



Zenith Bank Plc
Group management results for the 3 months ending 31 March 2010

**ZENITH BANK PLC REPORTS STRONG Q1 PROFITABILITY,
LIQUIDITY AND CAPITAL ADEQUACY NUMBERS**

LAGOS, NIGERIA - 19 April 2010 - Zenith Bank Plc, (Bloomberg: ZENITHBA NL) ("Zenith" or the "Bank"), the Nigerian-listed bank headquartered in Lagos, announces its management results for the 3 month period ended 31 March 2010.

Godwin Emefiele, Deputy Managing Director of Zenith Bank, commenting on the results, said: *"We are pleased to announce our first quarter unaudited results for the financial year 2010 with a robust gross income of N55bn. Our long-held belief in the importance of maintaining a large capital cushion in order to protect the Group against adverse events is evidenced by our capital adequacy ratio of 28%. The payback of our sustained investment in ICT in order to ensure world-class customer service and our prudent and effective cost management is starting to filter through a reduction in overhead expenses. The outlook for the remainder of the year is positive for the Group as we expect a continuing trend of income growth to materialise."*

Financial Highlights

- Gross Earnings of N55.0 billion, a rise of 5%, compared with the equivalent prior year period (N52.6 billion 3 months ended 31 March 2009)
- Profit Before Tax of N13.2 billion, an increase of 12% (N11.8 billion March 2009)
- Profit After Tax of N9.5 billion, an increase of 4% (N9.2 billion March 2009)
- Total Assets steady at N1.80 trillion (N1.79 trillion March 2009)
- Conservative loan to deposit ratio of 52%
- Deposits and other accounts growth of 9% to N1.32 trillion (N1.22 trillion March 2009)
- Sound capital adequacy and liquidity at 28% and 48% respectively
- Adjusted EPS 37 kobo (36 kobo March 2009)
- Shareholders' funds steady at N334billion (N342billion March 2009) after payment of dividend of N11.3billion at December 2009



Progress across all divisions in difficult markets

- **Corporate Banking:** Revenue of N51.5 billion (March 2009: N51.6 billion) and profit before tax of N11.3 billion (March 2009: N6.3 billion). *“Corporate Banking continue to be the cornerstone of our business, accounting for over 94% of Group revenues. Our focus of collecting retail deposits from our nationwide branch distribution network to lend primarily to large corporates has ensured the stability of our income stream over the most recent quarter. We are seeking to leverage on these lending relationships to become a total financial solutions provider in order to partner with our clients more effectively. Our ability to offer holistic financial solutions via our unparalleled ICT platform will act as a significant competitive advantage over the medium to long term”* said Peter Amangbo, Executive Director of the division.
- **Risk Management & Credit:** Total Loans - N691.5billion, Loan to Deposit Ratio - 52%, NPL - 5.98% (March 2009 N729.5 billion, NPL: 3.2%, Loan to deposit Ratio 60%). *“A strong risk management culture permeates every aspect of our business, from a low NPL ratio, supported by high capital adequacy ratio reinforced by a low loan to deposit ratio; we believe that we can continue to identify explore sufficient opportunities for growth without exposing ourselves to undue risks. We will continue to focus on lending to AAA-rated entities, as that is where we believe our core skill set lies.”* said Andy Ojei Executive Director of the division.

Capital and Liquidity

The Group has one of the largest Shareholders' Funds in the country, standing at N334bn as at 31 March 2010. The Bank maintains extremely low leverage coupled with very strong capitalisation as the foundation to its balance sheet management strategy. Capital adequacy and liquidity for the group currently stands at 28% and 48%, Bank (34% and 59%), well above the CBN statutory minimum of 10% and 25% respectively. Furthermore the banks loan to deposit falls well below the prescribed maximum of 80% at a ratio of 52% at quarter-end.

The Group's capital is deemed more than adequate to support future expansion as well as business risks and contingencies.

Operational and reporting highlights

- 1 for 4 bonus issue of shares declared with paydate of 14th April 2010
- Appointment of KPMG as Corporate Governance advisor
- AGM scheduled to hold on 20 April 2010 in Abuja



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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). 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 four hundred (400) 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.

More information can be found at www.zenithbank.com