



## **Equity ranks position 7 in the list of top 10 banks in Africa in The Banker's Top 100 African Banks 2020.**

*Equity becomes the 1<sup>st</sup> bank in Eastern and Central Africa to achieve this milestone paving way for EastAfrican banks to play in the league of big banks with South Africa, North Africa and West Africa.*

The bank scores among top ten banks on key parameters;

- On soundness, Equity was ranked number 5
- On growth performance the bank ranks position 9
- Equity also ranked position 8 in return on risk
- Equity was ranked number 6 on leverage category and,
- On profitability the bank was ranked number 6

**Nairobi, Kenya – 16<sup>th</sup> October 2020...**, Equity, with a balance sheet size worth Kshs. 673.7 billion at the end of 2019, has been listed at number 7 among the top 10 Banks in Africa in 2020 with a score of 5.82 in the overall category of the best performing banks. This is according to The Banker's Top 100 African Banks ranking for 2020.

This year's ranking shows stabilisation in the finances of the majority of African major lenders. The ranking, which tracks the health and wealth of the African banking sector, used an array of metrics including the overall growth performance, financial soundness, profits on capital, leverage and return on risk.

In the year under review, Equity improved on its performance with a 14% profit after tax growth to Kshs 22.6 billion from Kshs 19.8 billion in 2018. The impressive performance registered during an interest capping period was driven by a 23% growth in loan book to Kshs 366.4 billion from Kshs 297.2 billion in 2018.

Commenting on the Group's performance, Dr. James Mwangi, Managing Director and CEO said that, the enhanced efficiency and cost optimization saw cost-income ratio improving to 51% from 52.4% in 2018. The Group has maintained its yield on interest-earning assets at 11.2% despite the challenge of interest capping and declining yield curve. Innovation has also been a great enabler in driving growth and is already registering efficiency gains from digitization.

On financial soundness, Equity ranked number 5 on the backdrop of an agile balance sheet with a liquidity of 52.1%, a loan deposit ratio of 75.9% and a core capital to risk-weighted asset ratio of 19.8%. The balance sheet reflects solid diversified funding with customer deposits constituting 72% of the total funding, shareholders and long-term borrowing contributing 17% and 8% respectively. The financial soundness is further enhanced by a strong capital base, which is well within both internal and regulatory limits, solid business performance and Net loans which constituted 54% of the total assets while government securities and cash and cash equivalents contributed 26% and 13% of the total asset allocation respectively.

"The ranking is an indication that Equity remains robust, despite the challenging operating environment. We have developed and adopted a sustainable business model to cushion the business as well as boost value creation for shareholders," added Dr. Mwangi.



The Banker Top 1000 World Banks 2020 ranked Equity Bank 754 in balance sheet size overall in its global ranking, 62nd in soundness (Capital Assets to Assets ratio), 55th in terms of Profits on Capital and 20th on Return on Assets.

**Ends/...**

### **About Equity Group Holdings Plc**

Equity Group Holdings Plc is a financial service holding company listed at the Nairobi Securities Exchange, Uganda Securities Exchange, and Rwanda Stock Exchange. The Group has banking subsidiaries in, Rwanda, Uganda, South Sudan, Tanzania, DRC, and a Commercial Representative Office in Ethiopia; with additional non-banking subsidiaries engaged in the provision of investment banking, custodial, insurance agency, philanthropy, consulting, and infrastructure services.

Equity Group has an asset base of USD 9billion. With over 14.2 million customers, the Group is one of the biggest banks by customer base in the region. The Group has a footprint of 300 branches, 51,560 Agents and 31,265 Merchants and 623 ATMs. The Group is the largest bank in market capitalization in East and Central Africa. The Banker Top 1000 World Banks 2020 ranked Equity Bank 754 overall in its global ranking, 62nd in soundness (Capital Assets to Assets ratio), 55th in terms of Profits on Capital and 20th on Return on Assets. In the same year, Moody's gave the Bank a global rating of B2 with a negative outlook same as the sovereign rating of the Kenyan government due to the Bank's strong brand recognition, solid liquidity buffers and resilient funding profile, established domestic franchise and extensive adoption of digital and alternative distribution channels. Equity Group Holdings Plc is regulated by the Central Bank of Kenya.

<b>For more information, please contact:</b>	
Alex Muhia	Carol Wairugu
Equity Group Holdings Plc.	Ogilvy PR
T: Office - 0763 026007; Mobile - 0763 618871	T: 0764 515797
E: <a href="mailto:CorporateCommunications@equitybank.co.ke">CorporateCommunications@equitybank.co.ke</a>	E: <a href="mailto:Carol.Wairugu@ogilvy.co.ke">Carol.Wairugu@ogilvy.co.ke</a>
E: <a href="mailto:Alex.Muhia@equitybank.co.ke">Alex.Muhia@equitybank.co.ke</a>	