



Guaranty Trust Bank plc
RC 152321

Guaranty Trust Bank Plc

AUDITED HALF-YEAR GROUP RESULTS FOR THE PERIOD ENDED JUNE 30, 2018: DECLARES A PBT OF ₦109.6BILLION

Lagos Nigeria – August 8, 2018 – Guaranty Trust Bank Plc (“GTBank”), (Bloomberg: GUARANTY:NL/Reuters: GUARANT.LG), provider of diversified financial services, announces its audited Financial Results, in accordance with IFRS, for the period ended 30 June 2018 and declares a PBT of N109.6bn.

Commenting on the financial results, the Managing Director/CEO of Guaranty Trust Bank plc, Mr. Segun Agbaje, said; “In spite of declining yields and the challenges in the operating environment, we have delivered a decent half year result. The quality of this result is built on the strength of our businesses as well as the success of our digital-first customer-centric strategy in delivering financial services that are simpler, cheaper and more valuable to our customers’ everyday lives.”

He further stated that “We will continue to focus on consolidating our leading position in all the economies in which we operate by staying committed to building a business that is both nimble and efficient whilst strengthening relationships with our customers and creating business platforms that provide them with additional benefits beyond banking.”

Financial Highlights

- Strong Earnings
 - **Profit before tax of ₦109.6bn** (30 June 2017 ₦101.1bn) an increase of 8.4%.
 - **Profit after tax improved** by 14.2% **to ₦95.6bn** from ₦83.7bn of 30 June 2017
 - Earnings per share of 338kobo relative to 296kobo per share for comparative period 30 June 2017
- Revenue
 - **Interest Income of ₦161.9bn** (30 June 2017: ₦165.9bn) down 2.4% as a result of 6.3% dip in interest income on loans and advances and 242bp decline in Fixed Income Securities yield. Gross Loans contracted by 6.8% from N1.517trn in December 2017 to N1.413trn due to scheduled repayments of Fcy components of the Loan book on the back of improved market confidence and increased FX liquidity.
 - **Non-Interest Income (NII) of ₦64.8bn** (30 June 2017: ₦48.2bn) up 34.3% compensated for the 2.4% drop in Interest Income. The NII growth resulted largely from 15.4% increase in Fee and Commission Income and growth in Other Income comprising Advisory, Discounts, rebate Commissions, card transactional income & revaluation gains.
 - **Net interest margin** remained strong at 9.6% (30 June 2017: 10.4%).
- Balance Sheet
 - **Total assets of N3.549trn** (31 December 2017: ₦3.351trn) up 5.9%
 - **Net loans and advances of ₦1.293trn** (31 December 2017: ₦1.449trn) dip of 10.8%.
 - **Deposits from customers of ₦2.269trn** (31 December 2017: ₦2.062trn) up 10.0%.
- Credit Quality
 - **Non-performing loans to total loans** improved to 5.8% from 7.7% as at 31 December 2017.

- **Coverage for Lifetime Credit Impaired Loans improved to 167.5%** (31 December 2017: 119.6%)
- **Cost of Risk at 0.1%** (31 Dec 2017: 0.8%).
- Continued focus on efficiency
 - **Cost to income of 38.8%** (30 June 2017: 40.2%) due to improved revenue growth and continuous implementation of cost optimization strategies / initiatives.
- Subsidiaries
 - Contribution to PBT from subsidiaries increased to 11.9% from 9.3% in 30 June 2017.

June 2018 Financial Analysis and Ratios

Key Financials (N' billion)	H1-2018	H1-2017	Δ%
Interest Income	161.9	165.9	-2.4%
Net Interest Income	117.9	129.5	-9.0%
Operating Income	179.2	168.9	6.1%
Operating expenses	69.6	67.8	2.6%
Profit before tax	109.6	101.1	8.4%
Profit After Tax	95.6	83.7	14.2%
Earnings per share (in Naira)	3.4	3.0	14.3%
	H1-2018	FY-2017	Δ%
Total Assets	3,549.0	3,351.1	5.9%
Net Loans	1,293.2	1,449.3	-10.8%
Customer Deposits	2,268.8	2,062.0	10.0%

Key Ratios	H1-2018	H1-2017
ROAE(<i>post-tax</i>)	34.1%	32.1%
ROAA(<i>post-tax</i>)	5.5%	5.3%
ROAE (pre-tax)	39.1%	38.8%
ROAA (pre-tax)	6.4%	6.4%
Net interest margin	9.6%	10.4%
Cost-to-income ratio	38.8%	40.2%
	H1-2018	FY-2017
Loans to deposits	54.5%	67.5%
Liquidity ratio	50.3%	47.6%
Capital adequacy ratio	22.0%	25.7%
NPL/Total Loans	5.8%	7.7%
Cost of risk	0.1%	0.8%
Coverage (with Reg. Risk Reserves)	167.5%	119.6%

8 August 2018

Enquiries:

GTBank

Golden Nwaiwu, Head, Investor Relations
ir@gtbank.com

+234-1-4484156

Oyinade Adegite, Head, Communications & External Affairs
cea@gtbank.com

+234-1-2715227

Notes to the Editors:

Guaranty Trust Bank is a diversified financial services company with N3.549trillion in assets, providing commercial banking services through 218 local branches, 71 e-branches & GTExpress locations, over 1,200 ATMs, our international subsidiary offices and the Internet (www.gtbank.com).

The Group operates as one of the leading Nigerian banks offering a wide range of commercial banking services and products throughout Nigeria, West and East African sub-regions as well as the United Kingdom. The Bank is rated B and B+ by S&P and Fitch respectively, a reflection of the Bank's stability and reputation of being a well-established franchise with strong asset quality and consistent excellent financial performance.

The Bank has ten bank subsidiaries established outside of Nigeria —

- 1) Guaranty Trust Bank (Gambia) Limited ("GTB Gambia"),
- 2) Guaranty Trust Bank (Sierra Leone) Limited ("GTB Sierra Leone"),
- 3) Guaranty Trust Bank (Ghana) Limited ("GTB Ghana"),
- 4) Guaranty Trust Bank (Liberia) Limited ("GTB Liberia"),
- 5) Guaranty Trust Bank (United Kingdom) Limited ("GTB UK")
- 6) Guaranty Trust Bank (Cote D'Ivoire) ("GTB Cote D'Ivoire"),
- 7) Guaranty Trust Bank (Kenya) Limited ("GTB Kenya"),
- 8) Guaranty Trust Bank (Rwanda) Limited ("GTB Rwanda"),
- 9) Guaranty Trust Bank (Uganda) Limited ("GTB Uganda")
- 10) Guaranty Trust Bank (Tanzania) Limited ("GTB Tanzania").