

FY2018 EARNINGS RELEASE



STERLING BANK PLC RELEASES AUDITED RESULTS FOR THE YEAR ENDED DECEMBER 31, 2018.

Lagos, March 29, 2019 – Sterling Bank Plc

(NSE: STERLNBANK / Reuters: STERLNB.LG / Bloomberg: STERLNB:A:NL) – the 'Bank' – a full service national commercial bank releases its audited results for the year ended December 31, 2018.



CHIEF EXECUTIVE'S REMARKS

"Our 2018 performance demonstrated our commitment to the race we set out on at the beginning of the year. We continued to identify more with our strategic pillars - agility, digitization and specialization – enabling us set the stage for positive and sustainable growth across the business. Our investments in people and technology platforms drove significant traction in the retail and consumer segment, in line with our medium to long term goals.

Overall, the Bank delivered a 14.9% growth in profit after tax to N9.2 billion"

Abubakar Suleiman

REFLECTING ON OUR PERFORMANCE

We delivered steady growth performance achieving 14% increase in gross earnings. Below are highlights of our key performance drivers in FY2018.

- Consumer loans were up 108.3% driven by SPECTA - Nigeria's leading lending digital platform
- Mobile channel usage grew c. 80% as we launched Sterling OnePay – Sterling's omni-channel mobile banking platform
- Transaction volumes doubled on the instant payment platform
- Achieved 4% industry market share in collections – 2.9% in 2017
- Leading financing efforts in the agriculture sector making up c.10% of our loan book
- Grew CAR by 140bps on account of additional tier 2 capital injection

LOOKING AHEAD

In 2019, we would maintain a more customer-centric approach to achieving growth and thrive to scale our digital products. Specifically we will:

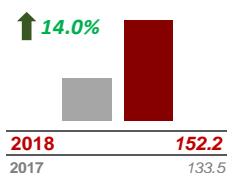
- Further diversify our loan book by targeting 20% share to the HEART sectors
- Increase access to loans for a wider customer base through other exciting variants of SPECTA
- Further decentralize the investment market through digital platforms
- Refocus our Corporate and Investment Banking segment with emphasis on providing innovative solutions to key corporates and banking the value chain

Ratios	FY 2018	FY 2017*
Pre-Tax Return on Average Equity	9.5%	8.7%
Post-Tax Return on Average Equity	9.2%	8.6%
Return on Average Assets	0.8%	0.8%
Earnings per Share	32k	28k
Yield on Earning Assets	14.0%	14.3%
Cost of Funds	7.4%	7.4%
Net Interest Margin	6.6%	6.9%
Cost-to-Income Ratio	81.4%	72.2%
Cost of Risk	1.0%	1.9%
Liquidity Ratio	42.2%	35.3%
	Dec. 2018	Dec. 2017
Non-Performing Loan Ratio	8.7%	6.2%
Capital Adequacy Ratio (Basel 2)	13.3%	12.0%

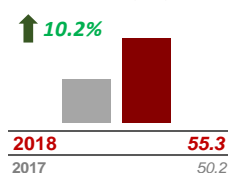
* Based on restated 2017 financials

FINANCIAL HIGHLIGHTS

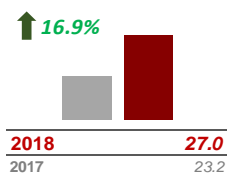
Gross Earnings (N'b)



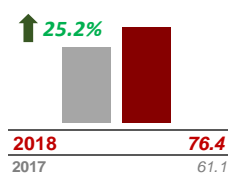
Net Int. Income (N'b)



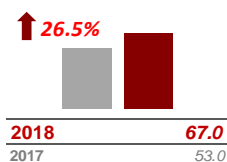
Non-Int. Income (N'b)



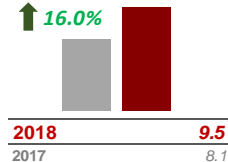
Net Op. Income (N'b)



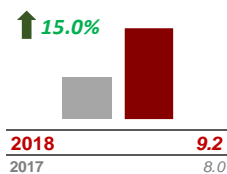
Operating Exp (N'b)



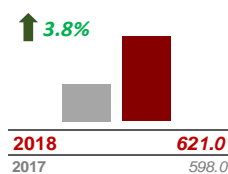
PBT (N'b)



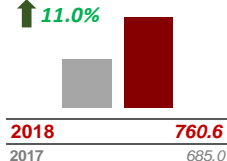
PAT (N'b)



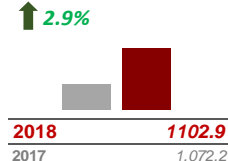
Loans & Adv. (N'b)



Customer Deps. (N'b)



Total Assets (N'b)



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About Sterling Bank

Sterling Bank Plc is a leading commercial banking establishment in Nigeria. It commenced operations as NAL Bank in 1960. Today, with over N1 trillion in total assets, 180 business offices and over 800 ATMs nationwide, Sterling Bank has grown into a major financial institution. The Bank prides itself as 'Your one-customer bank' that celebrates each customer as a unique individual. For further information, please visit <http://www.sterling.ng>

Forward-Looking Statements

This release may contain forward-looking statements, which reflect Sterling Bank's current views with respect to, amongst other things, the Bank's operations and financial performance. These forward-looking statements may be identified by the use of words such as "outlook", "believes", "expects", "potential", "continues", "may", "will", "should", "seeks", "approximately", "predicts", "intends", "plans", "estimates", "anticipates" or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. Sterling Bank believes these factors include but are not limited to those described in its audited Annual Report for the financial year ended December 31, 2017. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release. Sterling Bank undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

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