



**WEMA BANK**

## **WEMA Bank Plc, announces a 43.64% growth in Profit Before Tax (PBT), to ₦2.61billion for the 6 months ended 30<sup>th</sup> June 2019**

*LAGOS, NIGERIA – 26<sup>th</sup> July 2019* – Wema Bank PLC (Bloomberg: Wema NL) (“Wema’ or “the Bank”), announces its unaudited results for 6 months ended 30<sup>th</sup> June 2019.

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### **Financial Highlights**

- Gross earnings increased by 27.47% (Y-o-Y) to ₦40.83billion from ₦32.03billion in H1 2019.
- Profit before Tax (PBT) grew by 43.64% Y-o-Y to ₦2.61billion in H1 2019 from ₦1.81billion in 2018
- Deposit liabilities increased by 20.80% to N446.02billion from N369.20billion in 2018 FY
- Net Loans increased to N280.96billion in H1 2019, an increase of 11.41% (N252.19 billion in 2018FY)
- Total Asset up by 29.40% to N632.53 billion (N488.80 in 2018 FY).

### **Ademola Adebise, MD/CEO of Wema Bank Plc, commenting on the results, stated that:**

“The Financial Performance of the bank in the 1<sup>st</sup> half of the year is largely in line with our expectations and our strategic aspirations’

Despite the prevailing tepid economic conditions with GDP growing slowly at slightly above 2%, the bank has been able to grow deposits by 20.80% and increase its loan book by 11.41%. The Banks Loan to Deposit ratio (LDR) was above the new minimum threshold of 60% with NPLs below 5%. Gross Earnings increased by 27.47% to ₦40.83billion from ₦32.03billion reported in H1 2018 driven by a double-digit growth in Interest and Fee based income. Profit before Tax was ₦2.61billion, a 43.64% growth when compared to N1.82billion reported in H1 2018.

Regulatory ratios remained above the required thresholds with Capital Adequacy Ratio (CAR) at 14.59% and Liquidity Ratio at 34.81%.

Within the 1<sup>st</sup> half of the year, inspired by the need for improvement of women and the society, the bank launched “Sara by Wema”, a female proposition designed to enable women benefit from growth opportunities that help maximize their personal or business goals. Also, within the period, the bank had its first Hackathon event with the aim of bringing the young and entrepreneurial mindset of Nigerian youths together to use technology to solve problems and to provide them with financial and advisory services. ALAT our flagship digital Bank now accounts for close to half-a-million customers on our platform”.

Adebise further stated that, “the economy is still not growing fast enough and there are concerns that the fragile recovery can be derailed if key structural reforms are delayed”. For Wema Bank, our clear mandate of delivering on the Most Reliable, Convenient and Simple banking platform continues and we will measure our success by number of active customers and number of partnerships that we develop across the business landscape. We are positive that we will sustain the double-digit ROE numbers and provide better returns to shareholders.

— ‘Ademola Adebise (MD/CEO)

## Financial Performance Review

<b>Income statement (N'bn)</b>	<b>H1 2019</b>	<b>H1 2018</b>	<b>(Δ)</b>	<b>(Δ%)</b>
<i>Gross Earnings</i>	40.83	32.03	8.8	27.47%
<i>Interest Income</i>	32.89	25.39	7.5	29.52%
<i>Non-interest income</i>	7.94	6.64	1.3	19.64%
<i>Operating expense</i>	16.40	13.57	2.83	20.93%
<i>Profit before Tax</i>	2.61	1.82	0.79	43.64%
<i>Profit after Tax</i>	2.25	1.57	0.68	43.31%
<i>Earnings Per Share</i>	11.60kobo	8.20kobo	3.4	41.46%
<b>Balance Sheet (N'bn)</b>	<b>H1 2019</b>	<b>FY 2018</b>	<b>(Δ)</b>	<b>(Δ%)</b>
<i>Total Assets</i>	632.53	488.80	143.73	29.40%
<i>Loans and Advances (Net)</i>	280.96	252.19	28.77	11.41%
<i>Deposits</i>	446.02	369.20	76.82	20.80%
<i>Shareholders' Funds</i>	52.03	50.89	1.14	2.24%
<b>Key Ratios (in %)</b>	<b>H1 2019</b>	<b>H1 2018</b>	<b>(Δ)</b>	
<i>Return on Average Equity</i>	10.57	7.39	3.18	
<i>Return on Average Asset</i>	0.99	0.81	0.18	
<i>Net Interest Margin</i>	5.69	7.24	-1.55	
<i>Capital Adequacy Ratio</i>	14.59	13.27	1.32	
<i>Liquidity Ratio</i>	34.81	32.05	2.76	
<i>Loan-to-Deposit Ratio</i>	62.98	62.96	0.02	
<i>Non-Performing Loans Ratio</i>	3.55	3.31	0.24	

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**FOR FURTHER INFORMATION:**

**WEMA Bank Plc**

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***Notes to editors:***

**About WEMA Bank Plc**

Established in 1945, Wema Bank is Nigeria's longest surviving indigenous bank. Wema Bank offers a range of retail and SME banking, corporate banking, treasury, trade services and financial advisory to its numerous customers. In 2009, the Bank initiated a strategic repositioning exercise which culminated in a decision to operate as a commercial Bank with regional authorisation in South-South Nigeria, South-West Nigeria, Lagos and Abuja in 2011. Pursuant to meeting the Central Bank of Nigeria requirements, the Bank was granted a banking licence with National authorization in 2015. Wema Bank operates a network of over 150 branches and service stations backed by a robust ICT platform across Nigeria.

WEMA Bank is the pioneer of Africa's first fully digital bank ALAT and one of Nigeria's most resilient banks. With over 73 years in the business of banking, the bank has remained innovative in delivering value to its stakeholders.

More information can be found at [www.wemabank.com/investor-relations/](http://www.wemabank.com/investor-relations/)

**CAUTION REGARDING FORWARD LOOKING STATEMENTS**

Any forward-looking statement contained in this presentation, based on past or current trends and/or activities of Wema Bank should not be taken as a representation that such trends or activities will continue in the future. No statement in this presentation is intended to be a profit forecast or to imply that the earnings of the Bank for the current year or future years will necessarily match or exceed the historical or published earnings of the Bank. Each forward-looking statement speaks only as of the date of the statement. Wema Bank expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Wema Bank's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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