



Guaranty Trust Bank plc
RC 152321



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VISION & MISSION STATEMENTS

VISION

We are a team driven to deliver the utmost in customer service.

We are synonymous with innovation,
building excellence and superior financial performance
and creating role models for society.

MISSION

We are a high quality financial services provider
with the urge to be the best at all times
whilst adding value to all stakeholders.

DIRECTORS, OFFICERS & PROFESSIONAL ADVISERS

Directors

Owelle Gilbert P.O. Chikelu
Mr. Olutayo Aderinokun
Mr. Olusegun Agbaje
Alhaji Mohammed K. Jada
Mr. Victor G. Osibodu
Mr. Adetokunbo B. Adesanya
Mr. Egbert U. Imomoh
Mr. Oluwole S. Oduyemi
Mr. Andrew Alli
Mr. Akindele Akintoye
Mr. Babajide Ogundare
Mrs. Catherine N. Echeozo
Mrs Titi Osuntoki
Mr. Akin George-Taylor*

Chairman
Managing Director
Deputy Managing Director

Executive Director
Executive Director
Executive Director
Executive Director

* Appointed on January 21, 2009

Company Secretary

Olutola Omotola

Registered Office

Plural House
Plot 1669, Oyin Jolayemi Street,
Victoria Island,
Lagos

Auditors

KPMG Professional Services
22, Gerrard Road,
Ikoyi,
Lagos

Registrar & Transfer Office

GTB Registrars Limited
7, Anthony Village Road,
Anthony Village
Lagos

RESULTS AT A GLANCE

| | Group 31 Dec. 2009 12 Months N' Million | Group 31 Dec. 2008 10 Months N' Million | Increased/ (Decreased) % | Bank 31 Dec. 2009 12 Months N' Million | Bank 31 Dec. 2008 10 Months N' Million | Increased / (Decreased) % |
|--|--|--|--------------------------------|---|---|---------------------------------|
| Major Profit and Loss Account Items | | | | | | |
| Gross earnings | 162,550 | 100,606 | 62 | 151,698 | 93,017 | 63 |
| Profit on ordinary activity before tax | 27,963 | 35,329 | (21) | 26,960 | 34,609 | (22) |
| Profit after tax | 23,687 | 28,316 | (16) | 23,848 | 28,073 | (15) |
| Earnings per share (kobo) | 127 | 185 | (31) | 128 | 188 | (32) |
| Major Balance Sheet Items | | | | | | |
| Deposits and other accounts | 683,081 | 470,606 | 45 | 662,261 | 445,740 | 49 |
| Loans and advances | 563,488 | 416,319 | 35 | 538,138 | 413,984 | 30 |
| Total assets | 1,066,504 | 959,184 | 11 | 1,019,912 | 918,279 | 11 |
| Shareholders' funds | 192,245 | 182,034 | 6 | 188,476 | 179,551 | 5 |

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of GUARANTY TRUST BANK PLC will hold at the Banquet Hall, Eko Hotel and Suites, Plot 1415, Adetokunbo Ademola Street, Victoria Island, Lagos, on Wednesday, 5th May, 2010, at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the year ended December 31, 2009, and the Reports of the Directors, Auditors and Audit Committee thereon;
2. To declare a dividend;
3. To elect Directors;
4. To authorise the Directors to fix the remuneration of the Auditors;
5. To elect Members of the Audit Committee.

SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolution as ordinary resolution;

6. "That following the recommendation of the Directors pursuant to Article 124 of the Company's Articles of Association, the sum of N2,331,718,577.00 being the amount standing to the credit of the Company's Bonus Shares Reserve Account, be and is hereby capitalized into 4,663,437,154 Ordinary Shares of 50 kobo each and appropriated to the members whose names appear in the Register of Members at the close of business on 19th April, 2010, in the proportion of one (1) new share for every four (4) shares registered in such members' names on that date, subject to the approval of the appropriate regulatory authorities, the shares so distributed being treated for all purposes as capital and as income, ranking pari passu with the existing shares of the Company, provided that the shares issued pursuant to this resolution shall not rank for the

dividend declared on 5th May, 2010."

PROXY

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company. For the appointment to be valid, a completed and duly stamped proxy form must be deposited at the office of the Registrar, GTB Registrars Limited, No. 7, Anthony Village Road, Anthony Village, Lagos, not less than 48 hours before the time fixed for the meeting. A blank proxy form is attached to the Annual Report.

BY ORDER OF THE BOARD



Company Secretary
Plot 1669, Oyin Jolayemi Street
Victoria Island
Lagos
April 6, 2010

NOTES:

1. Dividend

If approved, dividend will be payable on 5th May, 2010, to shareholders whose names are registered in the Register of Members at the close of business on 19th April, 2010. Shareholders who have completed the e-dividend Mandate Forms will receive a direct credit of the dividend into their bank accounts immediately after the Annual General Meeting, while dividend warrants for shareholders who have not completed the e-dividend Mandate Form shall be posted on 5th May, 2010. Shareholders are encouraged to complete the attached Mandate Form for the payment of e-dividend and send same to the Registrar through any Guaranty Trust Bank plc branch as soon as they receive this Notice.

2. Closure of Register

The Register of Members will be closed on 20th April, 2010, to enable the Registrar

NOTICE OF ANNUAL GENERAL MEETING

prepare for payment of dividend, and allotment of bonus shares.

3. Audit Committee

In accordance with Section 359(5) of the Companies and Allied Matters Act, 2004, any shareholder may nominate a shareholder for appointment to the Audit Committee. Such nomination should be in writing and should reach the Company Secretary at least 21 days before the Annual General Meeting.

**Chairman &
Managing
Director's
Statements**

CHAIRMAN'S STATEMENT



Owelle G.P.O Chikelu
Chairman

Fellow Shareholders, members of the Board of Directors, Ladies and Gentlemen, I am delighted to welcome you all to this year's Annual General Meeting and to present a summary of our operating results and the key achievements of your Bank for the financial year ended December 2009. As is customary, I will provide a brief overview of the macroeconomic operating environment and highlight the Bank's performance scorecard during the period under review. Additionally, I will broadly share with you our outlook for 2010 the year in which our Bank celebrates its 20th anniversary as an institution.

In the year under review, the attendant effects of the global economic and financial crisis which began in 2008 continued to create challenges for businesses and governments alike. Radical and unprecedented changes were introduced in the regulatory environment, resulting in an acute shake-up, bank bailouts, and severe collateral damage in the financial services industry.

Based on our commitment to running a responsible and responsive Bank, I am proud to report that your Bank was not found wanting and confidently stood well ahead against all odds. We were among the first set of banks to pass the stress test conducted on all banking institutions by the Central Bank of Nigeria (CBN).

Our strong corporate governance practices, rock-solid core values and high-quality service delivery provided a solid foundation for our enduring success. These priorities and the focus of the Bank's Board, management and staff on international best practices shielded the Bank from the vagaries of an uncertain operating environment. We have resolved to translate every challenge into an opportunity for fresh learning whilst adhering to our shared values of professionalism, integrity, financial excellence and sound corporate governance.

Fellow Shareholders, in spite of sustained market turbulence, I am pleased to report that in 2009 we successfully leveraged our proven business model to achieve decent growth in income, prudent cost control and an appreciable management of risk and capital. An objective assessment of an industry currently undergoing wrenching change would indicate that your Bank stands boldly as a model of stability.

Macroeconomic Review

Despite the moderate success of the Amnesty Programme initiated by President Yar'Adua's administration in the Niger Delta region, unyielding operational difficulties continued to constrain crude oil exploration and production. Stemming from the commencement of dialogue between

A critical component of our business development strategy was the expansion of the Bank's presence in the West Africa sub-region. In this regard, a new subsidiary of the Bank was opened in Monrovia, Liberia. Today, your Bank has succeeded in opening branches in all the countries making up Anglophone West Africa.

militants and the authorities, a more enabling environment ensued, although net revenues fell due to significant disruptions in the first two quarters of the year. Non-oil revenue receipts also deteriorated as global consumption declined due to the continuing effect of the global economic recession. The year witnessed a number of important policy overtures by the Federal Government, including the planned full deregulation of the downstream oil and gas sector, which is yet to take effect.

On the whole, the economy recorded a Gross Domestic Product (GDP) growth of 8.23%, a marked improvement on the 2008 performance. Disappointingly, the annual inflation rate increased to 12% and as at the end of the last quarter, the national foreign reserve level stood at \$42.41 billion sufficient to finance 16 months of projected imports.

Also in the period under review, the CBN re-introduced the Wholesale Dutch-Auction System and re-opened the Inter-bank Foreign Exchange market, thus culminating in the appreciation in the value of the Naira against the Dollar. The Central Bank also maintained the Monetary Policy Rate at 6%, with a spread of +2 and -4% for standing lending facilities and standing deposit facilities, respectively.

The unattractiveness of lending to the CBN at 2% however led to a general decline in Money Market rates. The 7-day NIBOR closed the year at 2.96% against 10.5% as at September 30, 2009. Open Buy-Back rates declined from an average of 7.0% in the third quarter to an average of 2.5% in the fourth quarter.

Liquidity at the inter-bank market also dropped in the fourth quarter of the year as the market recorded a net outflow of N119.03 billion from the primary and secondary segments of the market. The average central rate on Treasury bills as at September 2009 was 4.95%, compared to 3.71% as at the end of 2009.

Tacitly, low investor confidence in the Nigerian capital market in the aftermath of a traumatic and lingering meltdown hastened profit-taking at every opportunity amongst market players. Market capitalisation fell by 28.29% and the All Share Index declined by 33.78%, closing the year at N4.99 trillion and 20,827.17 points, respectively. Significantly, stock market indicators recorded downward movements during the last quarter of the year. Despite this gloomy scenario, ten billion shares of Guaranty Trust Assurance Plc were admitted onto the Nigerian Stock Exchange during the course of the last quarter at N3 per share.

CHAIRMAN'S STATEMENT

Given the challenges in the macroeconomic environment, business success demanded greater customer focus and innovation, necessary to deliver healthier performance and improved shareholder value. In the face of stiff competition, your Bank was able to rise above the fray through the adoption of cost-containment strategies, process improvement initiatives, and the strengthening of its risk management system.

Conclusively, the current challenges in the operating environment helped to exemplify a core guiding principle of our Bank's operating model, which is, astute and constant vigilance in monitoring and understanding trends and indicators across the economic and political landscape. This proactive mindset has in turn, positioned the Bank strategically for maximum performance in all seasons, amidst economic or regulatory uncertainties.

Financial Scorecard

Strong fidelity to our corporate vision, superb execution capabilities, added to the support of investors created a credible and powerful platform for the Bank's sustained growth and outstanding financial performance. Our gross earnings grew from N151.70 billion recorded in the previous year to N162.55 billion, while Profit before Tax stood at N27.96 billion. Strict stipulations mandated by the CBN temporarily eroded our profit margin, effectively translating to an additional N29.71 billion provision in the review period. Also, Total Assets plus Contingents grew by 5% from N1.33 trillion to N1.40 trillion, while shareholders' funds stood at N187.10 billion as at 31st December, 2009.

Meanwhile, deposit liabilities grew by N20.82 billion, a 3% increase above the N662.26 billion figure recorded in December 2008. This growth was largely influenced by the re-classification of Bankers' Acceptances and Commercial Papers as on-balance sheet items, and a marginal flight to quality banks and relative safety by customers of banks that were adversely affected by the CBN audit. Your bank, in the face of industry backlash

and regulatory pressure, continued to attract investor and market confidence.

During the course of the year, the first tranche of the N200 billion bond programme approved by the Board in August 2009 was issued. Resoundingly, we succeeded in raising N13.17 billion during this first phase alone. The five-year long-term debt capital, which is to be repaid in 2014, will improve the lending capabilities of the Bank, and further position the Bank for new opportunities as the economy improves.

Conscientiously throughout the period, the Board and management endeavoured to strengthen the Bank's corporate governance structures, including the overall quality of its assets and services. Our customer-acquisition drive was aided by the opening of 16 new branches and our supplementary investments in secure and efficient technologies made it easier for customers to transact business with us.

Subsidiaries

A critical component of our business development strategy was the expansion of the Bank's presence in the West Africa sub-region. In this regard, a new subsidiary of the Bank was opened in Monrovia, Liberia. Today, your Bank has succeeded in opening branches in all the countries making up Anglophone West Africa. With the Board's support, I want to assure you of our deep commitment to the achievement of our objective of becoming the most influential Bank in West Africa, not only in terms of geographical spread, but encompassing service quality and comparative advantage in a cross-section of performance indicators.

Guaranty Trust Bank (Gambia) Limited, which commenced operations in 2002, remains the Bank with the fastest branch expansion growth rate in Gambia. In 2009, its branch network increased to 13. The Bank achieved gross earnings of US\$12.98 million, representing an increase of 28% over the previous year. Its balance sheet grew by 17% to stand at US\$103.2 million in 2009 whilst Profit

CHAIRMAN'S STATEMENT

before Tax was US\$2.79 million, a 7% increase over the previous year. The Bank also consolidated its leadership position in the deployment of e-payment systems when it became the first bank in that country to acquire the Visa Merchant facility, thus enabling the issuance of Visa electronic cards under its own name, and also to third parties.

Guaranty Trust Bank (Sierra Leone) Limited, since its establishment in 2002, has continued to dominate key sectors of the Sierra Leonean economy, given its impressive customer base as the fourth largest bank in Sierra Leone. The Bank recorded positive growth in 2009 with its Profit before Tax increasing by 59% to US\$2.64 million whilst its gross earnings income of US\$10.37 million represents a 67% increase over the previous year.

The Bank is currently the 2nd most profitable bank in Sierra Leone with Return on Equity and Return on Asset of 21% and 3%, respectively compared to an industry average of 12% and 2%. Its commitment to innovative product development and enhanced customer satisfaction led to the introduction of the first mobile payments service in Sierra Leone, called SPLASH MOBILE MONEY. This particular product, launched in partnership with the technology firm Splash, has proven to be extremely popular in the market, by enabling customers to send and receive money using their mobile phones.

Guaranty Trust Bank (Ghana) Limited, established in 2006, is a key player in the Ghanaian economy. In 2009, it added 8 branches to its existing network. In terms of performance, this subsidiary achieved a gross income of US\$37.25 million with a Profit before Tax of US\$11.8 million and Total Assets and Liabilities of US\$336 million.

Guaranty Trust Bank (UK) Limited, our UK subsidiary, was opened in 2008 as a full-fledged commercial banking subsidiary offering Global payments, Trade and Cash Management Services. The Bank continues to service the needs of the Group's increasing network of international and regional clients across West Africa and the United

Kingdom. Within the past year, it introduced novel products and services which have been received with great enthusiasm.

Guaranty Trust Bank (Liberia) Limited, in less than one year of operation, has already positioned itself to maximally exploit the numerous opportunities in the Liberian economy. The Bank is now poised to provide and tailor the Group's superior products and services to corporate and retail clients in Liberia. We are optimistic and enthused about the potentials demonstrated by this subsidiary, and the promise of greater achievements ahead.

Our non-banking subsidiaries also fared very well in the previous financial year, posting great results and offering better services; Our insurance subsidiary, Guaranty Trust Assurance Plc, continued our tradition of excellence in 2009. Ten billion shares of the company valued at N30 billion were listed on the floor of the Nigerian Stock Exchange at N3 per share in November 2009. The company also surpassed customer expectations during the course of the year, settling a total of over N1.09 billion in claims as at 31st December, 2009. This represents a 136% increase in claims settlement from N797 million in 2008. The company's reputation for prompt response, usually within 24 hours, to valid claims submitted by policy holders was sustained throughout the year.

In addition, Guaranty Trust Assurance Plc implemented various e-insurance modules which gave customers access to remote account management facilities from the comfort of their homes and offices, via the Internet. These capabilities resulted in more efficient documentation, faster processing of claims, and the provision of online statements.

GTB Registrars Limited also recorded significant achievements during the year with a balance sheet size of N115.64 million. The company currently oversees more than 400,000 shareholder accounts and has duly complied with the directive of the Nigerian Stock Exchange to phase out physical dividend warrants and share certificates.

GTHomes Limited, our mortgage banking subsidiary established in 2008, has also succeeded in building a strong reputation as one of the leading Primary Mortgage Institutions in the country with its trademark quality services and real estate investments. At the end of the previous financial year, the company had a balance sheet size of N7.08 billion.

Lastly, GTB Asset Management Limited, which was established to further expand the Group's presence in the capital market, as well as provide trusteeship, securities brokerage, investment management and financial advisory services, in turn, set up a securities subsidiary, GTB Securities Limited, which recorded a turnover of N11.32 billion at the close of 2009, representing 1.65% of the total N685.72 billion turnover of the Nigerian Stock Exchange.

Board of Directors

In January 2009, your Bank appointed Mr. Akin George-Taylor as an Executive Director. Mr. George-Taylor has distinguished himself in various fields of human endeavour; he has also made significant contributions to the growth of your Bank. Undoubtedly, his appointment would greatly serve to complement our rising status as a leader in our market and an emerging global player in the industry. Mr. George-Taylor brings to the Board a strong professional pedigree and a multi-disciplinary exposure which can only further galvanise the Bank's leadership pool.

Staff

Diligently and steadfastly, our staff have kept to the principles of One team, One Goal. The commitment of our workforce to the Bank's core values, as well as professional best practices, has helped to sustain the Bank as an institution of reference. Their devotion to excellence as well as their exemplary work ethics has contributed immensely to our success, while their unflinching loyalty signifies the organisation's primary source of strength. As we explore creative opportunities in new services, products and markets, I want to assure you of our resolve to make investment in our

human capital a cardinal goal of this institution. We shall continuously attract and strive to retain the best talents in the market, by giving them the best opportunities possible to fulfil their potentials as individuals and as professionals.

Economic Outlook

Economic analysts estimated that, overall, the 2009 budget only achieved about 65% performance. Revenues from both oil and non-oil sources fell substantially below projections as oil production suffered severe disruptions during the first half of 2009. Non-oil revenue receipts also declined as global consumption weakened. With crude oil prices expected to reach an average of US \$67 per barrel in 2010 (as projected in Nigeria's 2010 Budget), and given relative peace in the Niger Delta, it is projected that higher oil output will result in increased foreign exchange earnings and more robust foreign reserves. Volatility in oil prices below the projected benchmark could however result in distortions which business planning strategies should anticipate.

A key aspiration of all stakeholders will be the implementation of the 2010 budget in line with expressed goals and objectives. The implementation and provision of social infrastructure, especially the mitigation of the country's energy and transportation woes, will help to significantly lower the cost of doing business, reduce unemployment, and raise the quality of life. To achieve marked improvement in governance, government ministries, departments and agencies, and public institutions in general, must embrace the demands of transparency, due process and accountability, and ensure compliance with relevant regulatory mechanisms and frameworks.

In its quest to strengthen the banking sector and in keeping with its regulatory functions, the CBN is pushing for the speedy passage of pending Bills at the National Assembly, critical to the nation's micro and macroeconomic stability. Key among these are the Banks and Other Financial Institutions' Act, and the bill on Consumer Credit, which aim to guard against bad debts and identity theft, and invariably

CHAIRMAN'S STATEMENT

With the Board's support, I want to assure you of our deep commitment to the achievement of our objective of becoming the most influential Bank in West Africa, not only in terms of geographical spread, but encompassing service quality and comparative advantage in a cross-section of performance indicators.

enhance the capacity of deserving customers to obtain credit facilities. The legal and regulatory framework is critical for crucial banking reforms. On our part, our remit is to keep a watchful eye on industry developments, and to internalise and stimulate our capabilities accordingly, in response to unfolding reforms. In 2010, the groundwork for the general elections scheduled for 2011 will commence, with increased activities in the political arena underscoring causative implications for future policy directions and outcomes.

Group Outlook

With the Central Bank of Nigeria poised to improve liquidity in the economy, coupled with government's propensity to spend liberally ahead of the general elections, the Bank is well-positioned to take advantage of the opportunities that will arise, while being very conscious of and taking adequate steps to mitigate whatever risks that may arise therefrom.

We will continue to focus on our core business and significantly seek creative avenues to meet and surpass the demands of our rising retail clientele. Across the Group, we will seek to expand into new frontiers, especially into Francophone West Africa.

The workforce of the Bank has continued, and will continue, to demonstrate strong commitment to the goals that will facilitate the achievement of our collective aspirations. We are optimistic that, with continued support from the Board and shareholders alike, we will meet our targets for the New Year.

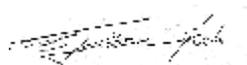
We feel highly vindicated that the banking community, local and international, is finally beginning to focus more consciously on what we at Guaranty Trust Bank plc have always proclaimed;

namely, that there can be no substitute for good corporate governance and sound ethics. I stand before you today to pledge that, counting on your full confidence and support, we will never surrender or compromise these core principles. We shall remain committed to all measures and reforms that will help to bolster our operating capabilities for the facilitation of long-term investments.

Notwithstanding the daunting odds we may encounter in the course of doing business, we will forge ahead, stake our claim in foreign markets, serve as the yardstick in the African market, and continually seek to excel in all that we do.

For their patronage, resilience and loyal support, I want to extend the gratitude of the Board of Directors to all our valued customers. I wish also to acknowledge the immense contributions of my fellow Board members, the Management and staff of Guaranty Trust Bank for their unyielding commitment to the achievement of the Bank's corporate objectives. With all hands on deck, I earnestly believe that this year's results will be a harbinger of an even more successful future ahead.

Thank you for your kind attention.



Owelle G. P. O. Chikelu

Chairman, Guaranty Trust Bank plc

MANAGING DIRECTOR'S STATEMENT



Tayo Aderinokun MFR, FCIB

Managing Director, Guaranty Trust Bank plc

The 2009 financial year was significant for the Bank in numerous ways. Our resolve to strengthen our position as a frontline financial services provider yielded desired results. As an institution, our commitment to our core values of integrity, professionalism, ethics and absolute loyalty to our customers ensured that we remained a beacon of aspiration in the industry in which we operate.

The year witnessed a number of remarkable developments in the Nigerian Banking Industry, chief among which was the renewed vigilance and stronger oversight responsibilities on the part of the regulatory authority. The Central Bank of Nigeria, seeking to improve the fortunes of Nigerian Banks in the face of the global economic downturn, conducted a stress test on all Banks with the aim of separating the strong from the vulnerable and the weak. I am proud to report that your Bank was amongst the first set of Banks to scale the hurdle and pass the test.

Despite the daunting dynamics of our operating environment, your bank continued in steady progress towards achieving its 2012 strategic goals. We recorded gross earnings of N162.6 billion at the end of the year, representing a growth of 62% over the N100.6 billion recorded in ten months to December 2008. We were also able to

close the year with a decent Profit Before Tax of N28 billion while Total assets and Contingents grew to N1.40 trillion. The success of our cost containment strategies also ensured that we maintained and sustained our efficiency with a cost to income ratio of 0.67:1.

Also in the course of the year, the bank's lending capabilities were boosted with a N200 billion bond programme approved by the Board in August. The successful completion of the first tranche, which raised N13.17 billion, was issued to institutional and High-Net worth individuals.

Of significant importance also, are the achievements of our subsidiaries whose steady growth in the various countries in which they operate continue to signpost the success of our organic growth strategy. Ghana grew from 10 branches to 18, Sierra Leone from 4 to 6 whilst our Gambian subsidiary increased by 5 additional branches. It is worthy to note that our Liberia subsidiary finally came on stream during the year as our UK subsidiary, is also gradually earning its pride of place in the United Kingdom. Within Nigeria, our spread received an additional boost with the opening of thirteen new branches.

There is no gainsaying that these successes were

Despite the daunting dynamics of our operating environment, your bank continued in steady progress towards achieving its 2012 strategic goals. We recorded gross earnings of N162.6 billion at the end of the year, representing a growth of 62% over the N100.6 billion recorded in ten months to December 2008. We were also able to close the year with a remarkable Profit Before Tax of N28 billion while Total assets and Contingents grew to N1.40 trillion.

made possible by the combination of the immense energy and commitment to duty of our members of staff at home and abroad coupled with the contributions and support from our numerous stakeholders. These have ensured that we continue to meet and surpass expectations against all odds.

Our modest achievements also earned enviable recognition in the course of the year. The bank was bestowed with numerous awards and accolades some of which are, 'The 2009 Best Bank in Nigeria' by eminent international magazine, Euromoney; 'The Most Customer Focused Bank award by KPMG in its Annual Banking Industry and Customer Satisfaction Survey which we retained for the 2nd consecutive year and, 'The Most Socially Responsible Bank in Nigeria' at the 3rd Social Enterprise Reporting & Awards. Also worthy of note, is the re-affirmation of our double A minus (AA-) rating for the 5th consecutive year.

Our passionate belief that social responsibility embodies our ardent commitment and social pact with all our stakeholders has never waned. It has continuously driven us to proactively meet and exceed the social, environmental and growth expectations of our host communities.

During the course of the year and in partnership

with Rolex and Mouawad, we sponsored the Annual Charity Ball of the Swiss Red Cross (SRC) - the oldest charitable organization in the world; proceeds of which were donated to the SRC's Victims of Forgotten Disasters' Programme a charity that ensures the supply of aid materials to countries that are suffering from disasters but are not receiving adequate attention.

In partnership with various multisectoral agencies and bodies, we continued to vigorously champion causes for the challenged as evident in our sponsorship of the National Stakeholders Forum on Autism and the publication of the first ever video documentary on Autism in Nigeria. We also continued in our support for Special Olympics in Nigeria.

Our flagship Adopt-a-School project was further enhanced in 2009 with the donation of fully equipped science laboratories to five secondary schools in Jigawa and the maintenance of the existing infrastructures in St. Georges Boys and Girls Schools in Lagos, Baboko Community Secondary School in Ilorin and Community Secondary School, Nkpolu in Port Harcourt.

Our partnership with Students In Free Enterprise (SIFE) an international non-profit organization that

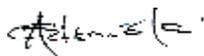
MANAGING DIRECTOR'S STATEMENT

works with business leaders in the private sector and the higher institutions in Nigeria to mobilize university students towards making a difference in their communities while developing the skills to become socially responsible individuals, was further buttressed by our sponsorship of Business Ethics Workshops in 19 Universities across Nigeria.

Esteemed stakeholders, this year marks our 20th year as a financial services provider of choice. In two decades, we have made giant strides, earned many accolades, learnt many lessons, survived numerous challenges, but most importantly, we have drawn our inspiration from the immense trust and confidence you have in us. We will not betray that trust.

Looking into the future, I imagine that our success will be measured by the quality of the service we provide and our commitment to do a lot more than is expected. We believe the task ahead will require a lot more hardwork, endurance, and an unrivalled passion for excellence and we are confident that this will certainly lead to greater rewards so long as we remain committed to the time tested values of ethics and integrity that define our special brand.

With your unflinching support, we will ensure that whatever the odds, wherever we are, these values will continue to shape the way we do our business as we seek newer inroads to entrench our brand as a Proudly African, Truly International financial institution.



Tayo Aderinokun MFR, FCIB
Managing Director, Guaranty Trust Bank plc

Guaranty Trust Bank Plc has acquired over the years, an enviable reputation built on a solid foundation of integrity, professionalism, quality and value adding service delivery, and excellent corporate governance practices.

Our guiding principles (“the Orange Rules”) are Simplicity, Professionalism, Service, Friendliness, Excellence, Trustworthiness, Social Responsibility and Innovation. These principles on which the Bank was founded, remain the bedrock upon which we have built and developed our exemplary corporate governance practices. At Guaranty Trust Bank Plc, the principles of good corporate governance practices remain one of our core values and an important ingredient in creating and sustaining shareholder value, while ensuring that behaviour is ethical, legal and transparent.

As a company publicly quoted on the Nigerian Stock Exchange with Global Depository Receipts (GDRs) listed on the London Stock Exchange, the Bank is mindful of its obligations to remain committed to safeguarding and improving shareholders' value through transparent best practices fashioned along local regulatory standards as well as international best practice.

Our commitment to strong corporate governance practices has enable us surmount the challenges in our domestic economy occasioned by the effects of the global economic crises. We however would not rest on our oars and accordingly continue to benchmark ourselves against international best practices as well as ensure compliance with the Codes of Corporate Governance issued by the Securities and Exchange Commission (“SEC”) and the Central Bank of Nigeria (“CBN”), as well as the Bank's in-house Code of Corporate Governance.

To ensure that our governance practices remain best in class, we undertake monthly internal reviews of our compliance with defined corporate governance practices and submit reports on our compliance status to the CBN. We also undertake continuous training of Directors on best governance practices as well as an annual Board

Appraisal review conducted by an Independent Consultant whose report is submitted to the CBN and presented to Shareholders at the Annual General Meeting.

The corporate governance practices of the Bank are designed to ensure accountability of the Board and Management to all stakeholders.

The Board

The business of the Bank is driven by the Board of Directors which exercises its oversight function through its various Committees, namely, Board Risk Management Committee, Board Credit Committee, Board Human Resources and Remuneration Committee and the Audit Committee.

Through these Committees, interactive dialogue is employed to set broad policy guidelines, and to ensure the proper management and direction of the Bank on a regular basis.

The Board of Directors comprises fourteen members, eight (8) of whom are Non-Executive Directors (including the Chairman of the Board), while six (6) are Executive Directors. Two (2) of the Non-Executive Directors are Independent Directors, appointed based on criteria laid down by the CBN for the appointment of independent Directors and the core values enshrined in the Bank's Code of Corporate Governance. Both Independent Directors do not have any significant shareholding interest or any special business relationship with the Bank. The Directors of the Bank are listed in the Directors' report.

The Bank's Board is made up of a crop of seasoned professionals who have excelled in their various professions including banking, oil and gas as well as law, and possess the requisite integrity, skills and experience to bring independent judgment to bear on Board deliberations. In furtherance of best corporate governance practices, the Board engaged an independent consultant, J. K. Randle International, in 2009, to carry out the annual Board and Directors review/appraisal covering all

aspects of the Board's structure, composition, responsibilities, processes, relationships, as well as individual members' competencies and respective roles in the Board performance. The Independent Consultant has consistently rated the performance of the Board and Directors as "outstanding".

Responsibilities

The ultimate responsibility for governance of the Bank resides with the Board of Directors which is accountable to shareholders for creating and delivering sustainable shareholders' value through the management of the Bank's business.

The Board accordingly determines the strategic objectives and policies of the Bank to deliver long-term value, providing overall strategic direction within a framework of rewards, incentives and controls. The Board also ensures that management strikes an appropriate balance between promoting long-term growth and delivering short-term objectives. In fulfilling its primary responsibility, the Board is aware of the importance of achieving a balance between conformance to governance principles and economic performance. The Board is the decision making body of all matters of importance to the Bank as a whole because of their strategic, financial or reputational implications or consequences. The Board reviews and assesses the risk profile appropriate to the corporate strategy of the Bank and ensures that management maintains an appropriate system of internal control which provides assurance of effective and efficient operations, internal financial controls and compliance with laws and regulations. Powers reserved for the Board include the approval of quarterly, half yearly and full year financial statements, significant changes in accounting policy and practice, the appointment or removal of Directors and the Company Secretary, change to the Bank's capital structure and major acquisitions, mergers, disposals or capital expenditure.

Roles of Chairman and Chief Executive

The roles of the Chairman and Chief Executive are separate and no one individual combines the two

positions. The Chairman's main responsibility is to lead and manage the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. The Chairman is responsible for ensuring that Directors receive accurate, timely and clear information about the Bank to enable the Board take informed decisions, monitor effectively and provide advice to promote the success of the Bank. The Chairman also facilitates the contribution of Directors and promotes effective relationships and open communications between Executive and Non-Executive Directors, both inside and outside the Boardroom.

The Board has delegated the responsibility for the day-to-day management of the Bank to the Managing Director/Chief Executive who is supported by Executive Management comprising the Deputy Managing Director and Executive Directors. The Managing Director executes the powers delegated to him in accordance with guidelines approved by the Board of Directors. Executive Management is accountable to the Board for the development and implementation of strategies and policies. The Board regularly reviews group performance, matters of strategic concern and any other matter it regards as material.

The Board meets quarterly and additional meetings are convened as required. Material decisions may be taken between meetings by way of written resolution, as provided for in the Articles of Association of the Bank. The Directors are provided with comprehensive group information at each of the quarterly Board meetings and are also briefed on business developments between Board meetings. The Board met seven (7) times during the 2009 financial year.

Board Committees

The Board carries out its responsibilities through its Standing Committees. All Committees have clearly defined terms of reference, which set out their roles, responsibilities, functions and scope of authority. All Committees in the exercise of their powers so delegated conform to the regulations

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laid down by the Board. The Committees render reports to the Board at the Board's quarterly meetings.

The roles, responsibilities, composition, frequency of meetings of each of the Committees are as stated hereunder:

Board Risk Management Committee

The Board Risk Management Committee is tasked with the responsibility of setting and reviewing the Bank's risk policies. Its major responsibilities include:

- setting policies on the Bank's risk profile and limits;
- determining the adequacy and completeness of the Bank's risk detection and measurement systems;
- assessing the adequacy of the mitigants to the risks;
- reviewing and approving the contingency plan for specific risks;
- ensuring that all departments in the Bank are fully aware of the risks involved in their functions;
- monitoring the implementation of the Enterprise-wide Risk Management (ERM) Framework approved by the Board of Directors.

The Chief Risk Officer of the Bank presents regular briefings to the Committee at its meetings.

The Board Risk Management Committee is made up of the following members:

| | | | |
|---|----------------------------|--------------------------------------|----------|
| 1 | Mr. Adetokunbo B. Adesanya | Non Executive Director | Chairman |
| 2 | Mr. Olutayo Aderinokun | Managing Director | Member |
| 3 | Mr. Egbert U. Imomoh | Non Executive Director | Member |
| 4 | Mr. Andrew Alli | Non Executive Director (Independent) | Member |
| 5 | Mr. Babajide Ogundare | Executive Director | Member |
| 6 | Mrs. Grace T. Osuntoki | Executive Director | Member |

The Committee meets quarterly and additional meetings are convened as required. The Committee met four (4) times during the 2009 financial year.

Board Credit Committee

The Board Credit Committee is responsible for the approval of loans above the Management Credit Committee's authority limit as may be defined from time to time by the Board of Directors. The Committee is also responsible for ensuring that the Bank's internal control procedures in the area of risk assets remain strong to safeguard the quality of the Bank's risk assets. In view of the volume of transactions that require Board Credit Committee's approvals and the need to approve credits expeditiously, credits are circulated amongst the members for consideration and approval between Board Credit Committee meetings in line with a defined procedure that ensures that all members of the Committee are furnished with full information on such credits. All credits considered as 'Large exposures' (as defined by the Board of Directors from time to time) are considered and approved by the Board Credit Committee at a special meeting convened for that purpose.

The Board Credit Committee is made up of the following members:

| | | | |
|---|-------------------------|--------------------------------------|----------|
| 1 | Mr. Oluwole S. Oduyemi | Non Executive Director | Chairman |
| 2 | Mr. Olusegun Agbaje | Deputy Managing Director | Member |
| 3 | Mr. Victor Osibodu | Non Executive Director | Member |
| 4 | Alhaji Mohammed K. Jada | Non Executive Director | Member |
| 5 | Mr. Akindele Akintoye | Non Executive Director (Independent) | Member |
| 6 | Mrs. Cathy Echeozo | Executive Director | Member |
| 7 | Mr. Akin George-Taylor | Executive Director | Member |

The Board Credit Committee meets at least quarterly. However, additional meetings are convened as required. The Committee met four (4) times during the 2009 financial year.

Board Human Resources and Remuneration Committee

The Board Human Resources and Remuneration Committee provides governance and strategic oversight for considering remuneration of

CORPORATE GOVERNANCE

Executive Directors, Human Resources activities and Senior Management development. In relation to Human Resources and Senior Management development, the Committee's objective is to ensure that the Bank's human resources are maximized to enhance business performance and support the long-term success and growth of the Bank. The protection of the welfare of employees is an integral part of the Committee's responsibilities.

The Committee is made up of the following members:

| | | | |
|---|-------------------------|--------------------------------------|----------|
| 1 | Alhaji Mohammed K. Jada | Non Executive Director | Chairman |
| 2 | Mr. Victor Osibodu | Non Executive Director | Member |
| 3 | Mr. Adetokunbo Adesanya | Non Executive Director | Member |
| 4 | Mr. Oluwole S. Oduyemi | Non Executive Director | Member |
| 5 | Mr. Egbert Imomoh | Non Executive Director | Member |
| 6 | Mr. Andrew Alli | Non Executive Director (independent) | Member |
| 7 | Mr. Akindele Akintoye | Non Executive Director (independent) | Member |

The Committee met once during the 2009 financial year.

Attendance of Board and Committee Meetings

The table below shows the frequency of meetings of the Board of Directors and Board Committees, as well as Members' attendance for the financial year ended December 31, 2009.

| Directors | Board | Board Credit Committee | Board Risk Management Committee |
|---|----------|------------------------|---------------------------------|
| Frequency of meetings | 7 | 4 | 4 |
| Owelle Gilbert Chikelu | 7 | N/A | N/A |
| Mr. Tayo Aderinokun | 7 | N/A | 4 |
| Mr. Olusegun Agbaje | 7 | 4 | N/A |
| Mr. Victor Osibodu | 6 | 4 | N/A |
| Alhaji Mohammed Jada | 7 | 4 | N/A |
| Mr. Tokunbo Adesanya | 7 | N/A | 4 |
| Mr. Egbert U. Imomoh | 7 | N/A | 4 |
| Mr. Oluwole Oduyemi | 7 | 4 | N/A |
| Mr. Andrew A. Alli | 6 | N/A | 4 |
| Mr. Akindele Akintoye | 7 | 4 | N/A |
| Mr. Jide Ogundare | 7 | N/A | 4 |
| Mrs. Cathy Echeozo | 7 | 4 | N/A |
| Mrs. G.T Osuntoki | 6 | N/A | 4 |
| Mr. Akin George-Taylor (Appointed on January 21, 2009) | 6 | 1 | N/A |
| Mr. Farouk Bello (Resigned on March 18, 2009) | 2 | 1 | N/A |

*N/A means not applicable

Audit Committee

The Audit Committee is a statutory Committee. The primary role of the Audit Committee is to ensure the integrity of the audit process and financial reporting and to maintain a sound risk management and internal control system as stipulated in Section 359 of the Companies and Allied Matters Act, 1990.

The Committee is charged with the responsibility of ensuring that the Bank complies with all the relevant policies and procedures as laid down by the regulators and the Board of Directors. Its major functions include the approval of the annual audit plan of the internal auditor, review and approval of the audit scope and plan of the External Auditors, review of the audit report on internal weaknesses observed by both the Internal and External Auditors during their respective examination and, review and consideration of any other examination report carried out on the Bank. The Committee reviews the Bank's annual and interim financial statements, including the effectiveness of the Bank's disclosure controls and systems of internal control as well as areas of judgement involved in the compilation of the Bank's results. The Committee's terms of reference also include various aspects of risk management and compliance.

The Audit Committee consists of three Non-Executive Directors and three ordinary shareholders, one of whom is the Chairman of the Committee. The Internal and External Auditors have unrestricted access to the Committee, which ensures that their independence is in no way impaired.

Meetings are attended by the Internal and External auditors, the Chief Financial Officer and, on invitation, appropriate members of Management. The Audit Committee met four (4) times during the 2009 financial year.

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The Committee is made up of the following members:

| Name | Status | Designation | Attendance |
|-------------------------|------------------------------|-------------|------------|
| Mr. M. F. Lawal | Shareholders' Representative | Chairman | 4 |
| Alhaji M. A. Usman | Shareholders' Representative | Member | 4 |
| Mrs. S. Mbagwu-Fagbemi* | Shareholders' Representative | Member | 2 |
| Mr. A. G. A. Kosoko** | Shareholders' Representative | Member | 2 |
| Mr. O. S. Oduyemi | Non Executive Director | Member | 4 |
| Alhaji M. K. Jada | Non Executive Director | Member | 4 |
| Mr. A. B. Adesanya | Non Executive Director | Member | 4 |

*Appointed at the 19th Annual General Meeting held on May 20, 2009

** Ceased to be a member with effect from May 20, 2009

Management Committees

In addition to the Board Committees, there are four standing Management Committees: Assets and Liability Management Committee, Management Credit Committee, Management Risk Committee and Criticized Assets Committee, to ensure effective and good Corporate Governance at the Management level. These Committees form the bedrock for the long-term professional management of the business of the Bank.

The Management Committees comprise members of Senior Management of the Bank. The Committees are risk driven and are set up to identify, analyze, synthesize and make recommendations on risks arising from day to day activities of the Bank. They also ensure that risk limits as contained in the Board and Regulatory policies are complied with at all times. They provide input for the respective Board Committees as well as ensure that recommendations of the Board Committees are effectively and efficiently implemented. They meet as frequently as risk issues occur to immediately take action and decisions within the confines of their powers.

Assets and Liability Committee

The Assets and Liability Committee (ALCO) is responsible for the management of a variety of risks arising from the Bank's business including market and liquidity risk management, loan to deposit ratio analysis, cost of funds analysis,

establishing guidelines for pricing on deposit and credit facilities, exchange rate risk analysis, balance sheet structuring, regulatory considerations and monitoring of the status of implemented assets and liability strategies.

The Committee is made up of Senior Management staff of the Bank, including the Executive Directors of the Bank, with the Assets and Liability Management Unit acting as the secretariat.

Management Credit Committee

The Management Credit Committee is responsible for ensuring that the Bank complies fully with the Credit Policy Guide as laid down by the Board of Directors. The Committee also provides inputs for the Board Credit Committee. This Committee is empowered to approve credit facilities to individual obligors not exceeding in aggregate, a sum to be determined by the Board from time to time. The Committee meets at least once a week depending on the number of credit applications to be considered.

The Secretary of the Committee is the Head of Credit Administration Unit, while Senior Management staff of the Bank make up its membership, including the Managing Director, Deputy Managing Director and other Executive Directors.

Management Risk Committee

In order to achieve the Bank's Enterprise-wide Risk Management vision and entrench its principles and values, there is the need to have a unified approach to risk management within the entire Bank. Therefore the Management Risk Committee oversees the integration and adequacy of risk management in the Bank through the enterprise risk management process. It monitors the risk framework of the Bank, promotes effective management of all risk categories, and fosters the establishment and maintenance of an effective risk culture throughout the Bank. The committee is charged with the responsibility of ensuring that the risk the bank is taking is within its risk acceptance criteria and report to the Board Risk Committee as

and when necessary. It also reviews the bank's risk policies, procedures and practices to ensure that the risk-reward profile supports the overall appetite and tolerance of the entire business units on an integrated basis.

The Committee's Chairman is the Deputy Managing Director, supported by the Head of ERM Group as Vice-Chairman. Membership of the committee is based on relevance of business areas in the holistic management of risks prevalent in the Bank; so membership is made up of heads of various strategic units.

Criticized Assets Committee

The Criticized Assets Committee is responsible for the assessment of the risk assets portfolio of the Bank. It highlights the status of the Bank's assets in line with the internal and external regulatory framework, and ensures that triggers are sent in respect of delinquent assets. The Committee also ensures that adequate provisions are taken on delinquent assets in line with the regulatory guidelines.

The members of the Committee include the Deputy Managing Director, the Executive Directors, and other relevant Senior Management Staff of the Bank.

The Committee meets regularly to review the Bank's portfolio, but not less than four times a year.

Access to Senior Management

There is an open line of communication, both formal and informal, between Board members and Senior Management staff. Board members interact with Senior Management and can request for the presence of any member of Senior Management to provide information required in their decision making.

Shareholders

The Bank continues to place significant premium on delivering exceptional returns on shareholders investments. The General Meeting of the Bank is the highest decision making body of the Bank. The Bank's General Meetings are conducted in a

transparent and fair manner. Shareholders have the opportunity to express their opinions on the Bank's financial results and other issues affecting the Bank. The Annual General Meetings are attended by representatives of regulators such as the Central Bank of Nigeria, the Securities and Exchange Commission, the Nigerian Stock Exchange, Corporate Affairs Commission as well as representatives of Shareholders' Associations.

The Board places considerable importance on effective communication with shareholders on developments in the Bank. The Bank has an Investors' Relations Unit, which deals directly with enquiries from shareholders and ensures that shareholders' views are escalated to Management and the Board. In addition, quarterly, half yearly and annual financial results are published in leading newspapers. The Bank also despatches half yearly reports, providing highlights of activities of the Bank, to all its shareholders.

The Bank ensures that institutional investors and international holders of the GDRs get frequent updates on the Bank's progress via interactive conference calls, local and international investor presentations and meetings. These conference calls and investor meetings provide our investors with direct access to senior and executive Management.

Whistle Blowing procedures

In line with the Bank's commitment to instil the best corporate governance practices, the Bank has established a whistle blowing procedure that ensures anonymity. The Bank has two hotline numbers and a dedicated e-mail address for whistle-blowing procedures. The hotline numbers are 01-2716275 and 01-2715483, and the email address is hotline@gtbank.com.

Internally, the Bank has a direct link on the Bank's Intranet (internal web page) for dissemination of information, to enable members of staff report all identified breaches of the Bank's Code of Corporate Governance.

The Chief Compliance Officer forwards monthly

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returns to the Central Bank of Nigeria on all whistle-blowing reports and corporate governance breaches.

Code of Professional Conduct

The Bank has an internal Code of Professional Conduct which all members of staff subscribe to upon assumption of duties and reaffirm their commitment to the Bank's Code annually.

All staff are expected to strive to maintain the highest standards of ethical conduct and integrity in all aspects of their professional life as prescribed in the Code of Professional Conduct which stipulates the common ethical standards, policies and procedures of the Bank relating to employee values.

The Directors have pleasure in presenting their report on the affairs of Guaranty Trust Bank Plc ("the Bank") and its subsidiaries ("the Group"), together with the Group audited financial statements and the auditor's report for the year ended 31 December 2009.

Legal form and principal activity

The Bank was incorporated as a private limited liability company on 20 July 1990. It obtained a licence to operate as a commercial bank on 1 August 1990, and commenced business on 11 February 1991. It became a public limited company on 2 April 1996, and its shares were listed on the Nigerian Stock Exchange on 9 September 1996. The Bank was issued a universal banking licence by the Central Bank of Nigeria on 5 February 2001.

The Bank's principal activity continues to be the provision of commercial banking services to its customers. Such services include retail banking, granting of loans and advances, equipment leasing, corporate finance, money market activities and related services, as well as foreign exchange operations.

The Bank has five non-bank subsidiaries: Guaranty Trust Assurance plc which is engaged in the

provision of insurance services, GTB Registrars Limited, which acts as registrars to companies, GTB Finance B.V. Netherlands, a special purpose entity used to raise its \$350 million Eurobond Guarantee Notes, GT Homes Limited, a licensed Primary Mortgage Institution, which is engaged in mortgage activities, and GTB Asset Management Limited, an asset management and securities trading company.

The Bank has six overseas subsidiaries namely Guaranty Trust Bank (Gambia) Limited, Guaranty Trust Bank (Sierra Leone) Limited, Guaranty Trust Bank (Ghana) Limited, Guaranty Trust Bank (UK) Limited, GTB Finance B.V. Netherlands and Guaranty Trust Bank (Liberia) Limited.

The financial results of all the subsidiaries have been consolidated in these financial statements.

Operating results

Gross earnings increased by 61.57% and profit before tax of the Group decreased by 20.85%. During the year, a dividend of N14,922,998,891 was paid in respect of the period ended 31 December 2008. (2008: N9,575,591,000 was paid in respect of year ended 28 February 2008). Highlights of the Group's operating results for the year are as follows:

| | Group 31 Dec. 2009 N'000 | Group 31 Dec. 2008 N'000 | Bank 31 Dec. 2009 N'000 | Bank 31 Dec. 2008 N'000 |
|--|--------------------------------|--------------------------------|-------------------------------|-------------------------------|
| Gross earnings | 162,550,418 | 100,605,806 | 151,698,107 | 93,017,258 |
| Profit before taxation | 27,963,003 | 35,329,129 | 26,959,809 | 34,609,117 |
| Taxation | (4,276,160) | (7,013,568) | (3,111,748) | (6,535,865) |
| Profit after taxation | 23,686,843 | 28,315,561 | 23,848,061 | 28,073,252 |
| Minority interest | (11,248) | (707,003) | - | - |
| Profit attributable to the equity holders of the parent company | 23,675,595 | 27,608,558 | 23,848,061 | 28,073,252 |
| Appropriations: | | | | |
| Transfer to statutory reserve | 8,002,767 | 8,681,010 | 7,154,418 | 8,421,976 |
| Transfer to statutory contingency reserves | 142,930 | 239,345 | - | - |
| Transfer to Bonus issue | 2,331,719 | 1,865,375 | 2,331,719 | 1,865,375 |
| Transfer to retained earnings reserve | 13,198,179 | 16,822,828 | 14,361,924 | 17,785,901 |
| | 23,675,595 | 27,608,558 | 23,848,061 | 28,073,252 |
| Total non-performing loans and advances | 70,826,085 | 7,778,467 | 70,123,787 | 7,334,528 |
| Total non-performing loans to total gross loans and advances (%) | 11.84% | 1.83% | 12.26% | 1.73% |
| EPS (Basic) | 127k | 185k | 128k | 188k |
| EPS (Adjusted) | 127k | 148k | 128k | 150k |

DIRECTORS' REPORT

Dividends

The Directors recommend the payment of dividend of 75k per share (December 2008: N1.00 per share) on the issued share capital of 18,653,748,613 shares of 50kobo each. Withholding tax will be deducted at the time of payment.

Bonus

Pursuant to Article 124 of the Bank's Articles of Association, the Directors recommend to the shareholders the creation of 4,663,437,154 ordinary shares by the capitalization of N2,331,718,577 from the Bonus Shares Reserve

Account to pay for bonus shares, which shall be appropriated at the ratio of one (1) new share for every four (4) shares held by shareholders.

Directors and their interests

The direct and indirect interests of Directors in the issued share capital of the Company as recorded in the register of Directors shareholding and/or as notified by the Directors for the purposes of Sections 275 and 276 of the Companies and Allied Matters Act 1990 and the listing requirements of the Nigerian Stock Exchange is noted:

Number of ordinary shares of 50k each held as at 31 December, 2009

| | *Direct 2009 | Indirect 2009 | *Direct 2009 | Indirect 2009 |
|--|-----------------|------------------|-----------------|------------------|
| Owelle G.P.O. Chikelu – Chairman | 121,663,491 | 0 | 109,330,793 | 0 |
| Mr. O.A. Aderinokun – Managing Director | 20,280,667 | 298,806,452 | 16,224,534 | 302,157,909 |
| Mr. J.K.O. Agbaje – Deputy Managing Director | 26,641,957 | 0 | 21,313,586 | 0 |
| Mr. A. B. Adesanya | 0 | 72,570,523 | 0 | 65,256,419 |
| Alhaji M.K. Jada | 0 | 3,765,075 | 0 | 1,980,060 |
| Mr. V.G. Osibodu | 90,270,837 | 132,842,139 | 117,716,688 | 121,148,181 |
| Mr. E.U. Imomoh | 4,701,506 | 0 | 4,436,479 | 0 |
| Mr. O.S. Oduyemi | 1,101,807 | 0 | 881,466 | 0 |
| Mr. M.B. Ogundare – Executive Director | 3,284,400 | 0 | 3,875,350 | 0 |
| Mrs. C.N. Echeozo – Executive Director | 3,485,076 | 0 | 2,788,071 | 0 |
| Mrs. G.T. Osuntoki – Executive Director | 7,286,697 | 0 | 4,701,388 | 0 |
| Mr. A. George-Taylor – Executive Director (Appointed 21 January 2009) | 236,342 | 0 | 0 | 0 |
| Mr. Farouk Bello – Executive Director (Resigned 18 March 2009) | 0 | 0 | 10,220,909 | 0 |
| Mr. A. Alli – Director | 281,250 | 0 | 0 | 0 |
| Mr. A. Akintoye – Director | 0 | 0 | 0 | 0 |

*Including the underlying Shares of the GDRs (Global Depository Receipts).

Directors' Interest in Contracts

For the purpose of Section 277 of the Companies and Allied Matters Act 1990, none of the Directors have any direct or indirect interest in contracts or proposed contracts with the Company during the year.

Property and equipment

Information relating to changes in property and equipment is given in Notes 22a & 22b to the financial statements. In the Directors' opinion, the market value of the Group's properties is not less than the value shown in the financial statements.

DIRECTORS' REPORT

Shareholding Analysis

The shareholding pattern of the Bank as at 31 December 2009 is as stated below:

| Share Range | No. of Shareholders | % of Shareholders | No. of Holdings | % Holding |
|---|---------------------|-------------------|-----------------------|---------------|
| 1 - 10,000 | 269,701 | 75.90 | 759,981,510 | 4.07 |
| 10,001 - 50,000 | 64,798 | 18.23 | 1,361,250,227 | 7.30 |
| 50,001 - 100,000 | 9,249 | 2.60 | 644,051,462 | 3.45 |
| 100,001 - 500,000 | 9,213 | 2.59 | 1,831,283,550 | 9.82 |
| 500,001 - 1,000,000 | 1,100 | 0.31 | 760,258,198 | 4.08 |
| 1,000,001 - 5,000,000 | 1,059 | 0.30 | 2,095,209,708 | 11.23 |
| 5,000,001 - 10,000,000 | 98 | 0.03 | 689,717,388 | 3.70 |
| 10,000,001 - 50,000,000 | 108 | 0.03 | 2,142,431,983 | 11.49 |
| 50,000,001 - 100,000,000 | 16 | 0.00 | 1,149,097,539 | 6.16 |
| 100,000,001 - 500,000,000 | 13 | 0.00 | 2,811,458,366 | 15.07 |
| 500,000,001 - 1,000,000,000 | 1 | 0.00 | 732,126,993 | 3.92 |
| 1,000,000,001 - 2,000,000,000 | 1 | 0.00 | 1,212,656,739 | 6.50 |
| Total | 355,357 | 100.00 | 16,189,523,663 | 86.79 |
| Stanbic Nominees Nigeria Limited GDR (underlying shares) | 1 | 0.00 | 2,464,224,950 | 13.21 |
| TOTAL | 355,358 | 100.00 | 18,653,748,613 | 100.00 |

According to the register of members as at 31 December 2009, no individual shareholder held more than 5% of the issued share capital of the Bank except for the following:

| Shareholder | No. of Shares held | Percentage of Shareholding (%) |
|--|--------------------|--------------------------------|
| *Stanbic Nominees Nigeria Limited GDR (underlying shares) | 2,464,224,950 | 13.21% |
| **Stanbic Nominees Nigeria Limited | 1,480,867,226 | 7.94% |

* Stanbic held the 2,464,224,950 units of shares in its capacity as custodian for the underlying shares of the Global Depository Receipts (GDRs) issued by the Bank in July 2007 and listed on the London Stock Exchange. Stanbic does not exercise any rights over the underlying shares. All the rights reside with the various GDR holders.

**Stanbic held 7.94% of the Bank's shares in a trading account on behalf of various investors.

Donations and charitable gifts

In order to identify with the aspirations of the community and the environment within which the Group operates, a total sum of N246,150,889 (Dec. 2008: N139,737,101) was given out as donations and charitable contributions during the period. These comprise contributions to charitable organisations amounting to N158,433,054 (Dec. 2008: N96,698,246) and donations amounting to N87,717,835 (Dec 2008: N43,038,864) to other non-charitable organisations. Details of the donations and charitable contributions are as follows:

DIRECTORS' REPORT

CHARITABLE ORGANISATIONS

Adopt a School Project:

| | |
|--|------------|
| -Baboko Community Secondary School, Ilorin | 29,739,050 |
| -Government Day Secondary School, Bauchi | 200,000 |
| -St. George Boys & Girls School, Ikoyi | 11,676,320 |
| Lagos State Principal's Cup | 42,328,537 |
| Students In Free Enterprise (SIFE) | 17,166,622 |
| African University of Science and Technology | 15,000,000 |
| Swiss Red Cross Ball | 14,803,355 |
| Pan-African Poetry | 5,312,280 |
| American University of Nigeria, Yola | 5,000,000 |
| Special Olympics Nigeria | 4,000,000 |
| Promotion of Indigenous Art through Stage Drama at Terra Kulture Ltd | 2,000,000 |
| Dr. J.K.Randle Swimming Competition | 1,350,000 |
| Patrick Speech & Languages Center | 1,270,000 |
| FATE Foundation | 1,000,000 |
| Lagos State Traditional Sports Association | 1,000,000 |
| The Bloom Cancer Care & Support | 1,000,000 |
| The National Society of Autism | 1,000,000 |
| The Youth Education and Empowerment Programme | 1,000,000 |
| Massey Street Hospital | 999,500 |
| Courage Education Foundation | 600,000 |
| Sponsorship of "17 Secrets Of High Flying Student" Textbooks | 472,500 |
| Honey Bee Foundations Programme | 364,890 |
| National Orthopaedic Hospital Lagos | 250,000 |
| International Centre For Leadership and Entrepreneur Development | 250,000 |
| Youth Empowerment programme: Yes Foundation | 250,000 |
| Association of Nigerian Authors | 200,000 |
| Queens College | 200,000 |

158,433,054

NON-CHARITABLE ORGANISATIONS

| | |
|---|------------|
| Ikoyi Club | 23,789,169 |
| Sponsorship of International Arts Exhibition: Nigeria 50th Anniversary | 21,521,475 |
| Sponsorship of 2009 West African Investment Forum | 11,800,000 |
| Sponsorship of Supa Strikas Cartoon Series | 7,712,762 |
| Coronation Anniversaries celebration of the Alake of Egbaland | 2,000,000 |
| The 10th Annual Olowu Day Anniversary celebration | 2,000,000 |
| Sponsorship of Katsina State Delegates to 2010 African Nations Cup | 2,000,000 |
| Crescent University Convocation | 1,000,000 |
| Inspire Africa Foundation | 1,000,000 |
| NEPAD Business Group Investment Forum | 1,000,000 |
| 3rd Anti Money Laundering Summit | 1,000,000 |
| The Metropolitan Club | 1,000,000 |
| Sponsorship of Tourism Development Initiative in Ghana | 999,608 |
| Lagos Business School (LBS) | 990,000 |
| Promotion of Local Journalism through Capacity Building Social Enterprise | 750,000 |
| Report And Awards (SERA) | 750,000 |
| Power Business of Art & Craft Workshop | 600,000 |
| London Chamber of Commerce and Industry's Trade Mission | 595,700 |
| Community Sustainable Development Forum: Iru/Victoria Island | 500,000 |
| Iyin Progressive Federal Union | 500,000 |
| Sponsorship of "Oluronbi" Theatre Art Productions | 400,000 |
| National Youth Summit- The Youth & Gender Network | 250,000 |
| Community Sustainable Development Forum-OPIC Residents' Association | 250,000 |
| Special Edition of Story Time with Aunty Noma | 250,000 |
| The German Suzuki Association Training Workshop | 250,000 |
| Others | 4,809,121 |

87,717,835

TOTAL

246,150,889

Post Balance Sheet Events

There were no post balance sheet events which could have a material effect on the financial position of the Group as at 31 December 2009 and profit attributable to equity holders on that date which have not been adequately adjusted for or disclosed.

Research and Development

The Bank is on a continuous basis, carrying out research into new banking products and services.

Human Resources

(i) Employment of disabled persons

The Bank operates a non-discriminatory policy in the consideration of applications for employment, including those received from disabled persons. The Bank's policy is that the most qualified and experienced persons are recruited for appropriate job levels, irrespective of an applicant's state of origin, ethnicity, religion or physical condition.

In the event of any employee becoming disabled in the course of employment, the Bank is in a position to arrange appropriate training to ensure the continuous employment of such a person without subjecting him/her to any disadvantage in his/her career development. Currently, the Bank has five persons on its staff list with physical disability.

(ii) Health, Safety and Welfare of Employees

The Bank maintains business premises designed with a view to guaranteeing the safety and healthy living conditions of its employees and customers alike. Employees are adequately insured against occupational and other hazards. In addition, the Bank retains top-class hospitals where medical facilities are provided for its employees and their immediate families at its expense.

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

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

gratuity scheme for its employees.

Employee Involvement and Training

The Bank encourages participation of employees in arriving at decisions in respect of matters affecting their well being. Towards this end, the Bank provides opportunities where employees deliberate on issues affecting the Bank and employee interests, with a view to making inputs to decisions thereon. The Bank places a high premium on the development of its manpower. Consequently, the Bank sponsored its employees for various training courses, both locally and overseas, in the period under review.

Auditors

The Auditors, KPMG Professional Services, have indicated their willingness to continue in office as auditors. In accordance with Section 357(2) of the Companies and Allied Matters Act 1990, a resolution will be proposed at the Annual General Meeting to authorize the Directors to determine their remuneration.

BY ORDER OF THE BOARD



Olutola Omotola
Company Secretary
Plot 1669, Oyin Jolayemi Street
Victoria Island, Lagos
22 February 2010

Statement of Directors' Responsibilities in Relation to the Financial Statements for the year ended 31 December 2009

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act 1990, and Sections 24 and 28 of the Banks and Other Financial Institutions Act 1991, the Directors are responsible for the preparation of annual financial statements which give a true and fair view of the state of affairs of the Group and the Bank, and of the profit for the financial period.

The responsibilities include ensuring that:

(a) appropriate internal controls are established both to safeguard the assets of the Group and to prevent and detect fraud and other irregularities;

(b) the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group and which ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act, 1990, Banks and Other Financial Institutions Act, 1991, Prudential Guidelines, Nigerian Accounting Standards and relevant Circulars issued by the Central Bank of Nigeria;

(c) the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all applicable accounting standards have been followed; and

(d) it is appropriate for the financial statements to be prepared on a going concern basis unless it is presumed that the Bank and its subsidiaries will not continue in business.

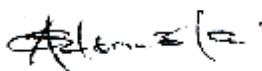
The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with Statements of Accounting Standards, the requirements of the Companies and Allied Matters Act of Nigeria, Banks and Other Financial Institutions Act, 1991, Prudential Guidelines, and relevant Circulars issued by the Central Bank of Nigeria.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Bank and Group and of the profit for the year.

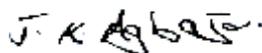
The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of financial control.

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

SIGNED ON BEHALF OF THE DIRECTORS BY:



TAYO ADERINOKUN



SEGUN AGBAJE

22 February 2010

To the members of Guaranty Trust Bank Plc

In accordance with the provisions of Section 359 (6) of the Companies and Allied Matters Act 1990, the members of the Audit Committee of Guaranty Trust Bank Plc hereby report as follows:

We have exercised our statutory functions under Section 359 (6) of the Companies and Allied Matters Act, 1990 and acknowledge the co-operation of management and staff in the conduct of these responsibilities.

We are of the opinion that the accounting and reporting policies of the Bank and Group are in accordance with legal requirements and agreed ethical practices, and that the scope and planning of both the external and internal audits for the period ended 31 December 2009 were satisfactory and reinforce the Group's internal control systems.

We are satisfied that the Bank has complied with the provisions of the Central Bank of Nigeria circular BSD/1/2004 dated 18 February 2004 on "Disclosure of directors' related credits in the financial statements of banks", and hereby confirm that an aggregate amount of N10,016,822,000 (31 December 2008: N11,542,887,000) was outstanding as at 31 December 2009. The status of performance of insider related credits is as disclosed in Note 40.

We have deliberated with the External Auditors, who have confirmed that necessary cooperation was received from Management in the course of their statutory audit and we are satisfied with Management's responses to the External Auditor's recommendations on accounting and internal control matters and with the effectiveness of the Bank's system of accounting and internal control.



Mr. M.F Lawal
Chairman, Audit Committee
22 February 2010

Members of the Audit Committee are:

1. Mr. M.F. Lawal - Chairman
2. Mr. A.B. Adesanya
3. Alhaji M.K. Jada
4. Mr. O.S. Oduyemi
5. Alhaji M.A. Usman
6. Mr. A.G.A Kosoko - Ceased to be a member on May 20, 2009
7. Mrs. Sandra Mbagwu-Fagbemi - Appointed May 20, 2009

In attendance:

Mr. George Uwakwe - Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Guaranty Trust Bank Plc

Report on the Financial Statements

We have audited the accompanying financial statements of Guaranty Trust Bank Plc ("the Bank") and its subsidiary companies (together "the Group"), which comprise the balance sheets as at 31 December, 2009, and the profit and loss accounts, statements of cash flows and value added statements for the year then ended, and the statement of accounting policies, notes to the financial statements, and the five year financial summaries, as set out on pages 33 to 120.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with Statements of Accounting Standards applicable in Nigeria and in the manner required by the Companies and Allied Matters Act of Nigeria, the Banks and Other Financial Institutions Act of Nigeria, and relevant Central Bank of Nigeria circulars. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal

control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the 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, these financial statements give a true and fair view of the financial position of Guaranty Trust Bank Plc ("the Bank") and its subsidiaries (together "the Group") as at 31 December, 2009, and of the Group and Bank's financial performance and cash flows for the year then ended in accordance with Statements of Accounting Standards applicable in Nigeria and in the manner required by the Companies and Allied Matters Act of Nigeria, Banks and Other Financial Institutions Act of Nigeria, and relevant Central Bank of Nigeria circulars.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 6 of the Companies and Allied Matters Act of Nigeria

In our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books and the Bank's balance sheet and profit and loss account are in agreement with the books of accounts.

Compliance with Section 27 (2) of the Banks and Other Financial Institutions Act of Nigeria and Central Bank of Nigeria circular BSD/1/2004

- i. The Bank did not contravene any provisions of Section 27(2) of the Banks and Other Financial Institution Act of Nigeria during the 2009 financial year.
- ii. Related party transactions and balances are disclosed in note (40) of the financial statements in compliance with the Central Bank of Nigeria circular BSD/1/2004.



22 February 2010
Lagos, Nigeria

REPORT OF EXTERNAL CONSULTANTS ON BOARD APPRAISAL OF GUARANTY TRUST BANK PLC

In accordance with the renewed mandate of the Board, the firm of J.K. Randle International conducted the annual Board appraisal of Guaranty Trust Bank Plc for the year ended December 31, 2009 in line with the Central Bank of Nigeria Code of Corporate Governance for Banks in Nigeria Post Consolidation (the CBN Code). In carrying out the assignment, we applied the provisions of the CBN Code and other recognised principles of Best Practice which promote sound corporate ethics, accountability and transparency.

The structure of the Board conforms with the provisions of CBN Code with respect to ratio of executive to non-executive Directors; requirements for balance of power; appointment of independent Directors; skills mix; and principle of independence. Accordingly, the position of the Chairman is clearly separated from that of the Managing Director while no individual occupies the two positions at the same time. Members have diversified professional and business backgrounds which they bring to bear in guiding decision making and supervision of the activities of the Bank. The structure of the Board committees is adequate with respect to minimum mandatory requirements while distribution of memberships between the executive and non-executive Directors is in conformity with Best Practice. All the committees performed in accordance with their terms of reference.

The processes of the Board are well defined and were performed with commendable adherence to high standards. Meetings were held more than the minimum requirement, attendance was outstanding, members confirmed that the Board papers were received promptly; the agenda of the Board were comprehensive and contained all the relevant issues for the deliberations of the Board while the Board minutes captured the essence of issues discussed and the level of participation was high.

Members performed routine responsibilities with respect to supervision of management by carrying out regular review of the performance of the Bank;

monitoring the activities of the committees; deliberating on the budget; meeting with regulatory authorities; supervising internal audit and risk management processes as well as reviewing and approving business proposals and other initiatives.

The Board diligently guided the business strategy of the Bank as regards its exposure to the volatile sectors of the economy. This enabled the Bank to weather the turmoil which prevailed during the recent banking crisis. The overall performance of the Board during the period was outstanding.

At the end of the exercise, we advised the Board to continue to adopt strategies that reflect transparency, honesty and accountability in all its dealings.

J. K. Randle International

"X KPMG HOUSE"

One, King Ologunkutere Street,
Park View,
Ikoyi,
Lagos.

Tel: +234(1)818 1381; (1)985 2431

Fax: 234 1270 1137

24 February, 2010.

STATEMENT OF ACCOUNTING POLICIES

A summary of the principal accounting policies, applied consistently throughout the current and preceding periods is set out below; except for the waiver of 1% general provisions on performing loans as described in note g.

(a) Basis of preparation

These financial statements are the consolidated financial statements of Guaranty Trust Bank Plc, a company incorporated in Nigeria on 20 July 1990, and its subsidiaries (hereinafter collectively referred to as "the Group"). The financial statements are prepared under the historical cost convention modified by the revaluation of certain investment securities, and comply with the Statements of Accounting Standards issued by the Nigerian Accounting Standards Board (NASB).

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

(b) Basis of consolidation

(i) Subsidiaries

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

The consolidated financial statements combine the financial statements of Guaranty Trust Bank Plc

("the Bank") and its subsidiaries ("the Group") wherein there is majority shareholding and/or control of the Board of Directors and management. The consolidated subsidiaries are Guaranty Trust Assurance Plc, Guaranty Trust Bank (Gambia) Limited, Guaranty Trust Bank (Sierra Leone) Limited, Guaranty Trust Bank (Ghana) Limited, Guaranty Trust Bank (UK) Limited, GTB Registrars Limited, GT Homes Limited, GTB BV, GTB Liberia and GTB Asset Management Limited.

(ii) Special purpose entities

The financial statements of special purpose entities are included in the Group's financial statements where the substance of the relationship is that the Group controls the special purpose entity. The Group established GTB Finance B.V., Netherlands as a special purpose entity to raise its \$350 million Eurobond Guaranteed Notes. Accordingly the financial statements of GTB Finance B.V. have been consolidated.

(c) Goodwill on consolidation

Goodwill represents the excess of the purchase consideration over the fair value of the Group's share of the separable net assets of subsidiaries acquired, at the date of the acquisition.

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or circumstances indicate that it might have been impaired. Impairment losses are recognised in the profit and loss account in the period in which they arise.

(d) Segment reporting

A segment is a distinguishable component of the Group that is engaged either 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 rewards that are different from those of other segments.

Segment information is presented in respect of the

STATEMENT OF ACCOUNTING POLICIES

Group's business and geographical segments. The Group's primary format for segment reporting is based on business segments. The business segments are determined by management based on the Bank's internal reporting structure. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(e) Foreign currency translation

i. Reporting currency

The consolidated financial statements are presented in Nigerian Naira, which is the Bank's reporting currency.

ii. Transactions and balances

Transactions denominated in foreign currencies are translated into Naira at the rates of exchange ruling at the date of the transaction (or, where appropriate, the rate of exchange in related forward exchange contracts). Monetary assets and liabilities denominated in foreign currencies are reported at the rates of exchange prevailing at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included in the profit and loss account.

iii. Group companies

The results and financial position of all Group entities that have a currency different from the reporting currency are translated into the reporting currency as follows:

-assets and liabilities for each balance sheet presented are translated at the closing rate at the balance sheet date except for share capital and pre-acquisition reserves, which are translated at their historical rates;

-income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transactions, in which case income and expenses are translated at the dates of the transactions); and

-all exchange differences arising on consolidation are recognised in the translation reserves.

On consolidation, exchange differences arising from the translation of the investment in foreign entities are taken to shareholders' funds. When a foreign operation is sold, such exchange differences are recognised in the profit and loss account as part of the gain or loss on sale.

Goodwill and other adjustments (e.g. previously unrecognised deferred tax assets) arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

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

(f) Income recognition

Credits to the profit and loss account are recognised as follows:

Interest - recognised on an accrual basis except for interest on non-performing credit facilities, which is recognised on a cash basis.

Non-credit-related fees - recognised when the successful outcome of the assignment can be determined and the assignment is considered substantially completed.

Credit-related fees - spread systematically over the tenor of the credit facility where they constitute at least 10% of the projected average annual yield of the facility, otherwise credited to the profit and loss account at the time of occurrence.

Income from advances under finance leases - is recognized on a basis that provides a constant yield on the outstanding principal over the lease term.

Income arising on investments held by the life business - is recognized in the life fund whilst

STATEMENT OF ACCOUNTING POLICIES

income derived from investments held by the general business is credited to the profit and loss account.

Commissions and fees charged to customers for services rendered - recognised at the time the service or transaction is effected.

Investment income - recognised on an accrual basis and credited to the profit and loss account.

Dividend income - recognised when the right to receive the dividend is established.

(g) Loans and advances

Loans and advances are stated net of allowances for bad and doubtful loans. Allowances are determined in accordance with the Central Bank of Nigeria's Prudential Guidelines for Licensed Banks from a specific assessment of each customer's account as stated below:

| Period principal or interest has been outstanding | Classification | % Allowance on Carrying amount |
|---|----------------|--------------------------------|
| 90 days but less than 180 days | Substandard | 10 |
| 180 days but less than 360 days | Doubtful | 50 |
| Over 360 days | Lost | 100 |

Upon classification of facility as non-performing, interests previously accrued and not received are reversed from revenue account and credited into interest in suspense account. Future interest charged on the account is credited to the same account until such facilities becomes performing.

A minimum of 1 % general allowance is made on all loans and advances not specifically provided for. In the current year the Bank did not make a general provision on loans and advances except for margin facilities which are marked to market. The general provision carried forward have been reversed to the profit and loss account (See note 14(j)). The change, which represents a change in accounting estimates was based on a publication by the Nigerian Accounting Standard Board (NASB) dated 08 February 2010 at the request of Central Bank of Nigeria (CBN) in which a waiver was granted on the 1% general provision required by paragraph 55 of

“Statement of Accounting Standards SAS 10 on Accounting for Banks and Non-bank financial institutions” and provisions of Prudential Guidelines for the financial statements ended on or before 31 December 2009.

All margin facilities are included in performing loans balances and are assessed for impairment by marking the underlying securities to market. The excess of loan amounts above the market value of the underlying securities is charged to profit loss account to accommodate actual and expected losses on the facility amounts and is reported in specific provisions for margin loans.

When a loan in respect of which a provision for impairment has already been made is deemed not collectible, it is written off against the related provision for impairments and subsequent recoveries are credited to the profit and loss account.

Loans in respect of which a previous provision was not made are written off directly to the profit and loss account when they are deemed to be not collectible.

(h) Advances under finance leases

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

In accordance with Prudential Guidelines for licensed banks, specific allowance is made, as applicable to loans and advances, on leases that are past due for 90 days or more, while a general allowance of at least 1% is made on the aggregate net investment in finance leases.

(i) Underwriting profits

The Group conducts life assurance and non-life insurance business through its insurance subsidiary. The Group offers a full range of insurance underwriting services.

STATEMENT OF ACCOUNTING POLICIES

i. Underwriting profits for non-life insurance business

The underwriting profits for non-life insurance business are determined on an annual basis whereby the incurred costs of claims, commission and related expenses are charged against the earned proportion of premiums, net of reinsurance, as follows:

- Premiums written related to risks assumed during the year, and include estimates of premium due but not yet received, less an allowance for cancellations.
- Unearned premiums represent the proportion of the premiums written in periods up to the accounting date which relate to the unexpired terms of policies in force at the balance sheet date, and are calculated on the basis of time apportionment.
- Claims paid represent all payments made during the year, whether arising from events during that or earlier years. Outstanding claims represent the estimated ultimate cost of settling all claims arising from incidents occurring prior to the balance sheet date, but not settled at that date. Outstanding claims are computed on the basis of the best information available at the time the records for the year are closed, and include provisions for claims incurred but not reported ("IBNR").
- Provisions for unexpired risks are the estimated amounts required over and above provisions for unearned premiums to meet future claims and related expenses on businesses in force at the end of the accounting period
- Expenses are allocated to the relevant revenue accounts as incurred in the management of each class of business.

ii. Underwriting profits for life assurance business

The underwriting profits for life assurance business are determined on a fund. The incurred costs of

claims, commission and related expenses are charged against the earned proportion of premiums, net of reinsurance, as follows:

- Premiums written relate to risks assumed during the year, and include estimates of premiums due but not yet received, less an allowance for estimated lapses.
- Claims arising on maturity are recognised when the claim becomes due for payment. Death claims are accounted for on notification. Surrenders are accounted for on payment.
- Expenses and commissions are allocated to the life fund as incurred in the management of the life business.
- The life assurance contracts (accounted for in the life fund) are assessed every three years by qualified consulting actuaries in accordance with Section 29 of the Insurance Act. Any resulting actuarial loss is made up by additional provisions charged to the Group's profit and loss account. Actuarial surpluses are allocated between the shareholders and the policy holders. Any balance remaining is retained in the life fund and attributable to "with profit" policyholders as the date of actuarial valuation.

In accordance with Section 22(1) of the Insurance Act 2003, an additional reserve (contingency reserves) of not less than 25% of the net written premium for every year between each valuation date, is maintained.

(j) Deferred acquisition and maintenance cost

Prepaid expenses include deferred acquisition expenses and deferred maintenance expenses. These expenses are incurred as a result of direct business earned from brokers. The deferred portion is calculated based on the percentage of unearned premium to written premium.

(k) Outstanding claims and provisions

Full provision is made for the estimated cost of all

STATEMENT OF ACCOUNTING POLICIES

claims notified but not settled at the date of the balance sheet, less reinsurance recoveries, using the best information available at that time.

In non-life insurance business, a provision is also made for the cost of claims incurred but not reported (IBNR) until after the balance sheet date on the basis of 10% of claims notified but not settled in compliance with the provisions of Section 20(1)(b) of the Insurance Act, 2003.

Similarly, provisions are made for "unallocated claims expenses" being the estimated administrative expenses that will be incurred after the balance sheet date in settling all claims outstanding as at that date, including IBNR. Differences between the provisions for outstanding claims at a balance sheet date and the subsequent settlement are included in the Revenue Account of the following year.

(I) Investment securities

The Group categorises its investments into the following categories: short-term investments, long-term investments and investments in subsidiaries. Investment securities (short-term and long-term investments) are initially recognized at cost and management determines the classification at initial investment. Debt and equity securities intended to be held for a period not exceeding one year or with an outstanding tenor to maturity not exceeding one year, and investments held for trading are classified as short-term investments.

Investments held-for-trading are those investments that the group acquires principally for the purpose of selling in the near term, or holds as part of a portfolio that is managed together for short-term profit taking.

i. Short term investments

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

Short-term investments in treasury bills and other marketable securities are stated at net realisable value. The gain/loss on revaluation is credited/charged to profit and loss account during the year/period.

All other short-term investments are stated at the lower of cost and market value (quoted bid prices). The amount by which cost exceeds market value (unrealized loss) is charged to the profit and loss account during the year.

ii. Long term investments

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

Long term investments in marketable securities are stated at the lower of cost and net realizable value.

Any discount or premium arising on acquisition of bonds is included in the original cost of the investment and is amortised over the period of purchase to maturity.

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

iii. Investments in subsidiaries

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

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.

STATEMENT OF ACCOUNTING POLICIES

(m) Trading properties

Trading properties are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost of trading properties is determined on the basis of specific identification of their individual costs.

(n) Property and equipment

All property and equipments 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 recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the financial period in which they are incurred.

Construction cost in respect of offices is carried at cost as capital work in progress. On completion of construction, the related amounts are transferred to the appropriate category of property and equipment.

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

| Leasehold improvement | Over the lease period |
|--------------------------------|-----------------------|
| Buildings | 50 years |
| Machinery and equipment | 5 years |
| Computer hardware | 3 years |
| Computer software | 5 years |
| Furniture and fittings | 5 years |
| Motor vehicles | 4 years |
| Other transportation equipment | 10 years |

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's value less costs to sell or the value in use.

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

(o) Leases

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

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

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

A Group company can be a lessor or a lessee in either a finance lease or an operating lease.

i. A Group Company is the lessor

When assets are held subject to a finance lease, the transactions are recognized in the books of the Group at the net investments in the lease. Net investment in the lease is the gross investment in the lease discounted at the interest rate implicit in the lease. The gross investment is the sum of the minimum lease payments plus any residual value payable on the lease. The discount on lease is

STATEMENT OF ACCOUNTING POLICIES

defined as the difference between the gross investment and the present value of the asset under the lease.

The discount is recognized as unearned in the books of the Group and amortized to income as they are earned over the life of the lease at a basis that reflects a constant rate of return on the Group's net investment in the lease.

Finance lease are treated as risk assets and the net investment in the lease are subject to the provisioning policy listed in note (g) above.

When assets are held subject to an operating lease, the assets are recognized as property and equipment based on the nature of the asset and the Group's normal depreciation policy for that class of asset applies.

Lease income is recognized on a straight line over the lease term.

All indirect costs associated with the operating lease are charged as incurred to the profit and loss account.

ii. A Group Company is the lessee

When the assets leased are subject to operating lease, the total payments made under operating leases are charged to profit and loss on a systematic basis in line with the time pattern of the user's benefit.

When the assets are subject to a finance lease, the Group accounts for it by recording the lease as an acquisition of an asset and the incurrence of a liability.

To capitalize the lease right, the Group determines the following:

- the initial value of the leased asset and the corresponding liability
- the amortization rate or amount, and
- the amount by which the lease liability is to be reduced.

At the beginning of the lease term, the Group

records the initial asset and liability at amounts equal to the fair value of the leased asset less the present value of an un-guaranteed or partially guaranteed residual value which would accrue to the lessor at the end of the term of the lease. The discount factor to apply in calculating the present value of the un-guaranteed residual value accruing to the lessor is the interest rate implicit in the lease.

Where the Group cannot determine the fair value of the leased asset at the inception of the lease or is unable to make a reasonable estimate of the residual value of the lease without which the interest rate implicit in the lease could not be computed, the initial asset and liability are recorded at amounts equal to the present value

The leased asset is depreciated or the rights under the leased asset are amortized in a manner consistent with the Group's own assets.

The minimum lease payment in respect of each accounting period is allocated between finance charge and the reduction of the outstanding lease liability. The finance charge is determined by applying the rate implicit in the lease to the outstanding liability at the beginning of the year.

(p) Cash and cash equivalents

(i) Cash and balance with CBN

Cash comprises cash on hand and demand deposits denominated in Naira and foreign currencies and cash balances with Central Bank of Nigeria (CBN). Cash equivalents are short-term, highly liquid instruments which are:

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

(ii) Due from other banks

Due from other banks represents cash held in other banks in Nigeria and banks outside Nigeria.

STATEMENT OF ACCOUNTING POLICIES

(iii) Treasury bills

Short term investments in treasury bills held-for-trading are presented net of unearned discount. Unearned discount is deferred and amortised as earned.

Short term investments treasury bills which are carried at net realizable value. Gains or losses resulting from market valuation are recognised in the profit and loss account.

(q) Provisions

A provision is recognized where, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(r) Off balance sheet transactions/contingent liabilities and contingent assets

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 recognised 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.

A contingent asset is a possible asset 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.

A contingent asset is never recognised rather they are disclosed in the financial statements when they arise.

Transactions to which there are no direct balance sheet risks to the Group are reported and accounted for as off balance sheet transactions and comprise:

Acceptances

Acceptances are undertakings by the Bank to pay bills of exchange drawn on customers. The Bank expects most acceptances to be settled simultaneously with the reimbursement from customers.

Acceptances, which meet the conditions, set out in Central Bank of Nigeria (CBN) Guidelines on the treatment of bankers acceptances and commercial papers are accounted for and disclosed as contingent liabilities. The income and expense relating to these acceptances are recognised and reported net in the financial statements.

Guarantees and performance bonds

The Bank provides financial guarantees and bonds to third parties on the request of customers in the form of bid and performance bonds or advance payment guarantees. These agreements have fixed limits and generally do not extend beyond the period stated in each contract.

The uncollateralized portion of bonds and guarantees are disclosed in financial statements. Commissions and fees charged to customers for services rendered in respect of bonds and guarantees are recognized at the time the services or transactions are effected.

Commitments

Commitments to extend credit or deliver on sales or purchases of foreign exchange in future are recognized as off balance sheet engagements. Commissions and fees charged to customers for services rendered in respect of commitments are recognized at the time the service or transaction is effected.

Letters of credit

The Bank provides letters of credit to guarantee the

STATEMENT OF ACCOUNTING POLICIES

performance of customers to third parties. These are accounted for as off balance sheet items. Commissions and fees charged to customers for the service are recognised at the time the service or transaction is effected.

(s) Retirement benefits

Pension costs

The Group operates a funded, defined contribution pension scheme for employees in Nigeria. The scheme is managed by external trustees and employees are entitled to join the scheme on confirmation of their employment. Employee and employer contributions are 7.5% and 10% respectively of the qualifying employee's salary in line with the provisions of Pension Reform Act 2004.

Gratuity scheme

The Group also operates a non-contributory, funded lump sum defined benefit gratuity scheme, which is managed by external trustees. Employees are entitled to join the scheme after completing 10 continuous full years of service. Employees' terminal benefits are determined by an independent actuarial valuation every year using the "projected benefit cost method".

Gains on actuarial valuation are immediately taken as deductions from current or future retirement costs while losses are treated as additions and charged to the profit and loss account.

The Bank ensures that adequate provisions are made to meet its obligations under the scheme.

(t) Deferred taxation

Deferred taxation, which arises from timing differences in the recognition of items for accounting and tax purposes, is calculated using the liability method. Deferred taxation is provided fully on timing differences, which are expected to reverse at the rate of tax likely to be in force at the time of reversal. Currently enacted tax rates are used to determine deferred income tax.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unutilised tax losses and deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Taxation

Income tax expenses/credits are recognised in the profit and loss account. Current income tax is the expected tax payable on the taxable income for the year, using statutory tax rates at the balance sheet date.

(v) Borrowings

Borrowings are recorded at face value less amounts repaid. Direct issue costs are capitalised and amortised over the tenor of the underlying instrument. Interest costs are recognised in the income statement over the duration of the instrument.

(w) Ordinary share capital

Share issue costs

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

(x) Dividends

Dividends on ordinary shares are appropriated from retained earnings and recognised as a liability in the period in which they are declared. Dividends that are proposed but not yet declared are disclosed in the notes to the financial statements.

(y) Sale of loans or securities

A sale of loans or securities without recourse to the

STATEMENT OF ACCOUNTING POLICIES

seller is accounted for as a disposal and the assets excluded from the balance sheet.

Profits or losses on sale of loans or securities without recourse to the seller is recognised by the seller when the transaction is completed.

The Group regards a sale of loans or securities as without recourse, if it satisfies all the following conditions. Any sale not satisfying these conditions will be regarded as with recourse.

- control over the economic benefits of the asset must be passed on to the buyer;
- the seller can reasonably estimate any outstanding cost; and
- there must not be any repurchase obligations

A sale or transfer of loans or securities with recourse where there is an obligation to, or an assumption of, repurchase is not treated as a sale, and the asset remains in the Group's balance sheet, with any related cash received recognised as a liability.

Profit arising from sale or transfer of loan or securities with recourse to the seller is amortised over the remaining life. However, losses are recognised as soon as they can be reasonably estimated.

Where there is no obligation to or assumption of repurchase, the sale should be treated as a disposal and the asset excluded from the balance sheet, and any contingent liability disclosed.

(z) Derivative financial instruments

A derivative is a financial instrument whose value changes in response to the change in an underlying variable. It requires little or no initial net investment relative to other types of contracts that have similar response to changes in market conditions and that is settled at a future date.

The Bank engaged in interest rate swap transactions with counterparties. The interest rate swaps are initially recognised in the balance sheet

at fair value, with a corresponding debit or credit as applicable in the income statement. Any changes in fair value are recognised immediately in the income statement.

(aa) Earnings per share

The Group presents basic earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted number of ordinary shares outstanding during the year.

Adjusted earnings per share is determined by dividing the profit or loss attributable to ordinary shareholders by the weighted number of ordinary shares adjusted for any bonus shares issued.

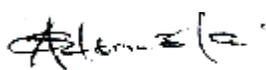
Financials

BALANCE SHEET

As at 31 December, 2009

| | Notes | Group Dec. 2009 N'000 | Group Dec. 2008 N'000 | Bank Dec. 2009 N'000 | Bank Dec. 2008 N'000 |
|--|-----------|-----------------------------|-----------------------------|----------------------------|----------------------------|
| ASSETS | | | | | |
| Cash in hand and balances with CBN | 11 | 35,889,931 | 64,349,514 | 34,890,767 | 62,579,450 |
| Treasury bills | 12 | 36,936,014 | 62,216,318 | 29,405,616 | 52,715,562 |
| Due from other banks | 13 | 225,330,111 | 219,821,791 | 202,810,278 | 191,187,296 |
| Loans and advances to customers | 14 | 563,488,164 | 416,318,640 | 538,137,569 | 413,983,817 |
| Advances under finance lease | 15 | 6,070 | 23,835 | 1,288 | 23,835 |
| Insurance receivables | 16 | 809,546 | 562,687 | - | - |
| Investment securities | 17 | 136,193,629 | 91,511,483 | 134,126,992 | 86,616,909 |
| Investment in subsidiaries | 18 | - | - | 29,774,817 | 28,274,817 |
| Trading properties | 20 | 5,070,666 | 15,085,846 | - | - |
| Other assets | 21 | 15,523,244 | 49,272,639 | 9,478,730 | 46,866,078 |
| Deferred tax assets | 31(b) | 410,864 | 36,847 | - | - |
| Property and equipment | 22 | 46,491,151 | 39,629,765 | 41,285,479 | 36,030,992 |
| Goodwill on consolidation | 23 | 354,328 | 354,328 | - | - |
| Total Assets | | 1,066,503,718 | 959,183,693 | 1,019,911,536 | 918,278,756 |
| LIABILITIES | | | | | |
| Customers' deposits | 24 | 683,080,902 | 470,605,806 | 662,261,026 | 445,740,212 |
| Due to other banks | 25 | 14,981,705 | 27,965,203 | 1,083,016 | 27,965,203 |
| Claims payable | 26 | 350,631 | 188,588 | - | - |
| Finance lease obligations | 27 | 2,211,130 | 2,125,260 | 2,211,130 | 2,125,260 |
| Liability on investment contracts | 28 | 1,115,094 | 586,386 | - | - |
| Liabilities on insurance contracts | 29 | 1,126,011 | 794,546 | - | - |
| Current income tax payable | 10(b) | 3,483,561 | 9,636,970 | 2,373,006 | 9,237,928 |
| Other liabilities | 30 | 85,491,872 | 198,400,658 | 81,284,082 | 186,892,178 |
| Deferred tax liabilities | 31(c) | 4,346,591 | 3,474,838 | 4,134,454 | 3,395,712 |
| Dividend payable | 32 | - | - | - | - |
| Retirement benefit obligations | 33 | 253,075 | 475,010 | 240,811 | 475,010 |
| Debt securities in issue | 34 | 65,485,550 | 48,838,125 | 65,515,655 | 48,838,125 |
| Other borrowings | 35 | 12,332,568 | 14,058,403 | 12,332,568 | 14,058,403 |
| Total Liabilities | | 874,258,690 | 777,149,793 | 831,435,748 | 738,728,031 |
| Net Assets | | 192,245,028 | 182,033,900 | 188,475,788 | 179,550,725 |
| CAPITAL AND RESERVES | | | | | |
| Share capital | 36 | 9,326,875 | 7,461,500 | 9,326,875 | 7,461,500 |
| Share premium | | 119,076,566 | 119,076,565 | 119,076,566 | 119,076,565 |
| Translation reserve | 37(a)&(b) | 12,200 | (346,662) | - | - |
| Retained earnings | 37(a)&(b) | 15,424,515 | 16,083,910 | 18,641,439 | 18,137,089 |
| Other reserves | 37(a)&(b) | 43,263,078 | 35,716,462 | 41,430,908 | 34,875,571 |
| EQUITY ATTRIBUTABLE TO EQUITY - HOLDERS OF THE PARENT | | 187,103,234 | 177,991,775 | 188,475,788 | 179,550,725 |
| Non-controlling interest | 38 | 5,141,794 | 4,042,125 | - | - |
| Total Equity | | 192,245,028 | 182,033,900 | 188,475,788 | 179,550,725 |
| Guarantees and other commitments on behalf of customers | 39(c)(i) | 332,820,260 | 400,369,438 | 316,381,113 | 389,543,782 |

The accounting policies on pages 33 to 42 and financial statements and notes on pages 44 to 120 were approved by the Board of Directors on 22 February 2010 and signed on its behalf by:



TAYO ADERINOKUN



SEGUN AGBAJE

} Directors

PROFIT AND LOSS ACCOUNTS

For the year ended 31 December, 2009

| | Notes | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|-----------|--|--|---|---|
| GROSS EARNINGS | | 162,550,418 | 100,605,806 | 151,698,107 | 93,017,258 |
| Interest and similar income | 3 | 119,567,654 | 67,217,099 | 110,889,700 | 64,192,456 |
| Interest and similar expenses | 4 | (40,540,465) | (19,467,500) | (37,421,590) | (18,430,138) |
| Net interest margin | | 79,027,189 | 47,749,599 | 73,468,110 | 45,762,318 |
| Fee and commission income | 5 | 30,904,820 | 23,987,886 | 28,070,390 | 22,622,594 |
| Fee and commission expenses | | (349,726) | (175,208) | (349,726) | (175,208) |
| Net fee and commission income | | 30,555,094 | 23,812,678 | 27,720,664 | 22,447,386 |
| Net foreign exchange income | 6 | 6,035,587 | 4,512,201 | 5,042,456 | 3,744,846 |
| Underwriting profit | 7 | 1,392,365 | 1,200,115 | - | - |
| Income from investments | 8 | 4,649,992 | 3,688,505 | 7,695,561 | 2,457,362 |
| Operating income | | 121,660,227 | 80,963,098 | 113,926,791 | 74,411,912 |
| Operating expenses | 9 | (56,170,495) | (41,055,452) | (49,963,277) | (35,521,595) |
| Loan loss expenses | 14(l) | (35,953,728) | (4,042,381) | (35,539,035) | (3,938,080) |
| Diminution in other asset values | 14(m) | (1,573,001) | (536,136) | (1,464,670) | (343,120) |
| Profit on ordinary activities before taxation | | 27,963,003 | 35,329,129 | 26,959,809 | 34,609,117 |
| Taxation | 10(a) | (4,276,160) | (7,013,568) | (3,111,748) | (6,535,865) |
| Profit on ordinary activities after taxation | | 23,686,843 | 28,315,561 | 23,848,061 | 28,073,252 |
| Non-controlling interest | 38(b) | (11,248) | (707,003) | - | - |
| Profit attributable to equity holders of the Bank | | 23,675,595 | 27,608,558 | 23,848,061 | 28,073,252 |
| APPROPRIATIONS | | | | | |
| Transfer to statutory reserve | 37(a)&(b) | 8,002,767 | 8,681,010 | 7,154,418 | 8,421,976 |
| Transfer to statutory contingency reserve | 37(a)&(b) | 142,930 | 239,345 | - | - |
| Transfer to bonus shares reserve | 37(a)&(b) | 2,331,719 | 1,865,375 | 2,331,719 | 1,865,375 |
| Transfer to retained earnings | 37(a)&(b) | 13,198,179 | 16,822,828 | 14,361,924 | 17,785,901 |
| | | 23,675,595 | 27,608,558 | 23,848,061 | 28,073,252 |
| Earnings per share (kobo) - Basic | 42 | 127k | 185k | 128k | 188k |
| Earnings per share (kobo) - Adjusted | 42 | 127k | 148k | 128k | 150k |
| Declared Dividend per share | 41 | | 70k | | |

The board of directors have proposed a dividend of N0.75 per share on the issued share capital of 18,653,748,614 ordinary shares of 50k each subject to the approval of the shareholders at the next annual general meeting.

The accounting policies on pages 33 to 42 and notes on page 44 to 120 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

For the year ended 31 December, 2009

| | Notes | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|-----------|--|--|---|---|
| OPERATING ACTIVITIES | | | | | |
| Net cash flow from operating activities | 43 | (141,872) | 197,036,319 | 27,746,947 | 185,612,880 |
| Income tax paid | 10(b) | (9,866,763) | (2,597,543) | (9,237,928) | (2,151,885) |
| Net cash flows from operating activities | | (10,008,635) | 194,438,776 | 18,509,019 | 183,460,995 |
| FINANCING ACTIVITIES | | | | | |
| Dividend paid | 32 | (14,922,999) | (9,575,591) | (14,922,999) | (9,575,591) |
| Inflow from debt securities | 34(b) | 13,135,000 | - | 13,165,000 | - |
| Borrowings | | | | | |
| - Repayment of borrowings | 35(b) | (2,737,048) | (4,043,518) | (2,736,942) | (4,043,518) |
| - Interest paid on borrowings | 4 | (6,053,331) | (2,183,844) | (5,554,944) | (2,183,844) |
| Finance lease | | | | | |
| - Finance lease repayment | 27(b) | (335,534) | (225,187) | (335,534) | (225,187) |
| - Interest paid on finance lease | | (386,462) | (281,925) | (386,462) | (281,925) |
| Inflow from non-controlling interest | 38(b) | 1,747,988 | 395,842 | - | - |
| Dividend paid to non-controlling interest | 38(b) | (521,275) | (138,060) | - | - |
| Net cash flows from financing activities | | (10,073,661) | (16,052,283) | (10,771,881) | (16,310,065) |
| INVESTING ACTIVITIES | | | | | |
| Purchase of long term investments | 17(f) | (8,716,096) | (7,220,528) | (8,305,379) | (7,220,528) |
| Dividend income received | 8 | 358,620 | 230,398 | 1,530,245 | 136,253 |
| Purchase of property and equipment | 22(a)&(b) | (12,993,177) | (9,744,044) | (10,643,282) | (8,039,703) |
| Proceeds from disposal of property and equipment | | 218,696 | 134,035 | 162,829 | 108,163 |
| Additional investment in subsidiaries | | - | - | (1,500,000) | (13,252,576) |
| Proceeds from disposal of long term investments | 17(f) | - | 484,248 | - | 310,830 |
| Redemption of long term investments | 17(f) | 1,024,893 | - | 1,496,018 | - |
| Purchase of trading properties | 20(a) | (2,195,080) | (4,304,560) | - | - |
| Proceeds from disposal of trading properties | | 10,278,083 | 3,200,000 | - | - |
| Investment in gratuity scheme | 33(c) | (1,419,186) | (1,538,139) | (1,419,186) | (1,538,139) |
| Net cash flows from investing activities | | (13,443,247) | (18,758,590) | (18,678,755) | (29,495,700) |
| Net (decrease)/increase in cash and cash equivalents | | (33,525,543) | 159,627,903 | (10,941,617) | 137,655,230 |
| Analysis of changes in cash and cash equivalents | | | | | |
| Cash and cash equivalents, beginning of year/period | | (311,109,803) | (151,893,649) | (271,204,488) | (131,549,258) |
| Effect of exchange rate fluctuations on foreign cash held | 44 | 170,683 | 411,749 | - | - |
| Cash and cash equivalents, end of year/period | | 277,413,577 | 311,109,803 | 260,262,871 | 271,204,488 |
| Net (decrease)/increase in cash and cash equivalents | | (33,525,543) | 159,627,903 | (10,941,617) | 137,655,230 |

The accounting policies on pages 33 to 42 and financial statements and noted on page 44 to 120 form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December, 2009

Country of
Incorporation

Percentage
holding

1. General information

Guaranty Trust Bank Plc ("the Bank") was incorporated in Nigeria on 20 July 1990 under the Companies & Allied Matters Act 1990 as a private limited liability company. The Bank was granted a license to operate as a commercial bank on 1 August 1990 and commenced business on 11 February 1991. The Bank, in readiness for a listing on the Nigerian Stock Exchange (NSE), converted to a public limited liability company on 2 April 1996, and was listed on the NSE by way of introduction on 9 September 1996. The Bank was issued a universal banking licence by the Central Bank of Nigeria on 5 February 2001.

The Bank has ten (10) subsidiaries as shown below:

| | | |
|---------------------------------|----------------|---------|
| Guaranty Trust Assurance Plc | Nigeria | 71.24% |
| GTB Asset Management Ltd | Nigeria | 99.90% |
| GT Homes Limited | Nigeria | 75.11% |
| GT Registrars Limited | Nigeria | 99.99% |
| GTB Finance, B.V. (Netherlands) | Netherlands | 100.00% |
| GTB (UK) Limited | United Kingdom | 100.00% |
| GTB (Liberia) Limited | Liberia | 100.00% |
| GTB (Sierra Leone) Limited | Sierra Leone | 84.30% |
| GTB (Gambia) Limited | Gambia | 77.92% |
| GTB (Ghana) Limited | Ghana | 96.00% |

2. Segment analysis

a. By geographical segment

The Group's business is organized along three (3) main geographical areas.

- i. Nigeria
- ii. Rest of West Africa
- iii. Europe

Transactions between the business segments are on normal commercial terms and conditions.

Funds are ordinarily allocated between segments, resulting in funding cost transfers disclosed in operating income. Interest charged on these funds is based on the Group's cost of capital. There are no other material items of income or expense between the business segments.

Internal charges and transfer pricing adjustments have been reflected in the performance of each segment. Revenue sharing agreements are used to allocate external customer revenues to a segment on a reasonable basis.

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Nigeria | | Rest of West Africa | | Europe | | Total | |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | Dec. 2009 12 months N'000 | Dec. 2008 10 months N'000 |
| 2. a. Segment report by geographical location | | | | | | | | |
| External revenue | 152,610,110 | 95,674,992 | 9,251,737 | 4,600,212 | 493,503 | 217,518 | 162,355,350 | 100,492,722 |
| Revenue from other segments | 195,068 | 113,084 | - | - | - | - | 195,068 | 113,084 |
| Interest and similar expenses | (37,653,537) | (18,601,670) | (2,553,351) | (1,219,023) | (333,577) | 353,193 | (40,540,465) | (19,467,500) |
| Fee and commission expenses | (349,726) | (175,208) | - | - | - | - | (349,726) | (175,208) |
| Operating income/loss | 114,801,915 | 77,011,198 | 6,698,386 | 3,381,189 | 159,926 | 570,711 | 121,660,227 | 80,963,098 |
| Profit before tax | 26,587,308 | 34,715,898 | 2,492,102 | 1,157,552 | (1,116,407) | (544,321) | 27,963,003 | 35,329,129 |
| Income tax expense | (3,482,999) | (6,698,537) | (793,161) | (302,658) | - | (12,373) | (4,276,160) | (7,013,568) |
| Profit after tax | 23,104,309 | 28,017,361 | 1,698,941 | 854,894 | (1,116,407) | (556,694) | 23,686,843 | 28,315,561 |
| Assets and liabilities | | | | | | | | |
| Segment assets | 1,030,079,758 | 912,144,808 | 36,586,674 | 36,863,338 | (517,042) | 9,821,219 | 1,066,149,390 | 958,829,365 |
| Intangible assets | 354,328 | 354,328 | - | - | - | - | 354,328 | 354,328 |
| Total assets | 1,030,434,086 | 912,499,136 | 36,586,674 | 36,863,338 | (517,042) | 9,821,219 | 1,066,503,718 | 959,183,693 |
| Segment liabilities | 838,403,450 | 737,321,887 | 34,288,447 | 32,174,052 | 1,566,793 | 7,653,854 | 874,258,690 | 777,149,793 |
| Total liabilities | 838,403,450 | 737,321,887 | 34,288,447 | 32,174,052 | 1,566,793 | 7,653,854 | 874,258,690 | 777,149,793 |
| Other segment items | | | | | | | | |
| Depreciation | 5,507,799 | 3,730,042 | 433,414 | 242,582 | 72,340 | 42,223 | 6,013,553 | 4,014,847 |
| Amortisation | - | - | - | - | - | - | - | - |

2. b. By business segment

The Group is divided into five main business segments on a worldwide basis:

i. Retail banking

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

ii. Corporate banking

Corporate banking incorporates direct debit facilities, current accounts, deposits, overdrafts, loans and other credit facilities, foreign currency and derivative products.

iii. Commercial banking

Commercial banking incorporates direct debit facilities, current accounts, deposits, overdrafts, loans and other credit facilities, foreign currency and derivative products for medium-sized companies.

iv. Insurance

Includes insurance transactions with individuals and corporate customers.

v. Asset management

Includes portfolio and asset management transactions with individuals and corporate customers.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

For the year ended 31 December, 2009

| | Corporate Banking | | Retail | | Commercial Banking | | Insurance | | Asset Management | | Group | |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | Dec. 2009 12 months N'000 | Dec. 2008 10 months N'000 |
| 2. b. Business segments | | | | | | | | | | | | |
| Gross earnings: | | | | | | | | | | | | |
| Derived from external customers | 80,783,626 | 48,933,723 | 34,375,104 | 28,034,656 | 43,930,108 | 20,160,922 | 3,044,419 | 3,304,477 | 417,161 | 172,028 | 162,550,418 | 100,605,806 |
| Derived from other business segments | (10,116,981) | (8,715,577) | 17,667,347 | 5,196,875 | (7,550,366) | 3,518,702 | - | - | - | - | - | - |
| | 70,666,645 | 40,218,146 | 52,042,451 | 33,231,531 | 36,379,742 | 23,679,624 | 3,044,419 | 3,304,477 | 417,161 | 172,028 | 162,550,418 | 100,605,806 |
| Interest and similar expenses | (21,993,554) | (8,989,017) | (11,987,532) | (6,262,359) | (6,455,657) | (4,214,499) | (19,689) | (1,625) | (84,033) | - | (40,540,465) | (19,467,500) |
| Fee and commission expenses | (177,587) | (88,270) | (75,567) | (50,571) | (96,572) | (36,367) | - | - | - | - | (349,726) | (175,208) |
| | 48,495,504 | 31,140,859 | 39,979,352 | 26,918,601 | 29,827,513 | 19,428,758 | 3,024,730 | 3,302,852 | 333,128 | 172,028 | 121,660,227 | 80,963,098 |
| Expense | | | | | | | | | | | | |
| Loan loss expenses/allowance on other assets | 20,757,796 | 3,269,726 | 4,113,874 | 619,841 | 12,503,053 | 688,950 | 151,506 | - | 500,44,371 | - | 37,526,729 | 4,578,517 |
| Depreciation | 1,347,739 | 678,316 | 3,132,346 | 2,345,000 | 1,369,811 | 875,630 | 119,286 | 95,470 | 325,972 | 20,431 | 6,013,553 | 4,014,847 |
| Other operating expenses | 5,747,710 | 7,883,445 | 29,265,853 | 20,927,395 | 13,325,120 | 6,331,430 | 1,492,287 | 1,204,550 | 370,843 | 693,785 | 50,156,942 | 37,040,605 |
| | 27,853,245 | 11,831,487 | 36,512,073 | 23,892,236 | 27,197,984 | 7,896,010 | 1,763,079 | 1,300,020 | 370,843 | 714,216 | 93,697,224 | 45,633,969 |
| Profit on Ordinary Activities before Taxation | 20,642,259 | 19,309,372 | 3,467,279 | 3,026,365 | 2,629,529 | 11,532,748 | 1,261,651 | 2,002,832 | (37,715) | (542,188) | 27,963,003 | 35,329,129 |
| Income tax expense | - | - | - | - | - | - | - | - | - | - | (4,276,160) | (7,013,568) |
| | | | | | | | | | | | 23,686,843 | 28,315,561 |
| Assets and Liabilities | | | | | | | | | | | | |
| Tangible segment assets | 578,758,337 | 462,200,283 | 201,722,742 | 238,475,196 | 266,639,477 | 239,624,167 | 16,794,411 | 16,567,466 | 2,234,423 | 1,962,253 | 1,066,149,390 | 958,829,365 |
| Intangible segment assets | 354,328 | 354,328 | - | - | - | - | - | - | - | - | 354,328 | 354,328 |
| Unallocated segment assets | - | - | - | - | - | - | - | - | - | - | - | - |
| | 579,112,665 | 462,554,611 | 201,722,742 | 238,475,196 | 266,639,477 | 239,624,167 | 16,794,411 | 16,567,466 | 2,234,423 | 1,962,253 | 1,066,503,718 | 959,183,693 |
| Segment liabilities | 267,940,346 | 302,953,452 | 376,408,810 | 347,089,034 | 225,203,464 | 122,717,701 | 4,123,706 | 4,135,163 | 582,364 | 254,443 | 874,258,690 | 777,149,793 |
| Unallocated liabilities | - | - | - | - | - | - | - | - | - | - | - | - |
| | 267,940,346 | 302,953,452 | 376,408,810 | 347,089,034 | 225,203,464 | 122,717,701 | 4,123,706 | 4,135,163 | 582,364 | 254,443 | 874,258,690 | 777,149,793 |
| Total liabilities | 311,172,319 | 159,601,159 | (174,686,068) | (108,613,838) | 41,436,013 | 116,906,466 | 12,670,705 | 12,432,303 | 1,652,059 | 1,707,810 | 192,245,028 | 182,033,900 |
| Net Assets | | | | | | | | | | | | |
| | | | | | | | | | | | | |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| 3. Interest and similar income | | | | |
| Interest and similar income was derived as follows: | | | | |
| a. Source | | | | |
| Placements | 9,805,634 | 4,423,365 | 7,742,749 | 3,203,233 |
| Treasury bills and investment securities | 15,891,768 | 7,955,443 | 14,021,192 | 7,103,742 |
| Loans and advances | 93,868,035 | 54,835,402 | 89,123,542 | 53,882,592 |
| Advances under finance lease | 2,217 | 2,889 | 2,217 | 2,889 |
| | 119,567,654 | 67,217,099 | 110,889,700 | 64,192,456 |
| b. Geographical location | | | | |
| Interest income earned in Nigeria | 107,609,800 | 59,794,240 | 105,759,359 | 59,735,586 |
| Interest income earned outside Nigeria | 11,957,854 | 7,422,859 | 5,130,341 | 4,456,870 |
| | 119,567,654 | 67,217,099 | 110,889,700 | 64,192,456 |
| 4. Interest and similar expenses | | | | |
| Interest and similar expenses comprise: | | | | |
| a. Source | | | | |
| Current accounts | 3,606,851 | 2,662,328 | 3,568,530 | 2,662,328 |
| Savings accounts | 842,241 | 514,246 | 783,956 | 510,221 |
| Time deposits | 28,611,651 | 12,797,299 | 26,082,120 | 11,486,774 |
| Inter-bank takings | 1,426,391 | 1,377,411 | 1,432,040 | 1,654,599 |
| Borrowed funds | 6,053,331 | 2,116,216 | 5,554,944 | 2,116,216 |
| | 40,540,465 | 19,467,500 | 37,421,590 | 18,430,138 |
| b. Geographical Location | | | | |
| Paid in Nigeria | 30,015,530 | 13,807,782 | 29,588,515 | 13,807,782 |
| Paid outside Nigeria | 10,524,935 | 5,659,718 | 7,833,075 | 4,622,356 |
| | 40,540,465 | 19,467,500 | 37,421,590 | 18,430,138 |
| Included in paid outside Nigeria is an amount of N4,763,407,000 (December 2008: N1,282,494,000) representing interest paid on Eurobonds debt securities. | | | | |
| 5 Fee and commission income | | | | |
| Fee and commission income comprises: | | | | |
| Commission on turnover | 9,971,014 | 8,581,970 | 9,634,633 | 7,473,782 |
| Commission on letter of credit transactions | 2,380,321 | (41,800) | 2,234,941 | (41,800) |
| Remittance fees | 3,050,604 | 1,677,039 | 2,580,421 | 1,677,039 |
| Facility management fees | 12,625,577 | 11,753,737 | 11,733,286 | 11,753,737 |
| Other fees and commissions | 2,495,861 | 1,764,431 | 1,859,861 | 1,759,305 |
| Other income | 381,443 | 252,509 | 27,248 | 531 |
| | 30,904,820 | 23,987,886 | 28,070,390 | 22,622,594 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| 6. Foreign exchange income | | | | |
| Net foreign exchange income comprises: | | | | |
| Foreign currency trading | 6,364,603 | 3,134,779 | 5,675,935 | 2,367,424 |
| Exchange (loss)/gain | (329,016) | 1,377,422 | (633,479) | 1,377,422 |
| | 6,035,587 | 4,512,201 | 5,042,456 | 3,744,846 |
| 7. Underwriting profit | | | | |
| a. Underwriting profit comprises of underwriting profit on general insurance and life assurance businesses, and were derived as follows: | | | | |
| i. General insurance | | | | |
| Gross premium | 5,667,433 | 4,399,516 | - | - |
| Outward insurance premium | (2,199,214) | (1,583,973) | - | - |
| Increase in unexpired risks (see note 29(c)) | (255,719) | (106,787) | - | - |
| Commission received | 240,601 | 134,846 | - | - |
| Claims incurred | (945,662) | (585,259) | - | - |
| Underwriting expenses | (520,341) | (350,492) | - | - |
| ii. Life assurance | | | | |
| Gross premium | (289,931) | (255,617) | - | - |
| Claims incurred | (130,348) | (212,466) | - | - |
| Underwriting expenses | (98,708) | (107,139) | - | - |
| Increase in life funds (see note 29(b)(i)) | (75,746) | (132,514) | - | - |
| Underwriting profit | 1,392,365 | 1,200,115 | - | - |
| 8. Income from investments | | | | |
| Income from investments comprises: | | | | |
| Dividend income | 358,620 | 230,398 | 1,530,245 | 136,253 |
| Profit on sale of securities | 3,019,357 | 1,790,642 | 3,014,545 | 2,572,200 |
| Unrealised gain/(loss) on valuation of securities | 3,204,192 | (251,091) | 3,150,771 | (251,091) |
| (Loss)/gain on sale of trading properties | (1,932,177) | 1,918,556 | - | - |
| | 4,649,992 | 3,688,505 | 7,695,561 | 2,457,362 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|--|--|---|---|
| 9. Operating expenses | | | | |
| a.i Analysis of operating expenses: | | | | |
| Staff salaries and allowances | 17,302,333 | 12,260,634 | 14,120,149 | 10,520,939 |
| Other staff cost - gratuity | 1,100,000 | 777,354 | 1,100,000 | 777,354 |
| Depreciation (see note 22(a) & (b)) | 6,013,553 | 4,014,847 | 5,307,232 | 3,588,570 |
| Profit on disposal of property and equipment | (81,665) | (37,382) | (81,264) | (35,563) |
| Repairs and maintenance | 2,927,403 | 1,623,880 | 2,882,908 | 1,622,178 |
| Insurance | 143,826 | 819,428 | 110,550 | 814,286 |
| Professional fees | 184,602 | 206,189 | 161,075 | 193,099 |
| Director's emoluments | 139,801 | 105,933 | 139,801 | 105,933 |
| Contract services | 4,536,452 | 3,060,132 | 4,494,917 | 3,060,132 |
| NDIC premium | 2,257,601 | 1,193,561 | 2,238,132 | 1,193,561 |
| Lease finance charges | 386,684 | 288,751 | 386,684 | 288,751 |
| Operating lease expenses | 520,354 | 318,077 | 456,515 | 318,077 |
| Occupancy costs | 2,497,798 | 1,642,516 | 2,480,134 | 1,642,516 |
| Advert, promotion and corporate gifts | 3,973,740 | 2,860,571 | 3,856,262 | 2,860,571 |
| Auditor's remuneration (see note (a)(ii) below) | 175,689 | 133,928 | 132,813 | 106,250 |
| Stationery and postage | 1,793,216 | 1,164,358 | 1,793,216 | 1,164,358 |
| Business travel expenses | 1,033,171 | 639,888 | 1,033,171 | 639,888 |
| Other operating expenses | 11,265,937 | 9,982,787 | 9,350,982 | 6,660,695 |
| | 56,170,495 | 41,055,452 | 49,963,277 | 35,521,595 |

ii. Auditor's remuneration represents fees for two audits of the Bank: for the period ended 30 June 2009 and year ended 31 December 2009.

b. Staff and executive directors' costs

i. Employee costs, including executive directors, during the year is shown below:

| | | | | |
|--|-------------------|-------------------|-------------------|-------------------|
| Wages and salaries | 16,644,159 | 11,852,313 | 13,614,110 | 10,158,875 |
| Pension cost: | 658,175 | 408,321 | 506,039 | 362,064 |
| Defined contribution plans | | | | |
| Defined benefit plan (see note 33(c)(i)) | 17,302,334 | 12,260,634 | 14,120,149 | 10,520,939 |
| | 1,112,264 | 777,354 | 1,100,000 | 777,354 |
| | 18,414,598 | 13,037,988 | 15,220,149 | 11,298,293 |

| | Group Dec. 2009 12 months Number | Group Dec. 2008 10 months Number | Bank Dec. 2009 12 months Number | Bank Dec. 2008 10 months Number |
|---|---|---|--|--|
| ii. The average number of persons employed by the Group during the year was as follows: | | | | |
| Executive directors | 6 | 6 | 6 | 6 |
| Management | 149 | 108 | 56 | 53 |
| Non-management | 3,556 | 3,040 | 2,504 | 2,296 |
| | 3,711 | 3,154 | 2,566 | 2,355 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months Number | Group Dec. 2008 10 months Number | Bank Dec. 2009 12 months Number | Bank Dec. 2008 10 months Number |
|--|---|---|--|--|
| iii. The average number of persons in employment during the year is shown below: | | | | |
| Abuja and north central | | | | |
| North east division | 74 | 120 | 74 | 120 |
| North west division | 27 | 83 | 27 | 83 |
| South east division | 37 | 64 | 37 | 64 |
| South west division | 95 | 102 | 95 | 102 |
| Lagos division | 105 | 96 | 105 | 96 |
| Financial control & strategy | 381 | 321 | 186 | 162 |
| General services and external affairs | 56 | 37 | 31 | 26 |
| Institutional banking division | 208 | 96 | 85 | 74 |
| Commercial banking | 197 | 204 | 185 | 180 |
| Retail | 45 | 36 | - | - |
| Management and corporate services | 584 | 508 | 481 | 293 |
| Payment and settlement | 77 | 161 | 30 | 43 |
| Risk management | 334 | 330 | 296 | 289 |
| Systems and control | 56 | 50 | 55 | 50 |
| Transaction services group | 93 | 66 | 71 | 52 |
| Public sector group | 1,057 | 870 | 808 | 721 |
| Others | 12 | 10 | - | - |
| | 273 | - | - | - |
| | 3,711 | 3,154 | 2,566 | 2,355 |
| iv. Employees other than directors, earning more than N60,000 per month, whose duties were wholly or mainly discharged in Nigeria, received emoluments (excluding pension contributions and certain benefits) in the following ranges: | | | | |
| N 720,001 - N 740,000 | 181 | 291 | - | - |
| N 830,001 - N 840,000 | 17 | 37 | - | - |
| N 930,001 - N 980,000 | 64 | 160 | - | - |
| N1,100,001 - N1,260,000 | 10 | 60 | - | - |
| N1,270,001 - N1,280,000 | 17 | - | - | - |
| N1,300,001 - N1,310,000 | - | - | - | - |
| N1,310,001 - N1,340,000 | 13 | 46 | 13 | 13 |
| N1,340,001 - N1,400,000 | 240 | 41 | - | - |
| N1,400,001 - N2,050,000 | 29 | 74 | 2 | 2 |
| N2,190,001 - N2,330,000 | 7 | 4 | - | - |
| N2,330,001 - N2,840,000 | 695 | 692 | 673 | 661 |
| N2,840,001 - N3,000,000 | 307 | 2 | - | - |
| N3,130,001 - N3,830,000 | 13 | 11 | - | - |
| N3,830,001 - N4,530,000 | 797 | 627 | 598 | 610 |
| N4,530,001 - N5,930,000 | 471 | 408 | 462 | 401 |
| N6,300,001 - N6,800,000 | 367 | 294 | 362 | 287 |
| N6,800,001 - N7,300,000 | 10 | 6 | - | - |
| N7,300,001 - N7,800,000 | 188 | 144 | 188 | 144 |
| N7,800,001 - N8,600,000 | - | - | - | - |
| N8,600,001 - N11,800,000 | 183 | 166 | 175 | 155 |
| Above N11,800,000 | 102 | 91 | 93 | 82 |
| | 3,711 | 3,154 | 2,566 | 2,355 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| c. Directors' remuneration | | | | |
| i. Directors' remuneration excluding pension contributions and certain benefits was provided as follows: | | | | |
| Fees as directors | 103,712 | 81,457 | 42,500 | 38,000 |
| Other allowances | 132,064 | 72,920 | 97,301 | 67,933 |
| Executive compensation | 235,776 406,665 | 154,377 293,079 | 139,801 253,719 | 105,933 212,021 |
| | 642,441 | 447,456 | 393,520 | 317,954 |
| ii. The directors' remuneration shown above includes: | | | | |
| Chairman | | | 14,894 | 11,112 |
| Highest paid director | | | 76,656 | 64,547 |
| iii. The emoluments of all other directors fell within the following ranges: | | | | |
| i. N 6,500,001 - N11,000,000 | | | 1 | - |
| N11,000,001 - N11,500,000 | | | - | 6 |
| N11,500,001 - N12,000,000 | | | - | 1 |
| N12,000,001 - N12,500,000 | | | - | - |
| N12,500,001 - N13,000,000 | | | - | - |
| N13,000,001 - N13,500,000 | | | - | - |
| N13,500,001 - N22,500,000 | | | 7 | 3 |
| Above N22,500,001 | | | 5 | 3 |
| | | | 13 | 13 |
| 10. Taxation | | | | |
| a. Tax charge | | | | |
| The tax charge for the year comprises: | | | | |
| Company income tax | 2,396,462 | 5,528,759 | 1,287,834 | 5,029,950 |
| Education tax | 295,454 | 445,013 | 234,206 | 441,554 |
| NITDA levy | 344,571 | 152,051 | 344,571 | 152,051 |
| | 3,036,487 | 6,125,823 | 1,866,611 | 5,623,555 |
| Prior period under-provision (see note 10(b)) | 741,262 | 257,492 | 506,395 | 248,277 |
| Deferred tax charge (see note 31(c)(i)) | 872,428 | 646,451 | 738,742 | 664,033 |
| Deferred tax credit (see note 31(b)(i)) | (374,017) | (16,198) | - | - |
| | 4,276,160 | 7,013,568 | 3,111,748 | 6,535,865 |
| b. Current income tax payable | | | | |
| The movement on the current income tax payable account during the year was as follows: | | | | |
| Balance, beginning of year/period | 9,636,970 | 5,851,198 | 9,237,928 | 5,517,981 |
| Exchange difference on translation | (64,395) | - | - | - |
| Charge for the year (see note 10(a)) | 3,036,487 | 6,125,823 | 1,866,611 | 5,623,555 |
| Payments during the year/period | (9,866,763) | (2,597,543) | (9,237,928) | (2,151,885) |
| Prior period under-provision (see note 10(a)) | 741,262 | 257,492 | 506,395 | 248,277 |
| Balance, end of year/period | 3,483,561 | 9,636,970 | 2,373,006 | 9,237,928 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D

For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|--|--|---|---|
| 11. Cash in hand and balances with CBN (Central Bank of Nigeria) | | | | |
| a. Cash in hand and balances with regulatory bodies comprise: | | | | |
| Cash in hand | 15,318,073 | 12,225,589 | 14,318,909 | 10,455,525 |
| Operating account held with the Central Bank of Nigeria (CBN) | 14,811,084 | 44,811,308 | 14,811,084 | 44,811,308 |
| Mandatory reserve deposits with Central Bank of Nigeria (CBN) | 30,129,157 5,760,774 | 57,036,897 7,312,617 | 29,129,993 5,760,774 | 55,266,833 7,312,617 |
| | 35,889,931 | 64,349,514 | 34,890,767 | 62,579,450 |
| b. Mandatory reserve deposits are not available for use in the Group's day-to-day operations. | | | | |
| c. Included in Group's cash in hand is an amount of N3,847,641,000 (31 December 2008: N2,658,234,000) representing unclaimed dividend held in the account of GTB Registrars and included in other liabilities. (See note 30). | | | | |
| 12. Treasury bills | | | | |
| These comprise: | | | | |
| Treasury bills (see note a) below | 36,936,014 | 62,216,318 | 29,405,616 | 52,715,562 |
| | 36,936,014 | 62,216,318 | 29,405,616 | 52,715,562 |
| i. Included in treasury bills is N6,800,000,000 (31 December 2008: N17,560,000,000) worth of treasury bills pledged as collateral to the Central Bank of Nigeria, Nigeria Interbank Settlement System, Federal Inland Revenue Services and Valucard Nigeria Limited as at year end. | | | | |
| ii. The original cost of treasury bills as at 31 December 2009 was N29,178,489,000 (31 December 2008: N53,765,703,000). | | | | |
| 13. Due from other banks | | | | |
| a. Due from other banks comprise: | | | | |
| Balances held with other local banks and discount houses | | | | |
| - Settlement accounts | - | 11,266,496 | - | 1,762,763 |
| - Placements (see note (a)(i) below) | 88,513,207 | 39,792,892 | 80,000,000 | 39,875,546 |
| - Commercial bills | 577,219 | 66,486 | - | - |
| - Mandatory reserve deposit with NAICOM (National Insurance Commission) | 500,000 | 500,000 | - | - |
| Balances and cash balances outside Nigeria | | | | |
| - Balances held with Central Banks | 4,072,223 | 2,960,532 | - | - |
| - Balances held with other banks outside Nigeria (see note (a)(ii) below) | 106,915,375 | 146,410,904 | 107,751,567 | 142,442,045 |
| - Placements with foreign Banks (see note (a)(iii) below) | 24,752,087 | 18,824,481 | 15,058,711 | 7,106,942 |
| | 225,330,111 | 219,821,791 | 202,810,278 | 191,187,296 |
| i. All placements with local banks in Nigeria are backed by CBN guarantees valid until 31 December 2010. | | | | |
| ii. Included in balances held with other banks outside Nigeria is the Naira value of foreign currencies held on behalf of customers in various foreign accounts amounting to N60,283,827,000 (31 December 2008: N119,883,550,000) to cover letters of credit transactions. The corresponding liability for this amount is included in other liabilities (see Note 30). The amount is not available for the day-to-day operations of the Bank. | | | | |
| iii. Included in balances with other banks outside Nigeria are restricted amounts totalling N3,508,046,000. (December 2008: Nil). | | | | |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| 14. Loans and advances to customers: | | | | |
| a. i. Loans and advances to customers comprise: | | | | |
| Overdrafts | 157,051,870 | 93,853,146 | 147,098,062 | 90,960,925 |
| Term loans | 332,426,809 | 295,146,240 | 318,127,380 | 295,415,788 |
| Others (see note(a)(ii)) | 108,615,706 | 36,527,663 | 106,784,280 | 36,527,663 |
| | 598,094,385 | 425,527,049 | 572,009,722 | 422,904,376 |
| Less: Allowances for bad and doubtful loans | | | | |
| - Specific allowance (see note (h) below) | (17,651,783) | (2,689,984) | (17,224,213) | (2,540,971) |
| - Allowance for margin facilities see note (i)(i) below) | (13,933,289) | - | (13,933,289) | - |
| - General allowance (see note (j)(i) below) | (230,981) | (5,440,413) | - | (5,337,866) |
| - Interest in suspense (see note (k) below) | (2,790,168) | (5,440,413) | (2,714,651) | (1,041,722) |
| | 563,488,164 | 416,318,640 | 538,137,569 | 413,983,817 |
| ii. Included in other loans and advances are Bankers' Acceptance (BA's) and Commercial Papers (CP's) of N78,568,501,000. (December 2008: Nil). The balance was re-classified from off balance sheet BA's and CP's to loans and advances in line with CBN circular BSD/DIR/GEN/CIR/03/018 issued on 23 July 2009 on "Suspension of BA's and CP's as off balance-sheet items". | | | | |
| b. i. Loans and advances by security comprise: | | | | |
| Secured against real estate | 206,706,912 | 147,388,330 | 199,317,105 | 150,161,318 |
| Secured by shares of quoted companies | 63,224,123 | 56,047,150 | 63,224,123 | 56,047,150 |
| Otherwise secured | 313,170,284 | 211,348,424 | 296,568,468 | 206,144,992 |
| Unsecured | 14,993,066 | 10,743,145 | 12,900,026 | 10,550,916 |
| | 598,094,385 | 425,527,049 | 572,009,722 | 422,904,376 |
| ii. Included in loans and advances is a total loan amount of N13,957,089,000 secured by cash held in various deposit accounts on behalf of customers. | | | | |
| c. The gross value of loans and advances by maturity is as follows: | | | | |
| Under 1 month | 284,532,330 | 140,021,669 | 277,714,164 | 146,318,975 |
| 1 - 3 months | 38,512,089 | 44,114,217 | 35,717,361 | 42,712,242 |
| 3 - 6 months | 21,793,284 | 21,806,170 | 19,649,220 | 19,670,991 |
| 6 - 12 months | 31,384,881 | 42,493,503 | 24,218,203 | 38,652,101 |
| Over 12 months | 22,871,801 | 177,091,490 | 214,710,774 | 175,550,067 |
| | 598,094,385 | 425,527,049 | 572,009,722 | 422,904,376 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| d. The gross value of loans and advances by sector is as follows: | | | | |
| Agriculture | 2,364,009 | 1,663,551 | 1,651,864 | 1,364,943 |
| Capital Market | 24,295,644 | 18,810,792 | 23,877,544 | 18,810,792 |
| Communication | 53,612,219 | 18,702,577 | 52,888,325 | 18,702,577 |
| Consumer Credit | 40,749,774 | 42,134,674 | 40,091,985 | 37,897,933 |
| Education | 7,017,104 | 1,373,858 | 3,374,985 | 2,860,791 |
| Finance and Insurance | 18,738,985 | - | 18,220,560 | 32,634,278 |
| Government | 13,875,607 | 304,252 | 12,775,430 | 304,252 |
| Manufacturing | 111,279,641 | 111,818,844 | 110,299,174 | 79,610,309 |
| Mining and Quarrying | 20,679,955 | 29,557,832 | 20,679,955 | 29,557,832 |
| Mortgage | 33,720,866 | 26,570,182 | 33,720,866 | 26,570,182 |
| Oil and gas | 80,220,613 | 22,259,510 | 80,220,613 | 22,259,510 |
| Other Public Utilities | - | - | - | - |
| Others | 132,456,301 | 109,164,439 | 116,192,612 | 109,164,439 |
| Power | - | - | - | - |
| Real Estate and Construction | 41,867,944 | 29,335,343 | 40,800,084 | 29,335,343 |
| Transportation | 17,215,725 | 13,831,195 | 17,215,725 | 13,831,195 |
| | 598,094,385 | 425,527,049 | 572,009,722 | 422,904,376 |
| e. i. The gross value of loans and advances by borrower is as follows: | | | | |
| Insider related loans (see note 40 (b)) | 10,016,822 | 11,542,887 | 10,016,822 | 11,542,887 |
| Other loans | 588,077,564 | 413,984,162 | 561,992,900 | 411,361,489 |
| | 598,094,386 | 425,527,049 | 572,009,722 | 422,904,376 |
| f. The gross value of loans and advances by performance is as follows: | | | | |
| Performing | 527,268,300 | 417,748,582 | 501,885,935 | 415,569,848 |
| Non-performing (see note (g) below): | | | | |
| - Principal | 68,035,917 | 6,700,455 | 67,409,136 | 6,292,806 |
| - Interest | 2,790,168 | 1,078,012 | 2,714,651 | 1,041,722 |
| | 598,094,385 | 425,527,049 | 572,009,722 | 422,904,376 |
| g. The analysis of non-performing loans and advances is as follows: | | | | |
| 90 - 180 (sub-standard) | 54,872,053 | 3,545,021 | 54,425,048 | 3,247,068 |
| 180 - 360 (doubtful) | 2,632,669 | 2,491,929 | 2,524,756 | 2,440,506 |
| Over 360 (lost) | 10,531,195 | 663,505 | 10,459,332 | 605,232 |
| Interest in suspense | 2,790,168 | 1,078,012 | 2,714,651 | 1,041,722 |
| | 70,826,085 | 7,778,467 | 70,123,787 | 7,334,528 |
| h. The movements on specific loan loss allowance during the year was as follows: | | | | |
| Balance, beginning of year/period | 2,689,984 | 2,547,043 | 2,540,971 | 2,442,237 |
| Exchange difference | (13,586) | (3,681) | - | - |
| Allowances made during the year/period (see (l) below) | 27,122,877 | 1,937,783 | 26,837,581 | 1,786,162 |
| Allowances no longer required | (14,921) | (357,154) | - | (243,661) |
| Allowances written-off during the year/period | (11,903,937) | (1,434,007) | (11,925,705) | (1,443,767) |
| Recoveries (see (l) below) | (228,634) | - | (228,634) | - |
| Balance, end of year/period | 17,651,783 | 2,689,984 | 17,224,213 | 2,540,971 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|--|--|---|---|
| i. i. The movement in margin loan allowance during the year is as follows: | | | | |
| Balance, beginning of year/period | - | - | - | - |
| Allowances made during the year/period (see (l) below) | 13,933,289 | - | 13,933,289 | - |
| Balance, end of year/period | 13,933,289 | - | 13,933,289 | - |
| ii. The directors, having considered the effects of the economic downturn on the risk assets of the Bank as at 31 December 2009, have made provisions on risk assets, including exposures on margin facilities resulting from the devaluation of the underlying collateral to accommodate actual and expected losses. | | | | |
| j. i. The movement in general loan loss allowance during the year is as follows: | | | | |
| Balance, beginning of year/period | 5,440,413 | 2,985,225 | 5,337,866 | 2,945,587 |
| Exchange difference | 5,001 | (3,265) | - | - |
| Allowances made during the year/period (see (l) below) | 123,433 | 2,458,453 | - | 2,392,279 |
| Write back of allowance during the year (see (l) and (j)(ii) below) | (5,337,866) | - | (5,337,866) | - |
| Balance, end of year/period | 230,981 | 5,440,413 | - | 5,337,866 |
| ii. In the current year, the Bank did not make a general provision on loans and advances and reversed the general provision of N5,337,866,000 carried forward from prior period. The change which represents a change in accounting estimates was based on a publication by the Nigerian Accounting Standard Board (NASB) dated 08 February 2010 at the request of Central Bank of Nigeria (CBN) in which a waiver was granted on the 1% general provision required by paragraph 55 of "Statement of Accounting Standards – SAS 10 on Accounting for Banks and Non-bank financial institutions" and provisions of Prudential Guidelines for the financial statements ended on or before 31 December 2009. | | | | |
| Pursuant to the above and having ensured that full provisions were made on a case by case basis for all loan impairments by the Bank, the Board of Directors reversed the balance of N5,337,866,000 of general provisions which stood to the credit of the Bank as at the beginning of the current year ended 31 December 2009. The reversal has been accounted for as a change in accounting estimate. | | | | |
| k. The movements on interest-in-suspense during the year were as follows: | | | | |
| Balance, beginning of year/period | 1,078,012 | 705,866 | 1,041,722 | 692,851 |
| Exchange difference | (2,179) | 1,628 | - | - |
| Interest suspended during the year/period | 3,547,439 | 811,504 | 3,492,431 | 786,953 |
| Interest recovered | (34,952) | (20,042) | (21,350) | (20,042) |
| Interest written off | (1,798,152) | (420,944) | (1,798,152) | (418,040) |
| Balance, end of year/period | 2,790,168 | 1,078,012 | 2,714,651 | 1,041,722 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| Loan loss expenses | | | | |
| l. The analysis of loan loss expense is shown below: | | | | |
| Specific allowances on risk assets (see (h) above) | 27,122,877 | 1,937,783 | 26,837,581 | 1,786,162 |
| Margin loan loss allowance (see (i)(i) above) | 13,933,289 | - | 13,933,289 | - |
| General allowance on loans and advances (see (j)(i) above) | 123,433 | 2,458,452 | - | 2,392,279 |
| (Writeback)/General allowance on advance under finance lease (See note 15(a)(i)) | (241) | 56 | (241) | 56 |
| Write-back of general allowance on loans and advances (see (j)(i) above) | (5,337,866) | - | (5,337,866) | - |
| Allowance no longer required | (14,921) | (357,154) | - | (243,661) |
| Loan amounts written off | 355,791 | 3,244 | 334,906 | 3,244 |
| Recoveries (see note (h) above) | (228,634) | - | (228,634) | - |
| | 35,953,728 | 4,042,381 | 35,539,035 | 3,938,080 |
| m. Diminution in other assets value | | | | |
| This comprises: | | | | |
| Diminution in value of SMEEIS Investments | 1,065,426 | - | 1,065,426 | - |
| Diminution in value of other investments (see note 17(a)(ii)) | 264,201 | - | 264,201 | - |
| | 1,329,627 | - | 1,329,627 | - |
| Allowances on other assets (see note 21(d)) | 139,858 | 439,628 | 135,043 | 343,120 |
| Allowance on insurance receivables (see note 16(b)) | 103,516 | 96,508 | - | - |
| | 1,573,001 | 536,136 | 1,464,670 | 343,120 |
| 15. Advances under finance lease | | | | |
| a. Advances under finance lease comprise: | | | | |
| Gross investment in finance lease | 6,093 | 26,378 | 1,311 | 26,378 |
| Less: Un-earned income | (23) | (2,302) | (23) | (2,302) |
| Net investment in finance lease | 6,070 | 24,076 | 1,288 | 24,076 |
| Less 1% general allowance (see note (a)(i) below) | - | (241) | - | (241) |
| Balance, end of year | 6,070 | 23,835 | 1,288 | 23,835 |
| i. The movement on general allowances for bad and doubtful advances under finance lease were as follows: | | | | |
| Balance, beginning of year/period | 241 | 185 | 241 | 185 |
| (Writeback)/allowance made during the year/period (see note 14(j)(ii) & 14(l)) | (241) | 56 | (241) | 56 |
| Balance, end of year | - | 241 | - | 241 |
| ii. The maturity profile of the net investment in advances under finance lease is as follows: | | | | |
| Under 1 month | 1,288 | - | 1,288 | - |
| 1 - 3 months | - | - | - | - |
| 3 - 6 months | - | 7,333 | - | 7,333 |
| 6 - 12 months | 4,782 | 16,743 | - | 16,743 |
| Over 12 months | - | - | - | - |
| | 6,070 | 24,076 | 1,288 | 24,076 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|--|--|---|---|
| iii. The performance analysis of gross advance under finance lease is as follows: | | | | |
| Performing | 6,070 | 24,076 | 1,288 | 24,076 |
| Non performing | - | - | - | - |
| | 6,070 | 24,076 | 1,288 | 24,076 |
| 16. Insurance receivables | | | | |
| a. Insurance receivables comprise of: | | | | |
| Due from contract holders | 236,020 | 139,227 | - | - |
| Due from agents and brokers | 553,815 | 526,510 | - | - |
| Due from reinsurers | 213,285 | 21,008 | - | - |
| | 1,003,120 | 686,745 | - | - |
| Allowance for doubtful receivables (see (b) below) | (193,574) | (124,058) | - | - |
| | 809,546 | 562,687 | - | - |
| b. Movement in allowance for doubtful insurance receivables is as follows: | | | | |
| Balance, beginning of the year/period | 124,058 | 27,550 | - | - |
| Additions during the year/period (see note 14(m) above) | 103,516 | 96,508 | - | - |
| Recoveries during the year | (34,000) | - | - | - |
| Balance, end of the year/period | 193,574 | 124,058 | - | - |
| 17. Investment securities | | | | |
| Investment securities comprise of: | | | | |
| a. Investment securities - long term | | | | |
| i. Unlisted debt securities - at cost | | | | |
| - GTB UK Subordinated loan | - | - | 1,212,983 | - |
| - Federal Govt. Bonds (see note (c) below) | 4,931,477 | 5,954,995 | 4,461,477 | 5,954,995 |
| - State Government Bonds | 7,000,000 | - | 7,000,000 | - |
| - Corporate Bonds | 132,700 | - | - | - |
| ii. Unlisted equity securities - at cost | | | | |
| - Kakawa Discount House Limited | 34,100 | 34,100 | 34,100 | 34,100 |
| - Valucard Nigeria Plc | 90,153 | 90,153 | 90,153 | 90,153 |
| - Nigeria Automated Clearing Systems | 47,547 | 47,547 | 47,547 | 47,547 |
| - Afrexim | 14,131 | 14,131 | 14,131 | 14,131 |
| - ICHL Nigeria Limited | 264,201 | 264,201 | 264,201 | 264,201 |
| - Africa Finance Corporation | 636,048 | 636,048 | 636,048 | 636,048 |
| - ARM Pension Managers Limited | 38,625 | 37,500 | - | - |
| - Other diversified portfolio | 1,000 | 1,000 | - | - |
| - Other unquoted investments | 1,491,000 | - | - | - |
| - Small and medium industries investments (see note (d) below) | 4,831,906 | 4,742,010 | 4,831,906 | 4,742,010 |
| | 19,512,888 | 11,821,685 | 18,592,546 | 11,783,185 |
| Less: diminution in value of investment (see note 14(m)) | (1,329,627) | - | (1,329,627) | - |
| | 18,183,261 | 11,821,685 | 17,262,919 | 11,783,185 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| b. Investment securities - short term | | | | |
| i. Listed equity securities | | | | |
| Proprietary investments (see note (h) below) | 985,968 | 3,520,956 | - | - |
| Underwritten shares (see note (i) below) | - | 1,608,652 | - | 1,608,652 |
| Investment in other funds | 160,327 | - | - | - |
| ii. Unlisted debt securities | | | | |
| FGN Bonds-trading (see note (j) below) | 116,864,073 | 73,225,072 | 116,864,073 | 73,225,072 |
| Treasury bearer bonds | - | 1,335,118 | - | - |
| | 118,010,368 | 79,689,798 | 116,864,073 | 74,833,724 |
| | 136,193,629 | 91,511,483 | 134,126,992 | 86,616,909 |
| c. i. The analysis of FGN Bonds - held to maturity is as follows | | | | |
| 3rd FGN Bond Series 3 (14.5%) | 268,394 | 253,929 | 268,394 | 253,929 |
| 3rd FGN Bond Series 5 (14.5%) | 358,071 | 634,993 | 358,071 | 634,993 |
| 3rd FGN Bond Series 12 (12%) | - | 1,168,074 | - | 1,168,074 |
| 4th FGN Bond Series 2 (9.50%) | 52,269 | 53,122 | 52,269 | 53,122 |
| 4th FGN Bond Series 14 (15.5%) | 4,252,743 | 3,844,877 | 3,782,743 | 3,844,877 |
| | 4,931,477 | 5,954,995 | 4,461,477 | 5,954,995 |
| ii. Included in FGN(Federal Government of Nigeria) Bonds is an amount N3,785,000,000 (December 2008: Nil) representing the face value of FGN Bonds pledged to the Central Bank of Nigeria (CBN) discount office, to act as settlement bank and also for its participation in clearing activities with the CBN. | | | | |
| iii. The market value of FGN Bonds held to maturity was N4,622,869,000 (December 2008: N5,880,467,000) | | | | |
| d. Investment in SMEEIS | | | | |
| i. The details of the investment are shown below: | | | | |
| Forrilon Translantic Ltd | 1,080,851 | 1,080,851 | 1,080,851 | 1,080,851 |
| Sokoia Chair Centre | 61,288 | 61,288 | 61,288 | 61,288 |
| Terra Kulture Ltd | 189,999 | 192,499 | 189,999 | 192,499 |
| Tinapa Business Resort | 500,000 | 500,000 | 500,000 | 500,000 |
| Iscare Nigeria Ltd | 40,000 | 40,000 | 40,000 | 40,000 |
| Ruqayya Integrated Farms | 40,500 | 40,500 | 40,500 | 40,500 |
| National e-Government Strategies | 25,000 | 25,000 | 25,000 | 25,000 |
| Interswitch Nigeria | 20,840 | 20,840 | 20,840 | 20,840 |
| Central Securities Clearing System | 10,500 | 10,500 | 10,500 | 10,500 |
| Patrick Speech & Language Center Ltd | 30,000 | 30,000 | 30,000 | 30,000 |
| Bookcraft Limited | 20,000 | 20,000 | 20,000 | 20,000 |
| 3 Peat Investment Limited | 855,532 | 855,532 | 855,532 | 855,532 |
| Shonga F.H. Nigeria Limited | 200,000 | 200,000 | 200,000 | 200,000 |
| Safe Nigeria Ltd | 350,000 | 350,000 | 350,000 | 350,000 |
| CRC Credit Bureau Limited | 61,111 | 50,000 | 61,111 | 50,000 |
| Cards Technology Limited | 265,000 | 265,000 | 265,000 | 265,000 |
| Thisday Events Center | 500,000 | 500,000 | 500,000 | 500,000 |
| HITV Limited | 500,000 | 500,000 | 500,000 | 500,000 |
| Tai Farm International Limited | 81,285 | - | 81,285 | - |
| | 4,831,906 | 4,742,010 | 4,831,906 | 4,742,010 |
| Less: diminution in the value of investment | (1,065,426) | - | (1,065,426) | - |
| | 3,766,480 | 4,742,010 | 3,766,480 | 4,742,010 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|--|--|---|---|
| ii. The Bank makes investments under the Small and Medium Enterprises Equity Investment Scheme (SMEEIS) per the Policy Guidelines for 2001 Fiscal Year (Monetary Policy Circular No. 35). Included in unlisted long term investments are the bank's investment under the Small and Medium Industries Equity Investment Scheme (SMEEIS). A total of N4,831,906,000 (December 2008: N4,742,010,000) has been so far invested under the scheme. Due to the effective percentage holding of the Bank in these companies, some of them qualify as subsidiaries and associates. However, they are not consolidated as the investments are held for sale and the value of the Bank's residual interest in the individual investee companies is not material. | | | | |
| e. The movement in investment securities-long term is as follows: | | | | |
| Balance, beginning of the year/period | 11,821,685 | 5,085,405 | 11,783,185 | 4,873,487 |
| Investments purchased during the year/period | 8,716,096 | 7,220,528 | 8,305,379 | 7,220,528 |
| Redemption of long term investments | (1,024,893) | - | (1,496,018) | - |
| Disposal of long term investments | - | (484,248) | - | (310,830) |
| Provision for diminution | (1,329,627) | - | (1,329,627) | - |
| Balance, end of year/period | 18,183,261 | 11,821,685 | 17,262,919 | 11,783,185 |
| f. The directors are of the opinion that the market value of long term investments is not lower than cost. | | | | |
| g. Proprietary investments as at 31 December 2009, represents Guaranty Trust Assurance Plc and GTB Asset Management Limited's trading investment in quoted equities on the stock market. The cost of the investments at that date was N1,273,464,000 (Market value as at 31 December 2008: N3,726,663,000). | | | | |
| i. Underwritten shares comprise: | | | | |
| Balance, beginning of the year/period | 1,608,652 | - | 1,608,652 | - |
| African Petroleum (see note (i)(ii) below) | - | 1,608,652 | - | 1,608,652 |
| Transferred to loans and advances | (1,608,652) | - | (1,608,652) | - |
| Balance, end of the year/period | - | 1,608,652 | - | 1,608,652 |
| ii. The underwritten commitment has been transferred to loans and advances during the year and specific provision taken in line with the CBN circulars. | | | | |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|----------------------------------|--|--|---|---|
| i. FGN Bonds - trading comprise: | | | | |
| i. 3rd FGN Bond Series 3 (14.5%) | 1,043,260 | - | 1,043,260 | - |
| 3rd FGN Bond Series 7 (12.5%) | 431,400 | - | 431,400 | - |
| 3rd FGN Bond Series 11 (12.5%) | - | 2,390,670 | - | 2,390,670 |
| 3rd FGN Bond Series 12 (12.00%) | - | 3,649,140 | - | 3,649,140 |
| 3rd FGN Bond Series 13 (12.99%) | - | 1,417,056 | - | 1,417,056 |
| 4th FGN Bond Series 1 (10.75%) | 1,012,600 | 1,646,768 | 1,012,600 | 1,646,768 |
| 4th FGN Bond Series 2 (9.50%) | - | 685,716 | - | 685,716 |
| 4th FGN Bond Series 4 (9.00%) | 5,375,790 | 5,017,513 | 5,375,790 | 5,017,513 |
| 4th FGN Bond Series 5 (9.23%) | 3,910,875 | 4,036,708 | 3,910,875 | 4,036,708 |
| 4th FGN Bond Series 6 (9.20%) | 206,440 | 2,699,716 | 206,440 | 2,699,716 |
| 4th FGN Bond Series 7 (7.95%) | 2,942,630 | 2,847,464 | 2,942,630 | 2,847,464 |
| 4th FGN Bond Series 8 (9.85%) | - | 478,003 | - | 478,003 |
| 4th FGN Bond Series 9 (9.35%) | 1,506,695 | - | 1,506,695 | - |
| 4th FGN Bond Series 10 (9.50%) | 6,286,992 | 3,720,809 | 6,286,992 | 3,720,809 |
| 4th FGN Bond Series 11 (9.25%) | 107,470 | 673,223 | 107,470 | 673,223 |
| 4th FGN Bond Series 12 (7.00%) | 304,950 | 97,454 | 304,950 | 97,454 |
| 4th FGN Bond Series 13 (9.20%) | - | 99,327 | - | 99,327 |
| 4th FGN Bond Series 14 (8.99%) | 28,820,400 | 26,225,263 | 28,820,400 | 26,225,263 |
| 5th FGN Bond Series 1 (9.45%) | 10,003,895 | 243,650 | 10,003,895 | 243,650 |
| 5th FGN Bond Series 2 (10.70%) | 821,132 | 198,597 | 821,132 | 198,597 |
| 5th FGN Bond Series 3 (10.50%) | 14,255,670 | 6,723,937 | 14,255,670 | 6,723,937 |
| 5th FGN Bond Series 4 (10.5%) | 18,167,294 | - | 18,167,294 | - |
| 5th FGN Bond Series 5 (15%) | 406,525 | - | 406,525 | - |
| 6th FGN Bond Series 1 (9.92%) | 1,794,010 | - | 1,794,010 | - |
| 6th FGN Bond Series 2 (10.5%) | 11,107,200 | - | 11,107,200 | - |
| 6th FGN Bond Series 3 (12.49%) | 6,365,816 | - | 6,365,816 | - |
| 6th FGN Bond Series 4 (7%) | 392,189 | - | 392,189 | - |
| 6th FGN Bond Series 5 (8.5%) | 600,840 | - | 600,840 | - |
| FGN Pension Bond (12.50%) | - | 9,424,360 | - | 9,424,360 |
| FMBN Mortgage Bonds (9.89%) | 1,000,000 | 949,700 | 1,000,000 | 949,700 |
| Total | 116,864,073 | 73,225,072 | 116,864,073 | 73,225,072 |

ii. The original cost of FGN bonds-trading as at 31 December 2009 was N113,763,108,000 (31 December 2008: N73,333,905,000).

iii. Included in FGN (Federal Government of Nigeria) Bonds is an amount of N11,215,000,000 (December 2008: Nil) representing the face value of FGN Bonds pledged to the Central Bank of Nigeria (CBN) discount office, to act as settlement bank and also for its participation in clearing activities with the CBN.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|--|--|---|---|
| 18. Investment in subsidiaries | | | | |
| a. Investment in subsidiaries comprises: | | | | |
| GTBank Gambia (see note (c) below) | - | - | 574,278 | 574,278 |
| GTBank Sierra Leone (see note (d) below) | - | - | 597,038 | 597,038 |
| GT Assurance Plc (see note (e) below) | - | - | 8,507,571 | 8,507,571 |
| GTBank Ghana (see note (f) below) | - | - | 8,114,710 | 8,114,710 |
| GTB Finance B.V. (See note (g) below) | - | - | 3,220 | 3,220 |
| GTB Registrars (see note (h) below) | - | - | 50,000 | 50,000 |
| GT Homes Limited (see note (i) below) | - | - | 3,500,000 | 2,000,000 |
| GTBank UK Limited (see note (j) below) | - | - | 5,000,000 | 5,000,000 |
| GTB Asset Management Limited (see note (k) below) | - | - | 2,250,000 | 2,250,000 |
| GTBank Liberia Limited (see note (l) below) | - | - | 1,178,000 | 1,178,000 |
| | - | - | 29,774,817 | 28,274,817 |

b. i. The subsidiary companies, country of incorporation, nature of business, percentage equity holding and period consolidated with the parent company is as detailed below:

| S/No | Country of Incorporation | Company Name | Nature of Business | Percentage of equity capital held | Year end |
|------|--------------------------|------------------------------|--------------------|-----------------------------------|------------|
| 1 | Gambia | GTBank Gambia Ltd. | Banking | 77.92% | 31/12/2009 |
| 2 | Sierra Leone | GTBank Sierra Leone Ltd. | Banking | 84.30% | 31/12/2009 |
| 3 | Nigeria | GT Assurance Plc | Insurance | 71.24% | 31/12/2009 |
| 4 | Ghana | GTBank Ghana Ltd. | Banking | 96.00% | 31/12/2009 |
| 5 | Netherlands | GTB Finance, B.V. | SPV | 100.00% | 31/12/2009 |
| 6 | Nigeria | GT Registrars Limited | Registrar | 99.90% | 31/12/2009 |
| 7 | Nigeria | GT Homes Limited | Mortgage | 75.11% | 31/12/2009 |
| 8 | United Kingdom | GTBank UK, Ltd. | Banking | 100.00% | 31/12/2009 |
| 9 | Nigeria | GTB Asset Management Limited | Asset Mgt. | 99.90% | 31/12/2009 |
| 10 | Liberia | GTBank Liberia Ltd. | Banking | 100.00% | 31/12/2009 |

c. This represents the cost of the Bank's 77.92% equity holding in GTBank Gambia. The company was incorporated in September 2001 and commenced operations in January 2002.

d. This represents the cost of the Bank's 84.3% equity holding in GTBank Sierra Leone. It was incorporated in September 2001 and commenced operations in January 2002.

e. This represents the cost of the Bank's 71.24% equity holding in Guaranty Trust Assurance Plc. The Company was incorporated on 23 June 1989 as Heritage Assurance Limited. However, GTBank Plc acquired a majority shareholding in the Company in September 2004.

f. This represents the cost of the Bank's 96% equity holding in Guaranty Trust Bank Ghana. The Company was incorporated in October 2004 and commenced operations in March 2006.

g. This represents the cost of the Bank's 100% holding of the equity of GTB Finance B.V., Netherlands. An obligation also exists between the Bank and GTB Finance B.V, for which GTB Finance B.V was expected to lend the Bank the sum of N307.87 million (\$2,608,000) as a share premium loan. The loan agreement between both parties however permits that the obligation of GTB Finance B.V. to grant the loan be set-off against the obligation of the Bank to repay the loan such that each party's obligation either as a borrower or lender is discharged. In view of this, no loan payable has been recognised in the Bank's financial statements. GTB Finance B.V was incorporated in December 2006 and commenced operations in December 2006.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

For the year ended 31 December, 2009

- h. This represents the cost of the Bank's 99.9% holding of the equity of GTB Registrars. The Company was incorporated in February 2006 and commenced operations in September 2006.
- i. This represents the cost of the Bank's 75% holding of the equity of GT homes Limited. The Company was incorporated in 1992 as Citizens Savings and Loans Limited. Its name was changed to New Patriot Building Society in 1997. However, GTB Plc acquired majority shareholding in August 2007, consequent upon which the name was changed to GTHomes Limited. It commenced operations under this name in January 2008.
- j. This represents the cost of the Bank's 100% holding of the equity of Guaranty Trust Bank (UK) Limited. It was incorporated in February 2007 and commenced operations in January 2008.
- k. This represents the cost of the Bank's 99.9% holding in the equity of GT Asset Management Company Limited. The Company provides security brokerage and asset management services and was incorporated on 14 January 2008 and commenced operations in April 2008.
- l. This represents the cost of the Bank's 100% holding in the equity of Guaranty Trust Bank (Liberia) Limited. GTB (Liberia) Limited was incorporated in September 2008 and commenced operations in March 2009.
- m. The condensed financial statements of the consolidated subsidiaries are included in Note 19.

NOTES TO THE FINANCIAL STATEMENTS CONT'D

For the year ended 31 December, 2009

| Subsidiary companies/ parent company | Group Balance N'000 | Elimination Entries N'000 | GTBank Plc N'000 | GTA Plc N'000 | GTB Asset Mgt N'000 | GT Registrars N'000 | GT Homes Ltd N'000 | GTBank BV N'000 | GTBank Ghana N'000 | GTBank Sierra Leone N'000 | GTBank Liberia N'000 | GTBank UK N'000 | GTBank Gambia N'000 |
|---|---------------------------|---------------------------------|---------------------|------------------|---------------------------|---------------------------|--------------------------|-----------------------|--------------------------|------------------------------------|----------------------------|-----------------------|---------------------------|
| Condensed profit and loss | | | | | | | | | | | | | |
| Operating income | 121,660,227 | (1,335,171) | 113,926,791 | 3,026,290 | 333,127 | 77,258 | (1,386,391) | (267,053) | 4,044,753 | 1,489,757 | 56,135 | 426,981 | 1,267,750 |
| Operating expenses | (56,170,494) | 1,335,171 | (49,963,277) | (1,551,379) | (370,340) | (80,013) | (300,213) | (11,128) | (2,035,464) | (962,037) | (209,571) | (1,265,206) | (757,037) |
| Loan loss expenses | (35,953,728) | - | (35,539,035) | - | (500) | - | (12,010) | - | (234,815) | (68,457) | (6,886) | - | (92,025) |
| Diminution on other risk values | (1,573,002) | - | (1,464,670) | (103,517) | (4,815) | - | - | - | - | - | - | - | - |
| Profit before tax | 27,963,003 | - | 26,959,809 | 1,371,394 | (42,528) | (2,755) | (1,698,614) | (278,181) | 1,774,474 | 459,263 | (160,322) | (838,225) | 418,688 |
| Taxation | (4,276,160) | - | (3,111,748) | (764,192) | (13,226) | (1,655) | 407,822 | - | (500,944) | (109,643) | - | - | (182,574) |
| Profit after tax | 23,686,843 | - | 23,848,061 | 607,202 | (55,754) | (4,410) | (1,290,792) | (278,181) | 1,273,530 | 349,620 | (160,322) | (838,225) | 236,114 |

a. Condensed results of the consolidated entities as at 31 December 2009, are as follows:

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| Subsidiary companies/ parent company | Group Balance N'000 | Elimination Entries N'000 | GTBank Plc N'000 | GTA Plc N'000 | GTB Asset Mgt N'000 | GT Registrars N'000 | GT Homes Ltd N'000 | GTBank BV N'000 | GTBank Ghana N'000 | GTBank Sierra Leone N'000 | GTBank Liberia N'000 | GTBank UK N'000 | GTBank Gambia N'000 |
|---|---------------------------|---------------------------------|----------------------|-------------------|---------------------------|---------------------------|--------------------------|-----------------------|--------------------------|------------------------------------|----------------------------|-----------------------|---------------------------|
| December 2009 | | | | | | | | | | | | | |
| Condensed financial position | | | | | | | | | | | | | |
| Assets | | | | | | | | | | | | | |
| Cash and balances with Central Bank of Nigeria | 35,889,931 | - | 34,890,767 | 51 | 192 | 1 | 18 | - | 256,609 | 172,756 | 80,321 | 67,442 | 421,774 |
| Treasury bills | 36,936,014 | - | 29,405,616 | - | - | - | - | - | 3,838,279 | 298,285 | - | - | 3,393,834 |
| Due from other banks | 225,330,111 | (23,242,323) | 202,810,278 | 8,914,295 | 1,165,192 | 88,812 | 1,066,870 | 15,256 | 8,477,195 | 1,015,705 | 958,015 | 21,034,087 | 3,026,729 |
| Loans and advances to customers | 563,488,164 | (52,350,655) | 538,137,569 | - | 61,508 | - | 3,233,807 | 52,350,550 | 11,154,905 | 4,903,271 | 337,132 | 2,773,849 | 2,886,228 |
| Advances under finance lease | 6,070 | - | 1,288 | - | - | - | - | - | - | - | - | - | 4,782 |
| Insurance receivables | 809,546 | - | - | 809,546 | - | - | - | - | - | - | - | - | - |
| Investment securities | 136,193,629 | (1,242,983) | 134,126,992 | 2,717,723 | 459,197 | - | - | - | - | - | - | 132,700 | - |
| Investment in subsidiaries | - | (29,774,817) | 29,774,817 | - | - | - | - | - | - | - | - | - | - |
| Trading properties | 5,070,666 | - | - | 2,519,241 | 300,000 | - | 2,251,425 | - | - | - | - | - | - |
| Deferred tax assets | 410,864 | - | - | 1,106 | - | - | 409,758 | - | - | - | - | - | - |
| Other assets | 15,523,244 | (2,269,726) | 9,478,730 | 814,958 | 135,583 | 13,736 | 20,100 | 2,241,873 | 4,428,989 | 138,352 | 127,936 | 125,422 | 267,291 |
| Property and equipment | 46,491,151 | - | 41,285,479 | 910,030 | 112,748 | 13,094 | 93,855 | - | 1,536,386 | 549,138 | 518,270 | 708,139 | 764,012 |
| Goodwill on consolidation | 354,328 | 354,328 | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | 1,066,503,718 | (108,526,176) | 1,019,911,536 | 16,686,950 | 2,234,420 | 115,643 | 7,075,833 | 54,607,679 | 29,692,363 | 7,077,507 | 2,021,674 | 24,841,639 | 10,764,650 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D

For the year ended 31 December, 2009

| Subsidiary companies/ parent company | Group Balance N'000 | Elimination Entries N'000 | GTBank Plc N'000 | GTA Plc N'000 | GTB Asset Mgt N'000 | GT Registrars N'000 | GT Homes Ltd N'000 | GTBank BV N'000 | GTBank Ghana N'000 | GTBank Sierra Leone N'000 | GTBank Liberia N'000 | GTBank UK N'000 | GTBank Gambia N'000 |
|---|---------------------------|---------------------------------|----------------------|-------------------|---------------------------|---------------------------|--------------------------|-----------------------|--------------------------|------------------------------------|----------------------------|-----------------------|---------------------------|
| December 2009 | | | | | | | | | | | | | |
| Financed by: | | | | | | | | | | | | | |
| Customers' deposits | 683,080,902 | (22,805,040) | 662,261,026 | - | 449,396 | - | 3,420,660 | - | 18,714,127 | 5,615,210 | 739,040 | 6,597,169 | 8,089,314 |
| Due to other banks | 14,981,705 | - | 1,083,016 | - | - | - | 12,474 | - | - | - | 44,872 | 13,841,343 | - |
| Claims payable | 350,631 | - | - | 350,631 | - | - | - | - | - | - | - | - | - |
| Finance lease obligations | 2,211,130 | - | 2,211,130 | - | - | - | - | - | - | - | - | - | - |
| Liability on investment contracts | 1,115,094 | - | - | 1,115,094 | - | - | - | - | - | - | - | - | - |
| Liabilities on insurance contracts | 1,126,011 | - | - | 1,126,011 | - | - | - | - | - | - | - | - | - |
| Current income tax payable | 3,483,561 | - | 2,373,006 | 542,398 | 7,838 | 3,390 | 15,825 | - | 473,543 | 27,927 | - | - | 39,634 |
| Other liabilities | 85,491,872 | (2,822,441) | 81,284,082 | 637,045 | 125,130 | 48,664 | 585,801 | 2,390,578 | 1,327,838 | 345,347 | 14,658 | 137,310 | 1,417,860 |
| Deferred tax liabilities | 4,346,591 | - | 4,134,454 | 198,917 | - | 3,170 | - | - | 6,058 | 3,992 | - | - | - |
| Dividend payable | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Retirement benefit obligations | 253,075 | - | 240,811 | - | - | - | - | - | - | 12,264 | - | - | - |
| Debt securities in issue | 65,485,550 | (1,243,088) | 65,515,655 | - | - | - | - | - | - | - | - | 1,212,983 | - |
| Other borrowings | 12,332,568 | (52,350,550) | 12,332,568 | - | - | - | - | 52,350,550 | - | - | - | - | - |
| Equity and reserve | 192,245,028 | (29,305,057) | 188,475,788 | 12,716,854 | 1,652,056 | 60,419 | 3,041,073 | (133,449) | 9,170,797 | 1,072,767 | 1,223,104 | 3,052,834 | 1,217,842 |
| | 1,066,503,718 | (108,526,176) | 1,019,911,536 | 16,686,950 | 2,234,420 | 115,643 | 7,075,833 | 54,607,679 | 29,692,363 | 7,077,507 | 2,021,674 | 24,841,639 | 10,764,650 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D

For the year ended 31 December, 2009

| Subsidiary companies/ parent company | Group Balance N'000 | Elimination Entries N'000 | GTBank Plc N'000 | GTA Plc N'000 | GTB Asset Mgt N'000 | GT Registrars N'000 | GT Homes Ltd N'000 | GTBank BV N'000 | GTBank Ghana N'000 | GTBank Sierra Leone N'000 | GTBank Liberia N'000 | GTBank UK N'000 | GTBank Gambia N'000 |
|---|---------------------------|---------------------------------|----------------------|------------------|---------------------------|---------------------------|--------------------------|-----------------------|--------------------------|------------------------------------|----------------------------|-----------------------|---------------------------|
| December 2009 | | | | | | | | | | | | | |
| Condensed cash flow | | | | | | | | | | | | | |
| Net cash flow from operating activities | (10,008,635) | (29,754,723) | 18,509,019 | 1,697,047 | 52,639 | 8,261 | (13,071,957) | - | 2,042,195 | 1,757,753 | 245,649 | 7,843,630 | 661,852 |
| Net cash flow from investing activities | (13,443,247) | (6,555,926) | (18,678,755) | (526,668) | (64,587) | (5,163) | 11,202,567 | - | 1,625,743 | 56,659 | 321,729 | (573,741) | (245,105) |
| Net cash flow from financing activities | (10,073,661) | (1,870,180) | (10,771,881) | (417,410) | (84,043) | - | 1,883,000 | - | - | 92,010 | - | 1,212,983 | (118,140) |
| Increase in cash and cash equivalents | (33,525,543) | (38,180,829) | (10,941,617) | 752,969 | (95,991) | 3,098 | 13,610 | - | 3,667,938 | 1,906,422 | 567,378 | 8,482,872 | 298,607 |
| Cash balance, beginning of year | 311,109,803 | 549,911,938 | (271,204,488) | 7,661,375 | 161,388 | 85,715 | 54 | 1,674 | 5,820,847 | 3,480,605 | 1,078,348 | 12,184,677 | 1,927,670 |
| Effect of exchange difference | (170,683) | - | - | - | - | - | - | 110 | (754,981) | (125,364) | 88,195 | 449,506 | 171,851 |
| Cash balance, end of year | 277,413,577 | 511,731,109 | (282,146,105) | 8,414,344 | 65,397 | 88,813 | 13,664 | 1,784 | 8,733,804 | 5,261,663 | 1,733,921 | 21,117,055 | 2,398,128 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| Subsidiary companies/ parent company | Group Balance N'000 | Elimination Entries N'000 | GTBank PLC N'000 | GT A Plc N'000 | GTB Asset Mgt N'000 | GT Registrars N'000 | GT Homes Ltd N'000 | GTBank BV N'000 | GTBank Ghana N'000 | GTBank Sierra Leone N'000 | GTBank Liberia N'000 | GTBank UK N'000 | GTBank Gambia N'000 |
|---|---------------------------|---------------------------------|---------------------|-------------------|---------------------------|---------------------------|--------------------------|-----------------------|--------------------------|------------------------------------|----------------------------|-----------------------|---------------------------|
| | 80,963,098 | (2,461,093) | 74,411,912 | 4,683,693 | 172,028 | 52,113 | 153,376 | 363,335 | 1,537,773 | 824,247 | 9,031 | 207,376 | 1,009,307 |
| | (41,055,452) | 1,441,992 | (35,521,595) | (2,682,352) | (714,216) | (43,886) | (281,342) | (309,499) | (944,119) | (544,629) | (25,238) | (805,533) | (625,035) |
| | (4,042,381) | - | (3,938,080) | - | - | - | (19,686) | - | (97,467) | (18,009) | - | - | 30,861 |
| | (536,136) | - | (343,120) | (193,016) | - | - | - | - | - | - | - | - | - |
| Condensed profit and loss | | | | | | | | | | | | | |
| Operating income | 35,329,129 | (1,019,101) | 34,609,117 | 1,808,325 | (542,188) | 8,227 | (147,652) | 53,836 | 496,187 | 261,609 | (16,207) | (598,157) | 415,133 |
| Operating expenses | (7,013,568) | - | (6,535,865) | (124,415) | - | (1,450) | (31,681) | - | (80,996) | (84,150) | - | (12,373) | (142,638) |
| Loan loss expenses | | | | | | | | | | | | | |
| Diminution on other risk values | | | | | | | | | | | | | |
| Profit before tax | 28,315,561 | (1,019,101) | 28,073,252 | 1,683,910 | (542,188) | 6,777 | (179,333) | 53,836 | 415,191 | 177,459 | (16,207) | (610,530) | 272,495 |
| Taxation | | | | | | | | | | | | | |
| Profit after tax | | | | | | | | | | | | | |

b. Condensed results of the consolidated entities as at 31 December 2008, are as follows:

December 2008

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| Subsidiary companies/ parent company | Group Balance N'000 | Elimination Entries N'000 | GTBank Plc N'000 | GTA Plc N'000 | GTB Asset Mgt N'000 | GT Registrars N'000 | GT Homes Ltd N'000 | GTBank BV N'000 | GTBank Ghana N'000 | GTBank Sierra Leone N'000 | GTBank Liberia N'000 | GTBank UK N'000 | GTBank Gambia N'000 |
|---|---------------------------|---------------------------------|---------------------|-------------------|---------------------------|---------------------------|--------------------------|-----------------------|--------------------------|------------------------------------|----------------------------|-----------------------|---------------------------|
| December 2008 | | | | | | | | | | | | | |
| Condensed Financial Position Assets | | | | | | | | | | | | | |
| Cash and balances with Central Bank of Nigeria | 64,349,514 | - | 62,579,450 | 66 | 140 | 8 | 54 | - | 491,295 | 1,039,294 | 2,233 | 10,851 | 226,123 |
| Treasury bills | 62,216,318 | - | 52,715,562 | - | - | - | - | - | 6,696,512 | 710,096 | - | - | 2,094,148 |
| Due from other banks | 219,821,791 | (1,907,172) | 191,187,296 | 8,227,794 | 572,378 | 85,708 | - | 1,535 | 5,111,404 | 2,330,032 | 1,224,060 | 10,455,406 | 2,533,350 |
| Loans and advances to customers | 416,318,640 | (57,563,559) | 413,983,817 | - | - | - | 1,249,008 | 48,838,125 | 4,733,153 | 2,849,678 | - | 51,649 | 2,176,769 |
| Advances under finance lease | 23,835 | - | 23,835 | - | - | - | - | - | - | - | - | - | - |
| Insurance receivables | 562,687 | - | - | 562,687 | - | - | - | - | - | - | - | - | - |
| Investment securities | 91,511,483 | (1,176,717) | 86,616,909 | 3,126,308 | 1,053,757 | - | 556,109 | - | 1,335,117 | - | - | - | - |
| Investment in subsidiaries | - | (28,274,817) | 28,274,817 | - | - | - | - | - | - | - | - | - | - |
| Trading properties | 15,085,846 | - | - | 1,611,293 | - | - | 13,474,553 | - | - | - | - | - | - |
| Deferred tax assets | 36,847 | - | - | 36,847 | - | - | - | - | - | - | - | - | - |
| Other assets | 49,272,639 | (4,810,821) | 46,866,078 | 2,130,427 | 181,442 | 16,806 | 1,689,091 | 2,055,946 | 651,979 | 186,450 | - | 81,392 | 223,849 |
| Property and equipment | 39,629,765 | - | 36,030,992 | 794,939 | 154,537 | 17,975 | 100,161 | - | 996,032 | 510,586 | 150,840 | 283,366 | 590,337 |
| Goodwill on consolidation | 354,328 | 354,328 | - | - | - | - | - | - | - | - | - | - | - |
| Total assets | 959,183,693 | (93,378,758) | 918,278,756 | 16,490,361 | 1,962,254 | 120,497 | 17,068,976 | 50,895,606 | 20,015,492 | 7,626,136 | 1,377,133 | 10,882,664 | 7,844,576 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| Subsidiary companies/ parent company | Group Balance N'000 | Elimination Entries N'000 | GTBank Plc N'000 | GTA Plc N'000 | GTB Asset Mgt N'000 | GT Registrars N'000 | GT Homes Ltd N'000 | GTBank BV N'000 | GTBank Ghana N'000 | GTBank Sierra Leone N'000 | GTBank Liberia N'000 | GTBank UK N'000 | GTBank Gambia N'000 |
|---|---------------------------|---------------------------------|---------------------|-------------------|---------------------------|---------------------------|--------------------------|-----------------------|--------------------------|------------------------------------|----------------------------|-----------------------|---------------------------|
| December 2008 | | | | | | | | | | | | | |
| Financed by: | | | | | | | | | | | | | |
| Customers' deposits | 470,605,806 | (5,742,124) | 445,740,212 | - | 211,176 | - | 2,154,762 | - | 9,918,804 | 5,265,684 | - | 7,089,981 | 5,967,311 |
| Due to other banks | 27,965,203 | - | 27,965,203 | - | - | - | - | - | - | - | - | - | - |
| Claims payable | 188,588 | - | - | 188,588 | - | - | - | - | - | - | - | - | - |
| Finance lease obligations | 2,125,260 | - | 2,125,260 | - | - | - | - | - | - | - | - | - | - |
| Liability on investment contracts | 586,386 | - | 586,386 | 586,386 | - | - | - | - | - | - | - | - | - |
| Liabilities on insurance contracts | 794,546 | - | 794,546 | 794,546 | - | - | - | - | - | - | - | - | - |
| Current income tax payable | 9,636,970 | - | 9,237,928 | 179,678 | 4,555 | 17,948 | 17,948 | - | 96,294 | 52,325 | - | 11,053 | 37,189 |
| Other liabilities | 198,400,658 | (17,240,487) | 186,892,178 | 2,184,948 | 43,267 | 13,210,669 | 13,210,669 | 1,922,779 | 8,923,939 | 1,208,573 | - | 535,984 | 672,602 |
| Deferred tax liabilities | 3,474,838 | - | 3,395,712 | 29,157 | 4,905 | 13,733 | 13,733 | - | 7,039 | 24,292 | - | - | - |
| Dividend payable | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Retirement benefit obligations | 475,010 | - | 475,010 | - | - | - | - | - | - | - | - | - | - |
| Debt securities in issue | 48,838,125 | - | 48,838,125 | - | - | - | - | - | - | - | - | - | - |
| Other borrowings | 14,058,403 | (48,838,125) | 14,058,403 | - | - | - | - | 48,838,125 | - | - | - | - | - |
| Equity and reserve | 182,033,900 | (21,558,021) | 179,550,725 | 12,527,058 | 1,707,811 | 64,829 | 1,671,864 | 134,701 | 1,069,417 | 1,075,263 | 1,377,132 | 3,245,647 | 1,167,474 |
| | 959,183,693 | (93,378,757) | 918,278,756 | 16,490,361 | 1,962,254 | 120,495 | 17,068,976 | 50,895,605 | 20,015,493 | 7,626,137 | 1,377,132 | 10,882,665 | 7,844,576 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| Subsidiary companies/ parent company | Group Balance N'000 | Elimination Entries N'000 | GTBank Plc N'000 | GTA Plc N'000 | GTB Asset Mgt N'000 | GT Registrars N'000 | GT Homes Ltd N'000 | GTBank BV N'000 | GTBank Ghana N'000 | GTBank Sierra Leone N'000 | GTBank Liberia N'000 | GTBank UK N'000 | GTBank Gambia N'000 |
|---|---------------------------|---------------------------------|---------------------|------------------|---------------------------|---------------------------|--------------------------|-----------------------|--------------------------|------------------------------------|----------------------------|-----------------------|---------------------------|
| December 2008 | | | | | | | | | | | | | |
| Condensed cash flow | | | | | | | | | | | | | |
| Net cash flow from operating activities | 194,438,776 | (3,241,663) | 183,460,995 | 2,597,880 | (1,811,187) | 3,790 | (481,807) | - | 5,305,187 | 1,394,603 | (18,243) | 6,553,394 | 675,827 |
| Net cash flow from investing activities | (18,758,590) | 12,860,971 | (29,495,700) | (2,499,827) | 2,250,000 | (3,991) | (1,420,672) | - | (582,048) | 410,941 | 150,882 | (138,267) | (290,879) |
| Net cash flow from financing activities | (16,052,283) | (7,616,074) | (16,310,065) | 4,351,475 | (174,968) | - | 1,900,000 | - | - | 70,846 | 1,395,375 | - | 331,128 |
| Increase in cash and cash equivalents | 159,627,903 | 2,003,234 | 137,655,230 | 4,449,528 | 263,845 | (201) | (2,479) | - | 4,723,139 | 1,876,390 | 1,528,014 | 6,415,127 | 716,076 |
| Cash balance, beginning of year | 151,893,649 | 1,555,709 | 133,549,258 | 3,211,847 | - | 85,917 | 2,533 | 1,674 | 2,535,604 | 2,461,566 | - | 7,052,879 | 1,436,662 |
| Effect of exchange difference | (411,749) | - | - | - | - | - | - | - | (91,190) | 303,491 | - | (637,751) | 13,701 |
| Cash balance, end of year | 311,109,803 | 3,558,943 | 271,204,488 | 7,661,375 | 263,845 | 85,716 | 54 | 1,674 | 7,167,553 | 4,641,447 | 1,528,014 | 12,830,255 | 2,166,439 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| 20. Trading properties | | | | |
| a. This represents the cost of real estate properties held by the Bank's subsidiaries, which are designated for resale to customers. The movement on the trading properties account during the year was as follows: | | | | |
| Balance, beginning of year/period | 15,085,846 | 12,062,730 | - | - |
| Additions | 2,195,080 | 4,304,560 | - | - |
| Disposals | (12,210,260) | (1,281,444) | - | - |
| Balance, end of year/period | 5,070,666 | 15,085,846 | - | - |
| 21. Other assets | | | | |
| a. i. Other assets comprise: | | | | |
| Treasury bills on open buy back (see note (30) & a(ii) below) | - | 31,500,000 | - | 31,500,000 |
| Prepayments (see (a)(iii) below) | 7,342,414 | 6,419,789 | 6,109,389 | 5,731,598 |
| Interest receivable | 2,920,769 | 2,202,907 | 2,710,042 | 2,155,632 |
| Subscription for shares | 50,000 | - | - | - |
| Receivable from bond trading (see (b) below) | - | 33,501 | - | 33,501 |
| Other accounts receivable | 5,916,834 | 9,665,333 | 1,568,529 | 8,219,534 |
| Deferred acquisition cost (see (c) below) | 207,272 | 225,296 | - | - |
| Allowances on other assets (see (d) below) | 16,437,289 (914,045) | 50,046,826 (774,187) | 10,387,960 (909,230) | 47,640,265 (774,187) |
| | 15,523,244 | 49,272,639 | 9,478,730 | 46,866,078 |
| ii. Treasury bills sold under repurchase agreement are classified as other assets balances in accordance with the Central Bank of Nigeria circular BSD/8/2003. The corresponding liability is recognised in other liabilities. (see note 30). | | | | |
| iii. The analysis of prepayments is as follows: | | | | |
| Under one year | 2,224,753 | 1,442,665 | 1,311,705 | 796,312 |
| Over one year | 5,117,661 | 4,977,124 | 4,797,684 | 4,935,286 |
| | 7,342,414 | 6,419,789 | 6,109,389 | 5,731,598 |
| iv. Operating leases Included in prepayments are operating lease rentals in respect of land and buildings. The rents payable under these leases are subject to renegotiation at various intervals specified in the leases. The minimum annual lease rentals under the foregoing leases are as follows: | | | | |
| Operating leases which expire | | | | |
| - within one year | 25,332 | 13,607 | 25,332 | 13,607 |
| - after one year | 436,081 | 304,470 | 436,081 | 304,470 |
| | 461,413 | 318,077 | 461,413 | 318,077 |
| b. Amount represents receivables in respect of Federal Government of Nigeria's Bonds sold as at year end. | | | | |
| c. This represents commission on unearned premium relating to the unexpired period of risks. | | | | |
| d. The movement on allowance on other assets during the year was as follows: | | | | |
| Balance, beginning of year/period | 774,187 | 884,859 | 774,187 | 981,367 |
| Allowance made during the year/period (see note 14(m)) | 139,858 | 439,628 | 135,043 | 343,120 |
| Recoveries during the year/period | - | (550,300) | - | (550,300) |
| Balance, end of year/period | 914,045 | 774,187 | 909,230 | 774,187 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Leasehold improvements/ land & buildings N'000 | Machinery & equipment N'000 | Computer & accessories N'000 | Furniture & fittings N'000 | Motor vehicles N'000 | Other transportation equipment N'000 | Capital work in progress N'000 | Total N'000 |
|--|--|--------------------------------------|---------------------------------------|-------------------------------------|----------------------------|---|--------------------------------------|----------------|
|--|--|--------------------------------------|---------------------------------------|-------------------------------------|----------------------------|---|--------------------------------------|----------------|

22. Property and Equipment

a. Group

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

i. Cost

| | | | | | | | | |
|---------------------------------|-------------------|------------------|-------------------|------------------|------------------|------------------|-------------------|-------------------|
| Balance, beginning of the year | 16,657,857 | 5,834,864 | 9,084,037 | 2,944,204 | 4,865,054 | 2,545,136 | 11,273,863 | 53,205,015 |
| Exchange difference | 3,265 | 28,887 | (7,124) | (43,986) | 21,459 | - | (43,708) | (41,207) |
| Additions | 1,864,777 | 1,108,846 | 2,094,746 | 607,750 | 1,581,459 | - | 5,735,599 | 12,993,177 |
| Disposals | (28,852) | (19,633) | (10,333) | (17,440) | (632,018) | - | - | (708,276) |
| Transfers | 2,863,095 | 600,991 | 259,279 | 90,445 | 13,309 | - | (3,827,119) | - |
| Balance, end of the year | 21,360,142 | 7,553,955 | 11,420,605 | 3,580,973 | 5,849,263 | 2,545,136 | 13,138,635 | 65,448,709 |

ii. Accumulated depreciation

| | | | | | | | | |
|---------------------------------|------------------|------------------|------------------|------------------|------------------|----------------|----------|-------------------|
| Balance, beginning of the year | 1,827,900 | 2,787,664 | 5,022,488 | 1,332,051 | 2,159,748 | 445,399 | - | 13,575,250 |
| Exchange difference | (7,690) | 4,741 | (29,982) | (42,628) | 15,559 | - | - | (60,000) |
| Charge for the year | 692,246 | 1,180,312 | 2,113,109 | 545,079 | 1,228,294 | 254,513 | - | 6,013,553 |
| Disposals | (5,187) | (16,629) | (9,929) | (14,342) | (525,158) | - | - | (571,245) |
| Balance, end of the year | 2,507,269 | 3,956,088 | 7,095,686 | 1,820,160 | 2,878,443 | 699,912 | - | 18,957,558 |

iii. Net Book Value

| | | | | | | | | |
|------------------------------|-------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| End of year | 18,852,873 | 3,597,867 | 4,324,919 | 1,760,813 | 2,970,820 | 1,845,224 | 13,138,635 | 46,491,151 |
| Beginning of the year | 14,829,957 | 3,047,200 | 4,061,549 | 1,612,153 | 2,705,306 | 2,099,737 | 11,273,863 | 39,629,765 |

iv. Leased assets amounting to N1,845,224,000 (31 December 2008: N2,099,737,090) are included in other transportation equipment. The maturity profile of the lease obligation is shown in Note 27(a).

v. The Group had capital commitments of N211,212,000 (31 December 2008: N438,154,403) as at the balance sheet date in respect of authorized and contracted capital projects.

vi. Capital work in progress represents construction costs in respect of new offices. On completion of construction, the related amounts are transferred to other categories of property and equipment.

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Leasehold improvements/ land & buildings N'000 | Machinery & equipment N'000 | Computer & accessories N'000 | Furniture & fittings N'000 | Motor vehicles N'000 | Other transportation equipment N'000 | Capital work in progress N'000 | Total N'000 |
|--|--|--------------------------------------|---------------------------------------|-------------------------------------|----------------------------|---|--------------------------------------|----------------|
|--|--|--------------------------------------|---------------------------------------|-------------------------------------|----------------------------|---|--------------------------------------|----------------|

b. Bank

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

i. Cost

| | | | | | | | | |
|---------------------------------|-------------------|------------------|-------------------|------------------|------------------|------------------|-------------------|-------------------|
| Balance, beginning of the year | 14,910,036 | 5,624,067 | 8,239,858 | 2,338,916 | 4,208,020 | 2,545,136 | 10,663,961 | 48,529,994 |
| Additions | 1,231,343 | 1,053,072 | 1,803,345 | 178,578 | 1,283,769 | - | 5,093,175 | 10,643,282 |
| Disposals | (3,830) | (19,633) | (9,929) | (16,949) | (578,927) | - | - | (629,268) |
| Transfers | 2,388,227 | 581,218 | 232,699 | 59,754 | - | - | (3,261,898) | - |
| Balance, end of the year | 18,525,776 | 7,238,724 | 10,265,973 | 2,560,299 | 4,912,862 | 2,545,136 | 12,495,238 | 58,544,008 |

ii. Accumulated depreciation

| | | | | | | | | |
|---------------------------------|------------------|------------------|------------------|------------------|------------------|----------------|----------|-------------------|
| Balance, beginning of the year | 1,713,835 | 2,699,572 | 4,594,745 | 1,100,226 | 1,945,225 | 445,399 | - | 12,499,002 |
| Charge for the year | 571,903 | 1,130,876 | 1,896,631 | 413,107 | 1,040,202 | 254,513 | - | 5,307,232 |
| Disposals | (3,830) | (16,629) | (9,929) | (14,342) | (502,975) | - | - | (547,705) |
| Balance, end of the year | 2,281,908 | 3,813,819 | 6,481,447 | 1,498,991 | 2,482,452 | 699,912 | - | 17,258,529 |

iii. Net Book Value

| | | | | | | | | |
|------------------------------|-------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| End of year | 16,243,868 | 3,424,905 | 3,784,526 | 1,061,308 | 2,430,410 | 1,845,224 | 12,495,238 | 41,285,479 |
| Beginning of the year | 13,196,201 | 2,924,495 | 3,645,113 | 1,238,690 | 2,262,795 | 2,099,737 | 10,663,961 | 36,030,992 |

- iv. Leased assets amounting to N1,845,224,000 (31 December 2008: N2,099,737,090) are included in other transportation equipment. The maturity profile of the lease obligation is shown in Note 27(a).
- v. The Bank had capital commitments of N211,212,000 (31 December 2008: N438,154,403) as at the balance sheet date in respect of authorized and contracted capital projects.
- vi. Capital work in progress represents construction costs in respect of new offices. On completion of construction, the related amounts are transferred to other categories of property and equipment.

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|--|--|---|---|
| 23. Goodwill on consolidation | | | | |
| a. The movement on goodwill on consolidation is as follows: | | | | |
| Balance, beginning of year/period | 354,328 | 166,432 | - | - |
| Goodwill arising during the period | - | 187,896 | - | - |
| Balance, end of year | 354,328 | 354,328 | - | - |
| b. Goodwill on consolidation was derived from the following entities: | | | | |
| GTB (Sierra Leone) Limited | 49,975 | 49,975 | | |
| GTB (Gambia) Limited | 948 | 948 | | |
| Guaranty Trust Assurance Plc | 303,405 | 303,405 | | |
| Balance, end of year | 354,328 | 354,328 | | |
| 24. Customers' deposits | | | | |
| a. Customers' deposits comprise: | | | | |
| Demand | | | | |
| - Current | 230,283,955 | 220,822,094 | 214,250,295 | 213,184,482 |
| - Domiciliary | 58,565,034 | 51,198,043 | 71,962,427 | 51,198,042 |
| Time | 334,178,584 | 153,957,417 | 317,934,470 | 139,069,855 |
| Savings | 60,053,329 | 44,628,252 | 58,113,834 | 42,287,833 |
| | 683,080,902 | 470,605,806 | 662,261,026 | 445,740,212 |
| b. The maturity profile of customers' deposits is as follows: | | | | |
| Under 1 month | 606,924,265 | 450,676,297 | 611,320,133 | 443,640,535 |
| 1 - 3 months | 53,712,549 | 13,650,061 | 37,756,292 | 2,077,053 |
| 3 - 6 months | 17,540,291 | 3,620,371 | 11,646,791 | 19,224 |
| 6 - 12 months | 3,903,525 | 2,658,337 | 1,537,810 | 2,660 |
| Over 12 months | 1,000,272 | 740 | - | 740 |
| | 683,080,902 | 470,605,806 | 662,261,026 | 445,740,212 |
| 25. Due to other banks | | | | |
| a. Due to other banks comprise: | | | | |
| Items in the course of collection | 6,879,580 | 26,373,100 | 932,812 | 26,373,100 |
| Current balances of banks | 8,102,125 | 1,592,103 | 150,204 | 1,592,103 |
| | 14,981,705 | 27,965,203 | 1,083,016 | 27,965,203 |
| b. Amounts due to other banks represents the credit balances outstanding in favour of some banks for which the Group serves as the clearing and settlement banks. | | | | |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| 26. Claims payable | | | | |
| a. Outstanding claims on insurance contracts comprise of: | | | | |
| General insurance policies | 350,631 | 140,963 | - | - |
| Life assurance policies | - | 47,625 | - | - |
| | 350,631 | 188,588 | - | - |
| 27. Finance lease obligations | | | | |
| a. The analysis of the obligations under finance lease is as follows: | | | | |
| Falling due within one year | | | | |
| - 2009 | - | 608,534 | - | 608,534 |
| - 2010 | 721,595 | 608,534 | 721,595 | 608,534 |
| Falling due over one year | | | | |
| - 2011 | 721,595 | 608,534 | 721,595 | 608,534 |
| - 2012 | 721,595 | 608,533 | 721,595 | 608,533 |
| - 2013 | 721,595 | 608,533 | 721,595 | 608,533 |
| - 2014 | 180,399 | 152,149 | 180,399 | 152,149 |
| Less: future interest | 3,066,779 (855,649) | 3,194,817 (1,069,557) | 3,066,779 (855,649) | 3,194,817 (1,069,557) |
| | 2,211,130 | 2,125,260 | 2,211,130 | 2,125,260 |
| b. The movement on the lease obligation during the year was as follows: | | | | |
| Gross obligation, beginning of the year/period | 2,125,260 | 2,350,447 | 2,125,260 | 2,350,447 |
| Repayments during the year | (335,534) | (225,187) | (335,534) | (225,187) |
| Exchange loss on lease obligations | 421,404 | - | 421,404 | - |
| Balance, end of year/period | 2,211,130 | 2,125,260 | 2,211,130 | 2,125,260 |
| 28. Liability on investment contracts | | | | |
| a. Liability on investment contracts comprise: | | | | |
| Deposit administration funds (see note(b) below) | 1,115,094 | 586,386 | - | - |
| | 1,115,094 | 586,386 | - | - |
| b. i. Movement in deposit administration funds: | | | | |
| Balance, beginning of the year/period | 586,386 | 336,514 | - | - |
| Additions | 1,446,866 | 216,543 | - | - |
| Withdrawals | (962,157) | - | - | - |
| Interest payable on life fund | 43,999 | 33,329 | - | - |
| Balance, end of the year/period | 1,115,094 | 586,386 | - | - |
| ii. Deposit administration funds arose from investment contracts of the insurance subsidiary of the Group. Holders of such contracts are guaranteed their funds plus a guaranteed interest rate for the tenor of the contract. These contracts have additional benefits - Life assurance cover and death benefits. | | | | |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|--|--|---|---|
| 29. Liabilities on insurance contracts | | | | |
| a. Liabilities on insurance contracts comprise: | | | | |
| i. Life Fund (see (b)(i) below) | 298,518 | 222,772 | - | - |
| Provision for unexpired risks (see (c)(i) below) | 827,493 | 571,774 | - | - |
| | 1,126,011 | 794,546 | - | - |
| b. i. The movement in life fund is as follows: | | | | |
| Balance, beginning of the year/period | 222,772 | 90,258 | - | - |
| Increase in life funds (see note 7 (a)(ii)) | 75,746 | 132,514 | - | - |
| Balance, end of the year/period | 298,518 | 222,772 | - | - |
| ii. An actuarial valuation has been performed on the long term life policies, thus a deficit has been transferred to the profit and loss account. Whilst section 29(1) of the insurance act of 2003, requires an actuarial valuation at least once every three years, the Group performs life actuarial valuations on a yearly basis. | | | | |
| c. The movement in provision for unexpired risk is as follows: | | | | |
| Balance, beginning of the year/period | 571,774 | 464,987 | - | - |
| Increase in unexpired risks premium (see note 7(a) (i)) | 255,719 | 106,787 | - | - |
| Balance, end of the year/period | 827,493 | 571,774 | - | - |
| 30. Other liabilities | | | | |
| Other liabilities comprise: | | | | |
| Customers' deposits for letter of credit (see note 13(a)(ii)) | 60,283,827 | 119,883,550 | 64,543,057 | 119,310,560 |
| Secured buy back takings (see note 21) | - | 31,500,000 | - | 31,500,000 |
| Certified cheques | 12,594,704 | 13,297,171 | 12,567,247 | 13,297,171 |
| Unearned interest and discount | 650,464 | 3,590 | 1,468 | 3,590 |
| Interest payable | 2,696,495 | 4,401,427 | 2,079,283 | 2,623,413 |
| Other current liabilities | 2,593,071 | - | 1,156,625 | - |
| Other accounts payable | 2,824,173 | 24,628,038 | 936,402 | 20,157,444 |
| Deposit for shares | 1,497 | 2,028,648 | - | - |
| Unclaimed dividend (see note 11(c) & 32(b)) | 3,847,641 | 2,658,234 | - | - |
| | 85,491,872 | 198,400,658 | 81,284,082 | 186,892,178 |
| 31. Deferred taxation | | | | |
| a. Deferred taxation comprises: | | | | |
| Deferred tax assets (see note (b)(i) below) | 410,864 | 36,847 | - | - |
| Deferred tax liabilities (see note (c)(ii) below) | (4,346,591) | (3,474,838) | (4,134,454) | (3,395,712) |
| | (3,935,727) | (3,437,991) | (4,134,454) | (3,395,712) |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| b. i. Deferred tax assets | | | | |
| The movement on this account during the year was as follows: | | | | |
| Balance, beginning of year/period | 36,847 | 20,649 | - | - |
| Credit to income statement during the year/period (see note (10a)) | 374,017 | 16,198 | - | - |
| Balance, end of year/period | 410,864 | 36,847 | - | - |
| ii. Recognised deferred tax assets are attributable to the following: | | | | |
| Fixed assets | 7,529 | 6,891 | - | - |
| Unrelieved losses | 403,335 | 29,956 | - | - |
| | 410,864 | 36,847 | - | - |
| c. i. Deferred tax liabilities | | | | |
| The movement on the deferred tax account during the year was as follows: | | | | |
| Balance, beginning of the year/period | 3,474,838 | 2,808,927 | 3,395,712 | 2,731,679 |
| Translation difference | (675) | 19,460 | - | - |
| (Credit)/Charge to income statements for the year/period (see note (10)(a)) | 872,428 | 646,451 | 738,742 | 664,033 |
| Balance, end of the year/period | 4,346,591 | 3,474,838 | 4,134,454 | 3,395,712 |
| ii. The recognised deferred tax liabilities are attributable to the following: | | | | |
| Fixed assets | 4,473,018 | 3,927,241 | 4,361,949 | 3,851,876 |
| General provisions | - | (1,603,692) | - | (1,601,360) |
| Other assets | - | 1,385,352 | - | 1,385,352 |
| Gratuity provisions | (37,451) | (135,997) | (37,451) | (133,206) |
| Unrealised exchange loss | (102,196) | 8,884 | (190,044) | - |
| Other provisions | 13,220 | (106,950) | - | (106,950) |
| | 4,346,591 | 3,474,838 | 4,134,454 | 3,395,712 |
| d. The Bank's exposure to deferred tax (which relates primarily to timing differences in the recognition of depreciation and capital allowances on fixed assets, gratuity provision, other assets, other provisions and general provisions) has been fully provided for in the financial statements. | | | | |
| 32. Dividend payable | | | | |
| a. The movement on this account during the period was as follows: | | | | |
| Balance, beginning of year/period | - | - | - | - |
| Final dividend declared | 14,922,999 | 9,575,591 | 14,922,999 | 9,575,591 |
| Payment during the year/period | (14,922,999) | (9,575,591) | (14,922,999) | (9,575,591) |
| Balance, end of year/period | - | - | - | - |
| b. Unclaimed dividend amounting to N3,847,641,000 (31 December 2008: N2,658,234,192) has been included in other liabilities.(see note 30). | | | | |
| c. The cumulative interest earned on investing the unclaimed dividend is N17,990,191.17 (31 December 2008: N2,285,017.00) | | | | |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|--|--|---|---|
| 33. Retirement benefit obligations | | | | |
| a. Retirement benefit obligations comprise: | | | | |
| i. Defined contribution schemes (see note (b) below) | 115,976 | 30,989 | 115,976 | 30,989 |
| Defined benefit schemes (see note (c)(i) below) | 137,099 | 444,021 | 124,835 | 444,021 |
| | 253,075 | 475,010 | 240,811 | 475,010 |
| b. Defined contribution schemes | | | | |
| The movement in defined contribution liability recognised is as follows: | | | | |
| Balance, beginning of year/period | 30,989 | 172,044 | 30,989 | 172,044 |
| Charge for the year/period | 896,069 | 640,795 | 896,069 | 640,795 |
| Contribution remitted | (811,082) | (781,850) | (811,082) | (781,850) |
| Balance, end of year | 115,976 | 30,989 | 115,976 | 30,989 |
| The Group and its employees make a joint contribution of 15% of basic salary, housing and transport allowance to each employee's retirement savings account maintained with their nominal Pension Fund Administrators. The outstanding balance as at year end of N115,976,000 (December 2008: N30,989,000) was settled subsequent to that date. | | | | |
| c. i. Defined benefit schemes | | | | |
| Balance, beginning of year/period | 444,021 | 1,204,806 | 444,021 | 1,204,806 |
| Charge for the year/period (see note 9(b)) | 1,112,264 | 777,354 | 1,100,000 | 777,354 |
| Contribution remitted | (1,419,186) | (1,538,139) | (1,419,186) | (1,538,139) |
| Balance, end of year | 137,099 | 444,021 | 124,835 | 444,021 |
| The Group operates a defined benefit scheme where qualifying employees receive a lump sum payment based on the number of years served after an initial qualifying period of 10 years and gross salary on date of retirement. | | | | |
| During the year, the Bank's obligations due to the scheme were transferred to a pension fund custodian, as the assets are administered by a pension fund administrator. | | | | |
| The balance of N137,099,000 (December 2008: N444,021,000) represents balance yet to be transferred to the pension fund custodian. | | | | |
| ii. The defined benefit obligation at the end of year/period represents the balance as actuarially determined by Alexander Forbes Consulting Actuaries Nigeria Limited. The Bank ensures that adequate provisions are made to meet its obligations under the scheme. | | | | |

NOTES TO THE FINANCIAL STATEMENTS CONT'D

For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|--|--|---|---|
| iii. The principal actuarial assumptions used were as follows: | | | | |
| - discount rate | 12% | 12% | 12% | 12% |
| - average rate of inflation | 11% - 12% | 11% - 12% | 11% - 12% | 11% - 12% |
| - future salary increases | 9% - 10% | 9% - 10% | 9% - 10% | 9% - 10% |
| 34. Debt securities in issue | | | | |
| a. i. Debt securities in issue comprise: | | | | |
| Corporate bonds (see note (a)(ii) below) | 13,135,000 | - | 13,165,000 | - |
| Eurobond debt security (see note (a)(iii) below) | 52,350,550 | 48,838,125 | 52,350,655 | 48,838,125 |
| | 65,485,550 | 48,838,125 | 65,515,655 | 48,838,125 |
| ii. The amount of N13,165,000,000 represents fixed rate senior unsecured non-convertible bonds issued by the Bank in December 2009. The debt security is redeemable in December 2014 and coupon is payable half yearly at 13.5% per annum. The amount represents the first tranche of a N200billion debt issuance programme. | | | | |
| iii. The amount of N52,350,655,000 (USD350,000,000) represents dollar guaranteed notes issued by GTB Finance B.V., Netherlands in January 2007 for a period of 5 years. The principal amount is repayable at the end of the tenor while interest on the notes is payable semi-annually at 8.5% per annum. | | | | |
| b. The movement on this account during the period was as follows: | | | | |
| Balance, beginning of year/period | 48,838,125 | 40,960,500 | 48,838,125 | 40,960,500 |
| Issued during the year | 13,135,000 | - | 13,165,000 | - |
| Exchange loss | 3,512,425 | 7,877,625 | 3,512,530 | 7,877,625 |
| | 65,485,550 | 48,838,125 | 65,515,655 | 48,838,125 |
| c. The maturity profile of debt securities is as follows: | | | | |
| Below 1 year | - | - | - | - |
| Between 1 - 7 years | 65,485,550 | 48,838,125 | 65,515,655 | 48,838,125 |
| | 65,485,550 | 48,838,125 | 65,515,655 | 48,838,125 |
| 35. Other borrowings | | | | |
| a. Borrowings comprise: | | | | |
| Due to IFC (see note (a) (i) below) | 8,493,520 | 9,244,359 | 8,493,520 | 9,244,359 |
| Due to EIB (see note (a) (ii) below) | - | 209,306 | - | 209,306 |
| Due to ADB (see note (a) (iii) below) | 3,839,048 | 4,604,738 | 3,839,048 | 4,604,738 |
| | 12,332,568 | 14,058,403 | 12,332,568 | 14,058,403 |
| i. The amount of N8,493,520,000(USD 56,785,000) represents the outstanding balances on various facilities granted by the International Finance Corporation (IFC) between March 2001 and January 2007 repayable over 7 to 10 years at interest rates varying from 2.75% to 4.75% above LIBOR rates. | | | | |
| ii. The amount of (USD 750,000) represents the dollar facility granted by the European Investment Bank (EIB) in June 2005 for a period of 4 years. The principal amount is repayable as a bullet payment after the tenor while interest is payable half yearly at 2.5% above LIBOR rates. The amount was fully repaid during the year. | | | | |
| iii. The amount of N3,839,048,000 (USD25,667,000) represents the outstanding balance on a dollar facility of \$40,000,000 granted by the African Development Bank (ADB) in May 2006 for a period of 7 years. The principal amount is repayable in 12 equal instalments after a moratorium of 1 year, while interest is payable half yearly at a rate per annum determined by the Bank to be the sum of LIBOR or its successor rate for such interest periods plus 245 basis points per annum. | | | | |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| b. The movement on this account during the period was as follows: | | | | |
| Balance, beginning of year/period | 14,058,403 | 15,182,076 | 14,058,403 | 15,182,076 |
| Payments during the year/period | (2,737,048) | (4,043,518) | (2,736,942) | (4,043,518) |
| Exchange loss | 1,011,213 | 2,919,845 | 1,011,107 | 2,919,845 |
| Balance, end of year/period | 12,332,568 | 14,058,403 | 12,332,568 | 14,058,403 |
| c. The maturity profile of other borrowings is as follows: | | | | |
| Below 1 year | - | 1,755,847 | - | 1,755,847 |
| Between 1 - 7 years | 12,332,568 | 12,302,556 | 12,332,568 | 12,302,556 |
| | 12,332,568 | 14,058,403 | 12,332,568 | 14,058,403 |
| 36. Share Capital | | | | |
| a. Authorised: 30,000,000,000 Ordinary shares of 50 kobo each (31 December 2008: 30,000,000,000 of 50k each) | 15,000,000 | 15,000,000 | 15,000,000 | 15,000,000 |
| b. i. Issued and fully-paid: 18,653,748,614 Ordinary shares of 50 kobo each (31 December 2008: 14,922,998,891 Ordinary shares of 50k each) | 9,326,875 | 7,461,500 | 9,326,875 | 7,461,500 |
| ii. Issued and fully paid-up shares comprise: | | | | |
| 15,704,236,614 ordinary shares of 50k each (31 December 2008: 11,973,486,240) | 7,852,118 | 5,986,743 | 7,852,118 | 5,986,743 |
| 2,949,512,000 ordinary shares (GDR) of 50k each (31 December 2008: 2,949,512,000) | 1,474,757 | 1,474,757 | 1,474,757 | 1,474,757 |
| | 9,326,875 | 7,461,500 | 9,326,875 | 7,461,500 |
| c. The movement on the issued and fully paid share capital account during the year was as follows: | | | | |
| Balance, beginning of year/period | 7,461,500 | 6,839,708 | 7,461,500 | 6,839,708 |
| Bonus shares capitalized (see note 37(a) & (b)) | 1,865,375 | 621,792 | 1,865,375 | 621,792 |
| Balance, end of year/period | 9,326,875 | 7,461,500 | 9,326,875 | 7,461,500 |
| d. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Bank. All ordinary shares and GDR shares rank pari-passu with the same rights and benefits at meetings of the Bank. | | | | |
| The Board of Directors approved from the Bank's Profit during the year the issue of bonus shares of 1 new ordinary share for every 4 held, during the Annual General Meeting held on 20 May 2009. The bonus issue was capitalized during the year. | | | | |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Statutory Reserves N'000 | Contingency Reserves N'000 | SMEEIS Reserves N'000 | Translation Reserves N'000 | Bonus Reserves N'000 | Retained Earnings N'000 | Total N'000 |
|--|-----------------------------|-------------------------------|--------------------------|-------------------------------|-------------------------|----------------------------|----------------|
|--|-----------------------------|-------------------------------|--------------------------|-------------------------------|-------------------------|----------------------------|----------------|

37. Reserves

a. i. **Group**

| | | | | | | | |
|---|-------------------|---------|------------------|---------------|------------------|-------------------|-------------------|
| Balance, beginning of the year/period | 28,151,818 | 401,365 | 5,297,904 | (346,662) | 1,865,375 | 16,083,910 | 51,453,710 |
| Dividend paid (see note 32(a)) | - | - | - | - | - | (14,922,999) | (14,922,999) |
| Transferred from profit and loss account | 8,002,767 | 142,930 | - | - | 2,331,719 | 13,198,179 | 23,675,595 |
| Transferred to retained earnings | - | - | (1,065,425) | - | - | 1,065,425 | - |
| Translation gain during the year/period | - | - | - | 358,862 | - | - | 358,862 |
| Transferred to share capital (see note 36(c)) | - | - | - | - | (1,865,375) | - | (1,865,375) |
| Balance, end of the year/period | 36,154,585 | | 4,232,479 | 12,200 | 2,331,719 | 15,424,515 | 58,699,793 |

- ii. As required by insurance regulations, a contingency reserve is maintained for both the non life insurance and life insurance contracts underwritten by the Group.

The appropriation to contingency reserve for non-life underwriting contracts is calculated in accordance with section 21(2) and 22(1)(b) of the Insurance Act 2003. The reserve is calculated at the higher of 3% of gross premium and 20% of net profits of the business for the year.

The appropriation of contingency reserve for life underwriting contracts is calculated at the higher of 1% of the gross premium and 10% of net profits of the business for the year. The appropriations are charged to the life fund.

The contingency reserve for the Group, is the post acquisition portion of the Group's holding in the contingency reserve of Guaranty Trust Assurance Plc as at year end.

| | Statutory Reserves N'000 | SMEEIS Reserves N'000 | Bonus Reserves N'000 | Retained Earnings N'000 | Total N'000 |
|--|-----------------------------|--------------------------|-------------------------|----------------------------|----------------|
|--|-----------------------------|--------------------------|-------------------------|----------------------------|----------------|

b. **Bank**

| | | | | | |
|---|-------------------|------------------|------------------|-------------------|-------------------|
| Balance, beginning of the year/period | 27,712,292 | 5,297,904 | 1,865,375 | 18,137,089 | 53,012,660 |
| Dividend paid (see note 32(a)) | - | - | - | (14,922,999) | (14,922,999) |
| Transferred from profit and loss account (see note c & d below) | 7,154,418 | - | 2,331,719 | 14,361,924 | 23,848,061 |
| Transferred to retained earnings | - | (1,065,425) | - | 1,065,425 | - |
| Transferred to share capital (see note 36(c)) | - | - | (1,865,375) | - | (1,865,375) |
| Balance, end of the year/period | 34,866,710 | 4,232,479 | 2,331,719 | 18,641,439 | 60,072,347 |

- c. Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by S.16(1) of the Banks and Other Financial Institution Act of 1991 (amended), an appropriation of 30% of profit after tax is made if the statutory reserve is less than paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up share capital. However, the Bank transferred 30% of its profit after tax to statutory reserves as at year end.
- d. Subsequent to the balance sheet date, the Board of Directors has approved the transfer of N2,331,719,000 (31 December 2008 N1,865,375,000) from the Bank's profit for the period to issue bonus shares in the ratio of 1 new ordinary share for every 4 held, subject to declaration by the shareholders at the Annual General Meeting (31 December 2008: 1 new ordinary share for every 4 ordinary shares held).
- e. The SMEEIS reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investment in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by a CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax and shall continue after the first 5 years but banks' contributions shall thereafter reduce to 5% of profit after tax. However, this is no longer mandatory. The small and medium scale enterprises equity investment scheme reserves are non-distributable. During the year, an amount of N1,065,425,000 representing diminution in value of SMEEIS investment was transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 |
|---|--|--|
| 38. Non-controlling interest | | |
| a. The analysis of non-controlling interest is shown below: | | |
| GTB (Gambia) Limited | 268,899 | 257,778 |
| GTB (Sierra Leone) Limited | 168,317 | 168,709 |
| GT Assurance Plc | 3,580,741 | 3,294,813 |
| GTB (Ghana) Limited | 366,832 | 320,825 |
| GT Homes Limited | 757,005 | - |
| | 5,141,794 | 4,042,125 |
| b. The movement in the non-controlling interest account during the year is shown below: | | |
| Balance, beginning of the year/period | 4,042,125 | 3,335,075 |
| Cash paid by non-controlling interest | 1,747,988 | 395,842 |
| Retained earnings for the year/period | 11,248 | 707,003 |
| Dilution in non-controlling interest | (36,634) | (257,735) |
| Effect of exchange differences | (101,658) | - |
| Dividend paid to minority interest | (521,275) | (138,060) |
| | 5,141,794 | 4,042,125 |

39. Contingent liabilities, guarantees and other commitments on behalf of customers

a. Litigations and claims

The Bank, in its ordinary course of business, is presently involved in 154 cases as a defendant (31 December 2008: 98) and 35 cases as a plaintiff (31 December 2008: 32). The total amount claimed in the 154 cases against the Bank is estimated at N122,746,173,027 and \$2,757,603 (31 December 2008: N8,487,020,960 and \$20,750) while the total amount claimed in the 35 cases instituted by the Bank is N 4,270,189,728 and \$16,352,426 (31 December 2008: N472,820,325). However, the solicitors of the Bank are of the view that the probable liability arising from the cases pending against the Bank is not likely to exceed N21,340,988 (31 December 2008: N132,490,819). The amounts have been fully provided for in the financial statements.

Based on the advice of the solicitors, the Directors of the Bank are of the opinion that none of the aforementioned cases is likely to have a material adverse effect on the Bank and they are not aware of any other pending and or threatened claims or litigation which may be material to the financial statements.

b. Operating lease commitments

The future minimum lease payments under non-cancellable rental operating leases are disclosed in note 21(a)(iv).

NOTES TO THE FINANCIAL STATEMENTS CONT'D

For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|--|--|---|---|
| c. i. Guarantees and other commitments on behalf of customers. | | | | |
| In the normal course of business, the Group is party to financial instruments with off-balance sheet risk. The instruments are used to meet the credit and other financial requirements of customers. The contractual amounts of the off-balance sheet financial instruments are: | | | | |
| Transaction-related bonds and guarantees (see note (c)(ii)) | 250,006,249 | 170,281,067 | 246,997,271 | 168,618,094 |
| Guaranteed commercial papers and bankers acceptances (see note (c)(iii)) | 1,684,681 | 146,373,722 | - | 144,145,232 |
| Clean-line facilities & irrevocable letters of credit | 66,196,010 | 73,799,424 | 55,375,467 | 67,096,946 |
| Commitments on foreign exchange contracts | 14,712,413 | - | 13,917,969 | - |
| Other commitments | 130,501 | 9,656,209 | - | 9,424,494 |
| Guaranteed facilities | 90,406 | 259,016 | 90,406 | 259,016 |
| | 332,820,260 | 400,369,438 | 316,381,113 | 389,543,782 |

ii. All the transaction-related bonds and guarantees are fully collateralised. The cash component out of the balance was N16,477,432,157 (31 December 2008: N26,120,245,000).

iii. In compliance with the Central Bank of Nigeria (CBN) circular issued on 18 November 2009 "Guidelines on issuance and treatment of Bankers Acceptance (BAs) and Commercial Papers (CPs)", the Bank has classified its BAs and CPs on balance sheet as they do not meet the recognition criteria as prescribed by the guideline.

40. Related Party transactions

a. A number of banking transactions are entered into with related parties in the normal course of business. These include loans, deposits, placements and off balance sheet transactions. The volumes of related-party transactions, outstanding balances at the year-end was as follows:

b. Risk assets outstanding as at 31 December 2009
During the period, the Bank granted various credit facilities to companies whose directors are also directors of Guaranty Trust Bank Plc at rates and terms comparable to other facilities in the Bank's portfolio. An aggregate of N10,016,822,000 (31 December 2008: N11,542,887,000) was outstanding on these facilities at the end of the period; The status of performance of each facility is as shown below:

NOTES TO THE FINANCIAL STATEMENTS CONT'D

For the year ended 31 December, 2009

| Name of company /individual | Relationship | Facility type | N'000 | Status | Nature of Security |
|--------------------------------|------------------|--------------------------|-------------------|------------|----------------------------|
| The Rock Montessori | Director related | Term loan/overdraft | 190,122 | Performing | Mortgage |
| Adesanya Adetokunbo | Director | Term loan/overdraft | 73,610 | Performing | Mortgage |
| Titilayo Adejo | Director related | Overdraft | 1,010 | Performing | Cash |
| Sleeves Limited | Director related | Overdraft | 9,924 | Performing | Real Estate |
| Yewande Ogundare | Director related | GT AUTO loan | 3,304 | Performing | Mortgage |
| Shade Ogundare & Co | Director related | Overdraft | 5,074 | Performing | Mortgage |
| Payless Butchers & Supermarket | Director related | Overdraft | 8,353 | Performing | Real Estate |
| Augusto Enterprises | Director related | Overdraft | 9,928 | Performing | Mortgage |
| Enwereji Nneka Stella | Director related | Mortgage | 28,928 | Performing | Real Estate |
| Grand Opengate Services | Director related | Term loan | 1,859 | Performing | Cash |
| Sikilu Petroleum & Gas | Director related | Overdraft | 3,931 | Performing | Cash |
| Afren Okoro Ltd | Director related | Term loan | 824,332 | Performing | Debenture |
| Afren Nig Limited | Director related | Term loan | 4,985,777 | Performing | Debenture |
| Fenguru Nigeria Limited | Director related | AdvancePayment Guarantee | 6,612 | Performing | Real Estate & APG proceeds |
| Mayfield Investments Ltd | Director related | Term loan/overdraft | 65,496 | Performing | Mortgage |
| Citiserve Limited | Director related | Term loan | 19,820 | Performing | Mortgage/Shares |
| Mrs. Funke Osibodu | Director related | Term loan | 107,782 | Performing | Shares |
| Rockwool Products Nig.Ltd | Director related | Term loan/overdraft | 35,596 | Performing | Shares/APG |
| Vigeo Limited | Director related | Term loan/overdraft | 882,527 | Performing | Mortgage/Shares |
| Noblevine Timber Ind Ltd | Director related | Term loan/overdraft | 23,510 | Performing | Debenture |
| Osibodu V. G. | Director | Overdraft | 9,587 | Performing | Shares |
| Olubukunola Olubunmi Adeniran | Director related | Term loan | 1,000 | Performing | Cash |
| Global Utilities | Director related | Term loan | 750,000 | Performing | Real Estate |
| Owelle Chikelu Gilbert | Director | Term loan | 129,000 | Performing | Real Estate |
| Matterson Properties | Director related | Term loan | 240,000 | Performing | Real Estate/shares |
| Matterson Nigeria | Director related | Term loan | 284,189 | Performing | Real Estate |
| Jaykay Pharmacy Ltd | Director related | Term loan | 83,496 | Performing | Debenture/Real Estate |
| Livingold Limited | Director related | Term loan | 456,000 | Performing | Mortgage |
| First Marina Trust Limited | Director related | Term loan | 554,668 | Performing | Mortgage |
| Richardson Oil And Gas | Director related | Term loan/overdraft | 145,714 | Performing | Mortgage |
| Asupoto Babatunde | Insider related | Term loan/overdraft | 31,709 | Performing | Mortgage |
| First Ashbell | Insider related | Term loan/overdraft | 38,598 | Performing | Mortgage |
| Adam & Eve | Insider related | Term loan | 4,359 | Performing | Tripartite mortgage |
| Stephen Aghatise Idada | Insider related | Overdraft | 1,007 | Performing | Cash |
| Total | | | 10,016,822 | | |

c. Placements and related balance outstanding as at 31 December 2009.

Included in placements held in Banks outside Nigeria is N8,050,886,000, held by various subsidiaries as at year end (December 2008:N4,575,546,000). Interest receivable on the placement as at 31 December 2009 was N3,645,000 (December 2008: N17,662,000).

| Subsidiaries | Relationship | Amount N'000 | Interest Receivable N'000 |
|----------------------------|--------------|------------------|---------------------------|
| GTB (Sierra Leone) Limited | Subsidiary | 747,867 | 706 |
| GTB (Gambia) Limited | Subsidiary | 747,867 | 664 |
| GTB (Ghana) Limited | Subsidiary | 747,867 | 831 |
| GTB (UK) Limited | Subsidiary | 5,807,285 | 1,444 |
| | | 8,050,886 | 3,645 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| Name of company/Individual | Relationship | Type of Deposit | 2009 N'000 | 2008 N'000 |
|----------------------------|--------------|-----------------|---------------|---------------|
|----------------------------|--------------|-----------------|---------------|---------------|

d. Deposits outstanding as at 31 December 2009.

i. Director/insiders related deposit liabilities

| | | | | |
|-------------------------------------|------------------|----------------|---------|-------|
| First Marina Trust Ltd-Special Call | Director related | Time Deposit | 1 | 1 |
| Akin Akintoye & Co | Director related | Time Deposit | 1 | 1 |
| Agusto & Co. Limited | Director related | Time Deposit | 10,028 | 13 |
| Monmodu Investment Company Limited | Director | Demand Deposit | 200 | 117 |
| Fenguru Nigeria Limited | Director | Demand Deposit | 0 | 1,312 |
| Babiyom Investments Nigeria Limited | Director | Demand Deposit | 31 | 7 |
| Areago Elegbede Adesola | Insider related | Demand Deposit | 47 | 0 |
| Agbaje Joseph Olujimi Kolawole | Director | Demand Deposit | 61 | 4 |
| Oyeleke Abioye Y. | Insider related | Demand Deposit | 110,726 | 30 |
| Areago Elegbede Adesola | Insider related | Time Deposit | 1 | 1 |

121,096

1,485

ii. Subsidiaries' deposit account balances

| | | | | |
|------------------------------|--------------|----------------|---------|---------|
| Guaranty Trust Assurance Plc | Subsidiaries | Demand Deposit | 459,383 | 350,201 |
| GTB Asset Management Ltd | Subsidiaries | Demand Deposit | 48,913 | 572,378 |
| GT Homes Limited | Subsidiaries | Demand Deposit | 13,646 | - |
| GT Registrars Limited | Subsidiaries | Demand Deposit | 2,913 | 45,986 |
| Guaranty Trust Assurance Plc | Subsidiaries | Demand Deposit | - | - |
| GTB Asset Management Ltd | Subsidiaries | Time Deposit | 695,847 | 674,627 |
| GT Homes Limited | Subsidiaries | Time Deposit | 256,419 | 584,744 |
| GT Registrars Limited | Subsidiaries | Time Deposit | - | 39,722 |

1,477,121

2,267,658

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|---|--|--|---|---|
| 41. Dividend per share | | | | |
| Dividend declared N1.00 (31 December: 2008 N0.70) per share. | 14,922,999 | 9,575,591 | 14,922,999 | 9,575,591 |
| During the year, a dividend of N1.00 was declared and paid to ordinary share holders. | | | | |
| 42. Earnings per share | | | | |
| Earnings per share (EPS) has been computed based on profit after taxation and the weighted average number of ordinary shares of 18,653,748,614 (31 December 2008: 14,922,998,891) in issue during the year. | | | | |
| Adjusted earnings per share has been computed based on 18,653,750,000 ordinary shares as at 31 December 2009. | | | | |
| Profit attributable to group shareholders | 23,675,595 | 27,608,558 | 23,848,061 | 28,073,252 |
| Number of ordinary shares in issue as at year end | 18,653,750 | 14,923,000 | 18,653,750 | 14,923,000 |
| Basic earnings per share | 127k | 185k | 128k | 188k |
| Adjusted earnings per share | 127k | 148k | 128k | 150k |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| 43. Net cash flow from operating activities | | | | |
| Reconciliation of profit before tax to cash generated from operating activities: | | | | |
| Profit after tax | 23,686,843 | 28,315,561 | 23,848,061 | 28,073,252 |
| Add back: taxation charge | 4,276,160 | 7,013,568 | 3,111,748 | 6,535,865 |
| | 27,963,003 | 35,329,129 | 26,959,809 | 34,609,117 |
| Adjustments to reconcile profit before tax to net cash flow from operating activities: | | | | |
| Allowance for bad and doubtful loans | 35,354,563 | 4,039,137 | 35,069,086 | 3,934,836 |
| Loans written off | 355,791 | 3,244 | 334,906 | 3,244 |
| Allowance for other assets | 139,858 | 439,628 | 135,043 | 343,120 |
| Allowance for insurance receivables | 103,516 | 96,508 | - | - |
| Reversal of allowance for doubtful other assets | (34,000) | (550,300) | - | (550,300) |
| Loss on disposal of trading properties | 1,932,177 | (1,918,556) | - | - |
| Depreciation of property and equipment | 6,013,552 | 4,014,847 | 5,307,232 | 3,588,570 |
| Gain on disposal of property and equipment | (81,665) | (37,382) | (81,264) | (35,563) |
| Increase in foreign currency translation reserve | 344,024 | 353,466 | - | - |
| Unrelaised exchange loss on other borrowings (see note 35(b)) | 1,011,213 | 2,919,845 | 1,011,107 | 2,919,845 |
| Unrelaised exchange loss on debt securities issued (see note 34(b)) | 3,512,425 | 7,877,625 | 3,512,530 | 7,877,625 |
| Unrelaised exchange loss on finance lease obligations (see note 27(b)) | 421,404 | - | 421,404 | - |
| Allowance for investments | 1,329,627 | - | 1,329,627 | - |
| Gratuity provisions | 1,112,264 | 777,354 | 1,100,000 | 777,354 |
| Revaluation loss on gratuity investment | - | 784,954 | - | 784,954 |
| Dividend income from equity investments | (358,620) | (230,398) | (1,530,245) | (136,253) |
| Interest paid on borrowings | 6,053,331 | 2,183,844 | 5,554,944 | 2,183,844 |
| Interest paid on finance lease | 386,462 | 281,925 | 386,462 | 281,925 |
| Net cash flow from operating activities before changes in operating assets | 85,558,925 | 56,364,870 | 79,510,641 | 56,582,318 |
| (Increase)/decrease in operating assets | | | | |
| Cash reserve balances | 1,551,843 | 1,354,906 | 1,551,843 | 1,354,906 |
| Loans and advances | (182,880,119) | (137,129,148) | (159,557,985) | (131,311,584) |
| Advances under finance leases | 18,006 | (5,800) | 22,788 | (5,800) |
| Insurance receivables | (316,375) | (187,556) | - | - |
| Investment securities - short term | (38,320,570) | 30,575,873 | (42,030,349) | 33,116,948 |
| Interest receivable and prepayments | (1,640,487) | (888,688) | 932,201 | 208,525 |
| Other asset receivables | 35,213,392 | 43,943,313 | 36,320,103 | 45,422,947 |
| Goodwill arising during the year | - | (187,896) | - | - |
| | (186,374,310) | (62,524,996) | (162,761,399) | (51,214,058) |
| Increase/(decrease) in operating liabilities | | | | |
| Customers deposits | 212,475,097 | 110,412,421 | 216,520,814 | 90,890,706 |
| Customers' deposit for foreign currency denominated obligations | (59,599,723) | 110,796,138 | (54,767,503) | 110,286,758 |
| Investment contract liabilities | 528,708 | 249,872 | - | - |
| Insurance contract liabilities | 331,465 | 169,474 | - | - |
| Interest payable and unearned income | (1,058,058) | 792,516 | (546,252) | (955,115) |
| Other liabilities | (52,166,019) | (19,342,737) | (50,209,354) | (19,977,729) |
| Outstanding claims | 162,043 | 118,761 | - | - |
| | 100,673,513 | 203,196,445 | 110,997,705 | 180,244,620 |
| Net cash flow from operating activities | (141,872) | 197,036,319 | 27,746,947 | 185,612,880 |

NOTES TO THE FINANCIAL STATEMENTS CONT'D
For the year ended 31 December, 2009

| | Group Dec. 2009 12 months N'000 | Group Dec. 2008 10 months N'000 | Bank Dec. 2009 12 months N'000 | Bank Dec. 2008 10 months N'000 |
|--|--|--|---|---|
| 44. Cash and cash equivalents | | | | |
| For the purpose of the statements of cash flows, cash and cash equivalents include cash, treasury bills and other eligible bills, operating account with other banks, amounts due from other banks and short-term government securities. | | | | |
| Cash in hand and balances with CBN (less restricted balances) (see note 11(a)) | 30,129,157 | 57,036,897 | 29,129,993 | 55,266,833 |
| Treasury bills (see note 12) | 36,936,014 | 62,216,318 | 29,405,616 | 52,715,562 |
| Due from other banks (see note 13) | 225,330,111 | 219,821,791 | 202,810,278 | 191,187,296 |
| Due to other banks (see note 25(a)) | (14,981,705) | (27,965,203) | (1,083,016) | (27,965,203) |
| | 277,413,577 | 311,109,803 | 260,262,871 | 271,204,488 |

45. Compliance with banking regulations

The bank did not contravene any regulations of the Banks and Other Financial Institutions Act 1991 or relevant circulars issued by the Central Bank of Nigeria.

| Section | Nature | No of times | Penalty |
|---------|--------|-------------|---------|
| - | - | - | - |

46. Events after balance sheet date

There were no post balance sheet events which could have a material effect on the financial position of the Group as at 31 December 2009 and profit attributable to equity holders on that date which have not been adequately adjusted for or disclosed.

47. Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year, as required by the 18 January 2010 CBN circular BSD/DIR/CEN/CIR/04/004 on "minimum information to be contained in the financial statements".

RISK MANAGEMENT POLICY

RISK MANAGEMENT PHILOSOPHY

The risk management philosophy of Guaranty Trust Bank Plc is drawn from its mission and vision statements and seeks to achieve maximum optimization of the risk return trade off, while ensuring strong commitment to the following key indices:

- Excellent service delivery across business segments
- Sound performance reporting (financial and non-financial)
- Sound corporate governance
- Consistent appreciation in shareholders value.

RISK MANAGEMENT FRAMEWORK

The Bank's risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, to monitor risks and adherence to limits. This policy is subject to review at least once a year. More frequent reviews may be conducted if in the opinion of the Board, changes in laws; market conditions or the Bank's activities are material enough to impact on the continued adoption of existing policies. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework via its committees. The Board Risk Committee and Board Credit Committee. These committees are responsible for developing and monitoring risk policies in their specified areas and report regularly to the Board of Directors on their activities.

The Board Committees are assisted by the various Management Committees in identifying and assessing risks arising from day to day activities of the Bank. These committees are:

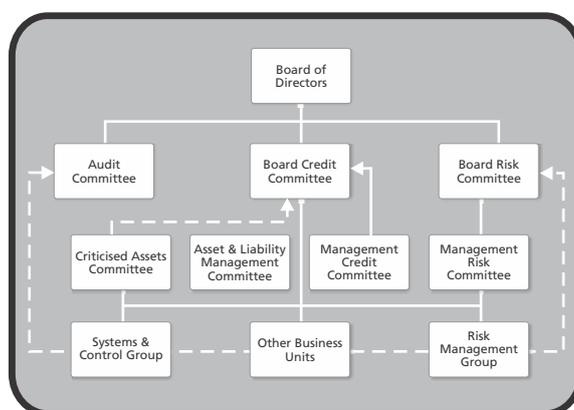
- Management Credit Committee
- Criticized Assets Committee
- Asset and Liability Management Committee (ALMAC)

- Management Risk Committee
- IT Steering Committee
- Other Ad-hoc Committees

These committees meet on a regular basis while others are set up on an ad-hoc basis as dictated by the circumstances.

The Bank's Audit Committee is responsible for monitoring compliance with the risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to risks faced by the Bank. The Audit Committee is assisted by the Internal Audit department, in carrying out these functions. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Risk Governance Structure of the Bank is as follows:



RISK MANAGEMENT METHODOLOGY

Guaranty Trust Bank recognizes that it is in the business of managing risks to derive optimal satisfaction for all stakeholders. It has therefore, over the years painstakingly detailed its approach to risk through various policies and procedures, which include the following:

- Credit Policy Guide
- ERM policies
- Human Resources Policy Manual
- Quality Manual
- Standard Operating Procedures

To ensure adherence to the policies and

RISK MANAGEMENT POLICY

procedures, several exception reports on customers and activities of the Bank are generated by the various audit control units for management's decision making. These include:

- Monthly Management Profitability Reports (MPR) for the marketing teams
- Monthly Operations Performance Reports (OPR) for the support teams
- Quarterly Business Profitability Review
- Annual Bank-wide performance appraisal systems

RISK MANAGEMENT OVERVIEW

Guaranty Trust Bank operates a robust and functional Enterprise-wide Risk Management (ERM) Division that manages all aspects of risk including threats and opportunities. The risk management infrastructure therefore encompasses a holistic, comprehensive and integrated approach to identifying, managing and reporting (i) the 3 main inherent risk groups Credit, Market and Operational; (ii) residual risks such as Settlement and Legal risks; (iii) additional core risks being Reputational and Strategy risks; and (iv) monitoring of the bank's group subsidiary risks.

In addition to this, in compliance with the Central Bank of Nigeria's 'Risk-based Supervision' guidelines, and also to align with Basel II Capital Accord / best global practices, we are in the process of incorporating a strategic framework for even more efficient measurement and management of the bank's risks and capital. To this end, we have gone through the process of engaging with appropriate solution providers and plan, in the second quarter of 2010, to commence implementation of Basel II recommended capital measurement approaches (and the modeling and data collation required for these), economic capital to cope with unexpected losses, and other qualitative and quantitative measures that will assist us with enhancing our risk management workflows and creating a platform for more efficient risk-adjusted decision making based on our aggregate exposures.

ERM VISION:

Guaranty Trust Bank's Enterprise-wide Risk Management vision is;

“to enhance shareholder value by creating and maintaining a culture of intelligent risk-taking”

Guaranty Trust Bank will adopt the following risk principles to actualize the above stated vision;

- The Bank will not take any action that will compromise its integrity.
- We shall adhere to the risk management cycle of identifying, measuring, managing, controlling and reporting
- We will not avoid risk but manage it. Risk control will not constitute an impediment to the achievement of our strategic objective.
- We will always comply with all government regulations and uphold international best practice
- The Bank integrates risk management into its strategy setting; so that an enterprise-wide approach to managing risks becomes an integral part of our DNA.
- The Bank will only assume risks that fall within its risk acceptance criteria and offer commensurate returns.

OUR RISK APPETITE

Risk appetite defines the risk capacity or quantum of risk Guaranty Trust Bank is willing to accept in pursuit of its business strategy. The Bank analyses its activities to determine the level of risk inherent in them. We will take appropriate risk response based on careful analysis of the implication of such risk to our strategic goal and our operating environment.

Our risk appetite shall be expressed in qualitative and quantitative terms. The Bank's response to risk is to remain moderate with commensurate calculated Earnings-at-Risk. It is a deliberate strategy for the Bank to remain moderate, maintain the local AAA rating, and improve the rating by International rating agencies.

RISK MANAGEMENT POLICY

RISK GOVERNANCE STRUCTURE

Under the ERM framework, the Board of directors has approved the following committee structures, at the Board and management levels respectively. This takes cognizance of regulatory requirements, the effective supervision of the Bank's volume of business as well as global best practice.

| | Board Committee | Management Committee |
|---|------------------|------------------------------|
| 1 | Risk Committee | Risk Committee |
| 2 | Credit Committee | Credit Committee |
| 3 | Audit Committee* | Assets & Liability Committee |

* This refers to Audit Committee stipulated under the Companies and Allied Matters Act.

The **Risk Committee** at the board and management levels is responsible for reviewing and recommending risk management policies, procedures and profiles including risk philosophy, risk appetite and risk tolerance of the Bank. The oversight functions cut across all risk areas. The committee monitors the Bank's plans and progress towards meeting regulatory Risk-Based Supervision requirements and migration to Basel II compliance as well as the overall Regulatory and Economic Capital Adequacy.

Guaranty Trust Bank's Board of directors has delegated responsibility for the management of credit risk to the **Board Credit Committee**. The Board Credit Committee considers and approves all lending exposures, including treasury investment exposures, as well as insider related credits in excess of limits assigned to the Management Credit Committee by the Board. **Management Credit Committee** formulates credit policies in consultation with business units, covering credit assessment, risk grading and reporting, collateral requirements, and compliance with regulatory and statutory requirements. The committee also assesses and approves all credit exposures in excess of the Managing Director's limit as approved by the Board.

The **Management Risk Committee** is charged with the responsibility of ensuring that the risk the bank is taking is within its risk acceptance criteria. It also reviews the bank's risk policies, procedures

and practices to ensure that the risk-reward profile supports the overall appetite and tolerance of the entire business units on an integrated basis.

The **Asset & Liability Management Committee** establishes the Bank's standards and policies covering the various components of Market Risk. This includes issues on Interest Rate Risk, Liquidity Risk, Investment Risk and Trading Risk. It ensures that the authority delegated by the Board and Management Risk Committees with regard to Market Risk is exercised effectively, and that Market Risk exposures are efficiently monitored and managed. Furthermore, the Committee limits and monitors the potential impact of specific pre-defined market movements on the profit and loss of the Bank through Stress Tests and Simulations.

CREDIT RISK MANAGEMENT

Credit Risk

Guaranty Trust Bank defines credit risk as the risk that counterparty will fail to honour its payment obligations to the bank, leading to financial loss. Credit risk is the most critical risk for the bank as credit exposures, arising from lending activities account for the major portion of the bank's assets and source of its revenue. Thus, the bank ensures that credit risk related exposures are properly monitored, managed and controlled. The Credit Risk Management Group is responsible for identifying, controlling, monitoring and reporting credit risk related issues.

The bank's Credit Risk Management Group is responsible for managing the bank's credit exposures which arise as a result of the bank's lending and investment activities as well other unfunded credit exposures that have default probabilities; such as off-balance sheet financial instruments. The Group also serves as the secretariat for Management Credit Committee.

For Credit risk Capital Adequacy computation under Basel II Pillar I, the Bank will commence with the use of the Standardized Approach for Credit Risk Measurement.

RISK MANAGEMENT POLICY

Credit Risk Measurements

(a) Loans and Advances

Guaranty Trust Bank undertakes lending activities after careful analyses of the borrowers' character, capacity to repay, cashflow, credit history, industry and other factors. The bank acknowledges that there are diverse intrinsic risks inherent in the vagaries of its business segments and as a result applies different parameters to adequately dimension the business risks in each business segments.

The bank's rating grade reflects the range of parameters developed to predict the default probabilities of each rating class. Currently, the bank's six grade internal risk rating system deals with all credit risk counterparties and this covers all the bank's credit exposure to corporate, commercial, retail and public sector. The rating system, which has been applied since 1990, reflects quality of each credit transaction after considering the financial and non financial parameters of the obligors as well as the quality of the transaction and the credit risk mitigants.

The bank also employs Moody's Rating Scale concurrently with its six grade rating system. The former is currently being validated.

On the six grade rating scale, the first 3 (1-3) ratings cover active credits or newly proposed acceptable credits (rating 1 & 2 represents the investment grade classes) while the last three (4-6) ratings apply to delinquent credits which are due to be called in or already handed over to solicitors for collection. Specifically, the ratings definitions are highlighted below;

Grade 1-Superior Credits: These are recognised as credits with overwhelming capacity to repay obligations. Attributes such as strong position in the industry, good track record, strong brand name, strong equity and assets, focused management with integrity, adequate cash flow and full cash cover are major factors to be considered.

Grade 2-Above Average: They possess most of the

attributes of superior credits but may have weaknesses which should not significantly impair repayment capacity.

Grade 3-Acceptable Credits: They have most of the attributes of above average credits but may have one or more weaknesses which, if not closely managed, could impair repayment capacity. Weaknesses such as short track record, low market share, highly cyclical demand, low capitalisation and price control on its products are considered.

Grade 4-Watch list Credits: These are existing facilities that have shown signs of deterioration because they have well defined weaknesses which could affect the ability of borrower to repay. Weaknesses such as but not restricted to overdrawn account without significant movement for up to 3 months, evidence of funds diversion, loss in borrowers' profit, poor information disclosure, delays in payment of principal and interest.

Grade 5-Doubtful & Substandard Credits: This is applied when a strong doubt exists that full repayment of principal and interest will occur. Major weaknesses here are unpaid principal and/or interest that are past due for 90 days or more, losses experienced consistently for 2 years, eroded borrowers network due to a major business failure or disaster and security offered as deteriorated in value and full repayment is not guaranteed from normal operating sources.

Grade 6-Bad & Lost: This applies when all or part of the outstanding loans are uncollectable based on existing conditions at the time. Major weaknesses include outstanding principal and/or interest for more than 180 days, legal process does not guarantee full recovery, borrower is under receivership or in the process of liquidation, borrower cannot be located and documentation is shoddy to pursue recovery through legal means.

The Credit Risk Management Group centrally handles assessment of risk ratings and this is usually done on a quarterly basis with advice to relationship managers on the current risk ratings of

RISK MANAGEMENT POLICY

their customers' facilities and the criteria employed to arrive at such ratings.

Risk Limit Control and Mitigation Policies

Guaranty Trust Bank applies limits to control credit risk concentration and ensure proper diversification of its risk assets portfolio. The bank maintains limits for individual borrowers and group of related borrowers, as well as industries. Obligor limits are set by the regulators and it is currently at 20% of the bank's shareholder's funds. The obligor limit covers exposures to counterparties and related parties.

Although the bank is guided by this regulatory limit, we apply additional parameters internally in determining the suitable limits that an individual borrower should have. These include: obligor rating, position in the industry and perceived requirements of key players (e.g. import finance limit may be determined by the customer's import cycle and volume during each cycle), financial analysis, etc.

The bank imposes industry/economic sector limits to guide against concentration risk as a result of exposures to sets of counterparties operating in a particular industry. The industry limits are arrived at after rigorous analysis of the risks inherent in the industry. The limits are usually recommended by the bank's Portfolio Management Unit under Credit Risk Management Group. The limits are presented for approval at any of the following meetings:

- Corporate planning and review meetings
- Annual Budget meetings
- Monthly Performance review (MPR) meetings
- Quarterly Business Review meetings
- Management Risk Committee meetings
- Criticised Assets Committee meetings
- Assets and Liability Management Committee meetings
-

The limits set for each industry or economic sector depend on the historical performance of the sector as well as the intelligence report on the outlook of the sector. During the year, limits can be realigned (outright removal, reduction or increase) to meet

the exigencies of the prevailing macroeconomic events.

The bank also sets internal credit approval limits for various levels of officers in the credit process. Approval decisions are guided by the bank's strategic focus as well as the stated risk appetite and the other limits established by the board or regulatory authorities such as Aggregate Large Exposure Limits, Single Obligor Limits, Geographical Limits, Industry/Sectoral limits etc.

The lending authority in the Bank flows through the management hierarchy with the final authority residing with the Board of Directors as indicated below:

| Board of Directors | Up to Bank's one Obligor limit as advised by Central Bank of Nigeria from time to time but currently put at 20% of share Shareholders' funds |
|-----------------------------|--|
| Management Credit Committee | Up to N500 Million |
| Managing Director | Up to N200 Million |
| Deputy Managing Director | Up to N150 Million |
| Other Approving Officers | as delegated by The Managing Director |

The above limits are subject to the following exceptional approvals:

- Except where facility is cash collateralized, all new facilities below =N=10mm require the approval of Credit Committee.
- The deposit required for all cash collateralized facilities (with the exception of bonds, guarantees and indemnities) must be 125% of the facility amount to provide cushion for interest and other charges.
- Totally new facilities require one-up approval i.e. approval at a level higher than that of the person that would ordinarily approve it.

The amount being approved must be within the appropriate authority limit; otherwise the credit goes to the next level of lending authority or consultative forum such as the Management Credit Committee (MCC) or the Board, for review and approval as required. New products are also presented to the MCC for review and approval.

RISK MANAGEMENT POLICY

Some other specific control and mitigation measures are outlined below:

(a) Collateral Policies

The bank ensures that each credit is reviewed and granted based on the strength of borrowers' cash-flow. However, the bank also ensures its credit facilities are well secured as a second way out. The policies that guide collateral for facilities are embedded within the bank's credit policy guide. These include the following policy statements amongst others:

- I. Loans to individuals or sole proprietors must be secured by tangible, marketable collateral that has a market value that is supported by valuation report from a registered estate valuer who is acceptable to the bank. The collateral must also be easy to check and easy to dispose of. This collateral must be in the possession of, or pledged to the Bank.
- II. Client's account balances must be within the scope of cover provided by its collateral.
- III. All collateral offered must have the following attributes:
 1. There must be good legal title
 2. The title must be easy to transfer
 3. It should be easy and relatively cheap to value
 4. The value should be appreciating or at least stable
 5. The security must be easy to sell.

All collateral must be protected by insurance. Exceptions include cash collateral, securities in safe keeping, indemnity or guarantees, or where our interest is general (for instance in a negative-pledge). The insurance policy has to be issued by an insurer acceptable to the Bank.

All cash collateralized facilities shall have a 20% margin to provide cushion for interest and other charges i.e. only 80% of the deposit or cash collateral may be availed to an obligor

The main collateral types acceptable to the bank for loans and advances include:

- I. Mortgages over residential properties
- II. Charges over business premises, fixed and floating assets as well as the inventory.
- III. Charges over financial instruments such as equities, treasury bills etc.

The bank ensures that other financial assets, besides from loans and advances, such as bank placements are secured with treasury bills or the Central Bank of Nigeria guarantee.

(b) Off-balance sheet engagements

These instruments are contingent in nature and they carry the same credit risk as loans and advances. As a policy, the bank ensures that all its off-balance sheet exposures are subjected to the same rigorous credit analysis, like that of the on-balance sheet exposures, before availment. The major off-balance sheet items in the bank's books are Bonds and Guarantees, which the bank will only issue where it has full cash collateral or a counter indemnity from a first class Bank, or another acceptable security.

(c) Placements

The bank has placement lines for its bank counterparties. The lines cover the settlement risks inherent in our activities with these counterparties. The limits are arrived at after conducting fundamental analysis of the counterparties and must be presented to and approved by the bank's Management Credit Committee. The lines are monitored by Credit Risk Management Group. As a rule, the bank's placements with local banks are backed with treasury bills or guarantees of Central Bank of Nigeria. However, the exposures must be within the bank's one obligor position.

Provisioning Policies

The Credit Risk Management Group of the bank conducts detailed review of the risk assets portfolio and applies objective and subjective criteria in classifying loans with repayment difficulties. The classification and the attendant provisioning is derived from the statutory requirement for non-performing loans as prescribed by the Central Bank

RISK MANAGEMENT POLICY

of Nigeria.

The bank's provisioning benchmark is highlighted in the table below:

| No of Days Overdrawn | Classification | % Provision taken |
|----------------------|----------------|-------------------|
| 90 – 180 | SUBSTANDARD | 10% |
| 180 – 360 | DOUBTFUL | 50% |
| OVER 360 | LOST | 100% |

In addition, immediately an account is classified as non-performing, the interest is accounted for on non-accrual basis i.e. interest is not recognized as income but suspended.

Furthermore, if the occurrence of a loss event is certain, appropriate provisions will be made regardless of the fact that such loan does not fall in any of the above categories.

In addition, immediately an account is classified as non-performing, the interest is accounted for on non-accrual basis i.e. interest is not recognized as income but suspended.

Furthermore, if the occurrence of a loss event is certain, appropriate provisions will be made regardless of the fact that such loan does not fall in any of the above categories.

Risk Assets (Loans and Advances, Advances under Finance Leases, off-balance sheet direct credit substitutes, etc)

Loans and advances are summarised as follows:

| | GROUP 2009 N'000 | GROUP 2008 N'000 | BANK 2009 N'000 | BANK 2008 N'000 |
|----------------------|------------------------|------------------------|-----------------------|-----------------------|
| Performing | 527,268,300 | 417,748,582 | 501,885,935 | 415,569,848 |
| Non-performing | | | | |
| Substandard | 54,872,053 | 3,545,021 | 54,425,048 | 3,247,068 |
| Doubtful | 2,632,669 | 2,491,929 | 2,524,756 | 2,440,506 |
| Lost | 10,531,195 | 663,505 | 10,459,332 | 605,232 |
| Interest in suspense | 2,790,168 | 1,078,012 | 2,714,651 | 1,041,722 |
| TOTAL | 598,094,385 | 425,527,049 | 572,009,722 | 422,904,376 |

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| Corporate 2009 N'000 | Public Sector 2009 N'000 | Retail 2009 N'000 | Commercial 2009 N'000 | Total 2009 N'000 |
|----------------------------|--------------------------------|-------------------------|-----------------------------|------------------------|
|----------------------------|--------------------------------|-------------------------|-----------------------------|------------------------|

Performing but Past Due Loans

Loans and advances less than 90 days past due are considered performing, unless other information is available to indicate the contrary. Gross amount of loans and advances by class to customers that were past due but performing were as follows:

Group

As at 31 December 2009

| | | | | | |
|-----------------------------|----------------|---------------|----------------|----------------|----------------|
| Past due 0 - 30 days | 66,563 | 4,008 | 99,901 | 138,024 | 308,496 |
| Past due up to 30 - 60 days | 21,131 | - | 3,076 | - | 24,207 |
| Past due up to 60 - 90 days | 43,912 | 57,661 | 1,132 | 244,343 | 347,048 |
| | 131,606 | 61,669 | 104,109 | 382,367 | 679,751 |

Group

As at 31 December 2008

| | | | | | |
|-----------------------------|------------------|---------------|----------------|----------------|------------------|
| Past due 0 to 30 days | 32,273 | 387 | 84,661 | 12,826 | 130,147 |
| Past due up to 30 - 60 days | 2,953 | 1,092 | 14,735 | 4,878 | 23,658 |
| Past due up to 60 - 90 days | 1,324,872 | 20,608 | 271,998 | 295,497 | 1,912,975 |
| | 1,360,098 | 22,087 | 371,394 | 313,201 | 2,066,780 |

Bank

As at 31 December 2009

| | | | | | |
|-----------------------------|---------------|---------------|----------------|----------------|----------------|
| Past due 0 - 30 days | 11,353 | 4,008 | 97,632 | 138,024 | 251,017 |
| Past due up to 30 - 60 days | - | - | 1,445 | - | 1,445 |
| Past due up to 60 - 90 days | 39,098 | 57,661 | 1,017 | 244,343 | 342,119 |
| | 50,451 | 61,669 | 100,094 | 382,367 | 594,581 |

Bank

As at 31 December 2008

| | | | | | |
|-----------------------------|------------------|---------------|----------------|----------------|------------------|
| Past due 0 to 30 days | 18,381 | 387 | 84,661 | 12,826 | 116,255 |
| Past due up to 30 - 60 days | - | 1,092 | 14,735 | 4,878 | 20,705 |
| Past due up to 60 - 90 days | 1,321,678 | 20,608 | 271,998 | 295,497 | 1,909,781 |
| | 1,340,059 | 22,087 | 371,394 | 313,201 | 2,046,741 |

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| | Group 2009 N'000 | Group 2008 N'000 | Bank 2009 N'000 | Bank 2008 N'000 |
|---|------------------------|------------------------|-----------------------|-----------------------|
| Non-Performing Loans by Industry | | | | |
| Agriculture | 786,629 | 297,476 | 659,131 | 289,014 |
| General Commerce | 2,860,380 | 884,258 | 2,820,879 | 788,046 |
| Consumer Credit | 22,032 | - | - | - |
| Manufacturing | 26,157,653 | 426,008 | 26,157,653 | 425,991 |
| Mining, Oil and Gas | 7,558,654 | 34,995 | 7,535,703 | 2 |
| Real Estate and Construction | 21,803,317 | 350,738 | 21,784,603 | 257,849 |
| Credit and Financial Institutions | 1,563,407 | 2,449,833 | 1,563,407 | 2,449,833 |
| Transportation and Communication | 4,955,962 | 1,824,503 | 4,946,765 | 1,824,503 |
| General Industry | 5,118,051 | 1,510,656 | 4,655,646 | 1,299,290 |
| Total | 70,826,085 | 7,778,467 | 70,123,787 | 7,334,528 |

| | Group 2009 N'000 | Group 2008 N'000 | Bank 2009 N'000 | Bank 2008 N'000 |
|--|------------------------|------------------------|-----------------------|-----------------------|
| Non-Performing Loans by Geography | | | | |
| Abuja & North Central | 1,688,834 | 2,306,072 | 1,688,834 | 2,306,072 |
| Lagos | 55,341,534 | 3,330,758 | 55,341,534 | 3,330,758 |
| North East | 1,170,562 | 458,125 | 1,170,562 | 458,125 |
| North West | 537,002 | 42,090 | 537,002 | 42,090 |
| South East | 1,797,186 | 794,702 | 1,797,186 | 794,702 |
| South West | 9,588,669 | 402,781 | 9,588,669 | 402,781 |
| Rest of West Africa | 702,298 | 443,939 | - | - |
| Europe | - | - | - | - |
| Total | 70,826,085 | 7,778,467 | 70,123,787 | 7,334,528 |

a. Concentration of risks of financial assets with credit risk exposure

Geographical Sectors

The following table breaks down the Group's main credit exposure at their carrying amounts, as categorised by geographical region as of 31 December 2009. For this table, the Group has allocated exposures to regions based on the region of domicile of our counterparties.

| | Due from Banks 2009 N'000 | Loans 2009 N'000 | Advances under finance lease 2009 N'000 | Debt Instruments 2009 N'000 | Total 2009 N'000 |
|------------------------|------------------------------------|------------------------|---|--------------------------------------|------------------------|
| Group | | | | | |
| As at 31 December 2009 | | | | | |
| Abuja & North Central | - | 33,083,784 | - | 121,928,250 | 155,012,034 |
| Lagos | 87,346,825 | 420,973,854 | - | 2,000,000 | 510,320,679 |
| North East | - | 17,590,995 | 1,288 | - | 17,592,283 |
| North West | - | 9,518,986 | - | - | 9,518,986 |
| South East | - | 57,251,319 | - | - | 57,251,319 |
| South West | - | 36,918,295 | - | 5,000,000 | 41,918,295 |
| Rest of West Africa | 13,222,261 | 19,983,408 | 4,782 | - | 33,210,451 |
| Europe | 73,913,201 | 2,773,744 | - | - | 76,686,945 |
| Others | 50,847,824 | - | - | - | 50,847,824 |
| Total | 225,330,111 | 598,094,385 | 6,070 | 128,928,250 | 952,358,816 |

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| | Due from Banks 2008 N'000 | Loans 2008 N'000 | Advances under finance lease 2008 N'000 | Debt Instruments 2008 N'000 | Total 2008 N'000 |
|------------------------|------------------------------------|------------------------|---|--------------------------------------|------------------------|
| Group | | | | | |
| As at 31 December 2008 | | | | | |
| Abuja & North Central | - | 30,474,543 | - | 80,515,185 | 110,989,728 |
| Lagos | 42,358,391 | 285,299,423 | - | - | 327,657,814 |
| North East | - | 25,343,686 | 24,076 | - | 25,367,762 |
| North West | - | 9,591,830 | - | - | 9,591,830 |
| South East | - | 27,948,548 | - | - | 27,948,548 |
| South West | - | 36,773,932 | - | - | 36,773,932 |
| Rest of West Africa | 14,280,705 | 10,043,438 | - | - | 24,324,143 |
| Europe | 89,694,986 | 51,649 | - | - | 89,746,635 |
| Others | 73,487,709 | - | - | - | 73,487,709 |
| | 219,821,791 | 425,527,049 | 24,076 | 80,515,185 | 725,888,101 |

| | Due from Banks 2009 N'000 | Loans 2009 N'000 | Advances under finance lease 2009 N'000 | Debt Instruments 2009 N'000 | Total 2009 N'000 |
|------------------------|------------------------------------|------------------------|---|--------------------------------------|------------------------|
| Bank | | | | | |
| As at 31 December 2009 | | | | | |
| Abuja & North Central | - | 33,083,784 | - | 122,538,533 | 155,622,317 |
| Lagos | 80,000,000 | 417,646,343 | - | 2,000,000 | 499,646,343 |
| North East | - | 17,590,995 | 1,288 | - | 17,592,283 |
| North West | - | 9,518,986 | - | - | 9,518,986 |
| South East | - | 57,251,319 | - | - | 57,251,319 |
| South West | - | 36,918,295 | - | 5,000,000 | 41,918,295 |
| Rest of West Africa | 4,144,440 | - | - | - | 4,144,440 |
| Europe | 67,818,014 | - | - | - | 67,818,014 |
| Others | 50,847,824 | - | - | - | 50,847,824 |
| | 202,810,278 | 572,009,722 | 1,288 | 129,538,533 | 904,359,821 |

| | Due from Banks 2008 N'000 | Loans 2008 N'000 | Advances under finance lease 2008 N'000 | Debt Instruments 2008 N'000 | Total 2008 N'000 |
|------------------------|------------------------------------|------------------------|---|--------------------------------------|------------------------|
| Bank | | | | | |
| As at 31 December 2008 | | | | | |
| Abuja & North Central | - | 30,474,543 | - | 80,515,185 | 110,989,728 |
| Lagos | 35,242,242 | 294,024,856 | - | - | 329,267,098 |
| North East | - | 25,343,686 | 24,076 | - | 25,367,762 |
| North West | - | 9,607,505 | - | - | 9,607,505 |
| South East | - | 27,948,548 | - | - | 27,948,548 |
| South West | - | 35,505,238 | - | - | 35,505,238 |
| Rest of West Africa | 3,230,151 | - | - | - | 3,230,151 |
| Europe | 79,227,194 | - | - | - | 79,227,194 |
| Others | 73,487,709 | - | - | - | 73,487,709 |
| | 191,187,296 | 422,904,376 | 24,076 | 80,515,185 | 694,630,933 |

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| | Due from Banks 2009 N'000 | Loans 2009 N'000 | Advances under finance lease 2009 N'000 | Debt Instruments 2009 N'000 | Total 2009 N'000 |
|------------------------------|------------------------------------|------------------------|---|--------------------------------------|------------------------|
| Group | | | | | |
| Industry Sectors | | | | | |
| As at 31 December 2009 | | | | | |
| Agriculture | - | 2,364,009 | - | - | 2,364,009 |
| Capital Market | - | 24,295,644 | - | - | 24,295,644 |
| Communication | - | 53,612,219 | - | - | 53,612,219 |
| Consumer Credit | - | 40,749,774 | - | - | 40,749,774 |
| Education | - | 7,017,104 | - | - | 7,017,104 |
| Finance and Insurance | 218,630,530 | 18,738,985 | 1,288 | 128,928,250 | 366,299,053 |
| Government | - | 13,875,607 | - | - | 13,875,607 |
| Manufacturing | - | 111,279,641 | - | - | 111,279,641 |
| Mining and Quarrying | - | 20,679,955 | - | - | 20,679,955 |
| Mortgage | - | 33,720,866 | - | - | 33,720,866 |
| Oil and gas | - | 80,220,613 | 4,782 | - | 80,220,613 |
| Others | 6,699,581 | 132,456,301 | - | - | 139,160,664 |
| Real Estate and Construction | - | 41,867,942 | - | - | 41,867,942 |
| Transportation | - | 17,215,725 | - | - | 17,215,725 |
| | 225,330,111 | 598,094,385 | 6,070 | 128,928,250 | 952,358,816 |

| | Due from Banks 2008 N'000 | Loans 2008 N'000 | Advances under finance lease 2008 N'000 | Debt Instruments 2008 N'000 | Total 2008 N'000 |
|------------------------------|------------------------------------|------------------------|---|--------------------------------------|------------------------|
| Group | | | | | |
| As at 31 December 2008 | | | | | |
| Agriculture | - | 1,663,551 | - | - | 1,663,551 |
| Capital Market | - | 18,810,792 | - | - | 18,810,792 |
| Communication | - | 18,702,577 | - | - | 18,702,577 |
| Consumer Credit | - | 42,134,674 | - | - | 42,134,674 |
| Education | - | 1,373,858 | - | - | 1,373,858 |
| Finance and Insurance | 216,110,340 | - | - | - | 216,110,340 |
| Government | - | 304,252 | 24,076 | 80,515,185 | 80,843,513 |
| Manufacturing | - | 111,818,844 | - | - | 111,818,844 |
| Mining and Quarrying | - | 29,557,832 | - | - | 29,557,832 |
| Mortgage | - | 26,570,182 | - | - | 26,570,182 |
| Oil and gas | - | 22,259,510 | - | - | 22,259,510 |
| Others | 3,711,451 | 109,164,439 | - | - | 112,875,890 |
| Real Estate and Construction | - | 29,335,343 | - | - | 29,335,343 |
| Transportation | - | 13,831,195 | - | - | 13,831,195 |
| | 219,821,791 | 425,527,049 | 24,076 | 80,515,185 | 725,888,101 |

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| | Due from Banks 2009 N'000 | Loans 2009 N'000 | Advances under finance lease 2009 N'000 | Debt Instruments 2009 N'000 | Total 2009 N'000 |
|------------------------------|------------------------------------|------------------------|---|--------------------------------------|------------------------|
| Bank | | | | | |
| Industry Sectors | | | | | |
| As at 31 December 2009 | | | | | |
| Agriculture | - | 1,651,864 | - | - | 1,651,864 |
| Capital Market | - | 23,877,544 | - | - | 23,877,544 |
| Communication | - | 52,888,325 | - | - | 52,888,325 |
| Consumer Credit | - | 40,091,985 | - | - | 40,091,985 |
| Education | - | 3,374,985 | - | - | 3,374,985 |
| Finance and Insurance | 202,810,278 | 18,220,560 | - | - | 221,030,838 |
| Government | - | 12,775,430 | 1,288 | 129,538,533 | 142,315,251 |
| Manufacturing | - | 110,299,174 | - | - | 110,299,174 |
| Mining and Quarrying | - | 20,679,955 | - | - | 20,679,955 |
| Mortgage | - | 33,720,866 | - | - | 33,720,866 |
| Oil and gas | - | 80,220,613 | - | - | 80,220,613 |
| Others | - | 116,192,612 | - | - | 116,192,612 |
| Real Estate and Construction | - | 40,800,084 | - | - | 40,800,084 |
| Transportation | - | 17,215,725 | - | - | 17,215,725 |
| | 202,810,278 | 572,009,722 | 1,288 | 129,538,533 | 904,359,821 |

| | Due from banks 2008 N'000 | Loans 2008 N'000 | Advances under finance lease 2008 N'000 | Debt Instruments 2008 N'000 | Total 2008 N'000 |
|------------------------------|------------------------------------|------------------------|---|--------------------------------------|------------------------|
| Bank | | | | | |
| As at 31 December 2008 | | | | | |
| Agriculture | - | 1,364,943 | - | - | 1,364,943 |
| Capital Market | - | 18,810,792 | - | - | 18,810,792 |
| Communication | - | 18,702,577 | - | - | 18,702,577 |
| Consumer Credit | - | 37,897,933 | - | - | 37,897,933 |
| Education | - | 2,860,791 | - | - | 2,860,791 |
| Finance and Insurance | 191,187,296 | 32,634,278 | - | - | 223,821,574 |
| Government | - | 304,252 | 24,076 | 80,515,185 | 80,843,513 |
| Manufacturing | - | 79,610,309 | - | - | 79,610,309 |
| Mining and Quarrying | - | 29,557,832 | - | - | 29,557,832 |
| Mortgage | - | 26,570,182 | - | - | 26,570,182 |
| Oil and gas | - | 22,259,510 | - | - | 22,259,510 |
| Others | - | 109,164,439 | - | - | 109,164,439 |
| Real Estate and Construction | - | 29,335,343 | - | - | 29,335,343 |
| Transportation | - | 13,831,195 | - | - | 13,831,195 |
| | 191,187,296 | 422,904,376 | 24,076 | 80,515,185 | 694,630,933 |

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| Group 2009 N'000 | Group 2008 N'000 | Bank 2009 N'000 | Bank 2008 N'000 |
|------------------------|------------------------|-----------------------|-----------------------|
|------------------------|------------------------|-----------------------|-----------------------|

Analysis by Portfolio Distribution and Risk Rating

As at 31 December

Risk rating

| | | | | |
|--------------|--------------------|--------------------|--------------------|--------------------|
| Rating 1 - 2 | 331,977,014 | 218,464,263 | 329,140,014 | 225,936,677 |
| Rating 3 | 174,072,469 | 177,206,398 | 170,713,681 | 174,964,552 |
| Rating 4 | 2,032,240 | 14,668,620 | 2,032,240 | 14,668,620 |
| Rating 5 - 6 | 70,123,787 | 7,334,527 | 70,123,787 | 7,334,527 |
| Unrated | 19,888,875 | 7,853,241 | - | - |
| Total | 598,094,385 | 425,527,049 | 572,009,722 | 422,904,376 |

MARKET RISK MANAGEMENT

Market Risk is the probability that changes in financial market prices could adversely affect the Bank's financial condition. The Bank measures and monitors all its market risk exposures such as interest rate risk, exchange rate risk, liquidity risk, investment risk, market volatilities in its trading and banking books.

The Bank manages its exposure to market risk through trading and non-trading portfolios. The Treasury holds the trading portfolio, which includes positions arising from market-making and proprietary position-taking, together with financial assets and liabilities. The portfolio is managed on a fair value basis. With the exception of currency risk arising on the Bank's net investment in its foreign operations, Treasury also monitors foreign exchange risk within the Bank. Accordingly, the foreign exchange position is treated as part of the Bank's trading portfolio for risk management purposes.

For its non-trading portfolio, the bank uses quantitative methodologies such as Earnings-at-Risk, net income simulation, rate reasonability reports and gap analyses.

Overall authority for the management and

reporting of market and liquidity risks inherent in our businesses across the Bank is vested in the Management Risk Committee. However, the Market Risk Management group within the ERM Division is responsible for the development of market risk management policy and monitors specific market and liquidity risks inherent in our business. The group is also responsible for ensuring that any exposure is efficiently identified, measured, monitored and managed.

The reports produced by the Market risk group to Management appropriately address all market and liquidity risk exposures.

The bank makes use of limit monitoring, as well as Sensitivity Analyses (including Value-at-Risk and other stress testing techniques) as the principal tools to measure and control the market risk exposures within its trading portfolio and risk assets/deposit liabilities. Specific limits have been set (eg. open position limits, placement limits, etc.). The Market Risk Management group ensures that these limits are adhered to by the bank.

For Market Risk capital adequacy computation under Basel II Pillar I, the Bank will commence with the use of the Standardized Approach for Market Risk measurement.

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

OPERATIONAL RISK MANAGEMENT

Guaranty Trust Bank defines Operational Risk as “direct/indirect loss resulting from inadequate and/or failed internal process, people, and systems or from external events. This definition captures events such as technology problems, defects in organisational structure, failure of internal control systems, human error, fraud and external threat or any other risks that the Bank deems fit on an ongoing basis; whilst keeping a bird's eye view on Reputational and Strategy risks” .

The following tools and methodologies are being utilized:

- Business Continuity Management (BCM) - Recent world events proved to be a wake-up call and have challenged us to prepare to manage previously unthinkable situations that could potentially damage our organisational structure. To ensure the resilience of our business to any disruptive eventuality, the Bank has put in place a detailed and comprehensive Business Continuity Plan (BCP) which assures timely resumption of its business with minimal financial losses or reputational damage and continuity of service to its customers, vendors and regulators.
- Risk & Control Self Assessments (RCSAs);
- Key Risk Indicators;
- Risk Register for cataloguing ORM events;
- Occupational Health and Safety procedures and initiatives;
- Information Risk Management Awareness; Fraud Risk Management initiatives; Compliance and Legal Risk Management; A Loss Incident Reporting facility available on the intranet for collation of operational risk loss events bank-wide.

Reports are sent out on a monthly and quarterly basis to Management and various stakeholders. For Operational Risk Capital Adequacy computation under Basel II Pillar I, the Bank will commence with the use of the Basic Indicator Approach for Operational Risk Measurement.

The bank has also commenced management of its Reputational and Strategy risks.

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| | Naira Dec 2009- N'000 | Dollar Dec 2009- N'000 | GBP Dec 2009- N'000 | Euro Dec 2009- N'000 | Others Dec 2009 N'000 | Total Dec 2009 N'000 |
|--|-----------------------------|------------------------------|---------------------------|----------------------------|-----------------------------|----------------------------|
|--|-----------------------------|------------------------------|---------------------------|----------------------------|-----------------------------|----------------------------|

Foreign Exchange Risk

The Group takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored daily. The table below summarises the Group's exposure to foreign currency exchange rate risk at 31 December. Included in the table are the Group's assets and liabilities at carrying amounts, categorised by currency.

Group 31 December 2009

Assets

| | | | | | | |
|--------------------------------------|-------------|-------------|-------------|------------|------------|-------------|
| Cash and balances with central banks | 31,380,823 | 2,235,797 | 2,235,797 | 687,951 | 725,280 | 35,889,931 |
| Treasury bills | 29,405,616 | - | - | - | 7,530,398 | 36,936,014 |
| Due from other banks | 89,590,426 | 98,941,742 | 98,941,742 | 18,278,993 | 9,982,835 | 225,330,111 |
| Loans and advances to customers | 433,967,080 | 111,020,786 | 111,020,786 | 11 | 17,630,612 | 563,488,164 |
| Advances under finance lease | 1,288 | - | - | - | 4,782 | 6,070 |
| Trading properties | 5,070,666 | - | - | - | - | 5,070,666 |
| Insurance receivables | 809,546 | - | - | - | - | 809,546 |
| Investment securities | 136,060,928 | 132,700 | 132,700 | - | - | 136,193,629 |
| Other assets | 10,050,549 | 832,710 | 832,710 | 563 | 4,639,422 | 15,523,244 |
| Deferred tax asset | 410,864 | - | - | - | - | 410,864 |
| Property and equipment | 46,491,151 | - | - | - | - | 46,491,151 |
| Goodwill on consolidation | 354,328 | - | - | - | - | 354,328 |

| | | | | | | |
|-------------------------------|--------------------|--------------------|--------------------|-------------------|-------------------|----------------------|
| Total financial assets | 783,593,265 | 213,163,735 | 213,163,735 | 18,967,518 | 40,513,329 | 1,066,503,718 |
|-------------------------------|--------------------|--------------------|--------------------|-------------------|-------------------|----------------------|

Liabilities

| | | | | | | |
|----------------------------------|-------------|------------|-----------|------------|------------|-------------|
| Customer deposits | 588,676,304 | 56,745,985 | 8,655,704 | 2,746,484 | 26,256,425 | 683,080,902 |
| Due to other banks | 1,095,490 | 11,554,424 | 1,717,084 | 511,647 | 103,060 | 14,981,705 |
| Claims payable | 350,631 | - | - | - | - | 350,631 |
| Finance lease obligations | - | 2,211,130 | - | - | - | 2,211,130 |
| Liability on investment contract | 1,115,094 | - | - | - | - | 1,115,094 |
| Liability on insurance contract | 1,126,011 | - | - | - | - | 1,126,011 |
| Current income tax | 2,942,457 | - | - | - | 541,104 | 3,483,561 |
| Other liabilities | 17,260,028 | 47,813,198 | 2,694,002 | 15,106,906 | 2,617,738 | 85,491,872 |
| Deferred tax liabilities | 4,336,541 | - | - | - | 10,050 | 4,346,591 |
| Retirement benefit obligations | 240,811 | - | - | - | 12,264 | 253,075 |
| Debt securities in issue | - | 65,485,550 | - | - | - | 65,485,550 |
| Other borrowings | - | 12,332,568 | - | - | - | 12,332,568 |

| | | | | | | |
|--------------------------|--------------------|--------------------|-------------------|-------------------|-------------------|--------------------|
| Total liabilities | 617,143,367 | 196,142,855 | 13,066,790 | 18,365,037 | 29,540,641 | 874,258,690 |
|--------------------------|--------------------|--------------------|-------------------|-------------------|-------------------|--------------------|

| | | | | | | |
|--|--------------------|-------------------|--------------------|----------------|-------------------|--------------------|
| Net on-balance sheet financial position | 166,449,898 | 17,020,880 | (2,800,919) | 602,481 | 10,972,688 | 192,245,028 |
|--|--------------------|-------------------|--------------------|----------------|-------------------|--------------------|

| | | | | | | |
|--------------------------|--------------------|--------------------|----------------|------------------|------------------|--------------------|
| Off balance sheet | 219,125,643 | 101,167,554 | 728,798 | 8,235,110 | 3,563,155 | 332,820,260 |
|--------------------------|--------------------|--------------------|----------------|------------------|------------------|--------------------|

31 December 2008

| | | | | | | |
|-----------------------------|-------------|-------------|-----------|------------|------------|-------------|
| Total financial assets | 635,382,128 | 257,931,467 | 8,790,299 | 29,070,933 | 28,008,866 | 959,183,693 |
| Total financial liabilities | 510,460,599 | 210,123,581 | 7,963,270 | 29,765,069 | 18,837,274 | 777,149,793 |

| | | | | | | |
|--|--------------------|-------------------|----------------|------------------|------------------|--------------------|
| Net on-balance sheet financial position | 124,921,529 | 47,807,886 | 827,029 | (694,136) | 9,171,592 | 182,033,900 |
|--|--------------------|-------------------|----------------|------------------|------------------|--------------------|

| | | | | | | |
|--------------------------|--------------------|--------------------|---------------|------------------|------------------|--------------------|
| Off balance sheet | 277,081,715 | 108,213,900 | 72,737 | 9,027,654 | 5,973,432 | 400,369,438 |
|--------------------------|--------------------|--------------------|---------------|------------------|------------------|--------------------|

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| | Naira Dec 2009- N'000 | Dollar Dec 2009- N'000 | GBP Dec 2009- N'000 | Euro Dec 2009- N'000 | Others Dec 2009 N'000 | Total Dec 2009 N'000 |
|---|-----------------------------|------------------------------|---------------------------|----------------------------|-----------------------------|----------------------------|
| Bank | | | | | | |
| Concentrations of currency risk – on- and off-balance sheet financial instruments | | | | | | |
| 31 December 2009 | | | | | | |
| Assets | | | | | | |
| Cash and balances with central banks | 31,380,560 | 2,064,658 | 770,740 | 672,307 | 2,502 | 34,890,767 |
| Treasury bills | 29,405,616 | - | - | - | - | 29,405,616 |
| Due from other banks | 80,000,000 | 102,942,404 | 2,037,080 | 17,561,969 | 268,825 | 202,810,278 |
| Loans and advances to customers | 430,671,764 | 107,452,306 | 11,098 | 11 | 2,390 | 538,137,569 |
| Advances under finance lease | 1,288 | - | - | - | - | 1,288 |
| Investment securities | 132,914,008 | - | 1,212,984 | - | - | 134,126,992 |
| Investment in subsidiaries | 29,774,817 | - | - | - | - | 29,774,817 |
| Other assets | 9,066,169 | 412,561 | - | - | - | 9,478,730 |
| Property and equipment | 41,285,479 | - | - | - | - | 41,285,479 |
| Total financial assets | 784,499,701 | 212,871,929 | 4,031,902 | 18,234,287 | 273,717 | 1,019,911,536 |
| Liabilities | | | | | | |
| Customer deposits | 590,298,630 | 65,253,321 | 4,072,766 | 2,635,423 | 886 | 662,261,026 |
| Due to other banks | 1,083,016 | - | - | - | - | 1,083,016 |
| Finance lease obligations | - | 2,211,130 | - | - | - | 2,211,130 |
| Current income tax | 2,373,006 | - | - | - | - | 2,373,006 |
| Other liabilities | 16,325,289 | 47,381,050 | 2,358,935 | 15,106,285 | 112,523 | 81,284,082 |
| Deferred tax liabilities | 4,134,454 | - | - | - | - | 4,134,454 |
| Retirement benefit obligations | 240,811 | - | - | - | - | 240,811 |
| Debt securities in issue | - | 65,515,655 | - | - | - | 65,515,655 |
| Other borrowings | - | 12,332,568 | - | - | - | 12,332,568 |
| Total liabilities | 614,455,206 | 192,693,724 | 6,431,701 | 17,741,708 | 113,409 | 831,435,748 |
| Net on-balance sheet financial position | 170,044,495 | 20,178,205 | (2,399,799) | 492,579 | 160,308 | 188,475,788 |
| Off balance sheet | 211,875,157 | 94,997,289 | 728,798 | 8,039,425 | 740,444 | 316,381,113 |
| 31 December 2008 | | | | | | |
| Total financial assets | 648,293,247 | 236,607,170 | 3,750,307 | 28,685,151 | 942,881 | 918,278,756 |
| Total financial liabilities | 502,347,874 | 203,398,411 | 3,037,531 | 29,430,292 | 513,923 | 738,728,031 |
| Net on-balance sheet financial position | 145,945,373 | 33,208,759 | 712,776 | (745,141) | 428,958 | 179,550,725 |
| Off balance sheet | 285,101,998 | 91,476,848 | 60,920 | 10,309,956 | 2,594,060 | 389,543,782 |

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

Liquidity risk

Liquidity Risk is the current and future risk to the Bank's earnings and capital arising from its inability to meet its financial obligations and commitments as and when due and at a reasonable price

Liquidity risk management process

The Bank's liquidity risk management process is primarily the responsibility of the Market Risk Management Group within the ERM Division. A brief overview of the bank's liquidity management processes includes the following:

- Maintenance of minimum levels of liquid and marketable assets above the regulatory requirement of 25%. The Bank has also set for itself more stringent in-house limits above this regulatory requirement to which it adheres.
- Monitoring of its cash flow and balance sheet trends. The Bank also makes forecasts of anticipated deposits and withdrawals to determine their potential effect on the Bank.
- Regular measurement & monitoring of its liquidity position/ratios in line with regulatory requirements and in-house limits.
- Regular monitoring of non-earning assets.
- Monitoring of deposit concentration.
- Ensure diversification of funding sources.
- Monitoring of level of undrawn commitments'
- Maintaining a contingency funding plan.

Funding approach

The Bank's overall approach to funding is as follows:

- i. Generation of large pool of low cost deposits..
- ii. Maintenance of efficiently diversified sources of funds along product lines, business segments and also regions.

The table below analyses assets and liabilities of the bank into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date. The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the bank. It is unusual for banks ever to be completely matched since business transacted is often of uncertain terms and of different types.

The maturity of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the bank and its exposure to changes in interest rates.

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| | Up to 1 month N'000 | 1 - 3 months N'000 | 3 - 6 months N'000 | 6 - 12 months N'000 | 1 - 5 years N'000 | Over 5 years N'000 | Total N'000 | Carrying Value N'000 |
|--|------------------------|-----------------------|-----------------------|------------------------|----------------------|-----------------------|----------------|-------------------------|
|--|------------------------|-----------------------|-----------------------|------------------------|----------------------|-----------------------|----------------|-------------------------|

Maturity Profile - On Balance Sheet

Group
31 December 2009

Assets

| | | | | | | | | |
|---|-------------|------------|------------|------------|-------------|------------|-------------|-------------|
| Cash and balances with central banks | 35,446,814 | 328,429 | 101,311 | 13,377 | - | - | 35,889,931 | 35,889,931 |
| Treasury bills and other eligible bills | 3,175,856 | 13,899,988 | 18,889,044 | 971,126 | - | - | 36,936,014 | 36,936,014 |
| Due from other banks | 177,496,542 | 45,589,969 | 2,243,600 | - | - | - | 225,330,111 | 225,330,111 |
| Loans and advances to customers | 284,532,330 | 38,512,089 | 21,793,284 | 31,384,881 | 212,419,358 | 9,452,443 | 598,094,385 | 563,488,164 |
| Advances under finance lease | - | 1,288 | - | 4,782 | - | - | 6,070 | 6,070 |
| Trading properties | 2,819,241 | - | - | 2,251,425 | - | - | 5,070,666 | 5,070,666 |
| Insurance receivables | 809,546 | - | - | - | - | - | 809,546 | 809,546 |
| Investment securities | 119,581,805 | 266,197 | - | 52,269 | 11,541,898 | 6,081,087 | 137,523,256 | 136,193,629 |
| Investment in subsidiaries | - | - | - | - | - | - | - | - |
| Deferred tax assets | 1,106 | - | - | - | 409,758 | - | 410,864 | 410,864 |
| Other assets | 2,950,446 | 118,477 | 976,554 | 330,908 | 9,727,343 | 2,333,561 | 16,437,289 | 15,523,244 |
| Property and equipment | 792,894 | 42,833 | 85,666 | 171,332 | 24,569,999 | 20,828,427 | 46,491,151 | 46,491,151 |
| Goodwill on consolidation | - | - | - | - | - | 354,328 | 354,328 | 354,328 |

| | | | | | | | | |
|---------------------|--------------------|-------------------|-------------------|-------------------|--------------------|-------------------|----------------------|----------------------|
| Total assets | 627,606,580 | 98,759,270 | 44,089,459 | 35,180,100 | 258,668,356 | 39,049,846 | 1,103,353,611 | 1,066,503,718 |
|---------------------|--------------------|-------------------|-------------------|-------------------|--------------------|-------------------|----------------------|----------------------|

Liabilities

| | | | | | | | | |
|----------------------------------|-------------|------------|------------|-----------|------------|--------|-------------|-------------|
| Customer deposits | 606,924,265 | 53,712,549 | 17,540,291 | 3,903,525 | 1,000,272 | - | 683,080,902 | 683,080,902 |
| Due to other banks | 12,737,370 | 2,244,335 | - | - | - | - | 14,981,705 | 14,981,705 |
| Claims payable | 350,631 | - | - | - | - | - | 350,631 | 350,631 |
| Finance lease obligations | 38,297 | 82,773 | 124,032 | 225,510 | 1,740,518 | - | 2,211,130 | 2,211,130 |
| Liability on investment contract | - | 1,115,094 | - | - | - | - | 1,115,094 | 1,115,094 |
| Liability on insurance contract | - | 1,126,011 | - | - | - | - | 1,126,011 | 1,126,011 |
| Debt securities in issue | - | - | - | - | 65,485,550 | - | 65,485,550 | 65,485,550 |
| Borrowings | - | - | - | - | 12,332,568 | - | 12,332,568 | 12,332,568 |
| Current income tax | 1,490,231 | 791,002 | 1,186,504 | 15,824 | - | - | 3,483,561 | 3,483,561 |
| Other liabilities | 20,029,973 | 198,368 | 65,114,836 | 148,663 | 32 | - | 85,491,872 | 85,491,872 |
| Deferred tax liabilities | 4,803 | - | - | 207,334 | 4,134,454 | - | 4,346,591 | 4,346,591 |
| Retirement benefit obligations | 240,811 | - | - | - | - | 12,264 | 253,075 | 253,075 |

| | | | | | | | | |
|--------------------------|--------------------|-------------------|-------------------|------------------|-------------------|---------------|--------------------|--------------------|
| Total liabilities | 641,816,381 | 59,270,132 | 83,965,663 | 4,500,856 | 84,693,394 | 12,264 | 874,258,690 | 874,258,690 |
|--------------------------|--------------------|-------------------|-------------------|------------------|-------------------|---------------|--------------------|--------------------|

| | | | | | | | | |
|------------|-------------------|---------------------|-------------------|---------------------|----------------------|---------------------|----------------------|----------------------|
| Gap | 14,209,801 | (39,489,138) | 39,876,204 | (30,679,244) | (173,974,962) | (39,037,582) | (229,094,921) | (192,245,028) |
|------------|-------------------|---------------------|-------------------|---------------------|----------------------|---------------------|----------------------|----------------------|

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| | Up to 1 month N'000 | 1 - 3 months N'000 | 3 - 6 months N'000 | 6 - 12 months N'000 | 1 - 5 years N'000 | Over 5 years N'000 | Total N'000 | Carrying Value N'000 |
|--|------------------------|-----------------------|-----------------------|------------------------|----------------------|-----------------------|----------------------|-------------------------|
| Maturity Profile - On Balance Sheet | | | | | | | | |
| Bank | | | | | | | | |
| 31 December 2009 | | | | | | | | |
| Assets | | | | | | | | |
| Cash and balances with central banks | 34,447,650 | 328,429 | 101,311 | 13,377 | - | - | 34,890,767 | 34,890,767 |
| Treasury bills and other eligible bills | 1,494,606 | 8,195,409 | 18,744,475 | 971,126 | - | - | 29,405,616 | 29,405,616 |
| Due from other banks | 161,695,342 | 38,871,336 | 2,243,600 | - | - | - | 202,810,278 | 202,810,278 |
| Loans and advances to customers | 277,714,164 | 35,717,361 | 19,649,220 | 24,218,203 | 208,027,969 | 6,682,805 | 572,009,722 | 538,137,569 |
| Advances under finance lease | - | 1,288 | - | - | - | - | 1,288 | 1,288 |
| Investment securities | 116,864,073 | - | - | 52,269 | 11,409,207 | 7,131,070 | 135,456,619 | 134,126,992 |
| Investment in subsidiaries | - | - | - | - | - | 29,774,817 | 29,774,817 | 29,774,817 |
| Other assets | - | - | 660,617 | - | 9,727,343 | - | 10,387,960 | 9,478,730 |
| Property and equipment | 1,320 | - | - | - | 23,195,069 | 18,089,090 | 41,285,479 | 41,285,479 |
| Total assets | 592,217,155 | 83,113,823 | 41,399,223 | 25,254,975 | 252,359,588 | 61,677,782 | 1,056,022,546 | 1,019,911,536 |
| Liabilities | | | | | | | | |
| Customer deposits | 611,320,133 | 37,756,292 | 11,646,791 | 1,537,810 | - | - | 662,261,026 | 662,261,026 |
| Due to other banks | 1,083,016 | - | - | - | - | - | 1,083,016 | 1,083,016 |
| Finance lease obligations | 38,297 | 82,773 | 124,032 | 225,510 | 1,740,518 | - | 2,211,130 | 2,211,130 |
| Debt securities in issue | - | - | - | - | 65,515,655 | - | 65,515,655 | 65,515,655 |
| Borrowings | - | - | - | - | 12,332,568 | - | 12,332,568 | 12,332,568 |
| Current income tax | 395,501 | 791,002 | 1,186,503 | - | - | - | 2,373,006 | 2,373,006 |
| Dividend payable | - | - | - | - | - | - | - | - |
| Other liabilities | 16,975,421 | 18 | 64,308,643 | - | - | - | 81,284,082 | 81,284,082 |
| Deferred tax liabilities | - | - | - | - | 4,134,454 | - | 4,134,454 | 4,134,454 |
| Retirement benefit obligations | 240,811 | - | - | - | - | - | 240,811 | 240,811 |
| Total liabilities | 630,053,179 | 38,630,085 | 77,265,969 | 1,763,320 | 83,723,195 | - | 831,435,748 | 831,435,748 |
| Gap | 37,836,024 | (44,483,738) | 35,866,746 | (23,491,655) | (168,636,393) | (61,677,782) | (224,586,798) | (188,475,788) |

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| | Up to 1 month N'000 | 1 - 3 months N'000 | 3 - 6 months N'000 | 6 - 12 months N'000 | 1 - 5 years N'000 | Over 5 years N'000 | Total N'000 | Carrying Value N'000 |
|--|------------------------|-----------------------|-----------------------|------------------------|----------------------|-----------------------|----------------|-------------------------|
|--|------------------------|-----------------------|-----------------------|------------------------|----------------------|-----------------------|----------------|-------------------------|

Maturity Profile - On Balance Sheet

Group

31 December 2008

Maturity Profile - On Balance Sheet

Assets

| | | | | | | | | |
|---|-------------|------------|------------|------------|-------------|------------|-------------|-------------|
| Cash and balances with central banks | 64,322,901 | 26,243 | 315 | 44 | 11 | - | 64,349,514 | 64,349,514 |
| Treasury bills and other eligible bills | 4,233,672 | 23,155,790 | 6,269,086 | 28,557,770 | - | - | 62,216,318 | 62,216,318 |
| Due from other banks | 201,382,942 | 5,919,363 | 3,794,486 | 8,725,000 | - | - | 219,821,791 | 219,821,791 |
| Loans and advances to customers | 140,021,669 | 44,114,217 | 21,806,170 | 42,493,503 | 137,127,714 | 39,963,776 | 425,527,049 | 416,318,640 |
| Advances under finance lease | - | - | - | 7,333 | 16,743 | - | 24,076 | 23,835 |
| Trading Properties | 15,085,846 | - | - | - | - | - | 15,085,846 | 15,085,846 |
| Insurance receivables | 562,687 | - | - | - | - | - | 562,687 | 562,687 |
| Investment securities | 76,139,724 | - | - | - | 9,433,569 | 5,938,190 | 91,511,483 | 91,511,483 |
| Deferred tax assets | - | - | - | - | 36,847 | - | 36,847 | 36,847 |
| Other assets | 33,123,074 | 181,797 | 10,342,525 | 359,267 | 5,882,163 | 158,000 | 50,046,826 | 49,272,639 |
| Property and equipment | 658,569 | 31,890 | 63,781 | 127,564 | 21,693,368 | 17,054,593 | 39,629,765 | 39,629,765 |
| Goodwill on consolidation | - | - | - | - | - | 354,328 | 354,328 | 354,328 |

| | | | | | | | | |
|---------------------|--------------------|-------------------|-------------------|-------------------|--------------------|-------------------|--------------------|--------------------|
| Total assets | 535,531,084 | 73,429,300 | 42,276,363 | 80,270,481 | 174,190,415 | 63,468,887 | 969,166,530 | 959,183,693 |
|---------------------|--------------------|-------------------|-------------------|-------------------|--------------------|-------------------|--------------------|--------------------|

Liabilities

| | | | | | | | | |
|----------------------------------|-------------|------------|-------------|-----------|------------|---|-------------|-------------|
| Customer deposits | 450,676,297 | 13,650,061 | 3,620,371 | 2,658,337 | 740 | - | 470,605,806 | 470,605,806 |
| Due to other banks | 27,140,199 | - | - | - | 825,004 | - | 27,965,203 | 27,965,203 |
| Claims payable | 188,588 | - | - | - | - | - | 188,588 | 188,588 |
| Finance lease obligations | - | - | - | 608,534 | 1,516,726 | - | 2,125,260 | 2,125,260 |
| Liability on investment contract | 586,386 | - | - | - | - | - | 586,386 | 586,386 |
| Liability on insurance contract | 794,546 | - | - | - | - | - | 794,546 | 794,546 |
| Debt securities in issue | - | - | - | - | 48,838,125 | - | 48,838,125 | 48,838,125 |
| Borrowings | - | - | - | - | 14,058,403 | - | 14,058,403 | 14,058,403 |
| Current income tax | 322,143 | - | - | 9,314,827 | - | - | 9,636,970 | 9,636,970 |
| Other liabilities | 76,432,398 | 2,299,050 | 115,483,318 | 3,638,944 | 546,948 | - | 198,400,658 | 198,400,658 |
| Deferred tax liabilities | 30,000 | - | - | 7,039 | 3,437,799 | - | 3,474,838 | 3,474,838 |
| Retirement benefit obligations | 30,989 | - | - | 444,021 | - | - | 475,010 | 475,010 |

| | | | | | | | | |
|--------------------------|--------------------|-------------------|--------------------|-------------------|-------------------|----------|--------------------|--------------------|
| Total liabilities | 556,201,546 | 15,949,111 | 119,103,689 | 16,671,702 | 69,223,745 | - | 777,149,793 | 777,149,793 |
|--------------------------|--------------------|-------------------|--------------------|-------------------|-------------------|----------|--------------------|--------------------|

| | | | | | | | | |
|------------|-------------------|---------------------|-------------------|---------------------|----------------------|---------------------|----------------------|----------------------|
| Gap | 20,670,462 | (57,480,189) | 76,827,326 | (63,598,779) | (104,966,670) | (63,468,887) | (192,016,737) | (182,033,900) |
|------------|-------------------|---------------------|-------------------|---------------------|----------------------|---------------------|----------------------|----------------------|

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| | Up to 1 month N'000 | 1 - 3 months N'000 | 3 - 6 months N'000 | 6 - 12 months N'000 | 1 - 5 years N'000 | Over 5 years N'000 | Total N'000 | Carrying Value N'000 |
|--|------------------------|-----------------------|-----------------------|------------------------|----------------------|-----------------------|----------------|-------------------------|
|--|------------------------|-----------------------|-----------------------|------------------------|----------------------|-----------------------|----------------|-------------------------|

Maturity Profile - On Balance Sheet

Bank

31 December 2008

Assets

| | | | | | | | | |
|---|-------------|------------|------------|------------|-------------|------------|-------------|-------------|
| Cash and balances with central banks | 62,552,837 | 26,243 | 315 | 44 | 11 | - | 62,579,450 | 62,579,450 |
| Treasury bills and other eligible bills | 4,606,446 | 19,354,921 | 6,176,061 | 22,578,134 | - | - | 52,715,562 | 52,715,562 |
| Due from other banks | 187,194,587 | 2,207,912 | 1,784,797 | - | - | - | 191,187,296 | 191,187,296 |
| Loans and advances to customers | 146,318,975 | 42,712,242 | 19,670,991 | 38,652,101 | 135,874,141 | 39,675,926 | 422,904,376 | 413,983,817 |
| Advances under finance lease | - | - | - | 7,333 | 16,743 | - | 24,076 | 23,835 |
| Investment securities | 74,833,724 | - | - | - | 5,954,995 | 5,828,190 | 86,616,909 | 86,616,909 |
| Investment in subsidiaries | - | - | - | - | - | 28,274,817 | 28,274,817 | 28,274,817 |
| Other assets | 31,770,842 | - | 9,987,260 | - | 5,882,163 | - | 47,640,265 | 46,866,078 |
| Property and equipment | 58,781 | - | - | - | 19,312,433 | 16,659,778 | 36,030,992 | 36,030,992 |

| | | | | | | | | |
|---------------------|--------------------|-------------------|-------------------|-------------------|--------------------|-------------------|--------------------|--------------------|
| Total assets | 507,336,192 | 64,301,318 | 37,619,424 | 61,237,612 | 167,040,486 | 90,438,711 | 927,973,743 | 918,278,756 |
|---------------------|--------------------|-------------------|-------------------|-------------------|--------------------|-------------------|--------------------|--------------------|

Liabilities

| | | | | | | | | |
|--------------------------------|-------------|-----------|-------------|-----------|------------|---|-------------|-------------|
| Customer deposits | 443,640,535 | 2,077,053 | 19,224 | 2,660 | 740 | - | 445,740,212 | 445,740,212 |
| Due to other banks | 27,965,203 | - | - | - | - | - | 27,965,203 | 27,965,203 |
| Finance lease obligations | - | - | - | 608,534 | 1,516,726 | - | 2,125,260 | 2,125,260 |
| Debt securities in issue | - | - | - | - | 48,838,125 | - | 48,838,125 | 48,838,125 |
| Borrowings | - | - | - | - | 14,058,403 | - | 14,058,403 | 14,058,403 |
| Current income tax | - | - | - | 9,237,928 | - | - | 9,237,928 | 9,237,928 |
| Other liabilities | 65,561,381 | 2,020,237 | 119,310,560 | - | - | - | 186,892,178 | 186,892,178 |
| Deferred tax liabilities | - | - | - | - | 3,395,712 | - | 3,395,712 | 3,395,712 |
| Retirement benefit obligations | 30,989 | - | - | 444,021 | - | - | 475,010 | 475,010 |

| | | | | | | | | |
|--------------------------|--------------------|------------------|--------------------|-------------------|-------------------|----------|--------------------|--------------------|
| Total liabilities | 537,198,108 | 4,097,290 | 119,329,784 | 10,293,143 | 67,809,706 | - | 738,728,031 | 738,728,031 |
|--------------------------|--------------------|------------------|--------------------|-------------------|-------------------|----------|--------------------|--------------------|

| | | | | | | | | |
|------------|-------------------|---------------------|-------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| Gap | 29,861,916 | (60,204,028) | 81,710,360 | (50,944,469) | (99,230,780) | (90,438,711) | (189,245,712) | (179,550,725) |
|------------|-------------------|---------------------|-------------------|---------------------|---------------------|---------------------|----------------------|----------------------|

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

Maturity profile - Off Balance Sheet

- a. **Financial guarantees and other financial facilities**
These comprise performance bonds, guarantees and other guaranteed facilities
- b. **Contingent letters of credit**
This comprises letters of credit (Import-time and cash margin) and D- and C-lines
- c. **Bankers Acceptances**
This is made up of off-balance sheet bankers acceptances. The Bank had no off-balance sheet bankers acceptances as at year-end 2009.
- d. **Guaranteed Commercial Papers**
This is made up of off-balance sheet commercial papers. The Bank had no off-balance sheet commercial papers as at year-end 2009.
- e. **Operating lease commitments**
The Bank had no operating lease commitments as at year-end.
- f. **Capital commitments**
The Group had capital commitments of N211,212,000 (31 December 2008: N438,154,403) as at the balance sheet date.
- g. **Other commitments**
This comprises commitments on foreign exchange contracts

The age analysis of contingent liabilities is presented below:

| | Up to 1 month N'000 | 1 - 3 months N'000 | 3 - 6 months N'000 | 6 - 12 months N'000 | 1 - 5 years N'000 | Over 5 years N'000 | Total N'000 |
|--|------------------------|-----------------------|-----------------------|------------------------|----------------------|-----------------------|--------------------|
| Group | | | | | | | |
| 31 December 2009 | | | | | | | |
| Performance bonds and financial guarantees | 8,802,676 | 32,572,396 | 32,443,020 | 36,256,427 | 70,150,314 | 69,781,416 | 250,006,249 |
| Contingent letters of credit | 6,782,910 | 6,370,777 | 51,496,025 | 1,546,298 | - | - | 66,196,010 |
| Bankers' acceptances | 1,684,681 | - | - | - | - | - | 1,684,681 |
| Other commitments | 14,388,697 | 517,623 | 27,000 | - | - | - | 14,933,320 |
| | 31,658,964 | 39,460,796 | 83,966,045 | 37,802,725 | 70,150,314 | 69,781,416 | 332,820,260 |

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| | Up to 1 month N'000 | 1 - 3 months N'000 | 3 - 6 months N'000 | 6 - 12 months N'000 | 1 - 5 years N'000 | Over 5 years N'000 | Total N'000 |
|--|------------------------|-----------------------|-----------------------|------------------------|----------------------|-----------------------|--------------------|
| Group | | | | | | | |
| 31 December 2008 | | | | | | | |
| Performance bonds and financial guarantees | 5,673,699 | 24,896,039 | 25,492,985 | 24,334,183 | 48,447,556 | 41,436,605 | 170,281,067 |
| Contingent letters of credit | 15,307,632 | 7,231,327 | 50,419,352 | 841,113 | - | - | 73,799,424 |
| Bankers' acceptances | 12,581,089 | 113,951 | - | - | - | - | 12,695,040 |
| Guaranteed commercial papers | 129,182,412 | 4,417,985 | 78,285 | - | - | - | 133,678,682 |
| Other commitments | 365,378 | 237,265 | 8,500 | 1,225,000 | 5,434,131 | 2,644,951 | 9,915,225 |
| | 163,110,210 | 36,896,567 | 75,999,122 | 26,400,296 | 53,881,687 | 44,081,556 | 400,369,438 |
| Bank | | | | | | | |
| 31 December 2009 | | | | | | | |
| Performance bonds and financial guarantees | 8,124,315 | 31,743,472 | 31,391,835 | 35,805,919 | 70,150,314 | 69,781,416 | 246,997,271 |
| Contingent letters of credit | 381,409 | 5,233,252 | 49,069,311 | 691,495 | - | - | 55,375,467 |
| Other commitments | 13,957,875 | 23,500 | 27,000 | - | - | - | 14,008,375 |
| | 22,463,599 | 37,000,224 | 80,488,146 | 36,497,414 | 70,150,314 | 69,781,416 | 316,381,113 |
| Bank | | | | | | | |
| 31 December 2008 | | | | | | | |
| Performance bonds and financial guarantees | 4,970,843 | 24,706,060 | 24,953,888 | 24,103,142 | 48,447,556 | 41,436,605 | 168,618,094 |
| Contingent Letters of credit | 14,015,618 | 5,957,058 | 47,025,912 | 98,358 | - | - | 67,096,946 |
| Bankers' acceptances | 10,353,657 | 113,951 | - | - | - | - | 10,467,608 |
| Guaranteed commercial papers | 129,182,412 | 4,416,927 | 78,285 | - | - | - | 133,677,624 |
| Other commitments | 106,362 | 264,566 | 8,500 | 1,225,000 | 5,434,131 | 2,644,951 | 9,683,510 |
| | 158,628,892 | 35,458,562 | 72,066,585 | 25,426,500 | 53,881,687 | 44,081,556 | 389,543,782 |

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

Capital management

The Group's objectives when managing capital, which is a broader concept than the 'equity' on the face of the balance sheet, are:

- a. To comply with the capital requirements set by the regulators of the banking markets where the entities within the Group operate.
- b. To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- c. To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored daily by the Group's management, employing techniques based on the guidelines developed by the Central Bank of Nigeria (CBN), for supervisory purposes. The required information is filed with the CBN on a monthly basis. Auditors to the Group are also required to render an annual certificate to the Nigerian Deposit Insurance Corporation (NDIC) that includes the computed capital adequacy ratio of the Group.

The CBN requires each bank to:

- i. Hold the minimum level of the regulatory capital of N25 billion, and
- ii. Maintain a ratio of total regulatory capital to the risk-weighted asset at or above the minimum of 10%. In addition, those individual banking subsidiaries or similar financial institutions not incorporated in Nigeria are directly regulated and supervised by their local banking supervisor, which may differ from country to country.

The Group's regulatory capital as managed by its Financial Control and Treasury Units is divided into two tiers:

- a. Tier 1 capital: share capital, retained earnings and reserves created by appropriations of retained earnings. The book value of goodwill is deducted in arriving at Tier 1 capital; and
- b. Tier 2 capital: preference shares, minority interests arising on consolidation, qualifying debt stock, fixed assets revaluation reserves, foreign currency revaluation reserves, general provisions subject to maximum of 1.25% of risk assets and hybrid instruments – convertible bonds.

Investments in unconsolidated subsidiaries and associates are deducted from Tier 1 and Tier 2 capital to arrive at the regulatory capital.

The risk-weighted assets are measured by means of a hierarchy of five risk weights classified according to the nature of – and reflecting an estimate of credit, market and other risks associated with – each asset and counterparty, taking into account any eligible collateral or guarantees. A similar treatment is adopted for off-balance sheet exposure, with some adjustments to reflect the more contingent nature of the potential losses.

The table below summarises the composition of regulatory capital and the ratios of the Group for the years ended 31 December. During those two years, the individual entities within the Group and the Group complied with all of the externally imposed capital requirements to which they are subject.

FINANCIAL RISK ANALYSIS

For the year ended 31 December, 2009

| | Group 2009 N'000 | Group 2008 N'000 |
|---|------------------------|------------------------|
| Tier 1 capital | | |
| Share capital | 9,326,875 | 7,461,500 |
| Share premium | 119,076,566 | 119,076,565 |
| Statutory reserves | 36,154,585 | 28,151,818 |
| SMIEIS reserve | 4,232,479 | 5,297,904 |
| Bonus issue reserve | 2,331,719.00 | 1,865,375 |
| Retained earnings | 15,424,515 | 16,083,910 |
| Less: goodwill and intangible assets | - | - |
| Total qualifying Tier 1 capital | 186,546,739 | 177,937,072 |
| Tier 2 capital | | |
| Preference shares | - | - |
| Non controlling interest | 5,141,794 | 4,042,125 |
| Convertible bonds | - | - |
| Revaluation reserve - fixed assets | - | - |
| Revaluation reserve - investment securities | - | - |
| Translation reserve | 12,200 | (346,662) |
| General provision | 230,981 | 5,440,413 |
| Total qualifying Tier 2 capital | 5,384,975 | 9,135,876 |
| Total regulatory capital | 191,931,714 | 187,072,948 |
| Risk-weighted assets | | |
| On-balance sheet | 671,992,897 | 567,581,673 |
| Off-balance sheet | 66,564,052 | 80,073,888 |
| Total risk-weighted assets | 738,556,949 | 647,655,561 |
| Risk weighted Capital Adequacy Ratio (CAR) | 25.99% | 28.88% |

VALUE ADDED STATEMENT

For the year ended 31 December, 2009

| | 2009 12 months N'000 | % | 2008 10 months N'000 | % |
|---|-----------------------------|------------|----------------------------|------------|
| Group | | | | |
| Gross earnings | 162,550,418 | | 100,605,806 | |
| Interest expense | | | | |
| - Local | (30,015,530) | | (13,807,782) | |
| - Foreign | (10,524,935) | | (5,659,718) | |
| Loan Loss expense/diminution in other risk assets | 122,009,953 (37,526,729) | | 81,138,306 (4,578,517) | |
| Bought in materials and services | 84,483,224 | | 76,559,789 | |
| - Local | (31,590,405) | | (24,482,730) | |
| - Foreign | (1,613,930) | | (472,449) | |
| Value added | 51,278,889 | 100 | 51,604,610 | 100 |
| Distribution | | | | |
| Employees | | | | |
| - Employees as wages, salaries and pensions | 17,302,333 | 34 | 12,260,634 | 23 |
| Government | | | | |
| - Taxation | 4,276,160 | 8 | 7,013,568 | 14 |
| Retained in the Group | | | | |
| - For replacement of fixed assets (depreciation) | 6,013,553 | 12 | 4,014,847 | 8 |
| - To pay proposed dividend | 13,990,313 | 27 | 14,922,999 | 29 |
| Profit for the year (including minority interest, statutory and bonus share reserves) | 9,696,530 | 19 | 13,392,562 | 26 |
| | 51,278,889 | 100 | 51,604,610 | 100 |

VALUE ADDED STATEMENT

For the year ended 31 December, 2009

| | 2009 12 months N'000 | % | 2008 10 months N'000 | % |
|--|-----------------------------|------------|----------------------------|------------|
| Bank | | | | |
| Gross earnings | 151,698,107 | | 93,017,258 | |
| Interest expense | | | | |
| - Local | (29,588,515) | | (13,807,782) | |
| - Foreign | (7,833,075) | | (4,622,356) | |
| Loan Loss expense/diminution on other risk assets | 114,276,517 (37,003,705) | | 74,587,120 (4,281,200) | |
| Bought in materials and services | 77,272,812 | | 70,305,920 | |
| - Local | (29,271,692) | | (21,266,896) | |
| - Foreign | (1,613,930) | | (472,449) | |
| Value added | 46,387,190 | 100 | 48,566,575 | 100 |
| Distribution | | | | |
| Employees | | | | |
| - Employees as wages, salaries and pensions | 14,120,149 | 31 | 10,520,939 | 22 |
| Government | | | | |
| - Taxation | 3,111,748 | 7 | 6,383,814 | 13 |
| Retained in the bank | | | | |
| - For replacement of fixed assets (depreciation) | 5,307,232 | 11 | 3,588,570 | 7 |
| - To pay proposed dividend | 13,990,313 | 30 | 14,922,999 | 31 |
| Profit for the year (including statutory and bonus share reserves) | 9,857,748 | 21 | 13,150,253 | 27 |
| | 46,387,190 | 100 | 48,566,575 | 100 |

FIVE-YEAR FINANCIAL SUMMARY

| | Dec. 2009 N'000 | Dec. 2008 N'000 | Feb. 2008 N'000 | Feb. 2007 N'000 | Feb. 2006 N'000 |
|--|----------------------|--------------------|--------------------|--------------------|--------------------|
| GROUP | | | | | |
| ASSETS | | | | | |
| Cash and balances with CBN | 35,889,931 | 64,349,514 | 38,969,829 | 32,620,877 | 31,126,796 |
| Treasury bills | 36,936,014 | 62,216,318 | 65,763,996 | 126,436,915 | 102,163,864 |
| Due from other banks | 225,330,111 | 219,821,791 | 79,910,345 | 101,472,394 | 42,912,351 |
| Loans and advances to customers | 563,488,164 | 416,318,640 | 288,152,339 | 115,746,009 | 84,200,695 |
| Other facilities | - | - | - | 4,443,719 | 4,460,852 |
| Advances under finance lease | 6,070 | 23,835 | 18,091 | - | - |
| Insurance receivables | 809,546 | 562,687 | 471,639 | 303,797 | 155,868 |
| Investment securities | 136,193,629 | 91,511,483 | 117,767,868 | 42,257,448 | 14,360,073 |
| Deferred tax assets | 410,864 | 36,847 | 20,649 | 28,769 | - |
| Equipment on lease | - | - | - | - | 1,250 |
| Trading properties | 5,070,666 | 15,085,846 | 12,062,730 | - | - |
| Other assets | 15,523,244 | 49,272,639 | 94,765,004 | 42,154,039 | 16,359,852 |
| Property and equipment | 46,491,151 | 39,629,765 | 33,969,536 | 20,880,251 | 12,100,006 |
| Goodwill on consolidation | 354,328 | 354,328 | 166,432 | 140,742 | 69,203 |
| TOTAL ASSETS | 1,066,503,718 | 959,183,693 | 732,038,458 | 486,484,960 | 307,910,810 |
| LIABILITIES | | | | | |
| Share capital | 9,326,875 | 7,461,500 | 6,839,708 | 4,000,000 | 3,000,000 |
| Share premium | 119,076,566 | 119,076,565 | 119,076,565 | 21,391,928 | 21,391,928 |
| Reserves | 58,699,793 | 51,453,710 | 34,092,593 | 21,932,190 | 16,157,905 |
| Non-controlling interest | 5,141,794 | 4,042,125 | 3,335,075 | 2,661,531 | 208,477 |
| Customers' deposits | 683,080,902 | 470,605,806 | 362,936,393 | 294,500,885 | 215,773,715 |
| Due to other banks | 14,981,705 | 27,965,203 | 324,844 | 45,018 | 356,497 |
| Claims payable | 350,631 | 188,588 | 69,827 | 30,810 | 11,956 |
| Finance lease obligations | 2,211,130 | 2,125,260 | 2,350,447 | - | - |
| Liability on investment contracts | 1,115,094 | 586,386 | 336,514 | 198,550 | 60,654 |
| Liabilities on insurance contracts | 1,126,011 | 794,546 | 625,072 | 322,503 | 53,817 |
| Current income tax payable | 3,483,561 | 9,636,970 | 6,124,638 | 3,486,165 | 2,206,703 |
| Other liabilities | 85,491,872 | 198,400,658 | 135,770,473 | 73,292,278 | 33,213,807 |
| Deferred tax liabilities | 4,346,591 | 3,474,838 | 2,808,927 | 1,086,322 | 1,087,291 |
| Dividend payable* | - | - | - | - | - |
| Retirement benefit obligations | 253,075 | 475,010 | 1,204,806 | 984,806 | 644,564 |
| Debt securities in issue | 65,485,550 | 48,838,125 | - | - | - |
| Other facilities | - | - | - | 4,488,605 | 4,505,911 |
| Other borrowings | 12,332,568 | 14,058,403 | 56,142,576 | 58,063,369 | 9,237,585 |
| TOTAL LIABILITIES | 1,066,503,718 | 959,183,693 | 732,038,458 | 486,484,960 | 307,910,810 |
| Guarantees and other commitments on behalf of customers | 332,820,26 | 400,369,438 | 325,600,406 | 116,282,231 | 82,376,841 |
| INCOME STATEMENT | | | | | |
| Net operating income | 121,660,227 | 80,963,098 | 62,079,548 | 35,778,914 | 25,572,112 |
| Operating expenses | (56,170,495) | (41,055,452) | (30,777,193) | (19,325,234) | (13,300,038) |
| Allowance for loan loss & other risk assets | (37,526,729) | (4,578,517) | (3,934,017) | (737,371) | (1,783,516) |
| Profit before taxation | 27,963,003 | 35,329,129 | 27,368,338 | 15,716,309 | 10,488,558 |
| Taxation | (4,276,160) | (7,013,568) | (6,198,861) | (2,522,550) | (2,181,780) |
| Profit after taxation | 23,686,843 | 28,315,561 | 21,169,477 | 13,193,759 | 8,306,778 |
| Extra-ordinary income | - | - | - | - | 283,487 |
| Profit after taxation and extra-ordinary income | 23,686,843 | 28,315,561 | 21,169,477 | 13,193,759 | 8,590,265 |
| Non-controlling interest | (11,248) | (707,003) | (369,030) | (200,707) | (44,269) |
| Profit attributable to shareholders | 23,675,595 | 27,608,558 | 20,800,447 | 12,993,052 | 8,545,996 |
| Earnings per share (Unadjusted) | 127k | 185k | 167k | 162k | 142k |
| Declared Dividend per share ** | 100k | 70k | 75k | 103k | 70k |

* Restated to account for the retrospective adoption of SAS 23 (Note 32 to the financial statements).

** Declared dividend represents the interim dividend declared and paid during the year plus the final dividend proposed for the preceding year but declared during the current year.

FIVE-YEAR FINANCIAL SUMMARY

| | Dec. 2009 N'000 | Dec. 2008 N'000 | Feb. 2008 N'000 | Feb. 2007 N'000 | Feb. 2006 N'000 |
|--|----------------------|--------------------|--------------------|--------------------|--------------------|
| BANK | | | | | |
| ASSETS | | | | | |
| Cash in hand and balances with CBN | 34,890,767 | 62,579,450 | 38,969,734 | 32,346,472 | 30,894,808 |
| Treasury bills | 29,405,616 | 52,715,562 | 63,105,768 | 124,794,434 | 101,806,539 |
| Due from other banks | 202,810,278 | 191,187,296 | 64,224,277 | 96,593,552 | 41,410,490 |
| Other facilities | - | - | - | 4,443,719 | 4,460,852 |
| Loans and advances to customers | 538,137,569 | 413,983,817 | 291,530,777 | 113,705,183 | 83,476,852 |
| Advances under finance lease | 1,288 | 23,835 | 18,091 | - | - |
| Investment securities | 134,126,992 | 86,616,909 | 115,240,952 | 40,739,800 | 13,774,728 |
| Investment in subsidiaries | 29,774,817 | 28,274,817 | 15,022,241 | 4,536,594 | 848,006 |
| Deferred tax assets | - | - | - | - | - |
| Other assets | 9,478,730 | 46,866,078 | 94,581,049 | 41,453,819 | 16,177,673 |
| Equipment on lease | - | - | - | - | 1,250 |
| Property and equipment | 41,285,479 | 36,030,992 | 31,652,460 | 19,749,488 | 11,729,435 |
| TOTAL ASSETS | 1,019,911,536 | 918,278,756 | 714,345,349 | 478,363,061 | 304,580,633 |
| LIABILITIES | | | | | |
| Share capital | 9,326,875 | 7,461,500 | 6,839,708 | 4,000,000 | 3,000,000 |
| Share premium | 119,076,566 | 119,076,565 | 119,076,565 | 21,391,928 | 21,391,928 |
| Reserves | 60,072,347 | 53,012,660 | 35,136,791 | 22,041,260 | 16,253,614 |
| Customers' deposits | 662,261,026 | 445,740,212 | 357,006,128 | 290,792,372 | 212,833,770 |
| Due to other banks | 1,083,016 | 27,965,203 | 324,844 | - | 356,497 |
| Finance lease obligations | 2,211,130 | 2,125,260 | 2,350,447 | - | - |
| Current income tax payable | 2,373,006 | 9,237,928 | 5,791,420 | 3,332,773 | 2,171,208 |
| Other liabilities | 81,284,082 | 186,892,178 | 127,740,385 | 72,196,921 | 33,041,144 |
| Deferred tax liabilities | 4,134,454 | 3,395,712 | 2,731,679 | 1,071,027 | 1,144,412 |
| Dividend payable* | - | - | - | - | - |
| Retirement benefit obligations | 240,811 | 475,010 | 1,204,806 | 984,806 | 644,564 |
| Debt securities in issue | 65,515,655 | 48,838,125 | - | - | - |
| Other facilities | - | - | - | 4,488,605 | 4,505,911 |
| Other borrowings | 12,332,568 | 14,058,403 | 56,142,576 | 58,063,369 | 9,237,585 |
| TOTAL LIABILITIES | 1,019,911,536 | 918,278,756 | 714,345,349 | 478,363,061 | 304,580,633 |
| Guarantees and other commitments on behalf of customers | 316,381,113 | 389,543,782 | 322,462,234 | 115,000,398 | 81,923,857 |
| Net operating income | 113,926,791 | 74,411,912 | 58,471,300 | 33,756,269 | 23,988,023 |
| Operating expenses | (49,963,277) | (35,521,595) | (27,427,338) | (17,688,652) | (12,199,196) |
| Allowance for loan loss & other risk assets | (37,003,705) | (4,281,200) | (3,845,258) | (717,386) | (1,763,891) |
| Profit on ordinary activities before taxation | 26,959,809 | 34,609,117 | 27,198,704 | 15,350,231 | 10,024,936 |
| Taxation | (3,111,748) | (6,535,865) | (5,708,819) | (2,337,085) | (2,119,430) |
| Profit after taxation | 23,848,061 | 28,073,252 | 21,489,885 | 13,013,146 | 7,905,506 |
| Extra-ordinary income | - | - | - | - | 772,000 |
| Profit after taxation and extra-ordinary income | 23,848,061 | 28,073,252 | 21,489,885 | 13,013,146 | 8,677,506 |
| Earnings per share (Unadjusted) | 128k | 188k | 173k | 163k | 145k |
| Declared Dividend per share ** | 100k | 70k | 75k | 103k | 70k |

* Restated to account for the retrospective adoption of SAS 23 (Note 32 to the financial statements).

** Declared dividend represents the interim dividend declared and paid during the year plus the final dividend proposed for the preceding year but declared during the current year

SHAREHOLDERS' INFORMATION

OUTSTANDING UNCLAIMED DIVIDENDS

The Bank was registered as a private company on 20 July, 1990. It became a public limited company on April 2, 1996, and its shares were listed on the Nigerian Stock Exchange on 9 September, 1996. Since the listing, the Bank has paid dividends and issued bonus shares as indicated hereunder:

| Financial Year Ended | Dividend No. | Final or Interim | Net Unclaimed Amount (=N=) | Amount Paid Per 50k share |
|----------------------|--------------|------------------|----------------------------|---------------------------|
| 28/02/97 | 10 | Interim | Nil | 25 kobo |
| 28/02/97 | 11 | Final | Nil | 50 kobo |
| 28/02/98 | 12 | Interim | 8,206.25 | 10 kobo |
| 28/02/98 | 13 | Final | Nil | 10 kobo |
| 28/02/99 | 14 | Interim | 190,900.11 | 7 kobo |
| 28/02/99 | 15 | Final | (455,931.66) | 12 kobo |
| 29/02/00 | 16 | Interim | 4,323,491.37 | 10 kobo |
| 29/02/00 | 17 | Final | 241,531.21 | 23 kobo |
| 28/02/01 | 18 | Interim | 2,247,162.90 | 12 kobo |
| 28/02/01 | 19 | Final | 20,185,752.89 | 28 kobo |
| 28/02/02 | 20 | Interim | 14,702,800.39 | 33 kobo |
| 28/02/02 | 21 | Final | 26,113,297.91 | 50 kobo |
| 28/02/03 | 22 | Interim | 6,872,198.31 | 25 kobo |
| 28/02/03 | 23 | Final | 3,099,867.64 | 35 kobo |
| 29/02/04 | 24 | Interim | 7,675,153.63 | 25 kobo |
| 29/02/04 | 25 | Final | 50,940,441.38 | 45 kobo |
| 28/02/05 | 26 | Interim | 61,847,914.68 | 25 kobo |
| 28/02/05 | 27 | Final | 90,579,187.92 | 45 kobo |
| 28/02/06 | 28 | Interim | 74,839,998.93 | 25 kobo |
| 28/02/06 | 29 | Final | 203,803,652.03 | 70 kobo |
| 28/02/07 | 30 | Interim | 246,400,676.77 | 25 kobo |
| 28/02/07 | 31 | Final | 273,801,076.93 | 50 kobo |
| 28/02/08 | 32 | Interim | 314,492,066.56 | 25 kobo |
| 28/02/08 | 33 | Final | 892,049,039.77 | 70 kobo |
| 31/12/08 | 34 | Final | 1,527,361,761.58 | 100 kobo |

| Scrip Issue FYE | To S/holders As At | Amount Capitalised | Ratio |
|-----------------|--------------------|--------------------|----------|
| 28/02/97 | 30/6/97 | N300,000,000 | 3 for 2 |
| 28/02/98 | 6/7/1998 | N250,000,000 | 1 for 2 |
| 28/02/02 | 24/04/2002 | N250,000,000 | 1 for 4 |
| 28/02/03 | 12/5/2003 | N250,000,000 | 1 for 5 |
| 28/02/04 | 14/5/2004 | N500,000,000 | 1 for 3 |
| 28/02/06 | 2/5/2006 | N1,000,000,000 | 1 for 3 |
| 28/02/07 | 2/5/2007 | N1,000,000,000 | 1 for 4 |
| 28/02/08 | 9/6/2008 | N621,791,620 | 1 for 11 |
| 31/12/08 | 5/5/2009 | N1,865,374,861 | 1 for 4 |

Our records indicate that some dividend warrants and bonus share certificates have been returned unclaimed for various reasons. Please contact our Registrar, (GTB Registrars Limited, No. 7, Anthony Village Road, (3rd floor), Anthony, Lagos), for a re-issue of any unclaimed dividend payment or share certificate.

COMPANY PROFILE

LIST OF MANAGEMENT TEAM, INCLUDING SUBSIDIARIES

THE MANAGEMENT TEAM

The Bank's management team comprises of the Executive Office, Heads of Marketing, Operations and Support Divisions as well as Heads of the Bank's local and offshore subsidiaries.

Tayo Aderinokun

Managing Director / CEO

Segun Agbaje

Deputy Managing Director

Jide Ogundare

Executive Director and Head, Retail Division

Cathy Echeozo

Executive Director and Head, Corporate Banking Group.

Titi Osuntoki

Executive Director and Head, Lagos Division.

Akin George-Taylor

Executive Director and Head, Abuja & North Central Division

Abubakar Sadiq Bello

General Manager and Head, Transaction Services Group.

Aderonke Kuye

General Manager and Head, E-Business Group.

Akin Ogunbiyi

General Manager and Head, Energy Group.

Aku Pauline Odinkemelu

General Manager and Head, South East Division.

Ayoku Liadi

General Manager, Lagos Division

Bolaji Lawal

General Manager and Head, Corporate Finance Group.

Dare Adeyeri

General Manager and Head, Technology Group.

Demola Odeyemi

General Manager and Head, Corporate Planning, Strategy & Financial Control

George Uwakwe

General Manager and Head, Systems & Control

Kafilat Araoye

General Manager and Head, Settlements Group.

Michael Mobolaji Shenjobi

General Manager and Head, North East Division

Siraj Abdullahi

General Manager and Head, North West Division.

Sola Ajayi

General Manager and Head, South West Division

Tayo Asupoto

General Manager and Head, Admin Group.

Lola Odedina

Deputy General Manager and Head, Communication & External Affairs

Miriam Olusanya

Deputy General Manager and Head, Currency Trading

Olutola Omotola

Deputy General Manager, Company Secretary/Legal Adviser

Omobola Olubimpe Faloye

Deputy General Manager and Head, Enterprise-Wide Risk Management Group

Tayo Itseumah

Deputy General Manager, Transaction Services Group

Aaron Mosugu

Assistant General Manager, Transaction Services Group

Abraham Aziegbe

Assistant General Manager, Transaction Services Group

Ade Adebisi

Assistant General Manager, Institutional Banking Group

Adekunbi Femi-Olatunji

Assistant General Manager, Settlements Group

Adetola Owolabi

Assistant General Manager, Lagos Division

Adetunji Oduntan

Assistant General Manager, Institutional Banking Group

COMPANY PROFILE

Akintunde Dawodu

Assistant General Manager, Systems & Control

Aliyu Jika Usman

Assistant General Manager, North East Division

Arinze Okeke

Assistant General Manager, South East Division

Bolade Jegede

Assistant General Manager, Lagos Division

Bolude Owele

Assistant General Manager, South East Division

Dan Shuaib

Assistant General Manager, Abuja & North Central Division

Dayo Ogunbekun

Assistant General Manager, Technology Group

Don Ogbonna

Assistant General Manager, Retail Division

Haruna Musa

Assistant General Manager, North East Division

Ibukun Odegbaik

Assistant General Manager, Retail Division

Isa Omagu

Assistant General Manager and Head, Telecoms Group

Isiaka Ajani-Lawal

Assistant General Manager, Retail Division

Kingsley Osualla

Assistant General Manager, South East Division

Simi Osinuga

Assistant General Manager, Retail Division

Lara Ogunlaja

Assistant General Manager, Corporate Finance Group

Morayo Oyeleke

Assistant General Manager and Head, Human Resources Group

Olusegun Fadahunsi

Assistant General Manager, Settlements Group

Robert Asibor

Assistant General Manager, South East Division.

Tokunbo Akinsowon

Assistant General Manager, Admin Group

Sylvester Okonkwo

Assistant General Manager, Financial Control

SUBSIDIARIES

Lekan Sanusi

Managing Director, Guaranty Trust Bank (Gambia) Limited

Bolaji Ayodele

General Manager, Guaranty Trust Bank (Gambia) Limited

Ade Buraimo

Managing Director, Guaranty Trust Bank (Sierra Leone) Limited

Kayode Adaramodu

General Manager, Guaranty Trust Bank (Sierra Leone) Limited

Dolapo Ogundimu

Managing Director, Guaranty Trust Bank (Ghana) Limited

Jamiu Yusuf

General Manager, Guaranty Trust Bank (Ghana) Limited

Wale Oyedeji

Managing Director, Guaranty Trust Bank (U.K) Limited

Daniel Orogun

Managing Director, Guaranty Trust Bank (Liberia) Limited

Tosin Runsewe

Managing Director, Guaranty Trust Assurance plc

Ben Akaneme

Managing Director, GTHomes Limited

Misan Kofi Senaya

CEO/Registrar, GTB Registrars Limited

Nicholas Nyamali

Managing Director, GTB Asset Management Limited

PRODUCTS & SERVICES



GTCCONNECT

Nigeria's first interactive contact centre

GTCconnect is a total banking solution that provides you with instant service via a telephone. It is accessible from anywhere in the world and open for business 24 hours a day, seven days a week; even on public holidays.

The interactive contact centre allows you perform 90% of your transactions via the telephone. Customers can check account(s) balances, request electronic cards, request cheque books, stop cheques, make third party transfers and get up to date information on every aspect of the Bank's operations using this medium.

It's simple, just dial 0700GTCCONNECT (0700 482 666 328), 4480000, 080 2900 2900, 080 3900 3900, 080 0482 6663 28 (Toll free line) and obtain your User Id and log on details.

For all international calls, please use prefix +234.



GTSALARY ADVANCE

Cash Guaranteed... anytime of the month

Guaranty Trust Bank Salary Advance is a short term overdraft product that allows our customers withdraw cash against their monthly salary.

The product is designed for convenience and enables customers draw up to 50% of their monthly salaries in advance without having to provide any form of security.

Guaranty Trust Bank Salary Advance allows salary earners address cash challenges within the month easily and conveniently.



MAX ADVANCE

Max Advance is a flexible loan product designed to cater for the funding needs of staff of corporate organizations who have salary accounts with the bank.

This product provides salary earners with access to flexible termed facilities which can be repaid over a defined period of time.



GTAUTO

GTAuto is a vehicle financing product designed to make it easier for customers to purchase automobiles.

Customers can enjoy this product by providing a minimum equity contribution of 20% of the price of the vehicle being purchased.

GTAuto offers competitive rates and quick turn around time.

PRODUCTS & SERVICES



GTMARGIN

GTMargin is a credit product designed to allow individuals and sole proprietors take advantage of opportunities in the stock market.

The product enables customers' access credit quickly and conveniently for investment and trading purposes.



GTSAVE (Savings Account)

The Guaranty Trust Bank Savings Accounts (GTSave) is an interest bearing account that can be accessed from any of our 170 branches nationwide. GTSave has a N1,000 minimum balance requirement.

The account comes with a free Guaranty Trust Bank Naira MasterCard that is accepted at 29.4 million locations and 1.9 million ATMs worldwide.

Account holders also enjoy free access to our Internet Banking Service, GTConnect and GeNS.



SMART KIDS SAVE (SKS) ACCOUNT

A Savings Account for children & teenagers.

The Guaranty Trust Bank Smart Kids Save (SKS) and Teen Accounts are unique products designed to introduce "smart" kids (children under the age of 18) to the world of money and finance.

With as little as N1,000.00 (One Thousand Naira), teenagers can open an SKS Account (0-12 years old) or SKS Teen Account (13-18 years) at any of the 170 Guaranty Trust Bank branches nationwide. This automatically gives them free access to all Guaranty Trust Bank e-banking products and membership of the SKS club; a forum where they can interact with other smart kids via the SKS newsletter and website.

Both accounts have an interest rate that is 1% above prevailing Savings Account rate and are designed to accept cheques and other clearing instruments like dividend warrants, as long as they do not exceed N100,000.00 in value. In addition, SKS Teen account holders also get a trendy Naira MasterCard that is accepted at 29.4 million locations and 1.9 million ATMs worldwide.

Parents can make regular lodgments into these accounts using GTConnect or Standing orders. They can also monitor their ward's expenses and savings using the Guaranty Trust Electronic Notification Service (GeNS).

All Smart Kid Save and SKS Teen account holders have an opportunity to win fantastic gifts at the annual SKS raffle draw.



PRODUCTS & SERVICES



GTMAX Something for everyone

GTMAX is a zero COT, current account that allows you earn interest on your account balances and combines the unique attributes of the Guaranty Trust Bank current and savings accounts.

This unique account enables customers conduct own and third party transactions from any of our branches and still earn interest on their balances.

GTMax is available in three variants; Platinum, Gold and Silver. Each variant is designed with its own unique features to ensure there is something for everyone.



GeNS Making tomorrow's financial decisions now.

The Guaranty Trust Electronic Notification Service (GeNS) is a notification system which provides instant details of transactions on your accounts.

This service is designed to generate and send out notification prompts to customers via electronic mail* and SMS** whenever there is a transaction on their account(s). GeNS ensures customers have real time knowledge of transactions on their accounts.

*Electronic mail notifications are free for all Guaranty Trust Bank customers.

**Fee of N8.00 applies to SMS notifications.



SLIP-FREE Convenience, Safety and Freedom

"Slip-Free" is a process that allows all Guaranty Trust customers make cash deposits and withdrawals without the hassle of filling out deposit and withdrawal slips.

"Slip-Free" is all about convenience and is available for savings account holders only.



CURRENT ACCOUNT

The Guaranty Trust Bank current account is a checking account which allows you conduct own and third party transactions from any of our 170 branches nationwide using our real time online IT platform.

The account is unique because it has no minimum account balance requirements and comes with a free Naira MasterCard that is accepted at 29.4 million locations and 1.9 million ATMs worldwide. The account accommodates cheques, dividend warrants and all clearing house instruments.

Having a Guaranty Trust Bank current account also gives you free access to our Internet banking service, GTConnect and GeNS; thereby providing a convenient way of managing your day-to-day finances.

PRODUCTS & SERVICES



GUARANTY TRUST BANK MASTERCARD

"The Preferred"

The Guaranty Trust Bank MasterCard is issued in partnership with MasterCard International and accepted as a means of payment in over 210 countries worldwide.

The Guaranty Trust Bank MasterCard is available in 3 variants: MasterCard Standard, MasterCard Debit and MasterCard Prepaid.



GTBANK NAIRA MASTERCARD

GTBank Naira MasterCard is a multi-purpose debit card issued in partnership with MasterCard Worldwide in order to provide 24 hour access to your account.

The card is linked online to your current or savings account with the Bank and can be used to pay for goods and services at Point of Sale (POS) terminals and also to withdraw cash from ATMs that display the MasterCard logo in over 210 countries worldwide.



VISA CARD

Your Global e-payment solution

The Guaranty Trust Bank Visa Card is an international payment card issued in partnership with Visa Inc. and accepted as a means of payment in over 200 countries world wide. It is available in three variants: Visa Classic, Visa Debit and Visa Prepaid.



BOOK - PAY - FLY - EASY

Travel conveniently

This product in collaboration with British Airways, makes traveling abroad a convenient and easy process.

Book Easy, Pay Easy and Fly Easy is a 3 step process that is easy and hassle free.

Simply:

Book Easy

Reserve/Book your flight online or via the phone:

Pay Easy

Pay for your ticket online with your Debit Card or at any Guaranty Trust Bank branch.

Fly Easy

Have your e-ticket sent to you via e-mail, pick it up at the airport enroute departure or pick it up at any British Airways office.

Book Easy, Pay Easy, Fly Easy...The easier way to travel.

PRODUCTS & SERVICES



BUREAU DE CHANGE SERVICE

Conduct your FX transactions with ease

This service enables customers purchase foreign exchange for business and personal travel allowances; school and medical fees, life insurance and mortgage payments, credit card and utility bills payments conveniently from any of our branches nationwide.



GTPAY

Convenient and Secure internet payments

GTPay is a unique internet payment solution designed to make our corporate customers' transactions easier and more convenient.

The product enables corporate customers accept payments through their website from their own customers using InterSwitch Debit and Vpay cards .



GTCREA8

GTCrea8 is a unique savings account for undergraduates that can be accessed from any of our 170 branches nationwide. This flexible account allows undergraduates 'create' their own account features by choosing from a bouquet of available services.

The account comes with a free Guaranty Trust Bank Naira MasterCard, which can double as an identity card and account holders have the opportunity of winning a scholarship during the annual GTCrea8 raffle draw.



GTMORTGAGE

GTMortgage offers customers mortgage facilities to part finance the acquisition of residential properties at very attractive rates.

Customers can access this facility by providing a minimum equity contribution of 20% of property cost and enjoy a repayment plan spanning 20 years.



GTBank's Non Resident Nigerian (NRN) Account

The NRN Account offers a bouquet of GTBank products and services to Nigerians who reside outside the country for more than 180 days in a year.

This account is structured to provide all account holders with access to credit facilities, a range of money transfer products and also insurance and investment services from Guaranty Trust Bank.

Head Office and Subsidiary Companies

Head Office

Plural House, Plot 1669, Oyin Jolayemi Street
P. O. Box 75455, Victoria Island, Lagos.
Switchboard: 234 1 2622650-69 (18 Lines),
3201096-1100
Fax: 234 1 2715227
E-mail: corpaff@gtbank.com
Website: www.gtbank.com

GTConnect (Contact Centre)

+234 448 0000
+234 80 2900 2900
+234 80 3900 3900
+234 800482666328

BANK SUBSIDIARIES

Guaranty Trust Bank (Gambia) Limited

56 Kairaba Avenue, Fajara KSMD
P.O. Box 1958 Banjul
Tel (+220) 437 6371 5
Fax (+220) 4376380
Email : webmaster@gambia.gtbplc.com
Web : www.gambia.gtbplc.com

Guaranty Trust Bank (Sierra Leone) Limited

Sparta Building, 12 Wilberforce Street
Freetown, Sierra Leone
Tel (+232) 220232
Fax (+232) 228318
Email : gtbank@gtbsl.com
Web : www.gtb.sl

Guaranty Trust Bank (Ghana) Limited

25A Castle Road,
Ambassadorial Area, Ridge
Accra, Ghana.
Tel: (+233) 776153, 775112
Email: corporateaffairs@gtbghana.com
Web: www.gtbghana.com

Guaranty Trust Bank (U.K) Limited

60-62 Margaret Street, Central London
W1W 8TF, United Kingdom
Tel: +44(0) 207947 9700
Web: www.gtbankuk.com

Guaranty Trust Bank (Liberia) Limited

United Nations Drive, Ciara Town,
Bushrod Island, Monrovia
Tel: +231 77499992
Fax: 231 7749995
Web: www.gtbank.lr

NON BANK SUBSIDIARIES

Guaranty Trust Assurance plc

Heritage Plaza
Plot 928A Bishop Aboyade Cole Street
Victoria Island, Lagos, Nigeria.
Tel: (+234) 01 270 1560 5
Fax: (+234) 01 461 3284
Email: info@gtalimited.com
Web: www.gtalimited.com

GTB Registrars Limited

7, Anthony Village Road,
Anthony, Lagos.
Tel: (+234) 01 271 6090-4
Fax: (+234) 01 2716095
Email: gtb_registrars@gtbplc.com
Web: www.gtbregistrars.com

GTHomes Limited

28, Saka Tinubu Street
Victoria Island, Lagos
Tel: 01-2716122 5
Email: info@gthomes.com
Web: www.gthomes.com

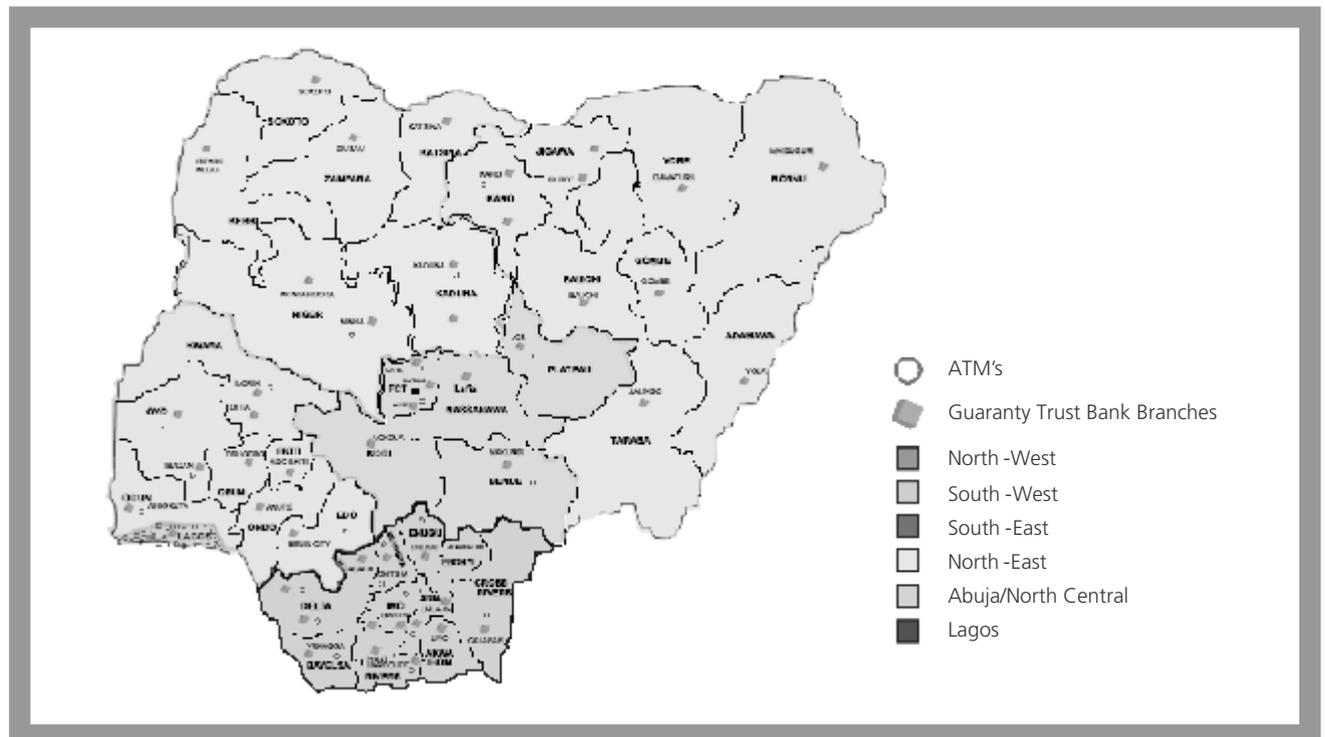
GTB Asset Management Limited

21, Karimu Kotun Street
Off Akin Adesola Street
Victoria Island, Lagos
Tel: (+234) 014488 888
Email: info@gtbasset.com
Web: www.gtbasset.com

CORRESPONDENT BANKING RELATIONSHIPS

| S/N | BANK | LOCATION |
|-----|-------------------------------------|------------------------------|
| 1 | BNP PARIBAS | FRANCE |
| 2 | STANDARD BANK | SOUTH AFRICA |
| 3 | UBS AG | SWITZERLAND |
| 4 | CITIBANK | LONDON & NEWYORK |
| 5 | HSBC BANK | SOUTH AFRICA |
| 6 | NORDEA BANK AB | SWEDEN |
| 7 | SUMITOMO MITSUI BANKING CORPORATION | LONDON |
| 8 | STANDARD CHARTERED BANK | LONDON |
| 9 | FORTIS BANK NV/SA | LONDON |
| 10 | ING BELGIUM SA | BELGIUM |
| 11 | AUSTRALIA & NEW ZEALAND BANK | LONDON |
| 12 | BYBLOS BANK | LONDON |
| 13 | BANK OF CHINA | CHINA |
| 14 | FBN BANK | LONDON |
| 15 | DEUTSCHE BANK | LONDON , AMERICA & FRANKFURT |
| 16 | COMMERZBANK AG | GERMANY |
| 17 | JP MORGAN CHASE | LONDON & NEWYORK |

BRANCH NETWORK



BRANCH NETWORK

| S/N | STATE | BRANCH | ADDRESS / TELEPHONE | |
|-----|--------------------|---|--|---|
| 1 | ABIA | Aba | 28, Aba - Owerri Road, Aba, Abia State, Nigeria (082-871727) | |
| 2 | | Port Harcourt Road, Aba | 4/6, Port-Harcourt Road, Aba, Abia State, Nigeria (082-875062) | |
| 3 | | Umuahia | 34, Aba Road, Umuahia, Abia State, Nigeria (0702 949 4882) | |
| 4 | ABUJA | Area 11 | Plot 1473, Ahmadu Bello Way, Area 11, Garki, Abuja, FCT, Nigeria (09-4611800-3, 09-8725010, 8700119) | |
| 5 | | Bloomsbury Plaza | Plot 1245, Bloomsbury Plaza, Adetokunbo Ademola Crescent, Wuse 2, Abuja, FCT (09-8700115) | |
| 6 | | Karu | Plot 13754, Abuja-Keffi Expressway, Mararaba, Karu LGA, Nasarawa State, Nigeria (09- 8735867) | |
| 7 | | Kubwa | Plot 47, Cadastral Zone, 07-06 Kubwa Commercial District, Gado Nasko Road, Kubwa FCT, Nigeria (0803 628 6327) | |
| 8 | | Garki | Plot 1072, J.S Tarka/Faskari Street, Area 3, Abuja, FCT, Nigeria (09-8707075, 09-8700117) | |
| 9 | | Gwagwalada | Plot 598, Gwagwalada Expansion Layout, University Teaching Hospital Road, Gwagwalada, Abuja, FCT, Nigeria. (09-7409689-91) | |
| 10 | | Maitama, Abuja | Plot 433, ETF Building, Zambezi Crescent, Off Aguiyi Ironsi Road, Maitama, Abuja, FCT, Nigeria (09-8707077, 8700118) | |
| 11 | | National Assembly | National Assembly Complex, Three Arms Zone, Abuja, FCT, Nigeria (09-6714584, 09-6716811, 09-8703558) | |
| 12 | | Omega Plaza | Plot 527, Aminu Kano Crescent, Wuse 2, Abuja, FCT, Nigeria (09-8748316) | |
| 13 | Wuse II, Abuja | No.69, Yakubu Gowon Crescent, Asokoro District, Abuja, FCT, Nigeria. (09-8760515, 8760516, 8760517) | | |
| 14 | ADAMAWA | ULO Plaza | Plot 1953, Cadastral Zone A2, ULO Plaza, Zone 5, Abuja, FCT, Nigeria (09-8700122-3) | |
| 15 | | Mubi | 60, Ahmadu Bello Way, Mubi, Adamawa State, Nigeria (0803 842 5278) | |
| 16 | | Yola | No 43, Galadima Aminu Way, Jimeta-Yola, Adamawa State, Nigeria (0805 243 2797) | |
| 17 | AKWA IBOM | Uyo | 26, Aka Road, Uyo, Akwa Ibom State, Nigeria (087-823146) | |
| 18 | | Awka | 96, Nnamdi Azikiwe Avenue, Awka, Anambra State, Nigeria (046-830216) | |
| 19 | ANAMBRA | Cemetery Road, Onitsha | 2, Old Cemetery Road, Onitsha, Anambra State, Nigeria (046-875004) | |
| 20 | | New Market Road, Onitsha | 15, New Market Road, Onitsha, Anambra State, Nigeria (046-875003) | |
| 21 | | Nnewi | No 7, Edo-Ezemewi Street, Nnewi, Anambra State, Nigeria (046-830225) | |
| 22 | BAUCHI | Azare | No 1, Jama're Road, Azare, Bauchi State, Nigeria (0703 413 1401) | |
| 23 | | Bauchi | No 6, Murtala Muhammed Way, Bauchi, Bauchi State, Nigeria (0803 120 4430) | |
| 24 | BAYELSA | Yenogoa | Sanni Abacha Express Way, Yenogoa, Bayelsa State, Nigeria (0705 838 6420) | |
| 25 | BENUE | Makurdi | 41 A/B, New Bridge Road, Makurdi, Benue State, Nigeria (0803 435 0915) | |
| 26 | BORNO | Maiduguri | 59, Kashim Ibrahim Way, Maiduguri, Borno State, Nigeria (076-979156) | |
| 27 | CROSS RIVER | Monday Market | 81, Ali Monguno Street, Monday Market, Maiduguri, Borno State, Nigeria (076-970417) | |
| 28 | | Calabar | 11, Calabar Road, Calabar, Cross River State, Nigeria (087-823144) | |
| 29 | | Obudu | Obudu Cattle Ranch, Obudu, Cross River State. (0806-435-4664, 0806-441-3628) | |
| 30 | DELTA | Ikoma | 18, Ogoja Road, Ikoma, Cross River State, Nigeria (0708 333 1361) | |
| 31 | | Asaba | 457, Nnebis Road Asaba, Delta State, Nigeria (056-870241) | |
| 32 | EBONYI | Sapele-Warri Road, Sapele | 80, Ajogodo, Sapele - Warri Road, Sapele, Delta State, Nigeria (056-868906-7) | |
| 33 | | Warri | 85, Effurun Sapele Road, Effurun-Warri, Delta State, Nigeria (056-873572) | |
| 34 | | Abakaliki | 35A, Ogoja Road, Abakaliki, Ebonyi State, Nigeria (043-222179, 221335, 220444) | |
| 35 | EDO | Akpakpava | 43, Akpakpava Street, Benin City, Edo State, Nigeria (052-879176) | |
| 36 | | Auchi | 31, Polytechnic Road, Auchi, Edo State, Nigeria | |
| 37 | ENUGU | Ekenwan Road, Benin | No 90, Ekenwan Road, Benin City, Edo State, Nigeria (052-879175) | |
| 38 | | Sapele Road, Benin | 35B, Benin-Sapele Road, Benin City, Edo State, Nigeria (052-879177) | |
| 39 | | Uselu | 158, New Lagos Road, Benin City, Edo State, Nigeria (052-879178) | |
| 40 | EKITI | Ado Ekiti | 21/22, New Iyin/Secretariat Road, Ado Ekiti, Ekiti State, Nigeria (030-207079-82) | |
| 41 | | Nsukka | 16, University Road, Nsukka, Enugu State, Nigeria (042-771128, 042-322776) | |
| 42 | ENUGU | Ogui Road, Enugu | Plot 10, Ogui Road, Enugu, Enugu State, Nigeria (046-313663) | |
| 43 | | Rangers Avenue, Enugu | Plot 381, Rangers Avenue, Independence Layout, Enugu, Enugu State, Nigeria (046-301153) | |
| 44 | | UNTH (cash centre) | University Road, University of Nigeria Teaching Hospital, Enugu | |
| 45 | | Gombe | Plot 45, New Commercial Layout, Gombe, Gombe State, Nigeria (0706 650 0693) | |
| 46 | IMO | Okigwe | Plot C/R 8, Government Layout, Okigwe Township, Owerri Road, Okigwe, Imo State, Nigeria (082-447397) | |
| 47 | | Orlu | Plot 5, Asika Ilobi Street, Orlu, Imo State, Nigeria (08023295262, 08033220149) | |
| 48 | | Owerri | Plot 265, Ikenegbu Layout, Owerri, Imo State, Nigeria (083-801130) | |
| 49 | JIGAWA | Dutse | Plot 727, Kiyawa Road, Dutse, Jigawa State, Nigeria (0703 401 9994-6) | |
| 50 | | Kaduna | Plot 1A, Zaire Road, Barnawa Phase 1, Barnawa, Kaduna, Kaduna State, Nigeria (062-889156) | |
| 51 | KADUNA | Kano Road, Kaduna | AD 4-5, Kano Road, Kaduna, Kaduna State, Nigeria (062-886419) | |
| 52 | | KRPC, Kaduna | Kaduna Refinery Complex, Kaduna, Kaduna State. (062-510740-2,510744-50) | |
| 53 | | Murtala Mohammed Square | 7/10 Murtala Mohammed Square, Kaduna, Kaduna State. (062-240103-9) | |
| 54 | | Nnamdi Azikiwe, Kaduna | Plot 9-10, Nnamdi Azikiwe Expressway, Kaduna Bye pass, Kaduna, Kaduna State, Nigeria (062-886418) | |
| 55 | | Zaria | 13/15, Manchester Road, GRA, Zaria, Kaduna State, Nigeria (069-876302) | |
| 56 | | KANO | AKTH, Kano (cash centre) | Aminu Kano Teaching Hospital, Zaria Road, Kano State. (064-942875) |
| 57 | | | Bachirawa | No 24, Bachirawa road, Along Katsina road, Kano, Kano State, Nigeria (064-891580, 064-891377) |
| 58 | Bello Road, Kano | | Plot 12E, Bello Road, Kano, Kano State, Nigeria (064-927300) | |
| 59 | KASTINA | Murtala Mohammed Way | 145 Murtala Mohammed Way, Kano, Kano State. (064-638851-5, 956253) | |
| 60 | | Wapa | 59, Murtala Muhammed Way, Wapa, Kano, Kano State, Nigeria (064-969081-2) | |
| 61 | | Zaria Road, Kano | Plot 22, Zaria Road, Gyadi-Gyadi, Kano Municipal District, Kano State, Nigeria (064-956130) | |
| 62 | | Kastina | No. 120, IBB Way, Katsina, Katsina State, Nigeria (07098512580) | |
| 63 | KEBBI | Birnin Kebbi | No 9, Sultan Abubakar Way, Birnin Kebbi, Kebbi State, Nigeria (068-320291-3, 320286) | |
| 64 | | Lokoja | Plot 27, IBB Way, Lokoja, Kogi State, Nigeria (0706 052 6021) | |
| 65 | KOGI | Obajana | Obajana Cement Factory Complex, Obajana, Kogi State, Nigeria (062-889156, 8-9) | |
| 66 | | Okene | Auchi-Abuja Expressway, Okene, Kogi State. (0702 726 8005) | |
| 67 | KWARA | GRA, Ilorin | 10, Umar Audi Road, GRA, Ilorin, Kwara State, Nigeria (031-810706) | |
| 68 | | Offa | No 53, Olofa Way, Offa, Kwara State, Nigeria (031-801050-1, 801053-5) | |
| 69 | LAGOS | Wahab Folarin Road, Ilorin | 1, Wahab Folarin Road, Ilorin, Kwara State, Nigeria (031-810707, 031-810688) | |
| 70 | | Abule Egba | 402, Lagos-Abeokuta Expressway, Abule-Egba, Lagos State, Nigeria (01-7349723-4) | |
| 71 | | Adeola Odeku | 56A, Adeola Odeku Street, Victoria Island, Lagos State, Nigeria (01-2714295-6, 01-4480798, 4610201, 8980817) | |
| 72 | | Adetokunbo Ademola | 714, Adetokunbo Ademola Street, Victoria Island, Lagos State, Nigeria (01-4611783-5, 01-2790595-7, 01-8980801) | |
| 73 | | Ajose Adeogun | 279, Ajose Adeogun Street, Victoria Island, Lagos State, Nigeria (01-4480900-9, 01-7404341-2) | |
| 74 | | Adeniji Jones | 31A, Adeniji Jones Avenue, Ikeja, Lagos State, Nigeria (01-4480730-2, 7405997) | |
| 75 | | Airport Road | 15, International Airport Road, Isolo, Lagos State, Nigeria (01-2790412-4, 01-8980719) | |
| 76 | | Ajah | Kilometer 22, Lekki-Epe Expressway, Ajah, Lagos State, Nigeria (01-4611426-30, 01-8980153) | |
| 77 | | Akwoyibo | 35, Shasha Road, Akwoyibo, Lagos State, Nigeria (01-6211860-4, 01-8980825) | |
| 78 | | Alaba (cash centre) | Alaba Plaza, Alaba International Market, Lagos State, Nigeria | |
| 79 | Alausa | Technical Reference Centre, Lagos State Secretariat, Alausa, Ikeja, Lagos State, Nigeria (01-2714898-9, 01-8980809) | | |

BRANCH NETWORK

| S/N | STATE | BRANCH | ADDRESS / TELEPHONE |
|-----|--------------|--------------------------------|---|
| 80 | LAGOS | Anthony Village | 7, Anthony Village Road, Anthony Village, Lagos State, Nigeria (01-2714941-3, 01-8980820) |
| 81 | | Aspamda | Zone A, R1 Aspamda Plaza, International Trade Fair Complex, Ojo, Lagos State, Nigeria (01-6211803, 01-6211806, 01-8980824) |
| 82 | | Adeyemo Alakija (Plaza) | No 6, Adeyemo Alakija Street, Victoria Island, Lagos State, Nigeria (01-2715480-2, 01-8980851 & 3, 01-7405059) |
| 83 | | Apapa | Doyin House, 4 Commercial Avenue Apapa, Lagos State, Nigeria (01-2704231 & 3, 01-8980827) |
| 84 | | Awolowo | 54, Awolowo road, Ikoyi, Lagos (01-7404057, 01-7404297, 01-7403794) |
| 85 | | Berger Paints, Oba Akran | Plot 10, Oba Akran Avenue, Ikeja, Lagos State, Nigeria (01-2717140-3, 01-8980744 94) |
| 86 | | BodeThomas | Bode Thomas Street, Surulere, Lagos State, Nigeria (01-2703865 & 7, 01-8980745, 01-7406293 82/86) |
| 87 | | Broad Street | Broad Street, Lagos State, Nigeria (01-2710725-6, 01-4480871, 01-8980819) |
| 88 | | Burma Road | Plot 17, Burma Road, Apapa, Lagos State, Nigeria (01-7404285-7) |
| 89 | | Catholic Mission | 22/24, Catholic Mission Street, Lagos Island, Lagos State, Nigeria (01-4622169, 4622104-5, 4480773, 01-8980974) |
| 90 | | chevron drive | Beside Chevron Roundabout, Lekki/Epe Expressway, Lagos State, Nigeria (01-4617940-3, 01-4619957-9, 01-8980726 5) |
| 91 | | Computer Village (cash centre) | Osintelu Street, off Oremoji Street, Computer Village, Ikeja, Lagos State, Nigeria |
| 92 | | Creek Road | 35, Creek Road, Apapa, Lagos State, Nigeria (01-2704253-5, 01-4484120, 01-8980826) |
| 93 | | Egbeda | 231, Egbeda-Idimu Road, Alimosho L.G.A, Egbeda, Lagos State, Nigeria (01-7406086, 01-7401299) |
| 94 | | Festac | House 11, 301 Road, 2nd Avenue, Festac Town, Lagos State, Nigeria (01-5990232, 01-7300008, 01-8980934) |
| 95 | | Gbagada | No.14, Diya Street, Ifako, Gbagada, Lagos State, Nigeria (01-7405209-11) |
| 96 | | Ibafon | 1,Bakare Street,Ibafon, Apapa Expressway, Lagos State, Nigeria (02-6211311-2, 02-8980373 110) |
| 97 | | Idi Oro | Agege Motor Road, Idi-Oro, Mushin, Lagos State, Nigeria (01-6212071-3, 01-7406746-7, 01-8980457 134) |
| 98 | | Idumota | Nnamdi Azikwe Street, Lagos Island, Lagos State, Nigeria (01-7642720, 01-7642706, 01-8980739 47) |
| 99 | | Ikorodu | Lagos Road, Ikorodu Town, Lagos State, Nigeria (01-8980822, 01-7405062-3) |
| 100 | | Ikosi | Plot A3C Ikosi Road, Oregun , Ikeja, Lagos State, Nigeria (01-2711297-8, 01-8980717) |
| 101 | | Ikota (cash centre) | Ikota Shopping Complex, VGC, Lekki-Epe Expressway, Lagos |
| 102 | | Ikoyi | 178 Awolowo Road, Ikoyi, Lagos State (01-2691278, 8980985) |
| 103 | | Ilupeju | 48, Town Planning Way, Ilupeju, Lagos State, Nigeria (01-2716872-3, 2700807, 01-8980549, 7406077) |
| 104 | | Isolo | 1, Abimbola Way, Isolo, Lagos State, Nigeria (01-2719861-4, 01-8980718) |
| 105 | | Ketu | 570, Ikorodu Road, Ketu, Kosofe L.G.A, Lagos State, Nigeria (01-8980813, 01-7404344) |
| 106 | | LASU | Lagos State University Campus, Ojo Badagry Expressway, Lagos State, Nigeria |
| 107 | | Lawanson | Muniru Baruwa Shopping Complex By Olatilewa Junction Itire Road, Lawanson, Lagos State, Nigeria |
| 108 | | Lekki | Block 5, Plot 5, Victoria Island Annex, Lekki, Lagos State, Nigeria (01-2714190-3, 01-8980716, 01-7349716) |
| 109 | | LUTH | Route 1, Lagos University Teaching Hospital (LUTH) premises, Idi-Araba, Lagos State, Nigeria (01-8512469) |
| 110 | | Marina | 49A, Marina Street, Lagos State, Nigeria (01-4611780-2, 01-8980976, 01-7405065 135) |
| 111 | | Matori | Ladipo Street, Matori, Lagos State, Nigeria (01-4480780-1, 01-7406001) |
| 112 | | MMA 2 (cash centre) | New Local Wing, Murtala Mohammed Airport 2 |
| 113 | | Mobilaji Bank Anthony | 31, Mobilaji Bank-Anthony Way, Ikeja, Lagos State, Nigeria (01-2716510-2, 01-8714451 30) |
| 114 | | Moloney | Moloney Street, Lagos Island, Lagos State, Nigeria (01-7406082, 01-7406076 311) |
| 115 | | Mushin | Agege Motor Road, Olorunsogo, Mushin, Lagos State, Nigeria (01-2790441-4, 01-8980933) |
| 116 | | Oba Akran | 33, Oba Akran Avenue, Ikeja, Lagos State, Nigeria (01-2790760-1, 01-2714818, 01-8980931 4) |
| 117 | | Ogba | Ogunnusi Road, Ogba, Lagos State, Nigeria (01-7405998-9, 01-9505026) |
| 118 | | Ojodu | 50, Isheri Road, Ojodu, Lagos State, Nigeria (01-7349717, 2303305, 9505026) |
| 119 | | Ojuelegba | 74/76, Ojuelegba Road, Lagos State, Nigeria (01-2714822,25-6 & 8, 01-8980977 40) |
| 120 | | Oke Arin | John Street, Oke-Arin, Lagos Island, Lagos State, Nigeria (01-7300006-7) |
| 121 | | Okota | 115A, Okota Road, Okota, Lagos State, Nigeria (01-6211685-7, 01-8980815, 01-7406117 196) |
| 123 | | Onipanu | Ikorodu Road, Onipanu, Lagos State, Nigeria (01-6211891-3, 01-8980749, 01-7404136-7 14) |
| 124 | | Opebi | Opebi Road, Ikeja, Lagos State, Nigeria (01-2711210-2, 01-8980949) |
| 125 | | Oregun | 100, Kudirat Abiola Way, Oregun, Ikeja, Lagos State, Nigeria (01-2707160-1, 01-8980983) |
| 126 | | Oyin Jolayemi (Plural) | Guaranty Trust Bank Plural House Plot 1669, Oyin Jolayemi Street, Victoria Island, Lagos State, Nigeria (01-4480740-9, 2714580-7) |
| 127 | | Processing Centre | 714,Adetokunbo Ademola Str, Victoria Island, Lagos State, Nigeria (01-4611783-5, 01-2790595-7, 01-8980801) |
| 128 | | Allen Avenue | 80/82 Allen Avenue, Ikeja, Lagos State, Nigeria (01-4602061-2, 01-2704267-8, 01-8980713) |
| 129 | | Tiamiyu Savage | Plot 1400, Tiamiyu Savage Road, Victoria Island, Lagos State, Nigeria (01-2718645-6, 01-2714217, 01-8980742) |
| 130 | | Yaba | 216/218,Herbert Macaulay Way, Yaba, Lagos State, Nigeria (01-2793296-9, 01-8980829) |
| 131 | | NASARAWA | Jos Road, Lafia, Nasarawa State (047-229741, 222221) |
| 132 | | Karu | Plot 13754, Abuja – Keffi, Expressway, Mararaba, Karu, LGA (09-7803881, 09-7803882, 09 6715650, 09-6715650, 09-7803881) |
| 133 | | NIGER | Plot 6C, KTF 139, Lagos - Kaduna Road, Kontagora, Niger State, Nigeria (0807 242 7402) |
| 134 | | Minna | Plot 4936, Paiko Road, Minna, Niger State, Nigeria (0805 921 1222) |
| 135 | | OGUN | Presidential Boulevard Road, Abeokuta, Ogun State, Nigeria (039-874529) |
| 136 | | Agbara | Plot C 2/4, Ilaro Road, Agbara Industrial Estate, Agbara, Ogun State, Nigeria (01-7404602-3) |
| 137 | | Asero | Block 7, Plot 17/20, Abeokuta/Ibadan Road, Asero, Abeokuta, Ogun State, Nigeria (039-874524-5 183) |
| 138 | | Ijebu-Ode | Folagbade Street, Ijebu Ode L.G.A., Ijebu Ode, Ogun State, Nigeria (039-874531) |
| 139 | | Sagamu | 143, Akarigbo Street, Sabo, Sagamu, Ogun State, Nigeria (039-874532, 037-781798, 01-7404292 63) |
| 140 | | Sango Otta | Abeokuta Expressway, Joju Junction, Sango Otta, Ogun State, Nigeria (039-721820-2, 039-721818-9, 039-7454833) |
| 141 | | UNAAB | University of Agriculture, off Alabata Road, Alabata, Abeokuta, Ogun State, Nigeria (07039700504; 07039700503) |
| 142 | | ONDO | Plot 3, Alagbaka Quarters, Alagbaka, Akure, Ondo State, Nigeria (07098512581) |
| 143 | | OSUN | 3, Lagere Road, Ile-Ife, Osun State, Nigeria (07098512588) |
| 144 | | Ilesha | 196, Isokun Street, Along Ilesha-Osogbo Road, Ilesha, Osun State, Nigeria (07098512582) |
| 145 | | OAU Campus | Road 1, Obafemi Awolowo University Campus, Ile-Ife, Osun State, Nigeria (07098512589, 07098512587) |
| 146 | | Osogbo | No 67, Gbongan / Ibadan Road, Ogo Oluwa, Osogbo, Osun State, Nigeria (07098212696) |
| 147 | | OYO | SW9/21A, Ibadan - Abeokuta Road, Apata, Ibadan, Oyo State, Nigeria (02-8738894, 02-8738945) |
| 148 | | Bodija, Ibadan | Plot 6A, U.I-Secretariat Road, Bodija, Ibadan, Oyo State, Nigeria (02-8717398) |
| 149 | | Challenge | Plot 14, JFK Osibodu Layout, Ijebu Road, Challenge, Ibadan, Oyo State, Nigeria (02-8744723-4) |
| 150 | | Dugbe, Ibadan | 11B, Jimoh Odutola Road, Dugbe, Ibadan, Oyo State, Nigeria (02-8717393, 02-8738891) |
| 151 | | Ogbomosho | Ibapon Area, Ilorin-Ogbomosho Express Road, Ogbomosho, Oyo State, Nigeria (038-801020, 038-7099908) |
| 152 | | Owode, Oyo | Ibadan – Ogbomosho Express Road, Owode, Oyo Town, Oyo State, Nigeria (02-8768786, 02-8716906) |
| 153 | | Ring Road, Ibadan | 106, Ring Road, Lister Bus Stop, Ibadan, Oyo State, Nigeria (02-8717399, 02-8744725, 02-8717399) |
| 154 | | Mokola | 27, Majara Street, Old Oyo Road, Cocacola Area, Mokola, Ibadan, Oyo State, Nigeria (02-8738898; 02-8739944) |
| 155 | | PLATEAU | Plot 1902, Ahmadu Bello Way, Jos, Plateau State, Nigeria (0709 367 7838) |
| 156 | | Commercial Layout, Jos | 13B, Commercial Layout, Jengre Road, Jos, Plateau State, Nigeria (0709 851 2576) |
| 157 | | RIVERS | Plot 279A, Tombia Street, off Aba Road, Port Harcourt, Rivers State, Nigeria (084-799985 34) |
| 158 | | Bonny | King Perekule Road, Bonny Island, Rivers State, Nigeria (084-896803) |
| 159 | | East West Road | 11, East West Road, Port Harcourt, Rivers State, Nigeria (084-896766, 084-750786, 084-896779) |

BRANCH NETWORK

| S/N | STATE | BRANCH | ADDRESS / TELEPHONE |
|-----|----------------|---------------------------|--|
| 160 | RIVERS | Ikwerre road | 225 Ikwerre Road Mile 4, Port Harcourt, Rivers State, Nigeria (084-464761-3, 01-897951-2) |
| 161 | | Nnamdi Azikiwe Road, PH | 5, Nnamdi Azikiwe Road, Port Harcourt, Rivers State, Nigeria (084-464250-3) |
| 162 | | Shell Camp, Port Harcourt | Plot 215, Aba – Port Harcourt Road, Shell Residential Area, Port Harcourt, Rivers State (084-465386-7, 084-465491, 084-799984) |
| 163 | | Trans Amadi, PH | 44, Trans Amadi Industrial Layout, Port Harcourt, Rivers State, Nigeria (084-464159-60, 084-799986) |
| 164 | | Industrial Layout | Plot 23, Trans-Amadi Layout, Port Harcourt, Rivers State, Nigeria (084-900468-70) |
| 165 | SOKOTO | Ahmadu Bello way | No.101, Ahmadu Bello Way, Sokoto, Sokoto State, Nigeria (060-239501, 239502) |
| 166 | | Maiduguri road | No.12, Maiduguri Road, Sokoto, Sokoto State, Nigeria |
| 167 | TARABA | Jalingo | Plot 106B, Hamman Ruwa Way, Jalingo, Taraba State, Nigeria (0803 613 7473) |
| 168 | | Wukari | No 3, Ibi Road, Wukari G.R A., Taraba State, Nigeria (0802 141 1705) |
| 169 | YOBE | Damaturu | Potiskum Road, Damaturu, Yobe State, Nigeria (074-521603, 074-521608) |
| 170 | ZAMFARA | Gusau | 5, Sani Abacha Way, Gusau, Zamfara State, Nigeria (0703 988 9076) |



7 Anthony Village Road,
Anthony
P.M.B. 10014,
Shomolu, Lagos State
Tel: 01-2716090-4; Fax: 01-2716095
E-mail: gtb_registrars@gtbplc.com
www.gtbregistrars.com

GTB Registrars Limited
RC 645075



Guaranty Trust Bank plc
RC 152321

RE: UNCLAIMED/STALE DIVIDEND WARRANT

I/We declare that I/We am/are the registered holder(s) of GTBank plc shares.

Till date. I/We am/are to receive my/our dividend warrant(s) Payments No(s).....(Please specify).

In view of this, I/We request and authorise you to cancel the original dividend warrant(s) and issue a replacement dividend warrant(s) thereof.

Date of birth

| | | | | | | | | | |
|----|--|---|----|--|---|------|--|--|--|
| | | / | | | / | | | | |
| DD | | | MM | | | YYYY | | | |

Shareholder's Account Number (If Known)

| | |
|------------------------|--|
| Item | |
| (1) Shareholder's Name | |

Shareholder's/Company's Name

| |
|--|
| |
|--|

(1.1) Other Names

| |
|--|
| |
|--|

(1.2) Address

| |
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| |

(1.3) E-mail Address

| |
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|--|

(1.4) Mobile (GSM) Phone Number

| | |
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(2) Bank Name/Branch

| |
|--|
| |
|--|

(2.1) Current A/C No

| |
|--|
| |
|--|

(3) I/We hereby authorise that the re-issued/re-validated dividend warrant(s) be paid into my/our current account as indicated above.

(3.1) I/We hereby indemnify the security insurer, the directors and, the security registrar, from and against all losses in respect thereof and all actions, proceedings, demands, costs and expenses whatsoever which may be made or brought against them by reason of compliance with this request.

| | | | | | | | | | | | | |
|--|---|---|--|--|--|--|--|--|--|--|--|--|
| <p>(4)</p> <div style="border: 1px solid black; height: 60px; margin-top: 10px; padding: 5px;"> <p style="font-size: 8px; margin: 0;">Shareholder's signature/OR Authorised signatory</p> </div> | <div style="border: 1px solid black; height: 60px; margin-top: 10px; padding: 5px;"> <p style="font-size: 8px; margin: 0;">Authorised signature and Stamp of Bankers</p> </div> | <div style="border: 1px solid black; height: 60px; margin-top: 10px; padding: 5px;"> <p style="font-size: 8px; margin: 0;">Company seal/incorporation number (Corporate shareholder)</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 20px; height: 15px;"></td> </tr> </table> </div> | | | | | | | | | | |
| | | | | | | | | | | | | |

The branch stamp and signature of an authorised signatory of your bank is required to confirm that the signature(s) in box 4 is that of the shareholder(s) of an authorised signatory, before returning to the Registrars.

KINDLY RETURN THIS FORM TO

THE REGISTRAR, GTB Registrars Ltd, 7, Anthony Village Road, Anthony.
P.M.B. 10014, Shomolu, Lagos State; OR

Any Guaranty Trust Bank plc nearest to you.

Affix postage
stamp here

GTB Registrars Limited
7, Anthony Village Road
(3rd floor), Anthony, Lagos

PROXY FORM

20TH ANNUAL GENERAL MEETING to be held at the Banquet Hall, Eko Hotel and Suites, Plot 1415, Adetokunbo Ademola Street, Victoria Island, Lagos, on Wednesday, 5th May, 2010, at 10.00 a.m.

I/We _____ being a member/members of Guaranty Trust Bank plc hereby appoint* _____ or failing him Owelle G.P.O. Chikelu, or failing him Mr. Tayo Aderinokun, as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Bank to be held on 5th May, 2010, and at any adjournment thereof.

Dated this _____ day of _____ 2010.

Signature of Shareholder _____

Name of Shareholder _____

Guaranty Trust Bank plc RC 152321

| Number of Shares: | | |
|---|-----|---------|
| Resolutions | For | Against |
| To receive the Audited Financial Statements for the year ended December 31, 2009, and the Reports of the Directors, Auditors and Audit Committee thereon | | |
| To declare a dividend | | |
| To elect Directors | | |
| To authorise the Directors to fix the Auditors' Remuneration | | |
| To elect members of the Audit Committee | | |
| To authorise a Bonus Share Issue | | |
| Please mark the appropriate box with an "X" to indicate how you wish your votes to be cast on the resolutions set above. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion. | | |

Admission Card

Twentieth Annual General Meeting to be held on Wednesday, 5th May, 2010, at the Banquet Hall, Eko Hotel and Suites, Plot 1415, Adetokunbo Ademola Street, Victoria Island, Lagos, at 10.00 a.m.

Name of Shareholder (in BLOCK CAPITALS) _____
(surname) (other names)

Shareholder's Account No _____ Number of shares _____

IMPORTANT

- Before posting the above form of proxy, please tear off this part and retain it. A person attending the Annual General Meeting of the Company or his proxy should produce this card to secure admission to the meeting.
- A member of the Company is entitled to attend and vote at the Annual General Meeting of the Company. He is also entitled to appoint a proxy to attend and vote instead of him, and in this case, the above card may be used to appoint a proxy.
- In line with the current practice, the names of two of the Directors of the Company have been entered on the form of proxy to ensure that someone will be at the meeting to act as your proxy. You may however wish to insert in the blank space on the form (marked "*") the name of any person, whether a member of the Company or not, who will attend the meeting and vote on your behalf instead of one of the Directors named.
- The above form of proxy, when completed, must be deposited at the office of the Registrar, GTB Registrars Limited, No. 7, Anthony Village Road, Anthony, Lagos, not less than 48 hours before the time fixed for the meeting.
- It is a requirement of the law under the Stamp Duties Act, Cap. A8, Laws of the Federation of Nigeria, 2004, that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholders must bear a stamp duty of N50.00 (fifty Naira)
- If the form of proxy is executed by a Company, it should be sealed under its Common Seal or under the hand and seal of its attorney.

Signature of the person attending _____

FORM FOR E-BONUS SHARES

To:

The Registrar
GTB Registrars Limited
7, Anthony Village Road (3rd floor)
Anthony Village
P.M.B. 10014, Shomolu
Lagos State

Re: Authority To Credit CSCS A/C With Bonus Shares

Please take this as my/our authority to credit my/our under-mentioned Central Securities and Clearing Systems (CSCS) account, with any bonus issue shares due on my/our shareholding(s) in Guaranty Trust Bank plc, the particulars of which are stated below, from the date hereof:

Shareholder's name* _____
(Surname) (Other names)

Shareholder's No. (if known) _____
(As appears on either your dividend warrant stub or share certificate)

Shareholder's CSCS Clearing House No. _____

Shareholder's Stockbroker _____

Shareholder's Telephone No. _____

Signature**
(Individual shareholder)

Signature**
(Corporate or Joint Shareholders)

Signature**

Dated this _____ day of _____ 20 _____

*The names in which shares are held (where shares are in the name of a deceased holder, instructions signed by the executor(s) or administrator(s) should indicate the name of the deceased.

**The signature on the Application or Stock/Share Transfer form when shares were purchased.

-When completed on behalf of a corporate body, each signatory should state the representative capacity, e.g. Company Secretary, Director, etc.

-When the holding is in more than one name, all of the security holders must sign.

(Please note that this request would not be applied if the signature(s) herein differs from that at the Registrars record).

