

RATING ANNOUNCEMENT

GCR affirms Stanbic IBTC Bank Limited's national scale long and short-term Issuer ratings of AAA_(NG)/ A1+_(NG); Outlook Stable

Rating action

Lagos, 26 May 2026 – GCR Ratings (GCR) has affirmed Stanbic IBTC Bank Limited's (Stanbic IBTC Bank or the bank) national scale long and short-term issuer ratings of AAA_(NG) and A1+_(NG) respectively, with a Stable Outlook.

Rated entity	Rating class	Rating scale	Rating	Outlook
Stanbic IBTC Bank Limited	Long Term Issuer	National	AAA _(NG)	Stable
	Short Term Issuer	National	A1+ _(NG)	

Rating rationale

Stanbic IBTC Bank's ratings continue to reflect the strengths and weaknesses of Stanbic IBTC Holdings Plc (Stanbic Holdings or the group), given the bank's position as the core operating entity within the group, accounting for 96.3% and 79.1% of total assets and revenue respectively as of 31 December 2025. While the ratings have been assigned exclusively to Stanbic IBTC Bank, the analytical assessments are based on the broader business and financial profile of the group.

The overall ratings benefit from sound competitive position, good asset quality, stable funding structure, adequate liquidity position and improved capitalisation. The ratings are also bolstered by the robust financial and technical support from the ultimate parent, Standard Bank Group, one of the largest banking groups in Africa by balance sheet size and earnings.

Stanbic IBTC Holdings is one of the largest financial services groups in Nigeria, with a strong presence across major segments including commercial banking, investment banking, asset management, pension management, custodian services, insurance, fintech and stockbroking. Specifically, Stanbic IBTC Bank is one of top tier two banks in Nigeria, and has maintained a strong growth trajectory, with the total assets increasing by 24.0% to NGN8.3 trillion (USD5.8 billion) as of 31 December 2025, representing c.4% market share. The group also maintains strong portfolio of non-bank subsidiaries, including the largest pension and non-pension fund managers in Nigeria. This continues to support earnings and product diversification as well as cross-selling opportunities across the franchise. Operating revenue and profitability remain robust, underpinned by stable earnings contribution from both banking and non-bank operations as well as ongoing operating efficiency initiatives. As a result, the group's return on average equity (ROAE) and return on adjusted assets (ROAA) remain strong at 44.8% and 3.6% respectively as of 31 December 2025, (31 December 2024: 40.9% and 2.5% respectively) and compare favourably with peers.

Capitalisation improved during the review period, driven by good earnings retention and additional equity injection to fully comply with the new capital requirement. As such, the GCR core capital ratio strengthened to 16.9% in December 2025 (December 2024: 14.7%) and further improved to 22.8% as of 31 March 2026 due to a reduction of risk-weighted assets. Additionally, the bank's regulatory capital adequacy ratio has been consistently maintained above regulatory minimum of 10% for its licence category. Looking ahead, we expect the GCR core capital ratio to remain around 18.0% - 20.0% over the next 12-18 months, underpinned sustained earnings retention and cautious loan book growth.

Stanbic IBTC Bank's risk position remains stable, with asset quality metrics that are better than industry average. As of 31 March 2026, non-performing loans (NPL) and credit losses ratios registered at 3.1% and 0.5% respectively (December 2025: 3.4% and 0.6%), below the industry average of c.8% and 3.5%. Furthermore, loan loss reserve coverage of Stage 3 loans has averaged 115.2% over the past five years (2021-2025) and this implies that future earnings is protected from unexpected losses that could stem from low provisioning. However, obligor concentration remains high, with the top twenty obligors accounting for 45.6% of gross loans in December 2025 (December 2024: 44.3%). Foreign currency (FCY) loans to gross loans registered at 40.1% in December 2025 (December 2024: 37.0%) and this remains within the bank's internal limit. Looking ahead, we expect asset quality metrics to remain at similar levels.

The group's funding and liquidity is positive to the ratings, underpinned by a stable funding base and a liquid balance sheet. The group is largely funded by customer deposits, which has averaged 60.0% of funding base for the past five years (2021-2025). As of March 2026, customer deposits declined by 6.4% to NGN4.1 trillion, driven by deliberate efforts to reduce reliance on expensive deposits in order to support lower funding costs. Consequently, the proportion of current and savings accounts (CASA) deposits to deposits pool increased to 71.5% as of 31 March 2026 (31 December 2025: 62.6%), while the cost of funds was lower at 3.7% (December 2025: 4.4%). Liquidity is sound, with GCR liquid assets coverage of customer deposits and wholesale funding improving to 75.5% and 6.4x, respectively as of 31 March 2026 (31 December 2025: 57.4% and 3.3x respectively). We expect the funding and liquidity to remain strong over the next 12-18 months.

Stanbic IBTC Bank's national scale Issuer ratings benefit from parental support. Although the group contributes less than 10% to Standard Bank Group's asset and revenue, there is evidence of support from and assimilation with the parent. We believe Standard Bank Group has the capacity to support the group and bank.

Outlook statement

The stable outlook reflects our expectation that the group's financial profile would remain sound, with asset quality metrics contained and below the industry's averages. We expect the GCR core capital ratio to range between 18.0% - 20.0%. Funding and liquidity position is expected to remain stable, predicated on the good deposit mobilisation capacity as well as other funding options.

Rating triggers

The long and short-term national scale ratings are at the AAA_(NG) and A1+_(NG) ceilings, respectively. However, a rating downgrade could stem from GCR core capital ratio falling below 18.0% and NPL ratio registering above 5.0%.

Analytical contacts

Primary analyst

Lagos, NG

Committee chair

Johannesburg, ZA

Afeez Tijani

AfeezT@GCRratings.com

Corné Els

Els@GCRratings.com

Analyst, Financial Institutions

+2341 904 9462

Sector Head, Financial Institutions

+27 11 784 1771

Related criteria and research

Criteria for the GCR Ratings Framework, May 2024

Criteria for Rating Financial Institutions, May 2024

GCR Ratings Scales, Symbols & Definitions, May 2023

GCR Country Risk Scores, March 2026

GCR Financial Institutions Sector Risk Score, December 2025

Ratings history

Stanbic IBTC Bank Limited

Rating class	Review	Rating	Rating	Outlook	Date
Long Term Issuer	Initial	National	AA-(NG)	Stable	December 2006
Short Term Issuer	Initial	National	A1+(NG)		December 2006
Long Term Issuer	Last	National	AAA(NG)	Stable	May 2025
Short Term Issuer	Last	National	A1+(NG)		May 2025

Risk score summary

Rating Components & Factors

Rating Components & Factors	Score
Operating environment	7.50
Country risk score	3.75
Sector risk score	3.75
Business profile	1.00
Competitive position	1.00
Sustainability	0.00
Financial profile	1.25
Capital and leverage	0.00
Risk	0.50
Funding and liquidity	0.75
Comparative profile	1.75
Group support	1.75
Peer comparison	0.00
Total Risk Score	11.50

Glossary

Accounting	A process of recording, summarising, and allocating all items of income and expense of the company and analysing, verifying and reporting the results.
Affirmation	See GCR Rating Scales, Symbols and Definitions.
Asset Quality	Refers primarily to the credit quality of a bank's earning assets, the bulk of which comprises its loan portfolio, but will also include its investment portfolio as well as off balance sheet items. Quality in this context means the degree to which the loans that the bank has extended are performing (ie, being paid back in accordance with their terms) and the likelihood that they will continue to perform.
Asset	A resource with economic value that a company owns or controls with the expectation that it will provide future benefit.
Balance Sheet	Also known as Statement of Financial Position. A statement of a company's assets and liabilities provided for the benefit of shareholders and regulators. It gives a snapshot at a specific point in time of the assets the company holds and how they have been financed.
Capital Adequacy	A measure of the adequacy of an entity's capital resources in relation to its risks.
Capital	The sum of money that is invested to generate proceeds.
Cash	Funds that can be readily spent or used to meet current obligations.
Customer Deposit	Cash received in exchange for a service, including safekeeping, savings, investment, etc. Customer deposits are a liability in a bank's books.
Diversification	Spreading risk by constructing a portfolio that contains different exposures whose returns are relatively uncorrelated. The term also refers to companies which move into markets or products that bear little relation to ones they already operate in.
Downgrade	The rating has been lowered on its specific scale.
Environment	The surroundings or conditions in which an entity operates (Economic, Financial, Natural).
Equity	Equity is the holding or stake that shareholders have in a company. Equity capital is raised by the issue of new shares or by retaining profit.
Exchange Rate	The value of one country's currency expressed in terms of another.
Exposure	Exposure is the amount of risk the holder of an asset or security is faced with as a consequence of holding the security or asset. For a company, its exposure may relate to a particular product class or customer grouping. Exposure may also arise from an overreliance on one source of funding. In insurance, it refers to an individual or company's vulnerability to various risks
Financial Year	The year used for accounting purposes by a company or government. It can be a calendar year, or it can cover a different period, often starting in April, July or October. It can also be referred to as the fiscal year.
Forbearance	A temporary suspension of repayments, granted by a creditor to a debtor.
Income	Money received, especially on a regular basis, for work or through investments.
Insurance	Provides protection against a possible eventuality.
Interest Rate	The charge or the return on an asset or debt expressed as a percentage of the price or size of the asset or debt. It is usually expressed on an annual basis.
Interest	Scheduled payments made to a creditor in return for the use of borrowed money. The size of the payments will be determined by the interest rate, the amount borrowed or principal and the duration of the loan.
Issuer Ratings	See GCR Rating Scales, Symbols and Definitions.
Issuer	The party indebted or the person making repayments for its borrowings.
Liquid Assets	Assets, generally of a short term, that can be converted into cash.
Liquidity	The speed at which assets can be converted to cash. It can also refer to the ability of a company to service its debt obligations due to the presence of liquid assets such as cash and its equivalents. Market liquidity refers to the ease with which a security can be bought or sold quickly and in large volumes without substantially affecting the market price.
Loan	A sum of money borrowed by a debtor that is expected to be paid back with interest to the creditor. A debt instrument where immovable property is the collateral for the loan. A mortgage gives the lender a right to take possession of the property if the borrower fails to repay the loan. Registration is a prerequisite for the existence of any mortgage loan. A mortgage can be registered over either a corporeal or incorporeal property, even if it does not belong to the mortgagee. Also called a Mortgage bond.
Loss	1. A tangible or intangible, financial or non-financial loss of economic value. 2. The happening of the event for which insurance pays (insurance).
Market	An assessment of the property value, with the value being compared to similar properties in the area.
Monetary Policy	Measures taken by the central bank to influence the quantity of money or the rate of interest with a view to achieving stable prices, full employment and economic growth.
National Scale Rating	National scale ratings measure creditworthiness relative to issuers and issues within one country.
Obligor	The party indebted or the person making repayments for its borrowings.
Performing Loan	A loan is said to be performing if the borrower is paying the interest on it on a timely basis.
Performing	An obligation that performs according to its contractual obligations.
Policy	The legal document issued by the company to the policyholder, which outlines the conditions and terms of the insurance.
Provision	The amount set aside or deducted from operating income to cover expected or identified loan losses.
Rating Outlook	See GCR Rating Scales, Symbols and Definitions.

Regulatory Capital	The total of primary, secondary and tertiary capital.
Reserve Requirement	Minimum amount of cash or cash equivalents (computed as a percentage of deposits) that banks are required by law to keep on hand, and which may not be used for lending or investing. Reserve requirements serve as a safeguard against a sudden and inordinate demand for withdrawals, and as a control mechanism for injecting cash (liquidity) into, or withdrawing it from, an economy.
Reserve	(1) An amount representing actual or potential liabilities kept by an insurer to cover debts to policyholders. (2) An amount allocated for a special purpose. Note that a reserve is usually a liability and not an extra fund. On occasion a reserve may be an asset, such as a reserve for taxes not yet due.
Risk	The chance of future uncertainty (i.e. deviation from expected earnings or an expected outcome) that will have an impact on objectives.
Shareholder	An individual, entity or financial institution that holds shares or stock in an organisation or company.
Short Term	Current; ordinarily less than one year.
Trust	A third party that acts in the best interest of another party, according to the trust deed, usually the investors. Owner of a securitisation vehicle that acts in the best interest of the Noteholders.
Trustee	An individual or firm that holds or administers property or assets for the benefit of a third party.
Weighted	The weight that a single obligation has in relation to the aggregated pool of obligations. For example, a single mortgage principal balance divided by the aggregated mortgage pool principal balance.

Salient points of accorded rating

GCR affirms that a.) no part of the rating process was influenced by any other business activities of the credit rating agency; b.) the ratings process was based solely on the merits of the rated entity, security or financial instrument being rated; and c.) the ratings process was an independent evaluation of the risks and merits of the rated entity, security or financial instrument.

The credit ratings have been disclosed to the rated entity.

The ratings above were solicited by, or on behalf of, the rated entity.

The rated entity participated in the rating process via in person interaction and/or via online virtual interaction and/or via electronic and/or verbal communication and correspondence. Furthermore, the quality of information received was considered adequate and has been independently verified where possible. The information received from the rated entity and other reliable third parties to accord the credit ratings included:

- The audited financial results to 31 December 2025
- Unaudited three-month management account as of 31 March 2026
- Other related documents
- Exchange Rate Source: Central Bank of Nigeria USD1.00 =NGN1387.00 (31 March 2026), NGN1436.31 (31 December 2025)

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