

Guaranty Trust Bank Plc

AUDITED HALF-YEAR GROUP RESULTS FOR THE PERIOD ENDED JUNE 30, 2017: DECLARES A PBT OF ₦101.1BILLION

Lagos Nigeria – August 15, 2017 – Guaranty Trust Bank Plc (“GTBank”), (Bloomberg: GUARANTY:NL/Reuters: GUARANT.LG), provider of diversified financial services, announces its Audited Financial Results, prepared in accordance with IFRS, for the 6 months ended 30 June 2017 and declares a PBT of N101.1bn.

Commenting on the financial results, Mr. Segun Agbaje, the Managing Director/CEO of Guaranty Trust Bank Plc, said that “Our strong performance in the first half of 2017 reflects the strength of our businesses, the quality of our past decisions and the success of our efforts towards becoming a digital-first customer-centric Bank that offers simple and easily accessible products and services.”

He further stated that “Despite the challenging environment of slow economic growth, we focused our resources on strengthening relationships with our customers, creating business platforms that seek to add value across all customer segments, whilst consolidating our leading position in all the economies in which we operate”.

Financial Highlights

- Strong Earnings
 - **Profit before tax of ₦101.1bn** (30 June 2016 ₦85.7bn) an increase of 18.0% enhanced by 51.1% growth in interest income
 - **Profit after tax for period ₦83.7bn** (30 June 2016: ₦71.8bn)
 - Earnings per share of 296kobo (30 June 2016: 254kobo per share)
 - **Half Year dividend of 30kobo** per share
- Revenue
 - **Interest Income of ₦165.9bn** (30 June 2016: ₦109.8bn)
 - **Non-Interest Income of ₦48.2bn** (30 June 2016: ₦100.1bn) down 51.8% due to decline in foreign exchange income (FX revaluation gains).
 - **Net interest margin remained strong at 10.4%** (30 June 2016: 8.4%).
- Balance Sheet
 - **Total assets of N3.232trn** (31 December 2016: ₦3.116trn) up 3.7%
 - **Net loans and advances of ₦1.491trn** (31 December 2016: ₦1.590trn) dip of 6.3%.
 - **Deposits from customers of ₦1.966trn** (31 December 2016: ₦1.986trn) down 1.0%.
- Credit Quality
 - **Non-performing loans to total loans of 3.7%** (31 December 2016: 3.7%)
 - **Coverage (with Regulatory risk reserves) at 222.9%** (31 December 2016: 222.9%)
 - **Cost of Risk at 0.5%** (31 Dec 2016: 4.3%).
- Continued focus on efficiency
 - **Cost to income of 40.2%** (30 June 2016: 39.0%).
- Subsidiaries
 - Contribution to PBT from subsidiaries at 9.3% from 6.2% in H1-2016

Half Year 2017 Financial Analysis and Ratios

Key Financials (N' billion)	H1-2017	H1-2016	Δ%
Interest Income	165.9	109.8	51.1%
Net Interest Income	129.5	79.1	63.7%
Operating Income	168.9	140.4	20.3%
Operating expenses	67.8	54.7	24.0%
Profit before tax	101.1	85.7	18.0%
Profit After Tax	83.7	71.8	16.6%
Earnings per share (in Naira)	3.0	2.5	16.5%
	H1-2017	FY-2016	Δ%
Total Assets	3,232.2	3,116.4	3.7%
Net Loans	1,490.8	1,590.1	-6.3%
Customer Deposits	1,966.4	1,986.3	-1.0%

Key Ratios	H1-2017	H1-2016
ROAE(<i>post-tax</i>)	32.1%	33.4%
ROAA(<i>post-tax</i>)	5.3%	5.3%
ROAE (pre-tax)	38.8%	39.8%
ROAA (pre-tax)	6.4%	6.3%
Net interest margin	10.4%	8.4%
Cost-to-income ratio	40.2%	39.0%
	H1-2017	FY-2016
Loans to deposits	73.7%	75.3%
Liquidity ratio	48.5%	42.2%
Capital adequacy ratio	23.1%	19.8%
NPL/Total Loans	3.7%	3.7%
Cost of risk	0.45%	4.25%
Coverage (with Reg. Risk Reserves)	222.9%	222.9%

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Notes to the Editors:

Guaranty Trust Bank is a diversified financial services company with N3.232trillion in assets, providing commercial banking services through 216 local branches, 60 e-branches, 1,150 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 commercial banking services and products throughout Nigeria and in the West and East African sub-region. The Bank is rated B+ by Fitch and B+ by S&P, 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").