



**Stanbic IBTC Holdings PLC (“Stanbic IBTC”)
Three months unaudited group results for the period ended 31 March 2021**

Stanbic IBTC records improvement in key metrics in the first quarter amid yield pressure.

LAGOS, NIGERIA – 23 April 2021 – Stanbic IBTC, a member of Standard Bank Group, has announced its three months unaudited results for the period ended 31 March 2021.

Commenting on the results, Dr. Demola Sogunle, Chief Executive Stanbic IBTC, said:

“The domestic economy remains quite fragile. Negative real returns prevailed in the first quarter as headline inflation continued on the rise, currently above 18% as of March 2021. Economic activities are expected to improve as the authorities take on appropriate actions and business confidence improves. Just recently, in April 2021, the CBN resumed dollar sales to foreign portfolio investors for the first time since December 2020 to clear the backlog of foreign exchange demand.

The Group’s profitability in the first quarter moderated year-on-year due to pressure on trading income: trading activities in our Global Markets business slowed down compared to prior year, operating expenses from regulatory induced charges increased, as well as the continued pressure on risk asset yields. The decline was partly cushioned by the year-on-year improvement in net fee and commission revenue as well as an impairment write back of ₦155 million in Q1 2021 compared to the charge of ₦1.97 billion in prior year. The impairment writeback was due to releases and after write-off recoveries achieved during the quarter.

Again, the diversity of our earnings proved supportive during the period. Wealth’s profitability improved from prior period and provided succour for the contraction in profitability of the Corporate and Investment Banking and the Personal and Business Banking businesses. That said, gross customer loans continued to grow, increasing by 16% from the December 2020 position. The continued loan growth would support margin accretion and ultimately compensate for the pressure on yields. Customer deposits also increased by 6% from the December 2020 position, most of the growth arose from cheap deposits and resulted in further improvement in the CASA ratio to 83.3% (FY 2020: 82.8%), which was positive for our funding costs. Our capital and liquidity positions remained robust in Q1 2021.

Our latest addition, Stanbic IBTC Insurance Limited commenced full operations during the quarter. Our Pension business introduced the Loyalty program, U_Matter, to appreciate our esteemed clients. Our Asset Management business launched the Stanbic IBTC Enhanced Short-Term Fixed Income Fund which invests in short term bonds issued by the Government and corporate entities.

We are committed to achieving our Full Year 2021 Guidance.”



Financial highlights

Income statement

- Gross earnings of ₦45.7 billion, representing 26% decrease (Q1 2020: ₦61.4 billion)
- Net interest income of ₦15.9 billion, down 14% (Q1 2020: ₦18.5 billion)
- Non-interest revenue of ₦23.1 billion, down 29% (Q1 2020: ₦32.6 billion)
- Total operating income of ₦38.9 billion, down 24% (Q1 2020: ₦51.2 billion)
- Profit before tax of ₦12.1 billion, down 50% (Q1 2020: ₦24.4 billion)
- Profit after tax of ₦11.3 billion, down 45% (Q1 2020: ₦20.6 billion)
- Cost to income ratio of 69.2% (Q1 2020: 48.4%)
- Return on average equity (annualised) 11.6%
- Return on average assets (annualised) 1.7%

Financial position

- Total assets increased by 3% to ₦2.569 trillion (December 2020: ₦2.486 trillion)
- Gross loans & advances up 16% to ₦762.7 billion (December 2020: ₦655.3 billion)
- Non-performing loans increased by 3% to ₦27.2 billion (December 2020: ₦26.5 billion)
- Non-performing loan to total loan ratio of 3.6% (December 2020: 4.0%)
- Customer deposits increased by 6% to ₦867.0 billion (December 2020: ₦819.9 billion)
- Deposit mix improved to 83.3% (December 2020: 82.8%) of current-and-savings-accounts deposits to total deposits

Capital and liquidity

The Group maintained adequate level of capital during the period. The Group's total capital adequacy ratio closed at 22.7% (Bank: 17.8%), which is significantly higher than the 10% minimum regulatory requirement.

The Group maintained a strong and diversified funding base during the first quarter of 2021. The Group's liquidity ratio was above the regulatory minimum requirement of 30%, which indicates the Group's sound position to continue meeting its liquidity obligations in a timely manner.

If you have any query, please do not hesitate to contact the undersigned on the numbers listed below:



FOR FURTHER INFORMATION:

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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 has been in business for over 158 years.

With a controlling stake of 67.02% in Stanbic IBTC Holdings PLC, Standard Bank Group employs over 50,000 people (including Liberty) worldwide; operates in 20 African countries including South Africa and has operations in five key financial centres outside Africa, including London, Sao Paulo, Dubai, New York and Beijing.

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 specialised finance, trade finance, stockbroking, trusteeship, global markets, custodial services, foreign exchange, asset and pension management, insurance brokerage, life insurance, lending, savings and investment products.

More information can be found at <https://www.stanbicibtc.com/>