

## **UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH JUNE 2018**

PROFIT AND LOSS ACCOUNT

STATEMENT OF FINANCIAL POSITION		BAN	IK	GROUP			
	30/06/17	31/12/17	31/03/18	30/06/18	30/06/17	31/12/17	30/06/18
	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited	Unaudited
	Shs. '000'	Shs. '000'	Shs. '000'	Shs. '000'	Shs. '000'	Shs. '000'	Shs. '000
	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited	Unaudited
ASSETS							
Cash ( both Local & Foreign)	403,633	613,231	455,283	544,678	-	621,725	616,409
Balances due from Central Bank of Kenya	3,649,464	4,145,685	3,077,864	3,427,136	-	4,145,685	3,427,130
Kenya Government and other securities held							
for dealing purposes							
Financial Assets at fair value through profit and loss							
Investment Securities:							
a) Held to Maturity:	18,653,694		21,032,154	19,636,295	-	20,323,794	20,528,53
a. Kenya Government securities	18,653,694	19,430,527	21,032,154	19,636,295	-	20,309,348	20,517,70
b. Other securities	4 404 750	6 44E 343	7 200 700	15.445.232	-	14,446	10,834
b) Available for sale: a. Kenya Government securities	4,464,750	6,415,312 3,328,019		15,445,232 8,993,328	-	6,751,228	15,935,290 9,246,789
b. Other securities	3,275,787 1,188,963	3,326,019		6,451,904	-	3,427,080 3,324,148	6,688,50
Deposits and balances due from local banking institutions	2,419,322	908,254		3,718,743		1,014,087	3,967,00
Deposits and balances due from banking institutions abroad	979,994			7,260,346	1 [	2,126,601	7,260,346
Tax recoverable	6.153	73,780		7,200,040	[	87,158	17,610
Loans and advances to customers (net)		38,817,386		35,683,703	[	38,965,591	35,827,36
Balances due from banking institutions in the group	07,001,010	00,017,000	00,000,004	00,000,700	[	-	00,027,000
Investments in associates	374,718	_	_		-	_	
Investments in subsidiary companies	0,0	1,395,692	1,395,692	1,388,915		_	
Investments in joint ventures		.,,	.,000,000_	.,,.		_	
Investment properties					-	-	
Property and equipment	1,284,156	1.555.160	1.541.456	1.515.155	-	1.875.970	1.833.859
Prepaid lease rentals				•	-	-	•••••
Intangible assets	165,906	124,730	128,377	132,889	-	769,450	777,298
Deferred tax asset		-			-	-	
Retirement benefit asset					-	-	
Other assets	877,687	831,841	955,557	870,112	-	1,306,620	1,544,818
TOTAL ASSETS	70,961,293	76,438,199	77,137,825	89,623,204	-	77,987,909	91,735,672
LIABILITIES							
Balances due to Central Bank of Kenya							
Customer deposits	E4 424 160	57,554,721	58.082.661	65,786,788		57,283,242	65,786,788
Deposits and balances due to local banking institutions	207,100	37,004,721	30,002,001	00,700,700	[	37,203,242	00,700,700
Deposits and balances due to foreign banking institutions	1.622.245	1.396.420	346.142	566,212	[	1.403.785	566,212
Other money market deposits	1,022,270	1,000,120	010,112	000,212		1,700,700	000,2.12
Borrowed funds	2,708,747	2,511,616	2,432,811	2,252,282	l <u>-</u>	2,511,616	2,252,282
Balances due to banking institutions in the group	2,, 00,, 1,	2,011,010	_, .0_,0				-jao-jao
Tax payable	-		_	30,690		_	30,690
Dividends payable				55,555		-	55,55
Deferred tax liability	74,029	64,793	64,793	64,793	-	127,449	127,449
Retirement benefit liability	,		,		-	-	,
Other liabilities	496,287	572,930	436,303	469,700	-	1,743,071	1,937,696
TOTAL LIABILITIES	59,532,577	62,100,480	61,362,710	69,170,465	-	63,069,163	70,701,117
SHAREHOLDERS' FUNDS							
Paid up /Assigned capital	5,000,000	5,000,000	5,000,000	5,500,000	-	5,000,000	5,500,000
Share premium/(discount)				1,667,000	-	<del>-</del>	1,667,000
Revaluation reserves	921,770	2,883,732		6,230,192	-	2,889,105	6,234,70
Retained earnings/Accumulated losses	5,506,946	6,453,987		6,650,523		6,772,852	6,971,793
Statutory loan loss reserves			356,485	405,024			405,024
Other Reserves							
Proposed dividends							
Capital grants	44 400 740	44 997 740	42 772 442	00 450 700		44 004 057	00 770 50
TOTAL SHAREHOLDERS' FUNDS	17,428,716	14,337,719	15,775,115	20,452,739	-	14,661,957	20,778,520
Minority Interest	<b>TO 004 000</b>	<b>20 100 100</b>	77,137,825	00 000 004		256,789 <b>77,987,909</b>	256,039 <b>91,735,67</b> 2
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS							

PROFIT AND LOSS ACCOUNT			BARIN			GROUP	
	30/06/17	31/12/17	31/03/18	30/06/18	30/06/17	31/12/17	30/06/18
	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited	Unaudited
	Shs. '000'	Shs. '000'	Shs. '000'	Shs. '000'	Shs. '000'	Shs. '000'	Shs. '000'
	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited	Unaudited
INTEREST INCOME							
Loans and advances	2,389,571	4,810,773	1,184,741	2,273,204	-	4,810,773	2,273,204
Government securities	1,071,306	2,322,555	680,596	1,456,982		2,322,555	1,456,982
Deposits and placements with banking institutions	44,942	123,748	37,267	87,272		123,748	87,272
Other Interest Income	61,277	113,152	16,705	34,259		113,152	34,259
Total Interest Income	3,567,096	7,370,228	1,919,309	3,851,717	-	7,370,228	3,851,717
INTEREST EXPENSE							
Customer deposits	1,675,030	3,527,362	959,045	1,972,025		3,527,362	1,972,025
Deposits and placement from banking institutions	71,550	141,480	25,368	47,367		141,480	47,367
Other interest expenses	35,996	72,618	17,627	35,266		72,618	35,266
Total Interest expenses	1,782,576	3,741,460	1,002,040	2,054,658	-	3,741,460	2,054,658
NET INTEREST INCOME/(LOSS)	1,784,520	3,628,768	917,269	1,797,059	-	3,628,768	1,797,059
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NON-INTEREST INCOME							
Fees and commissions on loans and advances	94,958	208,989	51,171	127,054	-	208,989	127,054
Other fees and commissions	186,736	361,329	93,173	180,213		361,329	180,213
Foreign exchange trading income/(Loss)	95,494	196,974	67,001	138,048		196,974	138,048
Dividend Income		25,004	-	322		25,004	322
Other income	60,433	216,876	4,484	58,338		692,377	404,482
Total Non-Interest Income	437,621	1,009,172	215,829	503,975	-	1,484,673	850,119
TOTAL OPERATING INCOME	2,222,141	4,637,940	1,133,098	2,301,034	-	5,113,441	2,647,178
OTHER OPERATING EXPENSES							
Loan loss provision	93,559	340,588	45,000	111,546	-	340,588	111,546
Staff costs	515,018	1,106,960	267,010	529,290	-	1,106,960	529,290
Directors' emoluments	51,254	119,727	34,656	62,839		119,727	62,839
Rental charges	58,142	129,953	34,350	66,792		129,953	66,792
Depreciation charge on property and equipment	111,704	138,594	66,652	133,304		138,594	133,304
Amortisation charges	-	80,595	-	_		80,595	-
Other operating expenses	323,702	744,546	158,451	346,702		808,918	660,562
Total Other Operating Expenses	1,153,379	2,660,963	606,119	1,250,473	-	2,725,335	1,564,333
Profit/(loss) Before Tax and Exceptional Items	1,068,762	1,976,977	526,979	1,050,561	-	2,388,106	1,082,845
Exceptional Items							
Profit/(Loss) After Exceptional Items	1,068,762	1,976,977	526,979	1,050,561		2,388,106	1,082,845
Current Tax	173,794	144,204	54,000	114,000	-	152,199	130,545
Deferred Tax		(9,236)			-	(9,236)	-
Profit/(Loss) After Tax and Exceptional Items	894,968	1,842,009	472,979	936,561	-	2,245,143	952,300
Minority Interest							12,933
Profit/(loss) after tax, exceptional items and Minority inter	est 894,968	1,842,009	472,979	936,561	-	2,245,143	939,367
Other Comprehensive Income							
Gains/(Losses) from translating the financial statements of							
foreign operations	004 500	0.004.740	004.054	0.040.400		0.404.500	0.045.004
Fair value changes in available for sale financial assets	221,502	2,061,716	964,351	3,346,460		2,121,506	3,345,394
Revaluation surplus on Property,plant and equipment		-					
Share of other comprehensive income of associates							
ncome tax relating to components of other comprehensive	•				I		
income	004 500	0.004.740	004.074	0.040.400		0.404.500	0.045.004
Other Comprehensive Income for the year net of tax	221,502	2,061,716	964,351	3,346,460	-	2,121,506	3,345,394
Total comprehensive income for the year	1,116,470	3,903,725	1,437,330	4,283,021	-	4,366,649	4,284,761
EARNINGS PER SHARE- BASIC & DILUTED		368				449	
DIVIDEND PER SHARE -DECLARED							
* The adjusted capital ratios include the expected credit	t loss provisio	ons added bac	k to capital in	line with the	CBK Guldano	e Note Issue	d in April 20

The adjusted capital ratios inc on implementation of IFRS 9.

## OTHER DISCLOSURES 31/12/17 31/03/18 31/12/17 NON-PERFORMING LOANS AND ADVANCES OR-PERT-ORMING LOANS AND ADVANCES (a) Gross Non-performing loans and advances (b) Less: Interest in Suspense (c) Total Non-Performing Loans and Advances (a-b) (d) Less: Loan Loss Provision (e) Net Non-Performing Loans and Advances(c-d) (f) Discounted Value of Securities (g) Net NPLs Exposure (e-f) 2,769,117 481,581 2,287,536 674,288 1,613,248 1.463.676 2.251.548 2.600.514 2.251.548 2.769.117 481,581 2,287,536 674,288 1,613,248 331,999 356.350 404,176 2.196,338 356,350 1,131,677 370,184 761,493 1,895,198 589,006 1,306,192 1,895,198 589,006 1,306,192 1,301,034 2,196,336 634,007 **1,562,331** 1,423,909 5,158 INSIDER LOANS AND ADVANCES Directors, Shareholders and Associates Employees Total Insider Loans and Advances and 1,709,543 1,670,278 1,670,278 1,624,309 1,663,443 Employees Total Insider Loans and Advances and other facilities 315,159 1,978,602 288,195 1.958.473 298,766 1.923,075 315,159 1.978.602 OFF-BALANCE SHEET ITEMS (a) Letters of credit,guarantees, acceptances (b) Forwards, swaps and options (c) Other contingent liabilities (d) Total Contingent Liabilities 7,306,257 5,252,289 3,649,115 **16,207,661** 7,306,257 5,252,289 3,649,115 **16,207,661** 6.759.916 6.829.825 7.329.379 6.829.825 4,383,185 2,766,784 **13,909,885** 7,251,034 7,3 2,808,404 2,5 **16,889,263 17,3** 7,379,805 7,379,805 2,597,705 7,251,034 2,808,404 **16,889,263** CAPITAL STRENGTH 9,781,616 11,175,783 11,089,164 1,000,000 1,000,000 1,000,000 8,781,616 10,175,783 10,089,164 Core capital Minimum Statutory Capital Excess/(Dificiency)(a-b) 13,104,349 1,000,000 12,104,349 1.009.224 Supplementary Capital 821,600 619,800 960,685 10,603,216 50,151,285 18.0% 8.0% 14,113,573 52,697,686 19.9% Total Capital (a+d) 11.795.583 12.049.849 Total risk weighted assets Core Capital/Total deposits Liab 52,477,994 19.4% 1,596,978 **19.1%**

10.0%

19.5% 10.5% 9.0%

21.1%

11.4%

11.4% 21.3% 10.5% 10.8% 22.5%

14.5% 8.0% 19.4% 21.3%

48.6% 20.0%

11.1%

21.5% 10.5% 11.0% 23.4% 14.5% 8.9% 19.6% 22.0%

51.6% 20.0%

11.9% 25.0% 10.5% 14.5% 26.8% 14.5% 12.3% 20.6% 25.7% 27.6%

Minimum statutory Ratio Excess/(Deficiency) (g-h)
Core Capital / total risk w
Minimum Statutory Ratio
Excess (Deficiency) (j-k)

LIQUIDITY

Total Capital/total risk weighted assets

) Total capitarrotal risk weighted assets
Minimum statutory Ratio
Excess/(Deficiency) (m-n)
Adjusted Core Capital/Total Deposit Liabilities\*
Adjusted Core Capital/Total Risk Weighted Assets\*
Adjusted Total Capital/Total Risk Weighted Assets\*

## **MESSAGE FROM THE DIRECTORS**

These financial statements are extracts from the books of the institution. The complete set of the quarterly financial statements, statutory and qualitative disclosures can be accessed on the institution's website, www.primebank.co.ke.

They may also be accessed at the institution's Head Office, Riverside Drive, Nairobi.

S. K. SHAH VICE CHAIRMAN

. R. KANTARIA **EXECUTIVE DIRECTOR**  **BHARAT JANI** MANAGING DIRECTOR

