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REPORT

■ **GUARANTY TRUST** ■

GUARANTY TRUST BANK PLC
RC 152321

THE MASTER BUILDER

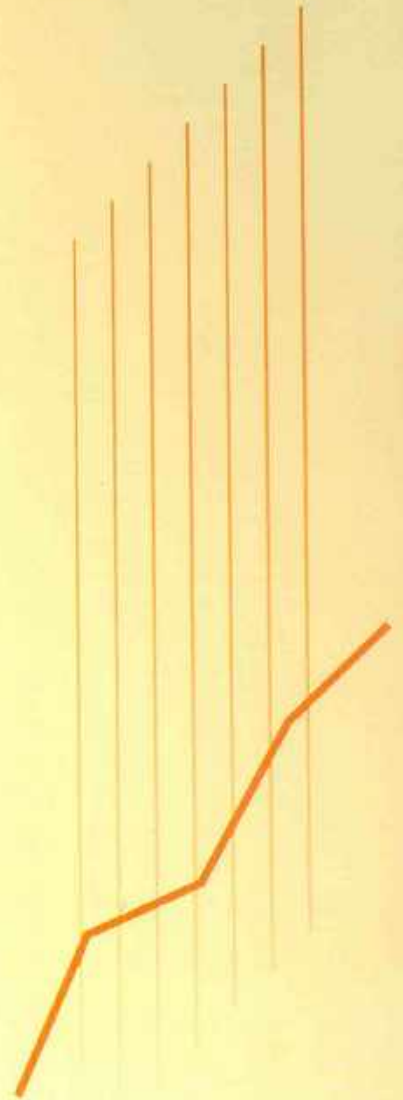
The master-builder builds with only one intention in mind.... To build a masterpiece that will transcend time and generation.

Thirteen years ago, we laid the foundation with each 'piece of block', symbolising our people...instilling in them a passion and an appreciation for excellence.

And over the years, our people have remained committed and true to that vision...the passion for excellence...to offer you innovative and quality products at turnaround time.

And in the years to come, you are assured that no stones will be left unturned in our drive to exceed your expectation.

Thirteen years ago we began as a dream. Thirteen years after, our performance speaks for us.



PEOPLE



PASSION



PERFORMANCE

CONTENTS

Foreword	3
Directors, Officers & Professional Advisers	4
Notice of Annual General Meeting	5
Results at a Glance	6
Chairman's Statement	7
Directors' Report	10
Report of the Audit Committee	15
Statement of Directors' Responsibilities in relation to the Financial Statements	16
Auditors' Report	17
Statement of Accounting Policies	18
Balance Sheets	20
Profit & Loss Accounts	21
Statement of Cash Flows	22
Notes to the Financial Statements	23
Statement of Value Added	41
Five-Year Financial Summary - Group	43
Five-Year Financial Summary - Bank	44
Board of Directors	46
Corporate Information	48
Corporate Directory	49
Proxy Form	51
PART TWO	
Corporate Report	53



We have a culture of excellence. We are innovative. We are hard working. We invest heavily in technological infrastructure and most importantly in our **people**. Inspired by a vision and ignited by a **passion** that drives us to do ordinary things in extraordinary ways. The result is a first class financial service provider that is synonymous with superior financial **performance** in Nigeria.

FOREWORD

PEOPLE. PASSION. PERFORMANCE

In writing this first address to you in my capacity as Managing Director of this great institution, I am aware of the place I occupy in history; a history which I helped build over the last decade.


At the onset, our vision, values and culture were evolved with a singular objective- "to build an institution that would outlive its founders and serve as a yardstick for evaluating service delivery within the financial sector".

We are on this journey as I speak, and though on familiar ground, having served as Deputy Managing Director for 12 years, this new position comes with its challenges. The challenge of consistently exceeding service expectations, while keeping the Bank's performance ahead despite the economic and political dynamics of our country.

In the last financial year we gave a good performance, and I am overwhelmed with the support we have received from you- our stakeholders. We extended our reach internationally by opening two offshore subsidiaries- Guaranty Trust Bank Gambia and Guaranty Trust Bank Sierra Leone. Our branch network has again increased from 25 to 34 branches strategically located all over Nigeria to reach our growing customer base. "Advantium" a retail marketing group was created to serve personal and small business enterprises in addition to existing High Networth Individuals (HNI). In line with our human resource and development policy, we employed over a hundred fresh young people, whom we are now training into first class professionals to work in our different business units.

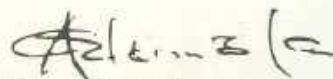
We are synonymous with "service" and we achieved this only through the formidable team of young professional men and women, who believe in and daily live out the Guaranty Trust dream of being the best. A brief look at our 2002/2003 financial results shows commendable growth. We recorded gross earnings of N16 billion- representing a growth of over 47% from the N10.9 billion recorded last year. Our profitability increased from N3.11 billion to N4.14 billion while our balance sheet size grew significantly from N72.5 billion (with contingent liabilities) to over a N100 billion this year.

The results clearly show our desire for excellence in our chosen path of delivering superior financial performance at all times. I assure you that in the years to come our performance can only get better. We shall not relent because there is an inherent passion to excel in all the vibrant people that make up Guaranty Trust Bank.



Looking ahead, our goal is clear "to build an institution that would outlive its founders and serve as a yardstick for evaluating service delivery within the financial services sector".

Beyond the horizon however, we see ourselves as one of the leading banks in Africa; and to do this we must continue to work harder, surmount challenges and harness opportunities in every sector of the economy. Look with me today beyond the horizon; I invite you to join us towards achieving the greater success of this institution.



Tayo Aderinokun
Managing Director/Chief Executive

DIRECTORS, OFFICERS, & PROFESSIONAL ADVISERS

DIRECTORS

Prof. Mosobalaje O. Oyawoye	-	Chairman
Mr. Olutayo Aderinokun	-	Managing
Mr. Olusegun J. K. Agbaje	-	Deputy Managing
Mr. Tajudeen A. Adeola		
Alhaji Mohammed J. Jada		
Mr. Victor G. Osibodu		
Mr. Adetokunbo B. Adesanya		
Owelle Gilbert P. O. Chikelu		
Mr. Farouk Bello	-	Executive
Mr. Babajide Ogundare	-	Executive
Mrs. Mosunmola Olusoga	-	Executive

COMPANY SECRETARY

Mr. Kolapo B. Omidire

REGISTERED OFFICE

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

AUDITORS

KPMG Professional Services
22, Gerrard Road,
Ikoyi,
Lagos.

REGISTRAR & TRANSFER OFFICE

United Securities Limited
Niger House (5th Floor)
3/5, Odunlami Street,
Lagos.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting of **GUARANTY TRUST BANK PLC** will hold at the Expo Hall, Le Meridien Eko Hotel, Victoria Island, Lagos, on Wednesday, June 4, 2003, at 11:00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the year ended February 28, 2003, and the reports of the Directors, Auditors, and Audit Committee thereon.
2. To declare a dividend.
3. To re-elect Directors.
4. To appoint Auditors and authorise the Directors to fix the remuneration of the Auditors.
5. To elect/re-elect Members of the Audit Committee.

SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions as ordinary resolutions:

6. "That the Directors' fees for the year ending February 28, 2004, be and is hereby fixed at ₦4,550,000".
7. "That following the recommendation of the Directors pursuant to Article 125 of the Bank's Articles of Association, the sum of ₦250,000,000 being part of the amount standing to the credit of the Bank's Bonus Shares Reserve Account, be and is hereby capitalised into 500,000,000 Ordinary shares of fifty kobo each and appropriated to the members whose names appear in the Register of Members on Monday, May 12, 2003, in the proportion of one new share for every five 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 not as income, ranking *pari passu* with the existing shares of the Bank, provided that the shares issued pursuant to this resolution shall not rank for the dividend declared on June 4, 2003".

PROXY

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him. 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, United Securities Limited, Niger House, 3-5, Odunlami Street, Lagos, not less than 48 hours before the time fixed for the meeting. A blank proxy form is attached to the Annual Report.

BY THE ORDER OF THE BOARD



KOLAPO OMIDIRE
Company Secretary
Plot 1669, Oyin Jolayemi Street
Victoria Island, Lagos.

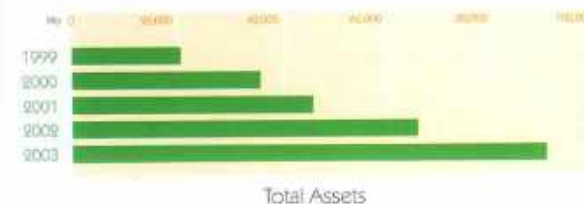
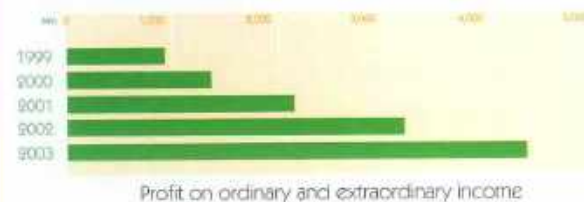
April 23, 2003.

NOTES

1. **Dividend**
If approved, a dividend will be payable on June 4, 2003, to shareholders whose names are registered in the Register of Members at the close of business on May 12, 2003. Dividend Warrants will be posted on June 4, 2003.
2. **Closure of Register**
The Register of Members will be closed on May 13, 2003, to enable the Registrar prepare for the payment of dividend, and allotment of bonus shares.
3. **Audit Committee**
In accordance with Section 359(5) of the *Companies and Allied Matters Act, 1990*, 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.

RESULTS AT A GLANCE

	GROUP 2003 N' million	GROUP 2002 N' million	Increased/ (Decreased) %	BANK 2003 N' million	BANK 2002 N' million	Increased/ (Decreased) %
Major Profit and Loss Account Items						
Gross earnings	16,522	11,169	48	16,050	10,898	47
Profit on ordinary activity	4,324	3,176	36	4,145	3,107	33
Profit before tax and before extraordinary items	3,881	2,725	42	3,803	2,657	43
Profit after tax and extraordinary items	3,259	2,975	10	3,211	3,081	4
Dividend paid and proposed	1,500	1,495	0	1,500	1,495	0
Major Balance Sheet Items						
Deposit liabilities	50,830	31,366	62	51,068	31,373	63
Loans & advances	30,664	17,574	74	30,664	17,574	74
Total assets	89,497	65,021	38	83,311	59,292	41
Shareholders' funds	9,753	8,016	22	9,661	7,950	22
Earnings per share (kobo)	130k	180k	(28)	128k	185k	(31)
Dividends per share - interim (kobo)	25k	33k	(24)	25k	33k	(24)
- final (kobo)	35k	50k	(30)	35k	50k	(30)
Return on average equity (%)	37	49	(24)	36	52	(31)
Number of employees	583	491	19	547	457	20
Net earnings per employee (N' 000)	18,127	14,191	28	18,456	14,655	26
Number of branches	-	-	-	34	27	22



CHAIRMAN'S STATEMENT

Distinguished ladies and gentlemen, it is with great pleasure that I welcome you to the Thirteenth Annual General Meeting of **Guaranty Trust Bank PLC** and to present to you, my annual statement, together with the Directors' report and the audited financial statements of the group, for the year ended February 28, 2003.

OPERATING ENVIRONMENT

The 2002 Federal Government budget was passed by the National Assembly in March, raising the figure proposed by the Presidency from ₦840 billion to ₦1.065 trillion. Average crude oil price was budgeted at \$18 per barrel, a decline of ₦4 from the 2001 budget. However, the commodity traded at a far higher price in the year, resulting in a positive variance in revenue.

Though inflation is reported to have declined from about 19% in December 2001 to 13.2% in November 2002, the volatility which characterised the money market coupled with the high cost of doing business, attributable to inadequate and declining infrastructure forestalled the opportunities for growth in the real sector. Capacity utilisation suffered a decline of 4.6% from the figures reported for the year 2001. On the whole, the growth in GDP estimated to grow by 5% in 2002, recorded only an actual growth of 3.3%.

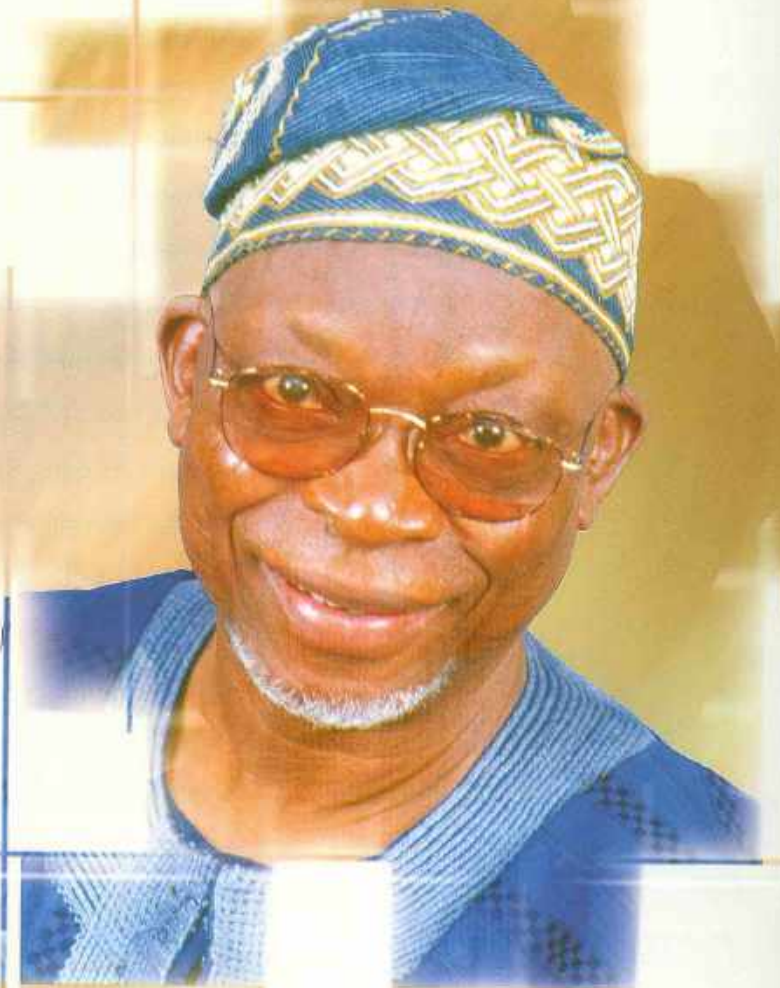
For the financial sector, the first quarter was characterised by excess liquidity which fluctuated throughout the year relative to the cyclical release of statutory allocations to the States and Federal Government agencies, pushing inter-bank call rates as high as 28% in the period close to the release of each allocation, and as low as 18% a few weeks thereafter. This caused wide variations in money market rates until the Central Bank of Nigeria implemented a decision of the Bankers Committee which imposed a cap on lending rates at MRR plus 4%. The regulation became effective on November 1, 2002. The rates on the appropriate facilities running in our Bank were adjusted accordingly.

The uncertainty of the value of the Naira led to panic foreign exchange purchases, which further impacted the pressure on the Naira, thereby worsening exchange rates. The rate which stood at ₦116.1 to the U.S. dollar in March declined to as low as ₦126 to the dollar by mid July after several devaluations, with the highest single devaluation of ₦2.75 occurring in June. Different actions were taken at different times to stem the tide of devaluation.

In March, twenty banks were suspended for periods ranging from six months to one year by way of sanctions for alleged foreign exchange malpractices. The spread on the rate between the purchase and sale of foreign exchange was

pegged by CBN in April, and in July 2002, the Dutch Auction System was introduced, with its implementation becoming effective from the 22nd of the same month.

It was however not bad news all through. Year 2002 saw a significant improvement in the telecommunications sector with the global system mobile phone providers consolidating on their achievements since the introduction of GSM to Nigeria in 2001. Over one million additional lines were added, boosting the country's teledensity, thus making Nigeria the fastest growing mobile cellular market in the world.



PROF. MOSOBALAJE O. OYAWOYE
Chairman

FINANCIAL RESULTS

Notwithstanding the uncertainties which characterised the year, I am pleased to report that 2002/2003 was a good year for our Bank. Gross Earnings at ₦16 billion was 47% higher than the figure reported for the last financial year. Though lending rates were capped in the course of the year, the Bank succeeded in efficiently managing cost of funds which resulted in a 33% growth in Net Interest Margin from ₦4 billion last year to ₦5.4 billion in the year under review. The increase in operating expenses is mainly attributable to the expansion in branch network. Ten new branches were opened in the course of the last financial year, bringing to sixteen, branches with less than two years in operation presently taking from the pool without adding directly to revenues. However, as experience has shown, these new branches will begin to make profits on their own within a short period from now.

Ordinary activities yielded a profit of ₦4.1 billion. With an exceptional charge of ₦342 million, profit before taxation was ₦3.8 billion, representing a 43% increase over the figures reported for last year.

The Bank's balance sheet footing stands at ₦83.3 billion as at February 28, 2003, compared to ₦59.2 billion reported for the corresponding period last year. An addition of contingent liabilities will increase balance sheet to over ₦100 billion.

The results being presented at this meeting is indicative of the fact that we are unwaveringly committed to our objective of constantly recording superior financial performance, mindful however that the best is still far ahead. I assure you that the Board will remain committed to this course of growth and development of our Bank.

DIVIDEND AND SCRIP ISSUE

On September 18, 2002, the Board of Directors approved the payment of ₦625 million as interim dividend at the rate of 25 kobo per share. The payment was made in November 2002. The Board is pleased to recommend for your approval at this meeting, an additional ₦875 million to be applied in paying final dividend at the rate of 35 kobo per share, thereby bringing total dividend to ₦1.5 billion gross, or 60 kobo per share. It is important to note that dividend was paid last year on 2 billion shares in issue at the time, whereas both the interim dividend paid in November 2002, and the final dividend proposed for approval today, are being made on 2.5 billion shares presently in issue consequent upon the scrip issue of one for every four units given to shareholders pursuant to the resolution passed at the last annual general meeting.

In addition, the Board is recommending for your approval at this meeting, the capitalisation of ₦250 million from the bonus shares reserve account to be appropriated for a bonus issue in the proportion of one new share for every five shares currently held. This will increase the shareholders' funds of our Bank to ₦9.6 billion, thereby improving our capacity to further satisfy the demands of our growing customers.

SUBSIDIARIES

I am pleased to report that the offshore subsidiaries of our Bank, namely *Guaranty Trust Bank (Gambia) Limited* and *Guaranty Trust Bank (Sierra-Leone) Limited* are now firmly established in their respective locations, carrying on the ideals of our Bank by providing quintessential service which is the hallmark of our brand. I have no doubt that in the very near future, they also will take the leadership position, setting standards which their local competitors would have no choice than to follow. Being relatively new subsidiaries however, the results of their operations have not been consolidated in the group financial statements being presented to you today.

Meanwhile, our local subsidiary-- *Asset and Resource Management Company Limited* continues to maintain a pride of place in the sector in which it operates. In the year under review, the company increased its profitability by 154% from ₦37.4 million last year, to ₦95 million in the year under review.

BOARD OF DIRECTORS

At the last Annual General Meeting, I informed you of the impending voluntary retirement of our Bank's pioneer Managing Director, Mr. Fola Adeola. He has since disengaged as the Bank's CEO, though he remains

I am pleased to report that 2002/2003 was a good year for our Bank. Ordinary activities yielded a profit of ₦4.1 billion... Balance sheet increased to over ₦100 billion



on the Board as a non Executive Director. Once again, we thank Mr. Adeola for his contribution to the growth of the Bank, and pray that God will bless his other endeavours.

On the August 1, 2002, Mr Olutayo Aderinokun assumed the mantle of leadership of our Bank as the Managing Director, with Mr. Olusegun Agbaje as his Deputy. The results being presented at this meeting is a testimony to the fact that there is no deviation from the course of greatness we have set for our Bank, making it an industry leader worthy of emulation by all players in the financial services sector.

Permit me at this point to thank my colleagues on the Board, both executive and non executive for their unflinching support and their contribution in various ways towards the growth and development of our Bank.

STAFF

It is pertinent that I acknowledge the very important role being played by the employees of our Bank. Year on year, their dogged determination and commitment to the ideals of our organisation is evident in the progress being made by our Bank in all spheres of its operations. While thanking our people who are passionately committed to excellent performance, I restate the commitment of the Board and Management to their personal and career development.

FUTURE PROSPECTS

The objective of the Federal Government in the fiscal 2003 as contained in the budget for the year is to pursue a macro policy and sector growth strategy that will achieve fiscal stability, improve non oil sector competitiveness, reduce the level of inflation, and maintain a stable and competitive exchange rate. This is expected to result in accelerated economic growth and poverty reduction.

Rhetorics alone can not engender trust except it is backed with action, resulting in improvement in the lives and well being of the populace. There cannot be economic growth if industries are compelled in the face of infrastructural decay to provide their energy, roads, water, security and other social infrastructures. Unfortunately, the world will not wait for Nigeria. The ability and the wherewithal of the Government to achieve the objective of macro- economic stability in the face of threatening local and international scenarios depend on a very strong resolve on the part of politicians and government functionaries to pursue the path of patriotism, integrity and selfless service.

The war in the Middle East would impact oil revenue in some ways. Developing countries especially in Africa should expect that aid and grant would reduce in view of the commitment to rebuild the countries affected by war in due course. The degree of success in moving our country forward will therefore depend on how well it is positioned through a proper restructuring of the economy, preparatory to attracting direct foreign investment.

On the part of the Board and Management of your Bank, we recognise that in turbulent scenarios, only organisations that are forward-looking can survive. We are mindful that as challenges are constantly being thrown up in the operational environment, opportunities are bound to lurk in the corners. We will not relent in constantly fine-tuning the strategy put in place for your Bank to weather any storm in the market place. We are very clear in our resolve to ensure that your Bank becomes a timeless institution with a global presence in the sectors in which it operates. We pray for God's guidance as we pursue these objectives.

Thank you.



Professor Mosobalaje O. Oyawoye

While thanking our people who are passionately committed to excellent performance, I restate the commitment of the Board and Management to their personal and career development.

The Directors have pleasure in presenting their annual report together with the audited financial statements of the Bank and Group for the year ended February 28 2003.

Legal Form and Principal Activity:

The Bank was incorporated as a private limited liability company on July 20, 1990. It obtained a licence to operate as a Commercial Bank on August 1, 1990, and commenced business on February 11, 1991. It became a public limited company on April 2, 1996, and its shares were listed on the Nigerian Stock Exchange on September 9, 1996. The Bank was issued a universal banking licence by the Central Bank of Nigeria on February 5, 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 allied services, as well as foreign exchange operations. The Bank's non-bank subsidiary, *Asset and Resource Management Limited* is engaged in funds and portfolio management services.

The Bank obtained approvals of the regulatory authorities in Nigeria, The Gambia, and Sierra Leone to establish a commercial bank in The Gambia and to acquire a controlling interest in an existing bank in Sierra Leone. Because these are relatively new subsidiaries and their operations are not material to the Group, the results of their operations have not been consolidated in these financial statements.

Operating Results:

Highlights of the Group's operating results for the year under review are as follows:

	<u>2003</u>	<u>2002</u>
	N'000	N'000
Profit attributable to group shareholders	3,239,224	2,955,226
Transfer to statutory reserve	1,081,189	462,190
Transfer to bonus shares reserve	250,000	250,000
Dividend (paid and proposed)	1,500,000	1,495,000
Transfer to small scale industries reserve	380,250	265,665
Shareholders' funds	9,753,343	8,016,492
Earnings per share - (unadjusted)	130k	150k
- (adjusted)	130k	180k
Dividend per share- Interim	25k	33k
- Final	35k	50k

Dividends:

The Board authorised the payment of N625,000,000 (25 kobo per share) as interim dividend in the course of the year, and now recommends for the approval of the shareholders the payment of a final dividend of N875,000,000 (35kobo per share), together totalling N1,500,000,000 (60 kobo per share). The dividends are subject to deduction of withholding tax.



Bonus:

Pursuant to Article 125 of the Bank's Articles of Association, the Directors recommend to the shareholders the creation of 500 million Ordinary Shares by the capitalisation of ₦250,000,000 from the Bonus Shares Reserve Account to pay for the said shares, which shares, shall be appropriated at the ratio of one new share for every five shares held.

Directors and their interests:

The Directors who held office during the year, together with their direct and indirect interests in the shares of the Bank, were as follows:

		Number of Ordinary Shares of 50 kobo held as at <u>28/02/03*</u>	Number of Ordinary Shares of 50 kobo held as at <u>28/02/02</u>
Professor M.O. Oyawoye	- Chairman	41,046,027	32,431,822
Mr. O. Aderinokun	- Managing Director	112,265,625	89,812,500
Mr. J.K.O. Agbaje	- Deputy Managing Director	4,173,437	3,181,250
Mr. T.A. Adeola		113,584,606	90,766,405
Alhaji M.K. Jada		13,860,283	22,985,348
Mr. V.G. Osibodu		89,997,656	67,250,000
Mr. A.B. Adesanya		56,890,625	48,012,500
Owelle G.P. Chikelu		25,000,000	20,000,000
Mr. F. Bello	- Executive Director	313,750	-
Mr. M.B. Ogundare	- Executive Director	595,000	-
Mrs. T.M. Olusoga	- Executive Director	3,025,500	-

* There has been no change in the Directors' interests as at the date of Notice of Annual General Meeting.

Analysis of Shareholding:

The analysis of the distribution of the shares of the Bank as at the date of Notice of Annual General Meeting is as follows:

Share Range	No. of Shareholders	% of Shareholders	No. of Holdings	% Shareholding
1 - 1,000	15,679	29.50	7,650,935	0.31
1,001 - 5,000	23,686	44.57	51,181,038	2.05
5,001 - 10,000	4,706	8.86	32,982,800	1.32
10,001 - 50,000	6,667	12.55	137,850,974	5.51
50,001 - 100,000	947	1.78	67,108,145	2.68
100,001 - 500,000	1,118	2.10	253,359,571	10.31
500,001 - 1,000,000	130	0.24	95,292,351	3.81
1,000,001 - and above	211	0.40	1,854,574,351	74.18
TOTAL	53,144	100.00	2,500,000,000	100.00

Fixed assets:

Information relating to changes in fixed assets is given in Note 8 to the financial statements.

Donations and charitable gifts:

As part of its contribution to the community and the environment within which the Group operates, a total sum of ₦2,494,909 (2002: ₦1,245,457) was given out as donations and charitable contributions during the financial year. These comprise contributions to charitable organisations amounting to ₦195,000 (2002: ₦80,000) and donations amounting to ₦2,299,909 (2002: ₦1,165,467) to non-political organisations.

Details of such donations and charitable contributions are as follows:

	₦'000
LASG Relief Fund for Bomb Victims	1,000
Bloom Cancer Care & Support Centre	25
Centre for Rehabilitation & Vocational Training	50
Oral HIV Workshop for Nigeria	180
Massey Street Children's Hospital	385
Lagos Business School	400
Eye Foundation	25
Sickle Cell Foundation	100
Borno Aids Day	10
Nigeria Society for the Blind	50
Lagos State Economic Summit	250
Sickle Cell Club of Lagos	20
	2,495

Employment of Disabled Persons:

The Group operates a non-discriminatory policy in the consideration of applications for employment, including those received from disabled persons. The Group'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 Group 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 Group has four persons on its staff list with physical disability.

Health, Safety and Welfare of Employees:

The Group 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 Group provides medical facilities to its employees and their immediate families at its expense.

Employee Involvement and Training:

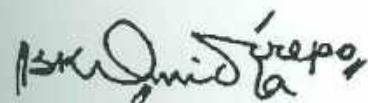
The Group encourages participation of employees in arriving at decisions in respect of matters affecting their well-being. Towards this end, the Group provides opportunities where employees deliberate on issues affecting the Group and employee interests, with a view to making inputs to decisions thereon.

The Group places a high premium on the development of its manpower. Consequently, the Group sponsored its employees for various training courses both locally and overseas in the year under review.

Auditors:

In the course of the year, Arthur Andersen resigned as the Bank's auditors. Pursuant to section 357(6) of the *Companies and Allied Matters Act 1990*, KPMG Professional Services were appointed by the Board to fill the vacancy created. 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*.

BY ORDER OF THE BOARD



Kolapo Omidire

Company Secretary

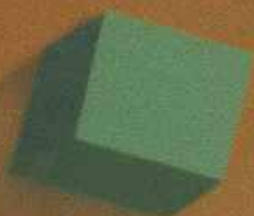
Plot 1669, Oyin Jolayemi Street

Victoria Island

Lagos

March 19, 2003

FINANCIALS



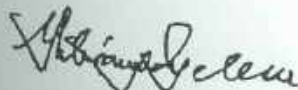
REPORT OF THE AUDIT COMMITTEE

for the Year Ended 28 February, 2003

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 year ended 28 February 2003 were satisfactory and reinforce the Group's internal control systems.
- We have deliberated with the external auditors, who have confirmed that necessary cooperation was received from management in the course of their statutory audit.



Mr. Y. A. Oyeleke

Chairman, Audit Committee

March 17, 2003

Members of the Audit Committee are:

1. Mr. Y.A. Oyeleke - Chairman
2. Mr. A.B. Adesanya
3. Owelle G.P.O. Chikelu
4. Alhaji M.K. Jada
5. Mr. M.F. Lawal
6. Alhaji M.A. Usman

In attendance:

- Mr. George Uwakwe - Secretary

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

For the Year Ended 28 February, 2003

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 Bank and the profit for the financial year.

The responsibilities include ensuring that:

- a) Appropriate internal controls are established both to safeguard the assets of the Group and Bank and to prevent and detect fraud and other irregularities.
- b) The Group and the Bank keeps accounting records which disclose with reasonable accuracy the financial position of the Group and Bank and which ensure that the financial statements comply with the requirements of the *Companies and Allied Matters Act, 1990*, and *Banks and Other Financial Institutions Act, 1991*.
- c) The Group and the Bank have 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

The financial statements are prepared on a going concern basis unless it is presumed that the Bank will not continue in business.



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To the Members of Guaranty Trust Bank PLC:

We have audited the balance sheets of **Guaranty Trust Bank PLC** ("the Bank") and its subsidiary company ("the Group") as at February 28, 2003 and the related profit and loss account and statement of cash flows for the year then ended set out on pages 20 to 44, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 18 to 19.

Respective Responsibilities of Directors and Auditors

As described in the Statement of Directors' Responsibilities in relation to the financial statements the Directors are responsible for the preparation of the financial statements. It is our responsibility to express an independent opinion, based on our audit, on the financial statements prepared by the Directors.

Basis of Opinion

We conducted our audit in accordance with international standards on auditing. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary, including adequate returns from branches not visited by us, in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements, and assessed whether the Group's books of account had been properly kept.

Banks and Other Financial Institutions Act, 1991

Based on our audit and representations received, to the best of our knowledge and belief, the Bank contravened Section 20(1)(a) of the *Banks and Other Financial Institutions Act, 1991*. This contravention, which has been disclosed in Note 29, has been reported to the Central Bank of Nigeria and the assessed penalties paid.

Opinion

In our opinion,

- i. the Group's books of account have been properly kept;
- ii. the financial statements referred to above, which are in agreement with the books of account, give a true and fair view of the state of affairs of the Bank and the Group as at February 28, 2003 and of their profit and statements of cash flow for the year then ended, and comply with the *Banks and Other Financial Institutions Act, 1991*, relevant Statements of Accounting Standards in Nigeria and the *Companies and Allied Matters Act, 1990*.



19 March, 2003

KPMG

STATEMENT OF ACCOUNTING POLICIES

For the Year Ended 28 February, 2003.

A summary of the principal accounting policies, applied consistently throughout the current and preceding years, is set out below:

(a) **Basis of Accounting**

The financial statements are prepared under the historical cost convention.

(b) **Basis of Consolidation**

The Group financial statements consolidate the financial statements of Guaranty Trust Bank PLC and its material subsidiaries. In the Bank's books, investment in subsidiary companies is stated at cost. Provision is made for any permanent diminution in the value of the investment.

(c) **Investments**

Short-term investments are stated at face value. Unearned income is deferred and amortised as earned.

Long-term investments are stated at cost. Provisions are made for permanent diminution in the value of such investments.

(d) **Loans and Advances**

Loans and advances are stated net of provisions for bad and doubtful loans. Provisions are determined in accordance with the Central Bank of Nigeria's Prudential Guidelines from a specific assessment of each customer's account. A general provision of 1% is made on all loans and advances not specifically provided for.

Bad loans are written-off when the extent of the loss has been determined. Recoveries are written back to profit and loss account on a cash basis.

(e) **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.

(f) **Equipment on Lease**

Equipment on lease to customers is stated at cost less accumulated depreciation. Depreciation is provided on an appropriate basis to write-off the related asset cost over the period of the lease, and is included in operating expenses. Rental income from equipment on lease to customers is credited to lease income on a consistent basis over the lease term.

(g) **Fixed Assets**

Fixed assets are shown at cost less accumulated depreciation. Depreciation is provided on a straight-line basis to write-off the cost of assets over their expected useful lives as follows:

Leasehold Improvement, Land and Buildings	-	Over the lease period
Machinery and Equipment	-	20%
Computer Hardware	-	33 1/3%
Computer Software	-	20%
Furniture and Fittings	-	20%
Motor Vehicles	-	25%

Gains or losses on disposal of fixed assets are included in the profit and loss account.

(h) **Taxation**

Income tax payable is provided on taxable profits at the current rate.

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.

(i) **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.
- 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.

(j) **Foreign Currency Items**

Transactions 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.

(k) **Retirements Benefits**

The Group operates a defined contribution pension scheme which is managed by external trustees. Employees are entitled to join the scheme on confirmation of their employment. Employee and Bank contributions are 5% and 20% of the employee's annual basic salary, respectively.

(l) **Gratuity Scheme**

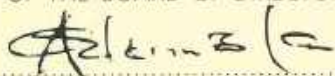
The Bank also operates a non-contributory, funded lump sum defined benefit gratuity scheme. Employees are entitled to join the scheme after completing 10 full years of service. Employee's terminal benefits are calculated based on number of service years, limited to a maximum of 10 years.

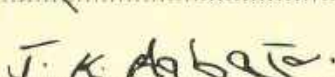
BALANCE SHEETS

As at 28 February, 2003.

	Notes	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
ASSETS:					
Cash and short-term funds	1	30,910,229	23,223,202	31,144,698	23,214,944
Investments	2	12,633,180	8,865,092	6,530,411	3,830,625
Loans and advances	3	30,663,550	17,573,538	30,663,550	17,573,538
Other facilities	4	-	4,434,662	-	4,434,662
Advances under finance leases	5	154,482	73,686	154,482	73,686
Other assets	6	10,394,714	7,235,876	10,124,492	6,613,363
Equipment on lease	7	1,915,185	1,503,752	1,915,185	1,503,752
Fixed assets	8	2,825,220	2,111,393	2,777,913	2,047,825
TOTAL ASSETS		89,496,560	65,021,201	83,310,731	59,292,395
LIABILITIES:					
Deposits and other accounts	9	50,830,120	31,365,637	51,067,765	31,372,594
Other liabilities	10	24,890,062	17,408,497	18,656,178	11,810,778
Other facilities	4	-	4,479,456	-	4,479,456
Taxation payable	11	609,089	564,244	560,403	538,542
Dividend payable	12	875,000	1,000,000	875,000	1,000,000
Deferred taxation	11	568,582	375,972	568,582	375,972
Long-term borrowings	13	1,921,382	1,765,071	1,921,382	1,765,071
TOTAL LIABILITIES		79,694,235	56,958,877	73,649,310	51,342,413
NET ASSETS		9,802,325	8,062,324	9,661,421	7,949,982
CAPITAL AND RESERVES:					
Share capital	14	1,250,000	1,000,000	1,250,000	1,000,000
Share premium	15	2,172,666	2,172,666	2,172,666	2,172,666
Bonus shares reserve	14	250,000	250,000	250,000	250,000
Other reserves	16	6,080,677	4,593,826	5,988,755	4,527,316
SHAREHOLDERS' FUNDS:		9,753,343	8,016,492	9,661,421	7,949,982
Minority interest		48,982	45,832	-	-
		9,802,325	8,062,324	9,661,421	7,949,982
Acceptances, guarantees and other obligations for the account of customers (and the customers' liability thereon) ¹⁷		19,440,554	13,222,314	19,440,554	13,222,314

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:


TAYO ADERINOKUN


SEGUN AGBAJE

Directors

Approved by the Board of Directors on March 19, 2003.
The accompanying notes form an integral part of these balance sheets.

PROFIT AND LOSS ACCOUNTS

For the Year Ended 28 February, 2003.

	Notes	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
GROSS EARNINGS		16,522,413	11,168,682	16,050,075	10,898,091
INTEREST AND DISCOUNT INCOME	18	11,297,351	8,220,420	11,297,351	8,220,420
Lease finance income		41,891	19,591	41,891	19,591
Interest expense	19	(5,505,229)	(3,904,704)	(5,505,229)	(3,904,704)
INTEREST MARGIN		5,834,013	4,335,307	5,834,013	4,335,307
Loan loss expense (net)	21	(449,303)	(296,154)	(449,303)	(296,154)
NET INTEREST MARGIN		5,384,710	4,039,153	5,384,710	4,039,153
Other banking income	20	5,183,171	2,928,671	4,710,833	2,658,080
Operating expenses		10,567,881	6,967,824	10,095,543	6,697,233
		(6,244,162)	(3,791,827)	(5,950,624)	(3,589,918)
PROFIT ON ORDINARY ACTIVITIES		4,323,719	3,175,997	4,144,919	3,107,315
Exceptional charge	22	(442,419)	(450,666)	(342,419)	(450,666)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION AND BEFORE EXTRAORDINARY ITEMS		3,881,300	2,725,331	3,802,500	2,656,649
Taxation	23	(622,625)	(538,272)	(591,061)	(516,294)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND BEFORE EXTRAORDINARY ITEMS		3,258,675	2,187,059	3,211,439	2,140,355
Extraordinary items	24	-	788,085	-	940,913
Minority interest		(19,451)	(19,918)	-	-
PROFIT ATTRIBUTABLE TO GROUP SHAREHOLDERS		3,239,224	2,955,226	3,211,439	3,081,268
Transfer to statutory reserves	16	(1,081,189)	(462,190)	(1,081,189)	(462,190)
Transfer to bonus shares reserve	14	(250,000)	(250,000)	(250,000)	(250,000)
Transfer to small scale industries reserve	16	(380,250)	(265,665)	(380,250)	(265,665)
DIVIDEND - Paid	12	1,527,785	1,977,371	1,500,000	2,103,413
- Proposed	12	(625,000)	(495,000)	(625,000)	(495,000)
		(875,000)	(1,000,000)	(875,000)	(1,000,000)
Retained profit for the year		27,785	482,371	-	608,413
RETAINED PROFIT, beginning of year		1,329,581	847,210	1,290,965	682,552
RETAINED PROFIT, end of year	16	1,357,366	1,329,581	1,290,965	1,290,965
Earnings per share					
- unadjusted	25	130k	150k	128k	154k
- adjusted		130k	180k	128k	185k
Dividend per share					
- unadjusted	25	60k	83k	60k	83k
- adjusted		60k	90k	60k	90k

The accompanying notes form an integral part of these profit and loss accounts.

- i. Trading securities comprises equity investments in capital markets made by the Bank's subsidiary, ARM on behalf of its clients. The corresponding liability for this amount is included in other liabilities (see Note 10(a)).

(c) Long-term investments comprise:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Subsidiaries:				
Investment in Asset and Resource Management Company Limited (ARM)	-	-	28,000	28,000
Investment in Guaranty Trust Bank Gambia (see (i) below)	196,564	171,503	196,564	171,503
Investment in Guaranty Trust Bank Sierra Leone (see (ii) below)	179,747	119,000	179,747	119,000
Other investments:				
- Kakawa Discount House Limited	34,100	34,100	34,100	34,100
- Valucard Nigeria PLC	84,153	41,431	84,153	41,431
- Nigeria Automated Clearing System	18,000	18,000	18,000	18,000
- Afrexim	14,131	-	14,131	-
- Proprietary investments (see (iv) below)	123,659	49,435	-	-
- Small and medium industries investments (See (v) below)	454,152	-	454,152	-
Debentures:				
- Delta State Govt. Bond	100,000	100,000	100,000	100,000
- Lagos State Govt. Bond	350,000	-	350,000	-
	<u>1,554,506</u>	<u>533,469</u>	<u>1,458,847</u>	<u>512,034</u>

- i. The Bank obtained a banking licence to set up a subsidiary in The Gambia. Its shareholding in the subsidiary is 70%. The subsidiary commenced business on March 5, 2002. (See Note (iii) below).
- ii. The Bank acquired a 70% shareholding stake in a bank in Sierra Leone. The effective date of the takeover of management of the subsidiary is January 25, 2002. (See Note (iii) below).
- iii. In accordance with Section 336(2) and (3) of the Companies and Allied Matters Act, 1990, the Directors have opted not to consolidate the results of these subsidiaries in this financial year as their operations are not material to the Group and as such it would be of no real value to the members, in view of the insignificant amounts involved.
- iv. Proprietary investment represents ARM's trading investments in quoted equities in Nigeria and abroad.
- v. This represents the Bank's investment in small and medium industries from funds set aside in the small scale industries reserve account (see Note (16c)).
- vi. The Directors are of the opinion that the market value of long-term investments is not lower than cost.

NOTES TO THE FINANCIAL STATEMENTS, *cont'd*

3. Loans and advances

(a) Loans and advances comprise, by security:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Secured against real estate	16,148,937	5,150,697	16,148,937	5,150,697
Otherwise secured	10,156,981	10,708,556	10,156,981	10,708,556
Unsecured	5,250,171	2,357,721	5,250,171	2,357,721
	<u>31,556,089</u>	<u>18,216,974</u>	<u>31,556,089</u>	<u>18,216,974</u>
Less: Provisions for bad and doubtful loans				
- Specific (see (b) below)	(342,256)	(270,919)	(342,256)	(270,919)
- General (see (b) below)	(449,020)	(300,958)	(449,020)	(300,958)
Interest in suspense	(101,263)	(71,559)	(101,263)	(71,559)
	<u>30,663,550</u>	<u>17,573,538</u>	<u>30,663,550</u>	<u>17,573,538</u>

(b) The movements on specific and general provisions for bad and doubtful loans during the year were as follows:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Specific provision:				
Balance, beginning of year	270,919	279,772	270,919	279,772
Provisions made during the year	337,291	188,813	337,291	188,813
Provisions written off during the year	(265,954)	(197,666)	(265,954)	(197,666)
Balance, end of year	<u>342,256</u>	<u>270,919</u>	<u>342,256</u>	<u>270,919</u>
General provision:				
Balance, beginning of year	300,958	225,537	300,958	225,537
Provisions made during the year	148,062	75,421	148,062	75,421
Balance, end of year	<u>449,020</u>	<u>300,958</u>	<u>449,020</u>	<u>300,958</u>

(c) The gross value of loans and advances by maturity is:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Under 1 month	19,062,081	12,552,209	19,062,081	12,552,209
1 – 3 months	3,811,308	1,139,058	3,811,308	1,139,058
3 – 6 months	1,984,752	33,988	1,984,752	33,988
6 – 12 months	1,577,040	379,765	1,577,040	379,765
Over 12 months	5,120,908	4,111,954	5,120,908	4,111,954
	31,556,089	18,216,974	31,556,089	18,216,974

(d) The gross value of loans and advances by performance is:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Performing	30,663,712	17,830,518	30,663,712	17,830,518
Non-performing - principal	791,114	314,897	791,114	314,897
- interest	101,263	71,559	101,263	71,559
	31,556,089	18,216,974	31,556,089	18,216,974

4. Other facilities

(a) The Bank acts as an intermediary for Afrexim and other foreign lending institutions loans. The classification of such loans outstanding at year end is as follows:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Unsecured	-	4,479,456	-	4,479,456
Less: 1% statutory general provision	-	(44,794)	-	(44,794)
	-	4,434,662	-	4,434,662

(b) During the year, the Bank obtained a revised on-lending agreement, which reflects its role as a guarantor from Afrexim. As such, amounts disbursed on behalf of Afrexim have been reported off balance sheet in these financial statements.

(c) The movement on provision for other facilities during the year was as follows:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Balance, beginning of year	44,794	28,728	44,794	28,728
Provisions during the year	-	16,066	-	16,066
Provisions no longer required	(44,794)	-	(44,794)	-
Balance, end of year	-	44,794	-	44,794

(d) The maturity profile of other facilities is 3 – 6 months.

5. **Advances under finance leases**

(a) Advances under finance leases comprise:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Gross investment in finance leases	181,168	92,864	181,168	92,864
Unearned income	(25,126)	(18,434)	(25,126)	(18,434)
Net investment in finance leases	<u>156,042</u>	<u>74,430</u>	<u>156,042</u>	<u>74,430</u>
Less: 1% general provision	(1,560)	(744)	(1,560)	(744)
	<u><u>154,482</u></u>	<u><u>73,686</u></u>	<u><u>154,482</u></u>	<u><u>73,686</u></u>

(b) The movement on the general provision for advances under finance leases during the year was as follows:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Balance, beginning of year	744	-	744	-
Provisions made during the year	816	744	816	744
Balance, end of year	<u><u>1,560</u></u>	<u><u>744</u></u>	<u><u>1,560</u></u>	<u><u>744</u></u>

(c) The net investment in finance leases have maturities of less than one month.

6. **Other assets**

(a) Other assets comprise:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
OBB treasury bills (see (10) (a))	8,392,000	4,938,000	8,392,000	4,938,000
Prepayments:				
- Short-term (within one year)	365,698	412,779	358,980	396,832
- Long-term (over one year)	638,678	635,178	638,678	635,178
Discount paid in advance	272,893	264,213	272,893	264,213
Other accounts receivable	861,802	985,706	598,298	379,140
	<u>10,531,071</u>	<u>7,235,876</u>	<u>10,260,849</u>	<u>6,613,363</u>
Provision on other assets (see (b) below)	(136,357)	-	(136,357)	-
	<u><u>10,394,714</u></u>	<u><u>7,235,876</u></u>	<u><u>10,124,492</u></u>	<u><u>6,613,363</u></u>

NOTES TO THE FINANCIAL STATEMENTS, cont'd.

(b) The movement on provision on other assets during the year was as follows:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Balance, beginning of year	-	-	-	-
Provisions made during the year	(136,357)	-	(136,357)	-
Balance, end of year	<u>(136,357)</u>	<u>-</u>	<u>(136,357)</u>	<u>-</u>

7. **Equipment on lease**

The movement on this account during the year was as follows:

	Machinery & Equipment N'000
COST:	
Beginning of year	2,044,281
Additions	2,035,336
Disposals	(1,092,500)
End of year	<u>2,987,117</u>
ACCUMULATED DEPRECIATION:	
Beginning of year	540,529
Charge for the year	1,121,073
Disposals	(589,670)
End of year	<u>1,071,932</u>
NET BOOK VALUE:	
End of year	<u>1,915,185</u>
Beginning of year	<u>1,503,752</u>

NOTES TO THE FINANCIAL STATEMENTS, cont'd.

8. Fixed assets

(a) Group:

The movements on these accounts during the year were as follows:

	Leasehold Improvements Land and Buildings N'000	Machinery & Equipment N'000	Computers & Accessories N'000	Furniture and Fittings N'000	Motor Vehicles N'000	Capital Work in Progress N'000	Total N'000
COST:							
Beginning of year	884,562	497,024	927,546	188,463	645,095	278,908	3,421,598
Additions	435,120	242,852	216,278	119,655	314,351	41,322	1,369,578
Disposals	(2,930)	(14,503)	(4,827)	(11,140)	(107,646)	-	(141,046)
Transfers	2,168	(2,168)	-	-	-	-	-
Reclassifications	(32,153)	-	-	-	-	-	(32,153)
End of year	<u>1,286,767</u>	<u>723,205</u>	<u>1,138,997</u>	<u>296,978</u>	<u>851,800</u>	<u>320,230</u>	<u>4,617,977</u>
ACCUMULATED DEPRECIATION:							
Beginning of year	180,671	257,023	439,523	126,221	306,767	-	1,310,205
Charge for the year	48,715	98,142	245,907	32,800	173,549	-	599,113
Disposals	(1,782)	(10,838)	(4,823)	(8,961)	(89,222)	-	(115,626)
Transfers	542	(542)	-	-	-	-	-
Reclassification	(935)	-	-	-	-	-	(935)
End of year	<u>227,211</u>	<u>343,785</u>	<u>680,607</u>	<u>150,060</u>	<u>391,094</u>	<u>-</u>	<u>1,792,757</u>
NET BOOK VALUE:							
End of year	<u>1,059,556</u>	<u>379,420</u>	<u>458,390</u>	<u>146,918</u>	<u>460,706</u>	<u>320,230</u>	<u>2,825,220</u>
Beginning of year	<u>703,891</u>	<u>240,001</u>	<u>488,023</u>	<u>62,242</u>	<u>338,328</u>	<u>278,908</u>	<u>2,111,393</u>

i. No leased assets are included in the above fixed assets accounts.

ii. The Group had capital commitments of N5,175,497 (2002: N36,983,179) as at the balance sheet date.

8. Fixed assets

(b) Bank:

The movements on these accounts during the year were as follows:

	Leasehold Improvements Land and Buildings N'000	Machinery & Equipment N'000	Computers & Accessories N'000	Furniture and Fittings N'000	Motor Vehicles N'000	Capital Work in Progress N'000	Total N'000
COST:							
Beginning of year	875,420	493,479	885,735	169,729	596,554	278,908	3,299,825
Additions	434,937	240,388	213,616	119,189	307,304	41,322	1,356,756
Disposals	(2,793)	(13,064)	(4,827)	(11,140)	(94,545)	-	(126,369)
Transfers	2,168	(2,168)	-	-	-	-	-
Reclassifications	(32,153)	-	-	-	-	-	(32,153)
End of year	<u>1,277,579</u>	<u>718,635</u>	<u>1,094,524</u>	<u>277,778</u>	<u>809,313</u>	<u>320,230</u>	<u>4,498,059</u>
ACCUMULATED DEPRECIATION:							
Beginning of year	171,797	254,830	420,996	113,276	291,101	-	1,252,000
Charge for the year	48,535	93,096	243,992	29,026	163,899	-	578,548
Disposals	(1,725)	(10,388)	(4,823)	(8,961)	(83,570)	-	(109,467)
Transfer	542	(542)	-	-	-	-	-
Reclassification	(935)	-	-	-	-	-	(935)
End of year	<u>218,214</u>	<u>336,996</u>	<u>660,165</u>	<u>133,341</u>	<u>371,430</u>	<u>-</u>	<u>1,720,146</u>
NET BOOK VALUE:							
End of year	<u>1,059,365</u>	<u>381,639</u>	<u>434,359</u>	<u>144,437</u>	<u>437,883</u>	<u>320,230</u>	<u>2,777,913</u>
Beginning of year	<u>703,623</u>	<u>238,649</u>	<u>464,739</u>	<u>56,453</u>	<u>305,453</u>	<u>278,908</u>	<u>2,047,825</u>

NOTES TO THE FINANCIAL STATEMENTS, cont'd.

- i. No leased assets are included in the above fixed assets.
 ii. The Bank had capital commitments of ₦5,175,497 (2002: ₦36,983,179) as at the balance sheet date.

9. Deposits and other accounts:

(a) Deposits and other accounts comprise:

	Group 2003 ₦'000	Group 2002 ₦'000	Bank 2003 ₦'000	Bank 2002 ₦'000
Demand	34,031,655	18,700,957	34,269,300	18,707,914
Time	15,564,591	10,341,692	15,564,591	10,341,692
Savings	1,233,874	822,988	1,233,874	822,988
	<u>50,830,120</u>	<u>29,865,637</u>	<u>51,067,765</u>	<u>29,872,594</u>
Due to local banks	-	1,500,000	-	1,500,000
	<u>50,830,120</u>	<u>31,365,637</u>	<u>51,067,765</u>	<u>31,372,594</u>

(b) The maturity profile of deposit liabilities is as follows:

	Group 2003 ₦'000	Group 2002 ₦'000	Bank 2003 ₦'000	Bank 2002 ₦'000
Under 1 month	45,897,970	23,960,608	46,135,615	23,967,565
1 – 3 months	4,256,202	7,158,256	4,256,202	7,158,256
3 – 6 months	674,829	233,888	674,829	233,888
6 – 12 months	1,119	12,885	1,119	12,885
	<u>50,830,120</u>	<u>31,365,637</u>	<u>51,067,765</u>	<u>31,372,594</u>

10. Other liabilities:

(a) Other liabilities comprise:

	Group 2003 ₦'000	Group 2002 ₦'000	Bank 2003 ₦'000	Bank 2002 ₦'000
Foreign currency denominated liabilities (see Note 1 (c))	6,016,362	3,229,081	6,016,362	3,229,081
Certified cheques	929,876	1,537,072	929,876	1,537,072
Due to other local banks (see Note 1 (b))	8,678	98,327	8,678	98,327
OBB Takings (see Note 6 (a))	8,392,000	4,938,000	8,392,000	4,938,000
Customers' FEM deposits	604,281	338,656	604,281	338,656
Unearned interest and discounts	563,339	272,670	563,339	272,670
Interest payable	171,329	281,896	171,329	281,896
Gratuity provisions (see (b) below)	291,707	535,795	291,707	535,795
Other current liabilities (see Note 2 (b)(i))	7,912,490	6,177,000	1,678,606	579,281
	<u>24,890,062</u>	<u>17,408,497</u>	<u>18,656,178</u>	<u>11,810,778</u>

(b) The movement on gratuity provision was as follows:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Balance, beginning of year	535,795	85,129	535,795	85,129
Disbursement in the year	(586,507)	-	(586,507)	-
Charge for the year (see (c) below)	342,419	450,666	342,419	450,666
Balance, end of year	<u>291,707</u>	<u>535,795</u>	<u>291,707</u>	<u>535,795</u>

(c) Gratuity provision represents the Bank's obligations to its employees under the Company's gratuity scheme. A shortfall of N660,592,000 arose in the current year as a result of an enhancement to the remuneration of the Bank's employees. An amount of N342,419,000 was charged to the income statement in the current year. The balance of N318,173,000 is to be provided for by the Bank over the next three years in accordance with Statement of Accounting Standards Number 8 on employees' retirement benefits.

11. Taxation payable

(a) The movement on taxation payable account during the year was as follows:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Balance, beginning of year	564,244	724,075	538,542	714,368
Charge for the year (See note (23))	430,015	210,848	398,451	188,870
Payments during the year	(385,170)	(370,679)	(376,590)	(364,696)
Balance, end of year	<u>609,089</u>	<u>564,244</u>	<u>560,403</u>	<u>538,542</u>

The current tax charge has been computed at the current company income tax rate of 30% (2002: 30%) on the profit for the year after adjusting for certain items of income and expenditure, which are not deductible or chargeable for tax purposes, plus 2% (2002: 2%) Education Levy for the year.

(b) The movement on the deferred taxation account during the year was as follows:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Balance, beginning of year	375,972	48,548	375,972	48,548
Charge for the year (See note (23))	192,610	327,424	192,610	327,424
Balance, end of year	<u>568,582</u>	<u>375,972</u>	<u>568,582</u>	<u>375,972</u>

The Bank's exposure to deferred tax (which relates primarily to timing differences in the recognition of depreciation and capital allowances on fixed assets) has been fully provided for in the financial statements in accordance with the Statement of Accounting Standards Number 19 on Taxes.

12. Dividend payable

The movement on this account during the year was as follows:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Balance, beginning of year	1,000,000	420,000	1,000,000	420,000
Dividends declared during the year				
- interim	625,000	495,000	625,000	495,000
- final	875,000	1,000,000	875,000	1,000,000
Payment during the year	(1,625,000)	(915,000)	(1,625,000)	(915,000)
Balance, end of year	<u>875,000</u>	<u>1,000,000</u>	<u>875,000</u>	<u>1,000,000</u>

13. Long-term borrowings

These represent the Bank's long-term obligations to foreign lending institutions.

14. Share capital

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
(a) Authorised – 4,000,000,000 ordinary shares of 50k each (2002: 2,000,000,000 ordinary shares of 50k each)	<u>2,000,000</u>	<u>1,000,000</u>	<u>2,000,000</u>	<u>1,000,000</u>
Issued and fully paid - 2,500,000,000 ordinary shares of 50k each (2002: 2,000,000,000 ordinary shares of 50k each)	<u>1,250,000</u>	<u>1,000,000</u>	<u>1,250,000</u>	<u>1,000,000</u>

(b) The Bank has proposed a bonus issue of 500,000,000 ordinary shares of 50k each to its existing shareholders to be appropriated in the ratio of one new share for every five shares held. Accordingly, an amount of ₦250,000,000 (2002: ₦250,000,000) has been transferred to a bonus shares reserve account.

15. Share premium

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Balance, beginning of the year	2,172,666	-	2,172,666	-
Proceeds from share Issue	-	2,550,000	-	2,550,000
Transfer to Share Capital	-	(250,000)	-	(250,000)
Share Issue Expenses	-	(127,334)	-	(127,334)
Balance, end of the year	<u>2,172,666</u>	<u>2,172,666</u>	<u>2,172,666</u>	<u>2,172,666</u>

This represents net proceeds from the issue of 500,000,000 ordinary shares of 50k each at a premium in the prior year.

16. Other reserves

(a) Other reserves comprise:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Statutory reserve (see (b) below)	3,846,843	2,765,654	3,846,843	2,765,654
Retained profit	1,357,366	1,329,581	1,290,965	1,290,965
Capital reserve	9,829	9,829	-	-
Small Scale Industries (SSI) reserve (see (c) below)	850,947	470,697	850,947	470,697
Other reserves/exchange gain reserves	15,692	18,065	-	-
	<u>6,080,677</u>	<u>4,593,826</u>	<u>5,988,755</u>	<u>4,527,316</u>

(b) The movement on the statutory reserve account during the year was as follows:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Balance, beginning of year	2,765,654	2,303,464	2,765,654	2,303,464
Transfer from profit and loss account	1,081,189	462,190	1,081,189	462,190
Balance, end of year	<u>3,846,843</u>	<u>2,765,654</u>	<u>3,846,843</u>	<u>2,765,654</u>

In accordance with existing legislation, the Bank transferred 34% (2002: 15%) of its profit after taxation to statutory reserve.

(c) The movement on the SSI reserve account during the year was as follows:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Balance, beginning of year	470,697	205,032	470,697	205,032
Transfer from profit and loss account	380,250	265,665	380,250	265,665
Balance, end of year	<u>850,947</u>	<u>470,697</u>	<u>850,947</u>	<u>470,697</u>

In accordance with the Central Bank of Nigeria Monetary, Credit, Foreign Trade & Exchange Policy Guidelines for 2001 fiscal year, 10% of profit before taxation for the year ended February 28, 2003 has been transferred to Small Scale Industries reserve.

17. Acceptances, guarantees, and other obligations for the account of customers

These comprise:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Transaction-related bonds and guarantees	3,410,903	4,492,712	3,410,903	4,492,712
Guaranteed commercial papers and bankers acceptances	11,546,426	8,729,602	11,546,426	8,729,602
Guaranteed facilities (See Note (4b))	4,483,225	-	4,483,225	-
	19,440,554	13,222,314	19,440,554	13,222,314

18. Interest and discount income

Interest and discount income was derived as follows:

Source:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Lending to financial institutions	601,532	691,523	601,532	691,523
Lending to non-bank customers	8,522,445	6,143,687	8,522,445	6,143,687
Interest income on securities trading	2,173,374	1,385,210	2,173,374	1,385,210
	11,297,351	8,220,420	11,297,351	8,220,420

Geographical location:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Earned in Nigeria	10,360,613	7,656,624	10,360,613	7,656,624
Earned outside Nigeria	936,738	563,796	936,738	563,796
	11,297,351	8,220,420	11,297,351	8,220,420

19. Interest expense

Interest expense comprises:

Source:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Borrowing from banks	81,249	438,738	81,249	438,738
Borrowing from non-bank depositors	4,536,525	2,893,071	4,536,525	2,893,071
Interest expense on securities trading	887,455	572,895	887,455	572,895
	5,505,229	3,904,704	5,505,229	3,904,704

Geographical location:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Paid in Nigeria	4,911,100	3,405,109	4,911,100	3,405,109
Paid outside Nigeria	594,129	499,595	594,129	499,595
	<u>5,505,229</u>	<u>3,904,704</u>	<u>5,505,229</u>	<u>3,904,704</u>

20. Other banking income

This comprises:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Commissions and similar income	2,304,979	1,817,383	2,205,417	1,549,158
Other fees and charges	1,386,945	367,167	1,014,169	364,801
Operating lease income	1,459,105	728,776	1,459,105	728,776
Dividend income from equity investments	32,142	15,345	32,142	15,345
	<u>5,183,171</u>	<u>2,928,671</u>	<u>4,710,833</u>	<u>2,658,080</u>

21. Supplementary profit and loss information

 (a) **General:**

The Profit before taxation for the year is stated after charging/(crediting) the following:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Specific provisions on risk assets	337,291	188,813	337,291	188,813
General provision on loans, other facilities and finance leases	104,084	92,231	104,084	92,231
Loan amounts written-off	7,928	15,110	7,928	15,110
	<u>449,303</u>	<u>296,154</u>	<u>449,303</u>	<u>296,154</u>

Depreciation:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
* Fixed assets	599,113	403,432	578,548	384,260
* Equipment on lease	1,121,073	566,258	1,121,073	566,258
Auditors' remuneration	17,500	13,800	14,000	11,000
Gain on disposal of fixed assets	(11,007)	(9,080)	(10,973)	(9,080)
Loss on revaluation of long term borrowings	156,311	-	156,311	-
	<u>1,782,989</u>	<u>1,074,410</u>	<u>1,767,886</u>	<u>1,051,538</u>

The auditors' remuneration for the Bank is for two audits; half-year and full year audits of the Bank.

(b) **Staff and executive directors' costs:**

i. Employee costs, including executive directors, during the year amounted to:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Wages and salaries	1,228,329	869,358	1,088,887	783,336
Other pension costs	79,877	24,110	79,877	24,110
	<u>1,308,206</u>	<u>893,468</u>	<u>1,168,764</u>	<u>807,446</u>

ii. The average number of persons in employment during the year was:

	Group 2003 Number	Group 2002 Number	Bank 2003 Number	Bank 2002 Number
Institutional Banking Group	51	45	51	45
Commercial Banking Group	102	85	102	85
Investment Banking Group	23	19	23	19
Payments/Settlement Group	47	44	47	44
Public Sector Group	42	36	42	36
Transaction Services Group	157	135	157	135
Financial Control & Risk Management Group	21	20	16	15
Systems & Control Group	16	11	16	11
Gen. Internal Services & Ext. Affairs Group	41	37	20	18
Management and Corporate Services Group	49	38	39	28
Retail Banking Group	34	21	34	21
	<u>583</u>	<u>491</u>	<u>547</u>	<u>457</u>

iii. Employees, other than directors, earning more than ₦60,000 per annum, whose duties were wholly or mainly discharged in Nigeria, received emoluments (excluding pension contributions and certain benefits) in the following ranges:

	Group 2003 Number	Group 2002 Number	Bank 2003 Number	Bank 2002 Number
N60,001 - N70,000	1	1	-	-
N70,001 - N80,000	-	-	-	-
N80,001 - N90,000	-	-	-	-
N90,001 - N100,000	1	2	-	-
N100,001 - N110,000	1	1	-	-
N110,001 - N120,000	-	1	-	-
N130,001 - N140,000	-	-	-	-
N140,001 - N150,000	1	-	-	-
N150,001 - N160,000	1	-	-	-
N160,001 - N170,000	-	-	-	-
N170,001 - N180,000	-	-	-	-
N180,001 - N190,000	-	-	-	-
N190,001 - N200,000	-	-	-	-
N210,001 - N250,000	-	2	-	-
N250,001 - N260,000	-	-	-	-
N260,001 - N270,000	-	-	-	-
N270,001 - N280,000	-	-	-	-
N290,001 - N300,000	-	1	-	-
N310,001 - N320,000	-	1	-	-
N320,001 - N330,000	1	-	-	-
N330,001 - N340,000	1	1	-	-
N340,001 - N350,000	-	4	-	3
N350,001 - N360,000	-	-	-	-
N360,001 - N370,000	1	5	1	-
N370,001 - N380,000	-	-	-	-
N390,001 - N400,000	14	17	14	16
N400,001 - N410,000	-	-	-	-
N410,001 - N420,000	1	1	-	-
N420,001 - N430,000	2	1	-	-
N430,001 - N440,000	-	-	-	-
N440,001 - N450,000	1	-	-	-
N450,001 - N460,000	-	-	-	-
N460,001 - N470,000	-	-	-	-
N480,001 - N490,000	2	3	2	3
N490,001 - N500,000	-	2	-	-
Above N500,001	555	448	530	435
	<u>583</u>	<u>491</u>	<u>547</u>	<u>457</u>

(c) **Directors' remuneration**

Directors' remuneration was provided as follows:

	2003 N'000	2002 N'000
Fees as directors	5,000	4,550
Other emoluments	93,102	64,739
	<u>98,102</u>	<u>69,289</u>

The directors' remuneration shown above (excluding pension contributions and certain benefits) includes:

	<u>2003</u> N'000	<u>2002</u> N'000
Chairman	3,567	3,250
Highest-paid director	<u>17,414</u>	<u>17,014</u>

The emoluments of all other directors fell within the following ranges:

	<u>2003</u> Number	<u>2002</u> Number
N3,300,001 - N3,310,000	-	2
N3,370,001 - N3,380,000	1	2
N3,410,001 - N3,420,000	1	-
N3,560,001 - N3,570,000	-	-
N3,710,001 - N3,720,000	1	-
N3,810,001 - N3,820,000	1	-
Above N4,000,000	5	4
	<u>9</u>	<u>8</u>

22. Exceptional charge

(a) Exceptional charge comprises:

	<u>Group</u> <u>2003</u> N'000	Group 2002 N'000	<u>Bank</u> <u>2003</u> N'000	Bank 2002 N'000
Gratuity Provision (see Note (10))	342,419	450,666	342,419	450,666
Receivables written off (see (b) below)	100,000	-	-	-
	<u>442,419</u>	<u>450,666</u>	<u>342,419</u>	<u>450,666</u>

(b) Amount represents aged receivables written off by the subsidiary company in the current year.

23. Taxation charge

(a) The tax charge for the year comprises:

	<u>Group</u> <u>2003</u> N'000	Group 2002 N'000	<u>Bank</u> <u>2003</u> N'000	Bank 2002 N'000
Company income tax	430,015	210,848	398,451	188,870
Deferred tax	192,610	327,424	192,610	327,424
	<u>622,625</u>	<u>538,272</u>	<u>591,061</u>	<u>516,294</u>

24. Extra-ordinary items

This represents the profit on the sale of its 49% shareholding in Magnum Trust Bank PLC (MTB) in December, 2001.

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Proceeds from the sale of shares in MTB	-	1,200,000	-	1,200,000
Less:				
Cost of investment	-	(259,087)	-	(259,087)
Share of MTB's post-acquisition earnings attributed to the Group	-	(152,828)	-	-
	<u>-</u>	<u>788,085</u>	<u>-</u>	<u>940,913</u>

25. Earnings and dividend per share

Earnings and dividend per share have been computed based on profit after tax and extra-ordinary items and the number of ordinary shares of 2,500,000,000 in issue during the year and on dividend and the number of shares qualifying for the dividend.

26. Net cash flow from operating activities before changes in operating assets

This comprises:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
Profit before taxation	3,881,300	2,725,331	3,802,500	2,656,649
Extraordinary item	-	788,085	-	940,913
Minority interest	(19,451)	(19,918)	-	-
	<u>3,861,849</u>	<u>3,493,498</u>	<u>3,802,500</u>	<u>3,597,562</u>
Adjustments to reconcile profit before taxation to net cash flow from operating activities:				
- depreciation:				
* fixed assets	599,113	403,432	578,548	384,260
* equipment on lease	1,121,073	566,258	1,121,073	566,258
- gain on disposal of fixed assets	(11,007)	(9,080)	(10,973)	(9,080)
- gain on disposal of equipment on lease	(34,395)	(7,325)	(34,395)	(7,325)
- provision for bad and doubtful loans	449,303	296,154	449,303	296,154
- provision on other assets	136,357	-	136,357	-
- extraordinary items	-	(788,085)	-	(940,913)
- minority interest	3,150	22,176	-	-
- loss on revaluation of long term borrowings	156,311	-	156,311	-
Net cash flow from operating activities	<u>6,281,574</u>	<u>3,977,028</u>	<u>6,198,724</u>	<u>3,886,916</u>

NOTES TO THE FINANCIAL STATEMENTS, *cont'd.*

27. Changes in operating assets:

This comprises:

	Group 2003 N'000	Group 2002 N'000	Bank 2003 N'000	Bank 2002 N'000
(Increase)/decrease in operating assets:				
Short-term investments	(2,747,051)	(1,179,330)	(1,752,973)	(1,906,849)
Loans and advances	(13,583,293)	(5,779,761)	(13,583,293)	(5,779,762)
Advances under finance lease	(81,612)	(74,430)	(81,612)	(74,430)
Other facilities	4,479,456	(1,606,644)	4,479,456	(1,606,644)
Other assets	(3,295,195)	(4,995,645)	(3,647,486)	(4,466,465)
Increase/(decrease) in operating liabilities:				
Deposits and other accounts	19,464,483	7,227,076	19,695,171	7,232,884
Other liabilities	7,481,565	4,203,247	6,845,400	3,042,497
Other facilities	(4,479,456)	1,606,644	(4,479,456)	1,606,644
Capital and other reserves	(2,372)	9,808	-	-
	<u>7,236,525</u>	<u>1,769,625</u>	<u>7,475,207</u>	<u>1,861,573</u>

28. Related party transactions:

During the year, 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 N586,852,000 (2002: N 439,155,000) were outstanding on these various facilities at the end of the year, all of which were performing. In addition, Asset and Resource Management Company Limited, a subsidiary of the Bank, manages the Bank's Staff Share Trust Investment, Gratuity and Pension Fund schemes.

29. Contraventions

During the year, the Bank paid penalties for the following contraventions of BOFIA, 1991 and CBN circulars:

<u>Section of BOFIA</u>	<u>Nature of Contravention</u>	<u>Number of times</u>	<u>Penalty N</u>
20(1)(a)	Exceeding single obligor in respect of Afrexim facility.	1	2,000,000
<u>CBN Circulars</u>			
CBN circulars of 29 th November, 2001	Treatment of Afrexim Facility as off balance sheet item.	1	1,180,000
CBN circulars of 20 th March, 1995	Failure to meet minimum information requirement on credit printouts.	1	500,000
CBN circulars of 12 th August, 1997	Reporting of Banker's Acceptances and CPs	1	500,000

STATEMENT OF VALUE ADDED

For the Year Ended 28 February, 2003.

Group:

	<u>2003</u> N'000	%	<u>2002</u> N'000	%
Gross earnings	16,522,413	-	11,168,682	-
Extra-ordinary income	-	-	788,085	-
Interest expense	(5,505,229)	-	(3,904,704)	-
	<u>11,017,184</u>	-	<u>8,052,063</u>	-
Loan loss expense	(449,303)	-	(296,154)	-
	<u>10,567,881</u>	-	<u>7,755,909</u>	-
Bought-in materials and services	(3,658,189)	-	(2,379,335)	-
Value added	<u>6,909,692</u>	<u>100</u>	<u>5,376,574</u>	<u>100</u>
Applied to pay:				
Employees as wages and salaries	1,308,206	19	893,468	17
Shareholders as dividends	1,500,000	22	1,495,000	28
Government as taxes	622,625	9	538,272	10
Retained in the business:				
Depreciation - Fixed asset	599,113	9	403,432	7
- Equipment on lease	1,121,073	16	566,258	11
Profit for the year (including minority interest statutory and bonus shares reserves)	<u>1,758,675</u>	<u>25</u>	<u>1,480,144</u>	<u>27</u>
	<u>6,909,692</u>	<u>100</u>	<u>5,376,574</u>	<u>100</u>

STATEMENT OF VALUE ADDED

For the Year Ended 28 February, 2003.

Bank:

	2003 N'000	%	2002 N'000	%
Gross earnings	16,050,075	-	10,898,091	-
Extra-ordinary income	-	-	940,913	-
Interest expense	(5,505,229)	-	(3,904,704)	-
	<u>10,544,846</u>	-	<u>7,934,300</u>	-
Loan loss expense	(449,303)	-	(296,154)	-
	<u>10,095,543</u>	-	<u>7,638,146</u>	-
Bought-in materials and services	(3,424,658)	-	(2,282,620)	-
	<u>6,670,885</u>	<u>100</u>	<u>5,355,526</u>	<u>100</u>
Applied to pay:				
Employees as wages and salaries	1,168,764	17	807,446	15
Shareholders as dividends	1,500,000	22	1,495,000	28
Government as taxes	591,061	9	516,294	10
Retained in the business:				
Depreciation - fixed asset	578,548	9	384,260	7
- Equipment on lease	1,121,073	17	566,258	10
Profit for the year (including statutory and bonus shares reserves)	1,711,439	26	1,586,268	30
	<u>6,670,885</u>	<u>100</u>	<u>5,355,526</u>	<u>100</u>

FIVE-YEAR FINANCIAL SUMMARY - GROUP

	<u>2003</u> N'000	<u>2002</u> N'000	<u>2001</u> N'000	<u>2000</u> N'000	<u>1999</u> N'000
Gross earnings	16,522,413	11,168,682	7,109,676	5,960,346	3,610,659
Profit on ordinary activities before taxation	4,323,719	3,175,997	2,153,214	1,360,927	933,064
Exceptional charges	(442,419)	(450,666)	-	-	-
Taxation	(622,625)	(538,272)	(548,239)	(308,334)	(222,207)
Profit on ordinary activities after taxation	3,258,675	2,187,059	1,604,975	1,052,593	710,857
Extra-ordinary income	-	788,085	-	-	209,108
Profit after taxation and extraordinary income	3,258,675	2,975,144	1,604,975	1,052,593	919,965
Minority interest	(19,451)	(19,918)	(992)	(11,573)	(5,003)
Profit attributable to Group shareholders	3,239,224	2,955,226	1,603,983	1,041,020	914,962
Earnings per share (unadjusted)	130k	154k	107k	69k	47k
Dividend per share (unadjusted)	60k	83k	40k	33k	22k
ASSETS:					
Cash and short-term funds	30,910,229	23,223,202	16,683,322	8,401,508	4,744,527
Investments	12,633,180	8,865,092	10,206,476	8,966,800	5,436,389
Loans and advances	30,663,550	17,573,538	12,073,119	8,087,278	7,956,883
Other facilities	-	4,434,662	2,844,084	2,508,413	-
Advances under finance leases	154,482	73,686	-	22,531	40,743
Other assets	10,394,714	7,235,876	2,155,102	6,365,563	1,380,040
Equipment on lease	1,915,185	1,503,752	110,729	256,979	120,590
Fixed assets	2,825,220	2,111,393	1,398,733	988,047	946,714
	89,496,560	65,021,201	45,471,565	35,597,119	20,625,886
LIABILITIES:					
Deposits and other accounts	50,830,120	31,365,637	24,138,561	15,446,099	10,368,905
Other facilities	-	4,479,456	2,872,812	2,533,750	-
Other liabilities, including tax and dividend payable	26,942,733	19,348,713	14,312,744	14,470,558	7,681,475
Long term borrowings	1,921,382	1,765,071	-	-	-
	79,694,235	56,958,877	41,324,117	32,450,407	18,050,380
NET ASSETS	9,802,325	8,062,324	4,147,448	3,146,712	2,575,506
CAPITAL AND RESERVES					
Share capital	1,250,000	1,000,000	750,000	750,000	750,000
Share premium	2,172,666	2,172,666	-	-	-
Bonus shares reserve	250,000	250,000	-	-	-
Other reserves	6,080,677	4,593,826	3,373,792	2,367,328	1,812,913
SHAREHOLDERS' FUNDS	9,753,343	8,016,492	4,123,792	3,117,328	2,562,913
Minority interest	48,982	45,832	23,656	29,384	12,593
	9,802,325	8,062,324	4,147,448	3,146,712	2,575,506

FIVE-YEAR FINANCIAL SUMMARY - BANK

	2003 N'000	2002 N'000	2001 N'000	2000 N'000	1999 N'000
Gross earnings	16,050,075	10,898,091	6,840,527	5,312,400	3,257,011
Profit on ordinary activities before taxation	4,144,919	3,107,315	2,050,323	1,311,163	852,206
Exceptional charges	(342,419)	(450,666)	-	-	-
Taxation	(591,061)	(516,294)	(546,629)	(292,834)	(217,767)
Profit on ordinary activities after taxation	3,211,439	2,140,355	1,503,694	1,018,329	634,439
Extra-ordinary income	-	940,913	-	-	240,337
Profit after taxation and extra-ordinary item	3,211,439	3,081,268	1,503,694	1,018,329	874,776
Earnings per share (unadjusted)	128k	154k	100k	68k	42k
Dividend per share (unadjusted)	60k	83k	40k	33k	22k
ASSETS:					
Cash and short-term funds	31,144,698	23,214,944	16,683,277	8,401,260	4,740,707
Investments	6,530,411	3,830,625	5,706,059	5,489,557	2,988,081
Loans and advances	30,663,550	17,573,538	12,073,119	8,087,278	7,967,295
Other facilities	-	4,434,662	2,844,084	2,508,413	-
Advances under finance leases	154,482	73,686	-	22,531	40,743
Other assets	10,124,492	6,613,363	2,146,898	6,376,758	1,332,021
Equipment on lease	1,915,185	1,503,752	110,729	256,979	120,590
Fixed assets	2,777,913	2,047,825	1,340,601	936,235	888,524
	83,310,731	59,292,395	40,904,767	32,079,011	18,077,961
LIABILITIES:					
Deposits and other accounts	51,067,765	31,372,594	24,139,710	15,461,727	10,368,905
Other facilities	-	4,479,456	2,872,812	2,533,750	-
Other liabilities, including tax and dividend payable	20,660,163	13,725,292	9,866,068	11,046,180	5,195,031
Long-term borrowings	1,921,382	1,765,071	-	-	-
	73,649,310	51,342,413	36,878,590	29,041,657	15,563,936
NET ASSETS	9,661,421	7,949,982	3,941,048	3,037,354	2,514,025
SHAREHOLDERS' FUNDS					
Share capital	1,250,000	1,000,000	750,000	750,000	750,000
Share premium	2,172,666	2,172,666	-	-	-
Bonus shares reserve	250,000	250,000	-	-	-
Other reserves	5,988,755	4,527,316	3,191,048	2,287,354	1,764,025
	9,661,421	7,949,982	3,941,048	3,037,354	2,514,025



SHAREHOLDERS' INFORMATION

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:

DIVIDEND

Financial Year Ended share	Dividend No.	Final or Interim	Gross Unclaimed Amount	Amount Paid Per 50 kobo
28/02/97	10	Interim	NIL	25 kobo
28/02/97	11	Final	₦156,143.73	50 kobo
28/02/98	12	Interim	₦14,856.35	10 kobo
28/02/98	13	Final	NIL	10 kobo
28/02/99	14	Interim	₦259,180.71	7 kobo
28/02/99	15	Final	₦3,782,232.43	12 kobo
29/02/00	16	Interim	₦5,385,526.39	10 kobo
29/02/00	17	Final	₦44,927.00	23 kobo
28/02/01	18	Interim	₦4,159,370.34	12 kobo
28/02/01	19	Final	₦22,797,170.26	28 kobo
28/02/02	20	Interim	₦16,728,771.79	33 kobo
28/02/02	21	Final	₦38,354,230.90	50 kobo
28/02/02	22	Interim	₦44,692,010.00	25 kobo

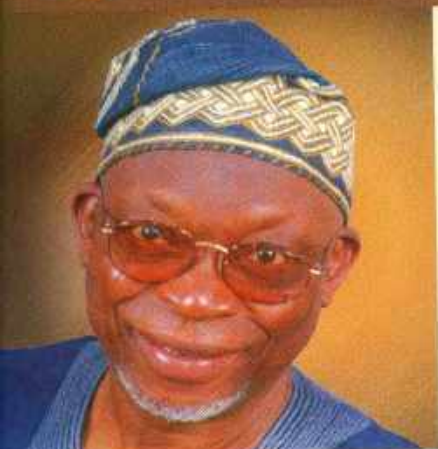
SCRIP ISSUE

Financial Year Ended	To Shareholders as at	Amount Capitalised	Ratio
28/02/97	30/06/97	₦300,000,000	3 for 2
28/02/98	06/07/98	₦250,000,000	1 for 2
28/02/02	24/04/02	₦250,000,000	1 for 4

UNCLAIMED DIVIDEND CERTIFICATES

Our records indicate that some dividend warrants and bonus share certificates have been returned unclaimed for various reasons. A list of unclaimed dividends for dividend payment numbers 20 and 21 is produced in the enclosed Shareholders' Bulletin. Please contact the Registrar (United Securities Limited, Niger House, 3-5 Odunlami Street, Lagos) for a re-issue of any unclaimed dividend warrant, or unclaimed certificate.

THE BOARD



Prof. Mosobalaje O. Oyawoye (Chairman)



Mr. Olutayo Aderinokun (Managing Director)



Mr. Olusegun Agbaje (Deputy Managing Director)



Mr. Victor Osibodu (Director)



Mr. Adetokunbo Adesanya (Director)



Mrs. T. M. Olusoga (Director)





Mr. Tajudeen A. Adeola (Director)



Alhaji Mohammed Jada (Director)



Owelle G. P. Chikelu (Director)



Mr. F. O. Bello (Executive Director)



Mr. M. B. Ogundare (Executive Director)



Mr. Kolapo Omidire (Company Secretary)

EXECUTIVE OFFICE

ADERINOKUN TAYO	MD
AGBAJE SEGUN	DMD

COMMERCIAL BANKING GROUP

OGUNDARE JIDE	ED
OSUNTOKI TITI	DGM
ABBA HABIB	DGM
USMAN KABIR	SMGR
OGUNDIPE KEHINDE	SMGR
OYEDEJI ADEBOWALE	SMGR
OSIYEMI KEMI	MGR
ADEROJU MUYIWA	MGR
ALABI ADEWUYI	MGR
JENROLA TUNDE	MGR
OKEKE ARINZE	MGR
AROH SANTHUS	MGR
AKANEME BENJAMIN	MGR
IBRAHIM DAN SHUAIB	MGR
BANKOLE-OLUSINA DEJI	DM
ALLEY MOJISOLA	DM
JEGEDE BOLADE	DM
OSUALLA KINGSLEY	DM
MUSA HARUNA	DM
LAWAL SALISU	DM

PUBLIC SECTOR GROUP

BELLO FAROUK	ED
AJAYI SOLA	SMGR
ARESE ALONGE	MGR
IFEANYI NJOKU	MGR
STANIS EZEGBI	MGR
ROBERT ASIBOR	MGR
HADIZA AMBRUSA	DM

TECHNOLOGY UNIT

BAMMEKE RONKE	DGM
OGUNBEKUN DAYO	SMGR
MOSUGU AARON	SMGR
FABUNMI YOMI	MGR
OGUNLEYE TAYE	MGR

INSTITUTIONAL BANKING GROUP

OGUNMEKAN DOLAPO	DGM
RUNSEWE TOSIN	AGM
GEORGE-TAYLOR AKIN	SMGR
JOKE GIWA	SMGR
OGUFERE INAINGO	MGR
ODULATE SEGUN	MGR
ODUNTAN TUNJI	MGR
BURAIMO ADE	MGR
NYAMALI NICHOLAS	MGR
ABDUL-FATAH AHMED	MGR
KUSEMIJU LANRE	DM
MAJEKODUNMI FUNKE	DM

**PAYMENT SYSTEMS GROUP/
INVESTMENT BANKING GROUP**

OLUSOGA MOSUN	ED
JUBRIL LAWAL	SMGR
OSINUGA SIMI	MGR
OYELEKE MORAYO	MGR
SONOLA KUNLE	MGR
OKONKWO AZUBUIKE	MGR

SETTLEMENTS GROUP

ARAOYE KHAFILAT	DGM
BABALOLA BOSE	MGR
KOLA-DAISI DELE	MGR
FADAHUNSI SEGUN	DM

**FINANCIAL CONTROL & RISK MGT
GROUP**

ASUPOTO TAYO	SMGR
OLAGBAJU TUNDE	MGR

SYSTEMS & CONTROL GROUP

UWAKWE GEORGE	SMGR
DAWODU TUNDE	DM

TRANSACTION SERVICES GROUP

SADIQ BELLO	DGM
JAMILU YUSUF	SMGR
BOLUDE OWELE	MGR
ODUNOWO BUNMI	MGR
IBRAHIM YUSUF	DM
ADARAMODU KAYODE	DM

**GENERAL INTERNAL SERVICES &
EXTERNAL AFFAIRS**

OMIDIRE KOLAPO	GM
AJAYI FEMI	MGR
OGUNBIYI SOLA	DM
AKINMOLAYAN FUNSHO	DM
IJEH BEN	DM
ANTHONIO MORAYO	DM

ADVANTIAM GROUP

CATHY ECHEOZO	GM
IBUKUN ODEGBAIKE	MGR

**HUMAN RESOURCES & TRAINING
UNIT**

OKEKE IFEATU	SMGR
ADETOLA ESUHE	DM



OVERSEAS CORRESPONDENT BANKS

ANZ Bank, London
 Citibank (London & New York)
 Standard Chartered Bank (London & New York)
 HSBC - equator

CORPORATE ADDRESSES

HEAD OFFICE: PLURAL HOUSE
 Plot 1669, Oyin Jolayemi Str
 Victoria Island, Lagos.
 Phone: 2622652-64, 320111
 Fax: 2622651, 2622706
 Internet Address: www.gtbplic.com
 SWIFT Address: GTBINGLA XXX
 E-mail: corpaff@gtbplic.com

BRANCHES

ABA

28, Aba-Owerri Road,
 Abia State.
 Phone: 082-230560, 230639.
 Fax 082-23439

ABEOKUTA

IBB Boulevard Ibara,
 Abeokuta.
 Phone: 039-243610,
 039-245696.

ABUJA

Plot 1072 J.S., Tarka/Faskari Street,
 Opp. Union Bank,
 Garki Area 3, Abuja.
 Phone: 09-2346248-54,
 2346301, 2346255.

ABUJA II

Plot 211, Adetokunbo,
 Ademola Crescent,
 Cadastral Zone,
 Wuse II, Abuja.
 Phone: 09-6702762

ADEOLA ODEKU V/ISLAND

56a, Adeola Odeku Street,
 Victoria Island, Lagos.
 Phone: 01-2629160-2

AKURE

16 Oba-Ile/Owo Road,
 Akure,
 Ondo State.
 Phone: 034-244795-6
 Fax: 244794

APAPA

4, Commercial Avenue,
 Doyin House,
 Opposite Eleganza Plaza,
 Apapa, Lagos.
 Phone: 5451059-9

ASABA

300 Nnebis Road,
 Asaba,
 Delta State.
 Phone: 056-282687-8

ASPAMDA

Aspamda Plaza, ARI ZoneA,
 Trade Fair Complex,
 Off Badagry Expressway,
 Ojo - Lagos.
 Phone: 01-3208770-2

BENIN

35B Sapele Road,
 Benin,
 Edo State.
 Phone: 052-450204
 Fax: 257339

BROAD STREET

82/86, Broad Street,
 Lagos.
 Phone: 2640257-8,
 2641100, 2666232.

CALABAR

Crostrade Building,
 (Former Leventis Building),
 Calabar Road,
 Calabar.
 Phone: 087-238424-33

ENUGU

1, Ogui Road,
 Enugu,
 Enugu State.
 Phone: 042-253061, 254085,
 254072, 254073.

IBADAN

11B Jimoh Odutola Road,
 Ibadan,
 Oyo State.
 Phone: 02-2413779, 2413795,
 2413903-4, 2413677, 2413876,
 2413889.

IKEJA

82/84, Allen Avenue,
 Lagos.
 Phone: 4978826-9, 4978060-2.

IKEJA II

Etebet's Place,
 21, Mobolaji Bank-Anthony Way,
 Ikeja.
 Phone: 01-4712756, 4976453,
 4976451.

IKOYI

78, Awolowo Road,
 Ikoyi, Lagos.
 Phone: 01-2691278

ILORIN

1, Wahab Folawiyo Road,
 Ilorin,
 Kwara State.
 Fax: 031-222859

Phone: 031-222913, 222900,
 222869, 222840.

JOS

Plot 69, Liberty Dam Road,
 Liberty Boulevard,
 Jos.
 Phone: 073-463629 - 32, 463635,
 463638-40.

KADUNA

7/10 Murtala Mohammed Square,
 Kaduna,
 Kaduna State.
 Phone: 062-240103-9

KANO

145 Murtala Muhammed Way,
 Kano,
 Kano State.
 Phone: 064-638851-5

MAIDUGURI

11, Baga Road,
 Maiduguri,
 Borno State.
 Tel: 076-233711, 233937,
 233111.

NNEWI

4, Edo Ezemewi Street,
 Nnewi,
 Anambra State.
 Phone: 046-460882, 460874

ONITSHA

2, Cemetary Road,
 Onitsha,
 Anambra State.
 Phone: 046-414014,
 410344, 414479
 414227, 410256, 413114.
 Fax: 042-252432

OWERRI

Plot 265, Ikenegbu Layout,
 Aladinma Ikenga Road,
 Owerri,
 Phone: 083-235195-9

PORT HARCOURT I

44 Trans Amadi Industrial Layout,
 Port Harcourt,
 Rivers State.
 Phone: 084-237512-9

PORT HARCOURT II

Plot 279^a Tombia Street,
 off Aba Road,
 Port Harcourt.
 Phone: 084-237516-7

SOKOTO

101, Ahmadu Bello, Way,
 Sokoto.
 Phone: 060-239501-7

UYO

26, Aka Road,
 Uyo,
 Akwa Ibom State.
 Phone: 085-2203361,
 203394.

VICTORIA ISLAND

The Plaza,
 6, Adeyemo Alakija Street,
 Victoria Island, Lagos.
 Phone: 01-2601760-9,
 3201086-9.
 Fax: 01-2616963

WARRI

85, Warri/Effurun Road,
 Effurun,
 Delta State.
 Phone: 053-256406-7

YENAGOA

Barracuda Square,
 Ekeki-Epie Area,
 Yenagoa/Mbiama Road,
 Yenagoa,
 Bayelsa State.
 Phone: 089-490623 - 5

YOLA

Plot 11, Galadima Aminu
 Way,
 Jimeta, Yola,
 Phone: 075-627662

NOTES

PROXY FORM

■ GUARANTY TRUST ■ GUARANTY TRUST BANK PLC RC 152321

13TH ANNUAL GENERAL MEETING to be held at the Expo Hall, Le Meridien Eko Hotel, Victoria Island, Lagos on June 4, 2003, at 11.00 a.m.

I, We..... being a member/ members of Guaranty Trust Bank PLC hereby

appoint..... or failing him Prof. M. O. Oyawoye, 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 June 4, 2003, and at any adjournment thereof.

Dated this.....day of2003.

Signature of shareholder.....

Name of shareholder.....

NUMBER OF SHARES:		
RESOLUTIONS	FOR	AGAINST
To declare a dividend		
To re-elect Directors		
To appoint auditors and authorise the Directors to fix the Auditors' remuneration		
To elect/re-elect members of the Audit Committee.		
To fix the Directors' remuneration.		
To authorise bonus share issue.		
Please indicate with an "X" in the appropriate box 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

Annual General Meeting to be held on _____, at Expo Hall, Le Meridien Eko Hotel, Victoria Island, Lagos at 11.00 a.m.

Name of Shareholder (in BLOCK CAPITALS).....

Number of shares.....

IMPORTANT

1. Before posting the above form of proxy, please tear off this part and retain it. A person attending the Annual General Meeting of the Bank his proxy should produce this card to secure admission to the meeting.
2. A member of the Bank is entitled to attend and vote at the Annual General Meeting of the Bank. 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.
3. In line with the current practice, the names of two of the Directors of the Bank have been entered on the form of proxy to ensure that someone will be at the meeting to act as your proxy, but if you wish, you may insert in the blank space on the form (marked*) the name of a person, whether a member of the Bank or not, who will attend the meeting and vote on your behalf instead of one or other of the Director named.
4. The above form of proxy, when completed, must be deposited at the office of the Registrar, United Securities Limited, Niger House, 3-5, Odunlami Street, Lagos, not less than 48 hours before the time fixed for the meeting.
5. It is a requirement of the law under the Stamp Duties Act, Cap. 411, Laws of the Federation of Nigeria, 1990, 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 three (3) kobo.
6. 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.....

AFFIX
POSTAGE
STAMP
HERE

The Registrar
UNITED SECURITIES LIMITED
Niger House
3-5, Odunlami Street
Lagos.



PART TWO

CORPORATE REPORT

OUR VISION

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

We are synonymous with building
excellence and superior financial
performance in Nigeria; and creating role
models for society.

PREAMBLE

A little over a decade ago, the Guaranty Trust Bank story started with a dream. Today real structures have replaced dreams and old dreams have given way to new ones. Beyond structures our vision to continually offer you value-added services and the benefit of our increased financial strength has assumed new dimensions.

Keeping the future in sight, we look inwards. For our story can only be best written by the men and women who over the years have contributed their skill, knowledge, and professionalism to making this dream a reality.

This section of our report tells you the Guaranty Trust Bank story, capturing the milestones, and the spirit that's uniquely ours. Through all the stories, two things stand out - the passion and perseverance that have combined to make us a winning, innovative team.

PERFORMANCE

2002... Service that satisfies

In the financial year just ended the Guaranty Trust Bank culture for excellence received nationwide accolades for service delivery and technological advancement. As a result of its cutting edge technology, the Bank was selected as one of the 23 clearing banks to participate in the recently introduced Nigerian Automated Clearing System (NACCS). What this means to you our customer is that you will have a more efficient clearing process with a reduction in the number of days for clearing cheques to the bank.

And in appreciation of our unique service, our Asaba branch recently received a heartwarming letter from a group of customers. The letter signed by the railway pensioners reads in part "...as you may know, this is not the first, second or third bank from which we (Railway Pensioners) have received our pensions, but this bank stands out clearly as the best Bank, where we have been treated and attended to in the most wonderful and kindly way". Need we say more?

Specialized service provider

From the onset, we have focused on providing professional banking service for the ever-developing facets of the Nigerian economy. To achieve this, we have units that offer specialized service to these various sectors. The units include the Institutional Banking Group (IBG), the Commercial Banking Group (CBG), Public Sector Group (PSG), Investment Banking Group and Personal Enterprise Banking called advantium.

The Institutional Banking Group is charged with the responsibility of servicing multi-nationals and large corporate organizations in the manufacturing, service, energy, import and export, sectors amongst others.

The Commercial Banking Group on the other hand is structured to suit the banking needs of middle market players such as government contractors, traders, and medium scale corporate organizations. The Public Sector Group deals directly with government parastatals at federal, state and local government levels providing financial advisory service and other tailor-made products for them.

For each of these banking groups, Guaranty Trust Bank is involved on an intimate level on two fronts: a participatory perspective and a professional perspective. On one hand, we strive to actively acquire the knowledge needed to service our customers and on the other hand we impart informed knowledge. This way, we provide our customers with total banking solutions to meet their needs.





Expanding our horizons

When we chose to service the Aviation industry ten years ago, little did we know the depth of opportunity that was waiting to be explored. Today we are the official bankers of many of the major international airlines in Nigeria with the ability to transact business in the major international languages. With our technological know-how, we have enhanced efficiency, as sales collection and remittance of funds by the airlines can be done on-line. The customers are fully served as they can now buy tickets and make payments through our Bank.

On the international scene, we are in the forefront of superior service delivery in Foreign Trade Operations. This unit has as its main objectives the efficient processing of foreign trade transactions from origination at our counter till the time goods/services finally reach their beneficiaries. The unit also handles the collection of duties as well as across the counter transactions and has recorded optimal success. Today Guaranty Trust Bank PLC is the trusted trade partner in Nigeria, highly rated for its competence in delivering structured trade transactions, accuracy and efficiency.

The sky is our limit as plans are underway to harness latent opportunities in other viable industries.

Branching Out

On the subcontinental front, the Bank commenced full banking operations in The Gambia and Sierra Leone; while nationally, twenty-two new branches were opened over the last two years bringing the branch network from 12 to 34. The branches opened within the financial year include Wuse Abuja II, Aba Road Port Harcourt II, Aspamda, Ikoyi, Yola, Adeola Odeku and Nnewi.

Our new branches have not only brought us closer to our customers nationwide but has also enabled many more people to enjoy the unique Guaranty Trust Bank experience. All Guaranty Trust Bank branches are structured to provide a warm, welcoming ambience that signifies the exceptional service we deliver.

There's no doubt about it, when you step into any Guaranty Trust Bank branch, you step into a warm, friendly world.

"Wouldn't you rather bank with us?"





Internet Banking

Quick Access



Corporate

What's new?

Individuals

- Online Account Opening
- Funds Transfer
- Investment Banking
- Accounts & Billing

- Online Transfers
- Web2SMS
- Batch Payment
- Online Banking

- Online Account Opening
- Mobile Banking
- Internet Banking
- e-Banking

Banking the Future

Continually delivering superior service to our customers and matching international standards, the Technology Group is the heartbeat of Guaranty Trust Bank PLC.

We have invested heavily in acquiring the latest in technology to meet and solve peculiar needs within and outside the Bank. With our technological edge, we have reduced turnaround time, and our customers have come to accept real time banking as a standard service. Our e-banking service allows our customers unlimited access to the Bank through Telephone, Mobile, Internet, PC banking and WEB2SMS services. Our website www.gtbplic.com, also enables our customers transact business, transfer funds, get investment solutions, and current information about new products and services. What's more, they can also access current news clips and play games if their mood takes them there.

In anticipation of the enormous growth potential of the highly specialized Telecommunication sector, we have a dedicated team of professionals "The Guaranty Trust Telecomm Team" which is truly empowered to meet the banking needs of this sector. Through our financial advisory services we are able to assist our potential and existing customers on how best to leverage themselves within their new and fast growing industry.

Our aim is to nurture the Telecommunications industry in Nigeria to success. To achieve this, Guaranty Trust Telecomm Team already serves the major players in this industry - the National Operators, Global Satellite Mobile Telecommunication (GSM) and Fixed Wireless Access segments of the industry. We are also positioned to partner with serious medium sized players on their journey of growth in the local business environment.

We envisage that in the coming year, technology based banking will be the norm and not the exception.



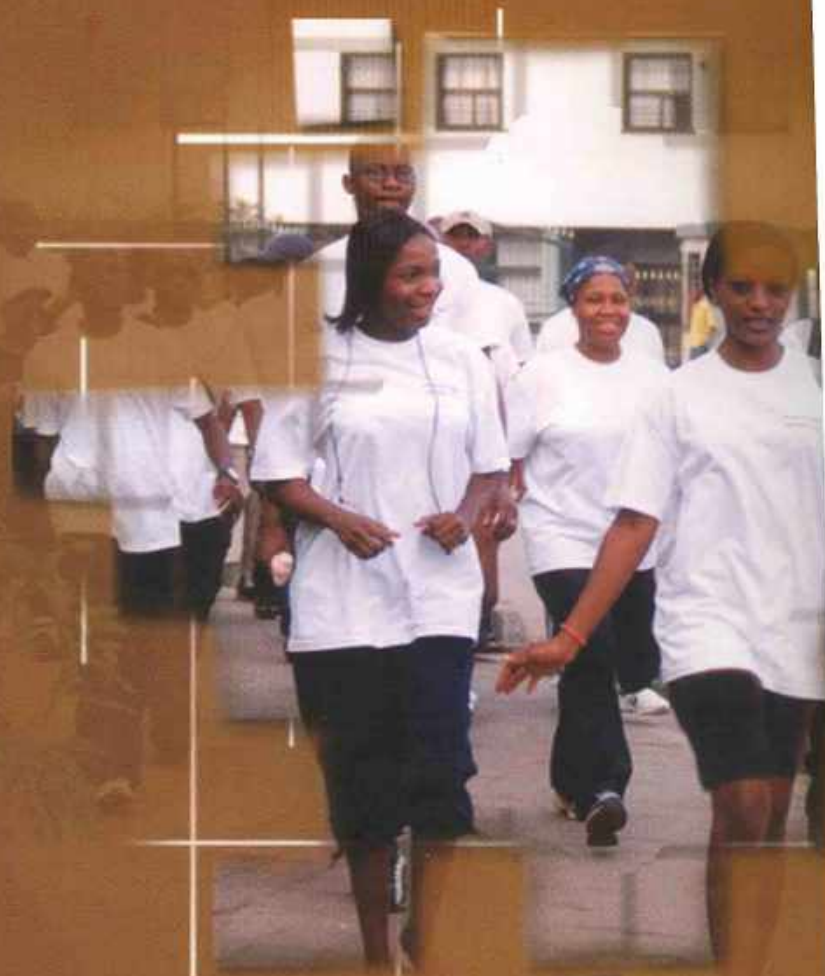


Rating

The bank was also given an Aa+ rating by Agosto and co., the leading risk asset rating company in Nigeria. The rating which assesses the Bank's performance using international banking standards, is an improvement on the Aa rating, which the bank received last financial year. This rating confirms our rising financial and managerial profile.

'Team Spirit'

Guaranty Trust Bank has always been a fine institution with a heightened sense of corporate responsibility. An expression of this was the Bank's fitness fundraising walk tagged 'Team Spirit'. The walk led by senior staff not only provided an avenue for members of the bank to bond as a family, but also enabled us raise funds and other donations which were used to procure the much needed water tanks and pumping machine for the Massey Street Childrens' Hospital.



PASSION

...it shows in our PEOPLE

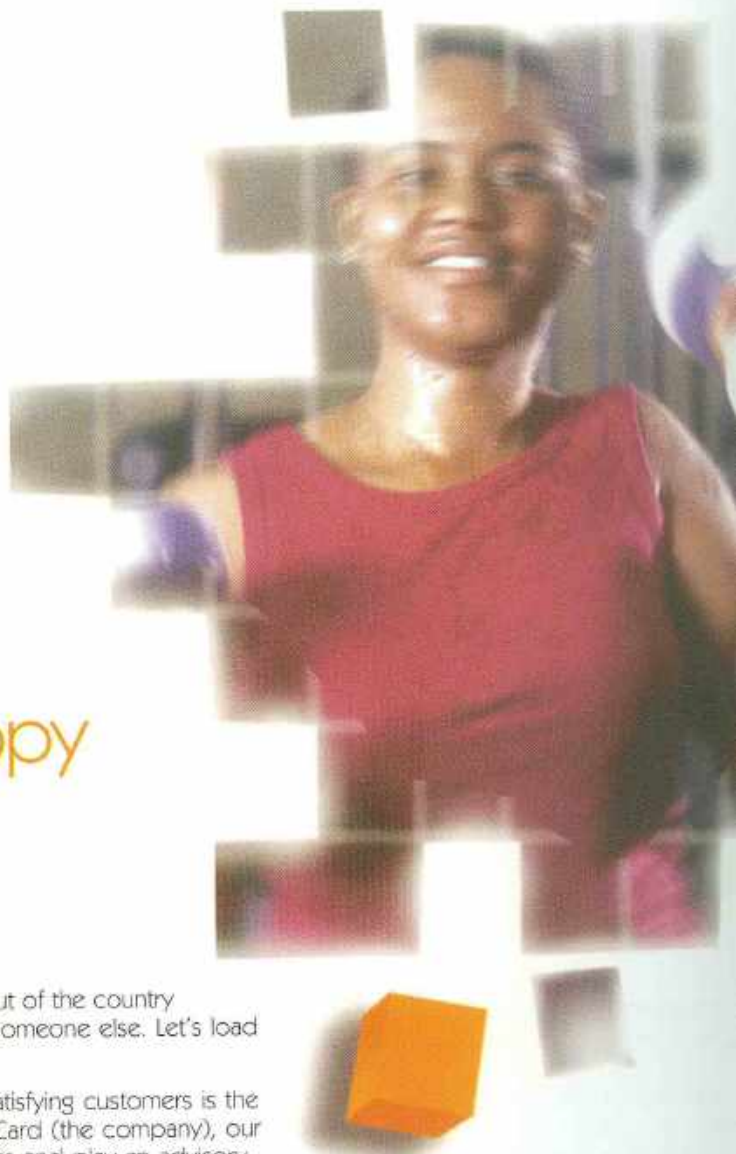
Every institution that has stood the test of time was built by people ... people with the right attitude, the determination and zeal to do ordinary things in an extraordinary way...

... People united by a common vision and a passion that drives them to excel.

As we look back, we see men and women who dared to be different; who dared to go beyond the expected. It is the passionate belief in the vision that has propelled our people to buck trends and set the pace for the race.

Our vision guides us. Our mission defines us. Our passion ignites us and steers strategies from paper to reality.

Now meet the people who make the vision real; who have made Guaranty Trust Bank PLC a top performer in the field.



Making our customers happy

8.00am. Phone rings.

Topo: Guaranty Trust Bank, good morning. How may I help you?

Oh Madam Chika, what can we do for you today?

Okay. We'll see what we can do.

Have a pleasant day. (Click)

(Turning to her colleague) Yomi, this is a serious one. Madam Chika is flying out of the country tomorrow. Her card is missing so we need to block it before it's used by someone else. Let's load another card and get her a ticket. You know the works...'

Welcome to the ValuCard Service Unit where managing emergencies and satisfying customers is the order of our day. Here we transact business with 3 major customers: ValuCard (the company), our merchants, and cardholders. As a unit, we help ValuCard reconcile accounts and play an advisory role to them. We also sell Point of Sale (POS) terminals to merchants and have to validate their accounts everyday. In some cases, we have had to move in to rectify a problem with the terminals. If we don't, our customers lose business, we lose business and that's not good for our reputation. And for cardholders like Madam Chika who bank with Guaranty Trust, there are always days when they present near impossible deadlines that we must meet even if it means going to their homes to deliver.

Yomi: (interjecting) Do you know she's one of our in-house models? She was one of the people used in the Guaranty Trust adverts.

Topo: 'Amebo. How far have you gone with Madam Chika's case?

Yomi: Almost there.

Interviewer: Tell me, why did you do the Guaranty Trust Bank Corporate advert?

I decided to do the Guaranty Trust Bank advert because I believe in the Bank. I had just finished at the Training school, and at first I was shy about the whole thing. But in the Training School we have been taught to overcome our weaknesses by doing those things we thought we could never do.

My friends and family can testify that ever since I joined Guaranty Trust Bank, I have changed. I now find joy in reading self-motivational books. I have the opportunity to meet a lot of people as a result of my job, and unlike other organisations where the women folk are limited to a particular position the same is not true here. In Guaranty Trust Bank, men and women alike have equal chances of climbing the corporate ladder.

What makes my day? A phone call from a satisfied customer.

Temitope Bolarinwa
ValuCard Services Unit



What's in a name?

In the African context, names are given serious consideration because they are believed to shape the destiny of the person. Names also evoke certain responses and can be determinants of the general perception towards the bearer.

"At Guaranty Trust Bank we are passionate about our name. The difference between GTB and Guaranty Trust Bank are numerous. GTB says nothing about our personality. It could mean anything. But when you call us Guaranty Trust Bank, you evoke a perception of Global Standards, Quality, Efficiency and Service; you inspire in us Pride, Self worth and Excellence. Our desire to live up to our name determines the products we design for our customers, the service we offer, our perception of life and society - down to the kind of people we employ. And because our customers expect the best from us at all times, structures are put in place to train our people so they can meet local and global challenges even as their welfare is not compromised. That's what we call the 'Guaranty Trust Culture'."

So the next time you call us GTB, don't be surprised if our eyes light up with indignation as we look straight at you, head cocked to the side and politely but firmly say 'Guaranty Trust Bank you mean!' Now I'm sure you understand exactly where we are coming from.

Ifeatu Okeke
Human Resource Unit

Little Angels

"That's me and my little angels. I can't imagine a day without these little ones to brighten up my day. Whenever I can't make it to work, I get worried and wonder how they would cope. I just love looking after them. They are a joy to behold.

But what are children doing in a bank you may ask. Well, that is what makes Guaranty Trust Bank different from any other bank. The Bank realized long ago that money is not everything. If you take care of those working for you even to the minute details, they will in turn give you their best all the time.

As for the little angels, for many of them life begins here in the crèche. Their parents have the opportunity to spend time with them while they are at work, creating those bonds that are special between parent and child. The Bank also passes on an appreciation for excellence to the children. How? Just look around you. This is a warm and happy environment. These children are learning everyday, forming new habits, new behaviour patterns... learning.

One of the joys of being here is watching these children grow. We sometimes have them as young as a month old. For the past 8 years I have watched them take their first steps, say their first words.... Some are now big boys and girls, and their mothers tell me they are doing brilliantly in school and whenever they come to the Bank, they stop by to greet 'mama'.

Did I forget to mention when they are ill or upset? Ah! When they are sick, we are sick, when they are unhappy, we are unhappy. But trust me, there's nothing more gratifying than a lovely smile from the faces of one of these angels".

Fidelma Odiwanor
Nanny (8 years with the Bank)
Crèche





I'm living my dream

"I can still remember my first day at Guaranty Trust Bank. I had just left my old job and was searching for something more than a pay package. ... things like honesty, integrity, professionalism. Don't blame me, I really needed to launch myself anew and though my expectations seemed herculean, I had no intentions of compromising my values.

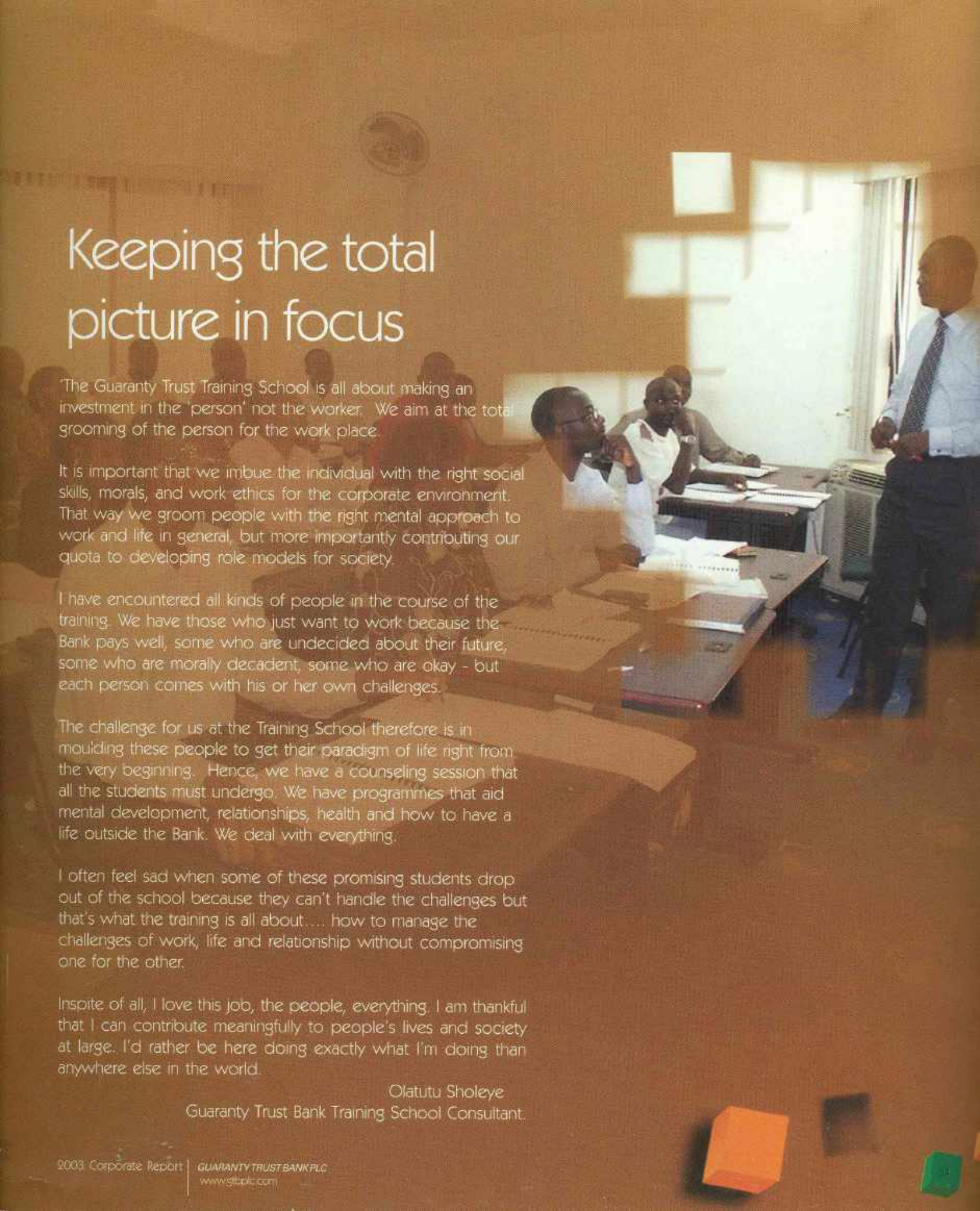
So here I was at the doors of Guaranty Trust Bank and boy was I wowed! There were young people everywhere busy attending to customers - with smiles. You could practically smell quality and excellence in the air. By the time I met Fola and Tayo, one look into their eyes and I knew without a doubt that these men meant business. They knew what they wanted, and were out to achieve it. For me, the search ended. I wanted to be a part of this team, this was where I belonged and thank God they felt that way about me too! That was 10 years ago.

Today, work starts as soon as the Money and Foreign Exchange Markets open. The television is on, so I can keep abreast with what's happening on the international scene; the phones are constantly ringing, counterparties wanting to trade in local /foreign currencies; customers in need of advice... I could go on and on. On the office front, there are records to be reconciled and targets to be met. The job demands creativity and professionalism so we are trained to meet this need. In this business, team spirit counts a great deal. When one member of the team is away, it places pressure on the others to cover up. We are friends but also professionals.

We are constantly on our toes because there's the need to be knowledgeable on all fronts. Hence, the people you find in Currency Trading today could be transferred to any unit within the Bank tomorrow. There's room for diversity and dynamism. I am consoled by the fact that I am rewarded based on merit and most importantly, there's no fear of compromising my faith at any point in time. Hard work took us to the top and hard work will keep us there.

For me, it's been fun and challenging; meeting my targets, keeping my customers satisfied, my team happy, and the Bank successful".

Adebowale Oyedaji
Currency Trading Unit



Keeping the total picture in focus

The Guaranty Trust Training School is all about making an investment in the 'person' not the worker. We aim at the total grooming of the person for the work place.

It is important that we imbue the individual with the right social skills, morals, and work ethics for the corporate environment. That way we groom people with the right mental approach to work and life in general, but more importantly contributing our quota to developing role models for society.

I have encountered all kinds of people in the course of the training. We have those who just want to work because the Bank pays well, some who are undecided about their future, some who are morally decadent, some who are okay - but each person comes with his or her own challenges.

The challenge for us at the Training School therefore is in moulding these people to get their paradigm of life right from the very beginning. Hence, we have a counseling session that all the students must undergo. We have programmes that aid mental development, relationships, health and how to have a life outside the Bank. We deal with everything.

I often feel sad when some of these promising students drop out of the school because they can't handle the challenges but that's what the training is all about... how to manage the challenges of work, life and relationship without compromising one for the other.

Inspite of all, I love this job, the people, everything. I am thankful that I can contribute meaningfully to people's lives and society at large. I'd rather be here doing exactly what I'm doing than anywhere else in the world.

Olatutu Sholeye
Guaranty Trust Bank Training School Consultant.



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