



## FINANCIAL PERFORMANCE

Zenith Bank Plc reported gross earnings of ₦4.19 trillion for the 2025 financial year, up 5.6% from ₦3.97 trillion in 2024, driven largely by a 35% jump in interest income to ₦3.67 trillion. This pushed net interest income up by 52.7% to ₦2.64 trillion, with net interest margin improving to 13% from 10%. However, non-interest income weakened significantly as trading and foreign exchange gains swung to a loss of ₦63.1 billion from a gain of ₦1.1 trillion in the prior year, limiting overall operating income growth to 7.6% at ₦3.04 trillion.

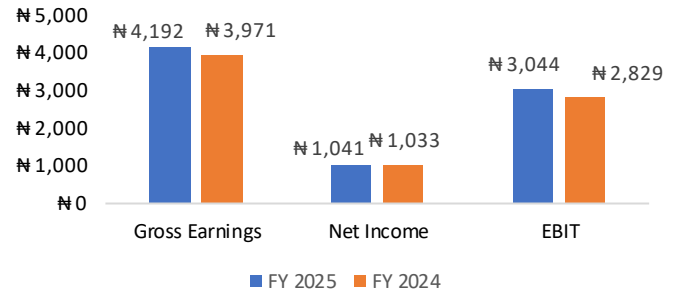
Operating expenses rose sharply by 23.3% to ₦1.04 trillion, driven by increases in staff costs (+44%) and other overheads, resulting in a higher cost-to-income ratio of 34% from 30%. Profit before tax declined by 4.8% to ₦1.26 trillion, while profit after tax rose marginally by 0.7% to ₦1.04 trillion due to a lower tax charge. Earnings per share fell by 23% to 25.32 kobo, with profitability ratios also moderating as return on average equity dropped to 21% from 26% and return on assets eased to 3.31% from 3.45%.

The bank's balance sheet remained resilient, with total assets growing by 5.0% to ₦31.46 trillion and shareholders' equity rising by 22.2% to ₦4.92 trillion. Loans and advances expanded modestly by 4.9% to ₦10.45 trillion, while investment in treasury bills surged by 74% to ₦4.66 trillion, reflecting a more cautious asset allocation. Despite softer profitability, the bank's valuation remains attractive, trading at a price-to-earnings ratio of 2.44x and price-to-book of 0.52x, with an earnings yield of 41% and a dividend yield of 8.5%.

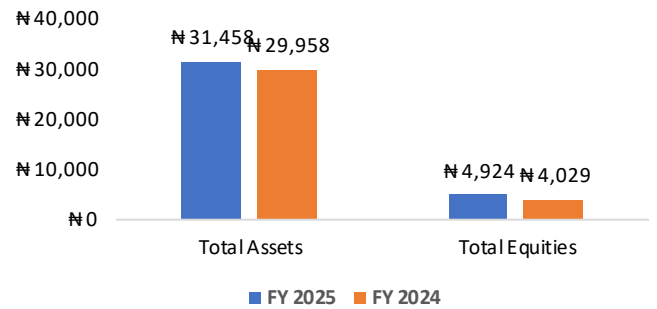
The board declared a final dividend of ₦8.76 per share (dividend yield at 8.50%), bringing the total dividend for the financial year to ₦10.00 (2024: ₦4.00K per share).

We expect a positive reaction from investors in the stock when market opens.

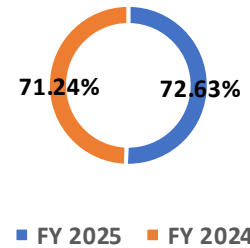
### Snapshot of P & L (N'Bn)



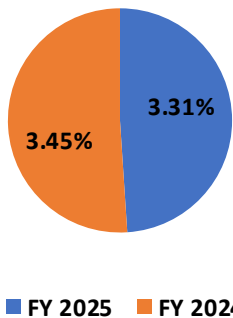
### Snapshot of Balance Sheet (N'Bn)



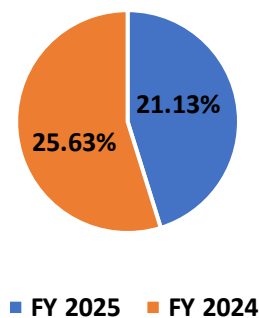
### Operating Margins



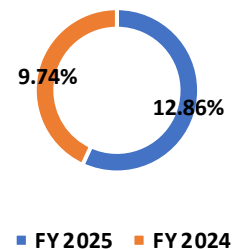
### Return on Assets



### Return on Equity



### Net Interest Margin





ZENITH BANK Plc Statement of Profit or Loss	FY 25 (N'Mn)	FY 24 (N'Mn)	% Change
<b>Gross Earnings</b>	<b>4,192,003</b>	<b>3,970,959</b>	<b>5.57%</b>
Interest income	3,672,961	2,721,377	34.97%
Interest expense	(1,033,429)	(992,474)	4.13%
<b>Net interest income</b>	<b>2,639,532</b>	<b>1,728,903</b>	<b>52.67%</b>
Fee and commission income	405,894	356,344	13.91%
Fee and commission expense	(114,094)	(149,477)	23.67%
<b>Net fee and commission</b>	<b>291,800</b>	<b>206,867</b>	<b>41.06%</b>
Trading & FX gains	(63,114)	1,100,002	105.74%
Other Income	176,262	(206,764)	185.25%
<b>Operating Income</b>	<b>3,044,480</b>	<b>2,829,008</b>	<b>7.62%</b>
Staff expenses	(294,114)	(204,170)	44.05%
Depreciation and amortisation	(75,516)	(52,546)	43.71%
Other operating expenses	(669,870)	(586,636)	14.19%
<b>Operating expenses</b>	<b>(1,039,500)</b>	<b>(843,352)</b>	<b>23.26%</b>
<b>Profit b4 impairment charges and tax</b>	<b>2,004,980</b>	<b>1,985,656</b>	<b>0.97%</b>
Loan Provisions & Impairment Charges	(742,188)	(657,003)	12.97%
Impairment credit on non-financial instruments	578	(1,802)	132.08%
<b>Loss/Profit before tax</b>	<b>1,263,370</b>	<b>1,326,851</b>	<b>4.78%</b>
Income tax	(222,824)	(293,956)	24.20%
<b>Loss/Profit after tax</b>	<b>1,040,546</b>	<b>1,032,895</b>	<b>0.74%</b>
<b>Basic Earnings per Share (in Kobo)</b>	<b>25.32</b>	<b>32.87</b>	<b>22.97%</b>
<b>Balance Sheet as at December 31, 2025</b>	<b>31-Dec-2025</b>	<b>31-Dec-2024</b>	
Cash and bank balances with CBN	6,925,426	5,888,216	17.62%
Loans and advances	10,448,952	9,965,364	4.85%
Investment securities	5,409,945	5,098,044	6.12%
Treasury bills	4,662,814	2,678,929	74.06%
Due from other banks	2,721,675	4,935,707	44.86%
Property Plant and Equipment	478,018	400,441	19.37%
Other Assets	811,221	990,824	18.13%
<b>Total Assets</b>	<b>31,458,051</b>	<b>29,957,525</b>	<b>5.01%</b>
Managed funds	24,329,961	21,959,369	10.80%
Borrowed funds	754,531	2,295,910	67.14%
Current income tax liabilities	95,198	256,168	62.84%
Derivative liabilities	196,072	9,258	2017.87%
Other liabilities	1,158,083	1,407,547	17.72%
<b>Total Liabilities</b>	<b>26,533,845</b>	<b>25,928,252</b>	<b>2.34%</b>
<b>Total shareholders' equity</b>	<b>4,924,206</b>	<b>4,029,273</b>	<b>22.21%</b>

**Financial Statistics**

Share price (N)	₦103.00
52 wk. High/Low	N113.30/N43
Shares Outst. (Bn)	41,069.83
Market Cap (Bn)	4,230,192

**Key Ratios**

	FY 25	FY 24
P/E Ratio	2.44x	1.38x
P/B Ratio	0.52x	0.35x
Earnings Yield	41%	72%
ROE	21%	26%
ROA	3.31%	3.45%
Cost of Funds	4.1%	4.1%
Net Interest Margin	13%	10%
Cost to Income	34%	30%
Loan-to-Deposit Ratio	43%	45%
Loan Loss Provision	7.1%	6.6%

**Corporate Actions**

Interim Dividend	₦8.75
Bonus	Nil
Qualification Date	24-Apr-26
Closure Date	27-Apr-26
Payment Date	5-May-26
AGM Date	5-May-26
Dividend Yield	8.50%