

## Guaranty Trust Bank Plc

### AUDITED FULL-YEAR GROUP RESULTS FOR THE YEAR ENDED DECEMBER 31, 2018: DECLARES A PBT OF ₦215.6BILLION

Lagos Nigeria – March 6, 2019 – Guaranty Trust Bank Plc (“**GTBank**”), (Bloomberg: GUARANTY:NL/Reuters: GUARANT.LG), provider of diversified financial services, announces its Audited Financial Results for the year ended 31 December 2018 and declares a PBT of ₦215.6bn.

Commenting on the financial results, the Managing Director/CEO of Guaranty Trust Bank plc, Mr Segun Agbaje, said; "In 2018, our focus on staying nimble, strengthening customer relationships and driving our digital-first strategy paid off. We successfully navigated the pressures of our challenging and radically changing business environment, recorded growth across key financial indices and reaffirmed our position as one of the best performing and well managed financial institutions in Africa".

He further stated that; 'This result reflects, not just the fundamental strength of our brand, but also our commitment to our values of excellence, creating value for all stakeholders and putting our customers first in everything that we do. Driven by these values, we are building the bank of the future by pairing the best of our business with the massive potential of digital technologies to create Africa's first integrated and trusted platform; Habari".

### Financial Highlights

- Strong Earnings
  - **Profit before tax of ₦215.6bn** (31 December 2017 ₦197.7bn) an increase of 9.1%.
  - **Profit after tax improved** by 10.0% **to ₦184.6bn** from ₦167.9bn of 31 December 2017.
  - Earnings per share of 654kobo (31 December 2017: 594kobo per share)
  - Final dividend of 245kobo per share
- Revenue
  - **Interest Income of ₦307.0bn** (31 December 2017: ₦327.3bn) down 6.2% as a result of 6.1% dip in interest income on loans and advances and 8.2% drop in interest income on fixed income securities. Gross Loans contracted by 10.2% from ₦1.517trn in December 2017 to ₦1.362trn due to repayments of FCY components of the Loan book owing to improved market confidence and increased FX liquidity.
  - **Non-Interest Income of ₦127.7bn** (31 December 2017: ₦91.9bn) up 39.0% compensated for the 6.2% drop in Interest Income. The NII growth resulted largely from 22.0% increase in Fee and Commission Income and growth in Other Income comprising Advisory, Discounts, rebate Commissions & revaluation gains.
  - **Net interest margin remained strong at 9.2%** (31 December 2017: 10.4%).
- Balance Sheet
  - **Total assets of ₦3.287trn** (31 December 2017: ₦3.351trn) down 1.9%
  - **Net loans and advances of ₦1.262trn** (31 December 2017: ₦1.449trn) dip of 12.9%.
  - **Deposits from customers of ₦2.274trn** (31 December 2017: ₦2.062trn) up 10.3%.
- Credit Quality
  - **Non-performing loans to total loans of 7.3%** (31 December 2017: 7.7%).
  - **Coverage for Lifetime Credit Impaired Loans at 105.1%** (31 December 2017: 119.6%)
  - **Cost of Risk at 0.3%** (31 Dec 2017: 0.8%).
- Continued focus on efficiency
  - **Cost to income of 37.1%** (31 Dec 2017: 38.9%).

- Subsidiaries
  - Contribution to PBT from subsidiaries at 12.1% from 8.7% in FY-2017

### **Full Year 2018 Financial Analysis and Ratios**

<b>Key Financials (N' billion)</b>	<b>FY-2018</b>	<b>FY-2017</b>	<b>Δ%</b>
Interest Income	307.0	327.3	-6.2%
Net Interest Income	222.4	246.7	-9.8%
Operating Income	342.7	323.5	5.9%
Operating expenses	127.1	125.8	1.0%
Profit before tax	215.6	197.7	9.1%
Profit After Tax	184.6	167.9	10.0%
Earnings per share (in Naira)	6.5	5.9	10.1%
	<b>FY-2018</b>	<b>FY-2017</b>	<b>Δ%</b>
Total Assets	3,287.3	3,351.1	-1.9%
Net Loans	1,262.0	1,449.3	-12.9%
Customer Deposits	2,273.9	2,062.0	10.3%

<b>Key Ratios</b>	<b>FY-2018</b>	<b>FY-2017</b>
ROAE ( <i>post-tax</i> )	30.9%	30.0%
ROAA ( <i>post-tax</i> )	5.6%	5.2%
ROAE (pre-tax)	36.1%	35.3%
ROAA (pre-tax)	6.5%	6.1%
Net interest margin	9.2%	10.4%
Cost-to-income ratio	37.1%	38.9%
	<b>FY-2018</b>	<b>FY-2017</b>
Loans to deposits	53.5%	67.5%
Liquidity ratio	41.4%	47.6%
Capital adequacy ratio	23.4%	25.7%
NPL/Total Loans	7.3%	7.7%
Cost of risk	0.3%	0.8%
Coverage (with Reg. Risk Reserves)	105.1%	119.6%

6 March 2019

#### **Enquiries:**

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**Notes to the Editors:**

Guaranty Trust Bank is a diversified financial services company with N3.287trillion in assets, providing commercial banking services through 223 local branches, 71 e-branches & GTExpress locations, 1,303 ATMs, our international subsidiary offices and the Internet (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/sub-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").