

**QUARTERLY FINANCIAL STATEMENTS AND DISCLOSURES AS AT 30 SEPTEMBER 2018**

**I STATEMENT OF FINANCIAL POSITION**

	BANK	BANK	BANK	BANK	BANK	BANK	GROUP	GROUP	GROUP	GROUP	GROUP
	30 SEPT 2017	31 DEC 2017	31 MAR 2018	30 JUNE 2018	30 SEPT 2018	30 SEPT 2018	30 SEPT 2017	31 DEC 2017	31 MAR 2018	30 JUNE 2018	30 SEPT 2018
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
	(Unaudited)	(audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(audited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>A ASSETS</b>											
1 Cash (both local and foreign)	85,816	64,555	38,690	18,871	19,954	29,925	85,816	64,555	38,690	18,871	19,954
2 Balances due from Central Bank of Kenya	29,832	286,557	14,860	78,775	19,925	29,925	29,832	286,557	14,860	78,775	29,925
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	87,004	91,449	88,748	91,709	89,170	87,004	91,449	88,748	91,709	89,170	87,004
5 Investment Securities											
a) <b>Held to Maturity:</b>	<b>4,760,557</b>	<b>4,712,844</b>	<b>4,760,650</b>	<b>4,507,566</b>	<b>4,552,927</b>	<b>4,782,212</b>	<b>4,733,933</b>	<b>4,781,673</b>	<b>4,528,648</b>	<b>4,574,567</b>	<b>4,574,567</b>
i. Kenya Government Securities	4,760,557	4,712,844	4,760,650	4,507,566	4,552,927	4,782,212	4,733,933	4,781,673	4,528,648	4,574,567	4,574,567
ii. Other securities	-	-	-	-	-	-	-	-	-	-	-
b) <b>Available for sale:</b>	<b>805,499</b>	<b>805,500</b>	<b>805,499</b>	<b>805,499</b>	<b>805,499</b>	<b>805,499</b>	<b>805,499</b>	<b>805,500</b>	<b>805,499</b>	<b>805,499</b>	<b>805,499</b>
i. Kenya Government Securities	-	-	-	-	-	-	-	-	-	-	-
ii. Other securities	805,499	805,500	805,499	805,499	805,499	805,499	805,499	805,500	805,499	805,499	805,499
6 Deposits and balances due from local banking institutions	751,883	752,176	778,832	839,995	891,290	751,883	752,176	778,832	839,995	891,290	751,883
7 Deposits and balances due from banking institutions abroad	75,311	83,776	79,339	71,702	46,069	75,311	83,776	79,339	71,702	46,069	75,311
8 Tax recoverable	-	-	-	-	-	-	-	-	-	-	-
9 Loans and advances to customers (net)	9,199,523	9,199,779	8,848,211	8,885,806	8,632,810	9,199,523	9,199,779	8,848,211	8,885,806	8,632,810	9,199,523
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	32,048	32,048	32,048	32,048	32,048	32,048	32,048
13 Investment in joint ventures	-	-	-	-	-	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-	-	-	-	-	-
15 Property, plant and equipment	113,629	218,441	214,411	211,242	208,195	113,629	218,441	214,411	211,242	208,195	113,629
16 Prepaid lease rentals	3,828	3,812	3,797	3,782	3,767	3,828	3,812	3,797	3,782	3,767	3,828
17 Intangible assets	-	-	-	-	-	-	-	-	-	-	-
18 Deferred tax asset	7,313	16,285	16,285	16,285	16,286	7,313	16,285	16,285	16,285	16,286	7,313
19 Retirement benefit asset	-	-	-	-	-	-	-	-	-	-	-
20 Other assets	175,750	52,703	63,944	67,349	117,321	175,750	52,703	64,709	67,449	117,384	175,750
<b>21 TOTAL ASSETS</b>	<b>16,127,993</b>	<b>16,319,925</b>	<b>15,745,314</b>	<b>15,630,629</b>	<b>15,445,261</b>	<b>16,121,372</b>	<b>16,309,057</b>	<b>15,738,842</b>	<b>15,623,391</b>	<b>15,438,426</b>	<b>15,438,426</b>
<b>B LIABILITIES</b>											
22 Balances due to Central Bank of Kenya	4,397,310	4,642,286	4,629,771	4,440,023	4,449,552	4,397,310	4,642,286	4,629,771	4,440,023	4,449,552	4,397,310
23 Customer deposits	6,055,880	6,249,316	5,892,538	6,023,349	5,958,496	6,034,935	6,227,814	5,871,318	6,001,253	5,936,355	6,055,880
24 Deposits and balances due to local banking institutions	1,651,872	1,416,138	1,525,544	1,465,594	1,254,804	1,651,872	1,416,138	1,525,544	1,465,594	1,254,804	1,651,872
25 Deposits and balances due to foreign banking institutions	-	-	-	-	-	-	-	-	-	-	-
26 Other money market deposits	-	-	-	-	-	-	-	-	-	-	-
27 Borrowed funds	788,819	793,652	677,243	682,385	583,366	788,819	793,652	677,243	682,385	583,366	788,819
28 Balances due to banking institutions in the group	-	-	-	-	-	-	-	-	-	-	-
29 Tax payable	1,513	17,374	27,276	5,209	9,501	1,513	13,698	27,276	5,209	9,501	1,513
30 Dividends payable	-	-	-	-	-	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-	-	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-	-	-	-	-	-	-
33 Other liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>34 TOTAL LIABILITIES</b>	<b>13,169,674</b>	<b>13,390,179</b>	<b>13,083,319</b>	<b>12,927,859</b>	<b>12,706,577</b>	<b>13,149,798</b>	<b>13,367,744</b>	<b>13,062,895</b>	<b>12,906,390</b>	<b>12,685,151</b>	<b>12,685,151</b>
<b>C SHAREHOLDERS' EQUITY</b>											
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	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	721,379	721,379	721,379
38 Retained earnings	610,925	574,452	599,715	638,763	664,794	624,180	588,029	613,667	653,030	679,385	610,925
39 Statutory loan loss reserve	583,234	591,134	298,120	299,847	309,730	583,234	591,134	298,120	299,847	309,730	583,234
40 Other reserves	281	281	281	281	281	281	281	281	281	281	281
41 Proposed Dividends	-	-	-	-	-	-	-	-	-	-	-
42 Capital grants	-	-	-	-	-	-	-	-	-	-	-
<b>43 TOTAL SHAREHOLDERS' EQUITY</b>	<b>2,958,319</b>	<b>2,929,746</b>	<b>2,661,995</b>	<b>2,702,770</b>	<b>2,738,684</b>	<b>2,971,574</b>	<b>2,943,323</b>	<b>2,675,947</b>	<b>2,717,037</b>	<b>2,753,275</b>	<b>2,753,275</b>
<b>44 Minority Interest</b>	-	-	-	-	-	-	-	-	-	-	-
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>16,127,993</b>	<b>16,319,925</b>	<b>15,745,314</b>	<b>15,630,629</b>	<b>15,445,261</b>	<b>16,121,372</b>	<b>16,309,057</b>	<b>15,738,842</b>	<b>15,623,391</b>	<b>15,438,426</b>	<b>15,438,426</b>

**II STATEMENT OF COMPREHENSIVE INCOME**

<b>1 INTEREST INCOME</b>											
1.1 Loans and advances	643,866	871,079	212,829	441,877	656,713	643,866	871,079	212,829	441,877	656,713	643,866
1.2 Government securities	414,357	550,654	133,235	263,677	394,386	414,357	550,654	133,235	263,677	394,386	414,357
1.3 Deposits and placements with banking institutions	32,759	45,595	11,891	26,441	41,296	32,759	45,595	11,891	26,441	41,296	32,759
1.4 Other interest income	-	-	-	-	-	-	-	-	-	-	-
<b>1.5 Total Interest Income</b>	<b>1,090,982</b>	<b>1,467,378</b>	<b>357,955</b>	<b>731,995</b>	<b>1,092,395</b>	<b>1,090,982</b>	<b>1,467,378</b>	<b>357,955</b>	<b>731,995</b>	<b>1,092,395</b>	<b>1,090,982</b>
<b>2 INTEREST EXPENSES</b>											
2.1 Customer deposits	423,600	565,880	137,322	276,365	407,506	423,600	565,880	137,322	276,365	407,506	423,600
2.2 Deposits and placements from banking institutions	361,832	486,331	118,124	233,370	350,435	361,832	486,331	118,124	233,370	350,435	361,832
2.3 Other interest expenses	16,521	19,101	4,456	9,599	14,836	16,521	19,101	4,456	9,599	14,836	16,521
<b>2.4 Total Interest Expenses</b>	<b>801,953</b>	<b>1,071,312</b>	<b>259,902</b>	<b>519,334</b>	<b>772,777</b>	<b>801,953</b>	<b>1,071,312</b>	<b>259,902</b>	<b>519,334</b>	<b>772,777</b>	<b>801,953</b>
<b>3 NET INTEREST INCOME</b>	<b>289,029</b>	<b>396,066</b>	<b>98,053</b>	<b>212,661</b>	<b>319,618</b>	<b>289,029</b>	<b>396,066</b>	<b>98,053</b>	<b>212,661</b>	<b>319,618</b>	<b>289,029</b>
<b>4 NON-OPERATING INCOME</b>											
4.1 Fees and commissions income on loans & advances	9,111	12,579	3,510	5,587	7,628	9,111	12,579	3,510	5,587	7,628	9,111
4.2 Other fees and commissions income	9,069	14,729	2,596	5,441	9,302	9,069	14,729	2,596	5,441	9,302	9,069
4.3 Foreign exchange trading income	20,668	26,491	5,972	13,254	15,612	20,668	26,491	5,972	13,254	15,612	20,668
4.4 Dividend income	-	-	-	-	-	-	-	-	-	-	-
4.5 Other income	39,491	54,063	14,405	26,864	39,966	39,491	54,063	14,405	26,864	39,966	39,491
<b>4.6 Total Non-Interest Income</b>	<b>78,339</b>	<b>107,862</b>	<b>26,483</b>	<b>51,146</b>	<b>72,508</b>	<b>78,339</b>	<b>107,862</b>	<b>26,483</b>	<b>51,146</b>	<b>72,508</b>	<b>78,339</b>
<b>5 TOTAL OPERATING INCOME</b>	<b>367,368</b>	<b>503,878</b>	<b>124,536</b>	<b>263,807</b>	<b>392,126</b>	<b>367,368</b>	<b>503,878</b>	<b>124,536</b>	<b>263,807</b>	<b>392,126</b>	<b>367,368</b>
<b>6 OTHER OPERATING EXPENSES</b>											
6.1 Loan loss provision	21,179	62,205	13,372	15,112	16,271	21,179	62,205	13,372	15,112	16,271	21,179
6.2 Staff costs	144,540	202,218	46,162	92,179	136,638	144,540	202,218	46,162	92,179	136,638	144,540
6.3 Directors' emoluments	8,277	9,919	2,448	3,986	5,000	8,277	9,919	2,448	3,986	5,000	8,277
6.4 Rental charges	-	-	-	-	-	-	-	-	-	-	-
6.5 Depreciation on property and equipment	14,047	18,673	4,468	8,890	13,224	14,047	18,673	4,468	8,890	13,224	14,047
6.6 Amortisation charges	45	61	15	61	45	45	61	15	61	45	45
6.7 Other operating expenses	100,745	153,170	25,061	52,319	78,395	100,745	153,170	25,061	52,319	78,395	100,745
<b>6.8 Total other operating Expenses</b>	<b>288,833</b>	<b>446,246</b>	<b>91,526</b>	<b>172,547</b>	<b>249,563</b>	<b>288,833</b>	<b>446,246</b>	<b>91,526</b>	<b>172,547</b>	<b>249,563</b>	<b>288,833</b>
<b>7 Profit before tax and exceptional items</b>	<b>78,535</b>	<b>57,632</b>	<b>33,010</b>	<b>91,260</b>	<b>142,563</b>	<b>78,535</b>	<b>57,632</b>	<b>33,010</b>	<b>91,260</b>	<b>142,563</b>	<b>78,535</b>
8 Exceptional items	-	-	-	-	-	-	-	-	-	-	-
<b>9 Profit after exceptional items</b>	<b>78,535</b>	<b>57,632</b>	<b>33,010</b>	<b>91,260</b>	<b>142,563</b>	<b>78,535</b>	<b>57,632</b>	<b>33,010</b>	<b>91,260</b>	<b>142,563</b>	<b>78,535</b>
10 Current tax	(23,560)	(40,202)	(9,903)	(27,378)	(42,769)	(23,560)	(40,202)	(9,903)	(27,378)	(42,769)	(23,560)
11 Deferred tax	-	8,972	-	-	-	-	9,002	-	-	-	-
<b>12 Profit after tax and exceptional items</b>	<b>54,975</b>	<b>26,402</b>	<b>23,107</b>	<b>63,882</b>	<b>99,794</b>	<b>54,975</b>	<b>26,402</b>	<b>23,107</b>	<b>63,882</b>	<b>99,794</b>	<b>54,975</b>
13.0 Gains/(Losses) from translating the financial Minority Interest	-	-	-	-	-	-	-	-	-	-	-
<b>14 Profit after tax, exceptional items and minority interest</b>	<b>54,975</b>	<b>26,402</b>	<b>23,107</b>	<b>63,882</b>	<b>99,794</b>	<b>54,975</b>	<b>26,402</b>	<b>23,107</b>	<b>63,882</b>	<b>99,794</b>	<b>54,975</b>
<b>15 Other Comprehensive Income</b>											
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-	-	-	-	-	-	-
15.2 Fair value changes in available-for-sale financial assets	-	-	-	-	-</						