



# ZENITH BANK PLC

Zenith Heights, Plot 87, Ajose Adeogun Street, Victoria Island, Lagos

## 2010 Audited Group Accounts

### BALANCE SHEETS

AS AT 31 DECEMBER 2010	Group 2010 N'million	Group 2009 N'million	Bank 2010 N'million	Bank 2009 N'million
<b>ASSETS</b>				
Cash and balances with central banks	141,724	126,779	130,604	115,044
Treasury bills	298,869	234,115	287,981	225,371
Due from other banks	399,503	341,830	374,604	290,025
Loans and advances	713,285	698,326	667,860	669,261
On-lending facilities	22,536	-	22,536	-
Advances under finance lease	13,188	5,506	12,731	5,281
Insurance receivables	711	635	-	-
Investment securities	210,345	158,977	171,985	144,189
Investment in subsidiaries	-	-	37,134	36,096
Deferred tax assets	1,162	966	-	-
Other assets	18,936	13,517	13,470	12,758
Investment property	7,623	433	7,036	-
Property and equipment	67,145	78,619	63,517	75,171
<b>Total assets</b>	<b>1,895,027</b>	<b>1,659,703</b>	<b>1,789,458</b>	<b>1,573,196</b>
<b>Liabilities</b>				
Customers' deposits	1,318,072	1,173,917	1,289,552	1,111,328
Claims payable	218	198	-	-
Liabilities on insurance contracts	2,287	1,202	-	-
On-lending facilities	26,049	-	26,049	-
Borrowings	27,975	35,984	27,975	35,984
Current income tax	3,735	7,407	1,010	5,718
Other liabilities	145,750	100,085	87,314	88,683
Deferred income tax liabilities	7,380	3,117	7,144	3,100
<b>Total liabilities</b>	<b>1,531,466</b>	<b>1,321,910</b>	<b>1,439,044</b>	<b>1,244,813</b>
<b>Capital and reserves</b>				
Share capital	15,698	12,559	15,698	12,559
Share premium	255,047	255,047	255,047	255,047
Revaluation reserve	98	-	-	-
Retained earnings	62,610	44,883	51,307	37,415
Other reserves	27,789	23,081	28,362	23,362
<b>Attributable to equity holders of the parent</b>	<b>361,242</b>	<b>335,570</b>	<b>350,414</b>	<b>328,383</b>
Non-controlling interest	2,319	2,223	-	-
<b>Total shareholders' equity</b>	<b>363,561</b>	<b>337,793</b>	<b>350,414</b>	<b>328,383</b>
<b>Total Liabilities and equity</b>	<b>1,895,027</b>	<b>1,659,703</b>	<b>1,789,458</b>	<b>1,573,196</b>
Acceptances and guarantees	902,931	638,708	866,169	606,594

The full financial statements were approved by the Board of Directors on 21 March 2011 and signed on its behalf by:

Steve Omojafor  
(Chairman)

Godwin Emeffele  
(Group Managing Director and Chief Executive)

### PROFIT AND LOSS ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2010	12 Months Group 2010 N'million	15 Months Group 2009 N'million	12 Months Bank 2010 N'million	15 Months Bank 2009 N'million
<b>Gross earnings</b>	<b>192,488</b>	<b>277,300</b>	<b>169,370</b>	<b>254,147</b>
Interest and similar income	127,265	193,545	118,491	186,019
Interest and similar expenses	(35,719)	(83,957)	(34,522)	(82,836)
<b>Net interest income</b>	<b>91,546</b>	<b>109,588</b>	<b>83,969</b>	<b>103,183</b>
Fee and commission income	46,180	55,014	39,885	49,830
Underwriting income	7,145	7,450	-	-
Underwriting expenses	(4,621)	(5,105)	-	-
Underwriting profit	2,524	2,345	-	-
Foreign exchange trading income	10,823	19,687	9,743	17,369
Trusteeship income	45	42	-	-
Income from investments	304	1,326	455	484
Other income	726	236	796	445
<b>Operating income</b>	<b>152,148</b>	<b>188,238</b>	<b>134,848</b>	<b>171,311</b>
Operating expenses	(97,769)	(113,288)	(89,074)	(103,410)
Diminution in asset values	(4,353)	(39,865)	(2,817)	(36,148)
<b>Profit before tax</b>	<b>50,026</b>	<b>35,085</b>	<b>42,957</b>	<b>31,753</b>
Taxation	(12,612)	(14,482)	(9,622)	(13,388)
<b>Profit after tax</b>	<b>37,414</b>	<b>20,603</b>	<b>33,335</b>	<b>18,365</b>
Non controlling interest	(84)	(106)	-	-
<b>Profit attributable to Group shareholders</b>	<b>37,330</b>	<b>20,497</b>	<b>33,335</b>	<b>18,365</b>

### Key Financial Information

Total non-performing loans and advances (N'million)	44,271	48,379	41,832	46,413
Total non-performing loans to total loans and advances (%)	5.93%	6.47%	6.00%	6.48%
Earnings per share (basic)	119 k	82 k	106 k	73 k
Earnings per share (adjusted)	119 k	65 k	106 k	58 k
Dividend per share (proposed)	85 k	45 k	85 k	45 k

### INDEPENDENT AUDITOR'S REPORT

#### To the Members of Zenith Bank Plc

The accompanying balance sheets as at 31 December 2010 and the profit and loss accounts for the year then ended, are derived from the audited Group and Separate financial statements of Zenith Bank Plc ("the Bank") and its subsidiary companies (together "the Group") for the year ended 31 December 2010. We expressed an unmodified audit opinion on the Group and Separate financial statements in our report dated 21 March 2011.

The accompanying balance sheets and profit and loss accounts do not contain all the disclosures required by Statements of Accounting Standards applicable in Nigeria, the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act, and other relevant Central Bank of Nigeria circulars applied in the preparation of the audited financial statements of the Bank and the Group. Reading the accompanying balance sheets and profit and loss accounts, therefore, is not a substitute for reading the audited financial statements of the Bank and the Group.

In our opinion, the accompanying balance sheets and profit and loss accounts are consistent, in all material respects, with the audited Group and Separate financial statements of Zenith Bank Plc for the year ended 31 December 2010 from which they were derived.

#### Other Matter

The financial statements of the Bank and the Group for the period ended 31 December 2009 were audited by another auditor whose report dated 1 March 2010 expressed an unmodified opinion on those financial statements.

#### Compliance with Section 27 (2) of the Banks and Other Financial Institutions Act of Nigeria and Central Bank of Nigeria circular BSD/1/2004

To the best of our knowledge, the Bank did not contravene any provision of the Banks and Other Financial Institutions Act and relevant Central Bank of Nigeria's circulars during the year ended 31 December 2010.

Related party transactions and balances are disclosed in the financial statements in compliance with the Central Bank of Nigeria circular BSD/1/2004.

KPMG



21 March 2011  
Lagos, Nigeria

The above balance sheets, profit and loss accounts and report of the independent auditor are published in accordance with the requirements of S.27 of the Banks and Other Financial Institutions Act.

Directors | Sir Steve Omojafor (Chairman), Godwin Emeffele (Managing Director/Chief Executive), Mr. Babatunde Adejwun, Alhaji Baba Tela, Alhaji Sani Lawal, Jeffrey Efeiyi, Professor Sam Enwemeka, Amal Pettle, Peter Amangbo (Executive Director), Apollous Ikpobe (Executive Director), Elias Igbin-Akenzua (Executive Director), Andy Ojei (Executive Director), Udom Emmanuel (Executive Director).