ZENITH BANK PLC

GROUP RESULTS

For the 15 Month Period Ended December 31, 2009
Disclaimer

This presentation is based on the consolidated financial statements of Zenith Bank Plc, a company incorporated in Nigeria on 30 May 1990, and its subsidiaries (hereinafter collectively referred to as "the Group"). The financial statements are prepared under the historical cost convention as modified by the revaluation of certain investment securities and comply with the Statements of Accounting Standards issued by the Nigerian Accounting Standards Board.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses. Although these estimates are based on the Directors’ best knowledge of current events and actions, actual results ultimately may differ from those estimates.
Agenda

- Challenging Operating Environment
- Company Overview
- Results
- Group
- By Segment
- By Geography
- Company Risk Management & Strategy
- Q&A
Agenda

Challenging Operating Environment

Company Overview

Results

Group

By Segment

By Geography

Company Risk Management & Strategy

Q&A
Despite dip in fundamentals in 2009, economy poised for recovery in 2010…

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP Growth (%)</td>
<td>6.4</td>
<td>6.0</td>
<td>6.2</td>
<td>6.1</td>
<td>6.9</td>
</tr>
<tr>
<td>Inflation (%)</td>
<td>11.6</td>
<td>8.5</td>
<td>6.6</td>
<td>15.1</td>
<td>12.4</td>
</tr>
<tr>
<td>Oil Price</td>
<td>50.6</td>
<td>61.1</td>
<td>69.1</td>
<td>94.5</td>
<td>61.1</td>
</tr>
<tr>
<td>Exchange Rate (USD/NGN1)</td>
<td>132.2</td>
<td>128.7</td>
<td>125.8</td>
<td>126.5</td>
<td>149.6</td>
</tr>
<tr>
<td>Foreign Reserves ($’bn)</td>
<td>28.3</td>
<td>42.3</td>
<td>51.3</td>
<td>53.0</td>
<td>42.5</td>
</tr>
</tbody>
</table>

- **GDP Growth** in 2009 buoyed by non-oil sector and sharp increase in oil sector due to relative peace in the Niger Delta in the second half of the year.
- 2009 ended with a relatively robust level of **Foreign Reserves** surpassing beginning of year projections.
- 2009 **Headline Inflation** down from last year. But 2010 outlook remains uncertain due to upward trend in commodity prices.
- Apart from a turbulent 1st Qtr, **Foreign Exchange Rates** remained stable for most of 2009; stability attributable to measures taken by CBN and the robust level of foreign reserves.
- Per OPEC, 2009 was one of the worst years for world **Oil** demand. Consumption did recover in the fourth quarter as a result of an improvement in economic activities worldwide; however, the forecast for global oil demand still shows a cumulative contraction in 2009.
- In line with the expected upturn in the global economy, world oil demand is also expected to return to growth in 2010.
Trickle down effect of global financial crisis evident in local equity market’s 2009 performance…

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Share Index</td>
<td>24,085.8</td>
<td>33,189.3</td>
<td>57,990.2</td>
<td>31,450.8</td>
<td>20,827.2</td>
</tr>
<tr>
<td>Market Capitalization (N’t)</td>
<td>2.9</td>
<td>5.1</td>
<td>13.3</td>
<td>9.6</td>
<td>7.0</td>
</tr>
<tr>
<td>Value of Shares Traded (N‘b)</td>
<td>262.9</td>
<td>470.3</td>
<td>2,100.0</td>
<td>2,400.0</td>
<td>685.7</td>
</tr>
<tr>
<td>Volume of Shares Traded (‘b)</td>
<td>26.7</td>
<td>36.7</td>
<td>138.1</td>
<td>193.1</td>
<td>102.9</td>
</tr>
</tbody>
</table>

2009 Performance Attributable to:
- Rising unemployment, weakened purchasing power and weakened investor confidence.
- Impact of the global economic meltdown as foreign investors avoided equities while local investors sought refuge in the money market.
- The negative knee jerk reaction of investors to asset impairments and write offs in the banking sector.
2010 Banking Sector Outlook

+ POSITIVE
- Keen interest from foreign players to acquire distressed banks could serve as a strong catalyst for re-rating of the sector.
- Blueprint for categorization of banks already underway.
- Asset Management Company to help clean up toxic assets to be up and running in 2010.
- Improved corporate governance and risk management.
- IFRS adoption to help with transparency.
- The macroeconomic environment is improving in general.

-NEGATIVE
- A number of banks have significant bad loans that have eroded their capital.
- Possible earnings impact since the sector is experiencing a sharp credit contraction in certain quarters.
- Actual recovery for the system could be quite protracted given margin contraction, slower volume growth and potential capital raising.
Agenda

Challenging Operating Environment

Company Overview

Results

Group

By Segment

By Geography

Company Risk Management & Strategy

Q&A
Zenith Bank Plc

- One of Nigeria’s largest companies by market capitalization.
- Well capitalized with shareholders’ funds of N335bn
- Total assets of N1.7trn.
- Largest single dividend payment in history of Nigerian stock exchange
- Historically lowest non-performing loans ratio against industry averages
- Over 7,500 staff – locally and internationally
- The strongest banking brand in Nigeria

**Ratings**

- S&P International Rating: B+
- Fitch International Rating: B+
A world-class brand offering our clients the full suite of banking and financial solutions…
Competitive Advantages

- Highly motivated
- Intellectual capital
- Stable management
- Corporate Governance
- Focus on quality

- Exceptional customer service
- Lead in corporate market and new generation entrepreneurs
- Strong presence in main financial centers with wide distribution
- Focus on quality

- Investment in ICT
- New product development
- No M&A legacy issues
- Market leader
- Focus on quality
Key Events in 2009

Nov. 2008
Zenith’s shareholders funds hits N346bn. Pays dividend of N28.5bn, highest ever by any Nigerian bank.

Jun. 2009
Zenith issues 1 for 2 bonus.

Oct. 2009
Zenith officially appoints Alhaji Lawal Sani as Independent Non-Executive Director.

Oct. 2009
Zenith “passes” CBN Special Audit.

Dec. 2009
Zenith UK opens second office in Mayfair, London exclusively for Private Banking.

Jan. 2010
Zenith launched operations in Gambia.

Jan. 2010
Godwin Emefiele (Current DMD) nominated as MD Designate; to take over from Jim Ovia (Current MD) who is due to retire in July 2010.
Change in Accounting Year End

In 2008, the Bank changed its accounting year end from 30 June to 30 September and as a result, prepared financial statements for fifteen months. In 2009, the Bank also changed its accounting year end from 30 September to 31 December in compliance with the CBN directive of uniform accounting year end of 31 December for all Nigerian banks and therefore prepared financial statements for fifteen months. Hence the following results for 2009 and year-on-year comparisons between 2009 and 2008 are based on a 15 month fiscal year. All other years referenced in this presentation are 12 month fiscal years.
Financial Highlights

Shareholder Returns:
- Proposed DPS of 45 kobo
- Proposed Bonus Issue of one (1) for every four (4) shares held

P&L:
- N277bn Gross Earnings
- N109bn Net Interest Income
- N21bn PAT
  - +31% YoY
  - +28% YoY
  - -60% YoY

Balance Sheet:
- Total Assets N1.7trn
- 59% Loan to Deposit Ratio
- Shareholders’ Funds N335bn

Key Ratios:
- ROE 6.1%
- ROA 1.2%
- Capital Adequacy 29% (Group)

Key Theme:
- Positive earnings despite difficult environment and exceptional provisioning levels
Agenda

Challenging Operating Environment

Company Overview

Results

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By Segment

By Geography

Company Risk Management & Strategy

Q&A
### Profit & Loss Statement

(N’m)

<table>
<thead>
<tr>
<th></th>
<th>Group 15mths to Dec-09</th>
<th>Group 15mths to Sep-08</th>
<th>YOY Change</th>
<th>Bank 15mths to Dec-09</th>
<th>Bank 15mths to Sep-08</th>
<th>YOY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Income</strong></td>
<td>277,300</td>
<td>211,639</td>
<td><strong>31%</strong></td>
<td>254,147</td>
<td>190,120</td>
<td><strong>34%</strong></td>
</tr>
<tr>
<td><strong>Interest Income</strong></td>
<td>193,545</td>
<td>138,737</td>
<td><strong>40%</strong></td>
<td>186,019</td>
<td>137,814</td>
<td><strong>35%</strong></td>
</tr>
<tr>
<td><strong>Interest Expense</strong></td>
<td>-83,957</td>
<td>-53,294</td>
<td><strong>58%</strong></td>
<td>-82,836</td>
<td>-49,964</td>
<td><strong>66%</strong></td>
</tr>
<tr>
<td><strong>Net Interest Income</strong></td>
<td><strong>109,588</strong></td>
<td><strong>85,443</strong></td>
<td><strong>28%</strong></td>
<td><strong>103,183</strong></td>
<td><strong>87,850</strong></td>
<td><strong>17%</strong></td>
</tr>
<tr>
<td><strong>Other Income</strong></td>
<td>78,650</td>
<td>68,799</td>
<td><strong>14%</strong></td>
<td>68,128</td>
<td>52,306</td>
<td><strong>30%</strong></td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>188,238</td>
<td>154,242</td>
<td><strong>22%</strong></td>
<td>171,311</td>
<td>140,156</td>
<td><strong>22%</strong></td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td>-113,288</td>
<td>-87,562</td>
<td><strong>29%</strong></td>
<td>-103,410</td>
<td>-81,321</td>
<td><strong>27%</strong></td>
</tr>
<tr>
<td><strong>Diminution in Asset Values</strong></td>
<td>-39,865</td>
<td>-10,568</td>
<td><strong>277%</strong></td>
<td>-36,148</td>
<td>-9,876</td>
<td><strong>266%</strong></td>
</tr>
<tr>
<td><strong>Profit Before Tax &amp; Extraordinary Items</strong></td>
<td><strong>35,085</strong></td>
<td><strong>56,112</strong></td>
<td><strong>-37%</strong></td>
<td><strong>31,753</strong></td>
<td><strong>48,959</strong></td>
<td><strong>-35%</strong></td>
</tr>
<tr>
<td><strong>Extraordinary Items</strong></td>
<td>-</td>
<td>8</td>
<td></td>
<td>0</td>
<td>-20</td>
<td></td>
</tr>
<tr>
<td><strong>Net Profit Before Tax</strong></td>
<td>35,085</td>
<td>56,112</td>
<td><strong>-37%</strong></td>
<td>31,753</td>
<td>48,959</td>
<td><strong>-35%</strong></td>
</tr>
<tr>
<td><strong>Taxation</strong></td>
<td>-14,482</td>
<td>-4,127</td>
<td><strong>251%</strong></td>
<td>-13,888</td>
<td>-2,415</td>
<td><strong>475%</strong></td>
</tr>
<tr>
<td><strong>Profit After Taxes</strong></td>
<td><strong>20,603</strong></td>
<td><strong>51,993</strong></td>
<td><strong>-60%</strong></td>
<td><strong>18,365</strong></td>
<td><strong>46,524</strong></td>
<td><strong>-61%</strong></td>
</tr>
</tbody>
</table>

Despite robust growth in earnings, PAT was dented by exceptional provisions and taxation…
Details of provisions & taxation…

Provisions

<table>
<thead>
<tr>
<th>Provision</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for non-performing loans</td>
<td>38,455</td>
<td>4,419</td>
</tr>
<tr>
<td>Provision for performing loans</td>
<td>-</td>
<td>1,850</td>
</tr>
<tr>
<td>Provision no longer required on performing loans</td>
<td>-4,177</td>
<td>-</td>
</tr>
<tr>
<td>Provision for non-performing advances under finance leases</td>
<td>-</td>
<td>57</td>
</tr>
<tr>
<td>Provision no longer required for advances under finance leases</td>
<td>-83</td>
<td>-</td>
</tr>
<tr>
<td>Provision for insurance receivables</td>
<td>1,011</td>
<td>443</td>
</tr>
<tr>
<td>Provisions for other assets</td>
<td>3,324</td>
<td>4,049</td>
</tr>
<tr>
<td>Provisions for diminution in investments</td>
<td>1,264</td>
<td>-</td>
</tr>
<tr>
<td>Bad debts written off</td>
<td>71</td>
<td>-</td>
</tr>
<tr>
<td>Prior year provisions written off against other assets</td>
<td>-</td>
<td>-250</td>
</tr>
<tr>
<td>Total</td>
<td>39,865</td>
<td>10,568</td>
</tr>
</tbody>
</table>

…mainly due to exceptional loss provisioning requirements.

Taxation

…Higher taxes attributable to change in tax evaluation criterion.

<table>
<thead>
<tr>
<th>Taxation</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate tax</td>
<td>5,192</td>
<td>4,146</td>
</tr>
<tr>
<td>Information technology tax</td>
<td>248</td>
<td>547</td>
</tr>
<tr>
<td>Education tax</td>
<td>594</td>
<td>614</td>
</tr>
<tr>
<td>Income tax charge</td>
<td>6,034</td>
<td>5,307</td>
</tr>
<tr>
<td>Prior period under/(over) provision</td>
<td>8,090</td>
<td>-1,850</td>
</tr>
<tr>
<td>Total</td>
<td>14,124</td>
<td>3,457</td>
</tr>
<tr>
<td>Deferred income tax</td>
<td>1,161</td>
<td>724</td>
</tr>
<tr>
<td>Reversal during period</td>
<td>-803</td>
<td>-54</td>
</tr>
<tr>
<td>Charge for the period</td>
<td>14,482</td>
<td>4,127</td>
</tr>
</tbody>
</table>
### Profit & Loss – Cumulative quarterly breakdown

#### 2009 (N‘bn)

<table>
<thead>
<tr>
<th></th>
<th>1&lt;sup&gt;st&lt;/sup&gt; Qtr Dec-08</th>
<th>2&lt;sup&gt;nd&lt;/sup&gt; Qtr Mar-09</th>
<th>3&lt;sup&gt;rd&lt;/sup&gt; Qtr Jun-09</th>
<th>4&lt;sup&gt;th&lt;/sup&gt; Qtr Sep-09</th>
<th>5&lt;sup&gt;th&lt;/sup&gt; Qtr Dec-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Earnings</td>
<td>52.04</td>
<td>109.69</td>
<td>166.61</td>
<td>199.00</td>
<td>277.30</td>
</tr>
<tr>
<td>Diminution in Asset Values &amp; Extraordinary Items</td>
<td>0.00</td>
<td>0.00</td>
<td>-18.55</td>
<td>-26.14</td>
<td>-39.86</td>
</tr>
<tr>
<td>PBT</td>
<td>14.26</td>
<td>26.02</td>
<td>18.94</td>
<td>21.01</td>
<td>35.09</td>
</tr>
<tr>
<td>Taxation</td>
<td>-3.15</td>
<td>-5.72</td>
<td>-8.32</td>
<td>-4.77</td>
<td>-14.48</td>
</tr>
<tr>
<td>Profit After Taxation</td>
<td>11.11</td>
<td>20.29</td>
<td>10.62</td>
<td>16.24</td>
<td>20.60</td>
</tr>
</tbody>
</table>

#### 2008 (N‘Bn)

<table>
<thead>
<tr>
<th></th>
<th>1&lt;sup&gt;st&lt;/sup&gt; Qtr Sep-07</th>
<th>2&lt;sup&gt;nd&lt;/sup&gt; Qtr Dec-07</th>
<th>3&lt;sup&gt;rd&lt;/sup&gt; Qtr Mar-08</th>
<th>4&lt;sup&gt;th&lt;/sup&gt; Qtr Jun-08</th>
<th>5&lt;sup&gt;th&lt;/sup&gt; Qtr Sep-08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Earnings</td>
<td>28.86</td>
<td>57.59</td>
<td>91.53</td>
<td>126.50</td>
<td>211.64</td>
</tr>
<tr>
<td>Diminution in Asset Values &amp; Extraordinary Items</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>-10.65</td>
</tr>
<tr>
<td>PBT</td>
<td>10.34</td>
<td>20.14</td>
<td>22.22</td>
<td>32.87</td>
<td>56.12</td>
</tr>
<tr>
<td>Taxation</td>
<td>-2.28</td>
<td>-4.43</td>
<td>-5.33</td>
<td>-8.11</td>
<td>-4.13</td>
</tr>
<tr>
<td>Profit After Taxation</td>
<td>8.06</td>
<td>15.71</td>
<td>16.89</td>
<td>24.76</td>
<td>51.99</td>
</tr>
</tbody>
</table>

Y-O-Y % Change in PBT

|                      | 38%                        | 29%                        | -15%                      | -36%                      | -37%                      |

Y-O-Y % Change in PBT Excl. Diminutions & Extraordinary Items

|                      | 38%                        | 29%                        | 69%                       | 43%                       | 12%                       |

...12% year-on-year growth in PBT recorded excl. provisions ...
Positive earnings despite increasingly difficult operating environment...

**Gross Earnings**

- 2005: N135.3
- 2006: N60.0
- 2007: N94.9
- 2008: N211.6
- 2009: N277.3

*51.02% CAGR*

**PBT**

- 2005: N9.2
- 2006: N15.0
- 2007: N25.7
- 2008: N56.1
- 2009: N35.3

**PAT**

- 2005: N7.1
- 2006: N11.6
- 2007: N18.8
- 2008: N51.9
- 2009: N20.6

<table>
<thead>
<tr>
<th>Metric</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost to Income Ratio</td>
<td>71%</td>
<td>67%</td>
</tr>
<tr>
<td>Interest Income/Total Income</td>
<td>70%</td>
<td>68%</td>
</tr>
<tr>
<td>ROE</td>
<td>6.1%</td>
<td>14.2%</td>
</tr>
<tr>
<td>ROA</td>
<td>1.2%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Adjusted EPS</td>
<td>82k</td>
<td>205k</td>
</tr>
</tbody>
</table>
Revenue Composition - well diversified revenue base...

**Interest Income**

- **2009**
  - Loans & Advances: 70%
  - Treasury Bills & Investment Securities: 15%
  - Government Bonds: 7%
  - Placements: 7%
  - Advances Under Finance Lease: 1%

- **2008**
  - Loans & Advances: 75%
  - Treasury Bills & Investment Securities: 15%
  - Government Bonds: 5%
  - Placements: 4%
  - Advances Under Finance Lease: 1%

**Non-Interest Income**

- **2009**
  - Fees: 32%
  - Commissions: 51%
  - Other Income: 15%
  - Foreign Exchange Earnings: 2%

- **2008**
  - Fees: 27%
  - Commissions: 50%
  - Other Income: 21%
  - Foreign Exchange Earnings: 2%
Cost- continuous efforts towards cost effectiveness…

**Interest Expenses**

- 2009:
  - Inter-bank takings: 2.1%
  - Borrowed funds: 2.2%
  - Current accounts: 12.5%
  - Savings accounts: 2.1%
  - Time deposits: 81.1%

- 2008:
  - Inter-bank takings: 5.1%
  - Borrowed funds: 8.9%
  - Current accounts: 1.3%
  - Savings accounts: 0.6%
  - Time deposits: 84.7%

**Operating Expenses**

- 2009:
  - Other expenses: 47.0%
  - Staff Costs: 40.1%
  - Auditors' remuneration: 0.2%
  - Directors' emoluments: 0.7%
  - Depreciation: 12.1%

- 2008:
  - Other expenses: 50.2%
  - Staff Costs: 38.8%
  - Auditors' remuneration: 10.3%
  - Directors' emoluments: 0.6%
  - Depreciation: 0.2%
Stable total cost income ratios…

**Total Cost / Income**

HIGHLIGHTS

Our continuous efforts towards cost effectiveness is evident in:

- 11% reduction in borrowed funds
- Conscious switch from more expensive purchased funds to relatively cheap checking & savings account volumes
- Re-evaluation of staff costs

**Interest Expense/ Income**

**Operating Expense/ Income**
Leveraging our network for greater efficiency…

STRATEGY TO IMPROVE REVENUES PER BRANCH:
- All income leakages are plugged
- All concessions on accounts are reviewed periodically to ascertain that the covenants agreed are met by the customer
- Staff and other resources are optimally deployed to branches for better results
- Continuous investments in technology for better and effective customer services

STRATEGY TO REDUCING COSTS PER BRANCH:
- Centralize all purchases as practicable as possible
- All purchases are subjected to bid process
- Expenditure limits are set for branch and zonal heads. The limits are strictly adhered to
- Expenditures are vetted by the Due Diligence Dept and the Financial Control Depts in Head office to ensure that all expenditures are reasonable and accurately incurred
- Purchases are made in bulk to take advantage of bulk discounts as well as hedge against inflation
- Maintenance and service contracts are subject to reviews and price re-negotiation annually
### Balance Sheet - Assets

<table>
<thead>
<tr>
<th>(N'm)</th>
<th>Group Dec-09</th>
<th>Group Sep-08</th>
<th>Change</th>
<th>Bank Dec-09</th>
<th>Bank Sep-08</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and balances with central banks</td>
<td>126,779</td>
<td>239,562</td>
<td>-47%</td>
<td>115,044</td>
<td>232,267</td>
<td>-50%</td>
</tr>
<tr>
<td>Treasury bills</td>
<td>234,115</td>
<td>401,445</td>
<td>-42%</td>
<td>225,371</td>
<td>396,772</td>
<td>-43%</td>
</tr>
<tr>
<td>Due from other banks</td>
<td>341,830</td>
<td>536,846</td>
<td>-36%</td>
<td>290,025</td>
<td>481,092</td>
<td>-40%</td>
</tr>
<tr>
<td>Loans and advances</td>
<td>698,326</td>
<td>455,324</td>
<td><strong>53%</strong></td>
<td>669,261</td>
<td>422,874</td>
<td><strong>58%</strong></td>
</tr>
<tr>
<td>Advances under finance lease</td>
<td>5,506</td>
<td>4,615</td>
<td>19%</td>
<td>5,281</td>
<td>3,940</td>
<td>34%</td>
</tr>
<tr>
<td>Insurance receivables</td>
<td>635</td>
<td>816</td>
<td>-22%</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Investment securities</td>
<td>158,977</td>
<td>64,564</td>
<td>146%</td>
<td>144,189</td>
<td>54,591</td>
<td>164%</td>
</tr>
<tr>
<td>Investments in subsidiaries</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>36,096</td>
<td>16,935</td>
<td>113%</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>966</td>
<td>160</td>
<td>504%</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Other assets</td>
<td>13,517</td>
<td>32,293</td>
<td>-58%</td>
<td>12,758</td>
<td>23,476</td>
<td>-46%</td>
</tr>
<tr>
<td>Investment properties</td>
<td>433</td>
<td>433</td>
<td>0%</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Fixed assets</td>
<td>78,619</td>
<td>50,942</td>
<td><strong>54%</strong></td>
<td>75,171</td>
<td>48,085</td>
<td>56%</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>1,659,703</strong></td>
<td><strong>1,787,000</strong></td>
<td><strong>-7%</strong></td>
<td><strong>1,573,196</strong></td>
<td><strong>1,680,032</strong></td>
<td><strong>-6%</strong></td>
</tr>
</tbody>
</table>

Putting liquidity to work through increased lending and investment in fixed assets…
**Balance Sheet- Liabilities & Equity**

<table>
<thead>
<tr>
<th>(N'm)</th>
<th>Group Dec-09</th>
<th>Group Sep-08</th>
<th>YOY Change</th>
<th>Bank Dec-09</th>
<th>Bank Sep-08</th>
<th>YOY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer deposits</td>
<td>1,173,917</td>
<td>1,188,876</td>
<td>-1%</td>
<td>1,111,328</td>
<td>1,164,460</td>
<td>-5%</td>
</tr>
<tr>
<td>Liabilities on insurance contracts</td>
<td>1,400</td>
<td>1,311</td>
<td>7%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Borrowings</td>
<td>35,984</td>
<td>40,431</td>
<td>-11%</td>
<td>35,984</td>
<td>40,431</td>
<td>-11%</td>
</tr>
<tr>
<td>Current income tax</td>
<td>7,407</td>
<td>5,690</td>
<td>30%</td>
<td>5,718</td>
<td>3,549</td>
<td>61%</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>100,085</td>
<td>202,114</td>
<td>-50%</td>
<td>88,683</td>
<td>131,207</td>
<td>-32%</td>
</tr>
<tr>
<td>Deferred income tax liabilities</td>
<td>3,117</td>
<td>1,961</td>
<td>59%</td>
<td>3,100</td>
<td>1,902</td>
<td>63%</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>1,321,910</td>
<td>1,440,383</td>
<td>-8%</td>
<td>1,244,813</td>
<td>1,341,549</td>
<td>-7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(N’m)</th>
<th>Group Dec-09</th>
<th>Group Sep-08</th>
<th>YOY Change</th>
<th>Bank Dec-09</th>
<th>Bank Sep-08</th>
<th>YOY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital</td>
<td>12,559</td>
<td>8,372</td>
<td>50%</td>
<td>12,559</td>
<td>8,372</td>
<td>50%</td>
</tr>
<tr>
<td>Reserves</td>
<td>323,011</td>
<td>335,975</td>
<td>-4%</td>
<td>315,824</td>
<td>330,111</td>
<td>-4%</td>
</tr>
<tr>
<td>Shareholder's funds</td>
<td>335,570</td>
<td>344,347</td>
<td>-3%</td>
<td>328,383</td>
<td>338,483</td>
<td>-3%</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>2,223</td>
<td>2,270</td>
<td>-2%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total liabilities &amp; equity</strong></td>
<td>1,659,703</td>
<td>1,787,000</td>
<td>-7%</td>
<td>1,573,196</td>
<td>1,680,032</td>
<td>-6%</td>
</tr>
</tbody>
</table>

Off Balance sheet engagements & contingencies

<table>
<thead>
<tr>
<th></th>
<th>Group Dec-09</th>
<th>Group Sep-08</th>
<th>YOY Change</th>
<th>Bank Dec-09</th>
<th>Bank Sep-08</th>
<th>YOY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>638,708</td>
<td>724,298</td>
<td>-12%</td>
<td>606,594</td>
<td>704,386</td>
<td>-14%</td>
</tr>
</tbody>
</table>

Sufficiently matched assets and liabilities buoyed by large shareholders’ fund
Driving competitive advantage through balance sheet quality and strength...
We continue to dominate the market through strong liquid asset base and funding mix...
Core portion of our deposit base is more than sufficient to fund the relatively longer tenured assets...

**Deposit Growth**

- 38.18% CAGR
- 2005: 233.0 Ntn
- 2006: 393.3 Ntn
- 2007: 634.5 Ntn
- 2008: 1,185.9 Ntn
- 2009: 1,173.9 Ntn

**Growth in Loans**

- 59.81% CAGR
- 2005: 67.0 Ntn
- 2006: 132.2 Ntn
- 2007: 255.3 Ntn
- 2008: 445.8 Ntn
- 2009: 692.2 Ntn

**2009 Deposits by term**

- Over 12 mths: 44.5%
- 0-30 days: 48.4%
- 1-3 mths: 5.7%
- 4-6 mths: 1.1%
- 7-12 mths: 0.3%

**2009 Loans by term**

- Over 12 mths: 66.0%
- 0-30 days: 22.9%
- 1-3 mths: 7.7%
- 4-6 mths: 1.1%
- 7-12 mths: 2.2%
Healthy risk assets portfolio...

HIGHLIGHTS

- Well diversified Risk Asset Portfolio
- Conscious loan growth to ensure better ROA
- Loan growth reflective infrastructural development needs as well as deliberate expansion & focus on retail & consumer loans.
- Consistently prudent levels of loan to deposit ratios: 59% as at 31st December 2009
NPL Analysis

Consistently Low NPLs in comparison with industry:
- Total provisions of N49bn
- 3% of total assets
- 15% of shareholders’ funds
- 08/09 NPLs impacted by new CBN provisioning guidelines.

NPL Ratio

Provisions/ NPLs

Provisions/Gross Loans
NPL Analysis cont’d

2009 NPLs by Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer credit</td>
<td>1.35%</td>
<td>1.08%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1.23%</td>
<td>-</td>
</tr>
<tr>
<td>Capital market</td>
<td>1.02%</td>
<td>1.21%</td>
</tr>
<tr>
<td>General commerce</td>
<td>0.95%</td>
<td>-</td>
</tr>
<tr>
<td>Transportation</td>
<td>0.88%</td>
<td>0.48%</td>
</tr>
<tr>
<td>Communication</td>
<td>0.51%</td>
<td>0.20%</td>
</tr>
<tr>
<td>Oil and gas</td>
<td>0.49%</td>
<td>-</td>
</tr>
<tr>
<td>Real estate and construction</td>
<td>0.31%</td>
<td>-</td>
</tr>
<tr>
<td>Mortgage</td>
<td>0.08%</td>
<td>-</td>
</tr>
<tr>
<td>Finance and insurance</td>
<td>0.06%</td>
<td>0.16%</td>
</tr>
<tr>
<td>Agriculture</td>
<td>-</td>
<td>0.04%</td>
</tr>
</tbody>
</table>

…Losses spread across all sectors with the highest not ranking above 1.35% of total loans in 2009.
Shareholder-focused business model...

Consistent Returns to Shareholders

In November 2008, delivering on its promise to further enhance shareholders’ value, Zenith Bank paid out N28.5 billion in dividends, the highest ever by any bank in Nigeria. This amounted to N1.70k per share as against the N1.10k per share paid in the preceding year.
Navigating the business through the downturn and positioning for upturn....

- Positive jaws
- Improved corporate governance framework
- Diversified business lines
- Greater asset liability matching
- Continued focus on strong capital adequacy
Agenda

Challenging Operating Environment

Company Overview

Results

Group

By Segment

By Geography

Company Risk Management & Strategy

Q&A
## P&L - By Segment

### 15 Months Ended Dec 2009 (N’m)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Revenue Derived From External Customers</th>
<th>Revenue Derived From Other Business Segments</th>
<th>Total Revenue</th>
<th>Operating Expenses</th>
<th>Profit Before Tax</th>
<th>Tax</th>
<th>Profit After Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate &amp; Retail Banking</td>
<td>263,077</td>
<td>7,601</td>
<td>270,678</td>
<td>236,033</td>
<td>34,645</td>
<td>-14,016</td>
<td>20,629</td>
</tr>
<tr>
<td>Investment Mgmt &amp; Stockbroking</td>
<td>269</td>
<td>371</td>
<td>5,640</td>
<td>10,037</td>
<td>-4,397</td>
<td>1,034</td>
<td>-3,363</td>
</tr>
<tr>
<td>General Health &amp; Life Insurance</td>
<td>7,487</td>
<td>1,238</td>
<td>8,725</td>
<td>8,120</td>
<td>605</td>
<td>-409</td>
<td>196</td>
</tr>
<tr>
<td>Others</td>
<td>1,467</td>
<td>4,406</td>
<td>5,873</td>
<td>1,641</td>
<td>4,232</td>
<td>1,091</td>
<td>3,141</td>
</tr>
<tr>
<td>Consolidated</td>
<td>277,300</td>
<td>-</td>
<td>277,300</td>
<td>242,215</td>
<td>35,085</td>
<td>-14,482</td>
<td>20,603</td>
</tr>
</tbody>
</table>

### 15 Months ended Sept 2008 (N’m)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Revenue Derived From External Customers</th>
<th>Revenue Derived From Other Business Segments</th>
<th>Total Revenue</th>
<th>Operating Expenses</th>
<th>Profit Before Tax</th>
<th>Tax</th>
<th>Profit After Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate &amp; Retail Banking</td>
<td>196,416</td>
<td>7,197</td>
<td>203,613</td>
<td>153,166</td>
<td>34,645</td>
<td>-14,016</td>
<td>20,629</td>
</tr>
<tr>
<td>Investment Mgmt &amp; Stockbroking</td>
<td>8,849</td>
<td>529</td>
<td>9,378</td>
<td>7,813</td>
<td>-4,397</td>
<td>1,034</td>
<td>-3,363</td>
</tr>
<tr>
<td>General Health &amp; Life Insurance</td>
<td>3,255</td>
<td>365</td>
<td>3,620</td>
<td>1,889</td>
<td>605</td>
<td>-409</td>
<td>196</td>
</tr>
<tr>
<td>Others</td>
<td>3,119</td>
<td>407</td>
<td>3,526</td>
<td>1,149</td>
<td>4,232</td>
<td>1,091</td>
<td>3,141</td>
</tr>
<tr>
<td>Consolidated</td>
<td>211,639</td>
<td>-</td>
<td>211,639</td>
<td>155,519</td>
<td>56,120</td>
<td>-4,127</td>
<td>51,993</td>
</tr>
</tbody>
</table>

### Y-O-Y Change in Total Revenue

<table>
<thead>
<tr>
<th>Segment</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>33%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>-40%</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>141%</td>
</tr>
<tr>
<td>Tax</td>
<td>67%</td>
</tr>
<tr>
<td>Profit After Tax</td>
<td>31%</td>
</tr>
</tbody>
</table>
PERFORMANCE REVIEW
- Constitutes 95% of the total activities and revenue base of the Group.
- 33% growth in revenue recorded between 2008 and 2009.
- Growth attributable to the Bank’s deliberate policy of innovative e-banking products and engaging in aggressive branch network expansion.

2010 OUTLOOK
- Sector likely to respond positively to the recent CBN policy intervention.
- The Bank will continue to play a commanding role in the sector.
- Financing opportunities in infrastructural and developmental projects.
PERFORMANCE REVIEW
- 40% decline in revenue recorded between 2008 and 2009.
- Poor performance mainly due to the lull witnessed in the capital markets throughout 2009.

2010 OUTLOOK
- With Western economies now coming out of recession, we expect FDI in the capital markets to rise once more.
- We also expect the continued growth of interest by Asian countries in local opportunities throughout 2010.
PERFORMANCE REVIEW
- 141% growth in top line revenue recorded between 2008 and 2009.
- Crashed stock prices did impact insurance investments, leading to N1,501bn in provisioning from our insurance subsidiaries.

2010 OUTLOOK
- Insurance still considered a luxury item in Nigeria, but with ample customer education, we believe we can expand this segment.
- Deliberate government policies being considered that will mandate individual & corporate organizations to take up insurance cover especially in the property and mortgage sector.
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By Geography

Company Risk Management & Strategy

Q&A
### P&L - By Geography

#### 15 Months Ended Dec 2009 (N’m)

<table>
<thead>
<tr>
<th></th>
<th>Nigeria</th>
<th>Rest of Africa</th>
<th>Europe</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Derived From External Customers</td>
<td>261,459</td>
<td>12,893</td>
<td>2,948</td>
<td>277,300</td>
</tr>
<tr>
<td>Revenue Derived From Other Business Segments</td>
<td>12,855</td>
<td>-</td>
<td>761</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>274,314</strong></td>
<td><strong>12,896</strong></td>
<td><strong>3,709</strong></td>
<td><strong>277,300</strong></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>242,225</td>
<td>10,975</td>
<td>2,631</td>
<td>242,215</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>32,089</td>
<td>1,918</td>
<td>1,078</td>
<td>35,085</td>
</tr>
<tr>
<td>Tax</td>
<td>-13,854</td>
<td>-380</td>
<td>-248</td>
<td>-14,482</td>
</tr>
<tr>
<td>Profit After Tax</td>
<td>18,235</td>
<td>1,538</td>
<td>830</td>
<td>20,603</td>
</tr>
</tbody>
</table>

#### 15 Months Ended Sept 2008 (N’m)

<table>
<thead>
<tr>
<th></th>
<th>Nigeria</th>
<th>Rest of Africa</th>
<th>Europe</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Derived From External Customers</td>
<td>201,447</td>
<td>6,194</td>
<td>3,998</td>
<td>211,639</td>
</tr>
<tr>
<td>Revenue Derived From Other Business Segments</td>
<td>8,498</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>209,945</strong></td>
<td><strong>6,194</strong></td>
<td><strong>3,998</strong></td>
<td><strong>211,639</strong></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>155,323</td>
<td>4,696</td>
<td>3,998</td>
<td>155,519</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>54,622</td>
<td>1,498</td>
<td>-</td>
<td>56,120</td>
</tr>
<tr>
<td>Tax</td>
<td>-3,975</td>
<td>-78</td>
<td>-</td>
<td>-4,127</td>
</tr>
<tr>
<td>Profit After Tax</td>
<td>50,647</td>
<td>1,420</td>
<td>-74</td>
<td>51,993</td>
</tr>
</tbody>
</table>

#### Y-O-Y Change in Total Revenue

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31%</td>
<td>108%</td>
<td>-7%</td>
<td>31%</td>
</tr>
</tbody>
</table>

Providing ~ 95% of gross revenues, Nigeria is still our core market and main driver of profitability …
PERFORMANCE REVIEW
- Nigerian business activities continued to account for about 95% of the revenue of the Group in 2009.
- Activities in Nigeria grew by 31% between 2008 and 2009.
- However, profit of the Nigerian business was significantly depressed following the exceptional loan loss provisions made to cover the losses and diminution of assets held in the capital market.

2010 OUTLOOK
- Strong positive economic outlook
- We expect to see regulatory policies designed to ease the flow of credit; a marginal increase in foreign direct investment as developed countries are slowly coming out of the recession; a stock market rebound; significant M&A activity, bank categorizations and the establishment of a National Asset Management Company.
- Huge capital expenditure projection viz-a-viz planned deficit financing thereby presenting opportunities in terms of increased consumption and lending
- Deregulation of the downstream oil sector
PERFORMANCE REVIEW

- Despite a 108% increase in revenue from the rest of Africa business activities, profit from the location remained relatively flat due principally to the 134% increase in operating expenses between 2008 and 2009.
- The Group engaged in branch network expansion within its African region within the last year necessitating increased staff and running costs.

2010 OUTLOOK

- For our Rest of Africa operations, we expect to see an increase in profitability driven by reduced operating costs as new branches begin to take a foothold.
- On a larger scale we expect business to pick up based on the World Bank forecast that economic activities in the SSA will grow by 3.8% after remaining relatively flat in 2009.
PERFORMANCE REVIEW

- The Group's European operations were more efficient in 2009 with a profit of N830m from a loss position of N74m in 2008 despite a marginal 7% drop in revenue earnings between the two years.

2010 OUTLOOK

- Similar to our Rest of Africa operations, we expect more operating efficiencies as the new branches in the UK begin to gain traction.
- We also expect more business as UK comes out of the global recession, and investors become more bullish.
Agenda

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Company Risk Management & Strategy

Q&A
Robust Enterprise Risk Management Structure

- BOARD RISK MANAGEMENT COMMITTEE
- BOARD CREDIT COMMITTEE
- BOARD OF DIRECTORS
- EXECUTIVE COMMITTEE
- ASSETS / LIABILITIES COMMITTEE
- AUDIT COMMITTEE
- MANAGEMENT RISK COMMITTEE
- GLOBAL CREDIT COMMITTEE
- CHIEF RISK OFFICER
- CHIEF COMPLIANCE OFFICER
- TREASURY
- INTERNAL CONTROL & AUDIT
- MARKET/OPERATIONAL RISK MANAGEMENT
- CREDIT RISK MANAGEMENT

Structure provides framework for effective management of the group's operating risks on daily basis.
Effective Credit Risk Management Structure

The Credit Risk Management Group (CRMG) provides high level centralized management of Credit Risks for the entire Group.

Risk Mgt structure and processes are continually reviewed to ensure their adequacy and appropriateness.
Clearly structured approach to ensure cohesive oversight and good corporate governance…

- **Executive Management Committee (EXCO)**
  - Chaired by MD/CEO
  - Comprises all Executive Directors
  - Meets weekly or as the need arises

- **Assets and Liabilities Committee (ALCO)**
  - Chaired by MD/CEO
  - Meets weekly

- **Management Committee (MANCO)**
  - Comprises senior management members
  - Chaired by the MD/CEO
  - Meets weekly

- **Management Credit Committee (MCC)**
  - 12 – 15 members
  - Presentation by the Chief Risk Officer

- **Information Technology Steering Committee**
  - Chaired by MD/CEO

- **Staff Matters, Finance & General Purpose Committee**
  - Comprises Procurement, HR and other departments invited from time to time
  - Executive & Non Executive Directors

- **Audit Committee**
  - In line with CAMA 1990 comprises of three shareholders and 3 Non Executive Director

- **Board Credit Committee (BCC)**
  - Membership consist of Executive & Non-Executive Directors
  - Considers Loan applications above certain level
Risk management in practice

- Enterprise risk management via top-down sectoral exposures
- Prudent levels of loan to deposit ratios: 59% as at 31 December 2009

Focused risk management via portfolio diversification

Prudent Loan to Deposit Ratios

Consistently amongst lowest NPL ratio in the industry
Well matched assets & liabilities…

### Balance Sheet as at 31 December 2009

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Investments</td>
<td>14</td>
</tr>
<tr>
<td>Fixed assets</td>
<td>79</td>
</tr>
<tr>
<td>Loans and Advances</td>
<td>167</td>
</tr>
<tr>
<td>Cash and short-term funds</td>
<td>698</td>
</tr>
<tr>
<td></td>
<td>703</td>
</tr>
<tr>
<td>Other Capital &amp; Reserves</td>
<td>336</td>
</tr>
<tr>
<td>Borrowings</td>
<td>114</td>
</tr>
<tr>
<td>Deposits</td>
<td>36</td>
</tr>
<tr>
<td>N1,660 bn</td>
<td></td>
</tr>
</tbody>
</table>
Strong capitalization coupled with low leverage—the keystone to our success...

Capital Adequacy & Liquidity Ratios for the Bank are comfortably above industry requirements.

Capital base predominantly made up of Tier I capital.
Significant market outperformance as market recognizes undervaluation of Zenith stock price

Zenith passes CBN Special Audit
Strategic Objectives for 2010 and beyond…

2010
• Move back to 2008 profitability levels
• Significantly reduce NPL volume
• Curtail cost to income ratio
• Maintain high level of capital adequacy
• No further significant risk assets write-down

Beyond 2010
• Remain conservative but innovative
• Maintain strong risk mgt. and corporate governance practices
• Sustain strong profitability
• Develop deeper & broader client relationships
• Continued emphasis on use of technology
• Cautious global expansion