

# ZENITH BANK PLC

Zenith Heights, Plot 87 Ajose Adeogun Street, Victoria Island, Lagos



## SUMMARY FINANCIAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present the summary financial information of Zenith Bank Plc ("the Bank") and its subsidiary companies (together "the Group") for the year ended 31 December 2017. These summary financial information are derived from the full financial statements for the year ended 31 December 2017 and are not the full financial statements of the Group and the Bank. The full financial statements, from which these summary financial information were derived, will be delivered to the Corporate Affairs Commission within the required deadline. The Bank's Independent Auditors issued an unmodified audit opinion on the full financial statements for the year ended 31 December 2017 from which these summary financial information were derived.

### CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017	Group 2017	Group 2016	Bank 2017	Bank 2016
<i>In millions of Naira</i>				
<b>Gross earnings</b>	<b>745,189</b>	<b>507,997</b>	<b>673,636</b>	<b>454,808</b>
Interest and similar income	474,628	384,557	420,210	343,556
Interest and similar expense	(216,637)	(144,378)	(200,672)	(131,910)
<b>Net interest income</b>	<b>257,991</b>	<b>240,179</b>	<b>219,538</b>	<b>211,646</b>
Impairment loss on financial assets	(98,227)	(32,350)	(95,244)	(26,295)
Net interest income after impairment loss on financial assets	159,764	207,829	124,294	185,351
Fee and commission income	90,143	68,444	72,846	55,619
Trading gains	157,974	28,398	157,974	28,398
Other operating income	22,444	26,598	22,606	27,235
Depreciation of property and equipment	(12,428)	(9,679)	(11,059)	(8,664)
Amortisation of intangible assets	(1,631)	(1,435)	(1,431)	(1,375)
Personnel expenses	(64,459)	(59,326)	(55,672)	(52,519)
Operating expenses	(148,346)	(104,081)	(135,995)	(94,118)
<b>Profit before tax</b>	<b>203,461</b>	<b>156,748</b>	<b>173,563</b>	<b>139,927</b>
Minimum tax	(4,350)	-	(4,350)	-
Income tax expense	(21,178)	(27,096)	(12,068)	(20,642)
<b>Profit for the year after tax</b>	<b>177,933</b>	<b>129,652</b>	<b>157,145</b>	<b>119,285</b>
<b>Other comprehensive income:</b>				
<b>Items that will never be reclassified to profit or loss:</b>				
Fair value movements on equity instruments	(2,551)	6,636	(2,551)	6,636
<b>Items that are or may be reclassified to profit or loss:</b>				
Foreign currency translation differences for foreign operations	5,233	30,338	-	-
<b>Other comprehensive income/(loss) for the year</b>	<b>2,682</b>	<b>36,974</b>	<b>(2,551)</b>	<b>6,636</b>
<b>Total comprehensive income for the year</b>	<b>180,615</b>	<b>166,626</b>	<b>154,594</b>	<b>125,921</b>
<b>Profit attributable to:</b>				
Equity holders of the parent	177,614	129,434	157,145	119,285
Non controlling interest	319	218	-	-
<b>Total comprehensive income attributable to:</b>				
Equity holders of the parent	180,281	166,236	154,594	125,921
Non-controlling interest	334	390	-	-

### Key financial information:

Earnings per share (Basic and diluted)	566	412	501	380
Dividend per share (proposed)	N2.70	N2.02	N2.70	N2.02
Total non-performing credit facilities (N'millions)	105,865	71,374	91,738	57,577
Total non-performing credit facilities to total credit facilities (%)	4.70	3.00	4.33	2.60

### Customer complaints in financial statements for the year ended 31 December 2017

Description	Number	Amount claimed	Amount refunded
<i>In millions of Naira</i>			
Pending complaint brought forward	154	1,572	12
Received complaints	220	10,045	38
Resolved complaints	288	1,834	347
Unresolved complaints escalated to CBN for intervention	-	-	-
Unresolved complaints pending with the bank carried forward	-	-	-
<b>Unresolved complaints carried forward</b>	<b>86</b>	<b>9,783</b>	<b>-</b>

### CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017	Group 2017	Group 2016	Bank 2017	Bank 2016
<i>In millions of Naira</i>				
<b>Assets</b>				
Cash and balances with central banks	957,663	669,058	907,265	627,385
Treasury bills	936,817	557,359	799,992	463,787
Assets pledged as collateral	468,010	328,343	468,010	325,575
Due from other banks	495,803	459,457	273,331	354,405
Derivative assets	57,219	82,860	57,219	82,860
Loans and advances	2,100,362	2,289,365	1,980,464	2,138,132
Investment securities	330,951	199,478	117,814	118,622
Investment in subsidiaries	-	-	34,003	33,003
Deferred tax assets	9,561	6,440	9,197	6,041
Other assets	92,494	37,536	56,052	35,410
Property and equipment	133,384	105,284	118,223	94,613
Intangible assets	12,989	4,645	12,088	3,903
<b>Total assets</b>	<b>5,595,253</b>	<b>4,739,825</b>	<b>4,833,658</b>	<b>4,283,736</b>
<b>Liabilities</b>				
Customers' deposits	3,437,915	2,983,621	2,744,525	2,552,963
Derivative liabilities	20,805	66,834	20,805	66,834
Current income tax payable	8,915	8,953	6,069	6,927
Deferred income tax liabilities	18	45	-	-
Other liabilities	233,481	208,680	219,790	243,736
On-lending facilities	383,034	350,657	383,034	350,657
Borrowings	356,496	263,106	418,979	292,802
Debt securities issued	332,931	153,464	332,931	153,464
<b>Total liabilities</b>	<b>4,773,595</b>	<b>4,035,360</b>	<b>4,126,133</b>	<b>3,667,383</b>
<b>Capital and reserves</b>				
<b>Equity attributable to Equity Holders of Parent</b>				
Share capital	15,698	15,698	15,698	15,698
Share premium	255,047	255,047	255,047	255,047
Retained earnings	365,757	267,008	296,787	218,507
Other reserves	183,839	165,729	139,993	127,101
Attributable to equity holders of the parent	820,341	703,482	707,525	616,353
Non-controlling interest	1,317	983	-	-
<b>Total shareholders' equity</b>	<b>821,658</b>	<b>704,465</b>	<b>707,525</b>	<b>616,353</b>
<b>Total liabilities and equity</b>	<b>5,595,253</b>	<b>4,739,825</b>	<b>4,833,658</b>	<b>4,283,736</b>

The financial statements were approved by the Board of Directors for issue on 22 January, 2018 and signed on its behalf by:

Jim Ovia, CON (Chairman)  
FRC/2013/CIBN/0000002406

Peter Amangbo (Group Managing Director and Chief Executive)  
FRC/2013/ICAN/0000001310

Ebenezer Onyeagwu (Deputy Managing Director)  
FRC/2013/ICAN/0000003788

Stanley Amuchie (Chief Financial Officer)  
FRC/2013/MULTI/0000001063

## INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL INFORMATION

To the Shareholders of Zenith Bank Plc

### Report on the Summary Financial Information

#### Opinion

The summary financial information, which comprise the consolidated and separate statements of financial position as at 31 December, 2017, and the consolidated and separate statements of profit or loss and other comprehensive income, are derived from the audited financial statements of Zenith Bank Plc ("the Bank") and its subsidiaries (together, "the Group") for the year ended December 31, 2017.

In our opinion, the accompanying summary financial information are consistent, in all material respects, with the audited financial statements, in accordance with the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 and the Banks and Other Financial Institutions Act, Cap B.3, Laws of the Federation of Nigeria 2004.

#### Summary Financial Information

The summary financial information do not contain all the disclosures required by the International Financial Reporting Standards, the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004, the Financial Reporting Council of Nigeria Act, 2011, the Banks and Other Financial Institutions Act, Cap B.3, Laws of the Federation of Nigeria 2004 and other relevant Central Bank of Nigeria guidelines and circulars. Reading the summary financial information and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements of the Bank and the Group, and the auditor's report thereon.

#### The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 01 March, 2018. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

The above summarized financial statements and report of the independent auditor are published in accordance with the requirements of S. 27 of the Banks and Other Financial Institutions Act.

Directors | Jim Ovia, CON (Chairman), Peter Amangbo (Group Managing Director/Chief Executive Officer), Alhaji Baba Tela, Mr. Jeffrey Efeiyini, Prof. Chukuka Enwemeka, Prof. Oyewusi Ibadapo-Obe, Mr. Gabriel Ukpeh, Engr. Mustafa Bello, Adoora Umeoji (Deputy Managing Director), Ebenezer Onyeagwu (Deputy Managing Director), Umar Ahmed Shuaib (Executive Director), Temitope Fasoranti (Executive Director), Dennis Olsa (Executive Director)

### Directors' Responsibility for the Summary Financial Information

The Directors are responsible for the preparation of the summary financial information in accordance with the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 and the Banks and Other Financial Institutions Act, Cap B.3, Laws of the Federation of Nigeria 2004.

### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial information are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

### Report on Other Legal and Regulatory Requirements

Compliance with Section 27 (2) of the Banks and Other Financial Institutions Act, Cap B.3, Laws of the Federation of Nigeria 2004 and Central Bank of Nigeria circular BSD/1/2004

The Bank and the Group did not pay any penalty in respect of contraventions of the Banks and Other Financial Institutions Act during the year ended 31 December 2017.

Signed:

*bchtoyels*  
Oluwatemi O. Awotoye, FCA  
FRC/2013/ICAN/0000001162  
For: KPMG Professional Services  
Chartered Accountants  
01 March 2018  
Lagos, Nigeria

