

STANBIC | Equities | 2021 Q1 | Earnings Update  
23rd April 2021



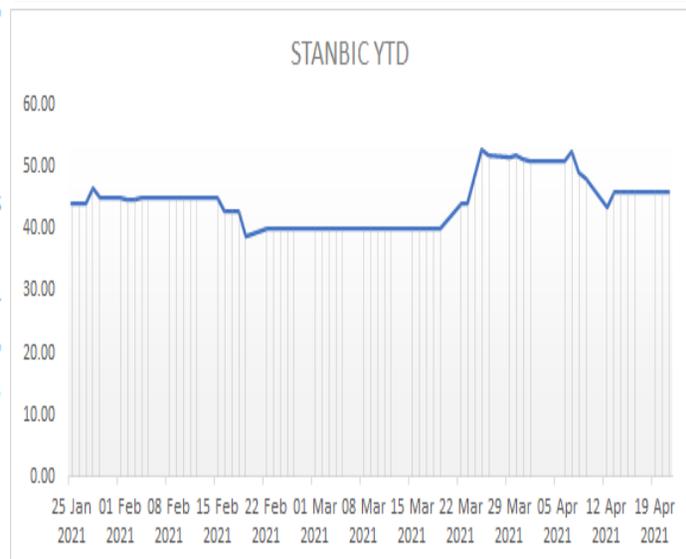
STANBIC records 45.36 percent decline in PAT YoY posts N11.25Bn

STANBIC recorded a 45.36 percent decline in profit after tax with profitability almost halved in Q1 2021 down to N11.25 Bn from N20.06 Bn in Q1 2020, as the lender grew slightly cost inefficient as cost to income ratio standing at 69.22 percent with total expenses moving from N24.77 Bn in Q1 2020 to N26.95 Bn in Q1 2021 .

Meanwhile, STANBIC recorded a 23.47 percent decrease in interest expense as the bank reduced its cost of raising funds. The bank's interest expense moved from N8.94 Bn in Q1 2020 to N5.15 Bn in Q2 2021, as the commercial lender grew loan and advances to customers YoY by 18.38 percent to N730.13 Bn in Q1 2021 from N614.33 BnTr in Q1 2020. STANBIC grew total assets by 5.58 percent moving to N2.56 Tr in 2021 Q1 from N2.42 Tr in 2020 Q1, while deposits to customers increased by 20.03 percent to N866.96 Bn in 2021 Q1 YoY.

As COVID-19 vaccine distribution gains traction globally, whilst commodity prices and currencies continue to stabilize. The banks are expected to grow their loan books in a race to meet up with the Loan-Deposit Ratio requirement of the Central Bank of Nigeria while keeping an eye on non-performing loans. The CBN is also expected to create more credit giving schemes as it tries to stimulate the economy amidst managing rasing inflation and instability in the foreign exchange market.

Company		STANBIC IBTC
<b>Valuation</b>		
EPS		1.01
BVPS		34.54
P/E		49.33
P/BV		1.45
Current Price		50.00
<b>Key Metrics</b>		
ROA		1.75%
ROE		11.74%
Loan to Deposit		56.26%
Net Profit Margin		24.62%
Asset Turnover		0.02
Cost to Income		69.22%
<b>Shares Statistics</b>		
Yr Hi	Share Out & Mkt Cap in 000,000	53.25
Yr Low		28.5
YTD Return		13.64%
No of Shares Outstanding		11,105.00
Market Cap		555,299.00



**Financial Highlights (NGN Millions) STANBIC IBTC 2021 Q1**

<b>Profit &amp; Loss Account</b>	<b>2020Q1</b>	<b>2021Q1</b>	<b>y/y Growth</b>
Gross earnings	61,418.00	45,726.00	-25.55%
Interest Income	27,459.00	21,014.00	-14.35%
Interest Expense	(8,942.00)	(5,154.00)	-23.47%
Net Interest Income	18,517.00	15,860.00	-14.35%
Net Commission and Fee	17,908.00	20,812.00	16.22%
Total Operating Income	51,156.00	38,943.00	-23.87%
Total operating Expense	(24,776.00)	(26,956.00)	8.80%
PBT	24,413.00	12,142.00	-50.26%
Tax Liabilities	(3,812.00)	(886.00)	-76.76%
PAT	20,601.00	11,256.00	-45.36%
<b>Balance Sheet</b>	<b>2020Q1</b>	<b>2021Q1</b>	
Loans and Advances to banks	11,384.00	6,907.00	-39.33%
Loan and Advances to Customers	614,337.00	730,137.00	18.85%
Cash and Bank Balance	634,817.00	651,281.00	2.59%
Total Assets	2,427,552.00	2,569,454.00	5.85%
Deposit from banks	444,965.00	443,196.00	-0.40%
Deposit from customers	722,292.00	866,969.00	20.03%
Borrowings	85,695.00	98,445.00	14.88%
Total Shareholders fund	320,797.00	383,527.00	19.55%
Total Liabilities	2,106,755.00	2,185,927.00	3.76%

Atlass Portfolio: Daily Market Report

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