

ZENITH BANK PLC

GROUP RESULTS

For the 15 Month Period Ended December 31, 2009

people | technology | service

www.zenithbank.com



...In Your Best Interest

Disclaimer



This presentation is based on the consolidated financial statements of Zenith Bank Plc, a company incorporated in Nigeria on 30 May 1990, and its subsidiaries (hereinafter collectively referred to as "the Group"). The financial statements are prepared under the historical cost convention as modified by the revaluation of certain investment securities and comply with the Statements of Accounting Standards issued by the Nigerian Accounting Standards Board.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses. Although these estimates are based on the Directors' best knowledge of current events and actions, actual results ultimately may differ from those estimates.

Agenda



Challenging Operating Environment

Company Overview

Results

Group

By Segment

By Geography

Company Risk Management & Strategy

Q&A

Agenda



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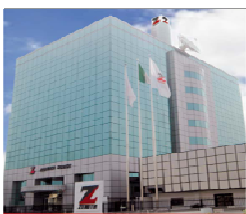
By Segment

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Company Risk Management & Strategy

Q&A

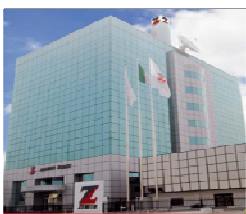
Despite dip in fundamentals in 2009, economy poised for recovery in 2010...



	2005	2006	2007	2008	2009
GDP Growth (%)	6.4	6.0	6.2	6.1	6.9
Inflation (%)	11.6	8.5	6.6	15.1	12.4
Oil Price	50.6	61.1	69.1	94.5	61.1
Exchange Rate (USD/NGN1)	132.2	128.7	125.8	126.5	149.6
Foreign Reserves (\$'bn)	28.3	42.3	51.3	53.0	42.5

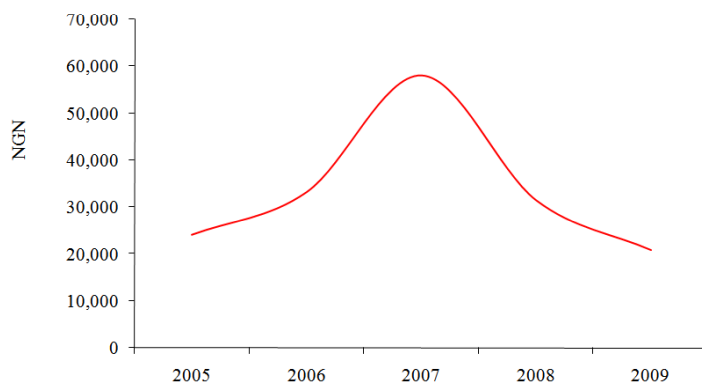
- **GDP Growth** in 2009 buoyed by non-oil sector and sharp increase in oil sector due to relative peace in the Niger Delta in the second half of the year.
- 2009 ended with a relatively robust level of **Foreign Reserves** surpassing beginning of year projections.
- 2009 **Headline Inflation** down from last year. But 2010 outlook remains uncertain due to upward trend in commodity prices.
- Apart from a turbulent 1st Qtr, **Foreign Exchange Rates** remained stable for most of 2009; stability attributable to measures taken by CBN and the robust level of foreign reserves.
- Per OPEC, 2009 was one of the worst years for world **Oil** demand. Consumption did recover in the fourth quarter as a result of an improvement in economic activities worldwide; however, the forecast for global oil demand still shows a cumulative contraction in 2009.
- In line with the expected upturn in the global economy, world oil demand is also expected to return to growth in 2010.

Trickle down effect of global financial crisis evident in local equity market's 2009 performance...



	2005	2006	2007	2008	2009
All Share Index	24,085.8	33,189.3	57,990.2	31,450.8	20,827.2
Market Capitalization (N't)	2.9	5.1	13.3	9.6	7.0
Value of Shares Traded (N'b)	262.9	470.3	2,100.0	2,400.0	685.7
Volume of Shares Traded ('b)	26.7	36.7	138.1	193.1	102.9

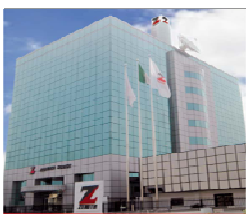
All Share Value Index



2009 Performance Attributable to:

- Rising unemployment, weakened purchasing power and weakened investor confidence.
- Impact of the global economic meltdown as foreign investors avoided equities while local investors sought refuge in the money market.
- The negative knee jerk reaction of investors to asset impairments and write offs in the banking sector.

2010 Banking Sector Outlook



+ POSITIVE

- Keen interest from foreign players to acquire distressed banks could serve as a strong catalyst for re-rating of the sector.
- Blueprint for categorization of banks already underway.
- Asset Management Company to help clean up toxic assets to be up and running in 2010.
- Improved corporate governance and risk management.
- IFRS adoption to help with transparency.
- The macroeconomic environment is improving in general.

-NEGATIVE

- A number of banks have significant bad loans that have eroded their capital.
- Possible earnings impact since the sector is experiencing a sharp credit contraction in certain quarters.
- Actual recovery for the system could be quite protracted given margin contraction, slower volume growth and potential capital raising.

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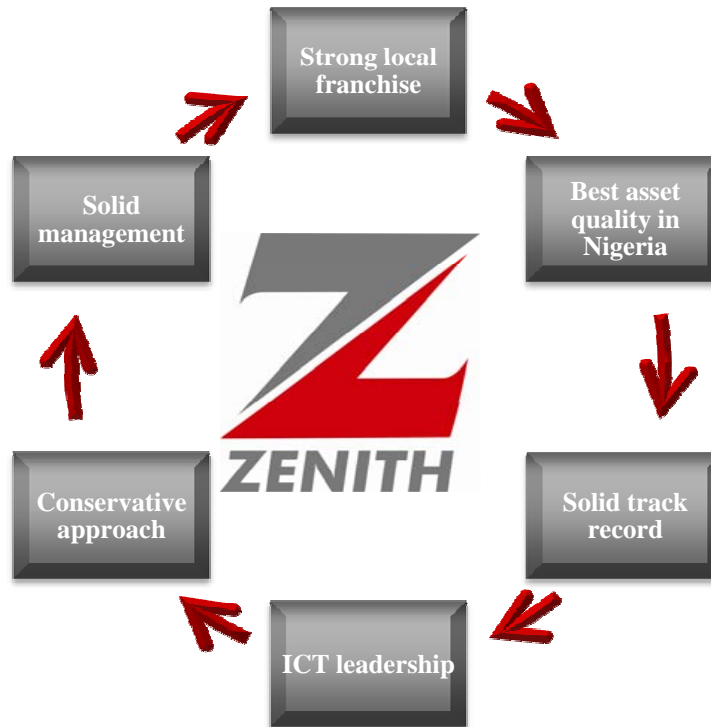
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Company Risk Management & Strategy

Q&A

Zenith Bank Plc



- One of Nigeria's largest companies by market capitalization.
- Well capitalized with shareholders' funds of N335bn
- Total assets of N1.7trn.
- Largest single dividend payment in history of Nigerian stock exchange
- Historically lowest non-performing loans ratio against industry averages
- Over 7,500 staff – locally and internationally
- The strongest banking brand in Nigeria

Ratings

S&P International Rating

B+

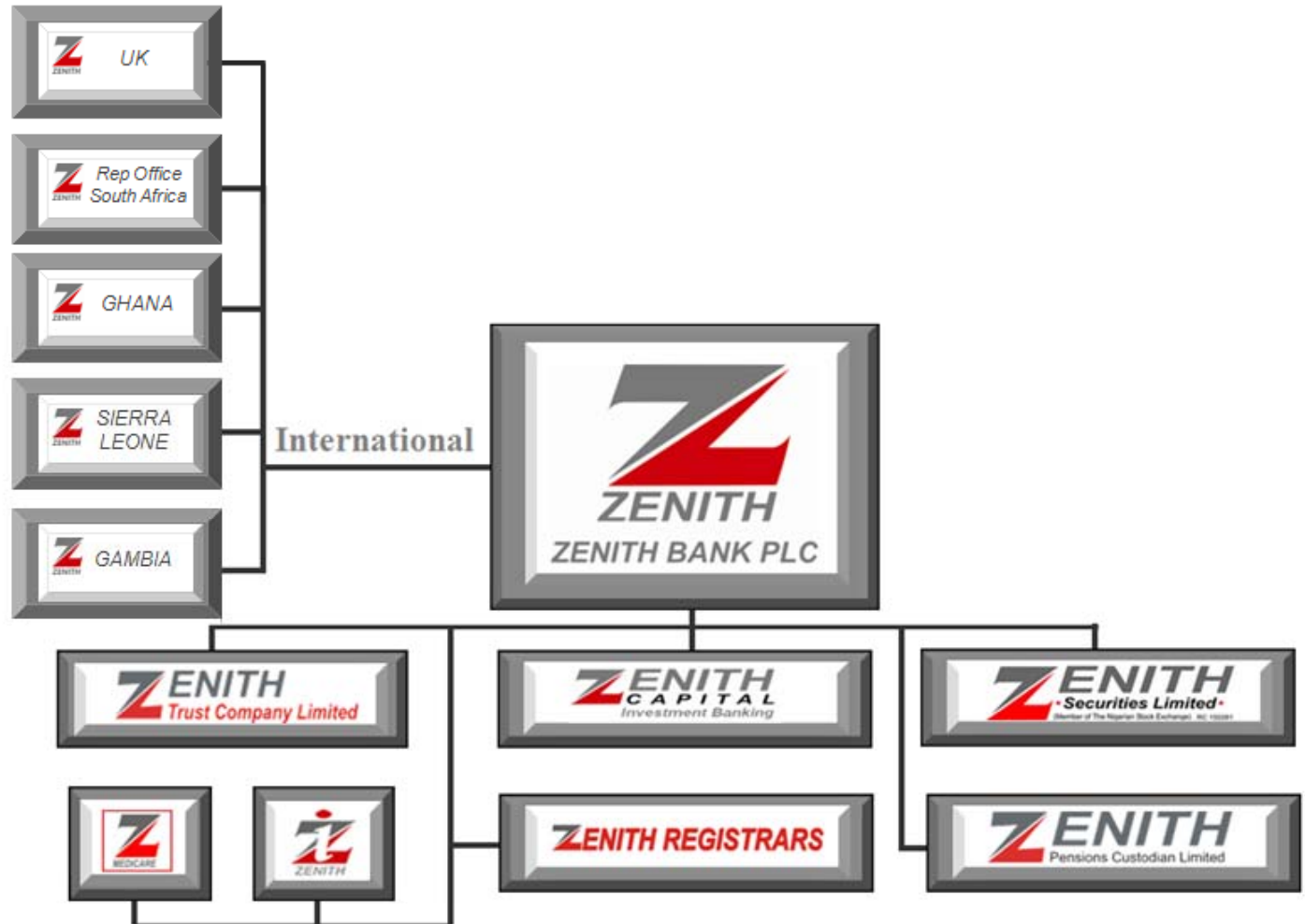
Fitch International Rating

B+

A world-class brand offering our clients the full suite of banking and financial solutions...



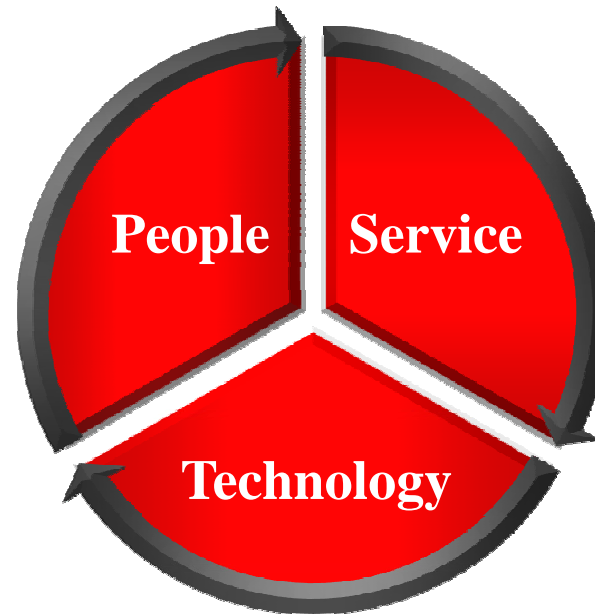
Launched
January 2010



Competitive Advantages



- Highly motivated
- Intellectual capital
- Stable management
- Corporate Governance
- Focus on quality



- Exceptional customer service
- Lead in corporate market and new generation entrepreneurs
- Strong presence in main financial centers with wide distribution
- Focus on quality

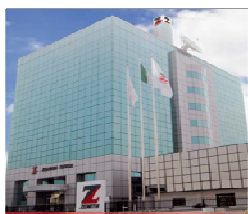
- Investment in ICT
- New product development
- No M&A legacy issues
- Market leader
- Focus on quality

Key Events in 2009



- Nov. 2008** Zenith's shareholders funds hits N346bn. Pays dividend of N28.5bn, highest ever by any Nigerian bank.
- Jun. 2009** Zenith issues 1 for 2 bonus.
- Oct. 2009** Zenith officially appoints Alhaji Lawal Sani as Independent Non-Executive Director.
- Oct. 2009** Zenith "passes" CBN Special Audit.
- Dec. 2009** Zenith UK opens second office in Mayfair, London exclusively for Private Banking.
- Jan. 2010** Zenith launched operations in Gambia.
- Jan. 2010** Godwin Emefiele (Current DMD) nominated as MD Designate; to take over from Jim Ovia (Current MD) who is due to retire in July 2010.

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Preface



Change in Accounting Year End

In 2008, the Bank changed its accounting year end from 30 June to 30 September and as a result, prepared financial statements for fifteen months. In 2009, the Bank also changed its accounting year end from 30 September to 31 December in compliance with the CBN directive of uniform accounting year end of 31 December for all Nigerian banks and therefore prepared financial statements for fifteen months. Hence the following results for 2009 and year-on-year comparisons between 2009 and 2008 are based on a 15 month fiscal year. All other years referenced in this presentation are 12 month fiscal years.

Financial Highlights



Shareholder Returns

Proposed DPS of 45 kobo
Proposed Bonus Issue of one(1) for every four (4) shares held

P&L

N277bn Gross Earnings
N109bn Net Interest Income
N21bn PAT

+31% YoY
+28% YoY
-60% YoY

Balance Sheet

Total Assets N1.7trn
59% Loan to Deposit Ratio
Shareholders' Funds N335bn

Key Ratios

ROE 6.1%
ROA 1.2%
Capital Adequacy 29% (Group)

Key Theme

Positive earnings despite difficult environment and exceptional provisioning levels

Agenda



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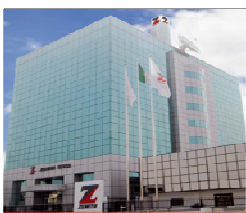
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Profit & Loss Statement



(N'm)

	Group 15mths to Dec-09	Group 15mths to Sep-08	YOY Change	Bank 15mths to Dec-09	Bank 15mths to Sep-08	YOY Change
Gross Income	277,300	211,639	31%	254,147	190,120	34%
Interest Income	193,545	138,737	40%	186,019	137,814	35%
Interest Expense	-83,957	-53,294	58%	-82,836	-49,964	66%
Net Interest Income	109,588	85,443	28%	103,183	87,850	17%
Other Income	78,650	68,799	14%	68,128	52,306	30%
Operating Income	188,238	154,242	22%	171,311	140,156	22%
Operating Expenses	-113,288	-87,562	29%	-103,410	-81,321	27%
Diminution in Asset Values	-39,865	-10,568	277%	-36,148	-9,876	266%
Profit Before Tax & Extraordinary Items	35,085	56,112	-37%	31,753	48,959	-35%
Extraordinary Items	-	8		0	-20	
Net Profit Before Tax	35,085	56,120	-37%	31,753	48,939	-35%
Taxation	-14,482	-4,127	251%	-13,888	-2,415	475%
Profit After Taxes	20,603	51,993	-60%	18,365	46,524	-61%

Despite robust growth in earnings, PAT was dented by exceptional provisions and taxation...

Details of provisions & taxation...



	2009	2008
Provision for non-performing loans	38,455	4,419
Provision for performing loans	-	1,850
Provision no longer required on performing loans	-4,177	-
Provision for non-performing advances under finance leases	-	57
Provision no longer required for advances under finance leases	-83	-
Provision for insurance receivables	1,011	443
Provisions for other assets	3,324	4,049
Provisions for diminution in investments	1,264	-
Bad debts written off	71	-
Prior year provisions written off against other assets	-	- 250
	<u>39,865</u>	<u>10,568</u>

Provisions

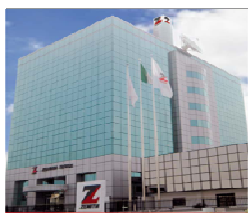
...mainly due to exceptional loss provisioning requirements.

Taxation

... Higher taxes attributable to change in tax evaluation criterion.

	2009	2008
Corporate tax	5,192	4,146
Information technology tax	248	547
Education tax	594	614
Income tax charge	6,034	5,307
Prior period under/(over) provision	8,090	- 1,850
	<u>14,124</u>	<u>3,457</u>
Deferred income tax	1,161	724
Reversal during period	- 803	- 54
Charge for the period	<u>14,482</u>	<u>4,127</u>

Profit & Loss – Cumulative quarterly breakdown



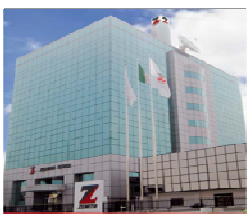
2009 (N'bn)	1 st Qtr Dec-08	2 nd Qtr Mar-09	3 rd Qtr Jun-09	4 th Qtr Sep-09	5 th Qtr Dec-09
Gross Earnings	52.04	109.69	166.61	199.00	277.30
Diminution in Asset Values & Extraordinary Items	0.00	0.00	-18.55	-26.14	-39.86
PBT	14.26	26.02	18.94	21.01	35.09
Taxation	-3.15	-5.72	-8.32	-4.77	-14.48
Profit After Taxation	11.11	20.29	10.62	16.24	20.60

2008 (N'Bn)	1 st Qtr Sep-07	2 nd Qtr Dec-07	3 rd Qtr Mar-08	4 th Qtr Jun-08	5 th Qtr Sep-08
Gross Earnings	28.86	57.59	91.53	126.50	211.64
Diminution in Asset Values & Extraordinary Items	0.00	0.00	0.00	0.00	-10.65
PBT	10.34	20.14	22.22	32.87	56.12
Taxation	-2.28	-4.43	-5.33	-8.11	-4.13
Profit After Taxation	8.06	15.71	16.89	24.76	51.99

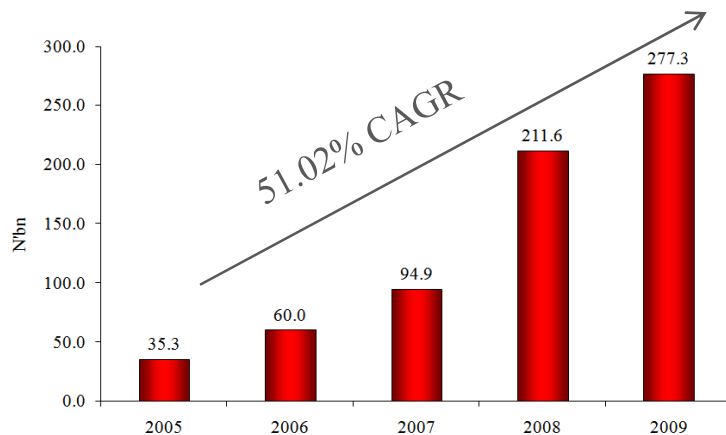
Y-O-Y % Change in PBT	38%	29%	-15%	-36%	-37%
Y-O-Y % Change in PBT Excl. Diminutions & Extraordinary Items	38%	29%	69%	43%	12%

...12% year-on-year growth in PBT recorded excl. provisions ...

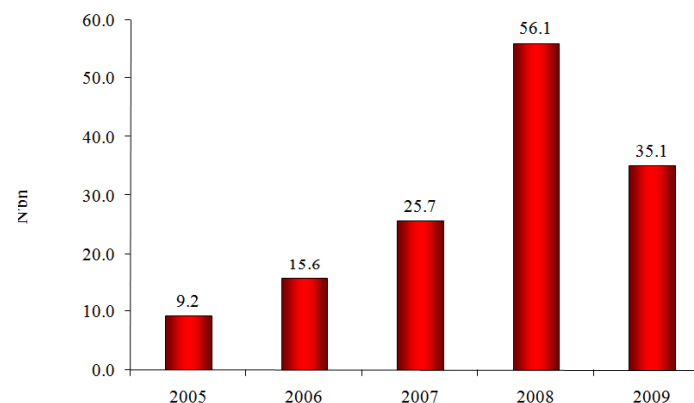
Positive earnings despite increasingly difficult operating environment...



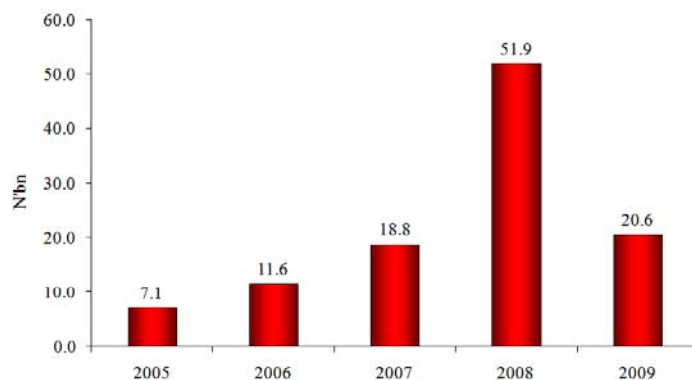
Gross Earnings



PBT



PAT



	2009	2008
Total Cost to Income Ratio	71%	67%
Interest Income/Total Income	70%	68%
ROE	6.1%	14.2%
ROA	1.2%	2.5%
Adjusted EPS	82k	205k

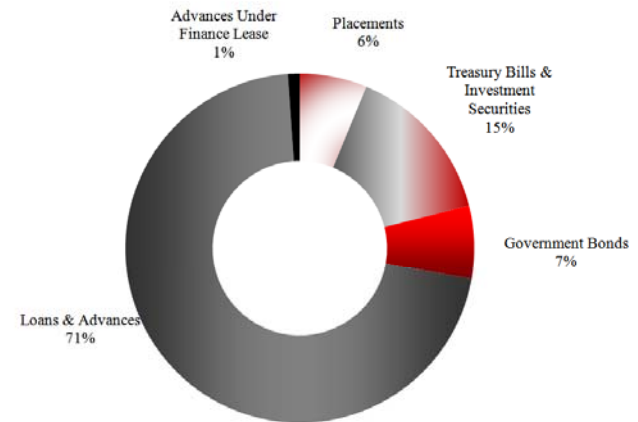
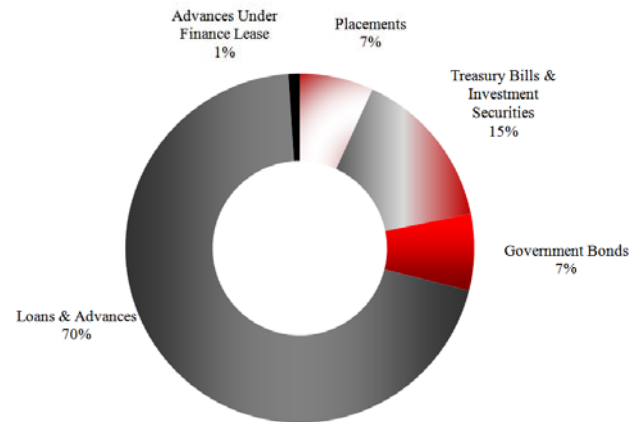
Revenue Composition- well diversified revenue base...



2009

Interest Income

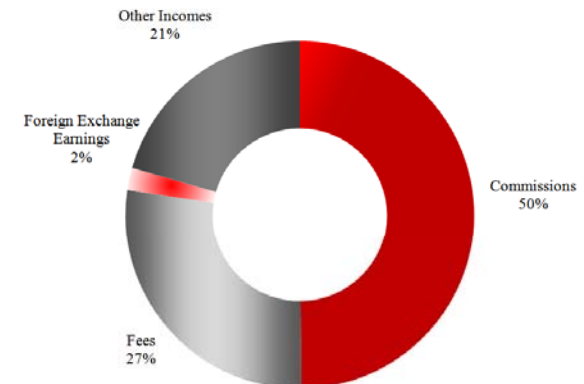
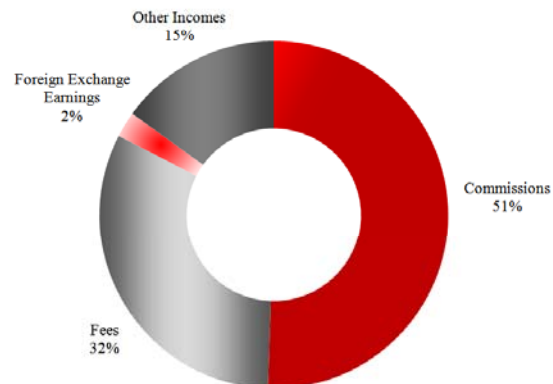
2008



2009

Non-Interest Income

2008



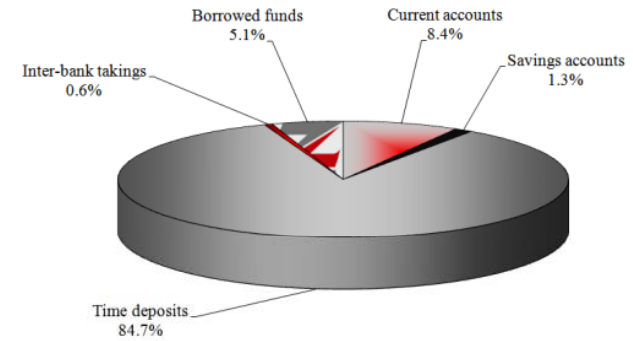
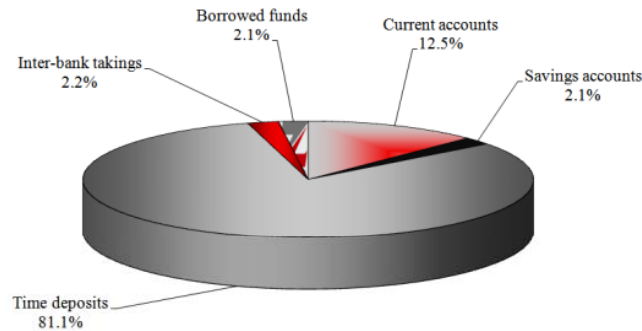
Cost- continuous efforts towards cost effectiveness...



2009

Interest Expenses

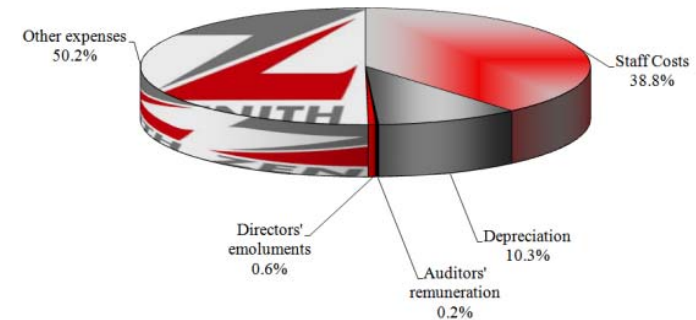
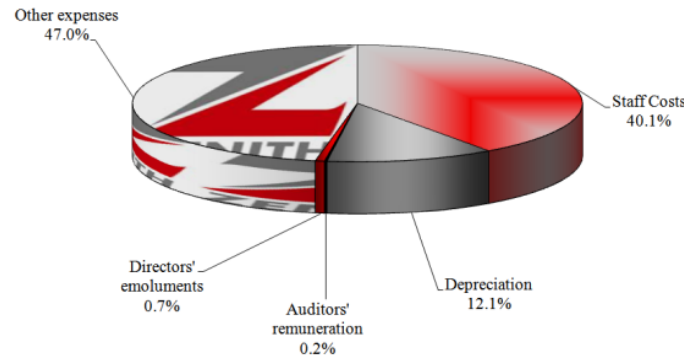
2008



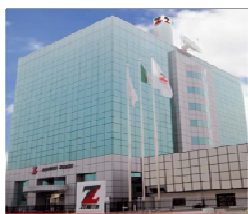
2009

Operating Expenses

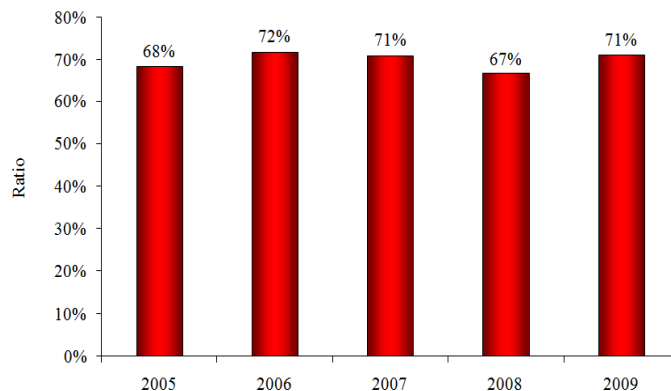
2008



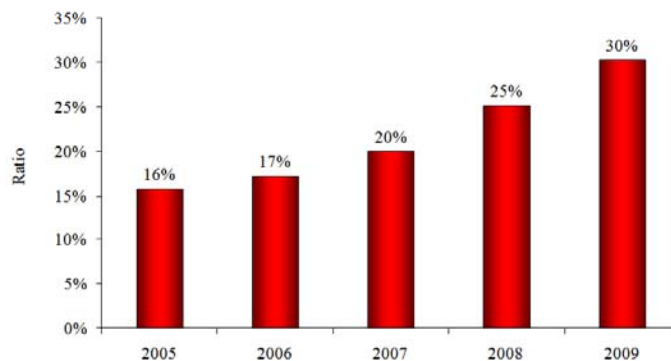
Stable total cost income ratios...



Total Cost / Income



Interest Expense/ Income

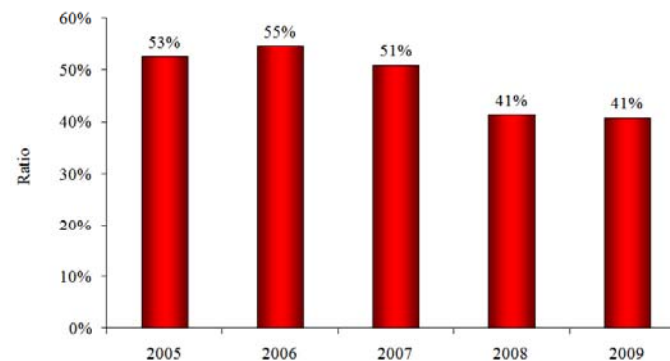


HIGHLIGHTS

Our continuous efforts towards cost effectiveness is evident in:

- 11 % reduction in borrowed funds
- Conscious switch from more expensive purchased funds to relatively cheap checking & savings account volumes
- Re-evaluation of staff costs

Operating Expense/ Income



Leveraging our network for greater efficiency...



Operating Efficiency

*Operating Cost to Income Ratio
Stable at 41%*

Capital Expenditure

*Grew from N23.26bn in
2008 to N42.06bn in 2009*

Branch Network

*Increase from 250 branches in
2008 to 350 branches in 2009*

ATMs

*688 ATMs deployed as of
December 2009*

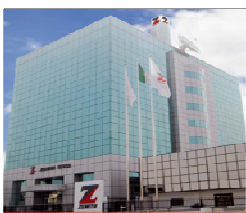
STRATEGY TO IMPROVE REVENUES PER BRANCH:

- All income leakages are plugged
- All concessions on accounts are reviewed periodically to ascertain that the covenants agreed are met by the customer
- Staff and other resources are optimally deployed to branches for better results
- Continuous investments in technology for better and effective customer services

STRATEGY TO REDUCING COSTS PER BRANCH:

- Centralize all purchases as practicable as possible
- All purchases are subjected to bid process
- Expenditure limits are set for branch and zonal heads. The limits are strictly adhered to
- Expenditures are vetted by the Due Diligence Dept and the Financial Control Depts in Head office to ensure that all expenditures are reasonable and accurately incurred
- Purchases are made in bulk to take advantage of bulk discounts as well as hedge against inflation
- Maintenance and service contracts are subject to reviews and price re-negotiation annually

Balance Sheet- Assets



(N'm)

Cash and balances with central banks

Treasury bills

Due from other banks

Loans and advances

Advances under finance lease

Insurance receivables

Investment securities

Investments in subsidiaries

Deferred tax assets

Other assets

Investment properties

Fixed assets

Total Assets

	Group Dec-09	Group Sep-08	YOY Change	Bank Dec-09	Bank Sep-08	YOY Change
Cash and balances with central banks	126,779	239,562	-47%	115,044	232,267	-50%
Treasury bills	234,115	401,445	-42%	225,371	396,772	-43%
Due from other banks	341,830	536,846	-36%	290,025	481,092	-40%
Loans and advances	698,326	455,324	53%	669,261	422,874	58%
Advances under finance lease	5,506	4,615	19%	5,281	3,940	34%
Insurance receivables	635	816	-22%	-	-	
Investment securities	158,977	64,564	146%	144,189	54,591	164%
Investments in subsidiaries	-	-		36,096	16,935	113%
Deferred tax assets	966	160	504%	-	-	
Other assets	13,517	32,293	-58%	12,758	23,476	-46%
Investment properties	433	433	0%	-	-	
Fixed assets	78,619	50,942	54%	75,171	48,085	56%
Total Assets	1,659,703	1,787,000	-7%	1,573,196	1,680,032	-6%

Putting liquidity to work through increased lending and investment in fixed assets...

Balance Sheet- Liabilities & Equity



(N'm)

	Group Dec-09	Group Sep-08	YOY Change	Bank Dec-09	Bank Sep-08	YOY Change
Customer deposits	1,173,917	1,188,876	-1%	1,111,328	1,164,460	-5%
Liabilities on insurance contracts	1,400	1,311	7%	-	-	
Borrowings	35,984	40,431	-11%	35,984	40,431	-11%
Current income tax	7,407	5,690	30%	5,718	3,549	61%
Other liabilities	100,085	202,114	-50%	88,683	131,207	-32%
Deferred income tax liabilities	3,117	1,961	59%	3,100	1,902	63%
Total liabilities	1,321,910	1,440,383	-8%	1,244,813	1,341,549	-7%

(N'm)

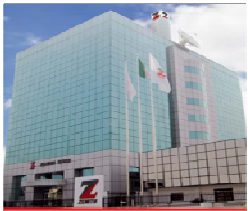
	Group Dec-09	Group Sep-08	YOY Change	Bank Dec-09	Bank Sep-08	YOY Change
Share capital	12,559	8,372	50%	12,559	8,372	50%
Reserves	323,011	335,975	-4%	315,824	330,111	-4%
Shareholder's funds	335,570	344,347	-3%	328,383	338,483	-3%
Non-controlling interest	2,223	2,270	-2%	-	-	
Total liabilities & equity	1,659,703	1,787,000	-7%	1,573,196	1,680,032	-6%

Off Balance sheet engagements & contingencies

	638,708	724,298	-12%	606,594	704,386	-14%
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Sufficiently matched assets and liabilities buoyed by large shareholders' fund

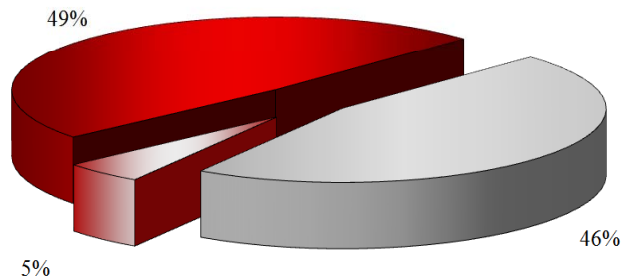
Driving competitive advantage through balance sheet quality and strength...



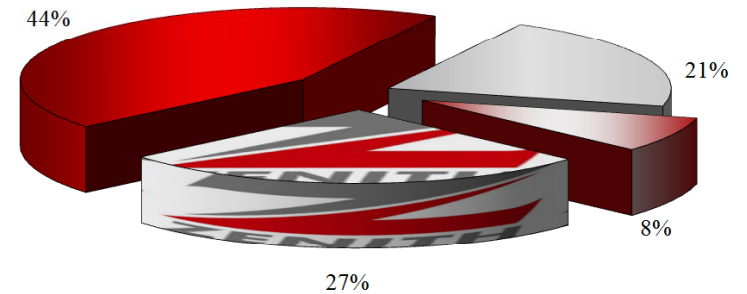
2009

Loans & Advances

2008



■ Overdrafts □ Term Loans □ Other Loans

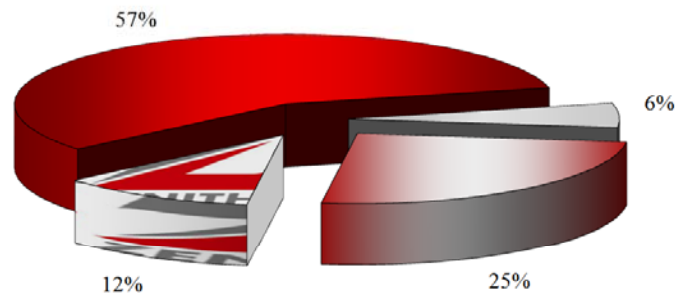


■ Overdrafts □ Term Loans □ Other Loans ■ Commercial Papers

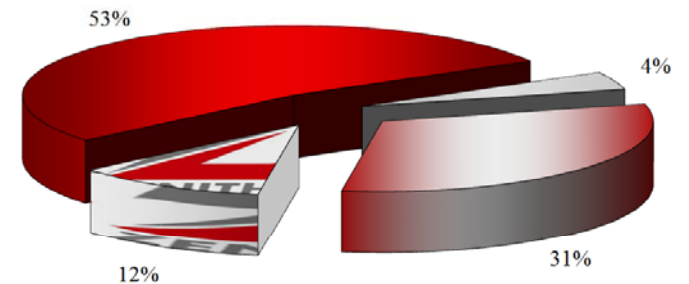
2009

Deposits

2008



■ Demand □ Savings □ Term ■ Domiciliary



■ Demand □ Savings □ Term ■ Domiciliary

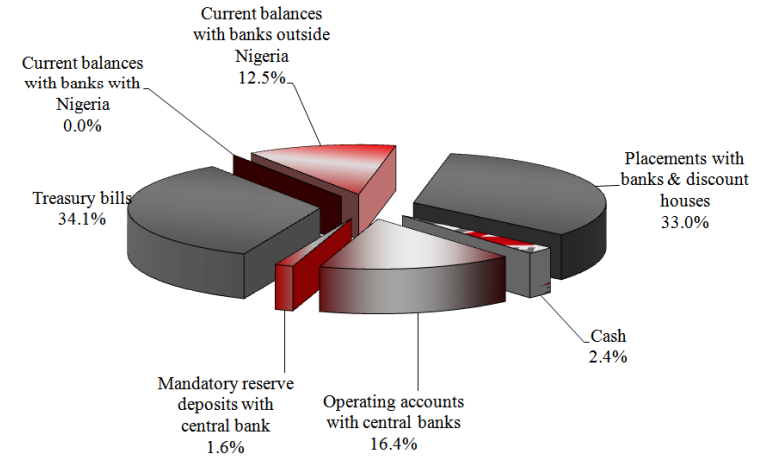
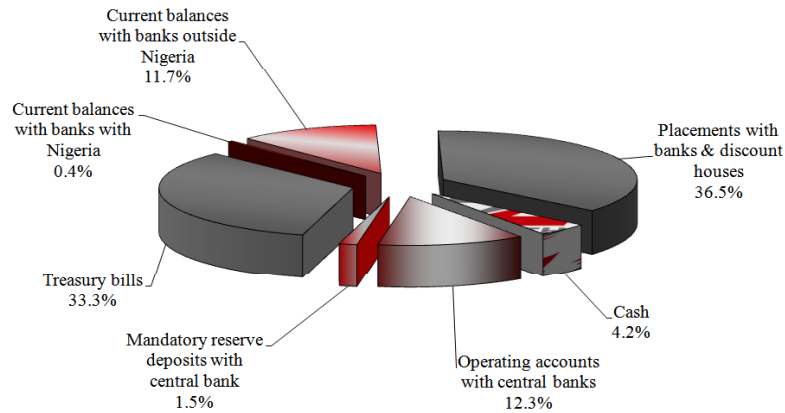
We continue to dominate the market through strong liquid asset base and funding mix...



2009

Liquid Assets

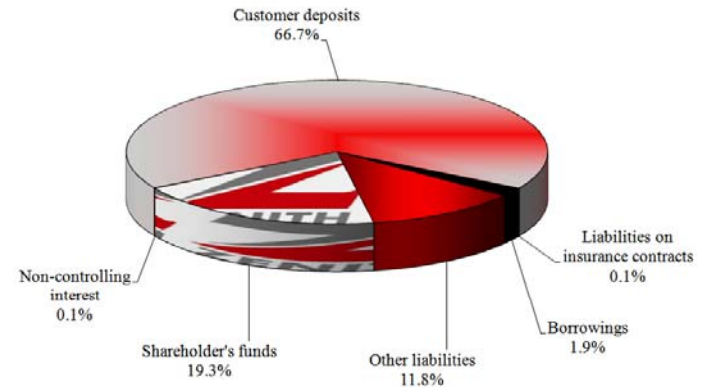
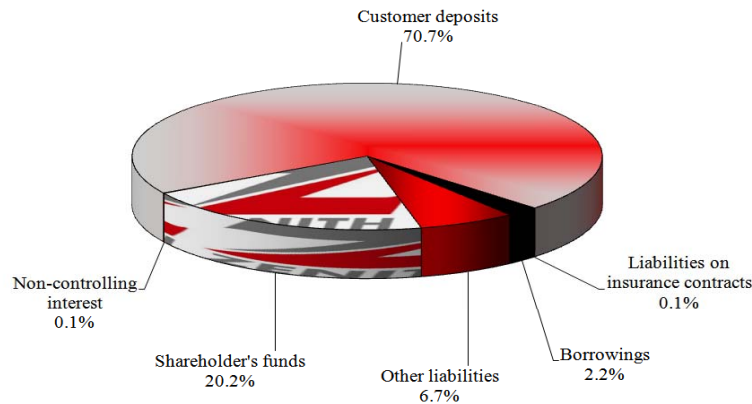
2008



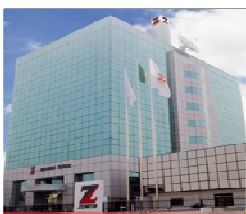
2009

Funding Mix

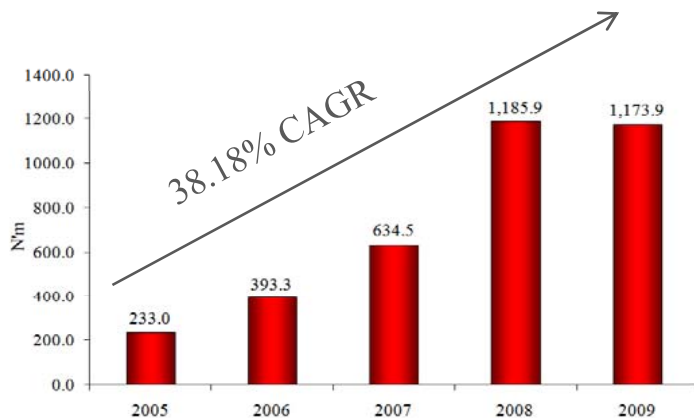
2008



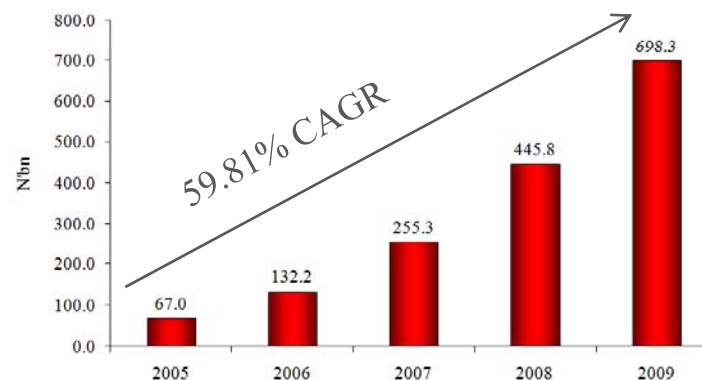
Core portion of our deposit base is more than sufficient to fund the relatively longer tenured assets...



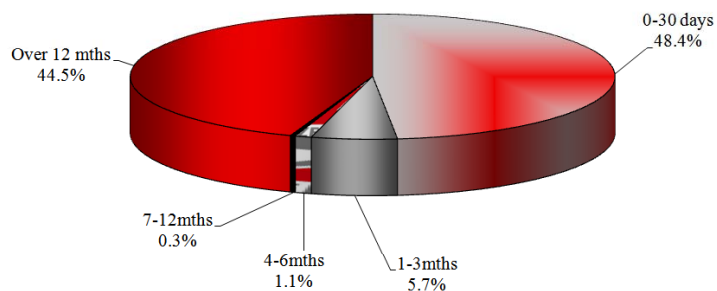
Deposit Growth



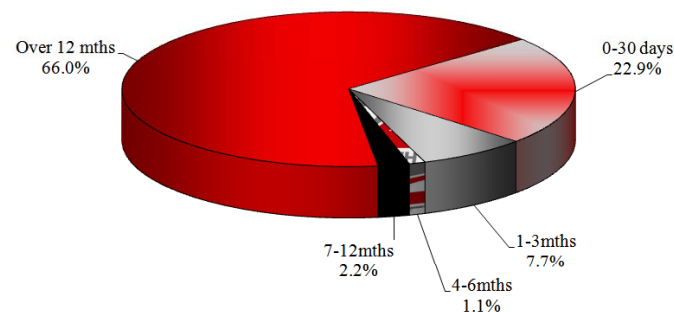
Growth in Loans



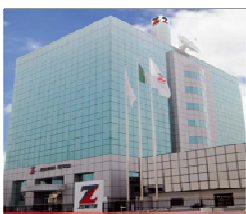
2009 Deposits by term



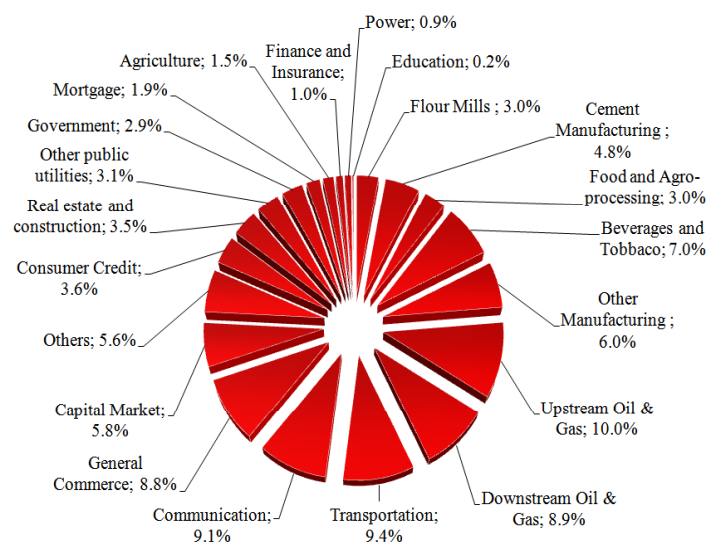
2009 Loans by term



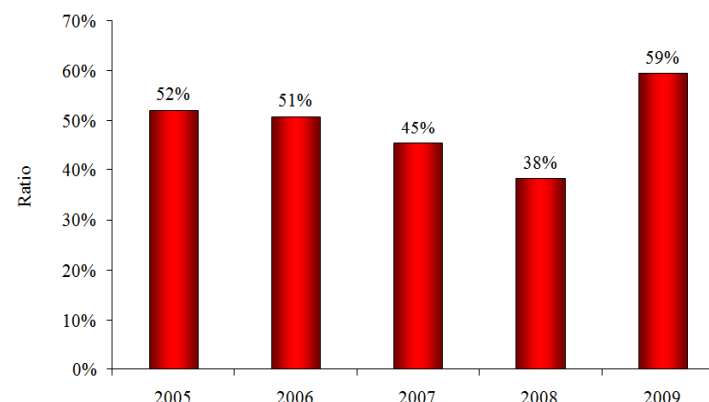
Healthy risk assets portfolio...



Loans by Sector



Loan to Deposit Ratio



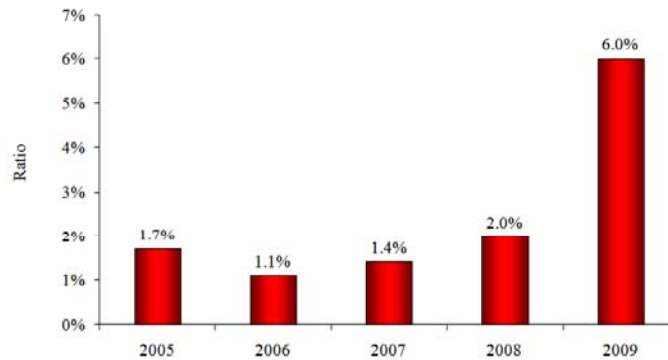
HIGHLIGHTS

- Well diversified Risk Asset Portfolio
- Conscious loan growth to ensure better ROA
- Loan growth reflective infrastructural development needs as well as deliberate expansion & focus on retail & consumer loans.
- Consistently prudent levels of loan to deposit ratios: 59% as at 31st December 2009

NPL Analysis



NPL Ratio

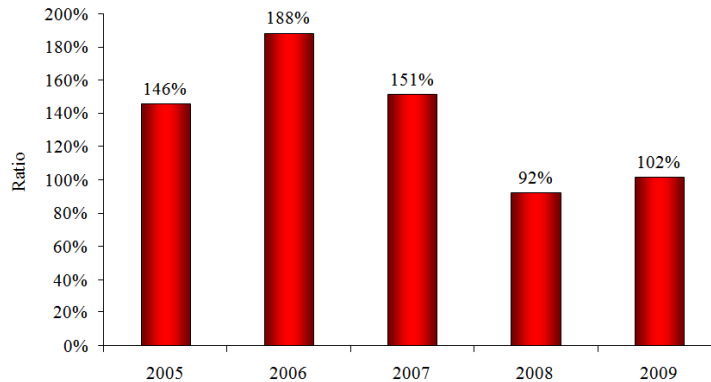


Consistently Low NPLs in comparison with industry:

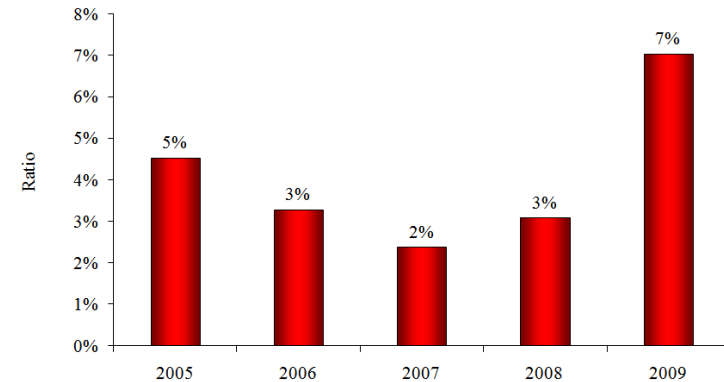
- Total provisions of N49bn
- 3% of total assets
- 15% of shareholders' funds

08/09 NPLs impacted by new CBN provisioning guidelines .

Provisions/ NPLs



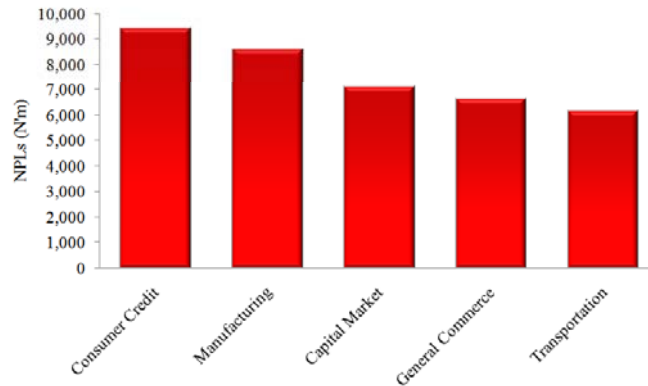
Provisions/Gross Loans



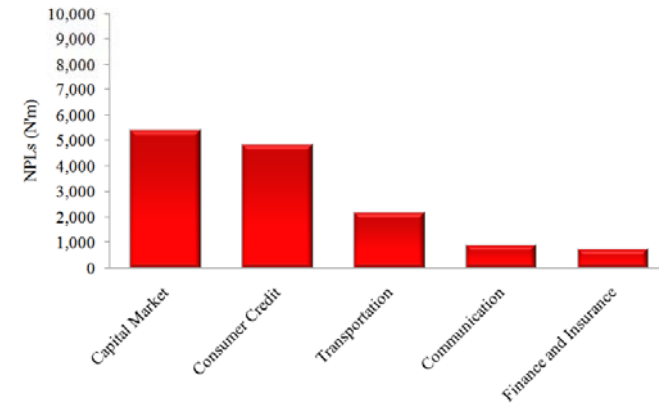
NPL Analysis cont'd



2009 NPLs by Sector



2008 NPLs by Sector

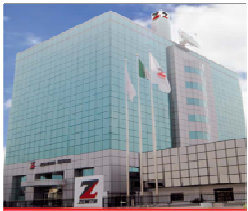


NPLs by Sector/Total Loans

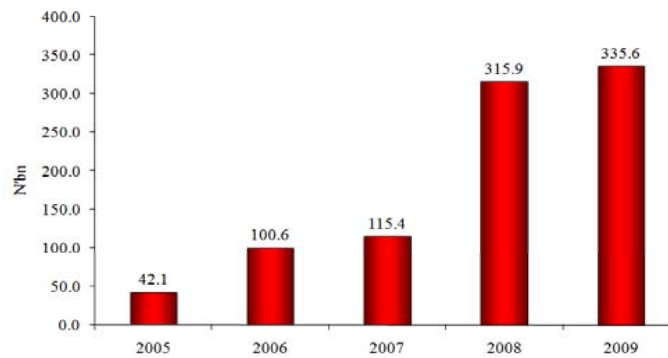
	2009	2008
Consumer credit NPLs/ Total Loans	1.35%	1.08%
Manufacturing NPLs/ Total Loans	1.23%	-
Capital market NPLs/ Total Loans	1.02%	1.21%
General commerce NPLs/ Total Loans	0.95%	-
Transportation NPLs/ Total Loans	0.88%	0.48%
Communication NPLs/ Total Loans	0.51%	0.20%
Oil and gas NPLs/ Total Loans	0.49%	-
Real estate and construction NPLs/ Total Loans	0.31%	-
Mortgage NPLs/ Total Loans	0.08%	-
Finance and insurance NPLs/ Total Loans	0.06%	0.16%
Agriculture NPLs/ Total Loans	-	0.04%

...Losses spread across all sectors with the highest not ranking above 1.35% of total loans in 2009.

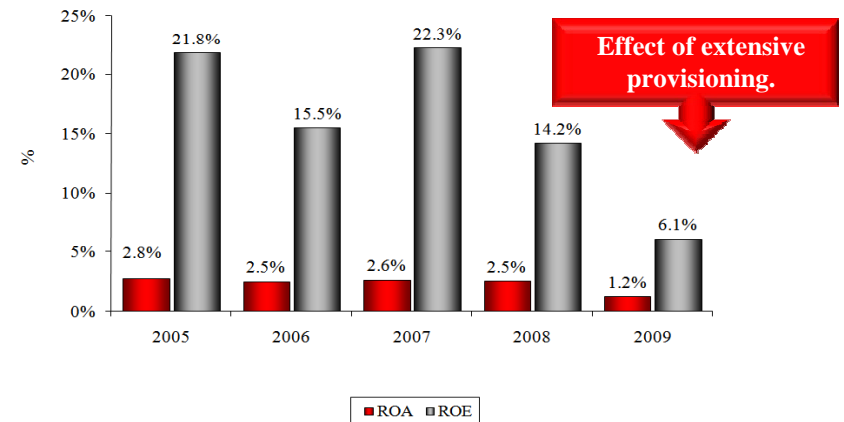
Shareholder-focused business model...



Shareholders Funds



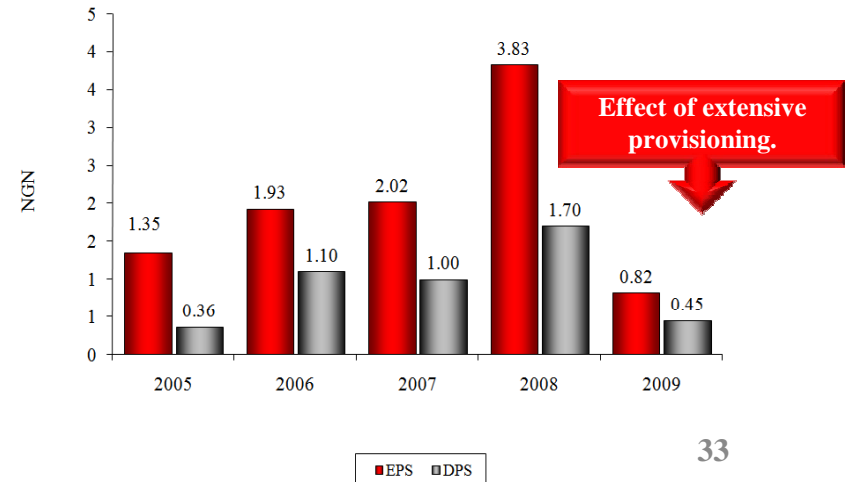
ROA/ROE



Consistent Returns to Shareholders

In November 2008, delivering on its promise to further enhance shareholders' value, Zenith Bank paid out N28.5 billion in dividends, the highest ever by any bank in Nigeria. This amounted to N1.70k per share as against the N1.10k per share paid in the preceding year.

EPS /DPS



Year in Review



Navigating the business through the downturn and positioning for upturn....

Positive
jaws

Improved
corporate
governance
framework

Diversified
business
lines

Greater
asset
liability
matching

Continued
focus on
strong
capital
adequacy

Agenda



Challenging Operating Environment

Company Overview

Results

Group

By Segment

By Geography

Company Risk Management & Strategy

Q&A

P&L- By Segment



15 Months Ended Dec 2009 (N'm)

	Corporate & Retail Banking	Investment Mgmt & Stockbroking	General Health & Life Insurance	Others	Consolidated
Revenue Derived From External Customers	263,077	269	7,487	1,467	277,300
Revenue Derived From Other Business Segments	7,601	371	1,238	4,406	-
Total Revenue	270,678	5,640	8,725	5,873	277,300
Operating Expenses	236,033	10,037	8,120	1,641	242,215
Profit Before Tax	34,645	- 4,397	605	4,232	35,085
Tax	- 14,016	1,034	- 409	- 1,091	- 14,482
Profit After Tax	20,629	- 3,363	196	3,141	20,603

15 Months ended Sept 2008 (N'm)

	Corporate & Retail Banking	Investment Mgmt & Stockbroking	General Health & Life Insurance	Others	Consolidated
Revenue Derived From External Customers	196,416	8,849	3,255	3,119	211,639
Revenue Derived From Other Business Segments	7,197	529	365	407	-
Total Revenue	203,613	9,378	3,620	3,526	211,639
Operating Expenses	153,166	7,813	1,889	1,149	155,519
Profit Before Tax	50,447	1,565	1,731	2,377	56,120
Tax	-2,567	-393	-390	-777	-4,127
Profit After Tax	47,880	1,172	1,341	1,600	51,993

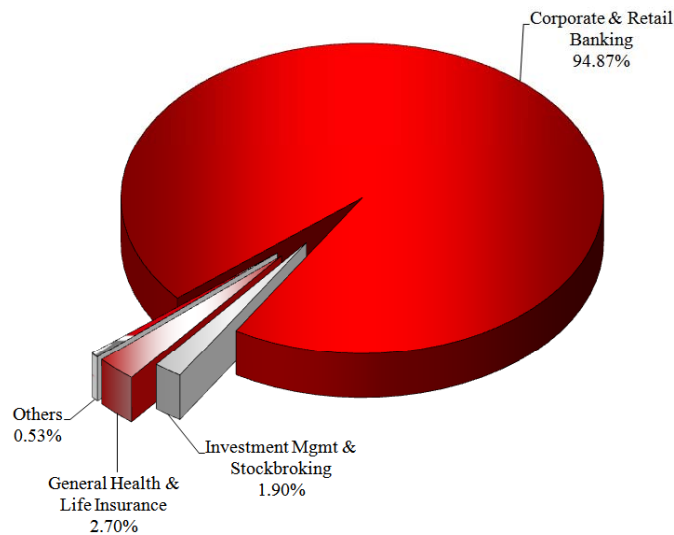
Y-O-Y Change in Total Revenue

	33%	-40%	141%	67%	31%
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Corporate & Retail Banking



Revenue by Segment



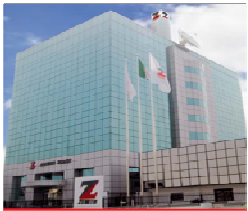
PERFORMANCE REVIEW

- Constitutes 95% of the total activities and revenue base of the Group.
- 33% growth in revenue recorded between 2008 and 2009.
- Growth attributable to the Bank's deliberate policy of innovative e-banking products and engaging in aggressive branch network expansion.

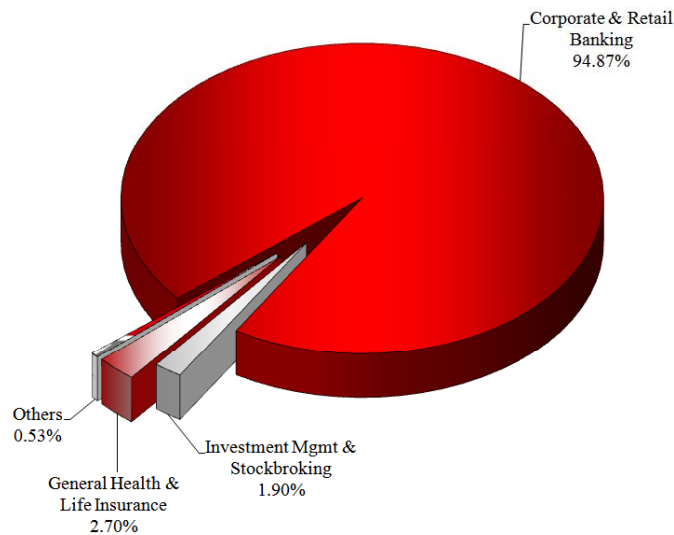
2010 OUTLOOK

- Sector likely to respond positively to the recent CBN policy intervention.
- The Bank will continue to play a commanding role in the sector.
- Financing opportunities in infrastructural and developmental projects.

Investment Management & Stockbroking



Revenue by Segment



PERFORMANCE REVIEW

- 40% decline in revenue recorded between 2008 and 2009.
- Poor performance mainly due to the lull witnessed in the capital markets throughout 2009.

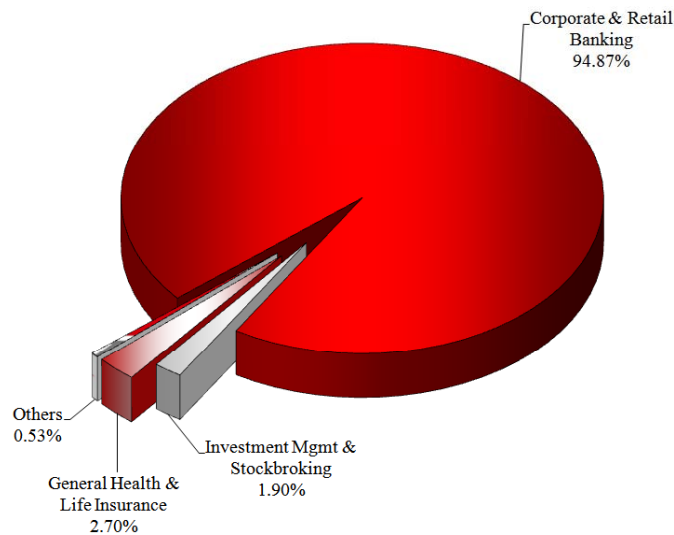
2010 OUTLOOK

- With Western economies now coming out of recession, we expect FDI in the capital markets to rise once more.
- We also expect the continued growth of interest by Asian countries in local opportunities throughout 2010.

General, Health & Life Insurance



Revenue by Segment



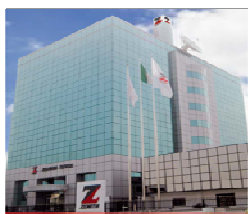
PERFORMANCE REVIEW

- 141% growth in top line revenue recorded between 2008 and 2009.
- Crashed stock prices did impact insurance investments, leading to N1,501bn in provisioning from our insurance subsidiaries.

2010 OUTLOOK

- Insurance still considered a luxury item in Nigeria, but with ample customer education, we believe we can expand this segment.
- Deliberate government policies being considered that will mandate individual & corporate organizations to take up insurance cover especially in the property and mortgage sector.

Agenda



Challenging Operating Environment

Company Overview

Results

Group

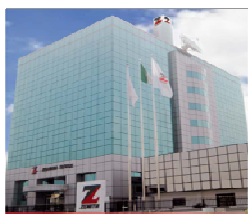
By Segment

By Geography

Company Risk Management & Strategy

Q&A

P&L- By Geography



15 Months Ended Dec 2009 (N'm)

	Nigeria	Rest of Africa	Europe	Consolidated
Revenue Derived From External Customers	261,459	12,893	2,948	277,300
Revenue Derived From Other Business Segments	12,855	-	761	-
Total Revenue	274,314	12,896	3,709	277,300
Operating Expenses	242,225	10,975	2,631	242,215
Profit Before Tax	32,089	1,918	1,078	35,085
Tax	- 13,854	- 380	- 248	-14,482
Profit After Tax	18,235	1,538	830	20,603

15 Months Ended Sept 2008 (N'm)

	Nigeria	Rest of Africa	Europe	Consolidated
Revenue Derived From External Customers	201,447	6,194	3,998	211,639
Revenue Derived From Other Business Segments	8,498	-	-	-
Total Revenue	209,945	6,194	3,998	211,639
Operating Expenses	155,323	4,696	3,998	155,519
Profit Before Tax	54,622	1,498	-	56,120
Tax	- 3,975	- 78	-	- 4,127
Profit After Tax	50,647	1,420	-74	51,993

Y-O-Y Change in Total Revenue

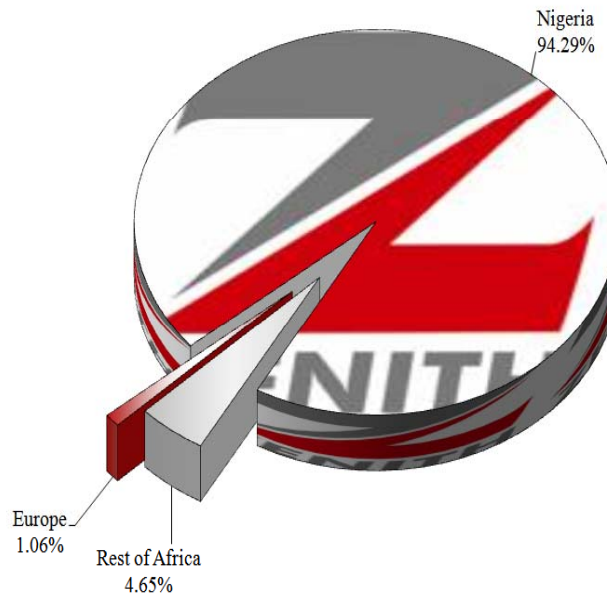
	Nigeria	Rest of Africa	Europe	Consolidated
	31%	108%	-7%	31%

Providing ~ 95% of gross revenues, Nigeria is still our core market and main driver of profitability ...

Nigeria



Revenue by Geography



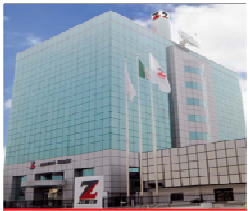
PERFORMANCE REVIEW

- Nigerian business activities continued to account for about 95% of the revenue of the Group in 2009.
- Activities in Nigeria grew by 31% between 2008 and 2009.
- However, profit of the Nigerian business was significantly depressed following the exceptional loan loss provisions made to cover the losses and diminution of assets held in the capital market.

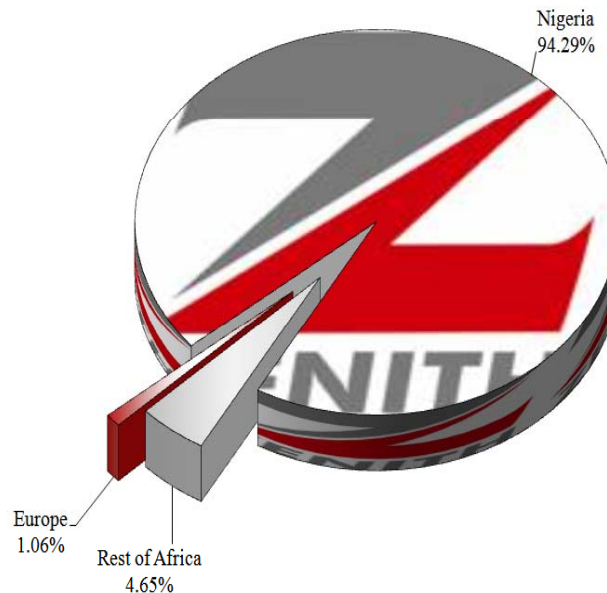
2010 OUTLOOK

- Strong positive economic outlook
- We expect to see regulatory policies designed to ease the flow of credit; a marginal increase in foreign direct investment as developed countries are slowly coming out of the recession; a stock market rebound; significant M&A activity, bank categorizations and the establishment of a National Asset Management Company.
- Huge capital expenditure projection viz-a-viz planned deficit financing thereby presenting opportunities in terms of increased consumption and lending
- Deregulation of the downstream oil sector

Rest of Africa



Revenue by Geography



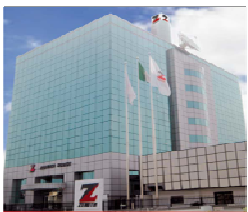
PERFORMANCE REVIEW

- Despite a 108% increase in revenue from the rest of Africa business activities, profit from the location remained relatively flat due principally to the 134% increase in operating expenses between 2008 and 2009.
- The Group engaged in branch network expansion within its African region within the last year necessitating increased staff and running costs.

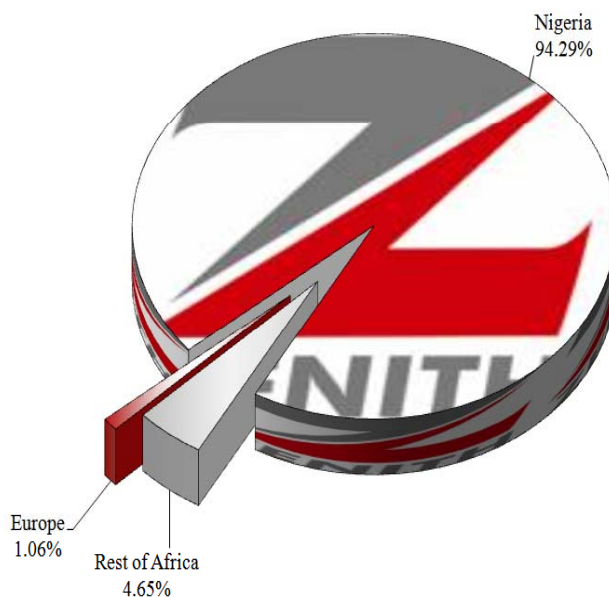
2010 OUTLOOK

- For our Rest of Africa operations, we expect to see an increase in profitability driven by reduced operating costs as new branches begin to take a foothold .
- On a larger scale we expect business to pick up based on the World Bank forecast that economic activities in the SSA will grow by 3.8% after remaining relatively flat in 2009.

Europe



Revenue by Geography



PERFORMANCE REVIEW

- The Group's European operations were more efficient in 2009 with a profit of N830m from a loss position of N74m in 2008 despite a marginal 7% drop in revenue earnings between the two years.

2010 OUTLOOK

- Similar to our Rest of Africa operations we expect more operating efficiencies as the new branches in the UK begin to gain traction.
- We also expect more business as UK comes out of the global recession, and investors become more bullish.

Agenda



Challenging Operating Environment

Company Overview

Results

Group

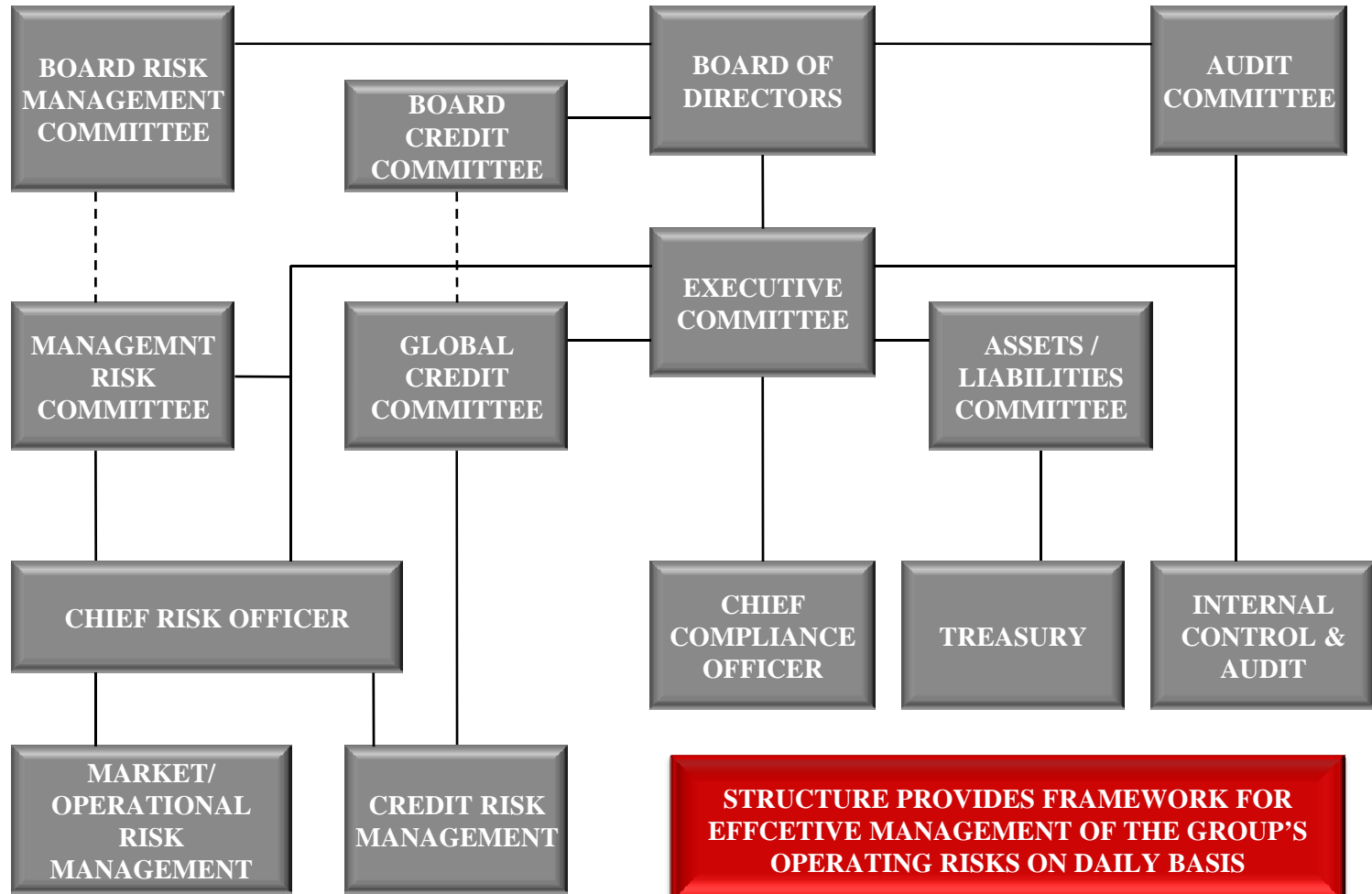
By Segment

By Geography

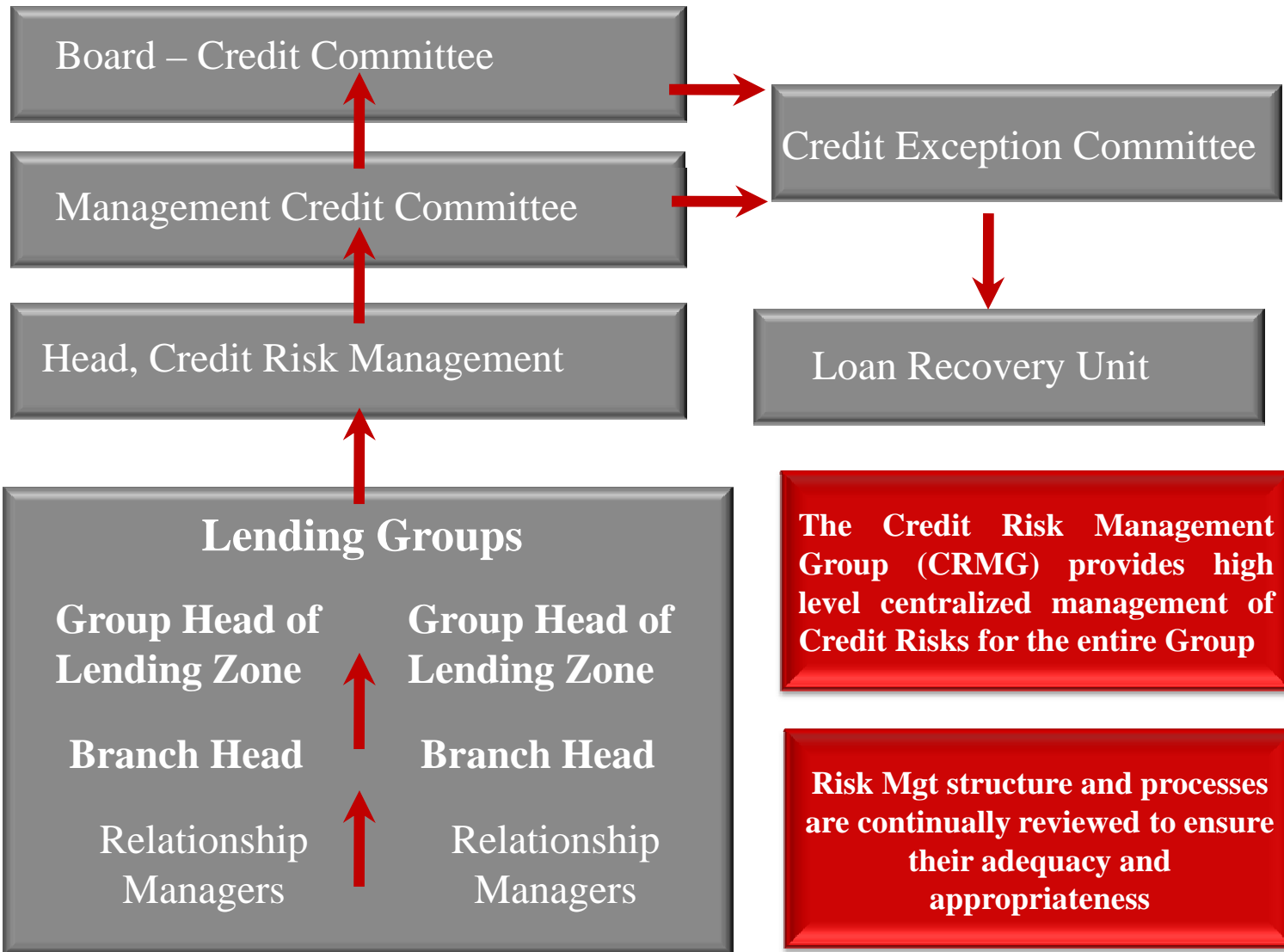
Company Risk Management & Strategy

Q&A

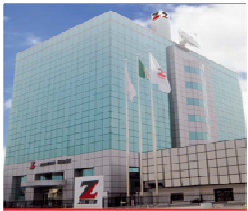
Robust Enterprise Risk Management Structure



Effective Credit Risk Management Structure



Clearly structured approach to ensure cohesive oversight and good corporate governance...



Executive Management Committee
(EXCO)

- Chaired by MD/CEO
- Comprises all Executive Directors
- Meets weekly or as the need arises

Assets and Liabilities Committee
(ALCO)

- Chaired by MD/CEO
- Meets weekly

Management Committee
(MANCO)

- Comprises senior management members
- Chaired by the MD/CEO
- Meets weekly

Management Credit Committee
(MCC)

- 12 – 15 members
- Presentation by the Chief Risk Officer

Information Technology Steering
Committee

- Chaired by MD/CEO

Staff Matters, Finance & General Purpose
Committee

- Comprises Procurement, HR and other departments invited from time to time
- Executive & Non Executive Directors

Audit Committee

- In line with CAMA 1990 comprises of three shareholders and 3 Non Executive Director

Board Credit Committee
(BCC)

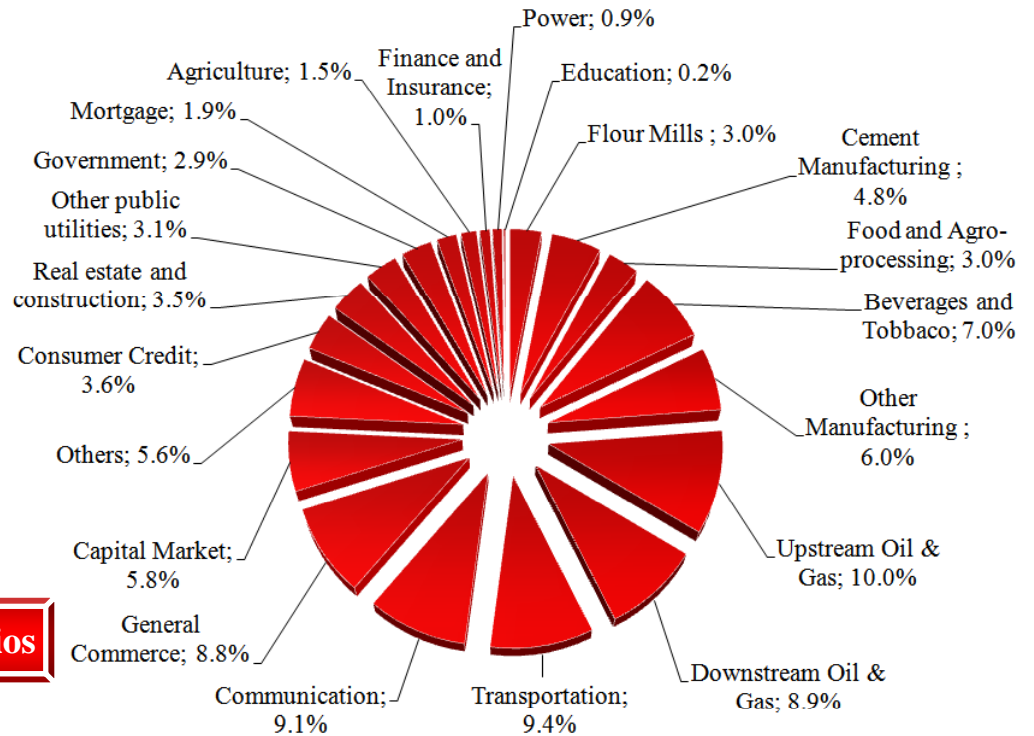
- Membership consist of Executive & Non-Executive Directors
- Considers Loan applications above certain level

Risk management in practice

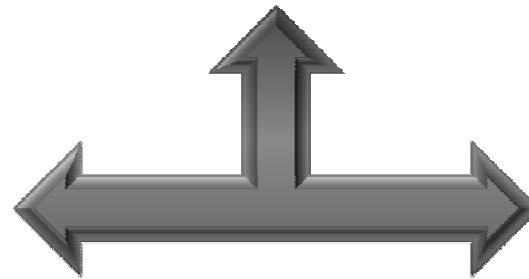
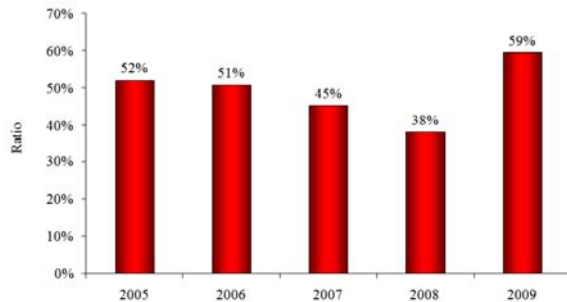


- Enterprise risk management via top-down sectoral exposures
- Prudent levels of loan to deposit ratios: 59% as at 31 December 2009

Focused risk management via portfolio diversification

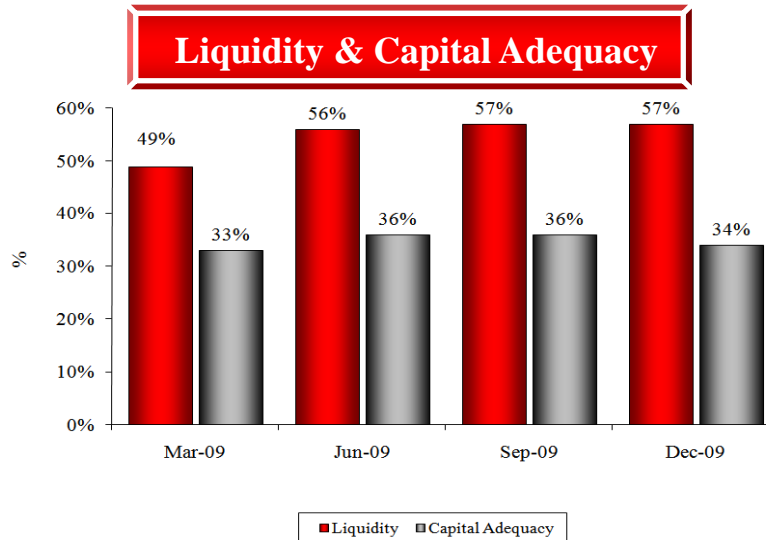


Prudent Loan to Deposit Ratios

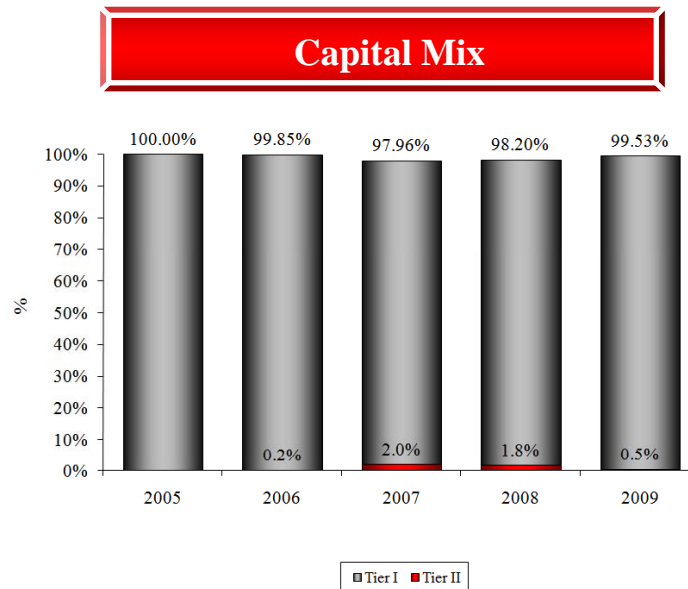


Consistently amongst lowest NPL ratio in the industry

Strong capitalization coupled with low leverage-the keystone to our success...

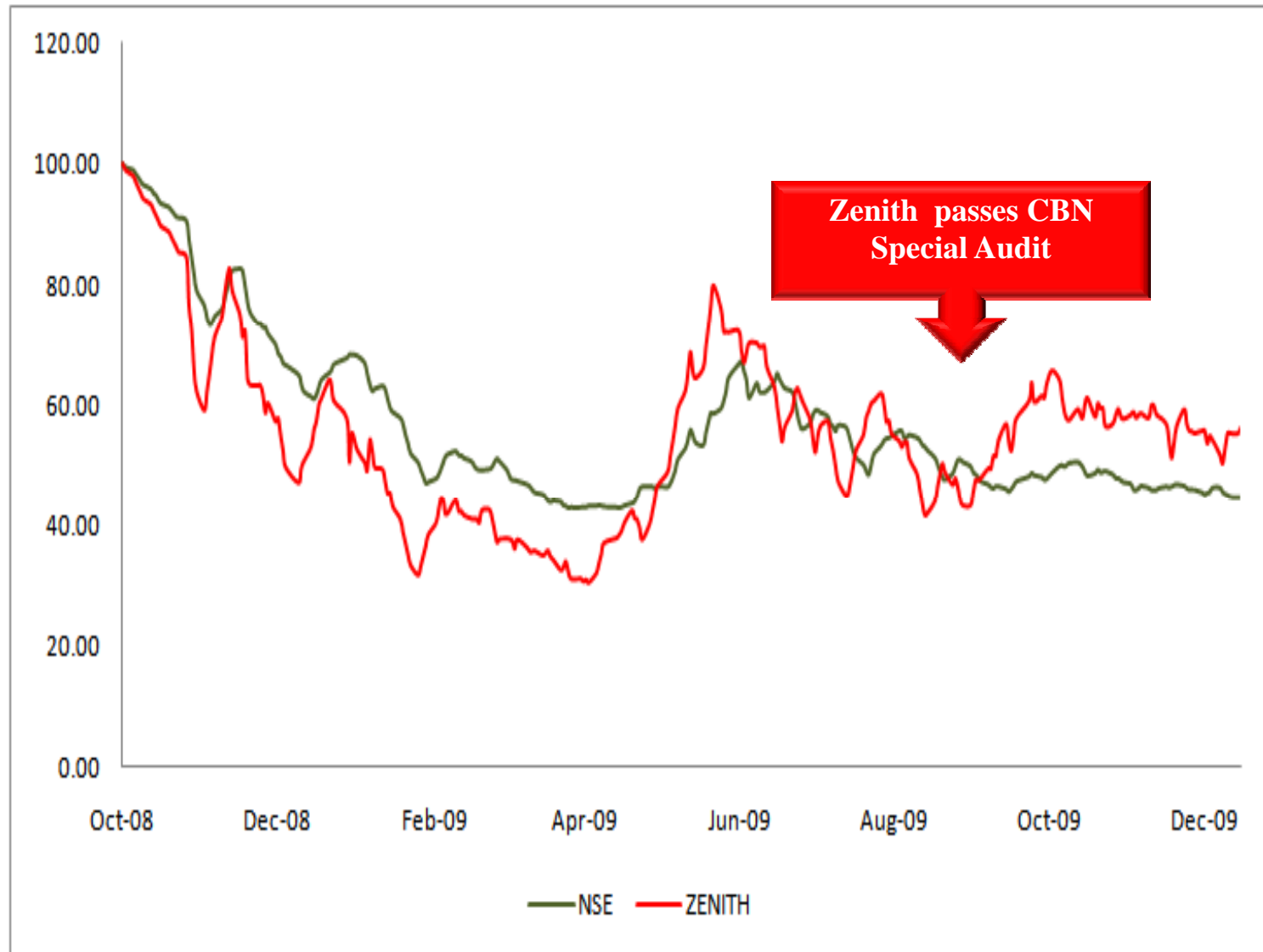


Capital Adequacy & Liquidity Ratios for the Bank are comfortably above industry requirements.

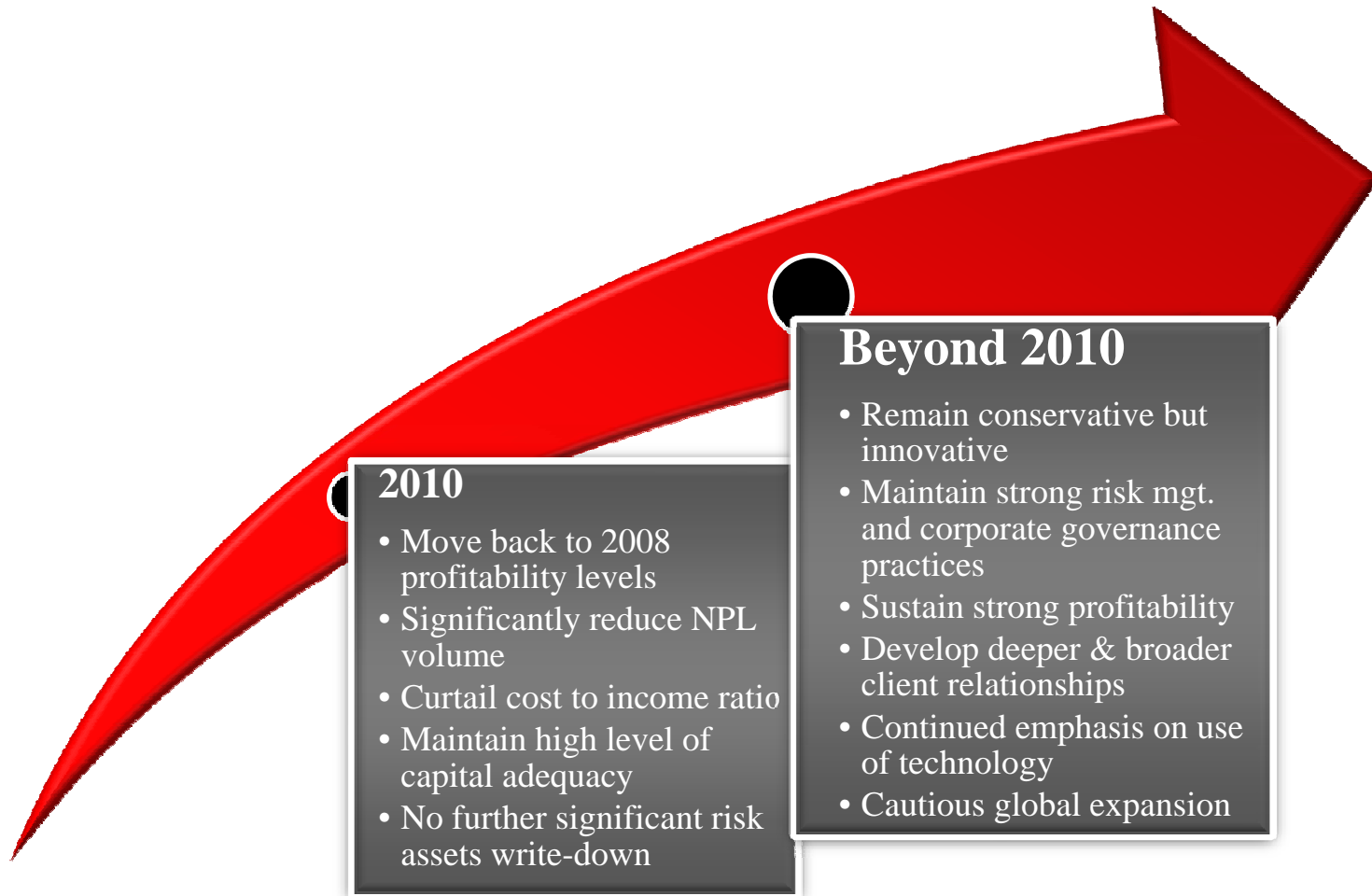
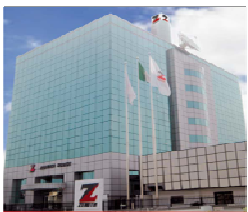


Capital base predominantly made up of Tier I capital.

Significant market outperformance as market recognizes undervaluation of Zenith stock price



Strategic Objectives for 2010 and beyond...



Agenda



Challenging Operating Environment

Company Overview

Results

Group

By Segment

By Geography

Company Risk Management & Strategy

Q&A

Q&A

