

ECOBANK | Equities | 2021 Q1 | Earnings Update  
27th April 2021



ECOBANK records 23.48 percent jump in PAT, posts N30.49Bn

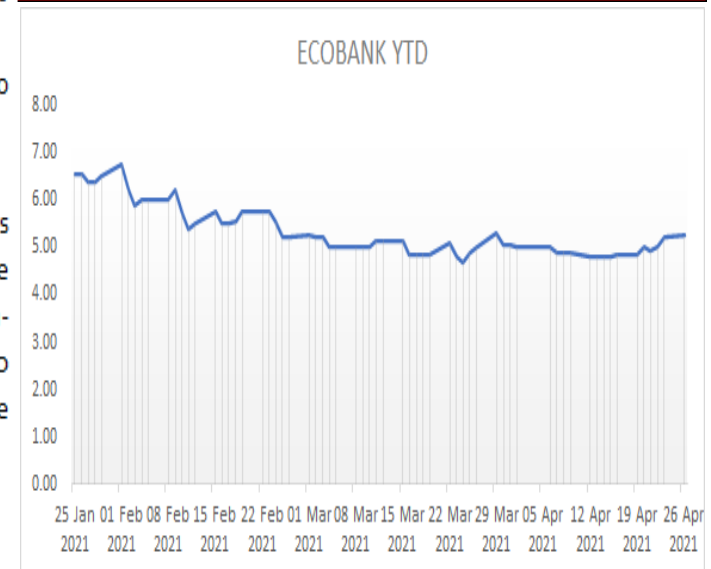
ECO BANK Plc recorded a 23.48 percent jump in profit after tax in 2021 Q1 as the commercial lender saw profits move to N30.49 Bn from 24.69 Bn in 2020 Q1. The impressive growth in profitability saw the bank post a 22.15 percent in profit before tax as it grew revenue faster than it grew cost, operating income and expense for the period both stood at N164.63 Bn and Ng7.62 Bn.

Meanwhile, ECOBANK recorded a 8.54 percent decrease in interest expense as the bank reduced its cost of raising funds with interest expense moving from N47.85 Bn in Q1 2020 to N43.65 Bn in Q1 2021. The Pan African bank grew loan and advances to customers YoY by 7.29 percent to N3.64 Tr in Q1 2021 from N3.23 Tr Q1 2020 as its NPL ratio stood at 7.7 percent and NPL coverage at 81.50 percent

ECOBANK grew total assets by 16.27 percent moving to N10.43 Tr in 2021 Q1 from N8.43 Tr in 2020 Q1, while deposits to customers increased by 18.56 percent YoY to N7.37 Tr in 2021 Q1.

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 rising inflation and instability in the foreign exchange market.

Company		ECO BANK
<b>Valuation</b>		
EPS		1.66
BVPS		43.42
P/E		3.16
P/BV		0.12
Current Price		5.25
<b>Key Metrics</b>		
ROA		1.17%
ROE		15.31%
NPL Ratio		7.70%
NPL Coverage		81.50%
Loan to Deposit		56.09%
Net Profit Margin		14.23%
Asset Turnover		0.02
Cost to Income		59.30%
<b>Shares Statistics</b>		
Yr Hi	Share Out & Mkt Cap in 000,000	7.3
Yr Low		3.9
YTD Return		-19.85%
No of Shares Outstanding		18,349,551.00
Market Cap		96,335,142.75



## Financial Highlights (NGN Thousand) ECO BANK (Nigeria) 2021 Q1

Profit & Loss Account	2020Q1	2021Q1	y/y Growth
Gross earnings	194,860,596.00	214,282,972.00	9.97%
Interest Income	124,452,108.00	139,109,680.00	11.78%
Interest Expense	(47,850,123.00)	(43,762,078.00)	-8.54%
Net Interest Income	76,601,985.00	95,347,602.00	24.47%
Net Commission and Fee	35,506,673.00	40,274,222.00	13.43%
Net Trading Income	29,361,844.00	25,801,207.00	-12.13%
Total Operating Income	143,679,904.00	164,636,218.00	14.59%
Total operating Expense	(94,884,254.00)	(97,626,592.00)	2.89%
PBT	33,026,128.00	40,342,989.00	22.15%
Tax Liabilities	(8,713,926.00)	(10,379,519.00)	19.11%
PAT	24,694,584.00	30,493,907.00	23.48%
Balance Sheet	2020Q1	2021Q1	
Loans and Advances to banks	660,641,831.00	936,747,599.00	41.79%
Loan and Advances to Customers	3,396,767,766.00	3,644,319,407.00	7.29%
Cash and Bank Balance	1,261,783,153.00	1,550,608,215.00	22.89%
Total Assets	8,973,736,791.00	10,433,860,532.00	16.27%
Deposit from banks	717,305,357.00	788,562,273.00	9.93%
Deposit from customers	6,223,878,927.00	7,137,869,752.00	18.56%
Borrowings	696,279,213.00	954,227,997.00	37.05%
Total Shareholders fund	702,722,336.00	796,800,881.00	13.39%
Total Liabilities	8,271,014,455.00	9,637,059,651.00	16.52%

Atlas Portfolio: Daily Market Report

### Contact Information

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