

**Stanbic IBTC Holdings PLC (“Stanbic IBTC”)  
Three months unaudited group results for the period ended 31 March 2018**

Stanbic IBTC Group reports a 22% and a 44% growth in gross earnings and profit after tax respectively in the first three months of 2018.

LAGOS, NIGERIA – 20 April 2018 – Stanbic IBTC, a member of Standard Bank Group, has announced its three months unaudited results for the period ended 31 March 2018.

Speaking from the Group’s headquarters in Lagos, Yinka Sanni, Chief Executive Stanbic IBTC, said:

*“Stanbic IBTC delivered strong results in the first quarter of 2018 in demonstration of its growth aspirations as the country’s economic environment continues to improve.*

*The 22% growth in gross earnings was driven by 38% increase in non-interest revenue while net interest income remained stable year-on-year. The growth in non-interest revenue was driven by a significant growth in trading income and fee and commission revenue. Increase in net fee and commission revenue is on account of increase in asset management fees as our assets under management (“AUM”) grew by 34% year-on-year. Operating expenses posed a 47% growth which reflects the effect of inflation on operating cost and upward adjustment made to staff cost compared to prior year. Thus, cost-to-income ratio rose to 53.7% from 43.7% in first quarter of 2017. Cost of risk was negative 5.3% (write-back) this quarter as provisions for impaired loan were offset by write-backs which resulted from recoveries made on previously written off loans and reversals on some non-performing loans.*

*There was a 22% growth in trading assets, though this only resulted in a muted 1.4% growth in total assets. Deposits were up by 3% mainly via current-and-savings-accounts (“CASA”). Consequently, our CASA ratio improved to 52.6% from 49.2% in December 2017 in line with the drive to reduce cost of funds through the generation of cheaper deposits. Loans and advances declined due to net repayments and slowdown in demand for loans in line with the market, while our capital and liquidity positions remained solid.*

*Each of our business lines reported better performance when compared to the corresponding quarter of 2017. Corporate and Investment Banking business generated profit after tax of N15.1 billion (Q1 2017: N10.9 billion), up by 38% as we saw assets under custody edge up to N6.6 trillion. Personal and Business Banking reported post-tax profit of N2.0 billion, up by over 100% partly due to progress in our recovery efforts, supported by real growth in the underlying business as evidenced by the growth recorded in current and savings deposits. The Wealth business generated N6.0 billion in profit after tax, up by 37% year-on-year on account of positive performance effects in the financial markets and new client acquisition. Though AUM growth for the wealth business was 8% quarter-on-quarter, we remain optimistic that the growth trajectory should continue and close the year in-line with our guidance of strong double digit growth for 2018.*

*We expect that our risk asset position will improve with particular focus on the export sectors including agriculture, even as macro-economic fundamentals improve to drive lending. We will*

*continue to dedicate efforts in growing our client base through excellent service delivery in our quest to remain the leading end-to-end financial solutions provider in Nigeria”.*

## Financial highlights

### **Income Statement**

- Gross earnings of N57.4 billion, an increase of 22% (March 2017: N47.0 billion)
- Net interest income flat at N18.9 billion
- Non-interest revenue of N27.7 billion, up 38% (March 2017: N20.1 billion)
- Total operating income of N46.6 billion, an increase of 19% (March 2017: N39.0 billion)
- Profit before tax of N26.7 billion, up 43% (March 2017: N18.6 billion)
- Profit after tax of N23.1 billion, an increase of 44% (March 2017: N16.1 billion)
- Cost to income ratio of 53.7% (March 2017: 43.7%)
- After-tax return on average equity (annualised) 48.7%
- After-tax return on average assets (annualised) 6.8%

### **Balance sheet**

- Total assets up 1.4% to N1.41 trillion (Dec. 2017: N1.39 trillion)
- Gross loans & advances to customers decreased by 7% to N375.6 billion (Dec. 2017: N403.9 billion)
- Non-performing loans increased by 17% to N37.0 billion (Dec. 2017: N31.7 billion)
- Non-performing loans to total loans ratio of 9.9% (Dec. 2017: 7.9%)
- Customer deposits up 3% to N777.7 billion (Dec. 2017: N753.6 billion)
- Deposit mix improved to 52.6% (Dec. 2017: 49.2%) of current-and-savings-accounts deposits to total deposits

## Capital and liquidity

The group's liquidity ratio closed at 119.5%, while the Bank's liquidity ratio was at 107.3% at the end of Q1 2018. This ratio is significantly higher than the 30% regulatory minimum.

The group's capital adequacy ratio remained well above the minimum statutory requirement. Total capital adequacy ratio of the Group improved to 25.4% (Dec. 2017: 23.5%). Furthermore, the total capital adequacy ratio of the Bank also improved to 22.6% (Dec. 2017: 20.5%). The Group's capital is deemed adequate to drive business growth and support any contingencies.

### **FOR FURTHER INFORMATION:**

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***Notes to editors:***

**About Stanbic IBTC Holdings PLC**

Stanbic IBTC Holdings is a member of Standard Bank Group. Standard Bank Group is Africa's largest banking group ranked by assets and earnings and has been in business for over 150 years.

With a controlling stake of 53.07% in Stanbic IBTC Holdings PLC, Standard Bank employs over 54,000 people worldwide; operates in 20 African countries including South Africa and 8 countries outside Africa including key financial centres like Europe, United States and Asia.

Stanbic IBTC Holdings' strategy is to position itself as the leading end-to-end financial services solutions provider in Nigeria. The group offers expert services in three business areas - corporate and investment banking; personal and business banking and wealth management.

With a team of experienced and customer-focused staff, Stanbic IBTC offers services which include investment banking, specialised finance, trade finance, stockbroking, insurance brokerage, trusteeship, global markets, custodial services, asset and pension management, foreign exchange, lending, savings and investment products.

More information can be found at [www.stanbicibtc.com](http://www.stanbicibtc.com)