



Guaranty Trust Bank plc

Guaranty Trust Bank's presentation to investors and analysts

based on Group results for
the half-year June 2011

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- Financial Highlights – June 2011
- Financial Performance & Analyses
- Business Strategy and Objectives

H1 June 2011 - Financial Highlights (Group)

Financial Performance Highlights

Profit after tax	N27.48bn	Up 50.8% vs. Jun-10. <i>Includes N2.2bn extra ord. item from sale of Interswitch</i>
Profit Before Tax	N31.9bn	Up 24 % compared to a PBT of N25.7 as at June 2010
Return on Equity	25.48%	Strong ROE driven by focus on core business and efficiency
Dividends	25 kobo/share	Continued culture of ample, consistent returns to our shareholders
Net Interest Margin	8.17%	Improved and sustainable margins, driven by pricing efficiency
NPLs & Coverage	NPL→3.61% / CR→104%	NPLs down from 6.76% as at Dec-10
Cost-to-Income	53%	Improved cost efficiency with a resolve to be below 50% by YE 2011

Other Events

Tayo Aderinokun passes on	After a protracted illness, our former MD/CEO passed on to greater glory
Segun Agbaje becomes CEO	After 9 years as deputy CEO, Mr. Agbaje succeeded Mr. Aderinokun as MD/CEO
USD 500m Eurobond Issue	GTBank issues oversubscribed USD 500m Senior, Unsecured, 5yr, 7.5% fixed notes
Tate Modern	GTBank partners with Tate Modern to promote African Art
Euromoney Awards	Euromoney Awards GTBank Best Bank in Nigeria for third year in a row
Thisday Awards	Our CEO and executive directors were awarded the Young Global Champions Award

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Business segment overview



Selected Highlights

Active Customers

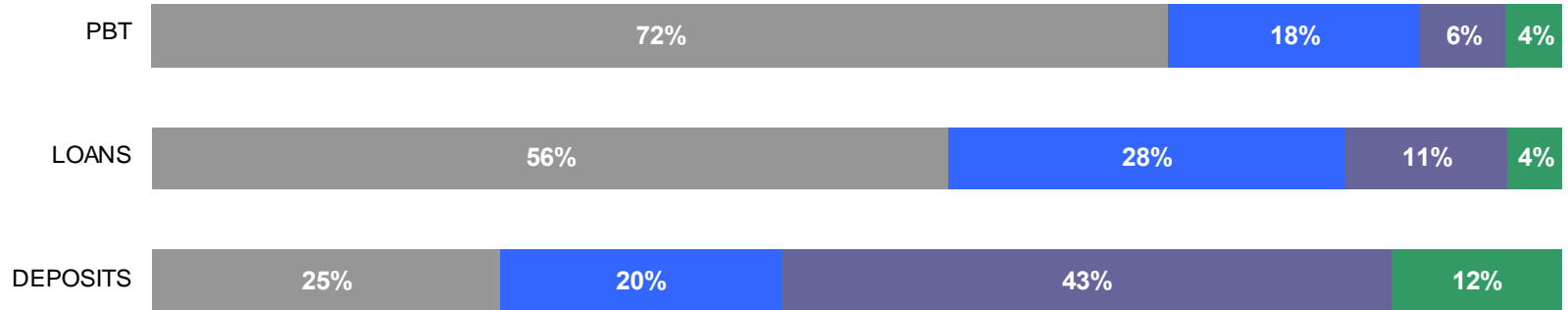
- Focus on multinationals and large corporates, with turnover in excess of N5bn.
- Organised in 5 groups: Energy, Telecoms, Corporate Finance, Corporate Bank and Treasury
- Voted best bank in Nigeria at the Euromoney awards (2009,2010,2011)
- **Over 400**

- Focus on small & medium companies, with turnover between N250m and N5bn
- Extensive product range: tailor-made solutions and flexibility
- In-depth knowledge of local market
- **Over 50,000**

- Focus on retail customers
- Rapidly developing business
- **181 branches and 541 ATMs**
- Extensive leverage of alternative distribution channels
- **Over 3 million customers**

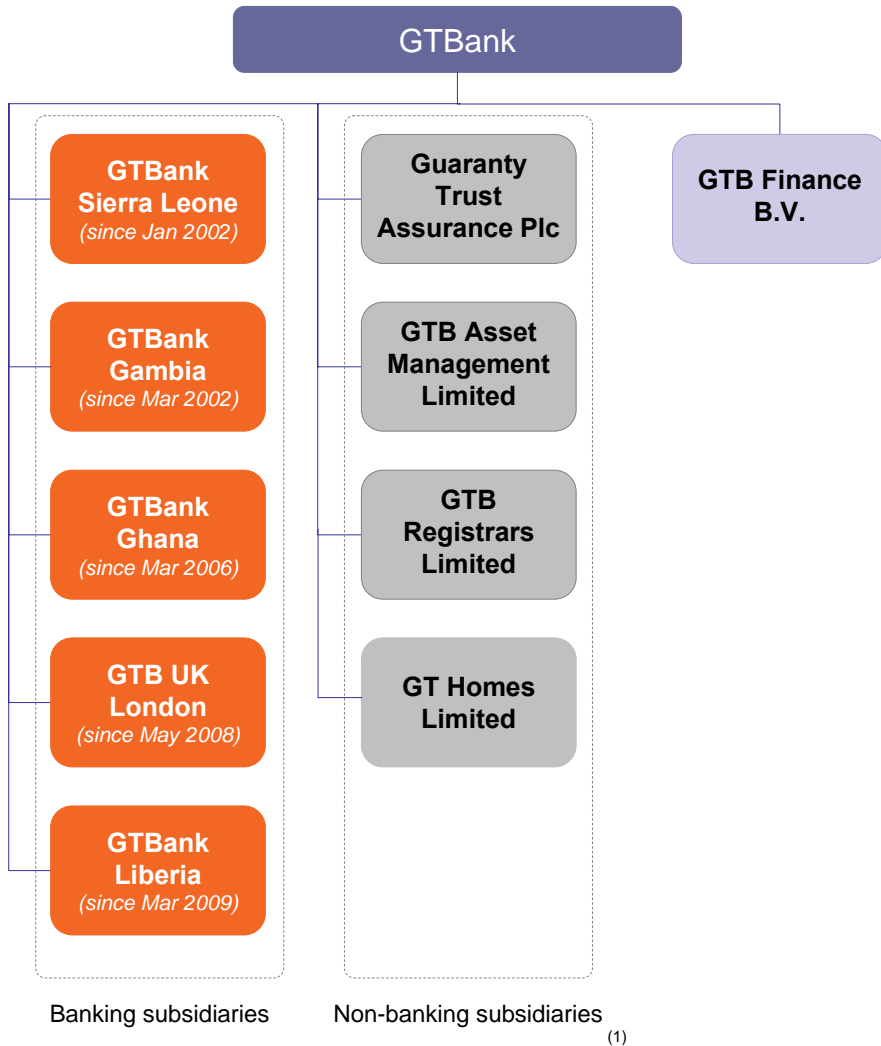
- Focus on:
 - Federal government
 - State governments
 - Local governments and clients
- **Active in all government segments**

Contribution to GTBank



Subsidiaries and Group Structure

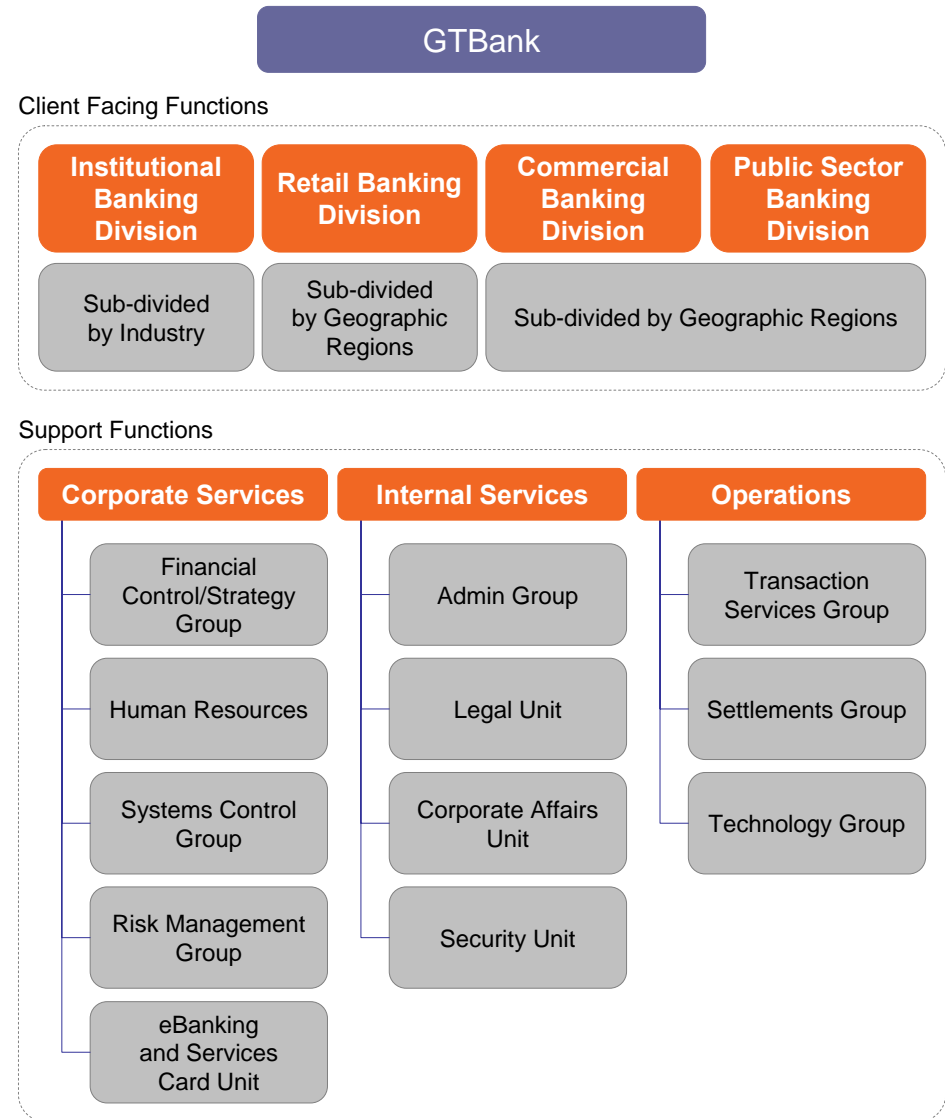
GTBank Group Structure



Note

1. Non-banking subsidiaries are required to be divested by May 2012. GTB Homes will be integrated into GTBank. Divestments are scheduled to be completed by December 2011

GTBank Organisational Structure



Profitability (Group)

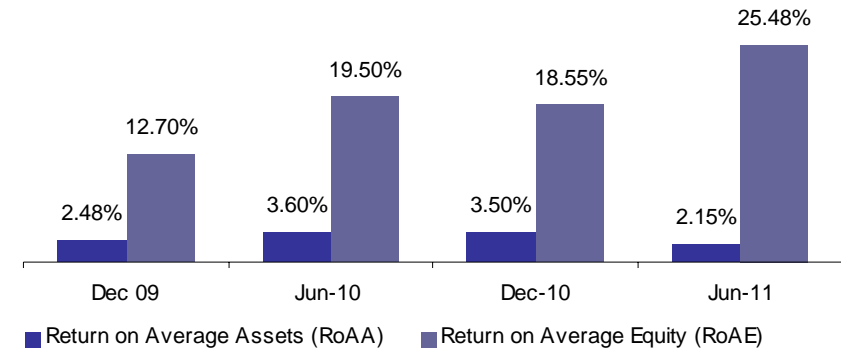
Continued culture of sustained Profitability

- Strong half year PBT of 31.9bn, up 24% compared to June 2010.
- Strong half year ROAE of 25.48% and ROAA of 4.3% (annualized)
- Earnings per share of 86 kobo
- Half year dividend of 25 kobo per share
- Growth in Profitability primarily driven by
 - growth in non-interest income due to increased volume of transactions in a period characterized by lower lending rates
 - Expense control and efficiency for both interest expense and operating costs

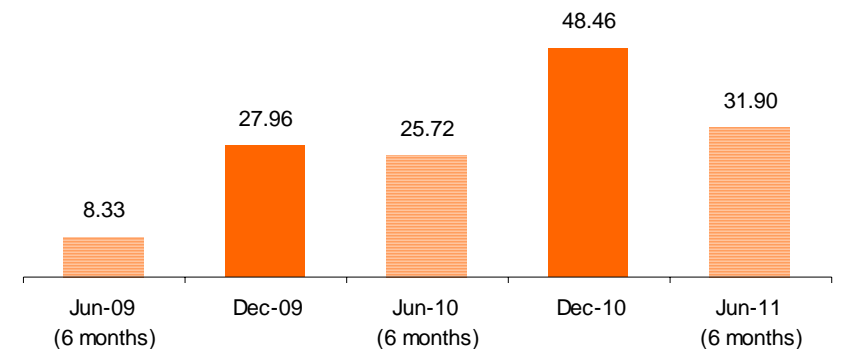
Consistent dividend payments



Returns on Average Assets/ Equity (ROAA/ROAE)



Profits before tax [N'bn]

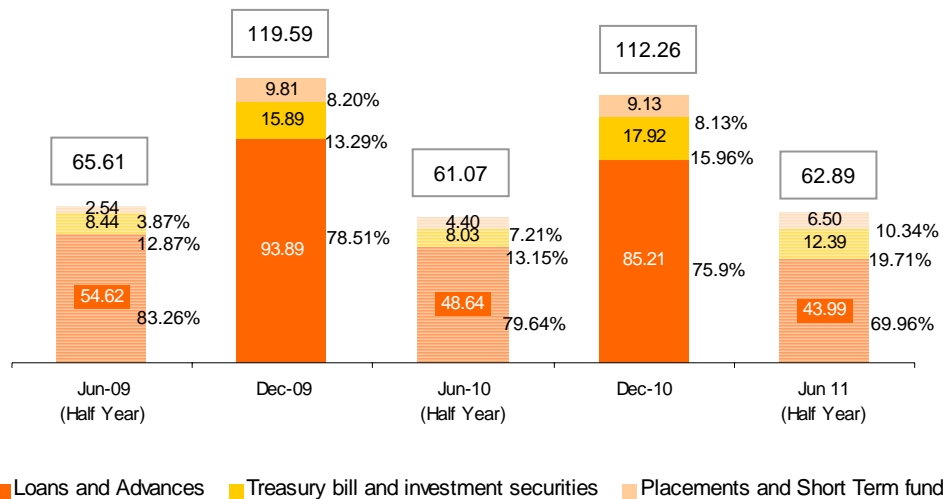


Profitability drivers – strong revenue generation model

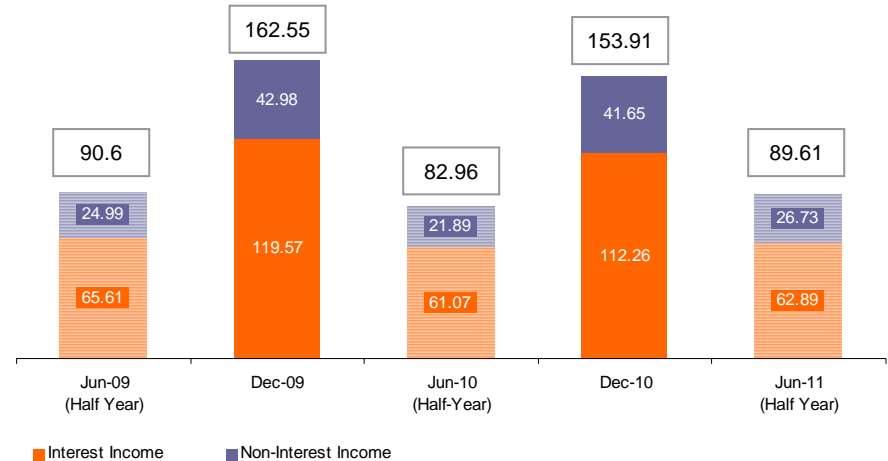
Strong growth driven by non-interest income

- Strong gross earning growth of 10.7% (compared to H1 2010) despite industry-wide decrease in lending rates.
- Relatively flat growth in Interest income (compared to H1 2010) despite 5.7% growth in loan book from December 2010. However, Net Interest Margin was sustained due to GTBank's low-cost and efficient funding base.
- Non-interest income grew 22% on the back of increased business activity in H1 (compared to H1: June 2010).

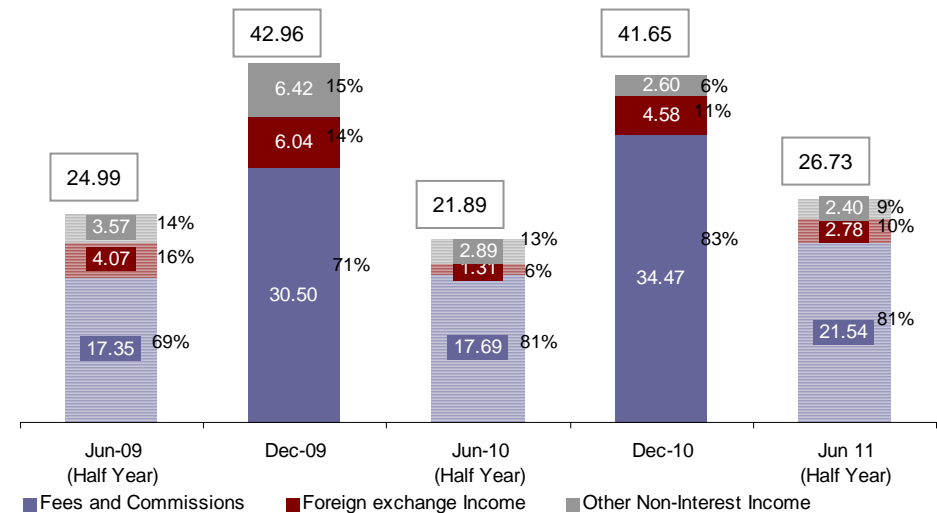
Interest income [N'bn]



Revenue mix [N'bn]



Non-interest income [N'bn]

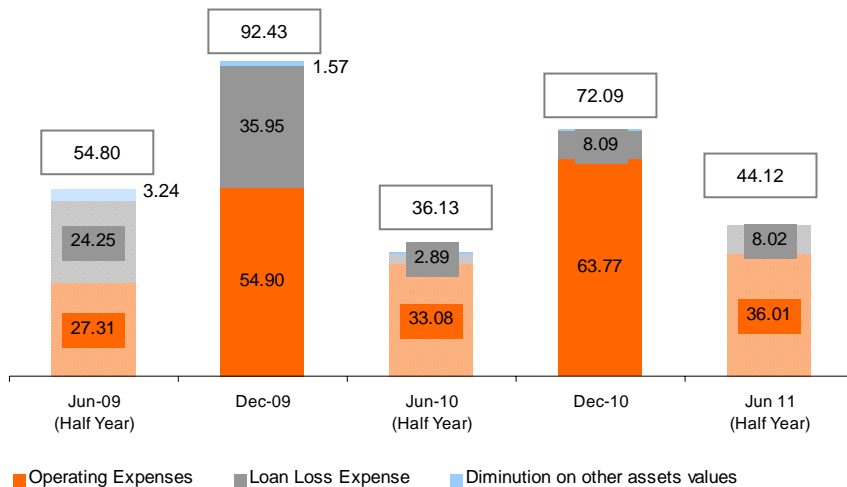


Profitability drivers – low cost base

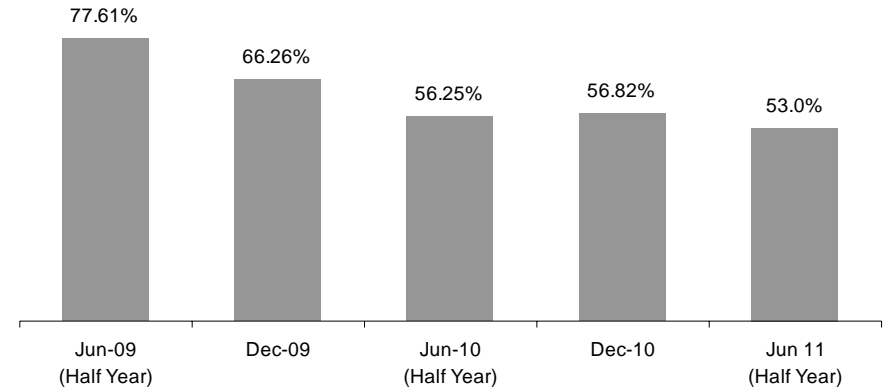
Increasingly efficient operations

- Cost to income ratio of 53.02%, an 6.72% improvement from December 2010
- Management's focus is to bring Cost to Income back to below 50% by YE 2011
- Management continues to focus on developing innovative ways to optimize operational efficiency without sacrificing excellence in service delivery
- AMCON levy taken monthly and included in operating expenses. As at June 2011, AMCON Levy constituted 4.5% of operating expenses

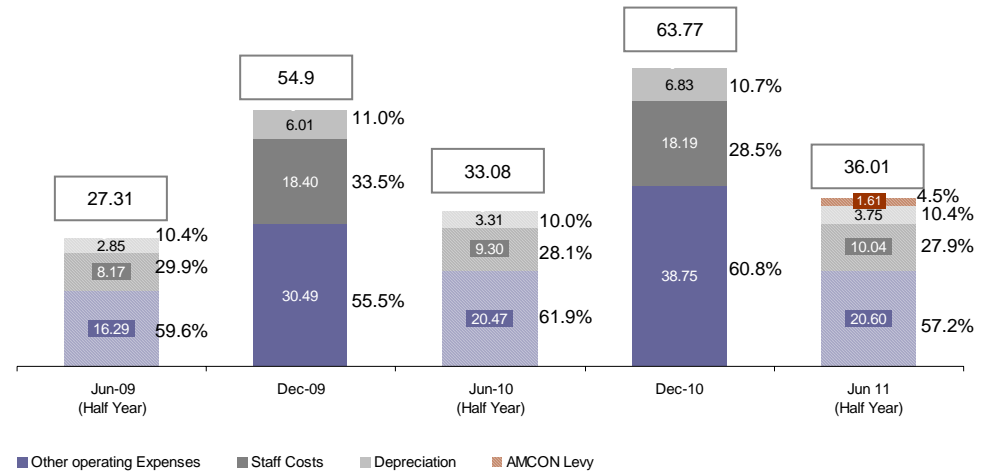
Expense summary



Cost-to-Income Ratio



Operating expense breakdown

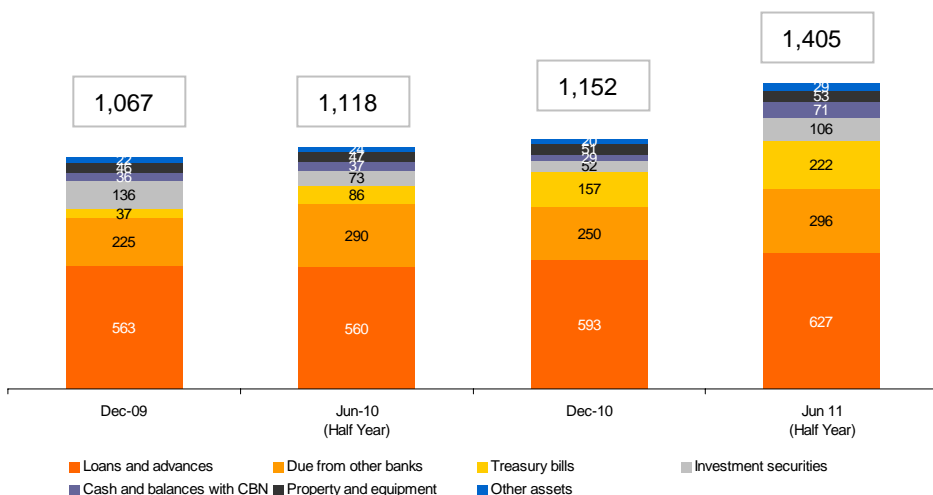


Balance sheet

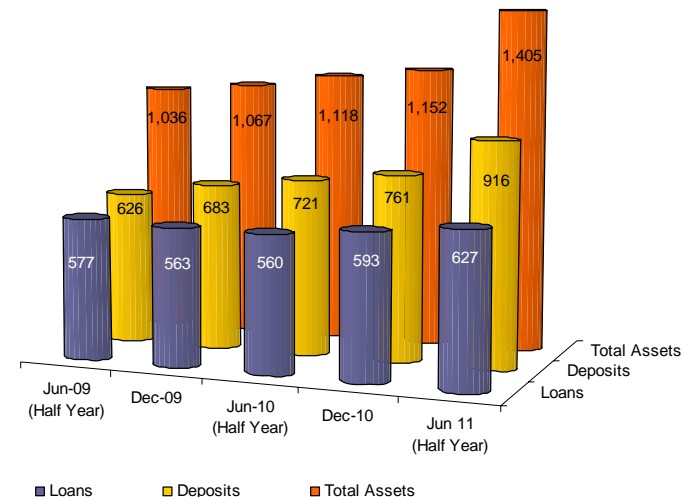
Strong, liquid balance sheet

- Total asset growth (Dec-10 – Jun 11) - 21.89%
- Loan growth (Dec-10 – Jun 11) - 5.71% (net of AMCON)
- Loan growth (Dec-10 – Jun 11) - 11.3% (AMCON included)
- Deposit growth (Dec-10 – Jun 11) - 20.29%
- GTBank raised \$500m, 5yr, 7.5% eurobond issue partly to refinance existing \$350m, 5yr, 8.5% eurobond maturing in January 2012 and partly to finance additional dollar generating business opportunities
- Liquidity ratio – 59%
- Poised to take advantage of quality opportunities that may arise

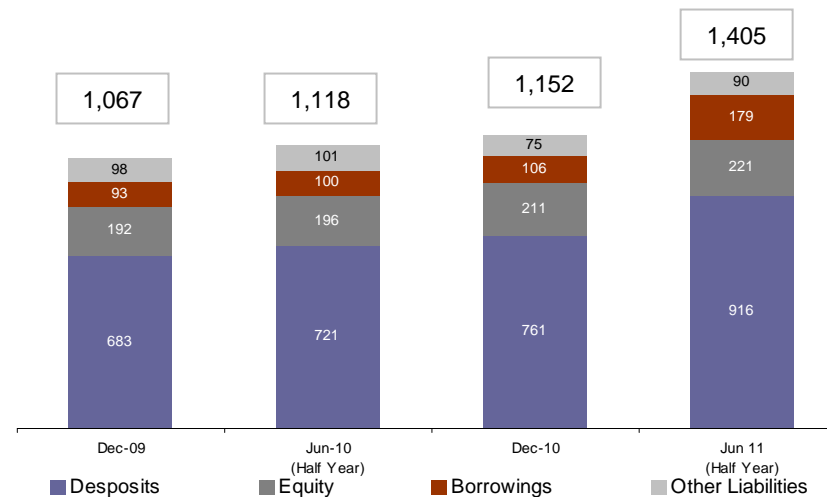
Asset base and components [N'bn]



Total Assets, Loans and Deposits [N'bn]



Low cost, diverse funding mix [N'bn]

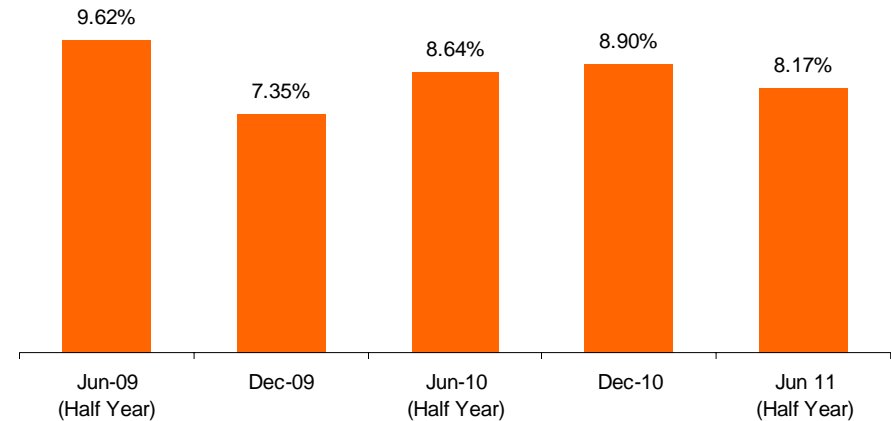


Net Interest Margins

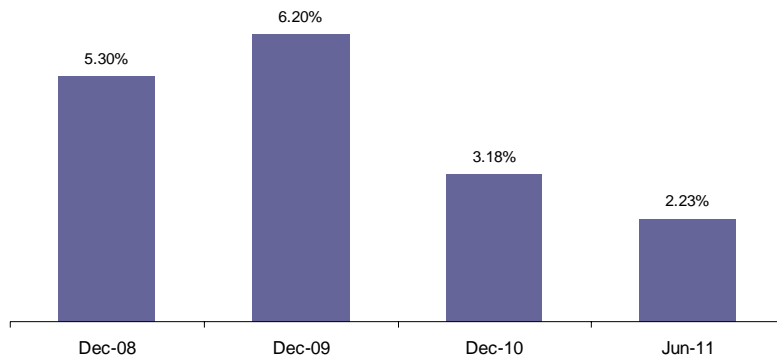
Strong, sustainable margins

- Strong Net interest margin – 8.17%
- GTBank maintained its margins despite interest rate pressure in the high-end market during the first half of 2011.
- General rise in rates will see sustainable and robust margins for strong banks to the end of 2011
- GTBank continues to maintain its focus on profitability through balance sheet efficiency and controlled growth

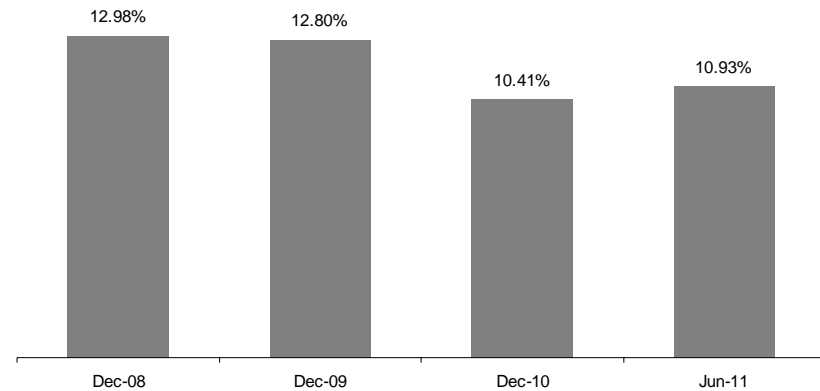
Strong net interest margin



Low cost of interest bearing liabilities



Competitive yields on interest earning assets

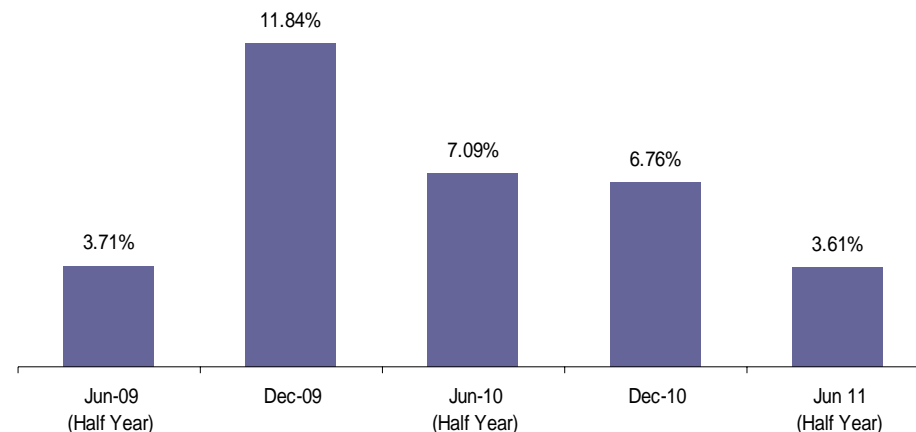


Asset diversification and quality

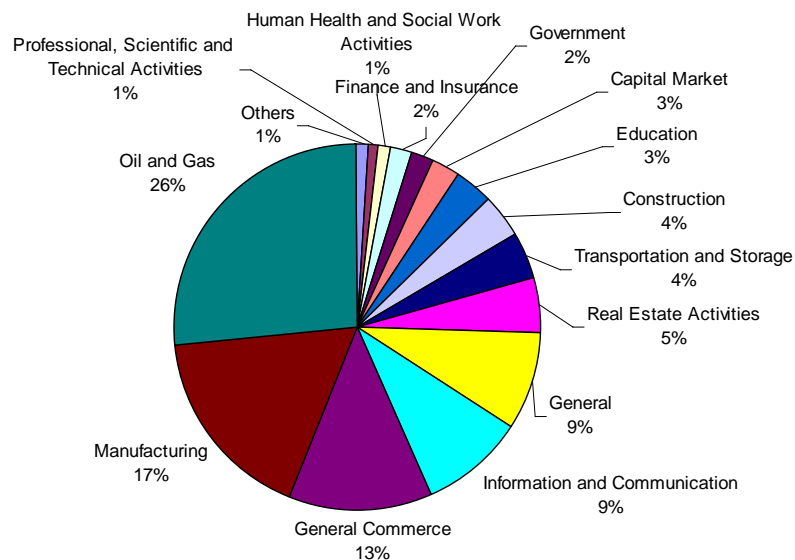
Improvement in asset quality

- NPLs improved from 6.76% as at December 2010 to 3.61%
- AMCON: As part of the second phase, GTBank took a total of N46.95bn (phase 1 – N6.17bn, phase 2 – N40.77) to AMCON and received total AMCON proceeds of N31.97bn (N42.77 face value).
- Zenon related facilities to AMCON totaled N35.68bn in exchange for AMCON considerations of N30.13. The shortfall has been provided for in our June 30, 2011 results.

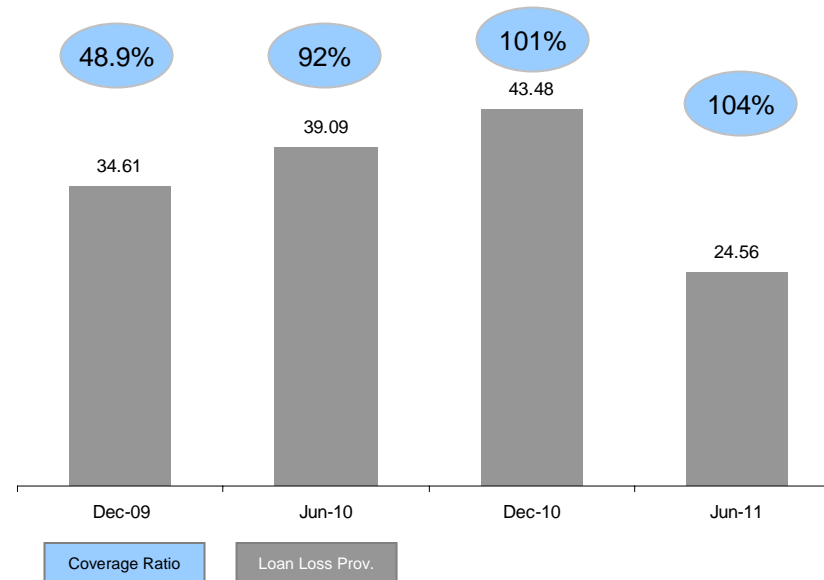
Non performing loans to total loans



Loan breakdown by industry



Loan loss provisions



Key Financial Ratios

Key Group Financials (N'000)	30-Jun-09	31-Dec-09	30-Jun-10	31-Dec-10	30-Jun-11
Balance Sheet	N'000	N'000	N'000	N'000	N'000
Total Advances and Loans to Customers	576,972,949	563,488,164	560,484,672	593,473,681	627,337,280
Total Deposits from Customers	626,357,723	683,080,902	720,981,030	761,194,792	915,639,904
Shareholders' Funds	177,091,995	192,245,028	196,402,336	210,825,690	220,697,380
Total Assets	1,036,265,028	1,066,503,718	1,118,414,040	1,152,411,526	1,404,712,672
Total Assets and Contingents	1,360,608,613	1,399,323,978	1,488,352,238	1,577,399,730	1,869,368,237
Profit and Loss Account	6 months	12 months	6 months	12 months	6 months
Interest Income	65,607,209	119,567,654	61,071,790	112,261,166	62,888,312
Non-Interest Income	24,988,290	42,982,764	21,890,849	41,646,861	26,725,252
Profit Before Taxes	8,325,723	27,963,003	25,722,006	48,455,850	31,900,359
Profit After Tax	8,758,330	23,686,843	18,224,590	38,346,623	27,482,858*
Performance Ratios					
Return on Average Assets (RoAA)	1.76%	2.25%	3.34%	3.38%	4.30%
Return on Average Equity (RoAE)	9.76%	12.83%	18.76%	18.83%	25.48%
Net Interest Margin	9.62%	7.35%	8.64%	8.90%	8.17%
Cost/Income	77.61%	66.26%	56.25%	56.82%	53.02%
Balance Sheet Ratios					
Loans/Deposits	92.12%	82.49%	77.74%	77.97%	68.51%
Liquidity Ratio	42.41%	41.85%	51.20%	49.11%	59.36%
Capital Adequacy Ratio	25.99%	26.06%	25.75%	25.61%	24.73%
Asset Quality Ratios					
NPL/Total Loans	3.71%	11.84%	7.09%	6.76%	3.61%
Provisions for Loan Losses/NPL	144.54%	48.86%	91.97%	101.20%	104%

*PAT includes an extraordinary item of N2.23bn which represents the net gain on disposal and diminution in value of SMEEIS investments

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Business Strategy and Objectives

2012 Goals

In 2007 we set out to achieve the following by 2012:

- **No. 1** bank in Nigeria in terms of profit before tax and **Return on Equity / Profitability**
- **Maintain** Cost to Income stability through unparalleled efficiency
- Expand **leadership position** across West Africa

Focus on Growth business

Institutional

- **Capitalise on existing relationships**
 - Oil & Gas, Infrastructure, Telcos
- **Increase penetration in growing sectors**
 - Hospitality, Real Estate Construction, Power
- **West African Expansion** (Francophone)

Retail – Retail Deposit Drive

Enhance product and service offering

Opportunities

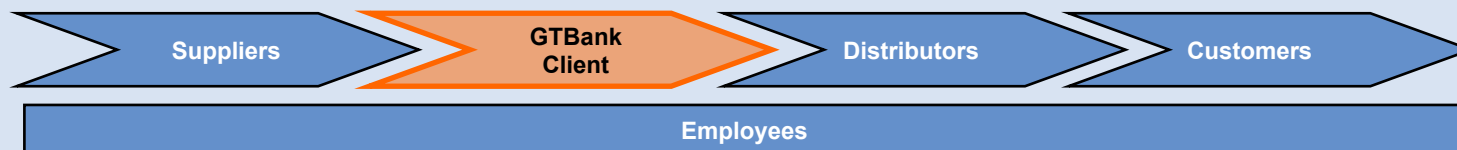
- **Investment Banking**
 - Advisory
 - Bonds
 - Project Finance
- **Increase market share in the Institutional banking space**

Cost Leadership

Cost Control

- Use of envelope budgeting system
 - Monthly performance review
 - Outsourcing of non-core functions
- 'Efficient'** distribution
- Invest in reliable technology**

Efficient, Innovative banking for the Entire Value Chain



Thank you

