

QUARTERLY FINANCIAL STATEMENTS AND DISCLOSURES AS AT 30 JUNE 2017

I STATEMENT OF FINANCIAL POSITION

	BANK 30 JUN 2016 Shs '000 (Unaudited)	BANK 31 DEC 2016 Shs '000 (Audited)	BANK 31 MAR 2017 Shs '000 (Unaudited)	BANK 30 JUN 2017 Shs '000 (Unaudited)	GROUP 30 JUN 2016 Shs '000 (Unaudited)	GROUP 31 DEC 2016 Shs '000 (Audited)	GROUP 31 MAR 2017 Shs '000 (Unaudited)	GROUP 30 JUN 2017 Shs '000 (Unaudited)
A ASSETS								
1 Cash (both local and foreign)	70,449	81,522	90,255	79,636	70,449	81,522	90,255	79,636
2 Balances due from Central Bank of Kenya	636,557	291,682	277,436	594,187	636,557	291,682	277,436	594,187
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	90,171	89,427	87,678	89,650	90,171	89,427	87,678	89,650
5 Investment Securities	-	-	-	-	-	-	-	-
a) Held to Maturity:	5,017,605	5,017,588	5,071,947	4,709,939	5,045,411	5,038,692	5,092,985	4,731,036
i. Kenya Government Securities	5,017,605	5,017,588	5,071,947	4,709,939	5,045,411	5,038,692	5,092,985	4,731,036
ii. Other securities	-	-	-	-	-	-	-	-
b) Available for sale:	805,499	805,499	805,499	805,499	805,499	805,499	805,499	805,499
i. Kenya Government Securities	-	-	-	-	-	-	-	-
ii. Other securities	805,499	805,499	805,499	805,499	805,499	805,499	805,499	805,499
6 Deposits and balances due from local banking institutions	936,405	943,219	1,204,298	1,196,741	936,405	943,219	1,204,298	1,196,741
7 Deposits and balances due from banking institutions abroad	110,650	103,790	60,318	48,058	110,650	103,790	60,318	48,058
8 Tax recoverable	21,043	11,172	4,169	19,260	24,976	15,108	8,024	23,111
9 Loans and advances to customers (net)	8,994,367	8,733,212	8,497,966	8,822,464	8,994,367	8,733,212	8,497,966	8,822,464
10 Balances due from banking institutions in the group	-	-	-	-	-	-	-	-
11 Investments in associates	-	-	-	-	-	-	-	-
12 Investments in subsidiary companies	32,048	32,048	32,048	32,048	-	-	-	-
13 Investment in joint ventures	-	-	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-	-	-
15 Property, plant and equipment	128,237	229,185	120,896	118,142	128,237	229,185	120,896	118,142
16 Prepaid lease rentals	3,904	3,873	3,858	3,843	3,904	3,873	3,858	3,843
17 Intangible assets	-	-	-	-	-	-	-	-
18 Deferred tax asset	2,402	7,313	7,313	7,313	2,613	7,374	7,374	7,374
19 Retirement benefit asset	-	-	-	-	-	-	-	-
20 Other assets	163,804	68,852	171,684	184,205	163,879	68,852	172,312	184,205
21 TOTAL ASSETS	17,013,141	16,418,382	16,435,365	16,710,985	17,013,118	16,411,435	16,428,899	16,703,946
B LIABILITIES								
22 Balances due to Central Bank of Kenya	2,015,515	4,243,454	4,235,846	4,385,647	2,015,515	4,243,454	4,235,846	4,385,647
23 Customer deposits	7,390,935	5,788,514	5,748,253	6,455,494	7,379,077	5,768,453	5,728,274	6,434,619
24 Deposits and balances due to local banking institutions	2,634,090	1,992,483	2,264,094	1,802,265	2,634,090	1,992,483	2,264,094	1,802,265
25 Deposits and balances due to foreign banking institutions	-	-	-	-	-	-	-	-
26 Other money market deposits	-	-	-	-	-	-	-	-
27 Borrowed funds	1,809,378	1,229,274	1,010,226	872,055	1,809,378	1,229,274	1,010,226	872,055
28 Balances due to banking institutions in the group	-	-	-	-	-	-	-	-
29 Tax payable	-	-	-	-	-	-	-	-
30 Dividends payable	-	-	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-	-	-	-
33 Other liabilities	250,666	261,313	257,274	285,677	251,257	262,106	258,228	286,632
34 TOTAL LIABILITIES	14,100,584	13,515,038	13,515,693	13,801,138	14,089,317	13,495,770	13,496,668	13,781,218
C SHAREHOLDERS' EQUITY								
35 Paid up/Assigned capital	1,042,500	1,042,500	1,042,500	1,042,500	1,042,500	1,042,500	1,042,500	1,042,500
36 Share Premium (discount)	-	-	-	-	-	-	-	-
37 Revaluation reserves	721,379	721,379	721,379	721,379	721,379	721,379	721,379	721,379
38 Retained earnings	783,805	702,112	673,462	615,502	795,049	714,433	686,021	628,383
39 Statutory loan loss reserve	364,592	437,072	482,050	530,185	364,592	437,072	482,050	530,185
40 Other reserves	281	281	281	281	281	281	281	281
41 Proposed Dividends	-	-	-	-	-	-	-	-
42 Capital grants	-	-	-	-	-	-	-	-
43 TOTAL SHAREHOLDERS' EQUITY	2,912,557	2,903,344	2,919,672	2,909,847	2,923,801	2,915,665	2,932,231	2,922,728
44 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	17,013,141	16,418,382	16,435,365	16,710,985	17,013,118	16,411,435	16,428,899	16,703,946

II STATEMENT OF COMPREHENSIVE INCOME

	BANK 30 JUN 2016 Shs '000 (Unaudited)	BANK 31 DEC 2016 Shs '000 (Audited)	BANK 31 MAR 2017 Shs '000 (Unaudited)	BANK 30 JUN 2017 Shs '000 (Unaudited)	GROUP 30 JUN 2016 Shs '000 (Unaudited)	GROUP 31 DEC 2016 Shs '000 (Audited)	GROUP 31 MAR 2017 Shs '000 (Unaudited)	GROUP 30 JUN 2017 Shs '000 (Unaudited)
1 INTEREST INCOME								
1.1 Loans and advances	620,274	1,150,042	215,444	427,366	620,274	1,150,042	215,444	427,366
1.2 Government securities	283,548	569,939	140,341	278,653	285,180	572,059	140,900	279,770
1.3 Deposits and placements with banking institutions	15,882	30,166	8,665	20,982	15,882	30,166	8,665	20,982
1.4 Other interest income	-	-	-	-	-	-	-	-
1.5 Total Interest Income	919,704	1,750,147	364,450	727,001	921,336	1,752,267	365,009	728,118
2 INTEREST EXPENSES								
2.1 Customer deposits	554,132	975,524	131,538	278,994	554,052	974,190	131,400	278,716
2.2 Deposits and placements from banking institutions	118,489	270,015	122,254	243,402	118,489	270,015	122,254	243,402
2.3 Other Interest expenses	9,090	21,170	5,310	8,381	9,090	21,170	5,310	8,381
2.4 Total Interest Expenses	681,711	1,266,709	259,102	530,777	681,631	1,265,375	258,964	530,499
3 NET INTEREST INCOME	237,993	483,438	105,348	196,224	239,705	486,892	106,045	197,619
4 NON-OPERATING INCOME								
4.1 Fees and commissions income on loans & advances	11,902	18,614	4,633	6,427	11,902	18,614	4,633	6,427
4.2 Other fees and commissions income	9,112	17,308	3,403	6,192	9,112	17,308	3,403	6,192
4.3 Foreign exchange trading income	13,953	25,825	6,845	15,244	13,953	25,825	6,845	15,244
4.4 Dividend income	-	-	-	-	-	-	-	-
4.5 Other income	25,954	61,825	12,925	26,277	25,954	61,825	12,925	26,277
4.6 Total Non-Interest Income	60,921	123,572	27,806	54,140	60,921	123,572	27,806	54,140
5 TOTAL OPERATING INCOME	298,914	607,010	133,154	250,364	300,626	610,464	133,851	251,759
6 OTHER OPERATING EXPENSES								
6.1 Loan loss provision	33,366	126,338	18,335	55,524	33,445	126,091	18,409	55,672
6.2 Staff costs	88,395	203,210	49,311	97,746	88,395	203,210	49,311	97,746
6.3 Directors' emoluments	5,489	11,406	3,400	5,568	5,539	11,506	3,425	5,618
6.4 Rental charges	-	-	-	-	-	-	-	-
6.5 Depreciation on property and equipment	10,434	19,704	4,480	9,211	10,434	19,704	4,480	9,211
6.6 Amortisation charges	30	61	15	30	30	61	15	30
6.7 Other operating expenses	62,718	151,381	34,287	72,998	62,997	152,137	34,546	73,394
6.8 Total other operating Expenses	200,433	512,100	109,828	241,075	200,840	512,709	110,186	241,671
7 Profit before tax and exceptional items	98,481	94,910	23,326	9,289	99,786	97,755	23,665	10,088
8 Exceptional items	-	-	-	-	-	-	-	-
9 Profit after exceptional items	98,481	94,910	23,326	9,289	99,786	97,755	23,665	10,088
10 Current tax	(29,544)	(40,097)	(6,998)	(2,787)	(29,936)	(40,801)	(7,099)	(3,025)
11 Deferred tax	-	4,911	-	-	-	4,761	-	-
12 Profit after tax and exceptional items	68,937	59,724	16,328	6,502	69,850	61,715	16,566	7,063
Other Comprehensive Income								
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-	-	-	-
13.2 Fair value changes in available-for-sale financial assets	-	-	-	-	-	-	-	-
13.3 Revaluation Surplus on property, plant and equipment	-	-	-	-	-	-	-	-
13.4 Share of other comprehensive income of associates	-	-	-	-	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	-	-	-	-	-	-	-	-
14 Other comprehensive income for the year net of tax	-	-	-	-	-	-	-	-
15 Total comprehensive income for the year	68,937	59,724	16,328	6,502	69,850	61,715	16,566	7,063

III OTHER DISCLOSURES

	30 JUN 2016 Shs '000 (Unaudited)	31 DEC 2016 Shs '000 (Audited)	31 MAR 2017 Shs '000 (Unaudited)	30 JUN 2017 Shs '000 (Unaudited)
1) NON-PERFORMING LOANS AND ADVANCES				
a) Gross non-performing loans and advances	2,072,275	2,594,459	2,598,455	2,679,951
less:				
b) Interest in suspense	254,045	322,834	347,485	372,914
c) Total Non-Performing Loans and Advances (a-b)	1,818,230	2,271,625	2,250,970	2,307,037
less:				
d) Loan loss provisions	878,379	1,026,488	1,097,429	1,186,569
e) Net Non-performing loans and advances (c-d)	939,851	1,245,137	1,153,541	1,120,468
f) Discounted value of securities	939,851	1,245,137	1,153,541	1,120,468
g) Net NPLs exposure (e-f)	-	-	-	-
2) Insider Loans and Advances				
a) Directors, shareholders and associates	787,847	857,561	815,449	903,452
b) Employees	280,746	282,461	284,082	295,033
c) Total Insider Loans, Advances and other facilities	1,068,593	1,140,022	1,099,531	1,198,485
3) Off-Balance Sheet Items				
a) Letters of credit, guarantees, acceptances				