



Zenith Bank Plc
Group Unaudited Results for 9 months ended 30 September, 2017

ZENITH BANK PLC RELEASES THIRD QUARTER 2017 FINANCIAL RESULTS

LAGOS, NIGERIA - 19 October, 2017 - Zenith Bank Plc, (Bloomberg: ZENITHBA NL) (“Zenith” or the “Bank”), the Nigerian bank headquartered in Lagos, announces its Unaudited results for 9 months ended 30 September 2017.

Financial Highlights

Gross earnings	531,266	380,352	39.7%
Interest income	361,789	285,674	26.6%
Net interest income	201,492	189,817	6.2%
Non interest income	169,477	94,678	79.0%
Operating income	323,916	262,637	23.3%
Operating expenses	171,458	146,050	17.4%
Profit before tax	152,552	116,587	30.8%
Profit after tax	129,235	95,386	35.5%
Earnings per share (K)	411	303	35.6%
Balance sheet	Sept 2017	Dec. 2016	% Change
Gross loans and advances	2,273,057	2,360,809	-3.7%
Customers' deposits	3,062,214	2,983,621	2.6%
Total assets	5,131,912	4,739,825	8.3%
Shareholder's funds	767,690	704,465	9.0%
Key ratios	Sept 2017	Sept 2016	% Change
Net interest margin	7.20%	7.60%	-5.3%
Cost-to-income ratio	52.90%	53.80%	-1.7%
Loan-to-deposit ratio	62.10%	72.30%	-14.1%
Cost of funds	5.40%	3.80%	42.1%
Cost of risk	2.70%	1.30%	107.7%
Return on average assets (ROAA)	3.50%	3.10%	12.9%
Return on average equity (ROAE)	23.40%	20.70%	13.0%
Liquidity ratio	61.10%	55.20%	10.7%
Capital adequacy ratio (CAR)	22.20%	19.00%	16.8%
Non performing loan ratio (NPL)	4.20%	2.20%	90.9%
Coverage ratio	110.30%	126.40%	-12.7%



The management of Zenith Bank Group in its comments stated that “the operating results of the Group for the period ended September 30, 2017 affirms the Group’s leadership position in the industry as it continues to demonstrate resilience and consistency in delivering superior performance.

For the period ended September 2017, the Group reported Gross Earnings of N531.3 billion representing a 39.7% increase compared to N380.4 billion reported in September 2016. The Group also recorded a year-on-year increase of 26.6% and 79.0% in interest income and non-interest income respectively. The increase in interest income was supported by the high yield on government securities and a tight monetary environment. Continuous growth in all lines of non-interest income further demonstrates our strong revenue generating capacity with increasing diversification.

The Group’s cost-to-income ratio declined from 53.8% in the first three quarters of 2016 to 52.9% in 2017 driven by operational efficiencies and cost optimization efforts. The Group delivered an increase in Profit before Tax (PBT) from N116.6 billion in September 2016 to N152.6 billion in September 2017 reflecting a growth of 30.8% due to improvement in both interest income and non-interest income.

The marginal decline of 3.7% in Gross loans is reflective of the Group’s cautious approach to its risk assets management due to the evolving economic environment. The Group’s total deposits increased by 2.6% from N3.0 trillion to N3.1 trillion as it strives to consolidate its effective deposit mobilisation strategy.

In line with the Group’s conservative stance, it closed the period with a liquidity ratio of 61.1% firmly above the 30% minimum statutory requirement. The Group’s loan to deposit ratio was 62.1% while the Capital Adequacy Ratio (CAR) stood at 22.2% which is above the 15% regulatory limit. Zenith’s strength in these prudential ratios reflect its capacity to take advantage of emerging opportunities across various sectors of the economy.

Although the operating environment remains challenging, management’s outlook going into the final quarter of the year is optimistic barring any unforeseen circumstances.”

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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 September 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