

GUARANTY TRUST BANK PLC

STATEMENT TO THE NIGERIAN STOCK EXCHANGE AND THE SHAREHOLDERS ON THE EXTRACT OF AUDITED IFRS RESULTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2018

The Board of Directors of Guaranty Trust Bank Plc is pleased to present the summary financial information of the Group's audited results for the 6 months period ended 30 June 2018. The summary financial information disclosed were derived from the full financial statements of Guaranty Trust Bank Plc ("the Bank") and its subsidiaries (together "the Group") for the 6 months period ended 30 June 2018 and cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the Bank and the Group. The Bank's auditor issued an unqualified opinion on the full financial statements for the 6 months period ended 30 June 2018 from which these summary financial information were derived. The Bank's auditor made a report under section 359 of the Companies and Allied Matters Act. The full financial statements from which these summary financial information were derived would be delivered to the Corporate Affairs Commission within the required deadline. An electronic copy of the full financial statements can be obtained at www.gtbank.com

Statements of Financial Position as at 30 June 2018	Group Jun-2018	Group Dec-2017	Parent Jun-2018	Parent Dec-2017
	N'million	N'million	N'million	N'million
ASSETS				
Cash and bank balances	830,978	641,974	622,857	455,296
Financial assets held for trading	32,727	23,946	20,892	16,652
Derivative financial assets	3,456	2,839	3,456	2,839
Investment securities:				
– Fair Value through Other Comprehensive Income	576,893	-	500,267	-
– Available for sale	-	517,493	-	453,090
– Held at amortised cost	122,529	-	1,998	-
– Held to maturity	-	96,467	-	2,007
Assets pledged as collateral	66,858	58,976	66,420	58,962
Loans and advances to banks	1,902	750	43	43
Loans and advances to customers	1,291,258	1,448,533	1,102,935	1,265,972
Restricted deposits and other assets	499,760	444,947	487,127	433,529
Investment in subsidiaries	-	-	46,207	46,207
Property and equipment	106,031	98,670	91,657	84,980
Intangible assets	14,855	14,835	4,088	4,501
Deferred tax assets	1,624	1,667	-	-
	3,548,871	3,351,097	2,947,947	2,824,078
Assets classified as held for sale and discontinued operations	-	-	903	851
TOTAL ASSETS	3,548,871	3,351,097	2,948,850	2,824,929
LIABILITIES				
Deposits from banks	102,568	85,431	47	42
Deposits from customers	2,268,757	2,062,048	1,857,053	1,697,561
Financial liabilities held for trading	6,214	2,647	6,214	2,647
Derivative financial liabilities	3,145	2,607	3,145	2,607
Other liabilities	333,047	218,349	310,499	197,252
Current income tax liabilities	9,716	24,147	9,528	24,010
Debt securities issued	96,151	92,132	96,152	92,132
Other borrowed funds	215,731	220,492	207,591	210,671
Deferred tax liabilities	16,460	18,076	9,841	12,815
	3,051,789	2,725,929	2,500,070	2,239,737
Liabilities classified as held for sale and discontinued operations	-	-	900	848
TOTAL LIABILITIES	3,051,789	2,725,929	2,500,970	2,240,585
CAPITAL AND RESERVES				
Share capital	14,716	14,716	14,716	14,716
Share premium	123,471	123,471	123,471	123,471
Treasury shares	(5,291)	(5,291)	-	-
Retained earnings	46,367	128,385	26,070	115,362
Other components of equity	306,092	352,404	283,623	330,795
Capital and reserves attributable to equity holders of the parent entity	485,355	613,685	447,880	584,344
Non-controlling interests in equity	11,727	11,483	-	-
TOTAL EQUITY	497,082	625,168	447,880	584,344
TOTAL EQUITY AND LIABILITIES	3,548,871	3,351,097	2,948,850	2,824,929

The Group expects that barring unforeseen circumstances, the trend of the above results should be maintained for the rest of the year.

APPROVED BY THE BOARD OF DIRECTORS ON 25 JULY 2018:

A.I. Adeniyi
(Chief Financial Officer)
FRC/2013/CAN/00000004318

H.H. Musa
(Executive Director)
FRC/2017/CIBN/00000016515

J.K. Agbaje
(Group Managing Director and Chief Executive)
FRC/2013/CIBN/00000001782

Income Statements for the period ended 30 June 2018	Group Jun-2018	Restated Group Jun-2017	Parent Jun-2018	Restated Parent Jun-2017
	N'million	N'million	N'million	N'million
Interest income	161,881	165,885	137,498	145,245
Interest expense	(43,951)	(36,347)	(36,130)	(29,530)
Net interest income	117,930	129,538	101,368	115,715
Loan impairment charges	(2,032)	(7,213)	(2,001)	(7,317)
Net interest income after loan impairment charges	115,898	122,325	99,367	108,398
Fee and commission income	27,356	23,715	19,277	17,076
Fee and commission expense	(1,446)	(966)	(1,032)	(654)
Net fee and commission income	25,910	22,749	18,245	16,422
Net gains on financial instruments classified as held for trading	12,650	5,664	9,019	3,104
Other income	24,745	18,834	24,014	21,177
Net impairment on other financial assets	-	(646)	-	(646)
Personnel expenses	(18,576)	(16,368)	(12,460)	(11,381)
Operating lease expenses	(802)	(750)	(309)	(327)
Depreciation and amortization	(8,230)	(7,881)	(6,711)	(6,544)
Other operating expenses	(41,962)	(42,826)	(34,622)	(35,646)
Profit before income tax	109,633	101,101	96,543	94,557
Income tax expense	(14,051)	(17,422)	(10,384)	(14,122)
Profit for the period	95,582	83,679	86,159	80,435
Profit attributable to:				
Equity holders of the parent entity	95,043	83,120	86,159	80,435
Non-controlling interests	539	559	-	-
	95,582	83,679	86,159	80,435

Statements of other comprehensive income for the period ended 30 June 2018	Group Jun-2018	Group Jun-2017	Parent Jun-2018	Parent Jun-2017
	N'million	N'million	N'million	N'million
Profit for the period	95,582	83,679	86,159	80,435
Other comprehensive income not to be reclassified to profit or loss in subsequent years:				
Net change in fair value of equity investments FVOCI	38	-	38	-
Income tax relating to net change in fair value of equity investments FVOCI	-	-	-	-
Remeasurements of post-employment benefit obligations	(265)	649	(265)	649
Income tax relating to remeasurements of post-employment benefit obligations	80	(194)	80	(195)
Other comprehensive income to be reclassified to profit or loss in subsequent years:				
- Foreign currency translation differences for foreign operations	2,477	(726)	-	-
- Income tax relating to foreign currency translation differences for foreign operations	(743)	218	-	-
- Net change in fair value of financial assets FVOCI	(3,876)	-	(4,474)	-
- Income tax relating to net change in fair value of financial assets FVOCI	1,085	-	1,265	-
- Net change in fair value of available for sale financial assets	-	1,747	-	355
- Income tax relating to net change in fair value of available for sale financial assets	-	(524)	-	(106)
Other comprehensive income for the period, net of tax	(1,204)	1,170	(3,356)	703
Total comprehensive income for the period	94,378	84,849	82,803	81,138
Profit attributable to:				
Equity holders of the parent entity	93,370	83,307	82,803	81,138
Non-controlling interests	1,008	1,542	-	-
Total comprehensive income for the period	94,378	84,849	82,803	81,138
Earnings per share for the profit attributable to the equity holders of the parent entity during the period (expressed in naira per share):				
- Basic	3.38	2.96	2.93	2.73
- Diluted	3.38	2.96	2.93	2.73
Gross Earnings	226,632	214,098	189,808	186,602
	Jun-2018	Dec-2017	Jun-2018	Dec-2017
Total impaired Loans and Advances (N'million)	81,293	116,198	70,517	102,750
Total impaired Loans and Advances to Loans and Advances (%)	5.75%	7.66%	5.82%	7.75%

Reports on the Resolution of Customers' Complaints

Below is a breakdown of Complaints received and resolved by the Bank during the period ended 30 June 2018 pursuant to CBN circular dated August 16, 2011.

Description	Number	Amount Claimed	Amount Refunded
		(N'000)	(N'000)
Pending Complaints brought forward from prior year	106	853,165	-
Received Complaints	18,496	76,818	-
Resolved Complaints	18,471	81,523	99,385
Unresolved Complaints escalated to CBN for intervention	-	-	-
Unresolved Complaints pending with the Bank carried forward	131	848,460	-

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY INTERIM CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

To the members of Guaranty Trust Bank Plc

Report on the summary interim consolidated and separate financial statements

Opinion

The summary interim consolidated and separate financial statements (the "summary financial statements"), which comprise the summary interim consolidated and separate statements of financial position as at 30 June 2018 and the summary interim consolidated and separate statements of comprehensive income for the 6 months period then ended are derived from the audited interim consolidated and separate financial statements (the "audited financial statements") of Guaranty Trust Bank Plc ("the Bank") and its subsidiary companies (together the "Group") for the 6 months period ended 30 June 2018.

In our opinion, the accompanying summary financial statements are consistent in all material respects, with the audited financial statements, in accordance with the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act.

Summary financial statements

The summary financial statements do not contain all the disclosures required by IAS 34 'Interim Financial Reporting', the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act, the Banks and Other Financial Institution Act and other relevant Central Bank of Nigeria circulars applied in the preparation of the audited financial statements of the Group and Bank. Therefore, reading the summary financial statements and the auditor's report thereon, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 2 August 2018. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Directors' responsibility for the summary financial statements

The directors are responsible for the preparation of the summary financial statements in accordance with the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

Report on other legal and regulatory requirements

In accordance with our full audit report, we confirm that:

- we did not report any exceptions under the sixth schedule of the Companies and Allied Matters Act;
- the Bank has disclosed the information required by the Central Bank of Nigeria circular on insider related credits;
- the Bank paid penalties in respect of contraventions of certain sections of the Banks and Other Financial Institutions Act and relevant circulars issued by the Central Bank of Nigeria during the 6 months period ended 30 June 2018.

Obioma Ubah
For: PricewaterhouseCoopers
Chartered Accountants
Lagos, Nigeria

Engagement Partner: Obioma Ubah
FRC/2013/CAN/00000002002

2 August 2018

