

UNAUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES

I STATEMENT OF FINANCIAL POSITION	BANK			GROUP		
	31 March 2018	31 December 2018	31 March 2019	31 March 2018	31 December 2018	31 March 2019
	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)	268,046	409,090	316,578	298,411	409,090	316,578
2 Balances due from Central Bank of Kenya	638,892	924,012	1,440,919	638,892	950,690	1,473,407
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:	1,822,413	1,512,142	1,428,347	1,822,413	1,512,142	1,428,347
a. Kenya Government securities	1,822,413	1,512,142	1,428,347	1,822,413	1,512,142	1,428,347
b. Other securities						
b) Available for sale:	606,983	806,405	814,226	606,983	806,405	814,226
a. Kenya Government securities	583,284	794,499	802,485	583,284	794,499	802,485
b. Other securities	23,699	11,906	11,741	23,699	11,906	11,741
6 Deposits and balances due from local banking institutions		35,028	22,668		35,028	22,668
7 Deposits and balances due from banking institutions abroad	107,738	160,620	199,868	107,738	160,620	199,868
8 Tax recoverable						
9 Loans and advances to customers (net)	10,486,648	13,031,250	14,154,607	10,486,648	13,031,250	14,154,607
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	277,903	270,745	255,596	277,918	270,845	255,685
16 Prepaid lease rentals						
17 Intangible assets	180,543	170,207	149,843	180,769	170,355	149,965
18 Deferred tax asset	114,758	132,367	132,367	114,751	132,625	132,353
19 Retirement benefit asset						
20 Other assets	428,257	352,559	485,851	473,027	425,559	523,242
21 TOTAL ASSETS	14,933,181	17,805,424	19,401,870	15,007,550	17,904,609	19,470,946
B LIABILITIES						
22 Balances due to Central Bank of Kenya			499,630			499,630
23 Customer deposits	11,590,949	13,117,881	14,473,231	11,590,949	13,117,882	14,473,231
24 Deposits and balances due to local banking institutions	16,940	967,462	640,980	16,940	967,462	640,980
25 Deposits and balances due to foreign banking institutions	303,397	306,270	278,052	303,397	306,270	278,052
26 Other money market deposits						
27 Borrowed funds						
28 Balances due to banking institutions in the group						
29 Tax payable	5,287	38,816	44,816	4,419	39,726	44,805
30 Dividends payable						
31 Deferred tax liability						
32 Retirement benefit liability						
33 Other liabilities	363,397	511,970	523,876	427,012	593,568	575,695
34 TOTAL LIABILITIES	12,279,970	14,942,398	16,460,585	12,342,717	15,024,907	16,512,393
C SHAREHOLDERS' FUNDS						
35 Paid up/Assigned capital	2,401,600	2,406,425	2,406,425	2,401,600	2,406,425	2,406,425
36 Share premium/(discount)	94,774	75,715	74,992	94,774	75,715	74,992
37 Revaluation reserves						
38 Retained earnings/Accumulated losses	122,962	206,533	293,889	134,584	223,210	311,157
39 Statutory loan loss reserves		92,041	92,041		92,041	92,041
40 Other Reserves	7,815	10,119	1,745	7,815	10,119	1,745
41 Proposed dividends	26,060	72,193	72,193	26,060	72,193	72,193
42 Capital grants						
43 TOTAL SHAREHOLDERS' FUNDS	2,653,211	2,863,025	2,941,285	2,664,833	2,879,702	2,958,553
44 Minority Interest						
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	14,933,181	17,805,424	19,401,870	15,007,550	17,904,609	19,470,946

II STATEMENT OF COMPREHENSIVE INCOME	BANK			GROUP		
	31 March 2018	31 December 2018	31 March 2019	31 March 2018	31 December 2018	31 March 2019
	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited
1.0 INTEREST INCOME						
1.1 Loans and advances	353,074	1,561,460	431,588	353,074	1,561,460	431,588
1.2 Government securities	57,193	261,863	62,436	57,193	261,863	62,436
1.3 Deposits and placements with banking institutions	2,793	6,506	697	2,793	6,506	697
1.4 Other Interest Income	718	3,194	359	718	3,194	359
1.5 Total interest income	413,778	1,833,023	495,080	413,778	1,833,023	495,080
2.0 INTEREST EXPENSE						
2.1 Customer deposits	198,089	854,824	242,462	197,532	853,441	242,103
2.2 Deposits and placement from banking institutions	3,384	44,610	17,111	3,384	44,610	17,111
2.3 Other interest expenses						
2.4 Total interest expenses	201,473	899,434	259,573	200,916	898,051	259,214
3.0 NET INTEREST INCOME/(LOSS)	212,305	933,589	235,507	212,862	934,972	235,866
4.0 NON-INTEREST INCOME						
4.1 Fees and commissions on loans and advances	65,910	301,673	95,775	65,910	301,673	95,775
4.2 Other fees and commissions	43,907	186,410	79,075	47,960	202,538	83,256
4.3 Foreign exchange trading income/(Loss)	20,705	83,486	31,424	20,705	83,486	31,424
4.4 Dividend Income						
4.5 Other Income	25,121	196,753	5,485	25,121	196,753	5,485
4.6 Total Non-interest income	155,643	768,323	211,759	159,696	784,451	215,940
5.0 TOTAL OPERATING INCOME	367,948	1,701,912	447,266	372,558	1,719,423	451,806
6.0 OTHER OPERATING EXPENSES						
6.1 Loan loss provision	25,112	120,575	27,753	25,112	120,575	27,753
6.2 Staff costs	133,357	569,692	154,253	134,687	575,449	157,175
6.3 Directors' emoluments	12,651	52,607	16,919	12,651	52,607	16,919
6.4 Rental charges	25,939	102,909	26,834	25,940	102,909	26,834
6.5 Depreciation charge on property and equipment	14,615	59,567	15,150	14,627	59,579	15,160
6.6 Amortisation charges	12,421	50,078	13,295	12,525	50,182	13,321
6.7 Other operating expenses	86,067	414,276	99,707	86,123	415,180	100,022
6.8 Total Other Operating Expenses	310,162	1,369,703	353,911	311,665	1,376,482	357,184
7.0 Profit/(Loss) Before Tax and Exceptional Items	57,786	332,208	93,355	60,893	342,940	94,622
8.0 Exceptional Items						
9.0 Profit/(Loss) After Exceptional Items	57,786	332,208	93,355	60,893	342,940	94,622
10.0 Current Tax	4,500	83,055	6,000	4,500	86,552	6,000
11.0 Deferred Tax		8,119			7,852	
12.0 Profit/(Loss) After Tax and Exceptional Items	53,286	241,034	87,355	56,393	248,537	88,622
13.0 Minority Interest						
14.0 Profit/(Loss) after tax, exceptional items and Minority Interest	53,286	241,034	87,355	56,393	248,537	88,622
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	18,083	21,376	(8,374)	18,083	21,376	(8,374)
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	(5,425)	(6,413)	2,512	(5,425)	(6,413)	2,512
16.0 Other Comprehensive Income for the year net of tax	12,658	14,963	(5,862)	12,658	14,963	(5,862)
17.0 Total comprehensive income for the year	65,944	255,997	81,493	69,051	263,501	82,760
18.0 EARNINGS PER SHARE- BASIC & DILUTED	8.90	10.02	14.5	9.4	10.33	14.8
19.0 DIVIDEND PER SHARE -DECLARED		3			3	

III OTHER DISCLOSURES	BANK		
	31 March 2018	31 December 2018	31 March 2019
	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited
1.0 NON-PERFORMING LOANS AND ADVANCES			
1.1 (a) Gross Non-performing loans and advances	1,356,721	1,112,560	1,146,978
1.2 (b) Less: Interest in Suspense	174,036	168,823	182,120
1.3 (c) Total Non-Performing Loans and Advances (a-b)	1,182,685	943,737	964,858
1.4 (d) Less: Loan Loss Provision	410,881	240,207	260,148
1.5 (e) Net Non-Performing Loans and Advances (c-d)	771,804	703,530	704,710
1.6 (f) Discounted Value of Securities	722,051	703,530	704,710
1.7 (g) Net NPLs Exposure (e-f)	49,753	-	-
2.0 INSIDER LOANS AND ADVANCES			
2.1 (a) Directors, Shareholders and Associates	617,383	647,644	606,875
2.2 (b) Employees	572,135	714,103	690,269
2.3 (c) Total Insider Loans and Advances and other facilities	1,189,518	1,361,747	1,297,144
3.0 OFF-BALANCE SHEET ITEMS			
3.1 (a) Letters of credit, guarantees, acceptances	7,926,114	6,700,830	5,424,543
3.2 (b) Forwards, swaps and options			
3.3 (c) Other contingent liabilities	454,494	872,218	522,341
3.4 (d) Total Contingent Liabilities	8,380,608	7,573,048	5,946,884
4.0 CAPITAL STRENGTH			
4.1 (a) Core capital	2,592,694	2,628,938	2,671,454
4.2 (b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
4.3 (c) Excess/(Deficiency) (a-b)	1,592,694	1,628,938	1,671,454
4.4 (d) Supplementary Capital		92,040	92,041
4.5 (e) Total Capital (a+d)	2,592,694	2,720,978	2,763,495
4.6 (f) Total risk weighted assets	17,774,000	18,756,441	18,761,675
4.7 (g) Core Capital/Total deposits Liabilities	21.8%	20.0%	18.1%
4.8 (h) Minimum statutory Ratio	8.0%	8.0%	8.0%
4.9 (i) Excess/(Deficiency) (g-h)	13.8%	12.0%	10.1%
4.10 (j) Core Capital / total risk weighted assets	14.6%	14.0%	14.2%
4.11 (k) Minimum Statutory Ratio	10.5%	10.5%	10.5%
4.12 (l) Excess (Deficiency) (j-k)	4.1%	3.5%	3.7%
4.13 (m) Total Capital/total risk weighted assets	14.6%	14.5%	14.7%
4.14 (n) Minimum statutory Ratio	14.5%	14.5%	14.5%
4.15 (o) Excess/(Deficiency) (m-n)	0.1%	0.0%	0.2%
(p) Adjusted Core Capital/Total Deposit Liabilities*	22.4%	20.2%	18.7%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	15.0%	14.5%	14.7%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	15.0%	15.0%	15.2%
5.0 LIQUIDITY			
5.1 (a) Liquidity Ratio	25.1%	21.0%	20.9%
5.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%
5.3 (c) Excess (Deficiency) (a-b)	5.1%	1.0%	0.9%

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

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