



Zenith Bank Plc

Group Audited Results for Year ended 31 December, 2019

ZENITH BANK PLC RELEASES FINANCIAL YEAR END 2019 RESULTS

LAGOS, NIGERIA - 21 February, 2020 - Zenith Bank Plc, (Bloomberg: ZENITHBA NL) (“Zenith” or the “Bank”), the Nigerian bank headquartered in Lagos, announces its audited results for year ended 31 December 2019.

Financial Highlights

Income statement			
<i>In millions of Naira</i>	31-Dec-19	31-Dec-18	% Change
Gross earnings	662,251	630,344	5%
Interest and similar income	415,563	440,052	-6%
Net interest income	267,031	295,594	-10%
Non-interest income	232,120	179,963	29%
Operating expenses	(231,825)	(225,500)	3%
Profit before tax	243,294	231,685	5%
Profit after tax	208,843	193,424	8%
Earnings per share (N)	6.65	6.15	8%
Balance sheet			
<i>In millions of Naira</i>	31-Dec-19	31-Dec-18	% Change
Assets			
Gross loans	2,462,359	2,016,520	22%
Customer deposits	4,262,289	3,690,295	15%
Total assets	6,346,879	5,955,710	7%
Shareholders' fund	941,886	815,751	15%
Key ratios			
	31-Dec-19	31-Dec-18	% Change
Return on average equity (ROAE)	23.8%	23.8%	0%
Return on average assets (ROAA)	3.4%	3.3%	1%
Net interest margin (NIM)	8.2%	8.9%	-7%
Cost of funds	3.0%	3.1%	-2%
Cost of risk	1.1%	0.9%	25%
Cost to income	48.8%	49.3%	-1%
	31-Dec-19	31-Dec-18	% Change
Liquidity ratio	57.3%	80.9%	-29%
Loan to deposit ratio (Group)	57.8%	54.6%	6%
Loan to deposit ratio (Bank)	68.6%	68.1%	0.7%
Capital adequacy ratio (CAR)	22.0%	25.0%	-12%
Non-performing loan	4.30%	4.98%	-14%
Coverage ratio	148.2%	192.4%	-23%



The Zenith Bank Group recorded a growth in gross earnings of 5% rising to N662.3 billion from N630.3 billion reported in the previous year. This growth was driven by the 29% increase in non-interest income from N179.9 billion in 2018 to N231.1 billion in 2019. Fees on electronic products continues to grow significantly with a 108% YoY growth from N20.4 billion in 2018 to N42.5 billion in the current year. This is a validation of our retail transformation strategy which continues to deliver impressive results.

Profit before tax also increased by 5% growing from N232 billion to N243 billion in the current year, arising from topline growth and continued focus on cost optimisation strategies. Cost-to-income ratio moderated from 49.3% to 48.8%. Our drive for cheaper retail deposits coupled with the low interest yield environment helped reduce our cost of funding from 3.1% to 3.0%. However this also affected net interest margin which reduced from 8.9% to 8.2% in the current year due to re-pricing of interest bearing assets. Although returns on equity and assets held steady YoY at 23.8% and 3.4% respectively, the Group still delivered an improved Earnings per Share (EPS) which grew 8% from N6.15 to N6.65 in the current year.

The Group increased its share of the market as it secured increased customer deposits across the corporate and retail space as deposits grew by 15% to close at N4.26 trillion. Total assets also increased by 7% from N5.96 trillion to N6.35 trillion. The Group created new viable risk assets as gross loans grew by 22% from N2.02 trillion to N2.46 trillion. This was executed prudently at a low cost of risk of 1.1% and a significant reduction in the non-performing loan ratio from 4.98% to 4.30%. Prudential ratios such as liquidity and capital adequacy ratios also remained above regulatory thresholds at 57.3% and 22.0% respectively.

In 2020, the Group remains strategically positioned to capture the opportunities in the corporate and retail segments while efficiently managing costs and expanding further its retail franchise employing digital innovation and digital assets.

- ENDS -



Teleconference Call Details:

Zenith Bank Plc (Bloomberg: ZENITHBA : NL) will have a teleconference call on Wednesday, February 26, 2020 at 3pm Lagos Time (2pm London/ 4pm Johannesburg/ 10am New York) with its senior management to announce Zenith Bank Plc's audited financial results for the year ended 31 December, 2019. There will be an opportunity at the end of the call for management to take questions from investors and analysts.

Please find attached the 2019 Full Year Group Financial Results.

The presentation to investors and analysts will be posted to Zenith Bank's website before the conference call on Wednesday.

The teleconference call facility can be accessed by dialling:

<i>+234 1 903 0080</i>	<i>Nigeria</i>
<i>+44 3333 000 804</i>	<i>United Kingdom</i>
<i>+27 (0) 21 672 4118</i>	<i>South Africa</i>
<i>+1 631 913 1422</i>	<i>United States</i>

And then quoting the following access code: 21689718#

If you have any queries please do not hesitate to contact the below.

FOR FURTHER INFORMATION:

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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 well over half a 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 Beijing, China and Dubai branch of Zenith Bank UK.

More information can be found at www.zenithbank.com.