

# Guaranty Trust Bank plc

## 2012 Audited full-year results Announces Profits of ₦103.03billion

Lagos Nigeria – April 02, 2013 – Guaranty Trust Bank plc (“GTBank”), (Bloomberg: GUARANTY:NL/Reuters: GUARANT.LG), provider of diversified financial services, announces its Audited Financial Results, in accordance with IFRS, for the year ended December 31, 2012, and declares a Year End dividend of 130 kobo\* per share bringing the total year dividend to 155kobo.

Commenting on the results, Mr. Segun Agbaje, Managing Director and CEO of Guaranty Trust Bank plc, attributed the Bank’s success to its adherence to a defined growth plan, high corporate governance standards and the cultural values for which the Bank is known; innovation professionalism, integrity, discipline and service excellence. He further commented that these factors, coupled with a resourceful board and the passion of GTBank employees have enabled the Bank grow market share and continue to avail its stakeholders with value adding services.

### Financial Highlights

- Strong Earnings
  - **Profit after tax for the year of ₦87.30bn** (31 December 2011: ₦51.74bn) an increase of 68.72%. PAT includes Profit for the year from continuing operations (₦86.69bn) and discontinued operations (₦609.08mm).
  - **Profit before tax of ₦103.03bn** (31 December 2011: ₦62.08bn) an increase of 65.96%. Profitability driven by strong growth in interest income and stringent expense control.
  - Earnings per share of 306kobo per share (31 Dec 2011: 169kobo per share)
  - **YE 2012 Dividend of 130kobo** per share. **Total-Year Dividend of 155kobo** (inclusive of 25kobo interim dividend issued at half-year 2012)
- Subsidiaries
  - In April 2012, GTBank commenced expansion into Francophone West Africa with GTB Cote D’Ivoire.
  - In compliance with the repeal of the Universal Banking model by the Central Bank of Nigeria and introduction of a new licensing regime, GTBank divested from the last of its non-bank subsidiaries (GT Homes Limited).
  - GT Homes was sold in May 2012 and has been appropriately disclosed as discontinued operations with reported profit of ₦609.08mm.
- Revenue
  - Interest Income of ₦170.30bn (31 December 2011: ₦126.47bn) up 34.65%. Growth driven primarily by a combination of higher yields on the loan book and on investments in fixed income securities.
  - Non-Interest Income of ₦51.64bn (31 December 2011: ₦55.94bn) a 7.67% decline as a result of a general industry-wide slowdown in foreign exchange trading income.
  - **Net interest margin was strong at 9.46%**
- Balance Sheet
  - **Total assets and contingents of ₦2.262trn** (31 December 2011: ₦2.135trn)
  - **Total assets of ₦1.735trn** (31 December 2011: 1.609trn)
  - **Net loans and advances to customers of ₦779.05bn** (31 December 2011: ₦706.89bn) up 10.21%.
  - **Total Deposits from customers of ₦1.148trn**(31 December 2011:₦1.026bn) up 11.90%. Measured depositgrowth is a result of GTBank’s deliberate efforts to minimize cost of deposits in a rising interest rate environment.
- Credit Quality
  - **Non-performing loans to total loans of 3.43%** (31 December 2011: 3.45%)

- **Coverage for Credit Losses at 70%** (31 December 2010: 102%)
- Continued focus on efficiency
  - **Cost to income profile improved to 42.73%** (31 December 2011: 52.94%) a marked improvement from 2011. Cost performance driven by GTBank's continued drive for higher levels of cost efficiency through innovation and Best-In-Class practices. Operating expense grew 10.10% (inclusive of AMCON charge) in 2012, which is below inflation.

\*Subject to shareholder approval at GTBank's AGM to be held on April 29, 2013

### **Full Year 2012 Financial Analysis and Ratios**

<b>Key Financials (N' billion)</b>	<b>2012</b>	<b>2011</b>	<b>Δ%</b>
Interest Income	170.30	126.47	35%
Net Interest Income	130.69	98.49	33%
Operating Income	180.74	152.59	18%
Operating expense	76.88	69.83	10%
Profit before tax	103.03	62.08	66%
Profit for the year	87.30	51.74	69%
Earnings per share	3.06	1.69	81%
Total Assets	1,734.88	1,608.65	8%
Net Loans	783.91	707.05	11%
Total Deposits	1,172.06	1,063.35	10%

<b>Key Ratios</b>	<b>2012</b>	<b>2011</b>
ROE	33.98%	23.15%
ROA	5.22%	3.73%
Net interest margin	9.46%	8.20%
Cost-to-income ratio	42.73%	52.94%
Loans to deposits	68.27%	68.91%
Liquidity ratio	53.32%	52.65%
Capital adequacy ratio	24.23%	20.68%
NPL/Total Loans	3.43%	3.45%
Cost of risk	0.10%	2.85%
Provisions for loan losses/NPL	69.78%	102.3%

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#### **Notes to the Editors:**

Guaranty Trust Bank is a diversified financial services company with N1.74trillion in assets, providing commercial banking services through 205 local branches, 35 e-branches, 858 ATMs, our international subsidiary offices and the Internet (gtbank.com).

The Group operates as one of the leading Nigerian banks offering a wide range of financial services and products throughout Nigeria and in the West African sub-region. The Bank is rated BB- by Standard and Poors and B+ by Fitch, a reflection of the Bank's stability and reputation of being a well established franchise with strong asset quality and consistently excellent financial performance.

The Bank has six bank subsidiaries established outside of Nigeria — Guaranty Trust Bank (Gambia) Limited ("GTB Gambia"), Guaranty Trust Bank (Sierra Leone) Limited ("GTB Sierra Leone"), Guaranty Trust Bank (Ghana) Limited ("GTB Ghana"), Guaranty Trust Bank (Liberia) Limited ("GTB Liberia"), Guaranty Trust Bank (United Kingdom) Limited ("GTB UK") and Guaranty Trust Bank (Cote D'Ivoire) S.A. ("GTB Cote D'Ivoire").

The Bank also has a non-bank GTB Finance B.V. ("GTB Finance"), a special purpose subsidiary incorporated in The Netherlands. In each of the past three years, profit from the parent company accounted for over 95.0% of the Group's total income.