



Zenith Bank Plc
Group Audited Results for the year ended 31 December, 2015

ZENITH BANK PLC RELEASES AUDITED DECEMBER 2015 FINANCIAL RESULTS

LAGOS, NIGERIA - 15 March 2016 - Zenith Bank Plc, (Bloomberg: ZENITHBA NL) (“Zenith” or the “Bank”), the Nigerian bank headquartered in Lagos, announces its audited results for the year ended 31 December 2015.

Financial Highlights

<i>Naira (millions)</i>			
	Dec-15	Dec-14	% Change
<i>Income statements</i>			
<i>Gross earnings</i>	432,535	403,343	7.20%
<i>Interest income</i>	348,179	313,422	11.10%
<i>Net interest income</i>	224,582	206,503	8.80%
<i>Non-interest income</i>	84,584	90,059	(6.1)%
<i>Operating income</i>	293,493	283,498	3.50%
<i>Operating expenses</i>	167,877	163,702	2.60%
<i>Profit before tax</i>	125,616	119,796	4.90%
<i>Profit after tax</i>	105,663	99,455	6.20%
<i>Earnings per share (K)</i>	336	316	6.30%
<i>Balance sheet</i>	Dec-15	Dec-14	% Change
<i>Gross loans and advances</i>	2,032,256	1,758,335	15.60%
<i>Customers' deposits</i>	2,557,884	2,537,311	0.80%
<i>Total assets</i>	4,007,492	3,755,264	6.70%
<i>Shareholder's funds</i>	594,353	552,638	7.50%
<i>Key ratios</i>	Dec-15	Dec-14	% Change
<i>Net interest margin</i>	8.10%	8.40%	(3.6)%
<i>Cost-to-income ratio</i>	57.20%	57.70%	(0.9)%
<i>Loan-to-deposit ratio</i>	67.20%	60.30%	11.40%
<i>Cost of funds</i>	4.10%	4.00%	2.50%
<i>Cost of risk</i>	0.80%	0.90%	(11.1)%
<i>Return on average assets (ROAA)</i>	2.70%	2.90%	(6.9)%
<i>Return on average equity (ROAE)</i>	18.40%	18.70%	(1.6)%
<i>Liquidity ratio</i>	51.40%	46.80%	9.80%
<i>Capital adequacy ratio (CAR)</i>	21.00%	20.00%	5.00%
<i>Non-performing loan ratio (NPL)</i>	2.18%	1.75%	24.60%
<i>Coverage ratio</i>	96.90%	93.70%	3.40%



Commenting on the results, the management of Zenith Bank Group stated: “The performance for the period ended December 31, 2015 further confirms Zenith’s industry leadership and consistency in delivering superior financial returns in spite of the macroeconomic, regulatory and market specific challenges faced by the Nigerian banking industry. Driven by our innovative processes, cutting edge technology and committed staff, the group recorded a total revenue of N432.5 billion which represents a 7.2% increase over the same period last year. The group also recorded an increase of 4.9% (YoY) in Profit Before Tax (PBT) to N125.6 billion from N119.7 billion.

“Our strategic focus on creating competitively priced and high quality risk assets is evidenced in the YoY growth of loans and advances which closed at N2.0tn as at 31 December, 2015. This represents a 15.6% increase over the N1.7tn recorded at the end of the 2014 financial year with the growth in loans and advances delivering an increase in interest income of 11.1% compared to the same period last year.

“The Bank ended its liquidity ratio for the period ended under review at 52%, well in excess of the 30% minimum statutory requirement. Maintaining a stable liquidity ratio over the years is also an indication of management’s efforts in sustaining a strong and high quality balance sheet. The group’s Capital Adequacy Ratio (CAR) stood at 21% which is above the 16% threshold required by the CBN for systemically important commercial banks with international authorisation.

“The loan-to-deposit ratio of 67.2% was recorded as at December 31, 2015 compared to 60.3% for the previous year. This remains comfortably below the regulatory maximum of 80% and presents the group with the capacity to participate in broader lending opportunities going forward”.

Despite a tough competitive operating environment and the challenges caused by weaker oil prices and tightening monetary policy, management is of the opinion that barring any unforeseen circumstances, the group is well positioned to take advantage of opportunities to grow its customer base and risk assets. More emphasis will be placed on agriculture and the real sector while providing support to local production and manufacturing.

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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

