

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES

I STATEMENT OF FINANCIAL POSITION	Bank					Group			
	30th Sep 2019 Shs. '000' Unaudited	31st Dec 2019 Shs. '000' Audited	31st Mar 2020 Shs. '000' Unaudited	30th June 2020 Shs. '000' Unaudited	30th Sep 2020 Shs. '000' Unaudited	30th Sep 2019 Shs. '000' Unaudited	31st Dec 2019 Shs. '000' Audited	30th Sep 2020 Shs. '000' Unaudited	
<b>A ASSETS</b>									
1 Cash ( both Local & Foreign)	310,037	364,293	400,434	512,699	356,969	310,037	394,082	383,581	
2 Balances due from Central Bank of Kenya	477,235	891,993	1,361,327	1,510,186	785,912	501,930	891,993	785,913	
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:	1,796,720	1,789,084	2,915,853	2,683,606	3,199,912	1,796,720	1,789,084	3,199,912	
a. Kenya Government securities	1,796,720	1,789,084	2,915,853	2,683,606	3,199,912	1,796,720	1,789,084	3,199,912	
b. Other securities									
b) Available for sale:	1,757,319	1,246,602	379,990	599,233	623,937	1,757,319	1,246,602	623,937	
a. Kenya Government securities	1,751,356	1,246,602	379,990	599,233	623,937	1,751,356	1,246,602	623,937	
b. Other securities	5,963		-	-	10,000	5,963		10,000	
6 Deposits and balances due from local banking institutions		300,053		86,077	-		300,053	-	
7 Deposits and balances due from banking institutions abroad	297,360	133,963	87,805	279,513	307,095	297,360	133,963	307,095	
8 Tax recoverable	52,587	-	-	61,025	91,918	52,587	-	91,918	
9 Loans and advances to customers (net)	14,948,785	15,226,683	15,675,351	15,682,352	15,789,269	14,948,785	15,226,683	15,789,269	
10 Balances due from banking institutions in the group									
11 Investments in associates									
12 Investments in subsidiary companies	1,000	1,000	1,000	1,000	1,000				
13 Investments in joint ventures									
14 Investment properties									
15 Property and equipment	253,637	786,326	753,993	797,310	768,416	253,792	786,471	768,529	
16 Prepaid lease rentals									
17 Intangible assets	136,820	188,707	157,409	162,877	154,735	136,890	188,750	154,735	
18 Deferred tax asset	131,927	176,656	175,315	175,315	175,315	131,927	176,645	175,262	
19 Retirement benefit asset									
20 Other assets	660,867	435,379	824,794	413,675	552,005	707,847	526,290	583,254	
21 <b>TOTAL ASSETS</b>	20,824,293	21,540,739	22,733,271	22,964,867	23,816,483	20,895,193	21,660,616	22,873,405	
<b>B LIABILITIES</b>									
22 Balances due to Central Bank of Kenya									
23 Customer deposits	15,744,628	16,806,421	17,562,360	17,838,339	17,048,217	15,744,628	16,806,421	17,048,217	
24 Deposits and balances due to local banking institutions	1,002,660	260,078	484,306	765,751	657,557	1,002,660	260,078	657,557	
25 Deposits and balances due to foreign banking institutions	391,168	280,114	290,539	-	901,290	391,168	280,114	901,290	
26 Other money market deposits									
27 Borrowed funds									
28 Balances due to banking institutions in the group									
29 Tax payable		41,649	48,145	-	-	(2,805)	37,819	(5,650)	
30 Dividends payable									
31 Deferred tax liability						14			
32 Retirement benefit liability									
33 Other liabilities	646,731	1,152,046	1,123,431	1,097,186	937,423	698,042	1,258,015	974,774	
34 <b>TOTAL LIABILITIES</b>	17,785,187	18,540,308	19,508,782	19,701,276	19,544,488	17,833,707	18,642,447	19,576,188	
<b>C SHAREHOLDERS' FUNDS</b>									
35 Paid up /Assigned capital	2,633,507	2,633,507	2,759,453	2,766,490	2,794,110	2,633,507	2,633,507	2,794,110	
36 Share premium/(discount)	64,007	59,908	107,834	103,220	99,060	64,007	59,908	99,060	
37 Revaluation reserves									
38 Retained earnings/Accumulated losses	241,191	143,845	202,926	217,322	154,196	263,571	161,583	179,417	
39 Statutory loan loss reserves	89,313	164,684	164,684	164,684	214,684	89,313	164,684	214,685	
40 Other Reserves	11,089	(1,514)	(10,408)	11,875	9,946	11,089	(1,514)	9,945	
41 Proposed dividends									
42 Capital grants									
43 <b>TOTAL SHAREHOLDERS' FUNDS</b>	3,039,106	3,000,431	3,224,489	3,263,591	3,271,996	3,061,486	3,018,169	3,297,217	
44 Minority Interest									
45 <b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	20,824,293	21,540,739	22,733,271	22,964,867	23,816,483	20,895,193	21,660,616	22,873,405	
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>									
	30th Sep 2019 Shs. '000' Unaudited	31st Dec 2019 Shs. '000' Audited	31st Mar 2020 Shs. '000' Unaudited	30th June 2020 Shs. '000' Unaudited	30th Sep 2020 Shs. '000' Unaudited	30th Sep 2019 Shs. '000' Unaudited	31st Dec 2019 Shs. '000' Audited	30th Sep 2020 Shs. '000' Unaudited	
<b>1.0 INTEREST INCOME</b>									
1.1 Loans and advances	1,363,834	1,870,649	530,109	1,030,013	1,533,157	1,363,834	1,870,649	1,533,157	
1.2 Government securities	191,878	275,559	75,180	172,974	276,902	191,878	275,559	276,902	
1.3 Deposits and placements with banking institutions	1,482	5,063	5,778	6,850	7,034	1,482	5,063	7,034	
1.4 Other Interest Income	780	838	-	-	-	780	838	-	
1.5 <b>Total interest income</b>	1,557,975	2,152,109	611,067	1,209,837	1,817,094	1,557,975	2,152,109	1,817,094	
<b>2.0 INTEREST EXPENSE</b>									
2.1 Customer deposits	809,762	1,134,631	329,455	662,941	984,293	808,783	1,133,445	982,983	
2.2 Deposits and placement from banking institutions	32,795	36,506	1,894	6,353	17,867	32,795	36,506	17,867	
2.3 Other interest expenses		59,935	14,806	28,250	43,641		59,935	43,641	
2.4 <b>Total interest expenses</b>	842,557	1,231,071	346,155	697,544	1,045,801	841,578	1,229,885	1,044,491	
3.0 <b>NET INTEREST INCOME/(LOSS)</b>	715,418	921,038	264,912	512,292	771,293	716,396	922,224	772,603	
<b>4.0 NON-INTEREST INCOME</b>									
4.1 Fees and commissions on loans and advances	244,728	314,355	52,833	96,036	139,564	244,728	314,355	139,564	
4.2 Other fees and commissions	267,552	373,721	83,141	143,856	196,690	281,647	389,153	213,213	
4.3 Foreign exchange trading income/(Loss)	92,670	117,711	33,351	67,737	97,627	92,670	117,711	97,627	
4.4 Dividend Income									
4.5 Other income	38,153	51,421	26,265	38,390	52,322	38,153	51,421	52,322	
4.6 <b>Total Non-interest income</b>	643,102	857,208	195,590	346,019	486,203	657,198	872,640	502,726	
5.0 <b>TOTAL OPERATING INCOME</b>	1,358,520	1,778,246	460,502	858,311	1,257,495	1,373,594	1,794,864	1,275,328	
<b>6.0 OTHER OPERATING EXPENSES</b>									
6.1 Loan loss provision	107,873	136,904	47,365	77,108	83,554	107,873	136,904	83,554	
6.2 Staff costs	476,745	646,589	170,739	335,424	508,644	484,786	658,753	518,244	
6.3 Directors' emoluments	55,828	69,150	19,151	37,941	57,088	55,828	69,150	57,088	
6.4 Rental charges	82,950	18,846	2,297	7,315	13,638	82,950	18,846	13,638	
6.5 Depreciation charge on property and equipment	46,314	134,658	36,779	75,103	113,029	46,348	134,703	113,061	
6.6 Amortisation charges	38,568	51,423	14,335	29,181	44,355	38,646	51,527	44,400	
6.7 Other operating expenses	299,962	420,603	104,681	210,762	332,927	300,504	422,071	333,722	
6.8 <b>Total Other Operating Expenses</b>	1,108,240	1,478,174	395,347	772,834	1,153,235	1,116,935	1,491,955	1,163,707	
7.0 <b>Profit/(Loss) Before Tax and Exceptional Items</b>	250,280	300,072	65,155	85,478	104,261	256,659	302,909	111,622	
8.0 Exceptional Items									
9.0 <b>Profit/(Loss) After Exceptional Items</b>	250,280	300,072	65,155	85,478	104,261	256,659	302,909	111,622	
10.0 Current Tax	18,000	134,131	65,000	12,000	18,000	18,000	134,910	18,000	
11.0 Deferred Tax		(44,290)					(44,020)		
12.0 <b>Profit/(Loss) After Tax and Exceptional Items</b>	232,280	210,231	59,155	73,478	86,261	238,659	212,019	93,622	
13.0 Minority Interest									
14.0 <b>Profit/(Loss) after tax, exceptional items and Minority Interest</b>	232,280	210,231	59,155	73,478	86,261	238,659	212,019	93,622	
15.0 <b>Other Comprehensive Income</b>									
15.1 Gains/(Losses) from translating the financial statements of foreign operations									
15.2 Fair value changes in available for sale financial assets	1,384	(11,633)	(8,894)	31,832	16,370	1,384	(11,633)	16,370	
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	(415)			(9,550)	(4,911)	(415)		(4,911)	
16.0 <b>Other Comprehensive Income for the year net of tax</b>	969	(11,633)	(8,894)	22,282	11,459	969	(11,633)	11,459	
17.0 <b>Total comprehensive income for the year</b>	233,249	198,598	50,261	95,760	97,720	239,628	200,386	105,081	
<b>18.0 EARNINGS PER SHARE- BASIC &amp; DILUTED</b>	12.9	8.7	8.6	5.3	4.1	13.2	8.7	4.5	
<b>19.0 DIVIDEND PER SHARE -DECLARED</b>									

III OTHER DISCLOSURES		Bank				
	30th Sep 2019 Shs. '000' Unaudited	31st Dec 2019 Shs. '000' Audited	31st Mar 2020 Shs. '000' Unaudited	30th June 2020 Shs. '000' Unaudited	30th Sep 2020 Shs. '000' Unaudited	
<b>1.0 NON-PERFORMING LOANS AND ADVANCES</b>						
(a) Gross Non-performing loans and advances	1,218,636	1,592,274	1,625,983	1,659,175	1,706,094	
(b) Less: Interest in Suspense	219,083	267,192	279,921	354,464	461,670	
(c) <b>Total Non-Performing Loans and Advances (a-b)</b>	999,553	1,325,082	1,346,062	1,304,711	1,244,424	
(d) Less: Loan Loss Provision	388,948	303,428	320,828	360,394	369,478	
(e) <b>Net Non-Performing Loans and Advances(c-d)</b>	610,605	1,021,654	1,025,234	944,317	874,946	
(f) Discounted Value of Securities	610,605	1,021,654	1,025,234	944,317	874,946	
(g) <b>Net NPLs Exposure (e-f)</b>	-	-	-	-	-	
<b>2.0 INSIDER LOANS AND ADVANCES</b>						
(a) Directors, Shareholders and Associates	612,879	348,667	671,939	688,239	687,932	
(b) Employees	862,822	900,703	932,384	939,410	992,123	
(c) <b>Total Insider Loans and Advances and other facilities</b>	1,475,701	1,249,370	1,604,323	1,627,649	1,680,055	
<b>3.0 OFF-BALANCE SHEET ITEMS</b>						
(a) Letters of credit, guarantees, acceptances	4,517,943	6,102,775	8,556,138	9,822,930	9,418,828	
(b) Forwards, swaps and options			-			
(c) Other contingent liabilities	280,295	606,006	355,334	555,707	800,014	
(d) <b>Total Contingent Liabilities</b>	4,798,238	6,708,781	8,911,472	10,378,637	10,218,842	
<b>4.0 CAPITAL STRENGTH</b>						
(a) Core capital	2,822,565	2,837,260	3,040,634	3,058,219	3,004,162	
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
(c) Excess/(Deficiency)(a-b)	1,822,565	1,837,260	2,040,634	2,058,219	2,004,162	
(d) Supplementary Capital	89,313	164,684	164,684	164,684	214,684	
(e) <b>Total Capital (a+d)</b>	2,911,878	3,001,944	3,205,319	3,222,903	3,218,846	
(f) Total risk weighted assets	20,036,971	20,069,349	20,887,318	22,256,963	22,834,396	
(g) <b>Core Capital/Total deposits Liabilities</b>	17.5%	16.9%	17.0%	17.1%	17.6%	
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%	8.0%	
(i) Excess/(Deficiency) (g-h)	9.5%	8.9%	9.0%	9.1%	9.6%	
(j) <b>Core Capital / total risk weighted assets</b>	14.1%	14.1%	14.6%	13.7%	13.2%	
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%	10.5%	
(l) Excess (Deficiency) (j-k)	3.6%	3.6%	4.1%	3.2%	2.7%	
(m) <b>Total Capital/total risk weighted assets</b>	14.5%	15.0%	15.3%	14.5%	14.1%	
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%	14.5%	
(o) Excess/(Deficiency) (m-n)	0.0%	0.5%	0.8%	0.0%	-0.4%	
(p) Adjusted Core Capital/Total Deposit Liabilities*	17.7%	17.0%	17.1%	17.2%	17.7%	
(q) Adjusted Core Capital/Total Risk Weighted Assets*	14.3%	14.2%	14.6%	13.8%	13.2%	
(r) Adjusted Total Capital/Total Risk Weighted Assets*	14.7%	15.0%	15.4%	14.5%	14.1%	
<b>14 LIQUIDITY</b>						
14.1 (a) <b>Liquidity Ratio</b>	23.3%	26.0%	27.2%	26.1%	26.6%	
14.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%	20.0%	
14.3 (c) Excess (Deficiency) (a-b)	3.3%	6.0%	7.2%	6.1%	6.6%	