



UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH JUNE 2018

STATEMENT OF FINANCIAL POSITION	BANK				GROUP		
	30/06/17 Unaudited Shs. '000' Unaudited	31/12/17 Audited Shs. '000' Audited	31/03/18 Unaudited Shs. '000' Unaudited	30/06/18 Unaudited Shs. '000' Unaudited	30/06/17 Unaudited Shs. '000' Unaudited	31/12/17 Audited Shs. '000' Audited	30/06/18 Unaudited Shs. '000' Unaudited
ASSETS							
Cash (both Local & Foreign)	403,633	613,231	455,283	544,678	-	621,725	616,409
Balances due from Central Bank of Kenya	3,649,464	4,145,685	3,077,864	3,427,136	-	4,145,685	3,427,136
Kenya Government and other securities held for dealing purposes							
Financial Assets at fair value through profit and loss							
Investment Securities:							
a) Held to Maturity:							
a. Kenya Government securities	18,653,694	19,430,527	21,032,154	19,636,295	-	20,323,794	20,528,538
b. Other securities	18,653,694	19,430,527	21,032,154	19,636,295	-	20,309,348	20,517,704
b) Available for sale:							
a. Kenya Government securities	4,464,750	6,415,312	7,289,709	15,445,232	-	6,751,228	15,935,290
b. Other securities	3,275,787	3,328,019	3,334,868	8,993,328	-	3,427,080	9,246,789
Deposits and balances due from local banking institutions	2,419,322	908,254	2,394,840	3,718,743	-	1,014,087	3,967,005
Deposits and balances due from banking institutions abroad	979,984	2,126,601	1,847,224	7,260,346	-	2,126,601	7,260,346
Tax recoverable	6,153	73,780	20,105	-	-	87,158	17,610
Loans and advances to customers (net)	37,681,816	38,817,386	36,999,584	35,683,703	-	38,965,591	35,827,363
Balances due from banking institutions in the group							
Investments in associates	374,718	-	-	-	-	-	-
Investments in subsidiary companies		1,395,692	1,395,692	1,388,915	-	-	-
Investments in joint ventures							
Investment properties							
Property and equipment	1,284,156	1,555,160	1,541,456	1,515,155	-	1,875,970	1,833,859
Prepaid lease rentals							
Intangible assets	165,906	124,730	128,377	132,889	-	769,450	777,298
Deferred tax asset							
Retirement benefit asset							
Other assets	877,687	831,841	955,557	870,112	-	1,306,620	1,544,818
TOTAL ASSETS	70,961,293	76,438,199	77,137,825	89,623,204	-	77,987,909	91,735,672
LIABILITIES							
Balances due to Central Bank of Kenya							
Customer deposits	54,424,169	57,554,721	58,082,661	65,786,788	-	57,283,242	65,786,788
Deposits and balances due to local banking institutions	207,100	-	-	-	-	-	-
Deposits and balances due to foreign banking institutions	1,622,245	1,396,420	346,142	566,212	-	1,403,785	566,212
Other money market deposits							
Borrowed funds	2,708,747	2,511,616	2,432,811	2,252,282	-	2,511,616	2,252,282
Balances due to banking institutions in the group							
Tax payable	-	-	-	30,690	-	-	30,690
Dividends payable							
Deferred tax liability	74,029	64,793	64,793	64,793	-	127,449	127,449
Retirement benefit liability							
Other liabilities	496,287	572,930	436,303	469,700	-	1,743,071	1,937,696
TOTAL LIABILITIES	59,532,577	62,100,480	61,362,710	69,170,465	-	63,069,163	70,701,117
SHAREHOLDERS' FUNDS							
Paid up/Assigned capital	5,000,000	5,000,000	5,000,000	5,500,000	-	5,000,000	5,500,000
Share premium/(discount)				1,667,000	-	-	1,667,000
Revaluation reserves	921,770	2,883,732	3,848,084	6,230,192	-	2,889,105	6,234,703
Retained earnings/Accumulated losses	5,506,946	6,453,987	6,570,546	6,650,523	-	6,772,852	6,971,793
Statutory loan loss reserves			356,485	405,024	-	-	405,024
Other Reserves							
Proposed dividends							
Capital grants							
TOTAL SHAREHOLDERS' FUNDS	11,428,716	14,337,719	15,775,115	20,452,739	-	14,661,957	20,778,520
Minority interest						256,789	256,035
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	70,961,293	76,438,199	77,137,825	89,623,204	-	77,987,909	91,735,672

OTHER DISCLOSURES	BANK				GROUP		
	30/06/17 Unaudited Shs. '000' Unaudited	31/12/17 Audited Shs. '000' Audited	31/03/18 Unaudited Shs. '000' Unaudited	30/06/18 Unaudited Shs. '000' Unaudited	30/06/17 Unaudited Shs. '000' Unaudited	31/12/17 Audited Shs. '000' Audited	30/06/18 Unaudited Shs. '000' Unaudited
NON-PERFORMING LOANS AND ADVANCES							
(a) Gross Non-performing loans and advances	1,463,676	2,251,548	2,600,514	2,769,117	-	2,251,548	2,769,117
(b) Less: Interest in Suspense	331,999	356,350	404,176	481,581	-	356,350	481,581
(c) Total Non-Performing Loans and Advances (a-b)	1,131,677	1,895,198	2,196,338	2,287,536	-	1,895,198	2,287,536
(d) Less: Loan Loss Provision	370,184	589,006	634,007	674,288	-	589,006	674,288
(e) Net Non-Performing Loans and Advances (c-d)	761,493	1,306,192	1,562,331	1,613,248	-	1,306,192	1,613,248
(f) Discounted Value of Securities	761,493	1,301,034	1,423,909	1,523,896	-	1,301,034	1,523,896
(g) Net NPLs Exposure (e-f)	-	5,158	138,422	89,352	-	5,158	89,352
INSIDER LOANS AND ADVANCES							
(a) Directors, Shareholders and Associates	1,709,543	1,670,278	1,624,309	1,663,443	-	1,670,278	1,663,443
(b) Employees	308,353	288,195	298,766	315,159	-	288,195	315,159
(c) Total Insider Loans and Advances and other facilities	2,017,896	1,958,473	1,923,075	1,978,602	-	1,958,473	1,978,602
OFF-BALANCE SHEET ITEMS							
(a) Letters of credit/guarantees, acceptances	6,759,916	6,829,825	7,329,379	7,306,257	-	6,829,825	7,306,257
(b) Forwards, swaps and options	4,383,185	7,251,034	7,379,805	5,252,289	-	7,251,034	5,252,289
(c) Other contingent liabilities	2,766,784	2,808,404	2,597,705	3,649,115	-	2,808,404	3,649,115
(d) Total Contingent Liabilities	13,909,885	16,889,263	17,306,889	16,207,661	-	16,889,263	16,207,661
CAPITAL STRENGTH							
(a) Core capital	9,781,616	11,175,783	11,089,164	13,104,349			
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000			
(c) Excess/(Deficiency)(a-b)	8,781,616	10,175,783	10,089,164	12,104,349			
(d) Supplementary Capital	821,600	619,800	960,685	1,009,224			
(e) Total Capital (a+d)	10,603,216	11,795,583	12,049,849	14,113,573			
(f) Total risk weighted assets	50,151,285	52,477,994	51,596,978	52,697,688			
(g) Core Capital/Total deposits Liabilities	18.0%	19.4%	19.1%	19.9%			
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%			
(i) Excess/(Deficiency) (g-h)	10.0%	11.4%	11.1%	11.9%			
(j) Core Capital / total risk weighted assets	19.5%	21.3%	21.5%	25.0%			
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%			
(l) Excess (Deficiency) (j-k)	9.0%	10.8%	11.0%	14.5%			
(m) Total Capital/total risk weighted assets	21.1%	22.5%	23.4%	26.8%			
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%			
(o) Excess/(Deficiency) (m-n)	6.6%	8.0%	8.9%	12.3%			
(p) Adjusted Core Capital/Total Deposit Liabilities*		19.4%	19.6%	20.6%			
(q) Adjusted Core Capital/Total Risk Weighted Assets*		21.3%	22.0%	25.7%			
(r) Adjusted Total Capital/Total Risk Weighted Assets*		22.5%	23.9%	27.6%			
LIQUIDITY							
(a) Liquidity Ratio	51.4%	48.6%	51.6%	62.9%			
(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%			
(c) Excess (Deficiency) (a-b)	31.4%	28.6%	31.6%	42.9%			

PROFIT AND LOSS ACCOUNT	BANK				GROUP		
	30/06/17 Unaudited Shs. '000' Unaudited	31/12/17 Audited Shs. '000' Audited	31/03/18 Unaudited Shs. '000' Unaudited	30/06/18 Unaudited Shs. '000' Unaudited	30/06/17 Unaudited Shs. '000' Unaudited	31/12/17 Audited Shs. '000' Audited	30/06/18 Unaudited Shs. '000' Unaudited
INTEREST INCOME							
Loans and advances	2,389,571	4,810,773	1,184,741	2,273,204	-	4,810,773	2,273,204
Government securities	1,071,306	2,322,555	680,596	1,456,982	-	2,322,555	1,456,982
Deposits and placements with banking institutions	44,942	123,748	37,267	87,272	-	123,748	87,272
Other Interest Income	61,277	113,152	16,705	34,259	-	113,152	34,259
Total Interest Income	3,567,096	7,370,228	1,919,309	3,851,717	-	7,370,228	3,851,717
INTEREST EXPENSE							
Customer deposits	1,675,030	3,527,362	959,045	1,972,025	-	3,527,362	1,972,025
Deposits and placement from banking institutions	71,550	141,480	25,368	47,367	-	141,480	47,367
Other interest expenses	35,996	72,618	17,627	35,266	-	72,618	35,266
Total Interest expenses	1,782,576	3,741,460	1,002,040	2,054,658	-	3,741,460	2,054,658
NET INTEREST INCOME/(LOSS)	1,784,520	3,628,768	917,269	1,797,059	-	3,628,768	1,797,059
NON-INTEREST INCOME							
Fees and commissions on loans and advances	94,958	208,989	51,171	127,054	-	208,989	127,054
Other fees and commissions	186,736	361,329	93,173	180,213	-	361,329	180,213
Foreign exchange trading income/(Loss)	95,494	196,974	67,001	138,048	-	196,974	138,048
Dividend Income	-	25,004	-	322	-	25,004	322
Other Income	60,433	216,876	4,484	58,338	-	692,377	404,482
Total Non-Interest Income	437,621	1,009,172	215,829	503,975	-	1,484,673	850,119
TOTAL OPERATING INCOME	2,222,141	4,637,940	1,133,098	2,301,034	-	5,113,441	2,647,178
OTHER OPERATING EXPENSES							
Loan loss provision	93,559	340,588	45,000	111,546	-	340,588	111,546
Staff costs	515,018	1,106,960	267,010	529,290	-	1,106,960	529,290
Directors' emoluments	51,254	119,277	34,656	62,839	-	119,277	62,839
Rental charges	58,142	129,953	34,350	66,792	-	129,953	66,792
Depreciation charge on property and equipment	111,704	138,594	66,652	133,304	-	138,594	133,304
Amortisation charges	-	80,595	-	-	-	80,595	-
Other operating expenses	323,702	744,546					