



Zenith Bank Plc
Group Unaudited Results for 3 months ended 31 March, 2017

ZENITH BANK PLC RELEASES UNAUDITED FIRST QUARTER 2017 FINANCIAL RESULTS

LAGOS, NIGERIA - 28 April, 2017 - Zenith Bank Plc, (Bloomberg: ZENITHBA NL) (“Zenith” or the “Bank”), the Nigerian bank headquartered in Lagos, announces its unaudited results for the quarter ended 31st March, 2017.

Financial Highlights

<i>In millions of Naira</i>	Mar 2017	Mar 2016	% Change
<i>Income statements</i>			
Gross earnings	147,738	99,435	48.6%
Interest income	118,092	84,177	40.3%
Net interest income	70,604	58,157	21.4%
Non interest income	29,644	15,306	93.7%
Operating income	92,362	70,885	30.3%
Operating expenses	48,162	38,765	24.2%
Profit before tax	44,200	32,121	37.6%
Profit after tax	37,499	26,573	41.1%
Earnings per share (K)	119	84	41.7%
<i>Balance sheet</i>			
	Mar 2017	Dec. 2016	% Change
Gross loans and advances	2,427,855	2,360,809	2.8%
Customers' deposits	2,996,262	2,983,621	0.4%
Total assets	4,739,828	4,739,825	0.0%
Shareholder's funds	687,858	704,465	-2.4%
<i>Key ratios</i>			
	Mar 2017	Mar 2016	% Change
Net interest margin	7.7%	7.9%	-2.5%
Cost-to-income ratio	52.1%	54.7%	-4.8%
Loan-to-deposit ratio	68.1%	66.6%	2.3%
Cost of funds	5.0%	3.2%	56.3%
Cost of risk	1.3%	0.5%	160.0%
Return on average assets (ROAA)	3.2%	2.7%	18.5%
Return on average equity (ROAE)	21.5%	17.5%	22.9%
Liquidity ratio	66%	47.7%	38.4%
Capital adequacy ratio (CAR)	22.0%	21.0%	4.8%
Non performing loan ratio (NPL)	3.2%	2.2%	45.5%



In its remarks, the management of the Zenith Bank Group stated: “The performance for the quarter ended 31st March, 2017 affirms Zenith’s continued leadership in the Nigerian financial services industry.

The Group reported gross revenues of N147.7 billion representing a significant increase of 48.6% over the same period of the previous financial year. Furthermore, The Group’s results for the first quarter of 2017, also shows an increase of 40.3% and 93.7% (Y-o-Y) to N118.1 billion and N29.6 billion in interest income and non-interest income respectively. Profit before Tax (PBT) and Profit after Tax (PAT) improved significantly by 37.6% and 41.1% to N44.2 billion and 37.5 billion respectively.

Though operational expenses increased by 24.2%, driven by general inflationary pressures and a tough operating environment, this was effectively mitigated as the Group was able to deliver a reduction in its cost-to-income ratio to 52.1% in the current period ended March 2017 as against 54.7% in the comparable period of 2016.

The Group’s approach to cautiously growing its risk assets led to the marginal growth of 2.8% in loans and advances closing at N2.43tn as at 31st March, 2017. Deposits remained stable closing the period at N2.99 trillion, a muted growth of 0.4% from December 2016. The Group reported a liquidity ratio of 66% which is more than twice the 30% minimum statutory requirement for the period ended 31st March, 2017 and a Capital Adequacy Ratio (CAR) of 22% which is well above the 15% regulatory limit.

Given the emerging stability in the FX market and international oil prices along with the moderation of inflation, management’s outlook remains very positive barring any unforeseen circumstances. Furthermore, the Group is strategically positioned to explore opportunities to grow its customer base and risk assets across targeted sectors of the economy. The Group will continue to emphasize on cost optimisation, agriculture and the real sectors while providing support to local production and manufacturing.”



Notes to editors:

About Zenith Bank Plc

Zenith Bank Plc offers its clients a wide range of corporate, investment, business and personal banking products and solutions. It is one of the biggest and most profitable banks in Nigeria. The bank was established in May 1990 and started operations in July same year as a commercial bank. It became a public limited company on June 17, 2004 and was listed on the Nigerian Stock Exchange on October 21, 2004 following a highly successful Initial Public Offering (IPO). Zenith Bank listed on the London Stock Exchange via a non-capital raising GDR on March 21, 2013. The Bank presently has a shareholder base of over one million, an indication of the strength of the Zenith brand.

It is headquartered in Lagos, Nigeria. With over five hundred (500) branches and business offices nationwide Zenith Bank has presence in all the state capitals, the Federal Capital Territory (FCT) and major towns and metropolitan centres in Nigeria. The Bank's expansion is not limited to Nigeria as Zenith became the first Nigerian bank in 25 years to be licensed by the Financial Services Authority (FSA) in the UK for the commencement of banking operations by Zenith Bank (UK) Limited in April, 2007. This is in addition to its presence in Ghana, Zenith Bank (Ghana) Limited, Sierra Leone, Zenith Bank (Sierra Leone) Limited, Gambia, Zenith Bank (Gambia) Limited and a representative office in Johannesburg, South Africa, Beijing, China and Dubai branch of Zenith Bank UK.

More information can be found at www.zenithbank.com