



# ZENITH BANK PLC

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

## SUMMARY OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present the summary financial statements of Zenith Bank Plc for the year ended 31 December 2013. These summary financial statements are derived from the full financial statements for the year ended 31 December 2013 and are not the full financial statements of the Bank. The full financial statements, from which these summary financial statements were derived, will be delivered to the Corporate Affairs Commission within the required deadline. The Bank's Auditors issued an unqualified audit opinion on the full financial statements for the year ended 31 December 2013 from which these summary financial statements were derived.

### CONSOLIDATED AND SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2013	Group 2013	Group 2012	Bank 2013	Bank 2012
<i>In millions of Naira</i>				
<b>Gross earnings</b>	<b>351,470</b>	<b>307,082</b>	<b>311,275</b>	<b>279,042</b>
<b>Continuing Operations:</b>				
Interest and similar income	260,059	221,318	243,852	213,230
Interest and similar expense	(70,796)	(64,561)	(68,471)	(65,352)
<b>Net interest income</b>	<b>189,263</b>	<b>156,757</b>	<b>175,381</b>	<b>147,878</b>
Impairment charge for credit losses	(11,067)	(9,099)	(9,907)	(7,998)
Net interest income after impairment charge for credit losses	178,196	147,658	165,474	139,880
Fee and commission income	52,550	50,480	47,116	44,211
Net gains on financial instruments measured at fair value through profit or loss	21,787	19,012	19,580	16,201
Other income	754	1,038	727	5,400
Share of profit of associates	118	23	-	-
Amortisation of intangible assets	(951)	(1,059)	(844)	(624)
Depreciation of property and equipment	(9,766)	(10,307)	(9,015)	(9,500)
Personnel expenses	(59,952)	(52,427)	(56,864)	(49,787)
Operating expenses	(76,527)	(55,826)	(72,066)	(51,733)
<b>Profit before minimum tax and income tax from continuing operations</b>	<b>106,209</b>	<b>98,592</b>	<b>94,108</b>	<b>94,048</b>
Minimum tax	(2,663)	(2,469)	(2,663)	(2,469)
Income tax expense from continuing operations	(11,958)	2,007	(8,031)	4,224
<b>Profit after tax from continuing operations</b>	<b>91,588</b>	<b>98,130</b>	<b>83,414</b>	<b>95,803</b>
<b>Discontinued Operations:</b>				
Gross income from discontinued operations	16,320	15,234	-	-
Gross expenses from discontinued operations	(11,932)	(11,726)	-	-
<b>Profit before tax from discontinued operations</b>	<b>4,388</b>	<b>3,508</b>	<b>-</b>	<b>-</b>
Income tax expense from discontinued operations	(658)	(957)	-	-
<b>Profit after tax from discontinued operations</b>	<b>3,730</b>	<b>2,551</b>	<b>-</b>	<b>-</b>
<b>Continued and Discontinued Operations:</b>				
<b>Profit for the year before minimum tax and income tax</b>	<b>110,597</b>	<b>102,100</b>	<b>94,108</b>	<b>94,048</b>
Minimum tax	(2,663)	(2,469)	(2,663)	(2,469)
Income tax expense	(12,616)	1,050	(8,031)	4,224
<b>Profit for the year after tax</b>	<b>95,318</b>	<b>100,681</b>	<b>83,414</b>	<b>95,803</b>
<b>Other comprehensive income:</b>				
<b>Items that will never be reclassified to profit or loss</b>				
Fair value movements on equity instruments	549	15	549	15
Related tax credit / (expense)	890	(5)	890	(5)
Fair value movements on equity instruments - discontinued operations	(225)	196	-	-
<b>Items that are or may be reclassified to profit or loss</b>				
Foreign currency translation differences	(2,070)	(2,424)	-	-
Effective portion of changes in fair value of cash flow hedges	2,771	-	-	-
Related tax expense	(760)	-	-	-
<b>Other comprehensive income for the year, net of tax</b>	<b>1,155</b>	<b>(2,218)</b>	<b>1,439</b>	<b>10</b>
<b>Total comprehensive income for the year</b>	<b>96,473</b>	<b>98,463</b>	<b>84,853</b>	<b>95,813</b>
<b>Profit attributable to:</b>				
Equity holders of the parent	94,576	100,147	83,414	95,803
Non controlling interests	742	534	-	-
<b>Total comprehensive income attributable to:</b>				
Equity holders of the parent	95,746	97,971	84,853	95,813
Non controlling interests	727	492	-	-
<b>Profit from continuing operations attributable to:</b>				
Equity holders of the parent	91,411	98,044	83,414	95,803
Non controlling interests	177	86	-	-
<b>Key Financial Information:</b>				
Earnings per share for profit from total operations attributable to equity holders of parent (Basic and diluted)	301 k	319 k	266 k	305 k
Earnings per share for profit from continuing operations attributable to equity holders of parent (Basic and diluted)	291 k	312 k	266 k	305 k
Dividend per share (proposed)	175 k	160 k	175 k	160 k
Total non-performing credit facilities (N' millions)	37,148	31,930	34,208	28,457
Total non-performing credit facilities to total credit facilities (%)	3.0%	3.1%	3.0%	3.1%

### CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2013	Group 2013	Group 2012	Bank 2013	Bank 2012
<i>In millions of Naira</i>				
<b>Assets</b>				
Cash and balances with central banks	603,851	332,515	587,793	313,546
Treasury bills	586,441	669,164	572,598	647,474
Due from other banks	256,729	182,020	249,524	203,791
Derivative assets held for risk management	2,681	-	-	-
Loans and advances	1,251,355	989,814	1,126,559	895,354
Investment securities	303,125	299,343	212,523	256,905
Investment in subsidiaries	-	-	24,375	24,375
Investment in associates	165	420	90	463
Deferred tax assets	749	432	-	-
Other assets	36,238	28,665	31,415	16,814
Assets classified as held for sale	30,454	31,943	4,749	10,338
Property and equipment	69,410	68,782	67,364	66,651
Intangible assets	1,935	1,406	1,703	1,175
<b>Total assets</b>	<b>3,143,133</b>	<b>2,604,504</b>	<b>2,878,693</b>	<b>2,436,886</b>
<b>Liabilities</b>				
Customers' deposits	2,276,755	1,929,244	2,079,862	1,802,008
Current income tax	7,017	6,577	5,266	5,071
Deferred income tax liabilities	678	5,584	-	5,573
Other liabilities	215,643	117,355	201,265	115,027
On-lending facilities	59,528	56,066	59,528	56,066
Borrowings	60,150	15,138	60,150	15,138
Liabilities classified as held for sale	14,111	11,584	-	-
<b>Total liabilities</b>	<b>2,633,882</b>	<b>2,141,548</b>	<b>2,406,071</b>	<b>1,998,883</b>
<b>Capital and reserves</b>				
Share capital	15,698	15,698	15,698	15,698
Share premium	255,047	255,047	255,047	255,047
Retained earnings	161,144	130,153	126,678	106,010
Other reserves	73,347	58,786	75,199	61,248
Attributable to equity holders of the parent	505,236	459,684	472,622	438,003
Non-controlling interest	4,015	3,272	-	-
<b>Total shareholders' equity</b>	<b>509,251</b>	<b>462,956</b>	<b>472,622</b>	<b>438,003</b>
<b>Total liabilities and equity</b>	<b>3,143,133</b>	<b>2,604,504</b>	<b>2,878,693</b>	<b>2,436,886</b>

The financial statements were approved by the Board of Directors on 12 February 2014 and signed on its behalf by:

Sir Steve Omojafa (Chairman)  
FRC/2013/IODN/00000001299

Godwin Emeziele (Group Managing Director and Chief Executive)  
FRC/2013/IODN/00000001080

Ebenezer Onyeagwu (Executive Director)  
FRC/2013/ICAN/00000003788

Stanley Amuchie (Chief Financial Officer)  
FRC/2013/MULTI/00000001063

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

To the Members of Zenith Bank Plc:

#### Report on the Summary Financial Statements

The accompanying summary financial statements, which comprise the summary statement of financial position as at 31 December 2013 and statements of comprehensive income, are derived from the audited Group and Separate financial statements of Zenith Bank Plc ("the Bank") and its subsidiary companies (together "the Group") for the year ended 31 December 2013. We expressed an unmodified opinion on those financial statements in our report dated 7 March 2014.

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards, the Companies and Allied Matters Act of Nigeria, and the Financial Reporting Council of Nigeria Act, 2011, the Banks and Other Financial Institutions Act of Nigeria and other relevant Central Bank of Nigeria circulars applied in the preparation of the audited financial statements of the Bank and the Group. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Bank and the Group.

#### Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with the Companies and Allied Matters Act of Nigeria.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with the International Standard on Auditing (ISA) 810, *Engagements to Report on Summary Financial Statements*.

#### Opinion

In our opinion, the summary financial statements derived from the audited Group and Separate financial statements of Zenith Bank Plc for the year ended 31 December 2013 are consistent, in all material respects, with those financial statements, in accordance with the Companies and Allied Matters Act of Nigeria.

#### Report on Other Legal and Regulatory Requirements

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

The Bank paid penalties in respect of contraventions of the Banks and Other Financial Institutions Act during the year ended 31 December 2013.

KPMG  
7 March 2014  
Lagos, Nigeria

Signed:

Ayodele H. Othihiwa  
FRC/2012/ICAN/00000000425



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 | Sir Steve Omojafa (Chairman), Godwin Emeziele (Managing Director/Chief Executive), Mr. Babatunde Adejumo, Alhaji Baba Tela, Jeffrey Efeiyini, Professor Chukuka Enwemeka, Chief (Mrs.) Chinyere Asika, Dr. Haruna Usman Sanusi, Udom Emmanuel (Executive Director), Peter Amangbo (Executive Director), Adaora Umeoji (Executive Director), Ebenezer Onyeagwu (Executive Director)