



Zenith Bank Plc
Group un-audited Results for 9 months ended 30 September, 2014

ZENITH BANK PLC RELEASES REMARKABLE 3RD QUARTER 2014 FINANCIAL RESULTS

LAGOS, NIGERIA - 27 October 2014 - Zenith Bank Plc, (Bloomberg: ZENITHBA NL / Reuters: ZENITHB.LG) (“Zenith” or the “Bank”), the Nigerian bank headquartered in Lagos, announces its unaudited results for 9 months ended 30 September 2014.

Financial Highlights

Operating Expenses	112,094	105,599	6.2%
Profit Before Tax	86,818	83,037	4.6%
Profit After Tax	71,046	69,751	1.9%
Earnings Per Share	226	214	5.6%
	Sep-14	Dec'13	% Change
Gross Loans & Advances	1,555,124	1,276,122	21.9%
Customer's Deposits	2,309,614	2,276,755	1.4%
Total Assets	3,408,633	3,143,133	8.4%
Shareholder's Funds	523,932	509,251	2.9%
Key ratios	Sep-14	Sep-13	% Change
Net Interest Margin	8.0%	9.5%	-1.5%
Cost-to-Income Ratio	56.4%	55.8%	0.6%
Loan-to-Deposit Ratio	58.7%	52.2%	6.5%
Cost of Funds	3.7%	3.4%	0.3%
Cost of Risk	0.5%	0.7%	-0.2%
Return On Average Assets (ROAA)	2.9%	3.4%	-0.5%
Return On Average Equity (ROAE)	18.3%	19.7%	-1.4%
Liquidity Ratio	42.9%	40.0%	2.9%
Capital Adequacy Ratio (CAR)	21.6%	28.3%	-6.7%
Non Performing Loan Ratio (NPL)	2.8%	3.1%	-0.3%
Coverage Ratio	90.8%	119%	-28.2%
Net Interest income/Operating income	71.97%	73.86%	-1.9%
Operating exp/Average total Asset	3.43%	3.67%	-0.2%
Effective Tax rate	18.17%	16.00%	2.2%
Total Equity/Total Asset	15.37%	16.20%	-0.8%
Loan (net)/Total Asset	44.77%	39.81%	5.0%



Peter Amangbo (GMD/CEO) while commenting on the results from the bank's headquarters in Lagos noted that: *"despite the headwinds faced by the Nigerian banking industry, the Zenith Group has sustained its superior performance in the third quarter of 2014"*. He noted that: *"by posting gross revenue of N274 billion and profit before tax of N86.8 billion for the nine months ended 2014 the group has once again demonstrated its leading position in the industry"*. Mr Amangbo attributed the group's sustained superior performance to highly motivated staff, state-of-the art technology, as well as excellent customer service delivery.

Commenting on the financial performance Mr Amangbo added: *"We achieved a 21.9% year on year growth in risk assets which has resulted in a 44% growth in interest income with a non-performing loan (NPL) ratio of just 2.8%. This demonstrates the effectiveness of our strategy to continue to focus on the creation of well-priced high-quality risk assets"*. He added that: *"our loan-to-deposit ratio of 58.7%, capital adequacy ratio of 22% and liquidity ratio of 42.9% position the Zenith group to continue to draw attractive risk adjusted returns from business opportunities in strategic sectors of the economy."*

On the group's regional operations and business segments **Mr. Amangbo** stated that: *"Although the group divested its interests in non-core banking subsidiaries, the impact was not significant. Our core banking operations in Corporate, Retail banking and Custodial services maintained their lead, contributing 93% of the group's profit in the nine months ended September 30, 2014. In addition the group continues to capitalise on the synergies from consolidating the operations of its foreign banking subsidiaries."*

- **Ebenezer Onyeagwu, (Executive Director, Credit & Risk Management Division)** added that: *"the NPL ratio reduced from 3.1% to 2.8% and our cost of risk reduced from 0.7% to 0.5% year on year"*, adding that: *"with a loan-to-deposit ratio of 58.7%, the group is in a vantage position to grow its risks asset as more profitable business opportunities emerge. Given its competitive loan-to-deposit ratio, strong capital base and high capital adequacy ratio, the group clearly has the capacity to benefit from the rewarding opportunities that exist in the country and in all other locations where it has a presence"*.
- **Stanley Amuchie (Chief Financial Officer)** commented on the results noting that: *"achieving gross earnings of N273.7bn for the first nine months of 2014 is a clear demonstration of the group's robust revenue-generating capacity hinged on excellent customer service and innovation"*. He further noted that: *"the group's operational efficiency is evidenced by its impressive cost of funds of 3.7% and cost of risks of 0.5% which are both under the industry average. We will continue our efforts to improve operational efficiency utilising our assets more efficiently and keeping our focus on maintaining first class operational and customer service standards while striving to keep operating costs under control"*.

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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. Zenith Bank listed \$850.00 million worth of non-capital raising GDR on the London Stock Exchange on March 21, 2013.

The Bank 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 centers 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 and Beijing, China.

FOR FURTHER INFORMATION:

Zenith Bank (Head, Investor Relations)
Michael Anyimah +234 704 000036

APFTI (Investor Relations advisers)
Oberhi Majoroh +234 805 193 7592
Paul Marriott +44 207 269 7252

More information can be found at www.zenithbank.com