



**Zenith Bank Plc**  
**Group Audited Results for the 6 months ended 30 June, 2016**

**ZENITH BANK PLC RELEASES AUDITED H1 2016 FINANCIAL RESULTS**

LAGOS, NIGERIA - 11 August 2016 - Zenith Bank Plc, (Bloomberg: ZENITHBA NL) (“Zenith” or the “Bank”), the Nigerian bank headquartered in Lagos, announces its audited results for the 6 months ended 30 June, 2016.

**Financial Highlights**

| <i>In millions of Naira</i>     |                  |                  |                 |
|---------------------------------|------------------|------------------|-----------------|
|                                 | <b>June 2016</b> | <b>June 2015</b> | <b>% Change</b> |
| <b>Income statements</b>        |                  |                  |                 |
| Gross earnings                  | 214,812          | 229,082          | -6.2%           |
| Interest income                 | 181,408          | 176,223          | 2.9%            |
| Net interest income             | 127,023          | 112,638          | 12.8%           |
| Non interest income             | 33,404           | 53,065           | -37.1%          |
| Operating income                | 146,195          | 165,703          | -11.8%          |
| Operating expenses              | 82,914           | 93,502           | -11.3%          |
| Profit before tax               | 63,281           | 72,201           | -12.4%          |
| Profit after tax                | 44,843           | 53,180           | -15.7%          |
| Earnings per share (K)          | 143              | 169              | -15.4%          |
| <b>Balance sheet</b>            |                  |                  |                 |
|                                 | <b>June 2016</b> | <b>Dec. 2015</b> | <b>% Change</b> |
| Gross loans and advances        | 2,339,591        | 2,032,256        | 15.1%           |
| Customers' deposits             | 2,685,477        | 2,557,884        | 5.0%            |
| Total assets                    | 4,357,296        | 4,006,843        | 8.7%            |
| Shareholder's funds             | 620,739          | 594,353          | 4.4%            |
| <b>Key ratios</b>               |                  |                  |                 |
|                                 | <b>June 2016</b> | <b>June 2015</b> | <b>% Change</b> |
| Net interest margin             | 8.00%            | 8.30%            | -3.6%           |
| Cost-to-income ratio            | 56.70%           | 54.40%           | 4.2%            |
| Loan-to-deposit ratio           | 71.30%           | 68.50%           | 4.1%            |
| Cost of funds                   | 3.20%            | 4.30%            | -25.6%          |
| Cost of risk                    | 1.30%            | 0.80%            | 62.5%           |
| Return on average assets (ROAA) | 2.10%            | 2.80%            | -25.0%          |
| Return on average equity (ROAE) | 14.80%           | 19.40%           | -23.7%          |
| Liquidity ratio                 | 55.20%           | 43.80%           | 26.0%           |
| Capital adequacy ratio (CAR)    | 19.00%           | 20.00%           | -5.0%           |
| Non performing loan ratio (NPL) | 2.34%            | 1.44%            | 62.5%           |



*Commenting on the results, the management of Zenith Bank Group stated: “The performance for the period ended June 30, 2016 further confirms Zenith’s industry leadership and consistency in providing superior financial returns.*

*“Despite the challenging operating environment, the Group recorded a total revenue of N214.8 billion which represents a marginal drop of 6.2% over the same period last year. The Group also reported an increase of 2.9% (Y-o-Y) in interest income, and a decrease in its interest expense by 14.5% (Y-o-Y).*

*“The drop in Interest expense was as a result of the Group’s deliberate policy on focusing on low cost deposits. Profit before Tax (PBT) dropped by only N9bn (Y-o-Y) despite a drop in top line revenue by N14bn for the same period. This is attributable to the Group’s operational efficiency and cost optimization efforts.*

*“The Group continues to maintain high quality risk assets and closed with Gross Loans and Advances of N2.3tn as at June 30, 2016. This represents a 15.1% increase over the N2.0tn recorded at the end of the 2015 financial year. This increase is mainly due to the impact of the devaluation of the Naira on our foreign currency loans. Also, it partly accounts for the growth of NPLs to 2.34% as at 30 June 2016, with a coverage ratio was 110%.*

*“In pursuant to sustaining a strong and high quality statement of financial position, The Group continues to maintain robust liquidity ratio of 55% which is firmly above the 30% minimum statutory requirement for the period ended 30 June 2016. The group’s Capital Adequacy Ratio (CAR) stood at 19% which is above the 15% regulatory limit”.*

*In spite of the head winds and competitive operating environment, management’s outlook remains positive barring any unforeseen circumstances. Furthermore, the group is strategically positioned to explore opportunities to grow its customer base and risk assets in the second half of the year. More emphasis will be placed on agriculture, real sector and emerging opportunities while providing support towards the expansion of local production and manufacturing capacity.*

*- ENDS -*



*Notes to editors:*

#### *About Zenith Bank Plc*

*Zenith Bank Plc offers its clients a wide range of corporate, investment, business and personal banking products and solutions. It is one of the biggest and most profitable banks in Nigeria. The bank was established in May 1990 and started operations in July same year as a commercial bank. It became a public limited company on June 17, 2004 and was listed on the Nigerian Stock Exchange on October 21, 2004 following a highly successful Initial Public Offering (IPO). Zenith Bank listed on the London Stock Exchange via a non-capital raising GDR on March 21, 2013. The Bank presently has a shareholder base of over one million, an indication of the strength of the Zenith brand.*

*It is headquartered in Lagos, Nigeria. With over five hundred (500) branches and business offices nationwide Zenith Bank has presence in all the state capitals, the Federal Capital Territory (FCT) and major towns and metropolitan centres in Nigeria. The Bank's expansion is not limited to Nigeria as Zenith became the first Nigerian bank in 25 years to be licensed by the Financial Services Authority (FSA) in the UK for the commencement of banking operations by Zenith Bank (UK) Limited in April, 2007. This is in addition to its presence in Ghana, Zenith Bank (Ghana) Limited, Sierra Leone, Zenith Bank (Sierra Leone) Limited, Gambia, Zenith Bank (Gambia) Limited and a representative office in Johannesburg, South Africa, Beijing, China and Dubai branch of Zenith Bank UK.*

*More information can be found at [www.zenithbank.com](http://www.zenithbank.com)*



*Zenith Bank Plc (Bloomberg: ZENITHBA : NL) will have a teleconference call Friday, August 12, 2016 at 3pm Lagos Time (3pm London/ 4pm Johannesburg/ 9am New York) with its senior management to announce Zenith Bank Plc.'s audited financial results for the period ended 30 June, 2016. There will be an opportunity at the end of the call for management to take questions from investors and analysts.*

*Please find attached the 2016 Half Year Group Financial Results.*

*The presentation to investors and analysts will be posted to Zenith Bank's website before the conference call on Thursday.*

*The teleconference call facility can be accessed by dialling:*

|                             |                       |
|-----------------------------|-----------------------|
| <i>+44 (0) 203 139 4830</i> | <i>UK and Nigeria</i> |
| <i>+27 (0) 21 672 4008</i>  | <i>South Africa</i>   |
| <i>+1 718 873 9077</i>      | <i>USA</i>            |
| <i>+234 1 2775820</i>       | <i>Nigeria</i>        |

*And then quoting the following access code: 44375485#*

*If you have any queries please do not hesitate to contact the below.*

**FOR FURTHER INFORMATION:**

*Zenith Bank Plc*

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