

Earnings Flash

Monday September 13, 2021



Fidelity Bank Plc HY 2021- Profit After Tax grew by 70.80% to N19.31 billion

The HY 2021 result of Fidelity Bank Plc showed that interest income declined by 2.89% from N87.62 bn in HY 2020 to N85.09 bn in the current period. Net interest income increased by 4.09% to N50.30 bn in HY 2021 from N48.32bn in HY 2020; this is attributable to the 11.47% decline in interest expense. Profit before tax increased by 72.43% from N11.96 bn recorded in HY 2020 to N20.63 bn in the current period. The increase in profit before tax was due to a 33.47% increase in fee and commission income. Profit after tax increased by 70.80% from N11.30 bn in HY 2020 to N19.31 bn in HY 2021, despite a 100% surge in income tax expense. Earnings per share increased by 71.79% from N0.39 in HY 2020 to N0.67 in the current period. Fidelity Bank currently trades at N2.30.

Financial Highlights

FIDELITY BANK PLC	HY-2021	HY-2020	
Financials	(N' Million)	(N' Million)	% Change
Gross Earnings	112,304	105,755	6.19%
Interest Income	85,090	87,622	-2.89%
Interest expense	(34,793)	(39,302)	-11.47%
Net interest Income	50,297	48,320	4.09%
Credit loss expense/(reversal)	(2,305)	(7,841)	-70.60%
Fees and Commission Income	12,726	9,535	33.47%
Fees and Commission Expenses	(3,309)	(2,764)	19.72%
Other Operating Income	10,456	8,598	21.61%
Net gains/losses from financial instruments	(4,990)	2,956	-268.81%
Operating expenses	(42,247)	(46,841)	-9.81%
Profit Before Tax	20,628	11,963	72.43%
Tax	(1,322)	(660)	100.30%
Profit After Tax	19,306	11,303	70.80%
Basic EPS	0.67	0.39	71.79%

Key Multiples/Ratios

▪ Book Value Per Share-	N9.43
▪ Net Profit Margin-	17.19%
▪ Return on Equity -	7.06%
▪ Return on Asset-	0.62%
▪ Price to book value-	0.24x
▪ Total Loan to Total Deposit-	77.54%
▪ Current Shares Outstanding-	28.97 billion

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