

UNAUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES

I STATEMENT OF FINANCIAL POSITION	GROUP			BANK		
	31st March 2016 Unaudited Shs. '000'	31st Dec 2016 Audited Shs. '000'	31st March 2017 Unaudited Shs. '000'	31st March 2016 Unaudited Shs. '000'	31st Dec 2016 Audited Shs. '000'	31st March 2017 Unaudited Shs. '000'
A ASSETS						
1 Cash (both Local & Foreign)	239,105	303,548	260,947	233,432	292,289	238,583
2 Balances due from Central Bank of Kenya	745,023	534,460	1,297,094	745,023	534,460	1,297,094
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:						
a. Kenya Government securities	1,217,284	1,470,111	1,183,998	1,217,284	1,470,111	1,183,998
b. Other securities	-	-	-	-	-	-
b) Available for sale:						
a. Kenya Government securities	355,802	732,443	539,689	355,802	732,443	539,689
b. Other securities	306,567	696,234	500,084	306,567	696,234	500,084
6 Deposits and balances due from local banking institutions	49,235	36,209	39,605	49,235	36,209	39,605
7 Deposits and balances due from banking institutions abroad	607,784	343,658	552,141	607,784	343,658	552,141
8 Tax recoverable	61,117	93,892	163,721	61,117	93,892	163,721
9 Loans and advances to customers (net)	7,463	-	-	7,463	-	-
10 Balances due from banking institutions in the group	7,227,207	7,899,394	8,130,585	7,227,207	7,899,394	8,130,585
11 Investments in associates	-	-	-	-	-	-
12 Investments in subsidiary companies	-	-	-	1,000	1,000	1,000
13 Investments in joint ventures	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-
15 Property and equipment	238,139	305,043	324,048	238,099	305,013	324,021
16 Prepaid lease rentals	-	-	-	-	-	-
17 Intangible assets	126,332	133,039	138,539	125,897	132,682	138,208
18 Deferred tax asset	142,629	125,065	125,065	142,629	125,076	125,076
19 Retirement benefit asset	-	-	-	-	-	-
20 Other assets	195,762	297,236	349,875	190,633	271,950	316,107
21 TOTAL ASSETS	11,163,646	12,237,889	13,065,702	11,153,369	12,201,968	13,010,223
B LIABILITIES						
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-
23 Customer deposits	9,176,939	9,135,301	9,847,126	9,176,939	9,135,301	9,847,126
24 Deposits and balances due to local banking institutions	374,092	315,305	177,127	374,092	315,305	177,127
25 Deposits and balances due to foreign banking institutions	-	-	103,127	-	-	103,127
26 Other money market deposits	-	-	-	-	-	-
27 Borrowed funds	-	-	-	-	-	-
28 Balances due to banking institutions in the group	-	-	-	-	-	-
29 Tax payable	175	28,178	40,657	-	26,861	38,862
30 Dividends payable	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-	-
33 Other liabilities	183,558	295,252	409,756	177,056	264,927	361,669
34 TOTAL LIABILITIES	9,734,764	9,774,036	10,577,793	9,728,087	9,742,394	10,527,911
C SHAREHOLDERS' FUNDS						
35 Paid up /Assigned capital	1,339,745	1,949,163	1,949,163	1,339,745	1,949,163	1,949,163
36 Share premium/(discount)	108,901	457,977	449,940	108,901	457,977	449,940
37 Revaluation reserves	-	-	-	-	-	-
38 Retained earnings/Accumulated losses	(69,371)	20,362	55,624	(72,970)	16,083	50,027
39 Statutory loan loss reserves	57,921	44,497	49,541	57,921	44,497	49,541
40 Other Reserves	(8,314)	(8,146)	(16,359)	(8,314)	(8,146)	(16,359)
41 Proposed dividends	-	-	-	-	-	-
42 Capital grants	-	-	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,428,882	2,463,853	2,487,909	1,425,282	2,459,574	2,482,312
44 Minority Interest	-	-	-	-	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	11,163,646	12,237,889	13,065,702	11,153,369	12,201,968	13,010,223

II STATEMENT OF COMPREHENSIVE INCOME	31st March 2016 Unaudited Shs. '000'	31st Dec 2016 Audited Shs. '000'	31st March 2017 Unaudited Shs. '000'	31st March 2016 Unaudited Shs. '000'	31st Dec 2016 Audited Shs. '000'	31st March 2017 Unaudited Shs. '000'
1.0 INTEREST INCOME						
1.1 Loans and advances	355,090	1,382,773	302,695	355,090	1,382,773	302,695
1.2 Government securities	108,901	167,693	59,789	108,901	167,693	59,789
1.3 Deposits and placements with banking institutions	2,858	18,804	6,151	2,858	18,804	6,151
1.4 Other Interest Income	1,452	5,220	1,065	1,452	5,220	1,065
1.5 Total Interest Income	389,473	1,574,490	369,700	389,473	1,574,490	369,700
2.0 INTEREST EXPENSE						
2.1 Customer deposits	196,077	724,279	164,585	196,077	724,384	164,585
2.2 Deposits and placement from banking institutions	16,661	47,413	5,798	16,661	47,413	5,798
2.3 Other interest expenses	-	-	-	-	-	-
2.4 Total Interest Expenses	212,738	771,692	170,383	212,738	771,797	170,383
3.0 NET INTEREST INCOME/(LOSS)	176,736	802,798	199,317	176,736	802,693	199,317
4.0 NON-INTEREST INCOME						
4.1 Fees and commissions on loans and advances	14,475	96,471	34,373	14,475	96,471	34,373
4.2 Other fees and commissions	35,237	187,978	66,397	35,237	187,978	66,397
4.3 Foreign exchange trading income/(Loss)	10,957	36,347	12,000	10,957	36,347	12,000
4.4 Dividend Income	-	-	-	-	-	-
4.5 Other income	6,157	121,172	14,816	6,157	121,172	14,816
4.6 Total Non-interest Income	66,826	441,968	127,586	66,826	441,968	127,586
5.0 TOTAL OPERATING INCOME	243,562	1,244,766	326,903	243,562	1,235,067	326,903
6.0 OTHER OPERATING EXPENSES						
6.1 Loan loss provision	10,167	150,400	24,909	10,167	150,400	24,909
6.2 Staff costs	100,487	428,381	112,968	99,756	424,550	111,872
6.3 Directors' emoluments	11,960	50,065	15,523	11,960	50,065	15,523
6.4 Rental charges	18,777	84,088	24,311	18,777	84,087	24,311
6.5 Depreciation charge on property and equipment	10,757	45,043	14,074	10,754	45,028	14,071
6.6 Amortisation charges	11,641	52,824	15,565	11,615	52,720	15,539
6.7 Other operating expenses	46,474	270,452	66,774	46,474	270,082	66,620
6.8 Total Other Operating Expenses	210,264	1,081,253	274,124	209,504	1,076,932	272,845
7.0 Profit/(Loss) Before Tax and Exceptional Items	33,298	163,513	52,779	30,210	158,135	50,993
8.0 Exceptional Items	-	-	-	-	-	-
9.0 Profit/(Loss) After Exceptional Items	33,298	163,513	52,779	30,210	158,135	50,993
10.0 Current Tax	-	53,908	12,464	-	52,296	12,000
11.0 Deferred Tax	-	-	-	-	-	-
12.0 Profit/(Loss) After Tax and Exceptional Items	33,298	109,605	40,315	30,210	105,839	38,993
13.0 Minority Interest	-	-	-	-	-	-
14.0 Profit/(Loss) after tax, exceptional items and Minority Interest	33,298	109,605	40,315	30,210	105,839	38,993
15.0 Other Comprehensive Income						
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-	-
15.2 Fair value changes in available for sale financial assets	3,118	4,694	(11,733)	3,118	4,694	(11,733)
15.3 Revaluation surplus on Property, plant and equipment	-	-	-	-	-	-
15.4 Share of other comprehensive income of associates	-	-	-	-	-	-
15.5 Income tax relating to components of other comprehensive income	(935)	(1,408)	3,520	(935)	(1,408)	3,520
16.0 Other Comprehensive Income for the year net of tax	2,183	3,286	(8,213)	2,183	3,286	(8,213)
17.0 Total comprehensive income for the year	35,481	112,891	32,102	32,393	109,125	30,780
18.0 EARNINGS PER SHARE- BASIC & DILUTED	9.9	5.6	8.3	9.0	5.4	8.0
19.0 DIVIDEND PER SHARE- DECLARED	-	-	-	-	-	-

III OTHER DISCLOSURES	BANK		
	31st March 2016 Unaudited Shs. '000'	31st Dec 2016 Audited Shs. '000'	31st March 2017 Unaudited Shs. '000'
1.0 NON-PERFORMING LOANS AND ADVANCES			
(a) Gross Non-performing loans and advances	476,318	676,221	663,207
(b) Less: Interest in Suspense	68,643	106,017	118,396
(c) Total Non-Performing Loans and Advances (a-b)	407,675	570,204	544,811
(d) Less: Loan Loss Provision	249,385	355,231	381,095
(e) Net Non-Performing Loans and Advances (c-d)	158,290	214,973	163,716
(f) Discounted Value of Securities	158,290	214,973	163,716
(g) Net NPLs Exposure (e-f)	-	-	-
2.0 INSIDER LOANS AND ADVANCES			
(a) Directors, Shareholders and Associates	180,852	240,720	438,043
(b) Employees	514,750	482,855	471,188
(c) Total Insider Loans and Advances and other facilities	695,602	723,575	909,231
3.0 OFF-BALANCE SHEET ITEMS			
(a) Letters of credit, guarantees, acceptances	1,953,351	3,108,148	5,723,128
(b) Forwards, swaps and options	54,000	-	-
(c) Other contingent liabilities	1,165,662	4,870,473	5,852,417
(d) Total Contingent Liabilities	3,173,013	7,978,621	11,575,545
4.0 CAPITAL STRENGTH			
(a) Core capital	1,360,571	2,423,222	2,429,635
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency) (a-b)	360,571	1,423,222	1,429,635
(d) Supplementary Capital	57,921	44,497	49,541
(e) Total Capital (a+d)	1,418,492	2,467,719	2,479,176
(f) Total risk weighted assets	9,037,942	10,800,801	13,872,496
(g) Core Capital/Total deposits Liabilities	14.3%	26.1%	24.4%
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%
(i) Excess/(Deficiency) (g-h)	6.3%	18.1%	16.4%
(j) Core Capital / total risk weighted assets	14.2%	22.4%	17.5%
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%
(l) Excess (Deficiency) (j-k)	3.7%	11.9%	7.0%
(m) Total Capital/total risk weighted assets	14.9%	22.8%	17.9%
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)	0.4%	8.3%	3.4%
14 LIQUIDITY			
14.1 (a) Liquidity Ratio	-	30.6%	32.7%
14.2 (b) Minimum Statutory Ratio	-	20.0%	20.0%
14.3 (c) Excess (Deficiency) (a-b)	-	10.6%	12.7%

These financial statements are extracts from the books of the institution. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the institutions website : www.creditbank.co.ke. They may also be accessed at the institutions head office located at Mercantile House Koinange Street - Nairobi

Chege Thumbi
Chief Executive Officer

Moses Mwendwa
Director

The Companies Act, 2015
No. 23/90

Credit Bank
My Friend, My Bank

NOTICE OF AGM

NOTICE IS HEREBY GIVEN THAT THE THIRTY FIRST (31ST) ANNUAL GENERAL MEETING OF CREDIT BANK LIMITED WILL BE HELD AT THE BOMAS OF KENYA, NAIROBI ON THURSDAY, 22ND JUNE 2017 AT 10.00 AM.

AGENDA

ORDINARY BUSINESS

- To read the notice convening the meeting and confirm the presence of a quorum.
- To receive and adopt the audited Balance Sheet and Financial Statements for the year ended 31 December 2016 together with the Directors' and Auditors' Reports thereon.
- To note that the Directors do not recommend payment of a dividend in respect of the financial year ended 31 December 2016.
- To re-elect Directors in accordance with the Articles of Association:
 - Dr. Margaret Chemengich, having been appointed as a Director since the last Annual General Meeting, retires at this meeting and, being eligible, offers herself for re-election;
 - Dr. James Stanley Mathenge, having been appointed as a Director since the last Annual General Meeting, retires at this meeting and, being eligible, offers himself for re-election;
 - Mr. Ketan Morjaria retires from office by rotation and, being eligible, offers himself for re-election;
 - Mr. Robinson Gachogu retires from office by rotation and, being eligible, offers himself for re-election.
- To approve the Directors' remuneration for the financial year 2017.
- To authorise the directors to fix the Auditors' remuneration.
- To re-appoint the Auditors, PricewaterhouseCoopers who have indicated their willingness to continue in office in accordance with Section 719 (2) of the Companies Act, 2015 and subject to approval by Central Bank of Kenya.

SPECIAL BUSINESS

- To consider and, if though fit, to pass the following Special Resolutions