

UN-AUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30 SEPTEMBER 2017

I BALANCE SHEET	Bank				Group Consolidated			
	30-Sep-16 Ksh '000 Unaudited	31-Dec-16 Ksh '000 Audited	31-Mar-17 Ksh '000 Unaudited	30-Jun-17 Ksh '000 Unaudited	30-Sep-17 Ksh '000 Unaudited	30-Sep-16 Ksh '000 Unaudited	31-Dec-16 Ksh '000 Audited	30-Sep-17 Ksh '000 Unaudited
A ASSETS								
1 Cash (both Local & Foreign)	270,783	258,537	239,651	147,478	112,494	299,358	258,537	112,494
2 Balances due from Central Bank of Kenya	543,380	432,602	52,286	85,222	20,362	543,380	432,602	20,362
a) Held to Maturity:								
a. Kenya Government securities	856,712	869,316	834,621	626,773	609,766	856,712	869,316	609,766
b) Available for sale:								
a. Kenya Government securities	856,712	196,581	224,380	229,867	226,690	856,712	196,581	226,690
b. Deposits and balances due from local banking institutions	1,241,363	919,474	882,179	614,555	260,653	1,241,363	919,474	260,653
6 Deposits and balances due from banking institutions abroad	293,928	72,209	25,953	25,912	31,113	293,928	72,209	31,113
7 Tax recoverable	-	109	-	109	-	819	114	800
9 Loans and advances to customers (net)	9,842,014	9,356,471	9,377,467	9,059,503	8,615,033	9,842,014	9,356,471	8,615,033
11 Investments in associates	629,134	226,655	226,655	226,655	226,655	629,134	226,655	226,655
12 Investments in subsidiary companies	76,110	103,902	1,139	1,138	1,138	-	-	(0)
14 Investment properties	-	742,000	742,000	742,000	742,000	-	742,000	742,000
15 Property and equipment	615,676	398,739	449,061	443,212	423,520	665,070	502,509	637,299
17 Intangible assets	922,681	872,950	858,481	847,624	834,862	922,681	872,950	834,862
18 Deferred tax asset	-	240,814	240,814	240,814	240,814	-	240,814	240,814
20 Other assets	1,760,226	1,033,896	1,181,810	1,303,257	1,433,379	1,794,137	1,089,642	1,249,800
21 TOTAL ASSETS	17,244,601	15,724,254	15,336,497	14,594,119	13,778,388	17,281,189	15,779,873	13,808,249
B LIABILITIES								
22 Balances due to Central Bank of Kenya	1,372,000	950,000	1,385,531	1,389,497	1,567,946	1,372,000	950,000	1,567,946
23 Customer deposits	9,247,982	8,095,100	6,560,357	6,211,219	5,635,127	9,247,982	8,070,223	5,591,895
24 Deposits and balances due to local banking institutions	-	152,243	449,249	601,730	242,085	-	152,243	242,085
27 Borrowed funds	2,819,344	2,180,409	2,123,963	2,014,957	1,996,899	2,819,344	2,180,409	1,996,899
29 Tax payable	-	-	-	-	-	-	20	-
31 Deferred tax liability	82,424	-	-	-	-	82,424	-	-
33 Other liabilities	587,515	756,424	1,328,075	994,348	1,099,336	622,467	834,555	1,157,096
34 TOTAL LIABILITIES	14,109,265	12,134,176	11,847,175	11,211,751	10,541,393	14,144,217	12,187,450	10,555,921
C SHAREHOLDERS' FUNDS								
35 Paid up/Assigned capital	1,190,893	1,405,253	1,405,253	1,405,253	1,405,253	1,190,893	1,405,253	1,405,253
36 Share premium/(discount)	1,822,837	2,205,904	2,205,904	2,205,904	2,205,904	1,822,837	2,205,904	2,205,904
37 Revaluation reserves	143,866	142,904	141,942	141,942	141,942	143,866	142,904	141,942
38 Retained earnings/Accumulated losses	(97,674)	(225,604)	(325,399)	(432,533)	(577,725)	(96,038)	(223,261)	(562,392)
39 Statutory loan loss reserves	77,986	66,934	66,935	66,935	66,935	77,986	66,934	66,935
40 Other Reserves	(2,573)	(5,312)	(5,312)	(5,312)	(5,312)	(2,573)	(5,312)	(5,312)
43 TOTAL SHAREHOLDERS' FUNDS	3,135,336	3,590,079	3,489,323	3,382,368	3,236,996	3,136,972	3,592,422	3,252,329
44 Minority Interest	-	-	-	-	-	-	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	17,244,601	15,724,254	15,336,497	14,594,119	13,778,388	17,281,189	15,779,873	13,808,249

II PROFIT AND LOSS ACCOUNT	30-Sep-16 Ksh '000 Unaudited	31-Dec-16 Ksh '000 Audited	31-Mar-17 Ksh '000 Unaudited	30-Jun-17 Ksh '000 Unaudited	30-Sep-17 Ksh '000 Unaudited	30-Sep-16 Ksh '000 Unaudited	31-Dec-16 Ksh '000 Audited	30-Sep-17 Ksh '000 Unaudited
1.0 INTEREST INCOME								
1.1 Loans and advances	1,483,981	1,910,861	358,492	678,545	971,413	1,484,145	1,910,861	971,413
1.2 Government securities	85,818	112,657	28,119	53,602	75,201	85,818	112,657	75,201
1.3 Deposits and placements with banking institutions	137,898	139,044	28,307	49,286	60,792	137,898	139,044	60,792
1.5 Total interest income	1,707,697	2,162,562	414,918	781,433	1,107,406	1,707,861	2,162,562	1,107,406
2.0 INTEREST EXPENSE								
2.1 Customer deposits	891,602	1,127,221	220,682	412,912	550,739	891,602	1,127,221	550,739
2.2 Deposits and placement from banking institutions	77,382	105,936	21,737	62,290	88,983	77,382	105,936	88,983
2.3 Other interest expenses	126,103	207,916	83,378	161,298	222,737	126,103	207,916	222,737
2.4 Total interest expenses	1,095,087	1,441,073	325,798	636,501	862,459	1,095,087	1,441,073	862,459
3.0 NET INTEREST INCOME/(LOSS)	612,609	721,489	89,121	144,932	244,947	612,774	721,489	244,947
4.0 NON-INTEREST INCOME								
4.1 Fees and commissions on loans and advances	39,631	48,022	7,688	24,636	32,823	39,631	49,546	32,823
4.2 Other fees and commissions	123,378	180,345	45,242	100,368	140,439	124,324	187,787	181,010
4.3 Foreign exchange trading income/(Loss)	7,071	1,333	3,447	8,270	9,173	7,071	1,333	9,173
4.5 Other income	15,355	328,667	8,210	(2,771)	(2,771)	25,048	339,751	1,485
4.6 Total Non-interest income	185,436	558,367	64,587	130,503	179,664	196,074	578,417	224,491
5.0 TOTAL OPERATING INCOME	798,045	1,279,856	153,707	275,435	424,611	808,848	1,299,906	469,439
6.0 OTHER OPERATING EXPENSES								
6.1 Loan loss provision	74,162	313,878	33,309	59,449	87,393	74,162	313,878	87,393
6.2 Staff costs	333,706	412,591	89,628	167,636	251,392	342,410	424,476	261,055
6.3 Directors' emoluments	35,937	63,913	12,973	25,123	36,418	35,937	63,913	36,418
6.4 Rental charges	42,750	57,380	13,399	26,368	38,856	42,750	57,380	38,856
6.5 Depreciation charge on property and equipment	43,043	57,536	14,480	28,073	39,701	44,697	62,326	55,196
6.6 Amortisation charges	42,194	94,322	14,469	28,377	42,427	42,194	94,322	42,427
6.7 Other operating expenses	254,669	770,560	76,205	148,119	281,506	256,125	773,327	285,599
6.8 Total Other Operating Expenses	826,462	1,770,179	254,643	483,146	777,993	838,276	1,789,623	806,945
7.0 Profit/(Loss) Before Tax and Exceptional Items	(28,417)	(490,323)	(100,756)	(207,710)	(353,082)	(29,428)	(489,717)	(337,506)
8.0 Exceptional Items	-	-	-	-	-	-	-	-
9.0 Profit/(Loss) After Exceptional Items	(28,417)	(490,323)	(100,756)	(207,710)	(353,082)	(29,428)	(489,717)	(337,506)
10.0 Current Tax	315	-	-	-	-	-	1,225	-
11.0 Deferred Tax	-	(323,238)	-	-	-	-	(323,238)	-
12.0 Profit/(Loss) After Tax and Exceptional Items	(28,417)	(167,400)	(100,756)	(207,710)	(353,082)	(29,428)	(167,704)	(337,506)
13.0 Minority Interest	-	-	-	-	-	-	-	-
14.0 Profit/(Loss) after tax, exceptional items and Minority Interest	(28,417)	(167,400)	(100,756)	(207,710)	(353,082)	(29,428)	(167,704)	(337,506)
15.0 Other Comprehensive Income								
15.2 Fair value changes in available for sale financial assets	-	(2,740)	-	-	-	-	(2,740)	-
16.0 Other Comprehensive Income for the year net of tax	-	(2,740)	-	-	-	-	(2,740)	-
17.0 Total comprehensive income for the year	(28,417)	(170,140)	(100,756)	(207,710)	(353,082)	(29,428)	(170,444)	(337,506)
18.0 EARNINGS PER SHARE - BASIC & DILUTED	-	-	-	-	-	-	-	-
19.0 DIVIDEND PER SHARE - DECLARED	-	-	-	-	-	-	-	-
III OTHER DISCLOSURES								
1.0 NON-PERFORMING LOANS AND ADVANCES								
(a) Gross Non-performing loans and advances	1,566,642	2,141,177	2,017,524	2,032,553	2,059,582	1,566,642	2,141,177	2,059,582
(b) Less: Interest in Suspense	485,770	532,120	603,992	714,305	817,206	485,770	532,120	817,206
(c) Total Non-Performing Loans and Advances (a-b)	1,080,872	1,609,057	1,413,532	1,318,248	1,242,376	1,080,872	1,609,057	1,242,376
(d) Less: Loan Loss Provision	432,742	608,691	633,103	651,786	581,667	432,742	608,691	581,667
(e) Net Non-Performing Loans and Advances (c-d)	648,130	1,000,366	780,429	666,462	660,709	648,130	1,000,366	660,709
(f) Discounted Value of Securities	591,744	912,555	804,106	454,320	464,202	591,744	912,555	464,202
(g) Net NPLs Exposure (e-f)	56,386	87,811	(25,677)	212,142	196,507	56,386	87,811	196,507
2.0 INSIDER LOANS AND ADVANCES								
(a) Directors, Shareholders and Associates	421,515	331,817	398,362	263,643	251,466	421,515	331,817	251,466
(b) Employees	266,431	253,367	240,777	192,419	137,692	266,431	253,367	137,692
(c) Total Insider Loans and Advances and other facilities	687,946	585,184	639,139	456,062	389,158	687,946	585,184	389,158
3.0 OFF-BALANCE SHEET ITEMS								
(a) Letters of credit/guarantees, acceptances	154,230	582,339	967,256	1,064,829	902,977	154,230	582,339	902,977
(b) Forwards, swaps and options	-	-	-	-	-	-	-	-
(c) Other contingent liabilities	-	-	-	-	-	-	-	-
(d) Total Contingent Liabilities	154,230	582,339	967,256	1,064,829	902,977	154,230	582,339	902,977
4.0 CAPITAL STRENGTH								
(a) Core capital	2,210,127	2,686,105	2,359,288	2,252,333	2,106,960	2,210,127	2,686,105	2,106,960
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,			