



# Fidelity Bank Plc.

## PRESS RELEASE

### UNAUDITED IFRS RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2013

July 26, 2013

Lagos, Nigeria

***Fidelity Bank Plc announces Profit Before Tax of N11.2 billion for the 6 Months ended June 30, 2013.***

In his remark on the result, the Managing Director & CEO, Mr. Reginald Ihejiahi, said that:

*In the half year ended June 30, 2013, we built on the success of the last financial year by continuing to expand our tentacles across various markets and customer segments in the economy. As a result, we have continued to record increase in footfalls in our branches, which continue to show in our non interest income and number of new accounts recruited. We are also pleased with the outcome in terms of new business generation and increased acquisition of key accounts in the various market segments. As we continue to seek positive outcomes from our cost management initiatives despite our drive for expansion in retail infrastructure, and uptake in our focused SME Business, which is expected to feed into our future, we expect the continued prudent management of our balance sheet to translate into improved financial performance and increased market share in the second half of 2013 business year, and the years ahead.*

### **Income Highlights**

Profit Before Tax (PBT) was N11.2 billion for the Half Year Ended June 30, 2013, which represents a 13.3% growth from N9.88 billion recorded in June 30, 2012.

- ✓ Gross Earnings increased by 17.4% to N62.90 billion for the Half Year Ended June 30, 2013 from N53.58 billion recorded in the Half Year of 2012.
- ✓ Net Interest Income dropped by 7.1% to N18.74 billion for the period ended June 30, 2013 from N20.18 billion recorded in June 30, 2012.
- ✓ Non-interest Income grew by 28.1% to N17.09 billion from N13.34 billion recorded in June 30, 2012 as the Bank continues to enjoy the linkage effect of its branch network expansion.
- ✓ Operating Expenses inched up by 2.3% to N23.72 billion in June 30, 2013 from N23.18 billion recorded in June 30, 2012 despite the additional impact from increase in Industry Resolution Cost to 0.5% from 0.3% of total assets in 2012.

- ✓ Cost Income Ratio dropped from 69.2% in June 2012 to 66.2% in June 2013.

### **Balance Sheet Items**

- ✓ Total Assets increased by 5.6% to N965.79 billion as at June 30, 2013 from N914.36 billion as at December 31, 2012.
- ✓ Total Customer Deposits dropped by 1.5% from N716.75 billion as at December 31, 2012 to N706.17 billion as at June 30, 2013. The composition of low cost deposits to total deposits was 64.8% as at June 30, 2013.
- ✓ Net Loans and Leases grew by 6.5% to N367.98 billion as at June 30, 2013 from N345.50 billion as at December 31, 2012.
- ✓ Shareholders' Funds was N164.58 billion as at June 30, 2013.

### **Capital Adequacy & Liquidity**

- ✓ Capital Adequacy Ratio (CAR), which measures a bank's financial strength and capacity for future expansion, was 26.62%; well above the regulatory minimum of 10%. This provides sufficient strategic liquidity to implement our expansion strategy as well as build capacity to grow shareholders wealth.
- ✓ Liquidity Ratio, which measures a bank's solvency and ability to meet maturing obligations, was 50.68% as at June 30, 2013; well above regulatory threshold 30%. This provides liquidity and headroom for credit expansion as lending recovery peaks.

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