. The respective members' retirement savings accounts have been credited with the transfer values of N2.1 billion that were determined in the actuarial valuation report at transition date.

The National Pension Commission with an approval letter reference number PENCOM/SURV/NSE/10/05 dated 20 May 2010 approved the discontinuance.

The actuarial valuation as at 31 December 2009 of The Nigerian Stock Exchange staff pension scheme, which was carried out by B. A Adigun and Associates, disclosed a surplus of N55.9 million. Excess provision of N215.227 million in the books of the Exchange was released during the year."

4. Transition of gratuity scheme

"At its meeting held on 16 March 2011, the Council of The Nigerian Stock Exchange resolved to terminate the Staff Gratuity Scheme with effect from 31 March, 2011. Final entitlements due to members of staff that have spent a minimum of five years by 31 March, 2011 was determined."

The Staff Gratuity is based on a defined benefit scheme and the rates are proportionate to length of service applied to terminal remuneration.

Eligible staff shall only access their gratuity benefits upon disengagement from the services of The Exchange or at the discretion of Council on the recommendation of Management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2010 (Cont'd)

	2010 N'000	2009 N'000
Funding status		
Gratuity liabilities	1,295,432	1,508,419
Gratuity scheme fund assets	(307,143)	(276,337)
Funding deficit (note 16.5)	988,289	1,232,082

The gratuity fund is managed under a management agreement with Capital Assurance Limited.

5. The Council has decided to fund the shortfall over the next four years beginning from 2011.

	The Group		The Exchange	
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
17. Deferred tax				
At 1 January	388,747	-	-	-
Arising during the year	22,489	81,826	-	-
From newly consolidated subsidiaries	-	306,921	-	-
At 31 December	411,236	388,747	-	-
18. Accumulated fund				
At 1 January	8,560,337	9,231,163	7,378,139	9,231,163
From newly consolidated subsidiaries	-	(972,916)	-	-
Previous year's share of associate's profit	-	2,520,276	-	-
Surplus/(deficit) for the year	8,560,337 357,949	10,778,523 (2,218,186)	7,378,139 271,923	9,231,163 (1,853,024)
Prior year adjustment	(276,337)	-	(276,337)	-
At 31 December	8,641,949	8,560,337	7,373,725	7,378,139

The prior year adjustment represents the gratuity scheme fund's balance of N276.3 million as at 31 December 2009 incorporated into the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2010 (Cont'd)

	The Group		The Exchange	
	2010	2009	2010	2009
	N'000	N'000	N'000	N'000
19. Revaluation reserve				
At 1 January	596,171	596,171	-	-
Current year revaluation surplus	119,571	-	-	-
Accumulated depreciation eliminated on revaluation	293,075	-	-	-
At 31 December	1,008,817	596,171	-	-
20. Gross fees				
Listing fees	453,474	690,979	453,474	690,979
Entrance levy	1,045,414	393,203	1,045,414	393,203
Transaction levy	2,354,559	1,953,038	2,354,559	1,953,038
Other fees	157,587	202,325	292,587	404,826
	4,011,033	3,239,545	4,146,034	3,442,046
21. Other income				
Sundry income	239,795	325,389	161,856	288,183
Automated Trading System (ATS) training fees	3,616	2,554	3,616	2,554
Other Income	-	63	-	-
Penalty	65,580	13,799	65,580	13,799
Fact book advert	10,521	6,265	10,521	6,265
Remote trading access fees	8,768	1,945	8,768	1,945
Seminars	3,413	4,600	3,413	4,600
Insurance claims	5,379	14,829	5,379	14,829
	337,072	369,443	259,133	332,175
22. Operating surplus/(deficit) before taxation				
This is stated after charging/(crediting):				
Depreciation	878,496	896,747	740,932	896,747
Council sitting allowance	53,086	79,448	53,186	79,448
Other council expenses	12,319	19,755	12,319	19,755
Director General's/Interim Administrator's emoluments	126,672	126,672	126,672	126,672
Auditors' remuneration	26,500	26,250	25,000	25,000
Exchange (gain)	-	(16,965)	-	(16,965)
(Profit)/loss on disposal of fixed assets	(7,616)	13,458	(7,616)	13,458

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2010 (Cont'd)

	The Group		The Exchange	
	2010 N'000	2009 N'000	2010 N'000	2009 N'000
23. Reconciliation of operating surplus to net cash provided/(used) by operating activities				
Operating surplus/(deficit)	357,949	(2,218,186)	271,923	(1,853,024)
Adjustments to reconcile net income to net cash provided from operations:				
Depreciation	878,496	896,747	740,932	743,196
(Profit)/loss on sales of fixed assets	(7,616)	13,458	(7,616)	13,458
Impairment of goodwill	4,632	52,517	-	-
Share of associate's profit	(445,133)	(473,268)	-	-
Dividend received from associate	135,000	202,500	-	-
Provision for tax	193,581	-	-	-
Provision for doubtful accounts	138,738	(158,759)	138,745	(158,759)
Prior year adjustment	(276,337)	-	(276,337)	-
	1,255,647	(1,684,991)	1,143,984	(1,255,129)
Changes in assets and liabilities:				
Increase in inventories	(639)	(2,736)	(639)	(2,736)
(Decrease)/increase in debtors and prepayments	(1,513,267)	48,584	(1,515,065)	59,310
Increase/(decrease) in creditors and accruals	2,323,483	(651,220)	2,364,949	(616,707)
Decrease in staff retirement benefits	(428,214)	(407,448)	(428,214)	(407,448)
Increase/(decrease) in fees received in advance	528	(70,618)	528	(70,618)
Decrease in security deposit	-	(5,671)	-	(5,670)
Decrease/(increase) in intercompany balances	-	-	6,280	(389,310)
Net cash provided/(used) in operating activities	1,637,538	(2,774,100)	1,571,823	(2,688,307)

24. Employees

24.1 The number of employees in receipt of emoluments within the following ranges were:

N	The Group		The Exchange	
	2010 Number	2009 Number	2010 Number	2009 Number
0 - 100,000	8	20	8	20
100,001 - 200,000	20	36	20	36
200,001 - 300,000	32	56	32	56
300,001 - 400,000	21	31	21	31
400,001 - 500,000	10	7	10	7
500,001 - Above	35	50	35	50

24.2 The average number of persons employed by the Group and The Exchange in the financial year were as follows:

	Group		The Exchange	
	2010 Number	2009 Number	2010 Number	2009 Number
Managerial	10	17	10	17
Senior staff	88	110	88	110
Junior staff	28	73	28	73
	126	200	126	200

24.3 Staff costs	N'000	N'000	N'000	N'000
Salaries and allowances	1,464,386	1,669,524	1,464,386	1,662,526
Pensions and gratuity	(518,284)	(142,998)	(518,284)	(142,998)
Medical expenses	41,289	94,343	41,289	94,343
Tax on prior periods' bonuses	366,686	-	366,686	-
	1,354,077	1,620,869	1,354,077	1,613,871

25. Guarantees and other commitments

25.1 Contingent liabilities

There were contingent liabilities in respect of claims and litigation against The Exchange some of which The Exchange is only a nominal party. As at 31 December 2010, contingent liabilities stood at N944,900,782 (2009:N224,100,482). These claims arose in the normal course of business and are being contested by the Exchange. The Council, having sought advice of professional legal counsel is of the opinion that no significant liability will crystallize from these cases hence no provision has been made.

25.2 Financial commitments

The Council is of the opinion that all known liabilities and commitments which are relevant in assessing the state of affairs of the Group and The Exchange, have been taken into consideration in the preparation of these financial statements.

26. Reclassification of comparative figures

Where necessary, certain comparative figures have been reclassified to give a more meaningful comparison and to conform to changes in presentation in the current year.

27. Post-balance sheet event

Subsequent to the financial year end, the Securities and Exchange Commission (SEC) approved the appointment of a new executive management made by the National Council of the Exchange. Oscar Onyema was appointed as The Exchange's new Chief Executive Officer and Ade Bajomo was appointed the new Executive Director, Market Operations and Technology. Mr. Onyema resumed duties on 4 April 2011 while Mr. Bajomo resumed duties on 3 May 2011.



28. Segment reporting

28.1 Business segment

The group is divided into three main business segments on a nationwide basis:

- Regulatory services - Regulating the activities of all stockbroking firms in Nigeria while providing them the facilities for the purchase and sale of bonds, stocks and shares of any kind.
- Consultancy services - Providing consultancy, financial advisory & analysis and investment services to both the private and public sectors of Nigeria.
- Property management - Providing property letting, property management and to the members of the public.

At 31 December 2010	Regulatory N'000	Consultancy N'000	Property management N'000	Total N'000
Gross Income	4,715,301	2,611	75,326	4,793,238
Operating Surplus/(Deficit) before taxation	682,078	(1,537)	(129,012)	551,530
Taxation	(157,571)	-	(36,010)	(193,581)
Operating Surplus/(Deficit) for the year	524,507	(1,537)	(165,022)	357,950
Depreciation for the year	740,932	553	137,011	878,496
Segment assets	12,808,998	380,048	2,522,711	15,711,756
Segment liabilities	5,435,273	134,086	491,631	6,060,990
Other segment information				
Accumulated depreciation	2,489,412	6,386	369,130	2,864,928

VALUE ADDED STATEMENT

FOR THE YEAR ENDED 31 DECEMBER, 2010

	2010		The Group 2009		2010		The Exchange 2009	
	N'000	%	N'000	%	N'000	%	N'000	%
Gross income	4,793,238		4,082,256		4,405,167		3,774,221	
Bought -in materials and Services [Local]	2,009,135		(3,556,956)		(2,038,235)		(3,673,613)	
Value added	2,784,103	100	525,300	100	2,366,932	100	504,043	100
Applied as follows:								
In payment of employees: Staff costs	1,354,077	49	1,620,869	309	1,354,077	57	1,613,871	320
In payment to government: Taxation	171,092	6	144,044	27	-	-	-	-
Replacement of assets and expansion of business:								
Deferred taxation	22,489	1	81,826	16	-	-	-	-
Depreciation on fixed assets	878,496	32	896,747	171	740,932	31	743,196	147
Surplus/(deficit) for the year	357,949	12	(2,218,186)	(422)	271,923	12	(1,853,024)	(367)
	2,784,103	100	525,300	100	2,366,932	100	504,043	100

Value added is the wealth created by the efforts of the Group and The Exchange and its employees and its allocation between employees, shareholders, government and re-investment for the future creation of further wealth.

FIVE YEAR FINANCIAL SUMMARY

	The Group		The Exchange				
	2010 N'000	2009 N'000	2010 N'000	2009 N'000	2008 N'000	2007 N'000	2006 N'000
Assets							
Fixed assets	5,653,832	5,979,073	3,002,791	3,609,822	4,151,468	989,840	464,981
Investment in subsidiaries	-	-	945,700	945,700	945,700	946,700	950,067
Investment in associated company	3,188,496	3,035,934	387,804	387,804	387,804	387,804	387,804
Investment in quoted equities	333,893	322,376	4,609	4,609	-	-	-
Goodwill	4,635	9,268	-	-	-	-	-
Stocks	17,135	16,496	17,135	16,496	13,760	11,638	20,242
Debtors and prepayments	2,200,336	968,666	2,167,355	933,887	539,985	1,347,392	438,484
Construction In progress	1,677,640	1,674,663	-	-	-	-	-
Inter company balances	-	-	3,755,318	3,750,081	3,107,160	2,255,213	47,023
Cash and short term funds	2,635,789	1,279,216	2,528,286	1,227,750	4,683,740	9,029,927	2,628,745
	15,711,756	13,285,692	12,808,998	10,876,149	13,829,617	14,968,514	4,937,346
Liabilities							
Overdraft	-	-	-	-	70,618	-	-
Fees received in advance	528	-	528	-	-	1,744,626	757,877
Provision for staff gratuity and pension	1,295,432	1,723,646	1,295,432	1,723,646	2,131,094	1,242,113	1,074,502
Taxation	65,347	51,826	-	-	-	-	-
Deferred taxation	411,236	388,747	-	-	-	-	-
Creditors and accruals	4,286,447	1,962,965	4,137,313	1,772,364	2,389,071	4,760,597	852,464
Security deposits	2,000	2,000	2,000	2,000	7,671	3,000	25,535
	6,060,990	4,129,184	5,435,273	3,498,010	4,598,454	7,750,336	2,710,378
Reserves							
Development fund	-	-	-	-	-	-	7,380
Revaluation reserve	1,008,817	596,171	-	-	-	-	-
Accumulated fund	8,641,949	8,560,337	7,373,725	7,378,139	9,231,163	7,218,178	2,219,588
	9,650,766	9,156,508	7,373,725	7,378,139	9,231,163	7,218,178	2,226,968
	15,711,756	13,285,692	12,808,998	10,876,149	13,829,617	14,968,514	4,937,346
Income and expenditure							
Total income	4,793,238	4,082,256	4,405,167	3,774,221	18,709,943	16,180,231	5,744,358
Operating surplus/(deficit) before taxation	551,530	(1,992,316)	271,923	(1,853,024)	2,012,985	4,991,210	1,338,942
Taxation	(193,581)	(225,870)	-	-	-	-	-
Operating surplus/(deficit) after taxation	357,949	(2,218,186)	271,923	(1,853,024)	2,012,985	4,991,210	1,338,942
Transfer to development fund	-	-	-	-	-	-	(1,000)
Surplus/(deficit) for the year	357,949	(2,218,186)	271,923	(1,853,024)	2,012,985	4,991,210	1,337,942

MARKET REPORT



COMPARATIVE TRADING ACTIVITIES (1968 - 2010)

PERIOD	GOVERNMENT STOCKS (N)	INDUSTRIAL/ EQUITIES (N)	TOTAL (N)
1967/68	12,607,120	279,856	12,886,976
1968/69	17,330,820	102,294	17,433,114
1969/70	15,634,480	221,800	15,856,280
1970/71	30,544,260	3,080,100	33,624,360
1971/72	26,738,800	1,303,242	28,042,042
1972/73	26,125,520	671,534	26,797,054
1973/74	99,348,520	1,261,995	100,610,515
1974/75	63,664,830	549,322	64,214,152
1975/76	80,634,830	788,853	81,423,683
1976/77	153,849,760	2,271,990	156,121,750
1977/78	226,961,915	3,045,040	230,006,955
1978/79	143,500,740	1,987,401	145,488,141
1979/80	512,034,222	10,816,784	522,851,006
1981	326,178,957	6,119,169	332,298,126
1982	208,215,689	8,188,927	216,404,616
1983	384,870,312	13,000,755	397,871,067
1984	234,115,541	15,702,860	249,818,401
1985	287,840,413	23,264,741	311,105,154
1986	475,846,312	11,986,021	487,832,333
1987	282,251,808	4,045,706	286,297,514
1988	215,829,622	34,485,043	250,314,665
1989	582,430,369	71,129,746	653,560,115
1990	172,801,696	133,540,209	306,341,905
1991	92,675,151	141,864,629	234,539,780
1992	85,020,960	406,547,508	491,568,468
1993	84,258,773	577,796,580	662,055,353
1994	15,202,218	970,679,018	985,881,236
1995	0.00	1,838,838,622	1,838,838,622
1996	90,033,365	6,972,754,416	7,062,787,781
1997	140,006,265	10,932,044,322	11,072,050,587
1998	15,558,832	13,555,289,669	13,570,848,501
1999	827,121	14,081,521,735	14,082,348,856
2000	8,120,399	28,146,458,410	28,154,578,809
2001	24,591,381	57,612,604,539	57,637,195,920
2002	1,009,564,210	59,311,332,162.08	60,320,896,372.08
2003	281,160,000	120,421,876,169.35	120,703,036,169.35
2004	300,015,175	225,520,515,560.07	225,820,530,735.07
2005	7,321,040,000	255,616,316,433.28	262,937,356,433.28
2006	1,593,360,000	468,660,440,979.77	470,253,800,979.77
2007	0.00	2,086,294,593,691.07	2,086,294,593,691.07
2008	1,000,000.00	2,379,142,699,671.75	2,379,143,699,671.75
2009	0.00	685,717,121,523.38	685,717,121,523.38
2010	3,252,300.00	797,547,911,279.91	797,551,163,579.91

SUMMARY OF TRADING ACTIVITIES BY CATEGORY

JANUARY - FEBRUARY - MARCH, 2010



SECTOR	JANUARY		FEBRUARY		MARCH	
	VOLUME	VALUE	VOLUME	VALUE	VOLUME	VALUE
FED. GOVT. DEV. STOCK	0	0.00	0	0.00	0	0.00
CORPORATE/PREFERENCE/SUB_NAT. BONDS	0	0.00	3,000	3,252,300.00	0	0.00
EQUITIES						
AGRICULTURE/AGRO-ALLIED	70,656,755	71,343,046.04	67,757,896	78,876,561.49	79,085,679	128,315,903.23
AIRLINES SERVICES	23,245,820	161,426,540.59	28,367,070	223,274,967.23	37,910,529	296,946,117.58
AUTOMOBILE & TYRE	87,350,200	58,504,351.28	42,964,176	48,231,992.39	50,659,432	136,031,838.91
BANKING	4,323,350,375	31,432,191,614.62	4,035,574,232	32,865,614,642.09	5,819,740,761	59,047,389,289.03
BREWERIES	43,373,225	2,350,324,956.22	35,582,491	2,299,542,523.45	63,430,214	3,151,247,309.66
BUILDING MATERIALS	69,091,177	1,641,732,858.09	135,353,273	3,189,465,232.02	139,978,047	3,949,171,369.19
CHEMICAL & PAINTS	2,517,434	12,680,601.75	121,829,081	579,520,089.72	6,153,650	45,522,073.42
COMMERCIAL/SERVICES	216,055,543	752,587,685.86	53,577,426	47,420,186.08	59,952,130	150,158,601.68
COMPUTER & OFFICE EQUIPMENT	34,700,676	21,759,136.71	13,805,336	12,274,830.52	32,876,940	20,310,404.75
CONGLOMERATES	246,744,049	1,594,700,094.35	208,629,936	2,542,200,012.80	383,417,114	3,789,786,221.18
CONSTRUCTION	140,229,803	454,805,510.08	90,834,448	310,126,589.61	39,943,672	609,936,340.50
ENGINEERING TECHNOLOGY	2,386,509	6,992,131.77	3,391,172	6,506,851.60	9,389,272	10,093,373.72
FOOD/BEVERAGES & TOBACCO	356,258,169	4,320,781,266.83	290,966,091	4,813,659,752.45	447,897,547	7,210,389,720.82
FOOTWEAR	4,139,594	16,351,538.50	234	856.44	6,800	24,888.00
HEALTHCARE	82,465,213	211,222,227.37	91,718,134	253,506,949.31	135,124,720	446,929,019.21
HOTEL & TOURISM	43,539,866	63,822,137.95	20,024,708	36,722,321.49	18,638,980	53,301,156.75
INDUSTRIAL/DOMESTIC PRODUCT	12,449,161	58,960,536.67	32,311,759	129,121,053.73	24,305,017	149,140,972.41
INFORMATION & COMMUNICATION	140,235,088	171,711,955.25	735,152,033	2,433,233,661.77	166,033,183	259,492,722.45
INSURANCE	1,119,854,201	1,252,634,235.82	1,179,356,236	1,185,619,424.06	1,977,306,755	2,347,678,798.96
LEASING	22,014,127	53,552,017.87	12,579,526	32,502,192.38	56,176,216	181,861,788.67
MARITIME	74,756,798	94,538,235.68	100,574,642	124,215,058.53	126,704,121	169,562,643.16
MEDIA	10,154,365	6,260,348.35	21,237,746	14,771,227.67	35,303,607	26,228,137.57
MORTGAGE COMPANIES	373,420,286	234,408,608.39	236,988,125	159,180,924.52	275,244,653	178,797,099.05
OTHER FINANCIAL INSTITUTIONS	94,897,045	63,381,623.05	117,067,823	108,335,842.04	146,985,653	133,903,622.89
PACKAGING	223,953,319	372,223,139.09	46,528,480	107,512,815.10	127,682,115	427,117,012.04
PETROLEUM(MARKETING)	25,742,811	563,846,675.95	48,883,775	1,330,572,480.95	117,123,870	6,715,109,167.02
PRINTING & PUBLISHING	7,086,962	44,481,706.63	6,469,508	33,950,287.86	11,817,616	75,168,978.88
REAL ESTATE	2,563,242	52,119,958.83	4,662,301	93,724,552.80	29,009,525	608,330,250.89
REAL ESTATE INVESTMENT	5,500	550,000.00	35,510	3,551,000.00	7,250	725,000.00
ROAD TRANSPORTATION	7,599,677	6,567,820.12	2,120,055	1,951,792.79	11,025,313	11,168,653.16
TEXTILES	592,062	1,006,882.49	86,531	122,874.02	1,079,363	1,531,953.46
THE FOREIGN LISTINGS	26,355,642	389,297,621.92	63,251,937	985,291,706.98	30,740,144	526,454,213.13
SECOND TIER SECURITIES	394,028,666	202,528,918.64	10,466,753	7,264,672.69	273,597,001	139,052,777.85
GRAND TOTAL	8,281,823,360	46,739,295,982.76	7,858,148,444	54,057,863,926.58	10,734,236,889	90,996,877,419.22

SUMMARY OF TRADING ACTIVITIES BY CATEGORY

APRIL - MAY - JUNE, 2010

SECTOR	APRIL		MAY		JUNE	
	VOLUME	VALUE	VOLUME	VALUE	VOLUME	VALUE
FED. GOVT. DEV. STOCK	0	0.00	0	0.00	0	0.00
CORPORATE/PREFERENCE/SUB_NAT. BONDS	0	0.00	0	0.00	0	0.00
EQUITIES						
AGRICULTURE/AGRO-ALLIED	105,692,000	240,560,846.04	86,649,717	387,041,725.41	118,490,590	165,922,657.27
AIRLINES SERVICES	76,868,916	831,723,453.45	45,712,210	544,690,292.68	32,223,602	330,900,598.54
AUTOMOBILE & TYRE	285,665,300	600,149,895.73	60,877,776	186,523,053.72	22,673,020	39,757,580.10
BANKING	5,270,646,631	59,754,455,208.01	3,879,504,300	36,311,042,752.44	3,772,928,252	33,365,970,392.97
BREWERIES	85,524,611	5,971,995,360.04	125,184,580	7,630,161,492.70	123,465,143	6,930,997,016.77
BUILDING MATERIALS	184,470,092	6,054,670,563.42	85,280,166	3,008,093,008.91	80,212,705	2,489,308,115.07
CHEMICAL & PAINTS	10,471,986	58,408,779.11	13,009,776	115,805,892.78	4,754,340	91,495,423.24
COMMERCIAL/SERVICES	82,214,087	139,188,892.65	84,777,898	129,493,038.94	102,081,886	112,757,710.72
COMPUTER & OFFICE EQUIPMENT	40,865,989	30,656,987.73	36,280,237	25,494,012.30	21,771,779	12,348,947.28
CONGLOMERATES	225,974,617	3,990,774,777.45	131,287,914	3,408,462,315.78	156,397,843	2,339,999,883.83
CONSTRUCTION	129,590,011	2,487,117,622.83	34,428,802	483,381,833.71	44,570,973	786,378,937.79
ENGINEERING TECHNOLOGY	143,470,494	109,885,939.93	11,760,407	20,586,525.82	137,338,398	148,111,776.95
ENGINEERING TECHNOLOGY	585,172,603	12,362,840,474.21	389,887,408	8,336,228,340.11	248,535,375	6,095,890,861.60
FOOD/BEVERAGES & TOBACCO						
FOOTWEAR	2,400	8,974.00	50,678	185,467.44	240	874.80
HEALTHCARE	192,888,216	616,180,348.13	164,243,897	617,365,754.02	111,718,779	778,178,444.14
HOTEL & TOURISM	31,630,722	88,229,948.13	247,483,305	830,201,288.86	117,747,940	550,354,824.36
INDUSTRIAL/DOMESTIC PRODUCT	19,137,781	114,097,439.23	18,579,223	129,612,732.91	24,938,699	79,330,257.16
INFORMATION & COMMUNICATIONS	326,299,357	430,139,456.99	260,616,945	490,021,938.24	332,459,827	388,395,833.35
INSURANCE	3,162,050,821	3,081,757,074.62	1,602,982,144	2,003,705,164.96	898,356,521	1,120,376,438.85
INSURANCE	81,765,730	303,134,281.65	28,019,574	95,955,577.89	30,331,864	91,161,222.51
LEASING	240,121,968	428,944,913.15	176,266,173	332,682,247.19	109,584,639	186,938,243.73
MARITIME	53,606,268	49,800,485.23	18,992,243	13,314,722.90	16,809,271	10,921,052.39
MEDIA	698,306,379	415,206,140.79	317,770,923	176,615,132.35	102,029,264	57,138,276.89
MORTGAGE COMPANIES	82,930,297	70,836,179.16	98,995,878	90,550,447.35	54,648,693	44,348,401.43
OTHER FINANCIAL INSTITUTIONS	111,988,695	452,698,181.18	89,800,211	293,270,592.67	80,594,343	251,521,961.77
PACKAGING	104,065,406	7,370,256,661.70	99,711,201	7,959,589,999.32	56,050,259	2,729,555,937.96
PETROLEUM(MARKETING)	10,064,964	81,092,621.67	13,682,474	102,368,882.25	8,291,481	52,333,885.34
PRINTING & PUBLISHING	33,680,804	827,940,265.26	35,600,339	838,102,323.13	11,881,233	250,277,016.95
REAL ESTATE						
REAL ESTATE INVESTMENT	0	0.00	8,100	810,000.00	161,410	16,141,000.00
ROAD TRANSPORTATION	16,317,868	17,785,673.99	6,567,389	6,208,241.39	8,878,269	7,453,454.90
TEXTILES	35,308	48,660.15	132,238	182,097.18	347,902	465,272.24
THE FOREIGN LISTINGS	64,684,173	1,249,575,783.68	82,262,489	1,570,083,809.14	66,143,856	1,099,687,283.16
SECOND TIER SECURITIES	140,807,564	76,617,182.84	3,215,074	2,377,527.99	209,093,136	104,836,326.20
GRAND TOTAL	12,597,012,058	108,306,779,073.44	8,249,621,689	76,140,208,232.48	7,105,511,532	60,729,155,910.26

SUMMARY OF TRADING ACTIVITIES BY CATEGORY

JULY - AUGUST - SEPTEMBER, 2010

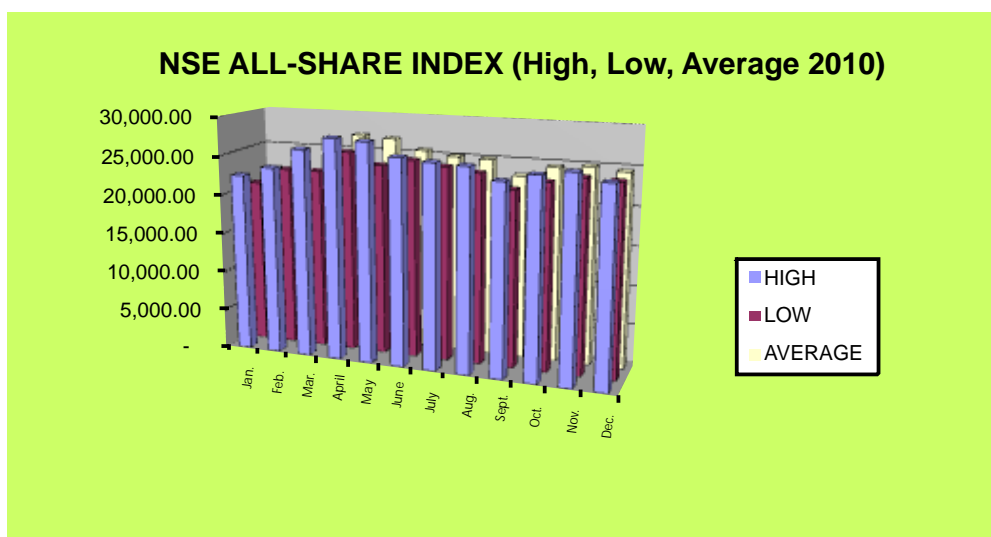
SECTOR	JULY		AUGUST		SEPTEMBER	
	VOLUME	VALUE	VOLUME	VALUE	VOLUME	VALUE
FED. GOVT. DEV. STOCK	0	0.00	0	0.00	0	0.00
CORPORATE/PREFERENCE/SUB_NAT. BONDS	8,000	8,631,500.00	2,000	2,255,000.00	0	0.00
EQUITIES						
AGRICULTURE/AGRO-ALLIED	46,458,970	118,966,473.87	45,793,832	305,457,796.91	31,695,737	81,704,593.42
AIRLINES SERVICES	21,715,045	202,176,043.80	15,406,993	148,329,887.28	16,028,479	145,552,338.07
AUTOMOBILE & TYRE	11,770,215	23,849,256.11	136,000,195	485,082,234.81	45,872,049	141,641,208.79
BANKING	4,220,352,269	32,882,327,024.01	2,745,476,302	22,816,441,995.35	2,808,259,842	22,368,582,272.87
BREWERIES	59,323,065	3,502,200,931.67	75,256,709	5,196,231,522.12	49,631,913	3,627,767,685.53
BUILDING MATERIALS	64,885,306	2,055,267,150.77	68,444,537	2,361,875,371.40	188,116,123	6,844,199,027.18
CHEMICAL & PAINTS	6,322,924	84,559,549.82	4,921,617	56,788,601.63	4,885,312	52,580,292.17
COMMERCIAL/SERVICES	41,740,571	106,591,679.28	17,087,149	27,983,791.46	14,056,636	39,595,955.97
COMPUTER & OFFICE EQUIPMENT	20,193,873	12,815,331.32	11,075,746	6,759,638.57	654,928	1,950,931.92
CONGLOMERATES	570,929,355	3,787,327,018.67	145,257,544	2,076,795,877.17	268,147,033	3,247,860,130.12
CONSTRUCTION	132,457,777	349,267,315.55	115,301,501	385,565,142.14	33,200,435	851,725,822.01
ENGINEERING TECHNOLOGY	1,256,852	2,271,863.39	2,265,416	3,204,961.51	2,582,066	4,062,672.67
FOOD/BEVERAGES & TOBACCO	267,717,514	6,773,125,620.61	217,129,504	5,343,146,969.50	178,765,412	5,238,541,940.60
FOOTWEAR	5,672	20,469.90	50,170	174,591.60	830	2,747.30
HEALTHCARE	54,195,677	305,854,446.33	58,527,827	268,578,980.28	80,437,420	107,482,599.13
HOTEL & TOURISM	242,390,283	1,088,549,371.12	37,066,362	43,439,909.71	25,357,923	29,047,656.78
INDUSTRIAL/DOMESTIC PRODUCT	15,248,010	87,911,319.65	81,427,754	82,828,925.18	16,168,105	58,612,694.60
INFORMATION COMMUNICATION	211,142,141	228,103,890.40	147,396,746	172,032,425.28	75,122,661	131,327,928.62
INSURANCE	1,004,118,449	1,050,652,145.94	706,174,129	749,754,714.06	481,497,019	430,011,487.61
LEASING	22,517,854	66,830,711.29	5,678,189	15,335,398.82	1,771,078	4,440,662.06
MACHINERY (MARKETING)	0	0.00	0	0.00	0	0.00
MARITIME	73,407,787	108,788,830.55	111,099,301	143,712,881.19	157,754,579	176,535,500.02
MEDIA	6,226,341	4,042,128.91	10,623,252	5,613,373.53	9,786,986	5,473,787.98
MORTGAGE COMPANIES	110,821,195	61,351,178.60	136,603,743	111,845,597.87	195,016,732	103,971,529.58
OTHER FINANCIAL INSTITUTIONS	14,008,077	8,220,319.57	15,490,596	8,659,322.32	15,141,320	7,796,116.59
PACKAGING	26,835,065	72,296,199.92	35,686,296	90,857,717.94	21,919,595	47,076,495.75
PETROLEUM(MARKETING)	77,026,997	4,166,178,264.07	133,787,941	4,918,684,370.03	58,168,397	2,847,771,518.73
PRINTING & PUBLISHING	19,233,412	145,565,983.31	9,771,848	68,098,233.44	4,803,289	28,982,997.52
REAL ESTATE	6,408,539	133,032,048.00	4,175,573	80,737,287.09	3,714,850	68,978,559.70
REAL ESTATE INVESTMENT	453,467	39,995,925.00	150,670	9,800,200.00	7,000	697,000.00
ROAD TRANSPORTATION	3,173,952	2,244,142.73	13,575,658	7,229,320.64	5,956,601	3,120,885.96
TEXTILES	476,980	544,205.92	738,401	662,427.49	974,899	755,277.98
THE FOREIGN LISTINGS	72,533,496	1,209,535,592.47	51,706,967	863,115,766.12	36,568,954	555,526,524.07
SECOND TIER SECURITIES	212,702,951	106,660,185.50	106,441,152	53,235,537.70	4,539,710	2,293,405.00
GRAND TOTAL	7,638,058,081	58,787,122,618.05	5,265,591,620	46,908,060,770.14	4,836,603,913	47,255,670,246.30

SUMMARY OF TRADING ACTIVITIES BY CATEGORY

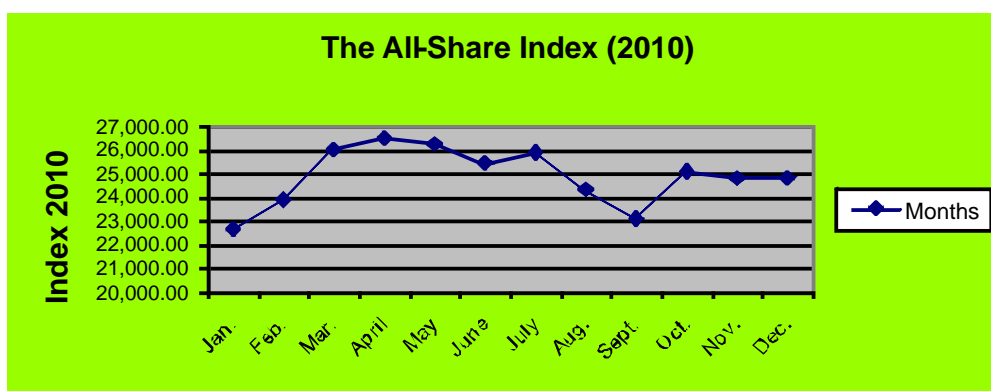
OCTOBER - NOVEMBER - DECEMBER, 2010

SECTOR	OCTOBER		NOVEMBER		DECEMBER	
	VOLUME	VALUE	VOLUME	VALUE	VOLUME	VALUE
FED. GOVT. DEV. STOCK	0	0.00	0	0.00	0	0.00
CORPORATE/PREFERENCE/SUB_NAT. BONDS	0	0.00	0	0.00	0	0.00
EQUITIES						
AGRICULTURE/AGRO-ALLIED	47,068,066	88,134,913.43	127,533,771	156,562,890.41	72,436,140	90,591,354.45
AIRLINES SERVICES	171,943,458	505,295,302.70	76,152,935	318,204,600.33	10,598,139	85,700,101.06
AUTOMOBILE & TYRE	28,654,481	76,786,602.29	11,262,260	24,625,489.11	11,733,278	24,292,907.53
BANKING	3,872,204,693	30,809,215,112.61	4,949,371,930	35,514,537,678.11	3,827,172,531	34,905,281,342.65
BREWERIES	86,560,447	8,160,170,651.03	60,456,798	4,703,265,843.96	34,597,746	2,746,875,760.76
BUILDING MATERIALS	329,492,013	31,968,725,822.15	75,116,363	4,385,282,545.53	84,197,583	4,316,586,210.49
CHEMICAL & PAINTS	6,059,449	65,120,078.62	16,422,072	150,086,934.77	21,160,442	104,397,314.35
COMMERCIAL/SERVICES	11,346,415	25,311,333.91	26,363,564	31,116,504.65	4,461,449	11,366,343.72
COMPUTER & OFFICE EQUIPMENT	43,562,974	22,822,794.10	3,610,954	2,450,551.24	18,028,612	9,665,141.64
CONGLOMERATES	205,910,060	2,768,899,328.48	72,876,720	1,278,042,833.91	104,264,142	2,144,194,297.34
CONSTRUCTION	24,020,252	297,757,112.33	27,595,774	292,920,859.29	132,702,760	445,867,452.14
ENGINEERING TECHNOLOGY	4,089,415	7,351,337.92	3,960,234	7,005,291.33	4,327,545	7,563,816.53
FOOD/BEVERAGES & TOBACCO	351,719,439	10,069,018,734.67	173,698,983	6,102,031,115.95	217,620,755	5,517,104,791.80
FOOTWEAR	0	0.00	0	0.00	0	0.00
HEALTHCARE	30,546,666	135,649,877.72	25,851,913	132,003,980.26	91,841,844	333,211,818.40
HOTEL & TOURISM	40,453,970	61,836,591.84	42,001,310	72,270,586.83	56,109,015	141,819,663.37
INDUSTRIAL/DOMESTIC PRODUCT	23,657,485	110,743,233.08	22,374,153	86,005,558.48	22,070,271	80,064,668.14
INFORMATION COMMUNICATION	63,471,442	109,986,278.10	254,660,373	498,366,360.78	398,068,544	276,624,537.30
INSURANCE	893,137,766	595,544,287.55	801,517,732	580,223,125.96	1,009,268,079	658,553,208.31
LEASING	10,666,936	20,873,200.98	6,335,474	11,886,790.66	7,868,811	12,972,764.91
MACHINERY(MARKETING)	0	0.00	0	0.00	0	0.00
MARITIME	83,862,441	97,702,338.71	186,618,082	238,317,236.18	83,472,054	108,895,921.48
MEDIA	16,744,004	10,453,948.17	6,437,719	3,402,772.50	4,115,737	2,200,704.54
MORTGAGE COMPANIES	59,536,675	41,725,789.32	224,367,415	156,904,821.09	140,427,187	84,962,196.73
OTHER FINANCIAL INSTITUTIONS	7,859,685	4,522,520.90	29,443,411	14,770,363.63	24,155,817	21,084,512.19
PACKAGING	24,350,491	55,750,121.27	46,911,162	101,272,721.61	50,279,792	105,650,911.96
PETROLEUM(MARKETING)	107,434,270	4,440,588,143.62	84,291,060	4,688,613,991.80	60,901,809	2,467,065,924.43
PRINTING & PUBLISHING	3,794,572	23,689,789.08	6,269,379	42,831,557.36	6,663,922	42,478,175.14
REAL ESTATE	4,083,330	73,770,762.33	1,207,267	21,083,611.78	2,846,026	46,604,656.70
READ ESTATE INVESTMENT	8,000	800,000.00	465,250	23,740,750.00	93,130	5,835,550.00
ROAD TRANSPORTATION	136,697,551	72,386,322.73	14,937,937	9,359,458.26	4,651,132	2,468,539.92
TEXTILES	158,123	112,025.84	1,521,813	1,132,412.92	1,225,450	926,536.16
THE FOREIGN LISTINGS	20,873,280	322,300,633.35	44,754,432	685,946,968.74	119,181,633	1,874,610,444.59
SECOND TIER SECURITIES	4,220,248	2,134,310.50	9,750,250	4,951,390.40	562,685	528,711.51
GRAND TOTAL	6,714,188,097	91,045,179,299.33	7,434,138,490	60,339,217,597.83	6,627,104,060	56,676,046,280.24

MONTH	HIGH	LOW	AVERAGE
Jan.	22,594.00	20,838.90	22,002.59
Feb.	23,846.03	22,863.51	23,110.49
Mar.	26,411.97	22,923.91	24,252.57
April	28,029.78	25,607.30	27,058.39
May	27,859.99	24,227.26	26,857.69
June	26,232.57	25,154.26	25,625.49
July	25,905.36	24,609.30	25,128.99
Aug.	25,738.79	24,111.51	25,025.06
Sept.	24,247.33	22,407.50	23,253.52
Oct.	25,278.23	23,623.81	24,606.13
Nov.	25,891.13	24,462.73	24,954.29
Dec.	24,942.38	24,287.50	24,611.75



Jan.	22,594.90
Feb.	23,846.03
Mar.	25,966.25
April	26,453.20
May	26,183.21
June	25,384.14
July	25,844.18
Aug.	24,268.24
Sept.	23,050.59
Oct.	25,042.16
Nov.	24,764.65
Dec.	24,770.52



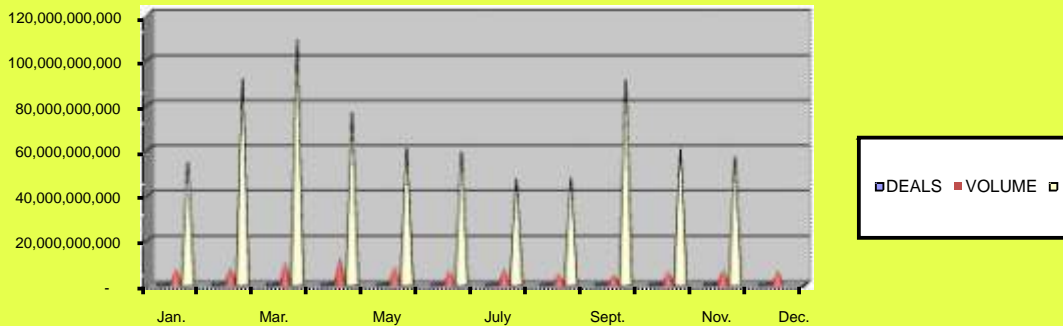
SUMMARY OF TRADING ACTIVITIES

JANUARY TO DECEMBER, 2010

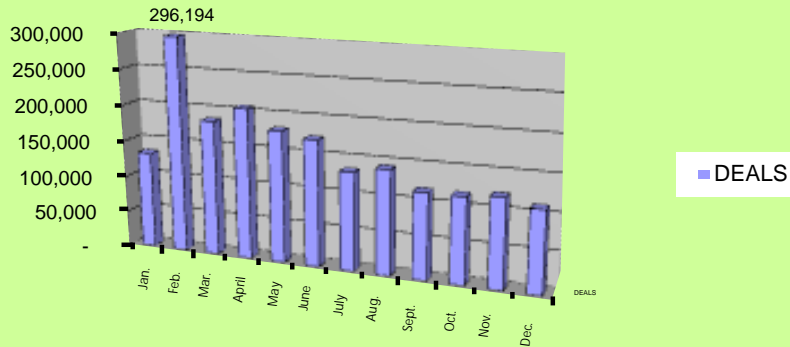
SUMMARY OF TRADING ACTIVITIES JAN -DEC, 2010

MONTH	DEALS	VOLUME	VALUE (N)
Jan.	133,112	7,858,151,444	46,739,295,982.76
Feb.	296,194	8,281,823,360	54,061,118,226.58
Mar.	185,643	10,734,236,889	90,996,877,419.22
April	206,182	12,597,012,058	108,306,779,073.44
May	180,489	8,249,621,689	76,140,208,232.48
June	172,861	7,105,511,532	60,729,155,910.26
July	134,220	7,638,058,081	58,795,754,118.05
Aug.	142,594	5,265,591,620	46,910,315,770.14
Sept.	117,366	4,836,603,913	47,255,670,246.30
Oct.	117,203	6,707,643,759	90,601,144,379.45
Nov.	121,531	7,434,138,490	60,339,217,597.83
Dec.	111,114	6,627,104,060	56,676,046,280.24

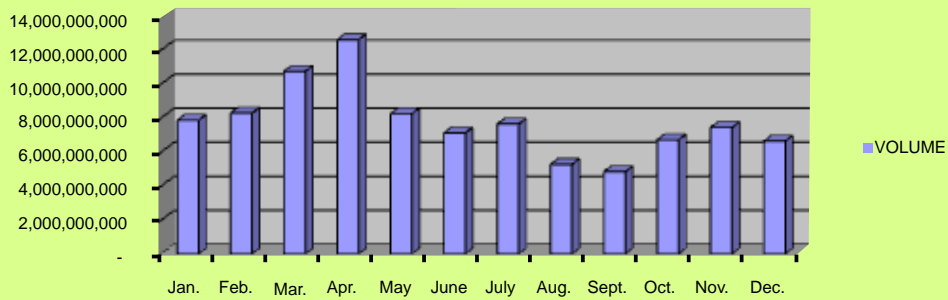
SUMMARY OF TRADING ACTIVITIES JAN -DEC, 2010



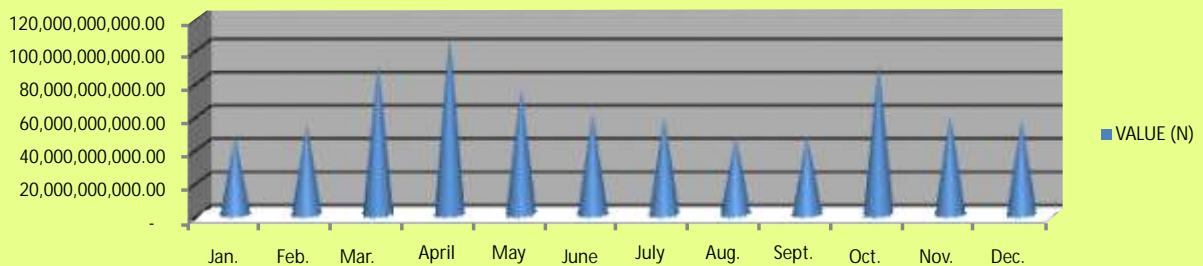
SUMMARY OF DEALS FROM JANUARY - DECEMBER 2010



VOLUME OF TRANSACTIONS (JANUARY - DECEMBER 2010)

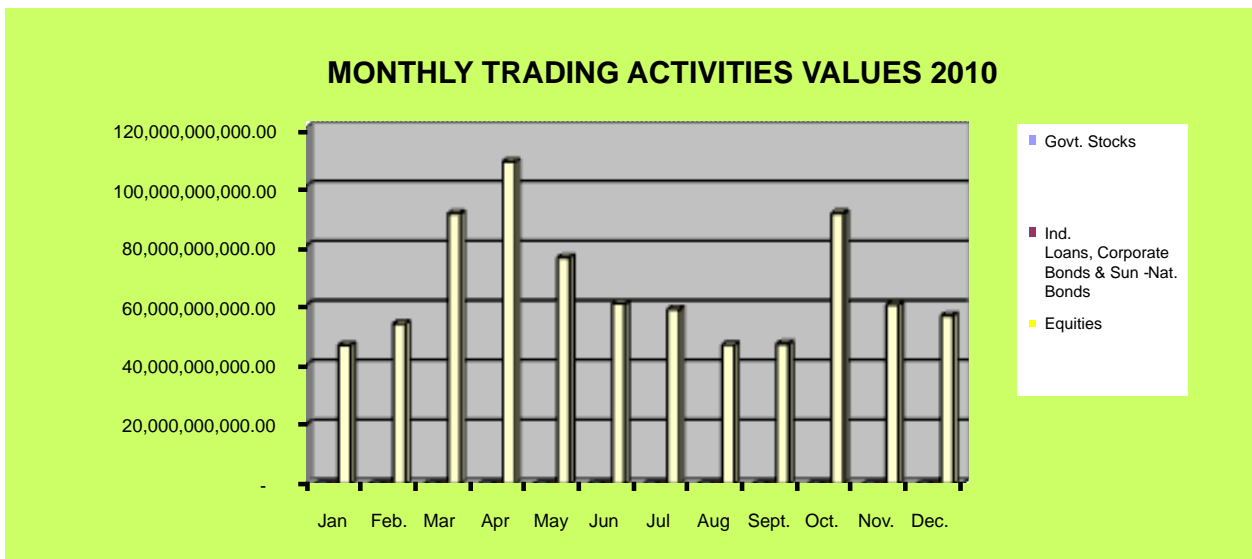


VALUE (N) OF TRANSACTIONS (JANUARY- DECEMBER 2010)



MONTHLY TRADING ACTIVITIES VALUES 2010

MONTHS	GOVERNMENT STOCKS ₦	CORP/PREF. SUB-NAT. BONDS ₦	EQUITIES ₦	TOTAL ₦
Jan.	-	-	46,739,295,982.76	46,739,295,982.76
Feb.	-	3,252,300.00	54,057,865,926.58	54,061,118,226.58
Mar.	-	-	90,996,877,419.22	90,996,877,419.22
April	-	-	108,306,779,073.44	108,306,779,073.44
May	-	-	76,140,208,232.48	76,140,208,232.48
June	-	-	60,729,155,910.26	60,729,155,910.26
July	-	8,631,500.00	58,787,122,618.05	58,795,754,118.05
Aug.	-	2,255,000.00	46,908,060,770.14	46,910,315,770.14
Sept.	-	-	47,255,670,246.30	47,255,670,246.30
Oct.	-	-	91,045,179,299.33	91,045,179,299.33
Nov.	-	-	60,339,217,597.83	60,339,217,597.83
Dec.	-	-	56,676,046,280.24	56,676,046,280.24

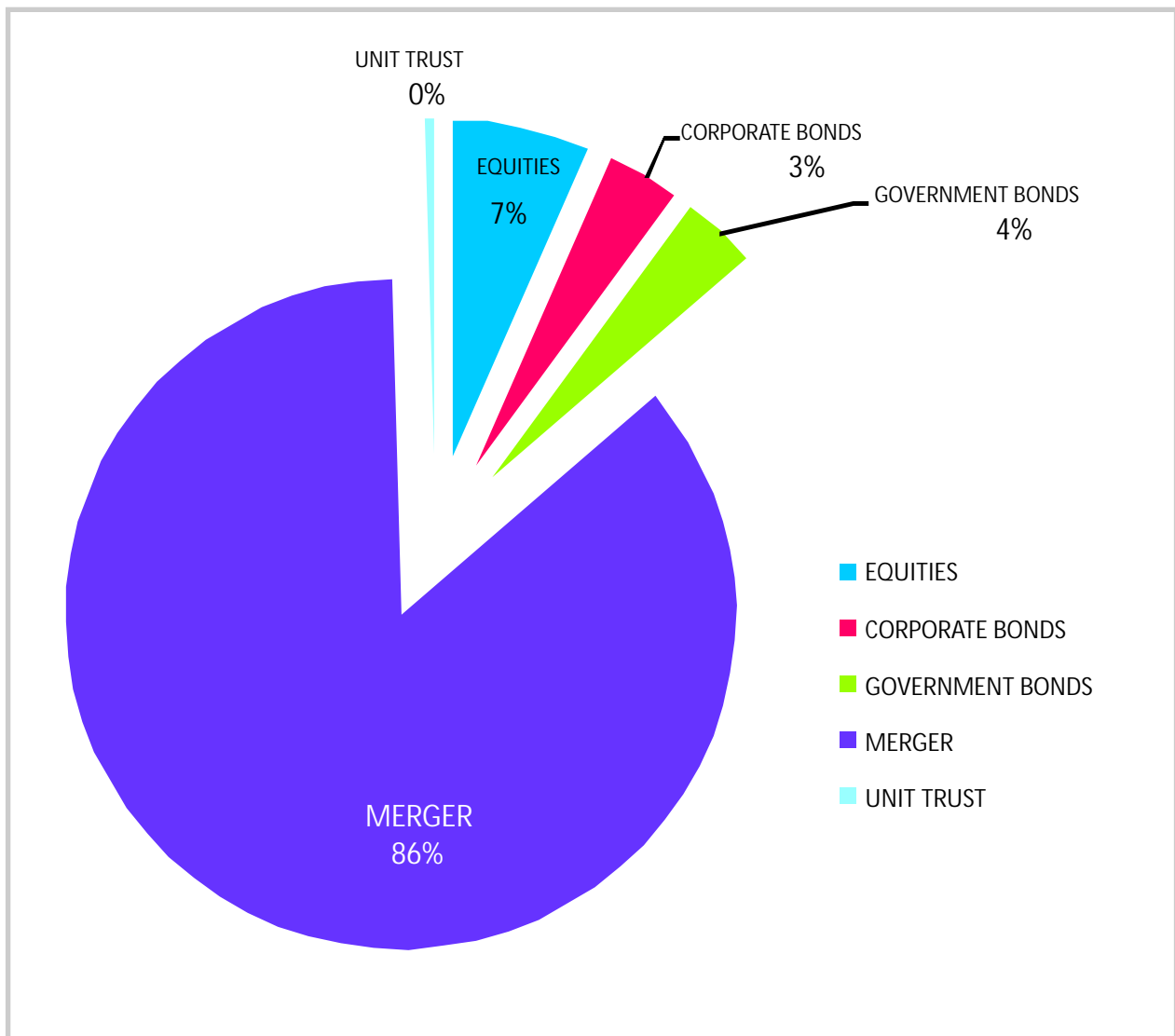


APPROVED NEW ISSUES IN 2010 (BY INSTRUMENT)

	NAME OF ISSUER	VOLUME	PRICE	EQUITIES	CORP. BOND	GOVT BOND	MERGER	UNIT TRUST	TOTAL
1	ECOBANK NIGERIA PLC	6,661,876,000	7.00	46,633,132,000					46,633,132,000
2	GTBANK	13,165,000	1,000		13,165,000,000				13,165,000,000
3	MUTUAL BENEFIT ASSURANCE	2,311,259,340	0.6	1,386,755,604					1,386,755,604
4	OANDO PLC	301,694,876	70	21,118,641,320					21,118,641,320
5a	ACCESS FIXED INCOME FUND	10,000,000	100					1,000,000,000	1,000,000,000
5b	ACCESS BALANCED FUND	10,000,000	100					1,000,000,000	1,000,000,000
6	TOURIST COMPANY OF NIGERIA PLC	634,585,472	3.79	2,405,078,939					2,405,078,939
7	BAYELSA STATE GOVERNMENT	50,000,000	1,000			50,000,000,000			50,000,000,000
8	DIAMOND CAPITAL BALANCED FUND	50,000,000	100					5,000,000,000	5,000,000,000
9	MULTI TREX INTERGRATED FOODS PLC	3,722,493,620	3.00	11,167,480,860					11,167,480,860
10	PAINTS AND COATINGS MANUFACTURING PLC	792,914,256	3.90	3,092,365,598					3,092,365,598
11	SIM CAPITAL ALLIANCE FUND PLC	50,000,000	103.50	5,175,000,000					5,175,000,000
12	STUDIO PRESS PLC	262,781,428	1.40	367,893,999					367,893,999
13	UNITY BANK PLC	23,928,142,026	1.00	23,928,142,026					23,928,142,026
14	TANTALIZERS PLC	261,627,907	0.86	225,000,000					225,000,000
15	STAGO INSURANCE PLC	1,609,825,989	0.50	804,912,995					804,912,995
16	SKYE BANK PLC	1,750,000,000	7.00	12,250,000,000					12,250,000,000
17	EBONYI STATE GOVT BOND	16,500,000	1000			16,500,000,000			16,500,000,000
18a	BGL NUBIAN FUND	500,000,000	1.00					500,000,000	500,000,000
18b	BGL SAPPHIRE FUND	2,000,000,000	1.00					2,000,000,000	2,000,000,000
19	WEMA BANK PLC	3,096,189,286	3.00	9,288,567,858					9,288,567,858
20	KADUNA STATE GOVT BOND	8,500,000	1,000			8,500,000,000			8,500,000,000
21	DEAP CAPITAL MGT TRUST PLC	750,000,000	1.00	750,000,000					750,000,000
22	DANGOTE CEMENT PLC	15,494,019,668	135				2,091,692,655,180		2,091,692,655,180
23	GREAT NIGERIA INSURANCE PLC	2,327,485,380	1.71	3,980,000,000					3,980,000,000
24	UACN PROP. DEVPT CO. PLC	15,000,000	1000		15,000,000,000				15,000,000,000
25	UNITED BANK FOR AFRICA PLC	20,000,000	1000		20,000,000,000				20,000,000,000
26	NEM INSURANCE PLC	303,580,147	0.50				151,790,074		151,790,074
27	NPF MICRO FINANCE BANK PLC	2,286,617,766	1.50	3,429,926,649					3,429,926,649
28	IHS NIGERIA PLC	3,610,120,570	3.25	11,732,891,853					11,732,891,853
29	GTBANK PLC	279,602,237	16.09	4,498,799,993					4,498,799,993
30	BENUUE STATE GOVT BOND	13,000,000	1,000			13,000,000,000			13,000,000,000
31	FLOUR MILLS OF NIG. PLC	37,500,000	1,000		37,500,000,000				37,500,000,000
		73,178,480,968		162,234,589,694	85,665,000,000	88,000,000,000	2,091,844,445,254	9,500,000,000	2,437,244,034,947

APPROVED NEW ISSUES IN 2010 (BY INSTRUMENT)

EQUITIES	162,234,589,694
CORPORATE BONDS	85,665,000,000
GOVERNMENT BONDS	88,000,000,000
MERGER	2,091,844,445,254
UNIT TRUST	9,500,000,000

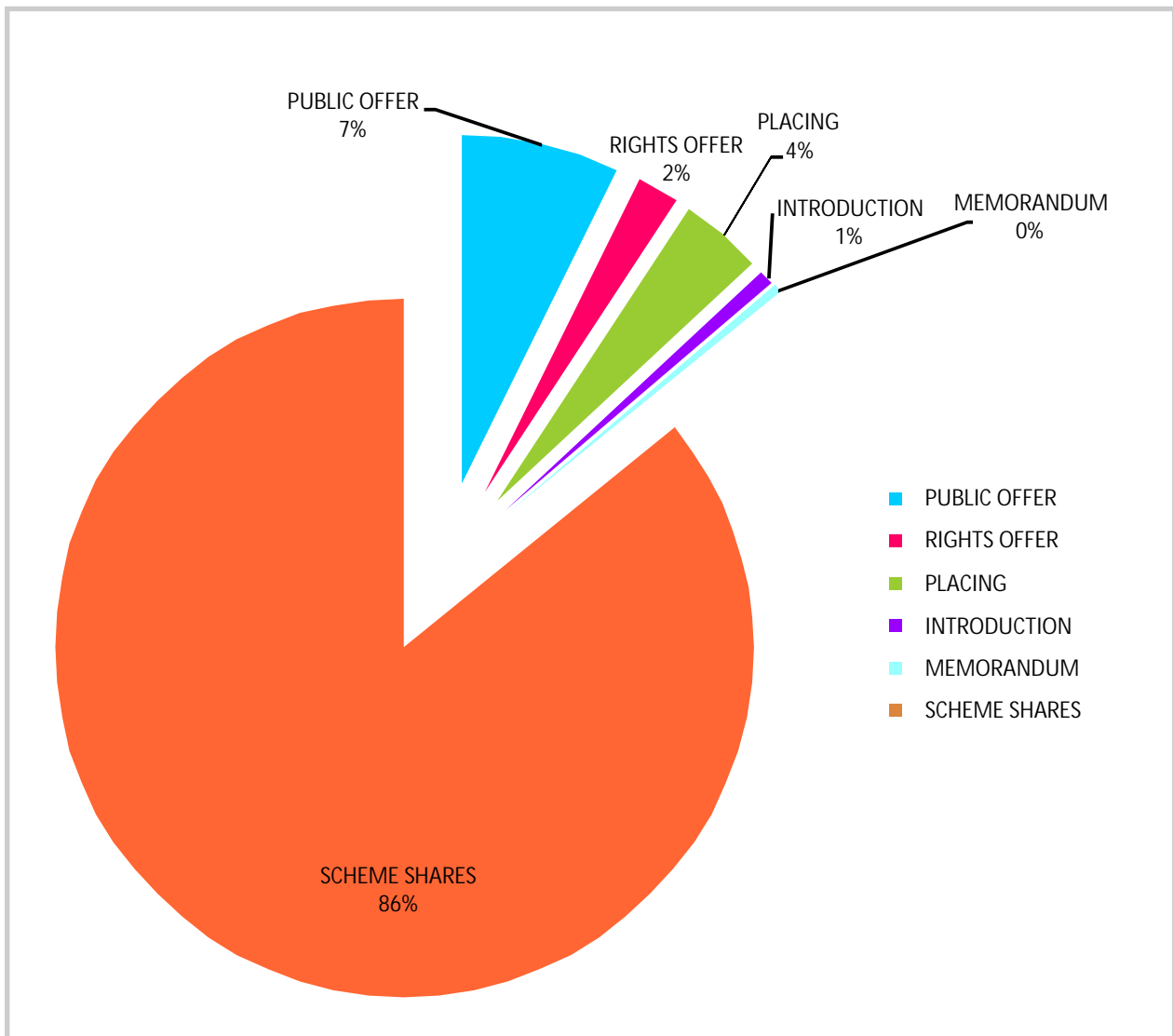


APPROVED NEW ISSUES IN 2010 (BY METHOD)

ISSUES' NAME	VOLUME	PRICE	PUBLIC OFFER	RIGHTS OFFER	PLACING	INTRODUCTION	MEMORANDUM	SCHEME SHARES	TOTAL
1 ECOBANK NIGERIA PLC	6,661,876,000	7.00			46,633,132,000				46,633,132,000
2 GTBANK	13,165,000	1000	13,165,000,000						13,165,000,000
3 MUTUAL BENEFIT ASSURANCE	2,311,259,340	0.6			1,386,755,604				1,386,755,604
4 OANDO PLC	301,694,876	70.00		21,118,641,320					21,118,641,320
5a ACCESS FIXED INCOME FUND	10,000,000	100.00					1,000,000,000		1,000,000,000
5b ACCESS BALANCED FUND	10,000,000	100.00					1,000,000,000		1,000,000,000
6 TOURIST COMPANY OF NIGERIA PLC	634,585,472	3.79			2,405,078,939				2,405,078,939
7 BAYELSA STATE GOVERNMENT	50,000,000	1000.00	50,000,000,000						50,000,000,000
8 DIAMOND CAPITAL BALANCED FUND	50,000,000	100.00					5,000,000,000		5,000,000,000
9 MULTITREX INTEGRATED FOODS PLC	3,722,493,620	3.00				11,167,480,860			11,167,480,860
10 PAINTS AND COATINGS MANUFACTURING PLC	792,914,256	3.90				3,092,365,598			3,092,365,598
11 SIM CAPITAL ALLIANCE FUND PLC	50,000,000	103.50	5,175,000,000						5,175,000,000
12 STUDIO PRESS PLC	262,781,428	1.40			367,893,999				367,893,999
13 UNITY BANK PLC	23,928,142,026	1.00		23,928,142,026					23,928,142,026
14 TANTALIZERS PLC	261,627,907	0.86			225,000,000				225,000,000
15 STACO INSURANCE PLC	1,609,825,989	0.50		804,912,995					804,912,995
16 SKYE BANK PLC	1,750,000,000	7.00			12,250,000,000				12,250,000,000
17 EBONYI STATE GOVT BOND	16,500,000	1000.00	16,500,000,000						16,500,000,000
18a BGL NUBIAN FUND	500,000,000	1.00					500,000,000		500,000,000
18b BGL SAPPHIRE FUND	2,000,000,000	1.00					2,000,000,000		2,000,000,000
19 WEMA BANK PLC	3,096,189,286	3.00			9,288,567,858				9,288,567,858
20 KADUNA STATE GOVT BOND	8,500,000	1000.00	8,500,000,000						8,500,000,000
21 DFAP CAPITAL MGT TRUST PLC	750,000,000	1.00		750,000,000					750,000,000
22 DANGOTE CEMENT PLC	15,494,019,668	135.00					2,091,692,655,180		2,091,692,655,180
23 GREAT NIGERIA INSURANCE PLC	2,327,485,380	1.71			3,980,000,000				3,980,000,000
24 UACN PROP. DEVPT CO. PLC	15,000,000	1000.00	15,000,000,000						15,000,000,000
25 UNITED BANK FOR AFRICA PLC	20,000,000	1000.00	20,000,000,000						20,000,000,000
26 NEM INSURANCE PLC	303,580,147	0.50					151,790,074		151,790,074
27 NPF MICRO FINANCE BANK PLC	2,286,617,766	1.50				3,429,926,649			3,429,926,649
28 IHS NIGERIA PLC	3,610,120,570	3.25			11,732,891,853				11,732,891,853
29 GTBANK PLC	279,602,237	16.09			4,498,799,993				4,498,799,993
30 BENUE STATE GOVT BOND	13,000,000	1000.00	13,000,000,000						13,000,000,000
31 FLOURMILLS OF NIG. PLC	37,500,000	1000.00	37,500,000,000						37,500,000,000
	73,178,480,968		178,840,000,000	46,601,696,341	92,768,120,246	17,689,773,107	9,500,000,000	2,091,844,445,254	2,437,244,034,947

APPROVED NEW ISSUES IN 2010 (BY METHOD)

PUBLIC OFFER	178,840,000,000
RIGHTS OFFER	46,601,696,341
PLACING	92,768,120,246
INTRODUCTION	17,689,773,107
MEMORANDUM	9,500,000,000
SCHEME SHARES	2,091,844,445,254



GROWTH IN THE NUMBER OF LISTED SECURITIES 1990 - 2010

Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Government Stocks	43	40	36	32	29	28	24	22	19	15	12	11	10	9	17	23	39	51	40	45	32
Industrial & Bond	43	57	62	66	70	67	69	60	59	58	53	56	53	56	52	50	47	47	46	5	15
Equities including SSM (1987)	131	142	153	174	177	181	183	182	186	196	196	194	195	200	207	214	202	212	213	216	217
Total	217	239	251	272	276	276	276	264	264	269	261	261	258	265	276	287	288	310	299	266	264

ACTIVE DEALING MEMBER FIRMS

1	Adonai Stockbrokers Limited (Formerly General Sec & Finance)	49	Decanon Investment Limited
2	Afribank Securities Limited (Formerly AIL Sec. Ltd)	50	Deep Trust & Investment Limited
3	Afrinvest West Africa Limited (Formerly Sec Trans & Trust Co. Ltd)	51	Delords Securities Limited
4	Aims Asset Management Limited	52	Diamond Securities Limited (Formerly Lynac and DBL)
5	Alangrange Securities Limited	53	Dominion Trust Limited
6	Allbond Investment Limited (Owerri)	54	Dunbell Securities Limited
7	Altrade Securities Limited	55	Dynamic Portfolio Limited
8	Amyr Investment Limited	56	DSU Brokerage Services Limited
9	Anchorage Securities & Finance Limited	57	ECL Asset Management Limited
10	Anchoria Investment & Securities Limited	58	EDC Securities Limited (ESL)
11	Apel asset & Trust Ltd	59	Emerging Capital Ltd
12	Apt Securities Limited	60	Emi Capital Resources Limited
13	Arian Capital Management Limited	61	Enterprise Stockbrokers Limited
14	ARM Securities Limited (formerly Hamilton Hammer & Co. Ltd)	62	Equity Capital Solutions Limited (formerly EBN Fin.)
15	Associated Asset Managers Ltd	63	Excel Securities Limited
16	Atlass Portfolio Ltd	64	Express Portfolio Services Limited (Kaduna)
17	Bestlink Investment Limited	65	Falcon Securities Limited
18	Bestworth Assets & Trust Limited	66	FBN Securities Limited (Premium Sec Ltd)
19	BFCL Asset & Securities Limited	67	FCSL Asset Management Company Limited (Formerly F&C Securities Limited)
20	BGL Securities Limited	68	Fidelity Finance Company Limited
21	Bytofel Trust & Securities Limited	69	Fidelity Securities Limited (formerly Fidelity Union Sec. Ltd)
22	Cardington Securities Limited (former Jamkol Investment Limited)	70	Finbank Securities Limited (formerly First Inland Securities Limited (IBN))
23	Camry Securities Limited (Formerly M & F Sec. Ltd)	71	Finmal Securities Limited (Abuja)
24	Capital Asset Limited	72	First Integrated Capital Management Limited
25	Capital Bancorp Limited (Bancorp Sec. Ltd)	73	First Stockbrokers Limited
26	Capital Express Securities Limited	74	Fittco Securities Limited
27	Capital Trust Brokers Limited	75	Financial Trust Company Limited
28	Cardinal Stone Securities Ltd (Formerly Plural Securities Limited)	76	Foresight Securities Limited
29	Cashcraft Asset Management Limited	77	Forte Financial Limited (Forte Asset Mgt Ltd)
30	Cashville Investment & Securities Limited	78	Forthright Securities & Investments Limited
31	Centre Point Investment Limited	79	Fortress Capital Limited (Heritage Investment & Securities Limited)
32	Chapel Hill Denham Securities Ltd (Denham Mgt Ltd)	80	Fountain Securities Limited
33	Chartwell Securities Limited	81	FSDH Securities Limited (Counters Trust Sec. Ltd)
34	Citi Investment Capital Limited	82	Funds Matrix & Assets Mgt Ltd
35	City Code Trust & Investment Company Limited	83	Futureview securities Limited
36	Clearview Investment & Securities Limited	84	Gem Assets Management Ltd
37	Compass Investment & Securities Limited	85	Gidauniya Investment & Securities Limited (Kano)
38	Consortium Investments Limited	86	Global Asset Management (Nig) Limited
39	Cordros Capital Limited	87	Global View Consult & Investment Limited
40	Core Trust & Investment Limited	88	GMT Assets (Rolex Securities Limited)
41	Covenant Securities & Asset Management Limited	89	Golden Securities Limited
42	Cowry Asset Management Limited	90	Gombe Securities Limited
43	Cradle Trust Finance & Securities Limited	91	Gosord Securities Limited
44	Crane Securities Limited	92	Greenwich Trust Limited
45	Crossworld Securities Limited	93	GTB Securities Ltd
46	Crown Capital Limited (Crown Wealth Assets Management Limited)	94	GTI Capital Limited
47	CSL Stockbrokers Limited	95	Harmony Investment & Securities Limited
48	DBSL Securities Limited	96	Heritage Capital Markets Limited (formerly C & I Heritage Ltd)

ACTIVE DEALING MEMBER FIRMS

97	Hedge Securities & Invest. Ltd	149	Options Securities Limited
98	Horizon Stockbrokers Limited	150	Partnership Investment Company Limited
99	ICMG securities Limited	151	Peace Capital Markets Ltd (abuja)
100	Icon Stockbrokers Limited	152	Phronesis Securities Limited
101	Imperial Assets Managers Limited	153	Pilot Securities Limited
102	IMTL Securities Limited (Investment Masters & Trust Limited)	154	Pinefields Securities Limited
103	Independent Securities Limited	155	PIPC Securities Limited (Jos)
104	Integrated Trust & Investment Limited	156	Platinum Capital Limited
105	Intercontinental Securities Limited	157	Peninsula Asset Management & Investment Company Limited
106	International Standard Securities Limited	158	PML Securities Limited
107	Interstate Securities Limited	159	Portfolio Advisers Limited
108	Investment Centre Limited (ICL)	160	Primewealth Capital Limited (Cooper Fleming Stockbrokers Limited)
109	Investors & Trust Company Limited	161	Prominent Securities Ltd 162 PSI Securities Limited
110	Kakawa Asset Management Limited	163	Pyramid Securities Limited
111	Kapital Care Trust & Securities Limited	164	Quantum Securities Limited
112	Kinley Securities Limited	165	Rainbow Securities Limited
113	Kofana Securities & Investment Limited	166	Readings Investment Ltd
114	Kundila Finance Services Limited (Kano)	167	Redasel Investments Limited (Ilorin)
115	Lakesworth Securities Limited	168	Regency Asset Management Limited
116	Lambeth Tust & investment Company Limited	169	Rencap Securities (Nig) Limited (formerly Fathak Investment Ltd)
117	LB Securities Limited	170	Resano Securities Limited
118	Lead Securities & Investment Limited	171	Resort Securities Limited
119	Lighthouse Security Limited	172	Reward Investmet & Service Limited
120	LMB Stockbrokers Limited	173	Rowet Capital Mgt Ltd (Lombard Sec. Ltd) - (Price Securities)
121	Long Term Global Capital Limited	174	Royal Crest Finance Limited
122	Mact Securities Limited (Maclaize Trust & Sec Ltd)	175	Royal Trust Securities (revalidated & commenced trading 23/3/2009)
123	Magnartis Finace & Investment Limited	176	Securities Solutions Limited
124	Mainland Trust Limited	177	Security Swaps Limited
125	Maninvest Securities Limited	178	Shalom Investment & Financial Services Limited
126	Marimpex Finance & Investment Company Ltd	(Shalom Invest & Sec. Ltd)
127	Marina Securities Limited	179	Shelong Invests Limited
128	Marriot Securities Limited	180	Sigma Securities Limited
129	Maxifund Investment & Securities Plc	181	Signet Investment & Securities Limited
130	Mayfield Investment Limited	182	Skye Stockbrokers Limited (PSL Limited)
131	MBC Securities Limited	183	Skyview Capital Ltd
132	Mega Equities Limited	184	Smadac Securities Limited
133	Mercov Securities Limited	185	Solid Rock Securities Limited
134	Meristem Securities Limited (Great Africa)	186	PAC Securities Limited (Formerly Spring Stockbrokers Limited) (A combination of Guardian Express Trust Limited+Niche Securities Limited + Three Stars Investment Limited
135	Midas Stockbrokers Limited	187	Spring Trust & Securities Limited
136	Midpoint Capital Limited	188	Springboard Trust & Investment Limited
137	Mission Securities Limited	189	Stanbic IBTC Stockbrokers Limited (Stanbic Equities Nig Limited)
138	Morgan Capital Limited (Intercapital Sec Ltd)	190	Standard Alliance Capital Asset Mgt Limited (Standard Alliance Money Ltd)
139	Mountain Investment & Securities Limited	191	Standard Union Securities Limited(Kano)
140	Mutual Alliance Investment & Securities Limited	192	Stanwal Securities Limited
141	Network Securities & Finance Limited		
142	Newdevco Finance Services Company Limited		
143	Nigerian International Securities Ltd		
144	Nigerian Stockbrokers Limited		
145	Northbridge Investment & Trust Limited		
146	Nova Finance & Securities Limited		
147	Oasis Capital Portfolio Limited (Formerly OMF Sec. & Fin. Ltd)		
148	Omas Investment & Trust Company Limited		

ACTIVE DEALING MEMBER FIRMS

193	Strategy & Arbitrage Limited
194	Summa Guaranty & Trust Company Limited
195	Summit Finance Limited
196	Surport Services Limited
197	TFS Securities Limited & Investment Company Limited
198	The Bridge Securities Limited
199	The Investors Advisers Limited (Formerly Maven Asset Ltd)
200	Tiddo Securities Limited (Abuja)
201	Tomil Investment Limited
202	Topmost Finance & Investment Limited
203	Tower asset Management Limited
204	Tower Securities & Investment Company Limited
205	Trade link Securities Limited
206	Traders Trust & Investment Co. Limited
207	Transafrica Securities Limited
208	Transworld Investment Limited
209	Trust Yield Securities Limited
210	Trusthouse Investment Limited
211	TRW Stockbrokers Limited
212	UBA Stockbrokers Limited
213	UIDC Securities Limited
214	Unex Capital Limited
215	Union Capital Markets Limited
216	Valmon Securities Limited
217	Valueline Securities Limited (Port Harcourt)
218	Vetiva Securities Limited (Vetiva Capital Management Limited)
219	Waila Securities and Funds Limited
220	Woodland Capital Markets Plc
221	WSTC Securities Limited (Wall Street Trust)
222	WT Securities Limited (Formely Silver Financial Services)
223	Yuderb Investment & Securities Ltd
224	Zenith Securities Limited
225	ESS Investment & Trust Limited
226	Century Securities Limited
227	Santrust Securities Limited

COUNCIL MEMBERS



Mallam Ballama Manu
Interim Head of Council



Mr. Oscar Onyema
Chief Executive Officer



Chief Reginald Abbey Hart, MON
2nd Vice President



Dr. Oba Otudeko, OFR
Past President



Alhaji Bello Maccido
National Member

COUNCIL MEMBERS



Mr Emmanuel Ikazoboh
National Member



Mr. Nsa Harrison
National Member



Mrs. Yemisi Ayeni
National Member



Mr. Abubakar Mahmoud, SAN
National Member



Mr. Abimbola Ogunbanjo
National Member



Mr. Bismarck Rewane
National Member



Mrs. Dorothy Ufot, SAN
National Member



Mr. Hassan Usman
National Member



Alhaji. Lamis Dikko
Institutional Member

COUNCIL MEMBERS



Dr. Francis Chukwujama
Dealing Member



Mr. Victor Ogiemwonyi
Council Member



Mr Henry Olayemi
Dealing Member



Mr Tofarati Augusto
Dealing Member



Alhaji Kurfi Garba
Dealing Member



Mr Ebilate Mac-Yoroki
Dealing Member



Mr. Chike Nwanze
Dealing Member



Mr. Akeem Oyewale
Dealing Member

LIST OF OFFICERS OF THE EXCHANGE

As At October 31, 2011



CEO and Divisional Heads

- | | | |
|----|---------------|--|
| 1. | Oscar Onyema | Chief Executive Officer |
| 2. | Adeolu Bajomo | Executive Director & Head, Market Operations & Technology Division |
| 3. | Bola Adeeko | Chief of Staff & Head, Corporate Division |

Officers from Principal Manager and Above

- | | | | |
|-----|---------------------|--------------------|--------------------------------|
| 1. | Taba Peterside | General Manager | Listings Sales & Retention |
| 2. | Tinuade Awe | General Manager | Legal (Acting) |
| 3. | Funso Fatobi | Dep. Gen. Manager | Branch Network |
| 4. | Ikponmwosa Obaseki | Dep. Gen. Manager | Market Operations & Technology |
| 5. | Olumide Lala | Dep. Gen. Manager | Transformation & Change |
| 6. | Ade Ewuosho | Asst. Gen. Manager | Market Operations & Technology |
| 7. | Sani Badamasi | Asst. Gen. Manager | Government Relations |
| 8. | Abdulmumini Yola | Asst. Gen. Manager | Administration |
| 9. | Adolphus Ekpe | Asst. Gen. Manager | Training |
| 10. | Josephine Igbinosun | Asst. Gen. Manager | Listings Regulation |
| 11. | Mohammed Momoh | Asst. Gen. Manager | Broker Dealer Regulation |
| 12. | Priscilla Njoku | Principal Manager | Administration |
| 13. | Elochukwu Uba | Principal Manager | Listings Regulation |
| 14. | Yvonne Emordi | Principal Manager | Strategy |
| 15. | Hauwa Zoaka | Principal Manager | Listings Regulation |
| 16. | Ebele Ogamba | Principal Manager | Training |
| 17. | Fidelis Imiebiakhe | Principal Manager | Finance (Acting) |
| 18. | Chinelo Onyechi | Principal Manager | Human Resources (Acting) |
| 19. | Cynthia Akpomudiare | Principal Manager | Listings Regulation |
| 20. | Ignatius Ezeja | Principal Manager | Market Operations & Technology |
| 21. | Abdulazeez Babalola | Principal Manager | Market Surveillance |
| 22. | Adeyemi Osoba | Principal Manager | Branch Network |
| 23. | Rasaq Ozemedede | Principal Manager | Internal Audit (Acting) |
| 24. | Udeme Ntukidem | Principal Manager | Listings Sales & Retention |
| 25. | Jiro Ejobe | Principal Manager | Market Operations & Technology |

Branch Managers

- | | | | |
|-----|--------------------|---------------------|---------------|
| 1. | Odunze Okechukwu | Manager | Owerri |
| 2. | Gide Aminu | Manager | Yola |
| 3. | Mohammed Mohammed | Manager | Kaduna |
| 4. | Ahmed Maigari | Manager | Bauchi |
| 5. | Oliver Achugbue | Manager | Onitsha |
| 6. | Ugochi Inko-Tariah | Manager | Port Harcourt |
| 7. | Kayode Ogun | Asst. Manager | Ibadan |
| 8. | Ubong Akpainyang | Asst. Manager | Uyo |
| 9. | Comfort Ogunsanya | Officer | Abeokuta |
| 10. | Usman Kadiri | Officer | Kano |
| 11. | Sunday Idornigie | Officer | Benin |
| 12. | Adedunmola Banu | Executive Assistant | Ilorin |

CEO, DIVISIONAL HEADS, AND HEADS OF DEPARTMENTS



Oscar Onyema
Chief Executive Officer



Adeolu Bajomo
Executive Director & Head,
Market Operations & Technology Division



Bola Adeeko
Chief of Staff & Head, Corporate Division



Taba Peterside
Listings Sales & Retention



Tinuade Awe
Legal (Acting)



Funso Fatobi
Branch Network



Ikponmwosa Obaseki
Market Operations



Olumide Lala
Transformation & Change



Sani Badamasi
Government Relations



Abdulmumini Yola
Administration

CEO, DIVISIONAL HEADS, AND HEADS OF DEPARTMENTS



Adolphus Ekpe
Training



Josephine Igbinosun
Listings Regulation



Mohammed Momoh
Broker Dealer Regulation



Yvonne Emordi
Strategy



Fidelis Imiebiakhe (Acting)
Finance



Chinele Onyechi (Acting)
Human Resources



Abdulazeez Babalola
Market Surveillance



Rasaan Ozemede (Acting)
Internal Audit



Wole Tokede (Acting)
Corporate Communications



Governor of Central Bank of Nigeria (CBN), Mallam Sanusi Lamido Sanusi; Interim President, The Nigerian Stock Exchange (NSE), Mallam Ballama Manu; Vice President of the Federal Republic of Nigeria, Arch Namadi Sambo; Lagos State Governor, Mr. Babatunde Raji Fashola (SAN) and Chairman, Securities and Exchange Commission (SEC), Senator Udoma Udo Udoma at the commemoration of 50 years of stock market trading in Nigeria.



Director General, Securities and Exchange Commission (SEC), Ms Arunma Oteh; Vice President of the Federal Republic of Nigeria, Arch Namadi Sambo; Lagos State Governor, Mr. Babatunde Raji Fashola (SAN); Chairman, Securities and Exchange Commission (SEC), Senator Udoma Udo Udoma; Executive Director, Market Operations and Technology (MOT), The Nigerian Stock Exchange (NSE), Mr. Adeolu Bajomo at ringing of the closing bell for the commemoration of 50 years of stock market trading in Nigeria.



Chief Executive Officer, The Nigerian Stock Exchange (NSE), Mr. Oscar Onyema and former Interim Administrator of The NSE, Mr. Emmanuel Ikazoboh at the fare-well ringing of the market closing bell for Mr. Ikazoboh. Mr. Akintola Williams, Founding Member of The Exchange is seated in the middle.



Chief Executive Officer, The Nigerian Stock Exchange (NSE), Mr. Oscar Onyema and guests at the first CEO's Dinner organised by The Exchange.



Director General, Securities and Exchange Commission (SEC) Ms Arunma Oteh and former Interim Administrator, The Nigerian Stock Exchange (NSE) Mr. Emmanuel Ikazoboh and SEC representatives on courtesy visit to The NSE during a delegation from the SEC.



Chief Executive Officer of Roland Berger Strategy Consultants, Dr. Martin Wittig and Mr. Bismak Rewane, member of The NSE Council during the visit of Roland Berger Strategy Consultant to The Exchange.



Interim Head of Council The Nigerian Stock Exchange (NSE) Mallam Balama Manu; Chief Executive Officer, The NSE, Mr. Oscar Onyema; Second Vice President, The NSE, Alabo Reginald Abbey-Hart and Council member, Alhaji Lamis Dikko look at something of interest on the trading floor.



Chairperson of Multi -Trex Integrated Foods plc, Chief Bayo Akinola and Mr. Emmanuel Ikazoboh.



Mr. Ikazoboh (middle) flanked by representatives and advisers of Paints and Coatings Manufacturers Nigeria PLC during the company's listing by introduction.



Some Council Members and Management Staff of The Exchange with founding member, Mr. Akintola Williams (seated middle) pose for a picture during events to mark the end of the Interim Administration



Banner reflecting the listing information for the IPF Microfinance Bank plc Listing by introduction

PRESIDENTS OF THE EXCHANGE



MR BALLAMA MANU
 INTERIM HEAD OF COUNCIL
 2010 to Date



DR. OBA OTUDEKO OFR
 2006-2009



DR. RAYMOND C. OBIERI
 2003-2006



ALHAJI ABDUL RASAQ SAN. OFR
 2000-2003



MR. GOODIE IBRU, OON
 1997-2000



MR. PASCAL G. DOZIE, OON
 1994-1997



AARE M.K.O. ABIOLA
 1991-1994



CHIEF BAYO KUKU CON
 1987-1991



ALHAJI ALIKO M. MOHAMMED OFR
 1984-1987



CHIEF J.O. UDOJI OFR
 1981-1984



CHIEF S.O. ASABIA OFR
 1975-1981



CHIEF ADEOLA ODUTOLA CON
 1972-1975



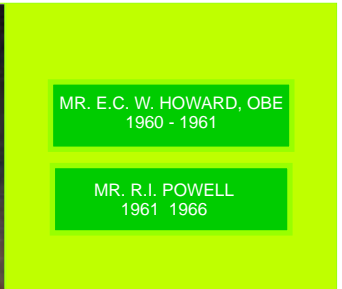
CHIEF SILAS BAMIDELE DANIANYAN OFR
 1970-1972



SIR MOBOLAJI BANK-ANTHONY, CON, MBE
 1966-1970



SIR ODUMEGWU OJUKWU, OBE
 1963-1966



MR. E.C. W. HOWARD, OBE
 1960 - 1961

MR. R.I. POWELL
 1961 1966



**THE Nigerian
STOCK EXCHANGE**

RC:2321

PROXY FORM

The Nigerian Stock Exchange 50th Annual General Meeting to be held on the 11th Floor, Stock Exchange House, 2/4 Customs Street, Lagos on Tuesday, November 29, 2011 at 11:00 a.m.

I/We

.....

of

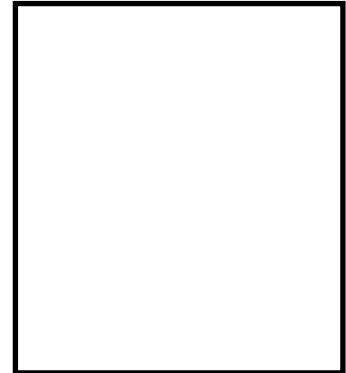
.....

Being a member/members of The Nigerian Stock Exchange hereby, appoint

.....

as my/our proxy to act and vote on my/our behalf at the Annual General Meeting of the company to be held on Tuesday, November 29, 2011.

Dated this.....Day of..... 2011



.....
Member's Signature

.....
Member's Name

Note:

1. A member entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend and vote instead of himself.

2. No person shall be appointed a proxy who is not already a member of The Exchange or the accredited representative of a member and qualified to vote save that a corporation being a member of The Exchange may appoint as its proxy one of its Directors or other authorized representative who is not a member of The Exchange.

3. Instruments of proxy shall be deposited at the office of The Exchange at least 48 hours before the time of holding the meeting.

ADMISSION CARD

Annual General Meeting to be held at the 11th Floor, Stock Exchange House, 2/4 Customs Street, Lagos, on Tuesday, November 29, 2011 at 11:00 a.m.

Name of Member (in BLOCK CAPITALS):

.....

ADDRESS:

.....

NOTE: A MEMBER OR HIS/HER PROXY MUST PRODUCE THIS ADMISSION CARD IN ORDER TO BE ADMITTED AT THE MEETING



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