

Earnings Flash

Thursday September 03, 2020



GTB Plc. HY'2020- Profit after tax dips by 4.90% to N94.27 billion

GTB Plc HY'2020 showed that interest income advanced by 3.17% from N148.99 bn in HY'2019 to N153.71 bn in the current period. Net interest income went up by 9.67% from N116.37 bn in HY'2019 to N127.62 bn in HY'2020. The increase in the net interest income was driven by the rise in interest income, and by a 20.03% decline in interest expense. Profit before tax however declined by 5.25% from N115.79 bn in HY'2019 to N109.71 bn in the current period. The decline in profit before tax is attributable to a 30.04% decrease in fees and commission income, and supported by increases in key expenditure line items, such as; the fees and commission expense and operating expense, which both went up by 61.78% and 19.23%, respectively. Profit after tax went down by 4.90% from N99.13 bn in HY'2019 to N94.27 bn in the current period. Consequently, GTB recorded a 5.14% fall in earnings per share from N3.50 in HY'2019 to N3.32 in HY'2020. The company proposed an interim dividend of N0.30. GTB currently trades at N25.65.

Financial Highlights

	HY-2020	HY-2019	
Financials	(N' 000)	(N' 000)	% Change
Interest Income	153,708,481	148,992,664	3.17%
Interest expense	(26,093,017)	(32,627,904)	-20.03%
Net interest Income	127,615,464	116,364,760	9.67%
Impairment Charges	(6,769,093)	(2,186,033)	209.65%
Fees and Commission Income	24,729,059	35,348,970	-30.04%
Fees and Commission Expenses	(2,435,031)	(1,505,138)	61.78%
Net gains on financial instruments	10,791,307	9,488,464	13.73%
Other income	35,909,970	28,039,447	28.07%
Net impairment reversal/(charge) on other financial assets	3,180,078	108,445	2832.43%
Operating expense	(83,307,910)	(69,871,573)	19.23%
Profit Before Tax	109,713,844	115,787,342	-5.25%
Tax	-15,442,834	(16,654,105)	-7.27%
Profit After Tax	94,271,010	99,133,237	-4.90%
Basic EPS	3.32	3.50	-5.14%

Key Multiples/Ratios

□ Book Value Per Share-	N24.05
□ Net Profit Margin-	61.33%
□ Return on Equity -	13.08%
□ Return on Asset-	2.09%
□ Price to earnings ratio-	3.86x
□ Price to book value-	1.05x
□ Year-to-Date Change-	-13.64%
□ Total Loan to Total Deposit-	52.63%
□ Current Shares Outstanding-	29.43 billion

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