

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

## I. STATEMENT OF FINANCIAL POSITION

	BANK					GROUP				
	30th Sept 2016	31st Dec 2016	31st Mar 2017	30th June 2017	30th Sept 2017	30th Sept 2016	31st Dec 2016	31st Mar 2017	30th June 2017	30th Sept 2017
	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)
<b>A. ASSETS</b>										
1 Cash (both local and foreign)	185,889	195,232	170,641	149,447	163,888	639,967	493,325	689,443	642,701	655,259
2 Balances with Central Bank of Kenya	1,191,447	1,875,291	3,289,391	1,513,728	1,277,345	1,191,447	1,875,291	3,289,391	1,513,728	1,277,345
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	1,494,472	1,485,721	1,372,983	1,386,314	1,283,262	1,494,472	1,485,721	1,372,983	1,386,314	1,283,262
ii) Other securities	-	-	-	-	-	1,345,914	2,059,850	2,601,723	2,377,876	2,537,474
b) Available for sale:										
i) Kenya Government securities	9,708,774	6,931,786	4,234,711	5,871,781	5,255,113	9,708,774	6,931,786	4,234,711	5,871,781	5,255,113
ii) Other securities	96,173	79,827	182,334	66,396	69,532	96,173	79,827	62,334	66,396	69,532
6 Deposits and balances due from local banking institutions	687,002	1,097,883	1,289,238	1,581,651	1,157,111	687,002	1,097,883	1,289,238	1,581,651	1,157,111
7 Deposits and balances due from banking institutions abroad	464,040	1,161,788	597,920	358,533	299,326	3,155,490	3,822,183	3,793,173	3,616,370	4,517,550
8 Tax recoverable	-	-	-	41,946	68,581	-	82,999	-	41,946	68,581
9 Loans and advances to customers (net)	12,592,984	12,906,196	12,526,076	13,309,077	13,931,323	19,435,180	19,441,803	19,388,708	20,261,367	20,855,400
10 Balances due from banking institutions in the group	26,889	35,242	62,376	13,664	7,394	26,889	401,536	62,377	13,669	7,420
11 Investments in associates	-	-	-	-	-	-	-	-	-	-
12 Investments in subsidiary companies	2,857,690	2,857,690	3,273,390	3,273,390	3,273,390	-	-	-	-	-
13 Investments in Joint Ventures	-	-	-	-	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-	-	-	-	-
15 Property plant and equipment	393,211	397,084	368,149	329,197	301,767	997,231	998,251	956,310	906,070	831,829
16 Prepaid lease rentals	-	-	-	-	-	-	-	-	-	-
17 Intangible assets	225,983	202,440	194,410	186,379	186,094	522,471	483,630	470,144	458,138	472,848
18 Deferred tax asset	121,587	79,030	79,932	72,541	71,323	374,557	355,395	357,906	354,142	350,930
19 Retirement benefit asset	-	-	-	-	-	-	-	-	-	-
20 Other asset	639,318	313,862	262,005	333,598	279,384	1,148,644	632,827	630,064	703,031	578,990
<b>21 TOTAL ASSETS</b>	<b>30,685,457</b>	<b>29,619,072</b>	<b>27,803,556</b>	<b>28,487,642</b>	<b>27,623,812</b>	<b>40,824,220</b>	<b>40,242,307</b>	<b>39,218,505</b>	<b>39,795,180</b>	<b>39,915,283</b>
<b>B. LIABILITIES</b>										
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-	-	-
23 Customer deposits	18,744,461	16,561,677	15,665,448	15,326,390	16,491,191	28,718,835	27,192,108	26,756,319	26,353,295	28,667,265
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	159,466	2,270	-	-	2,082	284,664	2,502	220,138	367,707	6,465
26 Other money market deposits	-	-	-	-	-	-	-	-	-	-
27 Borrowed funds	1,216,386	1,202,201	2,287,148	2,276,723	2,300,522	1,216,386	1,202,201	2,287,148	2,276,723	2,300,522
28 Balances due to banking institutions in the group	1,536,383	1,276,285	1,135,858	1,771,397	2,183	1,539,272	1,276,285	1,137,845	1,769,339	2,183
29 Tax payable	45,692	13,944	40,341	-	-	45,692	13,944	40,341	-	-
30 Dividends Payable	-	-	-	-	-	-	-	-	-	-
31 Deferred tax liability	22,513	-	-	-	-	88,395	65,668	65,311	65,623	64,734
32 Retirement benefit liability	-	-	-	-	-	-	-	-	-	-
33 Other liabilities	620,191	345,503	249,226	249,681	203,604	855,045	544,930	570,254	687,889	492,434
<b>34 TOTAL LIABILITIES</b>	<b>22,345,093</b>	<b>21,252,623</b>	<b>19,378,020</b>	<b>19,924,640</b>	<b>18,999,581</b>	<b>32,748,289</b>	<b>32,186,717</b>	<b>31,077,356</b>	<b>31,490,025</b>	<b>31,533,603</b>
<b>B. SHAREHOLDERS' EQUITY</b>										
35 Paid up/Assigned capital	1,276,480	1,276,480	1,276,480	1,280,934	1,280,934	1,276,480	1,276,480	1,276,480	1,280,934	1,280,934
36 Share premium/(discount)	4,192,814	4,192,814	4,192,814	4,226,219	4,226,223	4,192,814	4,192,814	4,192,814	4,226,219	4,226,223
37 Revaluation reserves	(22,503)	(31,268)	(33,374)	(16,129)	(13,285)	(22,503)	(31,269)	(33,374)	(16,129)	(13,285)
38 Retained earnings/Accumulated Losses	2,815,177	2,850,787	2,872,860	2,946,847	2,973,689	2,592,843	2,647,572	2,696,692	2,794,364	2,842,077
39 Statutory Loan Loss Reserve	78,396	77,636	116,756	125,131	157,890	102,777	107,076	145,712	129,675	186,843
40 Other Reserves	-	-	-	-	-	(124,924)	(195,704)	(196,579)	(170,736)	(201,636)
41 Proposed dividends	-	-	-	-	-	-	-	-	-	-
42 Non controlling Interest	-	-	-	-	-	58,444	58,621	59,404	60,828	61,422
43 Capital grants	-	-	-	-	-	-	-	-	-	-
<b>44 TOTAL SHAREHOLDERS' EQUITY</b>	<b>8,340,364</b>	<b>8,366,449</b>	<b>8,425,536</b>	<b>8,563,002</b>	<b>8,624,231</b>	<b>8,075,931</b>	<b>8,055,990</b>	<b>8,141,149</b>	<b>8,305,155</b>	<b>8,381,679</b>
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>30,685,457</b>	<b>29,619,072</b>	<b>27,803,556</b>	<b>28,487,642</b>	<b>27,623,812</b>	<b>40,824,220</b>	<b>40,242,307</b>	<b>39,218,505</b>	<b>39,795,180</b>	<b>39,915,283</b>

## III. OTHER DISCLOSURES

	BANK					GROUP				
	30th Sept 2016	31st Dec 2016	31st Mar 2017	30th June 2017	30th Sept 2017	30th Sept 2016	31st Dec 2016	31st Mar 2017	30th June 2017	30th Sept 2017
	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)
<b>1) NON-PERFORMING LOANS AND ADVANCES</b>										
a) Gross non-performing loans and advances	945,496	993,678	1,068,533	815,174	1,108,675	2,588,073	2,147,820	2,244,855	1,914,074	2,211,932
Less:										
b) Interest in Suspense	193,087	249,439	295,052	185,837	228,961	542,548	434,048	508,758	423,263	506,703
<b>c) Total Non-Performing Loans and Advances (a-b)</b>	<b>752,409</b>	<b>744,239</b>	<b>773,481</b>	<b>629,337</b>	<b>881,713</b>	<b>2,045,525</b>	<b>1,713,772</b>	<b>1,736,097</b>	<b>1,490,811</b>	<b>1,705,229</b>
Less:										
d) Loan Loss Provisions	257,704	262,834	269,359	133,058	140,590	657,248	510,945	532,037	386,399	419,803
e) Net Non-Performing Loans (c-d)	494,705	481,405	504,121	496,278	741,123	1,388,278	1,202,827	1,204,060	1,104,412	1,285,426
f) Discounted Value of Securities	494,705	481,405	504,121	496,278	741,123	1,388,278	1,202,827	1,204,060	1,104,412	1,285,426
<b>g) Net NPLs Exposure (e-f)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2) Insider Loans and Advances</b>										
a) Directors, shareholders and associates	336,056	360,151	259,993	27,788	21,205	337,916	361,128	264,978	32,619	25,789
b) Employees	61,375	55,954	52,146	49,460	42,483	145,093	138,108	128,223	140,095	119,744
<b>c) Total Insider Loans and Advances and Other Facilities</b>	<b>397,431</b>	<b>416,105</b>	<b>312,139</b>	<b>77,248</b>	<b>63,687</b>	<b>483,009</b>	<b>499,236</b>	<b>393,201</b>	<b>172,714</b>	<b>145,533</b>
<b>3) Off-Balance Sheet Items</b>										
a) Letters of credit, guarantees, acceptances	2,457,947	2,970,688	2,757,516	1,793,052	1,679,141	3,963,760	4,807,799	5,133,848	4,223,198	4,172,368
b) Forwards, swaps and options	713,133	6,658	744,473	420,390	463,682	713,133	6,658	744,473	420,390	463,682
c) Other contingent liabilities	1,065,592	1,349,323	475,281	869,234	682,184	1,506,605	1,834,887	1,161,911	1,712,851	1,456,693
<b>d) Total Contingent Liabilities</b>	<b>4,236,672</b>	<b>4,326,668</b>	<b>3,977,270</b>	<b>3,082,676</b>	<b>2,825,008</b>	<b>6,183,498</b>	<b>6,649,343</b>	<b>7,040,232</b>	<b>6,356,439</b>	<b>6,092,762</b>
<b>4) Capital Strength</b>										
a) Core capital	5,220,651	5,462,392	5,037,967	5,108,661	5,104,787	7,890,848	8,114,565	8,146,042	8,237,733	8,277,802
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess/(Deficiency)	4,220,651	4,462,392	4,037,967	4,108,661	4,104,787	6,890,848	7,114,565	7,146,042	7,237,733	7,277,802
d) Supplementary Capital	132,753	117,670	145,088	145,938	173,622	156,803	144,341	174,528	174,889	202,576
<b>e) Total capital (a+d)</b>	<b>5,353,404</b>	<b>5,580,063</b>	<b>5,183,055</b>	<b>5,254,599</b>	<b>5,278,408</b>	<b>8,047,651</b>	<b>8,258,906</b>	<b>8,320,570</b>	<b>8,412,622</b>	<b>8,480,378</b>
f) Total risk weighted assets	19,392,472	20,595,218	20,555,479	21,321,004	20,412,176	31,488,618	31,786,386	32,244,767	32,731,313	33,298,367
g) Core capital/total deposit liabilities	27.9%	33.0%	32.6%	33.3%	31.0%	27.5%	29.8%	30.4%	31.3%	28.9%
h) Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
i) Excess/(Deficiency)	19.9%	25.0%	24.6%	25.3%	23.0%	19.5%	21.8%	22.4%	23.3%	20.9%
j) Core capital/total risk weighted assets	26.9%	26.5%	24.5%	24.0%	25.0%	25.1%	25.5%	25.3%	25.2%	24.9%
k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
l) Excess/(Deficiency) (j-k)	16.4%	16.0%	14.0%	13.5%	14.5%	14.6%	15.0%	14.8%	14.7%	14.4%
m) Total capital/total risk weighted assets	27.6%	27.1%	25.2%	24.6%						