

Guaranty Trust Bank plc

UNAUDITED QUARTER THREE GROUP RESULTS FOR THE PERIOD ENDED SEPTEMBER 30, 2017 DECLARES A PBT OF ₦150.03BILLION

Lagos Nigeria – October 18, 2017 – Guaranty Trust Bank plc (“GTBank”), (Bloomberg: GUARANTY:NL/Reuters: GUARANTY.LG), provider of diversified financial services, announces its Q3 Results and declares a PBT of N150.03bn.

Commenting on the Bank’s financial results, Segun Agbaje, the Managing Director/CEO said that, “Given the progress we made in the first half of the year, we came into the second half with the objective of remaining focused on our core strategy of serving the full value chain of our customers’ needs whilst maintaining high standards of customer service.

He further stated that “As the Bank continues to drive innovation around mobile technology, we will continue to enhance our digital channels in order to make it easy for our customers to use and access our products and services, whilst positioning our Bank as a platform for enriching lives that provides customers with benefits beyond banking.”

Financial Highlights

- Strong Earnings
 - **Profit before tax of ₦150.03bn** (30 September 2016 ₦137.99bn) an increase of 8.73% enhanced by 36.48% growth in interest income
 - **Profit after tax for the period of ₦125.58bn** (30 September 2016: ₦117.08bn)
 - Earnings per share of 444kobo (30 September 2016: 414kobo per share)
- Revenue
 - **Interest Income of ₦248.27bn** (30 September 2016: ₦181.91bn)
 - = **Trading Income of ₦9.94bn** (30 September 2016: ₦3.01bn) up 229.78% as a result improved System FX liquidity which led to increase in FX trading volumes. Also, impressive yields in the Fixed Income Market provided the necessary stimulant for increased trading volumes of Treasury bills transacted during the period.
 - **Net interest margin remained strong at 10.50%** (30 September 2016: 8.22%).
- Balance Sheet
 - **Total assets of N3.213trn** (31 December 2016: ₦3.116trn) up 3.10% largely as a result of 7.76% growth in Investment Securities
 - **Net loans and advances of ₦1.428trn** (31 December 2016: ₦1.590trn) down 10.18% as result conscious effort to de-risk the balance sheet and unwinding of trade obligations.
 - **Customers Deposits of ₦1.898trn** (31 December 2016: ₦1.986trn) down 4.46% as a result of increased customers’ appetite for Treasury bills investment as well as utilization of naira deposits by customers to clear pent up FX obligations
- Credit Quality
 - **Non-performing loans to total loans of 3.93%** (31 December 2016: 3.66%)
 - **Coverage (with Regulatory risk reserves) at 212.72%** (31 December 2016: 222.86%)
 - **Cost of Risk at 0.53%** (31 December 2016: 4.25%).
- Continued focus on efficiency
 - **Cost to income of 37.59%** (30 September 2016: 37.49%).
- Subsidiaries
 - Contribution to PBT from subsidiaries at 9.28% (30 September 2016: 7.34%).

Q3 2017 Financial Analysis and Ratios

Key Financials (N' billion)

| | Q3-2017 | Q3-2016 | Δ% |
|-------------------------------|----------------|----------------|-----------|
| Interest Income | 248.27 | 181.91 | 36.48% |
| Net Interest Income | 189.57 | 132.75 | 42.80% |
| Operating Income | 240.39 | 220.76 | 8.89% |
| Operating expenses | 90.36 | 82.77 | 9.17% |
| Profit before tax | 150.03 | 137.99 | 8.73% |
| Profit After Tax | 125.58 | 117.08 | 7.26% |
| Earnings per share (in Naira) | 4.44 | 4.14 | 7.24% |

| | Q3-2017 | FY-2016 | Δ% |
|--------------------|----------------|----------------|-----------|
| Total Assets | 3,212.94 | 3,116.39 | 3.10% |
| Net Loans | 1,428.24 | 1,590.08 | -10.18% |
| Customers Deposits | 1,897.59 | 1,986.25 | -4.46% |

Key Ratios

| | Q3-2017 | Q3-2016 |
|-------------------------|----------------|----------------|
| ROE (<i>post-tax</i>) | 30.81% | 34.58% |
| ROA (<i>post-tax</i>) | 5.29% | 5.56% |
| ROE (<i>pre-tax</i>) | 36.81% | 40.75% |
| ROA (<i>pre-tax</i>) | 6.32% | 6.55% |
| Net interest margin | 10.50% | 8.22% |
| Cost-to-income ratio | 37.59% | 37.49% |

| | Q3-2017 | FY-2016 |
|------------------------------------|----------------|----------------|
| Loans to deposits | 72.47% | 75.31% |
| Liquidity ratio | 49.75% | 42.19% |
| Capital adequacy ratio | 22.90% | 19.79% |
| NPL/Total Loans | 3.93% | 3.66% |
| Cost of risk | 0.53% | 4.25% |
| Coverage (with Reg. Risk Reserves) | 212.72% | 222.86% |

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Notes to the Editors:

Guaranty Trust Bank is a diversified financial services company with N3.212trillion in assets, providing commercial banking services through 218 local branches, 44 e-branches, over 1,165 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").