



Guaranty Trust Bank Investor/Analyst Presentation

*based on **Audited** IFRS Group results for the half-year June 2012*

This presentation is based on Guaranty Trust Bank Plc (“GTBank”, the “Bank”)’s **audited** results for the half-year period ended **30 June 2012** consistent with IFRS. This presentation includes information from its un-audited June 2011 IFRS results for the purposes of drawing comparisons with its June 2012 results. GTBank may have obtained some information in this presentation from other sources it believes to be reliable. Although the Bank has taken all reasonable care to ensure that the information herein is accurate and correct, GTBank makes no representation or warranty, express or implied, as to the accuracy, correctness or completeness of such information.

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Section 1 Financial Highlights

Section 2 Financial Analysis

Section 3 Business strategy and objectives

Financial Highlights

June 2012

- PAT: N45.55bn (June 2011: N27.65bn), 64.74% improvement from H1 2011
- PBT: N53.64bn (June 2011: N32.91bn), 62.96% improvement from H1 2011
- ROAE: 37.48% (Annualized) ROAA: 5.69% (Annualized)
- EPS: 159k
- Half Year Dividend: 25k per share

Revenue Generation

Robust and sustainable

- Loan book (Net) – N797.16bn (December 2011: N707.05bn) up 12.74% from Dec. 2011
- Interest Income – N83.18bn (June 2011: N61.47bn), 35.32% improvement from H1 2011
- Non Interest Income – N30.35bn (June 2011: N28.80bn) up 5.39% from H1 2011
- Deposits – N1.07trn (December 2011: N1.06trn) up 0.83% from Dec. 2011

Operational efficiency

Through innovation

- Cost to income ratio – 41.41%% (December 2011: 53.35%)
- Absolute operating expenses up 7.52% from OpEx level as at June 2011
- Management's current drive is for sustainable efficiency in operations

Margins & Quality

Strong improvement

- Net Interest Margin – 9.28% (December 2011: 7.90%), a reflection robust revenue generation and balance sheet efficiency in high interest rate environment
- NPLs – 3.19% (December 2011: 3.14%)
- Coverage ratio – 90.81% (December 2011: 112.63%)

Subsidiaries

Strong growth potential

- GTBank has successfully completed its divestment from its non-bank subsidiaries in compliance with CBN's repeal of Universal Banking. However, GTBank is in the process of divesting from other non-core, equity investments.
- Subsidiary focus now on developing off-shore banking franchise
- Francophone expansion commenced in April 2012 with GTB Cote D'Ivoire

Section 1 Financial Highlights

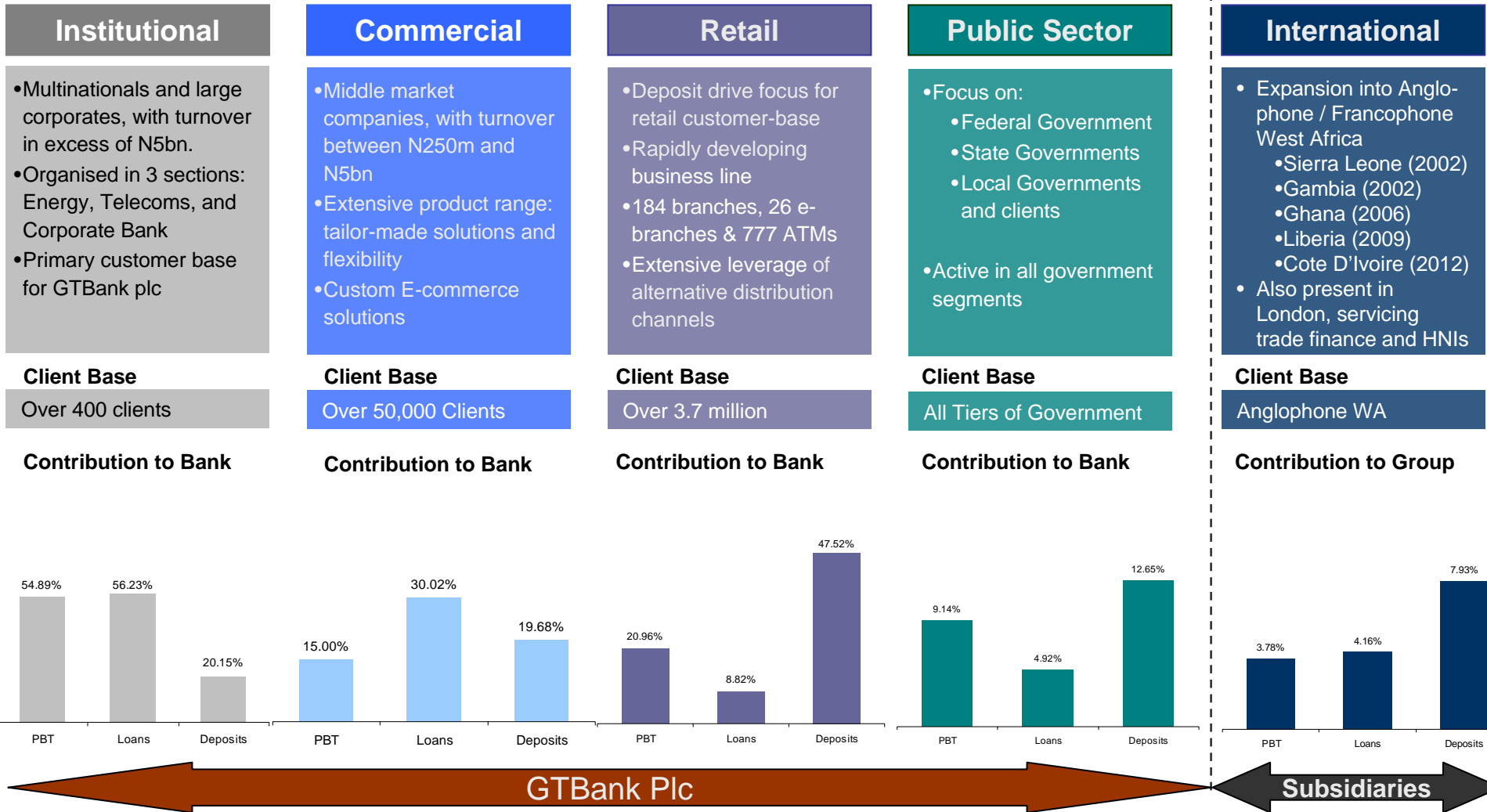
Section 2 Financial Analysis

Section 3 Business strategy and objectives

Business Segment Overview



GTBank



International footprint

GTBank Gambia

- Established in 2002
- 2nd Bank subsidiary
- 77.81% owned by parent
- 15 branches
- N574.28mm invested in subsidiary by parent
- H1 2012 PBT: N261.39mm



GTBank UK

- Established in 2008
- 4th Bank subsidiary
- 1 branch
- 100% owned by Parent
- £20mm in shareholder's funds
- H1 2012 PBT: N6.35mm

GTBank PLC

- Parent Company
- Established 1991
- 184 branches
- N237.8bn in shareholder's funds
- H1 2012 PBT: N51.61bn

GTBank Cote D'Ivoire

- Established in April 2012
- 6th Bank subsidiary
- 100% owned by parent
- 1 branch
- H1 2012 PBT: N4.08mm

The Gambia



Sierra Leone

Cote D'Ivoire



Nigeria

Liberia



Ghana

GTBank Sierra Leone

- Established in 2002
- 1st Bank Subsidiary
- 84.24% owned by parent
- 9 branches
- N594.11mm invested in subsidiary by parent
- H1 2012 PBT: N293.72mm

GTBank Liberia

- Established in 2009
- 5th Bank subsidiary
- 6 branches
- 99.43% owned by parent
- N1.95bn invested in subsidiary by Parent
- H1 2012 PBT: N116.43mm

GTBank Ghana

- Established in 2006
- 3rd Bank subsidiary
- 95.72% owned by Parent
- 22 branches
- N8.11bn invested in subsidiary by parent
- H1 2012 PBT: N1.35bn

- Completed Anglophone West Africa expansion in 2009 with GTBank Liberia
- Commenced Francophone expansion in April 2012 with GTBank Cote D'Ivoire

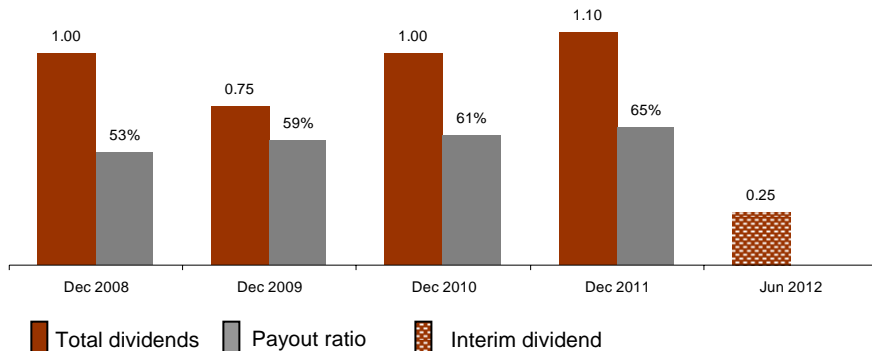
Objectives for West Africa (WA)

- Promotion of West African regional trade
- Integration of WA economies
- Single currency etc

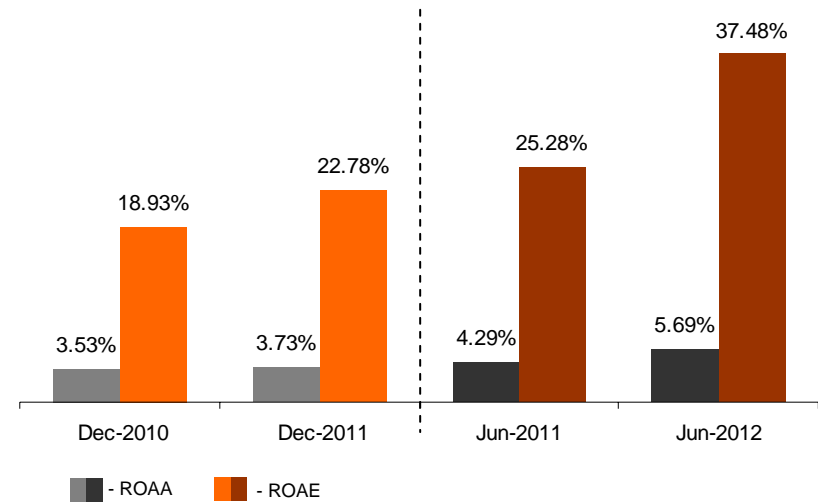
Strong H1 profits

- Strong H1 PBT of N53.64, up 62.96% compared to June 2011 (N32.91bn)
- Strong half year ROAE of 37.48% and ROAA of 5.69% (annualized)
- Earnings per share of N1.59
- Half year dividend of 25k per share
- Growth in profitability driven by
 - Loan Book – Return to positive real interest rates
 - Investment securities – High yields on government securities
 - Continued focus on efficiency and cost control

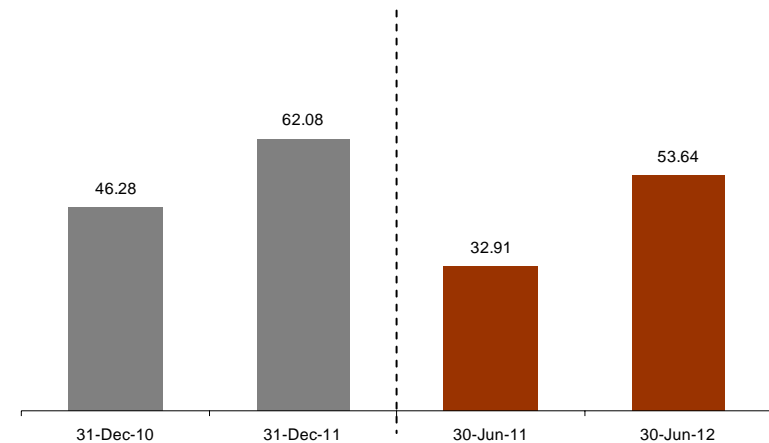
Consistent dividend payments



Returns on Average Assets/ Equity (ROAA/ROAE)



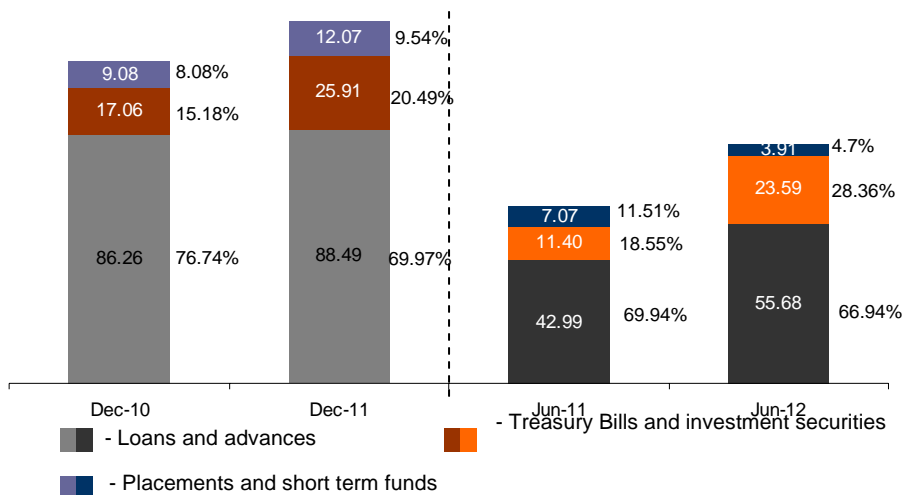
Profits before tax [N'bn]



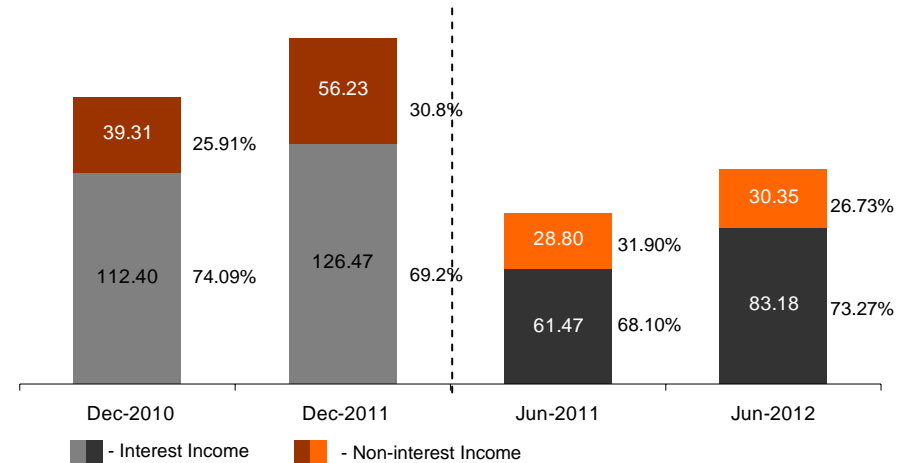
Strong revenue growth

- Robust growth in revenues driven by growth in interest income on loan book and increased yields on investment securities.
- Interest income from fixed securities up 106.86% (vs H1 2011)
- Interest income from loan book up 29.52% (vs H1 2011)
- Non-interest income up 5.39% (vs H1 2011)
- While negative real interest rates depressed H1 2011 revenues, a return to positive real interest rates in late 2011 and high yields on government securities in H1 2012 contributed to a sharp increase in income from investment securities
- Despite impressive increase in interest from investment securities, interest from loans and advances still accounted for over 49.05% of revenues.

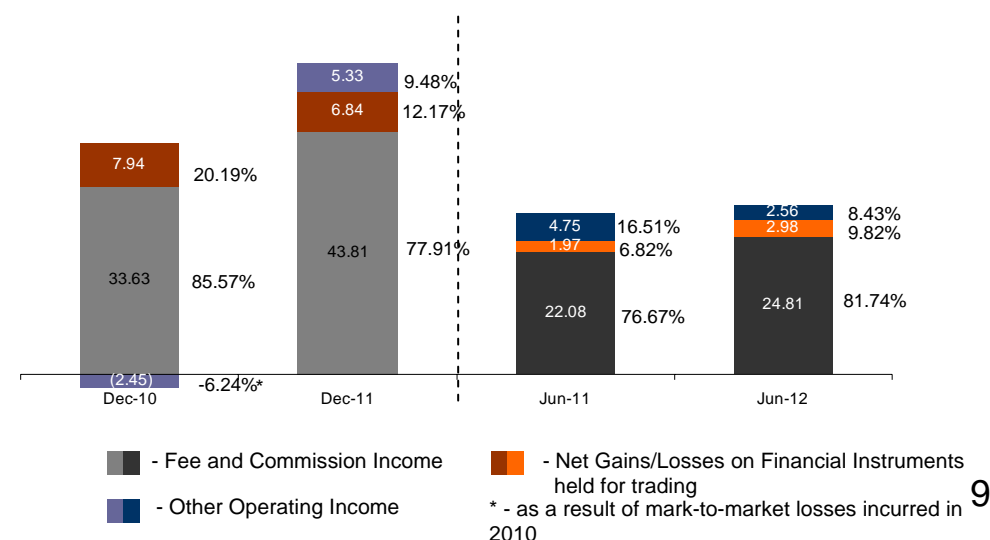
Interest income [N'bn]



Revenue mix [N'bn]



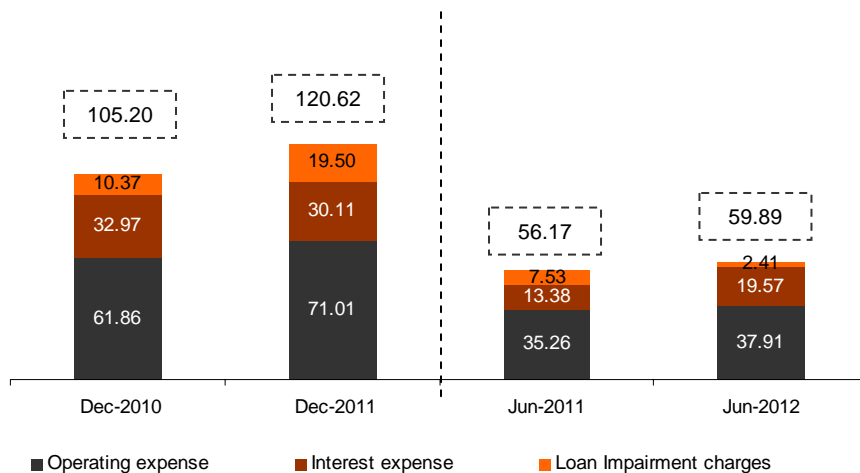
Non-interest income [N'bn]



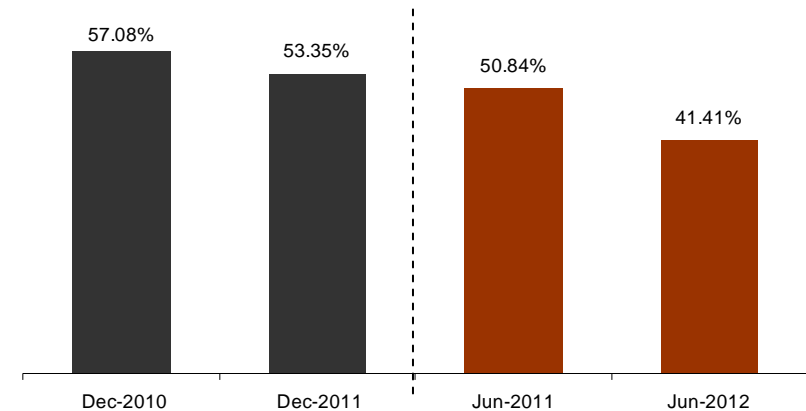
Continued focus on efficiency

- Cost-to-Income ratio of 41.41%
- Conservative 7.52% growth in operating expenses from H1 2011. Management embarked on a strategic review of the Bank's processes and expenditures with a view to develop sustainable methodologies for lowering costs. Our operating environment continues to pose a challenge which we seek to mitigate through increased operational efficiency.
- 57.30% growth in interest expense over H1 2011 is a reflection of a higher interest rate environment. Given high yields on investment securities and an increase in MPR, the Bank incurred increased interest expense in H1 2012 vs. H1 2011
- GTBank will continue to grow its retail deposit base and seek low cost, stable funding.

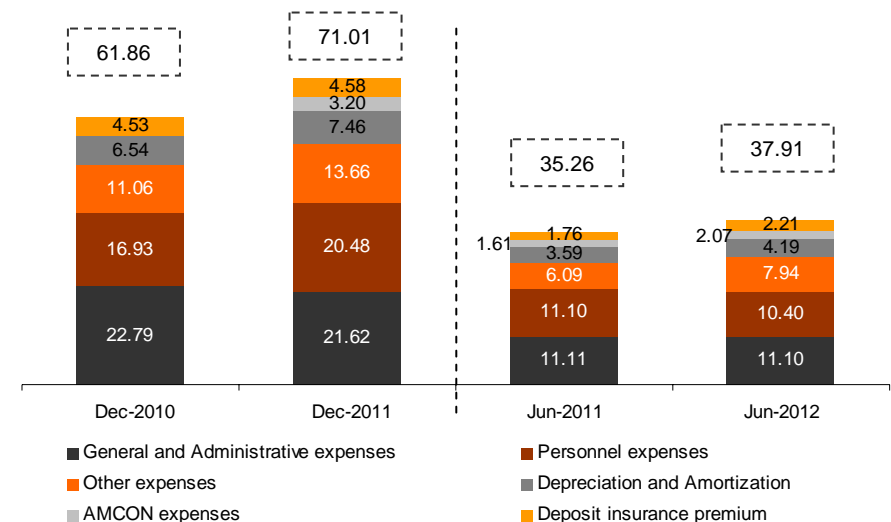
Expense summary [N'bn]



Cost-to-Income ratio



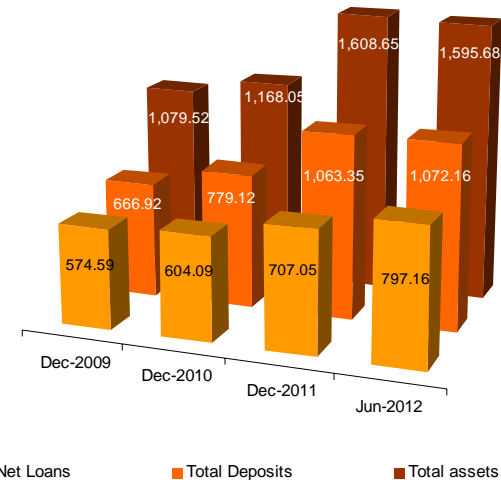
Operating expenses [N'bn]



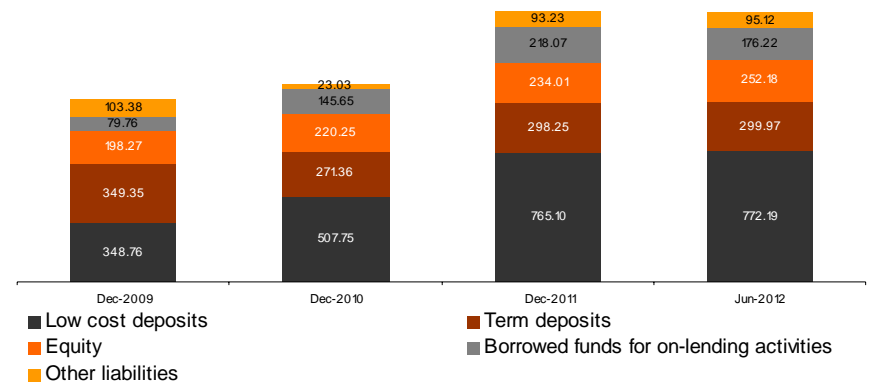
Strong balance sheet

- Loans to deposits ratio: 74.35%
- Loan-book of N797.16bn, up 12.74% from December 2011
- GTBank continues to maintain a focus on the high-end institutional client-base, hence 56.23% of the bank's loan-book is in the institutional banking segment
- Liquidity ratio – 43.83%
- GTBank is well positioned to take advantage of business opportunities that may arise in the short to medium term.
- Deposits of N1.07trn, up 0.83% from December 2011
- GTBank continues to focus on maintaining balance sheet efficiency and protecting NIMs

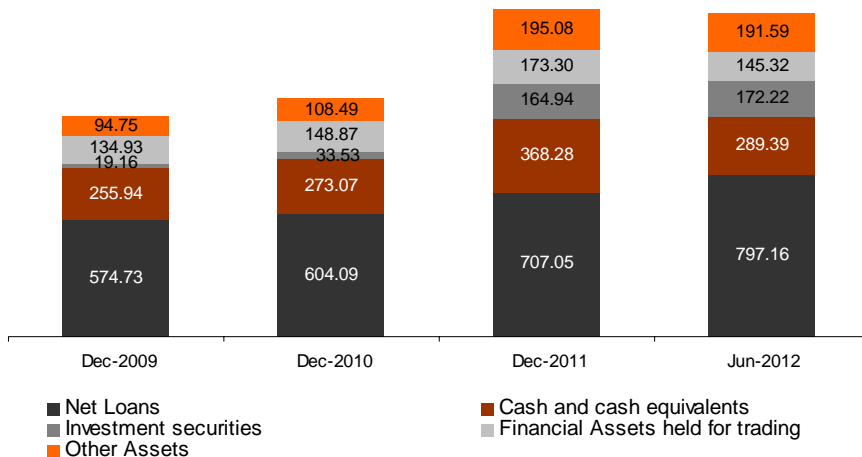
Total Assets, Loans and Deposits [N'bn]



Low cost, diverse funding mix [N'bn]



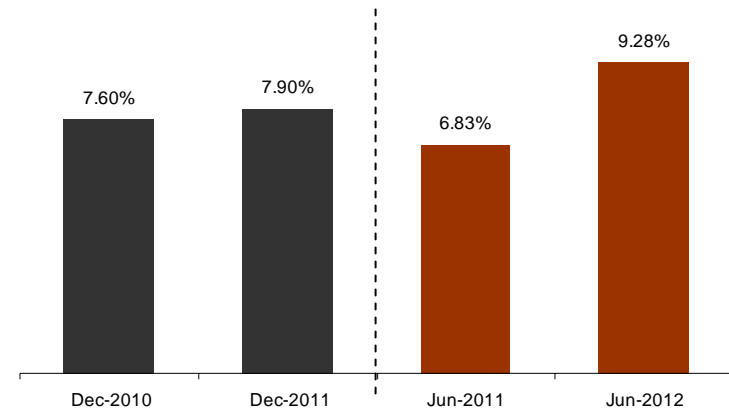
Asset base and components [N'bn]



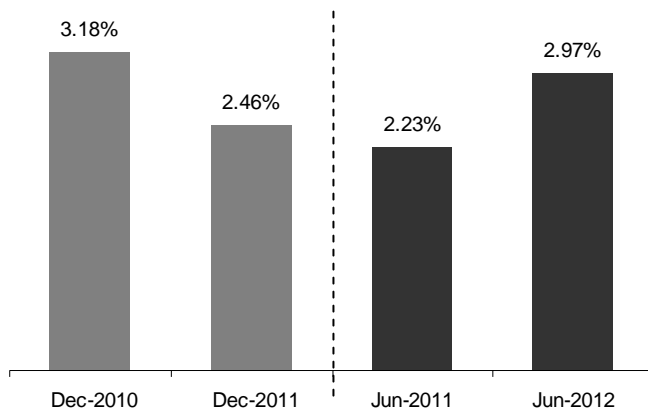
Strong, sustainable margins

- NIM of 9.28%
- NIMs sustained through continuous drive for lower cost of funding and efficient Asset/Liability management (Balance Sheet efficiency)
- NIMs were enhanced in H1 due to high yields derived from investment securities and low cost funding base.

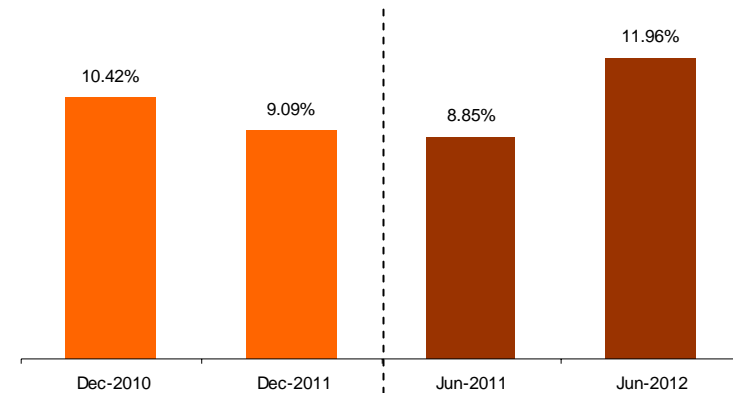
Strong net interest margin



Average cost of interest bearing liabilities



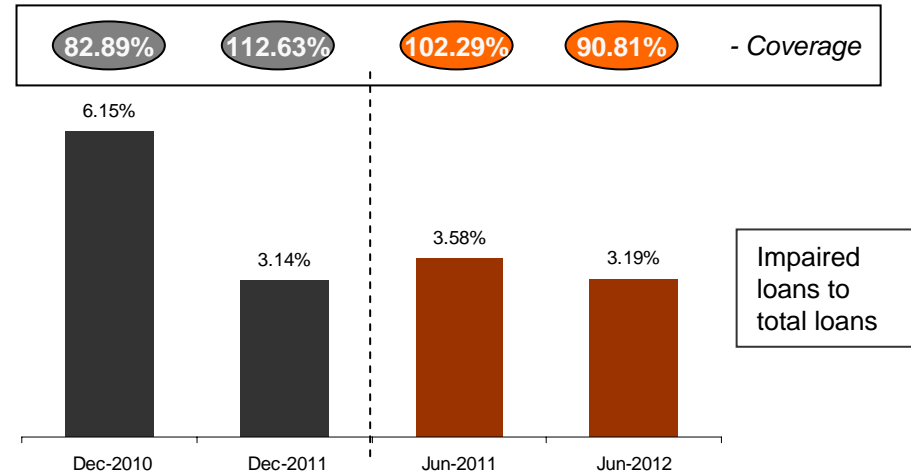
Average yield on interest earning assets



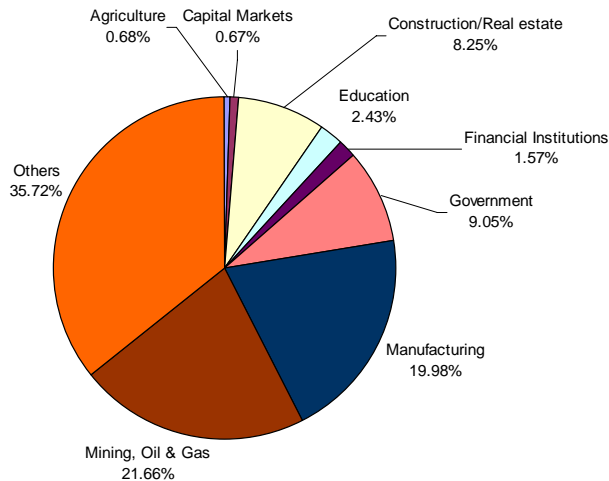
Asset Quality

- NPL ratio of 3.19%, compared with 3.14% as at December 2011
- Coverage ratio of 90.81% (December 2011: 112.63%)
- Cost of risk : 0.29% (December 2011: 1.03%)
- GTBank has taken the final 50% provision on Hi-Media, which is still in receivership. Hi Media accounts for the bulk of NPLs under “Others”.

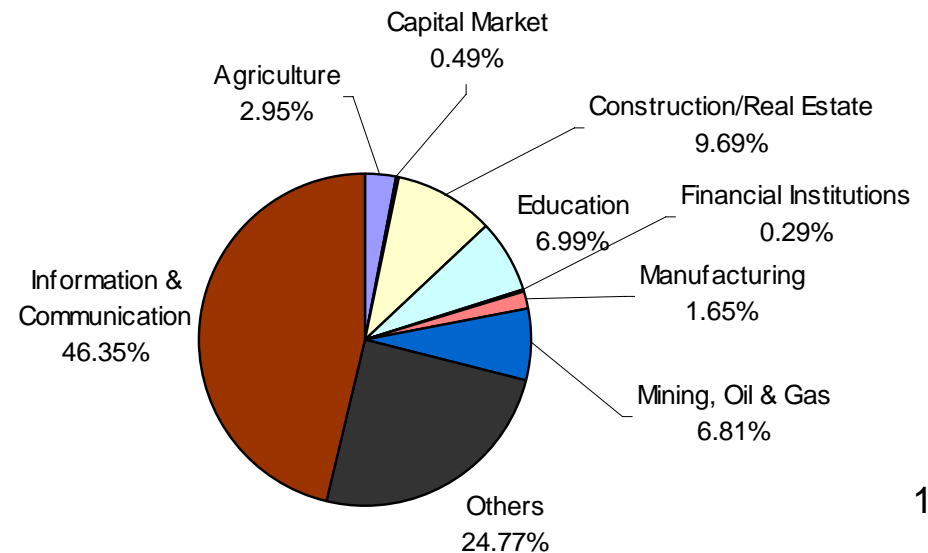
Impaired Loans to Total Loans & Coverage



Loan breakdown by Industry



Impaired loans by Industry



Financial statistics and ratios (summary)

Key Financials (N'000) - Group	31-Dec-10	31-Dec-11	30-Jun-11	30-Jun-12
Balance Sheet				
Total Advances and Loans (Net Loans)	604,093,149	707,051,749	621,752,947	797,156,237
Total Deposits	779,115,210	1,063,348,448	927,001,34	1,072,161,185
Shareholders' Funds	220,254,216	234,008,159	317,117,599	252,179,044
Total Assets	1,168,052,897	1,608,652,646	1,406,297,661	1,595,676,984
Total Assets and Contingents	1,593,041,102	2,135,474,445	1,870,953,226	2,101,111,920
Profit and Loss Account				
	12 months	12 months	6 months	6 months
Interest Income	112,396,831	126,471,509	61,466,364	83,176,926
Non-Interest Income	39,307,862	56,228,048	28,796,739	30,349,576
Profit Before Taxes	46,275,192	62,080,206	32,914,522	53,636,084
Profit After Taxes	39,604,024	51,741,620	27,650,192	45,551,716
Performance Ratios				
Return on Average Assets (RoAA)	3.53%	3.73%	4.29%	5.69%
Return on Average Equity (RoAE)	18.93%	22.78%	25.28%	37.48%
Net Interest Margin	7.60%	7.90%	6.83%	9.28%
Cost/Income	57.08%	53.35%	50.84%	41.41%
Balance Sheet Ratios				
Loans Deposits	77.54%	66.49%	67.07%	74.35%
Liquidity Ratio	56.12%	52.65%	65.02%	43.83%
Capital Adequacy Ratio	23.24%	20.68%	20.88%	21.55%
Asset Quality Ratios				
Impaired loans/Total Loans	6.15%	3.14%	3.58%	3.19%
Allowances for impairment/Total Loans	82.89%	112.63%	102.29%	90.81%

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COMPASS STATEMENTS

**Overall
Aspiration**

**To be
one of the top three banks in Africa
by 2016 (absolute profitability)**

**Our
Strategic
Pillars**

**Dominate our chosen
markets**

Aggressively grow market
share in our chosen/priority
sectors

African Expansion

Scale up our
franchise in Africa

**Talent Management &
Leadership**

Knowledgeable and highly
driven staff with deep industry
skills

Leverage Technology

Scalable, fit for purpose
technology platform

**Competitive Cost
Containment**

Continue to win on the
basis of cost

**Enhanced Risk
Management**

Strong risk management
practices with deep
competencies in our key
markets

Enablers

Deep Market Knowledge

Products and Solutions

Strategic Relationships

Thank You



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