

UNAUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES

I STATEMENT OF FINANCIAL POSITION	BANK			GROUP		
	31 March 2017	31 December 2017	31 March 2018	31 March 2017	31 December 2017	31 March 2018
	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited
A ASSETS						
1 Cash (both Local & Foreign)	238,583	264,755	268,046	260,947	291,143	298,411
2 Balances due from Central Bank of Kenya	1,297,094	704,422	638,892	1,297,094	704,422	638,892
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:	1,183,998	1,763,334	1,822,413	1,183,998	1,763,334	1,822,413
a. Kenya Government securities	1,183,998	1,763,334	1,822,413	1,183,998	1,763,334	1,822,413
b. Other securities						
b) Available for sale:	539,689	503,680	606,983	539,689	503,680	606,983
a. Kenya Government securities	500,084	479,885	583,284	500,084	479,885	583,284
b. Other securities	39,605	23,795	23,699	39,605	23,795	23,699
6 Deposits and balances due from local banking institutions	552,141	243,417	-	552,141	243,417	-
7 Deposits and balances due from banking institutions abroad	163,721	394,288	107,738	163,721	394,288	107,738
8 Tax recoverable						
9 Loans and advances to customers (net)	8,130,585	9,698,546	10,486,648	8,130,585	9,698,546	10,486,648
10 Balances due from banking institutions in the group						
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	324,021	291,186	277,903	324,048	291,203	277,918
16 Prepaid lease rentals						
17 Intangible assets	138,208	186,949	180,543	138,539	187,202	180,769
18 Deferred tax asset	125,076	114,759	114,758	125,065	114,750	114,751
19 Retirement benefit asset						
20 Other assets	316,107	298,738	428,257	349,875	318,692	473,027
21 TOTAL ASSETS	13,010,223	14,465,074	14,933,181	13,065,702	14,510,677	15,007,550
B LIABILITIES						
22 Balances due to Central Bank of Kenya						
23 Customer deposits	9,847,126	10,939,796	11,590,949	9,847,126	10,939,796	11,590,949
24 Deposits and balances due to local banking institutions	177,127	79,348	16,940	177,127	79,348	16,940
25 Deposits and balances due to foreign banking institutions	103,127	465,539	303,397	103,127	465,539	303,397
26 Other money market deposits						
27 Borrowed funds						
28 Balances due to banking institutions in the group						
29 Tax payable	38,862	785	5,287	40,657	59	4,419
30 Dividends payable						
31 Deferred tax liability						
32 Retirement benefit liability						
33 Other liabilities	361,669	314,533	363,397	409,756	352,349	427,012
34 TOTAL LIABILITIES	10,527,911	11,800,001	12,279,970	10,577,793	11,837,091	12,342,717
C SHAREHOLDERS' FUNDS						
35 Paid up /Assigned capital	1,949,163	2,390,786	2,401,600	1,949,163	2,390,786	2,401,600
36 Share premium/(discount)	449,940	88,705	94,774	449,940	88,705	94,774
37 Revaluation reserves						
38 Retained earnings/Accumulated losses	50,027	114,825	122,962	55,624	123,338	134,584
39 Statutory loan loss reserves	49,541	49,541	-	49,541	49,541	-
40 Other Reserves	(16,359)	(4,844)	7,815	(16,359)	(4,844)	7,815
41 Proposed dividends		26,060	26,060		26,060	26,060
42 Capital grants						
43 TOTAL SHAREHOLDERS' FUNDS	2,482,312	2,665,073	2,653,211	2,487,909	2,673,586	2,664,833
44 Minority Interest						
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	13,010,223	14,465,074	14,933,181	13,065,702	14,510,677	15,007,550
II STATEMENT OF COMPREHENSIVE INCOME						
1.0 INTEREST INCOME						
1.1 Loans and advances	302,695	1,252,434	353,074	302,695	1,252,434	353,074
1.2 Government securities	59,789	252,845	57,193	59,789	252,845	57,193
1.3 Deposits and placements with banking institutions	6,151	24,301	2,793	6,151	24,301	2,793
1.4 Other Interest Income	1,065	3,737	718	1,065	3,737	718
1.5 Total interest income	369,700	1,533,317	413,778	369,700	1,533,317	413,778
2.0 INTEREST EXPENSE						
2.1 Customer deposits	164,585	709,677	198,089	164,585	708,982	197,532
2.2 Deposits and placement from banking institutions	5,798	30,517	3,384	5,798	30,517	3,384
2.3 Other interest expenses						
2.4 Total interest expenses	170,383	740,194	201,473	170,383	739,499	200,916
3.0 NET INTEREST INCOME/(LOSS)	199,317	793,123	212,305	199,317	793,818	212,862
4.0 NON-INTEREST INCOME						
4.1 Fees and commissions on loans and advances	34,373	182,288	65,910	34,373	182,288	65,910
4.2 Other fees and commissions	63,332	230,514	43,907	66,397	238,975	47,960
4.3 Foreign exchange trading income/(Loss)	12,000	58,428	20,705	12,000	58,428	20,705
4.4 Dividend Income						
4.5 Other income	14,816	88,840	25,121	14,816	88,840	25,121
4.6 Total Non-interest income	124,521	560,070	155,643	127,586	568,531	159,696
5.0 TOTAL OPERATING INCOME	323,838	1,353,193	367,948	326,903	1,362,349	372,558
6.0 OTHER OPERATING EXPENSES						
6.1 Loan loss provision	24,909	136,272	25,112	24,909	136,272	25,112
6.2 Staff costs	111,872	466,189	133,357	112,968	470,607	134,687
6.3 Directors' emoluments	15,523	50,620	12,651	15,523	50,620	12,651
6.4 Rental charges	24,311	101,973	25,939	24,311	101,973	25,940
6.5 Depreciation charge on property and equipment	14,071	58,323	14,615	14,074	58,335	14,627
6.6 Amortisation charges	15,539	45,913	12,421	15,565	46,017	12,525
6.7 Other operating expenses	66,620	314,847	86,067	66,774	313,307	86,123
6.8 Total Other Operating Expenses	272,845	1,174,137	310,162	274,124	1,177,131	311,665
7.0 Profit/(loss) Before Tax and Exceptional Items	50,993	179,056	57,786	52,779	185,218	60,893
8.0 Exceptional Items						
9.0 Profit/(Loss) After Exceptional Items	50,993	179,056	57,786	52,779	185,218	60,893
10.0 Current Tax	12,000	38,892	4,500	12,464	51,138	4,500
11.0 Deferred Tax		10,318				
12.0 Profit/(Loss) After Tax and Exceptional Items	38,993	129,846	53,286	40,315	134,080	56,393
13.0 Minority Interest						
14.0 Profit/(loss) after tax, exceptional items and Minority Interest	38,993	129,846	53,286	40,315	134,080	56,393
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	(11,733)	4,717	18,083	(11,733)	4,717	18,083
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	3,520	(1,415)	(5,425)	3,520	(1,415)	(5,425)
16.0 Other Comprehensive Income for the year net of tax	(8,213)	3,302	12,658	(8,213)	3,302	12,658
17.0 Total comprehensive income for the year	30,780	133,148	65,944	32,102	137,382	69,051
18.0 EARNINGS PER SHARE - BASIC & DILUTED	8	5.4	8.9	8.3	5.6	9.4
19.0 DIVIDEND PER SHARE -DECLARED						

III OTHER DISCLOSURES	BANK		
	31 March 2017	31 December 2017	31 March 2018
	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited
1.0 NON-PERFORMING LOANS AND ADVANCES			
(a) Gross Non-performing loans and advances	663,207	876,544	1,356,721
(b) Less: Interest in Suspense	118,396	145,687	174,036
(c) Total Non-Performing Loans and Advances (a-b)	544,811	730,857	1,182,685
(d) Less: Loan Loss Provision	381,095	326,442	410,881
(e) Net Non-Performing Loans and Advances (c-d)	163,716	404,415	771,804
(f) Discounted Value of Securities	163,716	404,415	722,051
(g) Net NPLs Exposure (e-f)	-	-	49,753
2.0 INSIDER LOANS AND ADVANCES			
(a) Directors, Shareholders and Associates	438,043	558,101	617,383
(b) Employees	471,188	553,064	572,135
(c) Total Insider Loans and Advances and other facilities	909,231	1,111,165	1,189,518
3.0 OFF-BALANCE SHEET ITEMS			
(a) Letters of credit, guarantees, acceptances	5,723,128	7,246,797	7,926,114
(b) Forwards, swaps and options			
(c) Other contingent liabilities	5,852,417	5,143,676	454,494
(d) Total Contingent Liabilities	11,575,545	12,390,473	8,380,608
4.0 CAPITAL STRENGTH			
(a) Core capital	2,429,635	2,594,315	2,592,694
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency) (a-b)	1,429,635	1,594,315	1,592,694
(d) Supplementary Capital	49,541	49,541	-
(e) Total Capital (a+d)	2,479,176	2,643,856	2,592,694
(f) Total risk weighted assets	13,872,496	16,678,825	17,774,000
(g) Core Capital/Total deposits Liabilities	24.4%	22.7%	21.8%
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%
(i) Excess/(Deficiency) (g-h)	16.4%	14.7%	13.8%
(j) Core Capital / total risk weighted assets	17.5%	15.6%	14.6%
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%
(l) Excess (Deficiency) (j-k)	7.0%	5.1%	4.1%
(m) Total Capital/total risk weighted assets	17.9%	15.9%	14.6%
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)	3.4%	1.4%	0.1%
(p) Adjusted Core Capital/Total Deposit Liabilities*			22.4%
(q) Adjusted Core Capital/Total Risk Weighted Assets*			15.0%
(r) Adjusted Total Capital/Total Risk Weighted Assets*			15.0%
5.0 LIQUIDITY			
5.1 (a) Liquidity Ratio	32.5%	29.6%	25.1%
5.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%
5.3 (c) Excess (Deficiency) (a-b)	12.5%	9.6%	5.1%

Notes

* The Adjusted Capital Ratios includes the expected credit loss provisions added back to Capital in line with the CBK Guidance Note issued in April 2018 on implementation of IFRS 9

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

Betty Korir
Chief Executive Officer

Moses Mwendwa
Director

The Companies Act, 2015
No. 23/19

NOTICE IS HEREBY GIVEN THAT THE THIRTY SECOND (32ND) ANNUAL GENERAL MEETING OF CREDIT BANK PLC WILL BE HELD AT CATHOLIC UNIVERSITY OF EASTERN AFRICA, NAIROBI ON 28TH OF JUNE 2018 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 2017 together with the Directors' and Auditors' Reports thereon.
- To declare a dividend of Kshs 1.09 per share in respect of the financial year ended 31 December 2017 as recommended by the Directors.
- To re-elect Directors in accordance with the Articles of Association:
 - Mrs Grace Nyachae, retires from office by rotation and, being eligible, offers herself for re-election;
 - Mr Moses M Mwendwa retires from office by rotation and, being eligible, offers himself for re-election;