

# UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH JUNE 2017

## STATEMENT OF FINANCIAL POSITION

	BANK				GROUP			
	30th June 2016	31st Dec 2016	31st Mar 2017	30th June 2017	30th June 2016	31st Dec 2016	31st Mar 2017	30th June 2017
	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)
<b>A. ASSETS</b>								
1. Cash (both local and foreign)	197,299	195,232	170,641	149,447	658,168	493,325	688,443	642,701
2. Balances with Central Bank of Kenya	908,138	1,875,291	3,289,391	1,513,728	908,138	1,875,291	3,289,391	1,513,728
3. Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-
4. Financial Assets at fair value through profit and loss	-	-	-	-	-	-	-	-
5. Investment Securities:								
a) Held to Maturity:								
i) Kenya Government securities	1,544,843	1,485,721	1,372,983	1,386,314	1,544,843	1,485,721	1,372,983	1,386,314
ii) Other securities	-	-	-	-	1,388,680	2,059,850	2,601,723	2,377,876
b) Available for sale:								
i) Kenya Government securities	8,463,394	6,931,786	4,234,711	5,871,781	8,463,394	6,931,786	4,234,711	5,871,781
ii) Other securities	107,371	79,827	62,334	66,396	107,371	79,827	62,334	66,396
6. Deposits and balances due from local banking institutions	85,840	1,097,683	1,289,238	1,581,051	85,840	1,097,683	1,289,238	1,581,051
7. Deposits and balances due from banking institutions abroad	901,405	1,161,788	597,920	358,533	3,849,324	3,822,183	3,793,173	3,616,370
8. Tax recoverable	-	-	-	41,946	-	-	-	41,946
9. Loans and advances to customers (net)	12,444,979	12,906,196	12,526,076	13,309,077	19,368,853	19,441,803	19,388,708	20,261,367
10. Balances due from banking institutions in the group	1,263	35,242	62,376	13,666	1,263	401,536	62,377	13,669
11. Investments in associates	-	-	-	-	-	-	-	-
12. Investments in subsidiary companies	2,857,690	2,857,690	3,273,390	3,273,390	-	-	-	-
13. Investments in Joint Ventures	-	-	-	-	-	-	-	-
14. Investment properties	-	-	-	-	-	-	-	-
15. Property, plant and equipment	424,822	397,084	368,149	329,197	1,081,277	998,251	956,310	906,070
16. Prepaid lease rentals	-	-	-	-	-	-	-	-
17. Intangible assets	228,995	202,440	194,410	186,379	541,487	483,630	470,144	458,138
18. Deferred tax asset	126,129	79,030	79,932	72,541	376,461	355,395	357,906	354,142
19. Retirement benefit asset	-	-	-	-	-	-	-	-
20. Other assets	492,108	313,862	262,005	333,598	803,307	632,827	630,064	703,031
<b>21. TOTAL ASSETS</b>	<b>28,784,276</b>	<b>29,619,072</b>	<b>27,803,556</b>	<b>28,487,642</b>	<b>39,178,430</b>	<b>40,242,307</b>	<b>39,218,505</b>	<b>39,795,180</b>
<b>B. LIABILITIES</b>								
22. Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-
23. Customer deposits	17,095,525	16,561,677	15,665,448	15,326,390	27,449,357	27,192,108	26,756,319	26,353,295
24. Deposits and balances due to local banking institutions	-	1,850,743	-	300,449	-	1,889,079	-	300,449
25. Deposits and balances due to foreign banking institutions	520,520	2,270	-	-	550,751	2,502	220,138	36,707
26. Other money market deposits	-	-	-	-	-	-	-	-
27. Borrowed funds	196,077	1,202,201	2,287,148	2,276,723	196,077	1,202,201	2,287,148	2,276,723
28. Balances due to banking institutions in the group	2,192,427	1,276,285	1,135,858	1,771,397	2,195,197	1,276,285	1,137,845	1,769,339
29. Tax payable	36,253	13,944	40,341	-	36,253	13,944	40,341	-
30. Dividends Payable	-	-	-	-	-	-	-	-
31. Deferred tax liability	22,513	-	-	-	92,161	65,668	65,311	65,623
32. Retirement benefit liability	-	-	-	-	-	-	-	-
33. Other liabilities	512,674	345,503	249,226	249,681	767,999	544,930	570,254	687,889
<b>34. TOTAL LIABILITIES</b>	<b>20,575,989</b>	<b>21,252,623</b>	<b>19,378,020</b>	<b>19,924,640</b>	<b>31,287,795</b>	<b>32,186,717</b>	<b>31,077,356</b>	<b>31,490,255</b>
<b>C. SHAREHOLDERS' EQUITY</b>								
35. Paid up/Assigned capital	1,276,480	1,276,480	1,276,480	1,280,934	1,276,480	1,276,480	1,276,480	1,280,934
36. Share premium/(discount)	4,192,814	4,192,814	4,192,814	4,226,219	4,192,814	4,192,814	4,192,814	4,226,219
37. Revaluation reserves	(33,102)	(31,268)	(33,374)	(16,129)	(33,102)	(31,268)	(33,374)	(16,129)
38. Retained earnings/(Accumulated Losses)	2,679,757	2,850,787	2,872,860	2,946,847	2,339,048	2,647,572	2,696,692	2,794,364
39. Statutory Loan Loss Reserve	92,338	77,636	116,756	125,131	116,719	107,076	145,712	129,675
40. Other Reserves	-	-	-	-	(57,097)	(195,704)	(196,579)	(170,736)
41. Proposed dividends	-	-	-	-	-	-	-	-
42. Non controlling Interest	-	-	-	-	55,773	58,621	59,404	60,828
43. Capital grants	-	-	-	-	-	-	-	-
<b>44. TOTAL SHAREHOLDERS' EQUITY</b>	<b>8,208,287</b>	<b>8,366,449</b>	<b>8,425,536</b>	<b>8,563,002</b>	<b>7,890,635</b>	<b>8,055,590</b>	<b>8,141,149</b>	<b>8,305,155</b>
<b>45. TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>28,784,276</b>	<b>29,619,072</b>	<b>27,803,556</b>	<b>28,487,642</b>	<b>39,178,430</b>	<b>40,242,307</b>	<b>39,218,505</b>	<b>39,795,180</b>

## STATEMENT OF COMPREHENSIVE INCOME

	BANK				GROUP			
	30th June 2016	31st Dec 2016	31st Mar 2017	30th June 2017	30th June 2016	31st Dec 2016	31st Mar 2017	30th June 2017
	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)
<b>1.0 INTEREST INCOME</b>								
1.1. Loans and advances	1,024,881	1,907,235	398,295	815,161	1,645,292	3,078,935	652,139	1,331,758
1.2. Government securities	587,823	1,082,713	153,806	317,383	691,090	1,266,790	214,736	438,245
1.3. Deposits and placements with banking institutions	39,654	58,413	31,226	45,058	59,282	85,028	38,637	67,395
1.4. Other Interest Income	8,221	14,307	2,915	6,394	8,221	14,307	2,915	6,394
<b>1.5 Total Interest Income</b>	<b>1,660,579</b>	<b>3,062,668</b>	<b>586,242</b>	<b>1,183,996</b>	<b>2,403,885</b>	<b>4,445,060</b>	<b>908,427</b>	<b>1,843,792</b>
<b>2.0 INTEREST EXPENSES</b>								
2.1. Customer deposits	610,943	1,171,315	220,693	430,619	770,311	1,462,734	298,038	585,418
2.2. Deposits and placements from banking institutions	66,161	104,274	10,126	17,609	78,507	127,071	13,189	23,347
2.3. Other Interest Expenses	9,228	34,435	27,917	60,994	11,027	36,170	27,917	60,994
<b>2.4 Total Interest Expenses</b>	<b>686,332</b>	<b>1,310,024</b>	<b>258,736</b>	<b>509,222</b>	<b>859,845</b>	<b>1,625,975</b>	<b>339,144</b>	<b>669,759</b>
<b>3.0 NET INTEREST INCOME/(LOSS)</b>	<b>974,247</b>	<b>1,752,644</b>	<b>327,506</b>	<b>674,774</b>	<b>1,544,040</b>	<b>2,819,085</b>	<b>569,283</b>	<b>1,174,033</b>
<b>4.0 OTHER OPERATING INCOME</b>								
4.1. Fees and commissions on loans and advances	102,918	189,712	52,140	104,378	203,204	308,809	85,536	166,670
4.2. Other Fees and Commissions	73,886	152,018	48,120	76,471	102,273	271,811	84,326	148,995
4.3. Foreign exchange trading income (loss)	36,799	71,865	17,227	36,542	142,871	276,866	58,066	110,512
4.4. Dividend Income	-	-	-	-	-	-	-	-
4.5. Other income	22,568	50,586	37,978	47,953	111,035	104,025	55,425	81,736
4.6. Goodwill on Acquisition of subsidiary	-	-	-	-	-	-	-	-
<b>4.7 Total Non-Interest Income</b>	<b>236,171</b>	<b>464,181</b>	<b>155,465</b>	<b>265,344</b>	<b>559,383</b>	<b>961,511</b>	<b>283,353</b>	<b>507,913</b>
<b>5.0 TOTAL OPERATING INCOME</b>	<b>1,210,418</b>	<b>2,216,825</b>	<b>482,971</b>	<b>940,118</b>	<b>2,103,423</b>	<b>3,780,596</b>	<b>852,636</b>	<b>1,681,946</b>
<b>6.0 OPERATING EXPENSES</b>								
6.1. Loan Loss Provision	25,878	76,222	9,844	17,090	335,758	326,595	22,747	44,382
6.2. Staff costs	278,466	537,676	140,160	241,871	589,355	1,129,968	288,164	526,124
6.3. Directors' emoluments	28,500	51,866	11,110	19,955	47,278	90,904	18,896	34,883
6.4. Rentals Charges	73,451	150,284	37,455	74,528	122,720	243,611	60,791	119,473
6.5. Depreciation charge on property and equipment	66,549	110,147	38,817	77,881	130,758	245,145	67,584	136,196
6.6. Amortisation Charges	12,521	40,196	8,030	16,061	39,236	87,231	18,392	37,009
6.7. Other operating expenses	313,484	591,096	149,564	287,185	558,049	1,016,852	253,919	513,261
<b>6.8 Total Operating Expenses</b>	<b>798,849</b>	<b>1,557,487</b>	<b>394,980</b>	<b>734,551</b>	<b>1,823,154</b>	<b>3,140,306</b>	<b>730,493</b>	<b>1,411,328</b>
<b>7.0 Profit/(Loss) before tax and exceptional items</b>	<b>411,569</b>	<b>659,338</b>	<b>87,991</b>	<b>205,567</b>	<b>280,269</b>	<b>640,290</b>	<b>122,143</b>	<b>270,618</b>
<b>8.0 Exceptional Items</b>								
9.0 Profit/(Loss) after exceptional items	411,569	659,338	87,991	205,567	280,269	640,290	122,143	270,618
10.0 Current tax	123,471	(188,707)	(26,398)	(61,670)	(135,803)	(220,864)	(33,272)	(74,083)
11.0 Deferred tax	-	(23,799)	-	-	-	14,977	-	-
<b>12.0 Profit/(Loss) after tax and exceptional items</b>	<b>288,098</b>	<b>446,832</b>	<b>61,593</b>	<b>143,897</b>	<b>144,466</b>	<b>434,403</b>	<b>88,871</b>	<b>196,535</b>
<b>13.0 Other Comprehensive Income</b>								
13.1. Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	(117,887)	(248,504)	(875)	24,969
13.2. Fair value changes in available-for-sale financial assets	12,053	13,887	(2,105)	15,140	12,053	13,887	(2,105)	15,140
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	-	-	-	-	-	-	-	-
<b>14.0 Other comprehensive income for the year net of tax</b>	<b>12,053</b>	<b>13,887</b>	<b>(2,105)</b>	<b>15,140</b>	<b>(105,834)</b>	<b>(234,618)</b>	<b>(2,980)</b>	<b>40,109</b>
<b>15.0 Total comprehensive income for the year</b>	<b>300,151</b>	<b>460,719</b>	<b>59,488</b>	<b>159,037</b>	<b>38,632</b>	<b>199,785</b>	<b>85,891</b>	<b>236,644</b>
<b>Attributable to:</b>								
Non Controlling Interest	-	-	-	-	(9,456)	(6,606)	782	2,206
Equity Holders of the Parent	-	-	-	-	48,088	206,391	85,109	234,438

## OTHER DISCLOSURES

	BANK				GROUP			
	30th June 2016	31st Dec 2016	31st Mar 2017	30th June 2017	30th June 2016	31st Dec 2016	31st Mar 2017	30th June 2017
	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)</			