



Group Audited Results for the period ended 30 June 2020
ZENITH BANK PLC RELEASES AUDITED H1 2020 RESULTS

LAGOS, NIGERIA - 03 September, 2020 - Zenith Bank Plc, (Bloomberg: ZENITHBA NL) (“Zenith” or the “Bank”), the Nigerian bank headquartered in Lagos, announces its Audited results for the half year ended 30 June 2020.

Financial Highlights

Income statement			
<i>In millions of Naira</i>	30-Jun-20	30-Jun-19	% Change
Gross earnings	346,088	331,586	4%
Interest and similar income	216,954	214,601	1%
Interest and similar expense	(59,545)	(72,086)	-17%
Net interest income	157,409	142,515	10%
Non-interest income	116,486	109,730	6%
Operating expenses	(135,848)	(126,833)	7%
Profit before tax	114,124	111,677	2%
Profit after tax	103,826	88,882	17%
Earnings per share (N)	3.30	2.83	17%
Balance sheet			
<i>In millions of Naira</i>	30-Jun-20	31-Dec-19	% Change
Assets			
Gross loans	2,799,266	2,462,359	14%
Customer deposits	4,904,998	4,262,289	15%
Total assets	7,580,114	6,346,854	19%
Shareholders' fund	988,978	941,886	5%
Key ratios	30-Jun-20	30-Jun-19	% Change
Return on average equity (ROAE)	21.5%	21.7%	-1%
Return on average assets (ROAA)	3.0%	3.0%	0%
Net interest margin (NIM)	9.0%	8.6%	5%
Cost of funds	2.2%	3.0%	-26%
Cost of risk	1.8%	1.4%	31%
Cost to income	54.3%	53.2%	2%
	30-Jun-20	31-Dec-19	% Change
Liquidity ratio - Group	50.8%	57.3%	-11%
Liquidity ratio - Bank	43.8%	57.2%	-23%
Loan to deposit ratio - Group	57.1%	57.8%	-1%
Loan to deposit ratio - Bank	66.1%	68.6%	-4%
Capital adequacy ratio (CAR)	20.0%	22.0%	-9%
Non-performing loan	4.7%	4.30%	10%
Coverage ratio	132.0%	148.2%	-11%



Gross earnings grew by 4% from NGN332 billion to NGN346 billion driven by 6% growth (YoY) in non-interest income from NGN110 billion in H1 2019 to NGN116 billion in H1 2020. The group successfully grew its low-cost deposits, contributing to a significant reduction in interest expense by 17% to NGN60 billion in H1 2020 from NGN72 billion in H1 2019 and supporting strong growth in net-interest income. Combined with the growth in gross income, this culminated in 2% growth year-on-year in Profit before Tax which increased to NGN114 billion in H1 2020 from NGN112 billion in H1 2019. Earnings per share increased by 17% to NGN3.30 in H1 2020 from NGN2.83 in H1 2019.

The group grew total deposits by 15% from N4.3 trillion in December 2019 to N4.9 trillion at the close of H1 2020. This was driven by a 41% increase in retail deposits (from N1.1 trillion to N1.6 trillion). By driving such strong deposit growth and simultaneously reducing cost of funds by 26% to 2.2% in H1 2020 from 3% in H1 2019 the Group grew its Net Interest Margin by 5% from 8.6% in H1 2019 to 9.0% in H1 2020.

Despite the challenging operating environment occasioned by the novel coronavirus (COVID-19) pandemic ravaging the world, the Group maintained its NPL ratio (4.7%) within the regulatory threshold despite growing the gross loan book by 14% from N2.5 trillion at December 2019 to N2.8 trillion at H1 2020. This is a reflection of the Group's conservative and prudent approach to credit risk management. Our liquidity and Capital Adequacy Ratios (CAR) remain above regulatory thresholds at 50.8% and 20.0% respectively as at H1 2020.

Going into the second half of the year, we will continue to consolidate our leadership in the industry and deliver value to stakeholders. We expect to see an improvement in economic activities alongside the recovery in the global economy as we search for a cure or vaccine to tackle the coronavirus disease.

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Conference Call Details:

Zenith Bank Plc (Bloomberg: ZENITHBA : NL) Management will hold a teleconference call on Wednesday, September 9th, 2020 at 2pm Lagos Time (2pm London/ 3pm Johannesburg/ 9am New York) to announce Zenith Bank Plc's audited financial results for the half year ended June 30th, 2020. There will be an opportunity at the end of the call for management to take questions from investors and analysts.

The presentation to investors and analysts will be available on Zenith Bank's website before the conference call on Wednesday, September 9th, 2020.

The teleconference call facility can be accessed by dialing:

Nigeria Toll: +234 1 903 0080

United Kingdom Toll: +44 3333 000 804

South Africa Toll: +27 21 672 4118

United States Toll: +1 631 913 1422

Then quoting the following access code: 99502256#

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

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Thank you.



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 September 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 half a 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 Beijing, China, and Dubai branch of Zenith Bank UK.

More information can be found at www.zenithbank.com.

