



Guaranty Trust Bank plc  
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## Guaranty Trust Bank plc

### 2014 Audited full-year results Announces PBT of N116.39bn

Lagos Nigeria – 5 March 2015 – 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 31 December 2014, and a Final dividend of 150kobo\* per share bringing the total dividend for the year to 175kobo.

Commenting on the results, Segun Agbaje, Managing Director and CEO of Guaranty Trust Bank plc stated that the Bank’s financial performance in 2014 attests to the inherent soundness of our strategy and resilience of our earnings. The Group has delivered a respectable Profit Before Tax of N116.39billion in spite of the headwinds experienced by the industry. He expressed his sincere appreciation to customers for their loyalty, and to staff for their hard work and commitment.

According to Segun **Agbaje** “**We remain committed to maximising shareholder value and delivering superior and sustainable returns. Our objective is to remain a leading player in the financial services sector whilst expanding our franchise in select, high growth African markets where we believe we have a competitive advantage.**”

#### Financial Highlights

- Strong Earnings
  - **Profit before tax of ₦116.39bn** (31 December 2013: ₦107.09bn) an increase of 8.68%. PBT growth derived from increased transaction volumes, effective management of the Bank’s fx positions, strong loan growth and continued cost efficiency.
  - **Profit after tax for the year of ₦98.69bn** (31 December 2013: ₦90.02bn) up 9.63%
  - Earnings per share of 347kobo (31 December 2013: 317kobo per share)
  - **Final 2014 Dividend of 150kobo** per share. **Total-Year Dividend of 175kobo** (inclusive of 25kobo interim dividend issued at half-year 2014)
- Revenue
  - **Interest Income of ₦200.60bn** (31 December 2013: ₦185.38bn) up 8.21%. Interest Income growth was driven by strong loan growth of 27.1% and impressive yields on fixed income securities.
  - **Non-Interest Income of ₦77.64bn** (31 December 2013: ₦57.40bn) up 35.27% as a result of increased net gains on Financial instruments classified as held for trading and partly due to growth in commissions from financial guarantees and e-banking commissions
  - **Net interest margin remained strong at 8.10%** (31 December 2013: 8.87%)
- Balance Sheet
  - **Total assets of N2.36trn** (31 December 2013: 2.10trn) up 12.03%

- **Strong loan book growth of 27.12%. Net loans and advances to customers of ₦1.28trn** (31 December 2013: ₦1.01bn) Loan book growth driven primarily by a 56.97% growth of the foreign currency loan book on the back of our 2013 \$400m Eurobond issue. The foreign currency loans were deployed to satisfy latent demand from quality names in the Manufacturing, Maritime and Oil & Gas sectors. We also recorded marginal growth on naira loans, driven by decent deposit growth.
- **Total Deposits from customers of ₦1.65trn** (31 December 2013: ₦1.44bn) up 14.36%. Strong deposit growth driven by the continued growth of our retail franchise.
- Capital
  - **Capital Adequacy Ratio (Basel II) of 21.40%** (31 December 2013: 23.91%), GTBank remains adequately capitalized despite move to Basel II reporting
- Credit Quality
  - **Non-performing loans to total loans of 3.18%** (31 December 2013: 3.58%)
  - **Coverage (with Regulatory risk reserves) at 143.22%** (31 December 2013: 110.60%)
- Continued focus on efficiency
  - **Cost to income of 44.79%** (31 December 2013: 43.53%) GTBank's expenses grew by 14.4% from 2013 largely as a result of a 17.53% growth in AMCON levy and subsidiary related expenses.
- Subsidiaries
  - Income from Subsidiaries grew 16.18% from 2013
  - Despite pandemic outbreaks of Ebola in Liberia and Sierra Leone, our subsidiaries in both countries show impressive income growth in 2014
  - Our Kenya subsidiary showed significant income growth in 2014, under GTBank management

## **Full Year 2014 Financial Analysis and Ratios**

<b>Key Financials (N' billion)</b>	<b>2014</b>	<b>2013</b>	<b>Δ%</b>
Interest Income	200.60	185.38	8.2%
Net Interest Income	142.39	136.94	4.0%
Operating Income	210.82	189.63	11.2%
Operating expense	94.44	82.54	14.4%
Profit before tax	116.39	107.09	8.7%
Profit for the year	98.69	90.02	9.6%
Earnings per share	3.47	3.17	3.9%
Total Assets	2,355.88	2,102.85	12.0%
Net Loans	1,281.37	1,007.97	27.1%
Total Deposits	1,649.87	1,442.70	14.4%

<b>Key Ratios</b>	<b>2014</b>	<b>2013</b>
ROE ( <i>post-tax</i> )	27.93%	29.32%
ROA ( <i>post-tax</i> )	4.43%	4.69%
ROE ( <i>pre-tax</i> )	32.94%	34.87%
ROA ( <i>pre-tax</i> )	5.22%	5.58%
Net interest margin	8.10%	8.87%
Cost-to-income ratio	44.79%	43.53%
Loans to deposits	77.67%	69.87%
Liquidity ratio	40.07%	50.31%
Capital adequacy ratio	21.40%	23.91%
NPL/Total Loans	3.15%	3.58%

Cost of risk	0.61%	0.31%
Coverage (with Reg. Risk Reserves)	143.22%	110.55%

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## Notes to the Editors:

Guaranty Trust Bank is a diversified financial services company with N2.36trillion in assets, providing commercial banking services through 216 local branches, 1141 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 nine bank subsidiaries established outside of Nigeria —

- 1) Guaranty Trust Bank (Gambia) Limited ("GTB Gambia"),
- 2) Guaranty Trust Bank (Sierra Leone) Limited ("GTB Sierra Leone"),
- 3) Guaranty Trust Bank (Ghana) Limited ("GTB Ghana"),
- 4) Guaranty Trust Bank (Liberia) Limited ("GTB Liberia"),
- 5) Guaranty Trust Bank (United Kingdom) Limited ("GTB UK")
- 6) Guaranty Trust Bank (Cote D'Ivoire) ("GTB Cote D'Ivoire"),
- 7) Guaranty Trust Bank (Kenya) Limited ("GTB Kenya"),
- 8) Guaranty Trust Bank (Rwanda) Limited ("GTB Rwanda"),
- 9) Guaranty Trust Bank (Uganda) Limited ("GTB Uganda").

The Bank also has a non-bank GTB Finance B.V. ("GTB Finance"), a special purpose subsidiary incorporated in The Netherlands.