



CENTRAL BANK OF NIGERIA

PRESS RELEASE

AMCON BILL PASSED----- AWAITS PRESIDENTIAL ASSENT

The Asset Management Corporation of Nigeria (AMCON) Bill has finally been passed, following its harmonization by the Committee set up by the two chambers of the National Assembly and its adoption on Wednesday, June 23, 2010 by the Senate. It will be recalled that the House of Representatives had earlier adopted the harmonized bill.

The bill is expected to be submitted to the President and Commander -in- Chief, Dr. Goodluck Ebele Jonathan for his assent after which it becomes an Act of the National Assembly. This will pave way for the formal establishment of the Corporation which is the principal vehicle for recapitalization of distressed banks. It may be recalled that the AMCON bill is an executive bill and, therefore, an expedited assent is expected.

The AMCON is a multi-purpose resolution vehicle that is empowered to purchase non-performing assets from banks as well as inject needed capital in the form of appropriate securities (Tier 1 or Tier 2). In the case of distressed banks, the AMCON will therefore play the key role of facilitating mergers, acquisitions or capital injection by new investors. The Boards of Directors of the banks have led and reached an advanced stage of discussion with interested parties.

The Ministry of Finance and the Central Bank of Nigeria remain convinced that with the setting up of this corporation, the nation is close to a final resolution of the banking crisis and the repair of bank balance sheets. Also, AMCON will ensure that shareholders recover part of their lost investment and assist in reducing the debt overhang that has slowed down the recovery of the capital market.

Signed:

MM. Abdullahi

Head, Corporate Communications

23rd June, 2010