S&P Global
Ratings

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Stanbic IBTC Bank Ltd.

July 24, 2025

This report does not constitute a rating action.

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Ratings Score Snapshot

SACP: b → **Support: 0** → **Additional factors: -1**

Anchor	b	
Business position	Adequate	0
Capital and earnings	Constrained	0
Risk position	Adequate	0
Funding	Adequate	0
Liquidity	Adequate	
CRA adjustment		0

ALAC support	0
GRE support	0
Group support	0
Sovereign support	0

Issuer credit rating
B-/Stable/B

ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. SACP--Stand-alone credit profile.

Credit Highlights

Overview

Key strengths	Key risks
Sufficient capital buffers, well above regulatory minimum.	High single-name obligor concentration.

Overview

Key strengths	Key risks
Strategically important to Standard Bank Group (SBG).	Challenging operating environment in Nigeria.
	Pressure on asset quality amid high interest rates.

Stanbic IBTC Bank's earnings benefit from a diversified business profile. A strong insurance and asset management (IAM) franchise, an expanding personal and private banking (PPB) portfolio, and business and commercial banking (BCB) services complement its established corporate and investment banking (CIB) business. S&P Global Ratings' view of Stanbic IBTC Bank's 'b' stand-alone credit profile (SACP)--as the main operating entity of the Stanbic IBTC Holdings PLC subgroup (the group; Stanbic IBTC)--demonstrates the bank's resilient operating performance through prolonged economic challenges. It also reflects that the bank is part of Africa's largest banking group, Standard Bank Group (SBG). The yield on retail exposures will help balance the somewhat more competitive yields from more creditworthy corporate loans, while gathering low-cost retail deposits will help maintain a lower cost of funds. We expect digital revenue from retail transactional banking will continue to increase as the take-up and volume of digital transactions steadily rises, with the bank scaling up and optimising these channels.

In our view, capital issuance and resilient earnings will slightly push up risk-adjusted capital (RAC) ratio in 2025-2026, but the bank's capitalization will remain modest versus the risks it faces. We expect the bank's earnings will remain strong in 2025 with a return on equity (ROE) of 30%-35%, supported by high interest rates. This follows the bank concluding its right issuance in June 2025, raising over Nigerian naira (NGN)140 billion and concluding its recapitalization exercise to meet the Central Bank of Nigeria's paid-up capital requirements. We therefore expect our RAC ratio to increase to 4.4%-4.5% from 3.4% in 2024. This, however, would not alter our fundamental assessment of Stanbic IBTC's capitalization. We note that the bank's regulatory capital adequacy ratio (CAR), at 14.3% as of March 31, 2025, remains well above our indicators and also significantly higher than the regulatory minimum of 10%. We expect issuances will bolster capital buffers by adding 450 basis points (bps)-500 bps to the CAR.

S&P Global Ratings continues to see elevated pressure on asset quality in 2025. We forecast nonperforming loans (NPLs) will remain elevated at 4.1% of gross customer loans in 2025 (4.4% as of March 31, 2025; 4.2% at year-end 2024). NPLs sharply increased in 2024, largely reflecting the impact of high interest rates, inflation, and the depreciation of the naira on retail and small and medium enterprise obligors. We expect cost of risk will improve and normalise to 1.5%-2% in 2025, below the industry average of 3%, reflecting the group's prudent underwriting and risk management standards.

We consider Stanbic IBTC Bank to be strategically important to SBG. Our view stems from SBG's strategic emphasis on Africa and the importance of Stanbic IBTC Bank within its African operations. Furthermore, the bank benefits from risk management support and additional capital and liquidity from SBG's South African operations. The ratings on Stanbic IBTC Bank remain constrained by the sovereign credit ratings on Nigeria, owing to the direct and indirect effects any stress on the sovereign would have on the bank's operations and creditworthiness.

Outlook

The stable outlook on Stanbic IBTC Bank reflects that on Nigeria.

Downside scenario

We would take a negative rating action on the bank if we took a similar action on Nigeria.

Upside scenario

We will take a positive rating action on Stanbic IBTC Bank over the next 12 months if we took a similar action on the sovereign, all else being equal.

Key Metrics

Stanbic IBTC Group--Key ratios and forecasts

	--Fiscal year-ended Dec.31-				
(%)	2022	2023	2024	2025f	2026f
Growth in operating revenue	40.1	48.0	82.6	20-25	5-10
Growth in customer loans	30.9	68.9	18.2	15-20	15-20
Net interest income/average earning assets (NIM)	5.2	6.2	9.0	8.5-9	8-8.5
Cost to income ratio	53.7	46.7	37.4	40-45	40-45
Return on average common equity	20.4	30.6	38.16	30-35	20-25
New loan loss provisions/average customer loans	0.9	0.9	4.4	1.5-2	1-1.5
Gross nonperforming assets/customer loans	2.3	2.4	4.2	4-4.2	3.5-3.8
Risk-adjusted capital ratio	4.4	3.4	3.3	4.4-4.6	4.4-4.6

All figures are S&P Global Ratings-adjusted. f--Forecast. NIM--Net interest margin.

Anchor: 'b' For Banks Operating Only In Nigeria

We forecast Nigeria's real GDP growth at 3% in 2025 and expect it will average 3.3% per year over 2025-2028, primarily driven by growth in the non-oil sector. While reforms will likely improve growth in the later years of our forecast, for 2025, a still-tight monetary policy and further revenue-raising reforms will likely contain the economic expansion. As a result, we expect real credit growth will remain muted. The impact of currency depreciation on inflation should begin to fade but we anticipate inflation will remain near 25% in 2025, compared with above 30% in 2024. As inflation gradually declines and monetary policy loosens, we expect consumption to contribute the most to growth, although we still forecast per capita GDP will remain low, also reflecting the country's high population growth.

The banking industry's credit cycles are intrinsically linked to the oil and gas sector's performance and foreign currency flows. We expect banks' asset quality indicators will deteriorate slightly amid the discontinuation of regulatory forbearance on oil sector exposures, and pressure on companies that cannot fully pass through high inflation to their customers. The increase in the stock of nonperforming loans (NPLs) will be partly offset by expansion of lending books. We also expect cost of risk will remain high at 2.5%-3% in 2025, compared with an estimated 3.0%-3.5% in 2024. Concentration risk is one of the main risks Nigerian banks face, given their loan books remain concentrated--by single name, currency or sector--and prone to significant shocks. We expect the share of foreign currency-denominated lending to remain high at about 50% of total loans in 2025. At the same time, the industry has material exposure to the oil and gas sector, accounting for about a third of its total loans.

In our view, the sector's profitability will stay resilient, also supported by growth in net interest income amid high interest rates. We estimate its average return on equity at 20%-25% in 2025, lower than about 30% in 2023-2024. This is because we expect limited unrealized gains on banks' net open position due to regulatory limits. At the same time, regulators are strengthening banks' loss absorption capacity: the Central Bank of Nigeria now requires banks to ensure minimum paid-up capital of NGN500 billion (about $300 million) to secure an international banking license and NGN200 billion for a national license. It has given the banking system until March 2026 to comply. We estimate the capital needs of rated banks at about NGN2.5 trillion ($1.6 billion) and believe most banks will be able to raise the necessary additional capital by the end of 2025. At the same time, we do not exclude mergers and acquisitions or changes in business models in some cases because of the new paid-up capital requirements.

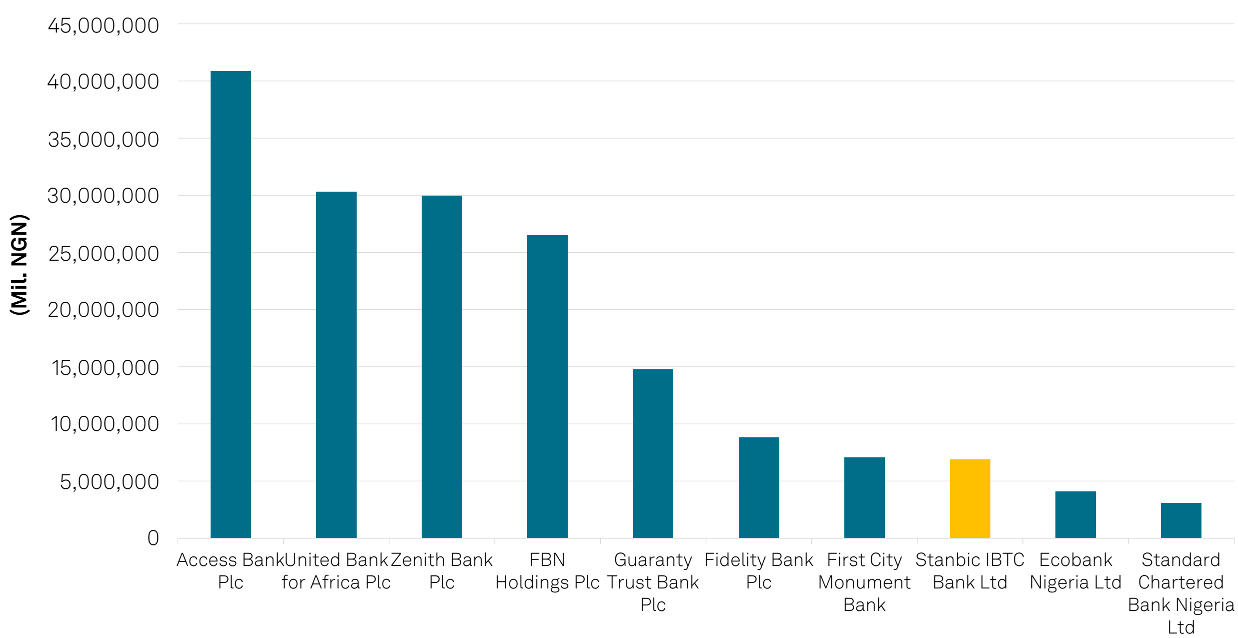
Business Position: Diversified Revenue Streams Continue To Support Profitability

Our assessment of Stanbic IBTC's business position balances its modest size against its leading CIB and IAM franchises. It also recognizes the group's growing retail banking operations in the competitive Nigerian banking sector.

Chart 1

Stanbic IBTC Bank is the eighth largest banking group by assets in Nigeria

Total assets

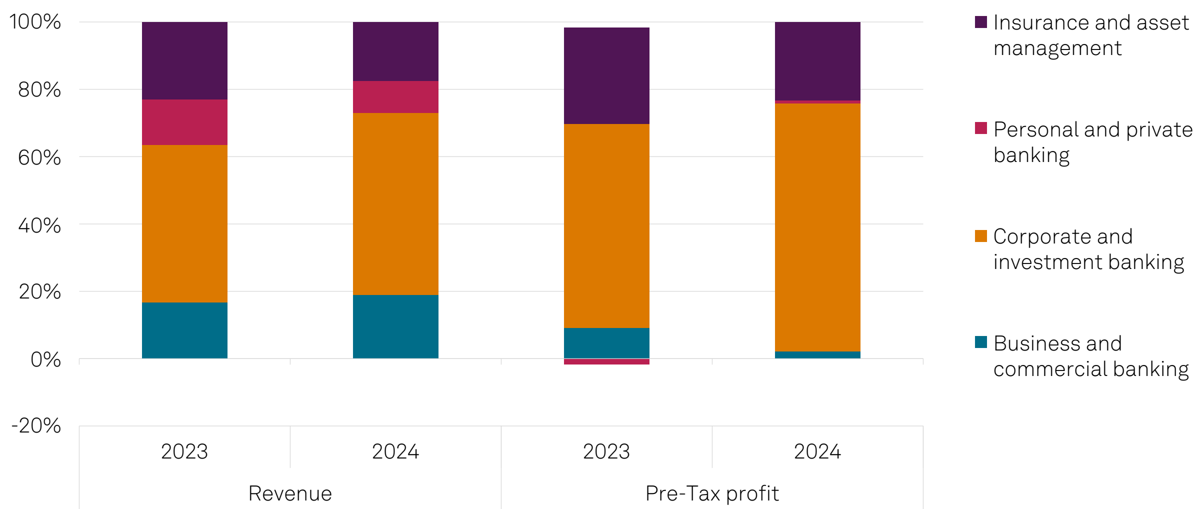


Data is as of December 2023 for Ecobank Nigeria and as of December 2024 for the rest of the banks. NGN--Nigerian naira. Source: S&P Global Ratings.

The CIB franchise benefits from SBG's business relationships and balance-sheet backing. It also collaborates with ICBC, which owns 20% in SBG, to facilitate trade flows into Nigeria as well as address the banking needs of Chinese state-owned enterprises and nationals operating locally. CIB was the bank's largest source of revenue in 2024, contributing 55% of total business in 2024, followed by BCB at 20%. IAM made up 18% of total revenue, mainly supported by noninterest income.

Chart 2

CIB remains the primary driver of SBG's revenue and profitability



Source: Company financials, S&P Global Ratings.

Despite a challenging economic environment in Nigeria, the group's operating performance has remained resilient, underpinned by stable revenue streams. In 2024, the group reported return on equity of 38%, up from 30% in 2023, led by an increase in net interest income, fees and commissions, and foreign exchange revaluation gains. Noninterest income (37% of operating revenue in 2024) supports earnings stability by shielding the bank's earnings from the effects of interest rate changes.

We expect continual revenue expansion from the segment, thanks to growth in assets under management. In addition, the group's digital drive should continue supporting growth in fees and commissions and lower cost of funding through the ramp-up of low-cost retail deposits.

Although the group's business scope is diversified, we expect it will continue to derive most of its revenue from its CIB and BCB divisions over the medium term, while the bank continues to expand its PPB and IAM offerings. Stanbic IBTC aims to become the leading end-to-end financial services provider in Nigeria. Its retail banking operations focus on maintaining low-cost deposits and a stable transactional revenue base, notably through innovation such as its integrated digital platform, which combines bank and nonbank financial services.

Capital And Earnings: Stronger Earnings And Capital Issuance Will Support Regulatory Capital

Stanbic IBTC Bank's CAR rose by 130 bps to 14.3% as of March 2025, up from 13% as of December 2024, supported by earnings accretion and capital issuance. The bank's CAR remains well above its minimum of 10.0% and 11% (including a capital conservation buffer of 1%) under the Basel II and III frameworks. We expect this trend to continue over the next 12 months.

In June 2025, the group concluded a rights issue totaling NGN148.7 billion, of which NGN140 billion was deployed to its banking subsidiary to meet paid-up capital requirements set by the Central Bank of Nigeria. We anticipate that the capital raise will add 450 bps-500 bps to the CAR, further strengthening its loss absorption capacity and supporting growth.

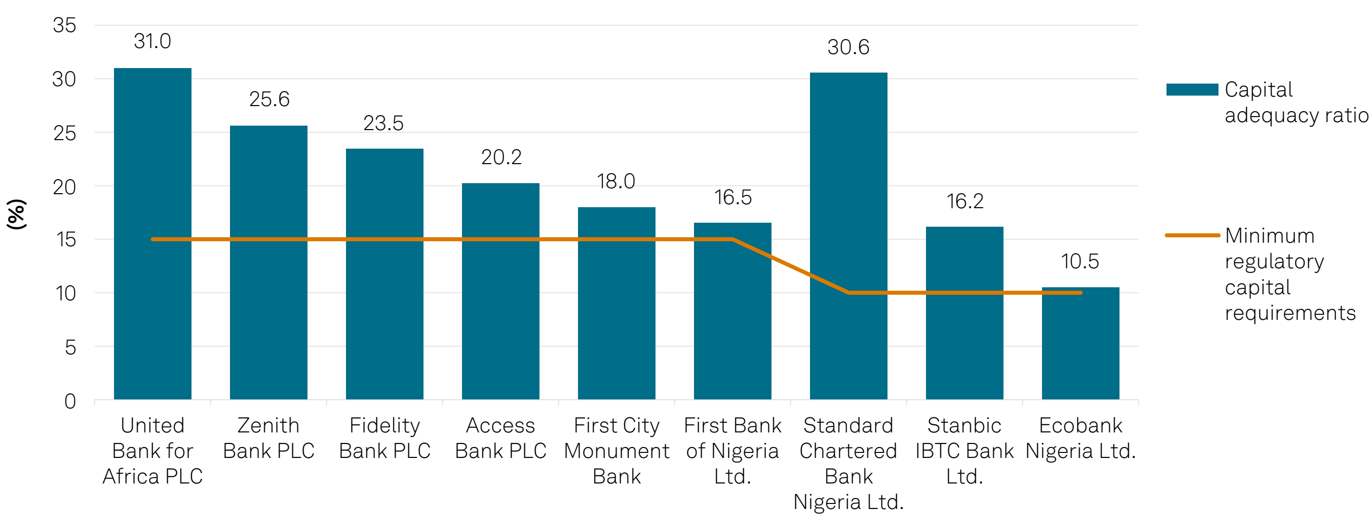
We forecast the group's RAC ratio at 4.4%-4.5% over the next 12-18 months, up from 3.3% at year-end 2024, balancing increased capitalization, asset growth, and dividend payouts. The bank's S&P Global Ratings-adjusted RAC ratio remained stable at about 3.3% in 2024, as the naira's depreciation led to an increase in risk-weighted assets. Our measure of the RAC reflects higher risk charges compared with the regulatory capital because of the very high economic risk and the treatment of elevated mandatory cash reserves in Nigeria under our RAC model.

Our projected RAC ratio assumes the following over 2025-2026:

- Loan growth of 15%-20% in 2025, reflecting the group's drive to increase loans to top corporates and retail clients;
- NIMs remaining high at about 9% in 2025, reflecting higher interest rates and growth in retail deposits;
- Operating expenses to increase by 20%-30% in 2025, reflecting high inflation and a cost-to-income ratio of about 44%, supported by higher income;
- About 15% growth in its nominal NPLs as interest rates remain higher. That said, the NPL ratio will improve marginally to about 4.1% because of higher loan growth;
- Cost of risk to improve to less than 2% on average over the forecast period;
- Rights issuance of NGN140 billion.
- Dividend distribution at 30% of net income.

Chart 3

Stanbic IBTC's capital adequacy ratio is well above the regulatory minimum



Data is as of December 2023 for Ecobank Nigeria and as of December 2024 for the rest of the banks. Source: S&P Global Ratings.

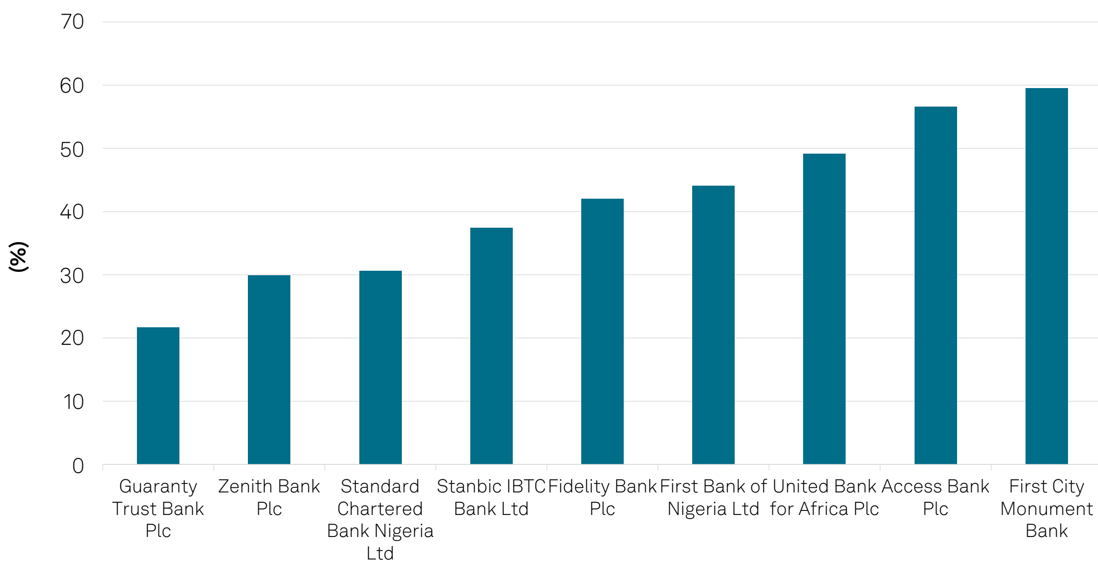
The group's quality of capital is comparable to that of peers, with Tier 2 debt constituting about 16.3% of qualifying capital as of March 31, 2025. Included within Tier 2 capital is U.S dollar-denominated subordinated debt of $40 million (NGN109.3 billion), which provides some hedging against the depreciation of the naira. The borrowing from the Standard Bank of South Africa matures in February 2031.

Earnings capacity compares well to that of mid-tier peers: ROE was 38.2% in 2024, compared with the peer average of 34.0%. We forecast ROE will remain stable over the next 12-18 months, benefitting from increased NIMs amid high interest rates. High cash reserve requirements will however continue to constrain NIMs; the central bank raised the cash reserve requirement to 50% in 2024. We expect the group's earnings buffer to average 1.2% of S&P Global Ratings risk-weighted assets through 2025. This buffer is constrained by our more conservative estimate of normalized credit losses (average losses over a credit cycle).

The group's operating efficiency also supports profitability: it had one of the lowest cost-to-income ratios of rated Nigerian banks at 37% at year-end 2024, down from 47% in 2023. Regulatory expenses, particularly the AMCON levy (0.5% of on- and off-balance sheet assets), however, remain a major cost driver for all Nigerian banks. Such costs have been increasing for Stanbic IBTC because it has significantly expanded its balance sheet over the past few years to 17% of operating expenses.

Chart 4

Stanbic IBTC's operating efficiency compares favorably to that of peers
Cost-to-income ratio



Data as of December 2024. Source: S&P Global Ratings.

Risk Position: Asset Quality Pressures Likely To Persist In 2025-2026

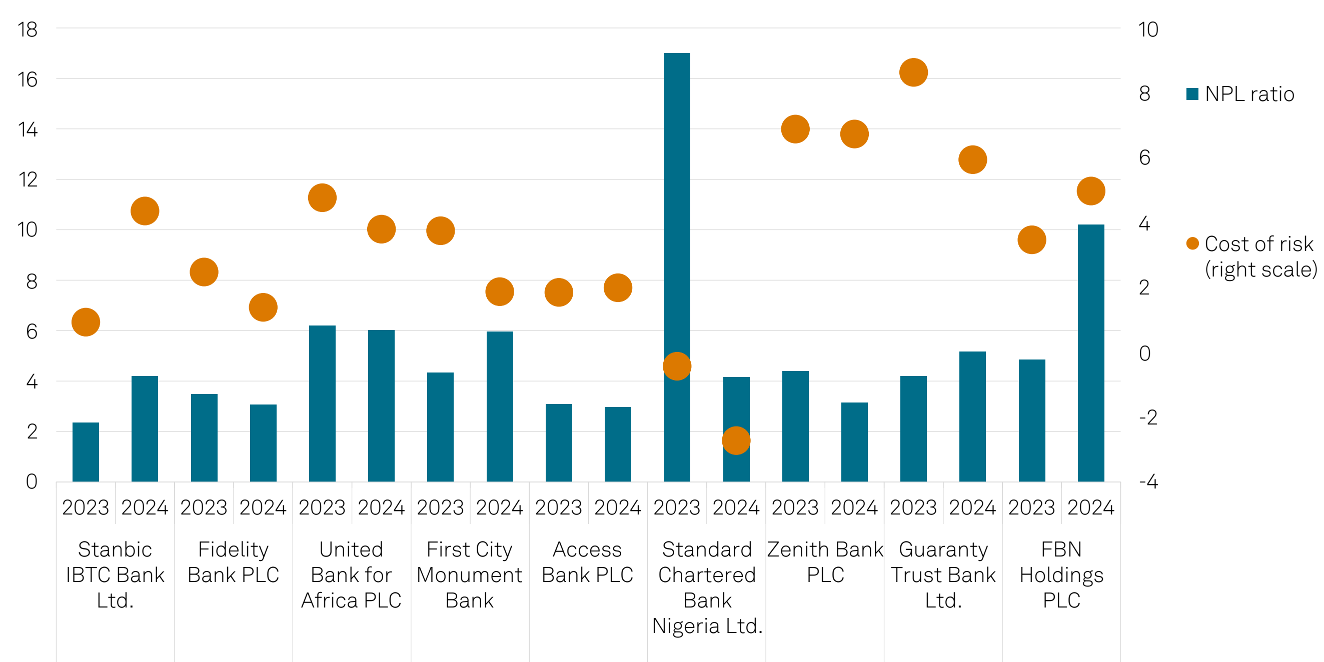
Persistent macroeconomic headwinds in Nigeria have had adverse effects on the bank's asset quality. NPLs of nominal value increased by 110% while the NPL ratio also increased by 184 bps to 4.2% in 2024 and further to 4.4% at March 2025, reflecting the impact of higher interest rates, inflation, and currency depreciation. The bank will not be impacted by the withdrawal of regulatory forbearance on exposures to the oil and gas sector as it does not have any loans in forbearance. We anticipate NPLs will remain elevated and average 4.1% of gross loans through 2025.

The pressure will moderate slightly in 2026, leading to a decrease in NPLs to around 3.7% as loan growth remains robust. We estimate new loan loss provisions at 1.9% of average total loans over the next 12-18 months. The group maintains a good loan-loss-reserve coverage of NPLs, which should remain above 100% through the forecast period. Stanbic IBTC Bank has better asset quality metrics than most peers, reflecting its prudent underwriting and risk management standards.

Chart 5

Stanbic IBTC Bank's asset quality weakened in 2024

(%)



NPLs--Nonperforming loans. *Adjusted NPLs/customer loans + other real estate owned. Source: S&P Global Ratings.

The bank has been expanding its loan book above the sector average in the recent past. However, in 2024, its gross loans increased by 18%, at a slower pace compared to previous years', as the bank adopted a more cautious lending approach amid elevated borrowing costs. This follows a 69% increase in 2023 and a 31% expansion in 2022, with currency depreciation previously serving as a key growth driver. The bank has since reduced its exposure to foreign currency lending, opting instead to prioritize loans in local currency to mitigate the risks associated with currency depreciation. As a result, foreign currency lending represented 37% of total loans at year-end 2024, versus 63% a year earlier.

Like its rated Nigerian peers, the bank exhibits high single-obligor concentration and foreign currency lending. The top 20 loans accounted for 45% of total loans at year-end 2024, while the top 20 NPLs represented about 86% of total NPLs. The high single obligor concentration reflects the group's concentration on large corporate clients--more than 64% of the loan book.

Stanbic IBTC Bank is exposed to energy transition risk given the material share of oil and gas loans in its loan book. Its oil and gas exposures accounted for about 28% of total loans as of year-end 2024, still below the sector average of 30%. About half of these were given to upstream players, 35% to downstream players, and 18% in the services sector. We expect the oil and gas sector will remain a significant component of Nigerian banks' loan books because lending opportunities could arise in the sector, which we think will benefit from increased refining capacity in 2025.

Funding And Liquidity: Deposit Growth Underpins Stable Funding Profile

Stanbic IBTC Bank's funding structure relies mostly on customer deposits. Core customer deposits increased to 62% of the group's funding base in 2024, from 57% in 2023, and low-cost current and savings account deposits also continued to expand, accounting for 75% of total deposits. Like peers, the bank saw cost of funding increase marginally--to 3.6% in 2024 from 3.2% in 2023--as interest rates remained elevated. Depositor concentration improved in 2024, with the top 10 depositors accounting for 16% of the total deposit base, versus 24% in 2023. The group benefits from a strong brand and can rely on the broader expertise within SBG to drive its corporate and investment banking relationships. It reported a stable funding ratio of 128% as of Dec. 31, 2024.

The group maintains a liquid balance sheet and its liquidity indicators are in line with those of its peers. Broad liquid assets covered short-term wholesale funding by 2.2x as of Dec. 31, 2024. It also has access to foreign currency facilities that ensure stable access to foreign currency liquidity. Stanbic IBTC has maintained a committed foreign currency revolving facility with Standard Bank of South Africa since 2017, to provide up to $50 million. So far, the group has not drawn funds under the agreement. With a weaker naira, the share of foreign currency deposits has increased as clients use them as a hedging mechanism. They represented about 60% of total deposits as of Dec. 31, 2024, compared with 47% in 2023.

Support: Uplift For Group Support Constrained By A Low Sovereign Rating

We assess the group's SACP at 'b' and do not add any notch of support because of the lower sovereign rating. However, we continue to view the group as strategically important to its South African parent, SBG. This reflects SBG's strategic emphasis on Africa and the importance of the Stanbic IBTC subgroup within its African operations. Furthermore, the subgroup benefits from risk management support and additional capital and liquidity from SBG. Consequently, we believe Stanbic IBTC and, by extension, the bank, is likely to receive capital and liquidity support if needed. Stanbic IBTC is a member of the SBG, which has a 68.46% equity holding interest through Stanbic Africa Holdings Ltd.

Additional Rating Factors

We do not rate Nigerian banks above the sovereign because of the likely direct and indirect influence of sovereign distress on their operations, including their ability to service foreign currency obligations.

Environmental, Social, And Governance

Environmental and governance factors are negative considerations in our analysis of the Nigerian banking sector. Consequently, we apply the same considerations to our credit rating analysis of Stanbic IBTC.

Energy transition risk is material for the Nigerian banking system because of its large direct exposures to the oil and gas sector. This industry makes up about one-third of systemwide loans, which weakens economic resilience and credit risk in Nigeria, in our view.

The governance indicator is largely driven by weak banking regulation and supervision in Nigeria, which weighs on our institutional framework score, under our banking industry country risk assessment. Existing gaps in corporate governance in the wider economy could affect the banking sector. Stanbic IBTC, however, benefits from the governance and risk management oversight of its parent SBG.

Key Statistics

Stanbic IBTC Bank Ltd--Key figures

Mil. NGN	2025*	2024	2023	2022	2021
Adjusted assets	7,393,717	6,909,320	5,142,657	3,025,245	2,738,525
Customer loans (gross)	2,388,918	2,470,693	2,091,138	1,238,195	946,259
Adjusted common equity	742,761	621,729	493,690	375,450	342,731
Operating revenues	203,014	646,564	354,112	239,234	170,777
Noninterest expenses	89,649	241,898	165,248	128,397	104,499
Core earnings	82,343	226,629	141,171	81,122	58,607

*2025 data is as of March 31, 2025. NGN--Nigerian naira.

Stanbic IBTC Bank Ltd--Business position

(%)	2025*	2024	2023	2022	2021
Total revenues from business line (currency in millions)	203,014	646,844	355,166	240,113	171,145
Insurance activities/total revenues from business line	17.5	17.9	23.4	-	-
Investment banking/total revenues from business line	61.7	54.6	46.9	44.6	36.9
Return on average common equity	46.1	38.2	30.6	20.4	14.7

*2025 data is as of March 31, 2025.

Stanbic IBTC Bank Ltd--Capital and earnings

(%)	2025*	2024	2023	2022	2021
Tier 1 capital ratio	14.3	13.4	16.5	19.5	19.3
S&P Global Ratings' RAC ratio before diversification	N/A	3.3	3.4	4.4	4.9
Net interest income/operating revenues	73.8	63.5	49.5	47.3	44.1
Fee income/operating revenues	29.7	26.4	31.1	38.1	48.5
Market-sensitive income/operating revenues	(3.4)	9.1	17.6	14.6	7.2
Cost to income ratio	44.2	37.4	46.7	53.7	61.2
Preprovision operating income/average assets	6.3	6.7	4.6	3.8	2.5
Core earnings/average managed assets	4.6	3.8	3.5	2.8	2.2

*2025 data is as of March 31, 2025.

Stanbic IBTC Bank Ltd RACF [Risk-Adjusted Capital Framework] Data

(Mil. NGN)	Exposure*	Basel III RWA	Average Basel III RW(%)	Standard & Poor's RWA	Average Standard & Poor's RW (%)
Credit risk					
Government & central banks	3,472,324	0	0	7,515,980	216
Of which regional governments and local authorities	0	0	0	0	0
Institutions and CCPs	740,681	0	0	1,833,407	248
Corporate	2,697,246	3,847,206	143	6,612,317	245
Retail	181,649	0	0	408,710	225
Of which mortgage	0	0	0	0	0
Securitization§	0	0	0	0	0
Other assets†	230,881	0	0	710,109	308
Total credit risk	7,322,780	3,847,206	53	17,080,524	233
Credit valuation adjustment					
Total credit valuation adjustment	'--	0	'--	0	'--
Market Risk					
Equity in the banking book	60,586	0	0	434,945	718
Trading book market risk	'--	54,355	'--	101,916	'--
Total market risk	'--	54,355	'--	536,861	'--

Operational risk					
Total operational risk	'--	530,838	'--	1,235,764	'--
(Mil. NGN)	Exposure	Basel III RWA	Average Basel II RW (%)	S&P Global RWA	% of S&P Global RWA
Diversification adjustments					
RWA before diversification	'--	4,432,399	'--	18,853,149	100
Total Diversification/ Concentration Adjustments	'--	'--	'--	37,247,874	198
RWA after diversification	'--	4,432,399	'--	56,101,023	298
(Mil. NGN)		Tier 1 capital	Tier 1 ratio (%)	Total adjusted capital	S&P Global RAC ratio (%)
Capital ratio		Standard & Poor's RWA	Standard & Poor's RWA	Standard & Poor's RWA	Standard & Poor's RWA
Capital ratio before adjustments		595,241	13.4	621,729	3.3
Capital ratio after adjustments‡		595,241	13.4	621,729	1.1

*Exposure at default. §Securitization Exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and S&P Global Ratings' risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. ‡Adjustments to Tier 1 ratio are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. NGN -- Nigerian naira. Sources: Company data as of Dec. 31, 2024, S&P Global Ratings.

Stanbic IBTC Bank Ltd--Risk position

(%)	2025*	2024	2023	2022	2021
Growth in customer loans	(3.3)	18.2	68.9	30.9	44.4
New loan loss provisions/average customer loans	(0.6)	4.4	0.9	0.9	(0.2)
Net charge-offs/average customer loans	(0.4)	0.3	(0.0)	0.2	0.9
Gross nonperforming assets/customer loans + other real estate owned	4.4	4.2	2.4	2.3	2.2
Loan loss reserves/gross nonperforming assets	121.3	118.0	119.5	116.9	124.0

*2025 data is as of March 31, 2025.

Stanbic IBTC Bank Ltd--Funding and liquidity

(%)	2025*	2024	2023	2022	2021
Core deposits/funding base	57.5	62.4	56.80	57.4	61.2
Customer loans (net)/customer deposits	70.8	74.4	97.7	94.6	81.1
Long-term funding ratio	66.4	71.1	65.6	68.5	72.2
Stable funding ratio	128.1	127.7	109.3	115.6	131.0
Short-term wholesale funding/funding base	38.1	32.7	39.2	37.2	33.4
Broad liquid assets/short-term wholesale funding (x)	1.9	2.2	1.5	1.8	2.4
Broad liquid assets/total assets	55.2	52.5	40.9	47.6	54.2
Broad liquid assets/customer deposits	127.8	115.0	101.1	113.2	130.8

Stanbic IBTC Bank Ltd--Funding and liquidity					
Net broad liquid assets/short-term customer deposits	89.4	95.8	50.5	49.9	55.1
Short-term wholesale funding/total wholesale funding	89.7	87.0	90.6	87.3	86.1
*2025 data is as of March 31, 2025.					

Rating Component Scores

Rating Component Scores	
Issuer Credit Rating	B-/Stable/B
SACP	b
Anchor	b
Business position	Adequate (0)
Capital and earnings	Constrained (0)
Risk position	Adequate (0)
Funding and liquidity	Adequate and Adequate (0)
Comparable ratings analysis	0
Support	0
ALAC support	0
GRE support	0
Group support	0
Sovereign support	0
Additional factors	-1
SACP--Stand-alone credit profile. ALAC--Additional loss-absorbing capacity. GRE--Government-related entity.	

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, Feb. 10, 2025
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, April 30, 2024
- General Criteria: National And Regional Scale Credit Ratings Methodology, June 8, 2023
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Ratings Above The Sovereign--Corporate And Government Ratings: Methodology And Assumptions, Nov. 19, 2013

- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Nigeria Ratings Affirmed At 'B-/B'; Outlook Remains Stable, Feb. 2, 2024
- Nigerian Banking Outlook 2024: Banks Stand Firm Amid Macroeconomic Pressures, Jan. 18, 2024
- Banking Industry Country Risk Assessment: Nigeria, Nov. 30, 2023

Regulatory Disclosure

Regulatory disclosures applicable to the most recent credit rating action can be found in "Outlooks On 12 Nigerian Banks Revised To Stable After Same Action On Sovereign; Several National Scale Ratings Raised," published Aug.11, 2023, on RatingsDirect.

Glossary

- Adjusted assets: Total assets less nonservicing intangibles.
- Adjusted common equity: Common shareholders' equity plus minority interest, minus dividends (not yet distributed), minus revaluation reserves, minus nonservicing intangibles, minus interest only strips, minus tax-loss carry forwards, minus postretirement benefit adjustments.
- Anchor: The starting point for assigning a bank a long-term rating, based on economic and industry risk.
- Asset quality: A key measure of the quality and performance of the assets of a bank.
- Available stable funding: Core deposits, plus deposits due to banks (net of those that mature within one year), plus other borrowings (net of maturities within one year), plus total equity, minus intangibles.
- Business position: A measure of the strength of a bank's business operations.
- Broad liquid assets: Cash (net of restricted cash) and reserves at the central bank, plus other cash and money market, plus bank loans and reverse repos that mature in less than one year, plus total liquid assets.
- Capital and earnings: A measure of a bank's ability to absorb losses.
- Core deposits: Total deposits minus noncore deposits (such as deposits due to banks and certificates of deposits).
- Core earnings over average managed assets: Annualized core earnings, over average assets of current period and last fiscal year.
- Core earnings: Net income before minority interest, minus nonrecurring income, plus nonrecurring expenses, plus/minus tax impact on adjustments, plus amortization/impairment of goodwill/intangibles, minus preferred dividends.
- Cost of funds: Interest expense as a percentage of average interest-bearing liabilities.
- Cost of risk: As a percentage of total loans, the charge for bad and doubtful debt.

- Issuer credit rating: A forward-looking opinion about an obligor's overall creditworthiness.
- Credit losses: Losses arising from credit risk.
- Credit risk: Risk that a borrower will default on its payment obligations.
- Customer loans (gross): Total customer loans before loan loss reserves.
- Customer loans (net) over customer deposits: Gross customer loans net of loan loss reserves, over core deposits.
- Earning capacity: The capacity of a bank to generate sufficient earnings against losses and the primary way that a bank builds or maintains its capitalization.
- ESG credit factors: Those environmental, social, and governance (ESG) factors that can materially influence the creditworthiness of a rated entity or issue and for which we have sufficient visibility and certainty to include in our credit rating analysis. These credit factors can have a negative or positive impact on creditworthiness, depending on whether they represent a risk or an opportunity.
- Fee income over operating revenues: Net income on fees and commissions over operating revenues.
- Funding and liquidity: A combined assessment of the strength and stability of a bank's funding mix and its ability to manage its liquidity needs in adverse market and economic conditions over an extended period.
- Funding base: Total deposits, plus acceptances, repurchase agreements, and other borrowings (including commercial papers, short- and long-term debt, subordinated debt, and minimal equity content hybrids).
- Gross nonperforming assets over customer loans plus other real estate owned over customer loans: Nonaccrual loans, plus restructured loans, plus repossessed assets plus loans 90-days past due; over gross customer loans plus repossessed assets.
- Loan loss reserves over gross nonperforming assets: General plus specific reserves, over adjusted nonperforming assets (nonaccrual loans plus restructured loans plus repossessed assets plus 90-day past due loans).
- Long-term funding ratio: Available stable funding, over funding base plus total equity, minus intangibles.
- National scale rating: An opinion of an obligor's creditworthiness or overall capacity to meet specific financial obligations, relative to other issuers and issues in a given country or region.
- Net interest income over operating revenues: Net interest income (including net interest income on loans, securities, and other assets), over operating revenues.
- New loan loss provisions over average customer loans: Credit loss provisions (including specific loan provisions and general and other provisions) minus recoveries, over average gross customer loans of current period and last fiscal year.
- Noninterest expenses: Salaries and general administrative expenses (including depreciations and amortizations).
- Operating revenues: Net interest income, plus operating noninterest income (that mainly includes fees and commissions and trading gains).

- Preprovision operating income over average assets: Operating revenues minus noninterest expenses, over average assets.
- Return on equity (ROE): Net income before extraordinary results minus preferred dividends over average common(average between current period and last fiscal period).
- Risk position: Our view of the specific risk characteristics of a particular bank.
- Risk-adjusted capital (RAC) ratio before diversification: This is calculated according to S&P Global Ratings' methodology as total adjusted capital over risk-adjusted assets.
- Short-term wholesale funding: Debt securities that mature in less than one year (of commercial papers, debt and senior and subordinated bonds), plus bank deposits that mature in less than one year.
- Sovereign support: An assessment of the likelihood that the government would provide extraordinary support to a bank.
- Short-term wholesale funding: Debt securities that mature in less than one year (of commercial papers, debt and senior and subordinated bonds), plus bank deposits that mature in less than one year.
- Stable funding needs: Restricted cash and reserves at the central bank, plus interbank deposits, plus loans to banks (net of maturities within one year), plus reverse repurchase agreements, plus gross customer loans net of loan-loss reserves, plus securities, minus total liquid securities, plus equity participations in nonfinancial entities, plus fixed assets, plus other assets (considering foreclosed assets, tax loss carry forwards, and deferred assets).
- Stable funding ratio: Available stable funding over stable funding needs.
- Stand-alone credit profile (SACP): An interim step in assessing a bank's overall creditworthiness. It includes government support, but not extraordinary government support.
- Total adjusted capital (TAC): adjusted common equity plus admissible preferred instruments and hybrids.
- Total wholesale funding: Noncore deposits, plus acceptances, repurchase agreements, other borrowings (including commercial papers, debt and senior and subordinated bonds, minimal equity content hybrids), and total equity, minus minority interest and common shareholders' equity.

Ratings Detail (as of July 24, 2025)*

Stanbic IBTC Bank PLC		
Issuer Credit Rating		B-/Stable/B
Nigeria National Scale		ngBBB/--/ngA-2
Issuer Credit Ratings History		
11-Aug-2023		B-/Stable/B
08-Feb-2023		B-/Negative/B
31-Mar-2020		B-/Stable/B
11-Aug-2023	*Nigeria National Scale*	ngBBB/--/ngA-2
08-Feb-2023		ngBBB-/--/ngA-3
31-Mar-2020		ngBBB/--/ngA-2
Sovereign Rating		

Ratings Detail (as of July 24, 2025)*	
Nigeria	B-/Stable/B
Nigeria National Scale	ngBBB+/--/ngA-2
Related Entities	
Liberty Group Ltd.	
Issuer Credit Rating	
South Africa National Scale	zaAA+/--/zaA-1+
Subordinated	
South Africa National Scale	zaA+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.