



## UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH JUNE 2020

### STATEMENT OF FINANCIAL POSITION

	BANK				GROUP		
	30th June 2019 Shs. '000' Unaudited	31st Dec 2019 Shs. '000' Audited	31st March 2020 Shs. '000' Unaudited	30th June 2020 Shs. '000' Unaudited	30th June 2019 Shs. '000' Unaudited	31st Dec 2019 Shs. '000' Audited	30th June 2020 Shs. '000' Unaudited
<b>ASSETS</b>							
Cash (both Local & Foreign)	712,164	509,885	543,107	569,336	734,052	510,764	593,523
Balances due from Central Bank of Kenya Government and other securities held for dealing purposes	3,644,253	5,264,279	4,309,466	6,640,046	3,644,253	5,264,279	6,640,046
Financial Assets at fair value through profit and loss							
Investment Securities:							
a) Held to Maturity:	<b>35,806,152</b>	<b>46,299,945</b>	<b>50,273,096</b>	<b>46,694,930</b>	<b>36,665,676</b>	<b>47,279,859</b>	<b>47,626,341</b>
a. Kenya Government securities	35,806,152	46,299,945	50,273,096	46,694,930	36,662,171	47,163,180	47,626,341
b. Other securities	-	-	-	-	3,505	116,679	-
b) Available for sale:	<b>15,630,328</b>	<b>10,094,301</b>	<b>8,023,291</b>	<b>12,576,767</b>	<b>16,271,825</b>	<b>10,784,703</b>	<b>13,478,433</b>
a. Kenya Government securities	11,910,846	6,987,187	5,512,659	9,836,900	12,370,995	7,568,774	10,560,101
b. Other securities	3,719,482	3,107,114	2,510,632	2,739,867	3,900,830	3,215,929	2,918,332
Deposits and balances due from local banking institutions	855,029	853,862	854,530	1,431,994	1,286,777	931,768	1,763,698
Deposits and balances due from banking institutions abroad	11,499,726	4,706,050	6,385,626	3,381,567	11,499,726	4,706,050	3,381,567
Tax recoverable	-	29,570	-	-	-	57,668	-
Loans and advances to customers (net)	33,901,607	36,925,060	35,364,875	35,830,119	34,018,256	37,006,358	35,906,269
Balances due from banking institutions in the group							
Investments in associates							
Investments in subsidiary companies	1,395,692	1,395,692	1,395,692	1,395,692	-	-	-
Investments in joint ventures							
Investment properties							
Property and equipment	1,467,678	1,758,989	1,810,820	1,742,732	1,789,953	2,102,850	2,084,675
Prepaid lease rentals							
Intangible assets	97,329	70,953	125,358	129,022	745,494	718,413	780,446
Deferred tax asset							
Retirement benefit asset							
Other assets	1,039,156	876,941	900,638	866,921	1,741,855	1,313,387	1,564,666
<b>TOTAL ASSETS</b>	<b>106,049,114</b>	<b>108,785,527</b>	<b>109,986,499</b>	<b>111,259,126</b>	<b>108,397,867</b>	<b>110,676,099</b>	<b>113,819,664</b>
<b>LIABILITIES</b>							
Balances due to Central Bank of Kenya							
Customer deposits	78,681,454	81,331,805	83,501,686	84,805,495	78,681,454	80,982,617	84,805,495
Deposits and balances due to local banking institutions							
Deposits and balances due to foreign banking institutions	294,156	13,686	21,810	38,303	294,156	13,686	38,303
Other money market deposits							
Borrowed funds	1,899,220	1,692,552	1,741,016	1,589,019	1,899,220	1,692,552	1,589,019
Balances due to banking institutions in the group							
Tax payable	38,645	-	25,431	36,122	11,144	-	21,718
Dividends payable			14,448				
Deferred tax liability	816,700	570,441	570,441	207,372	879,245	638,671	279,827
Retirement benefit liability							
Other liabilities	456,252	721,680	687,329	610,124	1,968,874	1,892,346	2,079,911
<b>TOTAL LIABILITIES</b>	<b>82,186,427</b>	<b>84,330,164</b>	<b>86,562,161</b>	<b>87,286,435</b>	<b>83,734,093</b>	<b>85,219,872</b>	<b>88,814,273</b>
<b>SHAREHOLDERS' FUNDS</b>							
Paid up /Assigned capital	6,649,390	6,649,390	6,649,390	6,649,390	6,649,390	6,649,390	6,649,390
Share premium/(discount)	5,230,109	5,230,109	5,230,109	5,230,109	5,230,109	5,230,109	5,230,109
Revaluation reserves	2,747,490	2,387,590	1,177,363	1,180,062	2,923,618	2,601,269	1,366,821
Retained earnings/Accumulated losses	8,882,676	9,835,252	10,014,454	10,560,108	9,208,018	10,254,547	11,061,777
Statutory loan loss reserves	353,022	353,022	353,022	353,022	353,022	353,022	353,022
Other Reserves							
Proposed dividends						30,000	
Capital grants							
<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>23,862,687</b>	<b>24,455,363</b>	<b>23,424,338</b>	<b>23,972,691</b>	<b>24,364,157</b>	<b>25,118,337</b>	<b>24,661,119</b>
Minority Interest					299,617	337,890	344,272
<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>106,049,114</b>	<b>108,785,527</b>	<b>109,986,499</b>	<b>111,259,126</b>	<b>108,397,867</b>	<b>110,676,099</b>	<b>113,819,664</b>

### STATEMENT OF COMPREHENSIVE INCOME

	30th June 2019	31st Dec 2019	31st March 2020	30th June 2020	30th June 2019	31st Dec 2019	30th June 2020
<b>INTEREST INCOME</b>							
Loans and advances	1,999,108	4,015,497	957,830	1,843,680	1,999,108	4,015,497	1,843,680
Government securities	2,226,861	4,842,428	1,345,089	2,751,525	2,226,861	4,842,428	2,751,525
Deposits and placements with banking institutions	176,736	269,643	31,950	52,341	176,736	269,643	52,341
Other Interest Income	34,186	109,020	13,935	32,591	34,186	109,020	32,591
<b>Total interest income</b>	<b>4,436,891</b>	<b>9,236,588</b>	<b>2,348,804</b>	<b>4,680,137</b>	<b>4,436,891</b>	<b>9,236,588</b>	<b>4,680,137</b>
<b>INTEREST EXPENSE</b>							
Customer deposits	2,280,574	4,728,221	1,227,583	2,453,713	2,280,574	4,728,221	2,453,713
Deposits and placement from banking institutions	25,143	47,605	8,413	14,569	25,143	47,605	14,569
Other interest expenses	35,190	71,646	17,863	36,545	35,190	71,646	36,545
<b>Total interest expenses</b>	<b>2,340,907</b>	<b>4,847,472</b>	<b>1,253,859</b>	<b>2,504,827</b>	<b>2,340,907</b>	<b>4,847,472</b>	<b>2,504,827</b>
<b>NET INTEREST INCOME/(LOSS)</b>	<b>2,095,984</b>	<b>4,389,116</b>	<b>1,094,945</b>	<b>2,175,310</b>	<b>2,095,984</b>	<b>4,389,116</b>	<b>2,175,310</b>
<b>NON-INTEREST INCOME</b>							
Fees and commissions on loans and advances	94,911	238,245	33,847	66,004	94,911	238,245	66,004
Other fees and commissions	182,497	371,543	74,981	141,228	182,497	371,543	141,228
Foreign exchange trading income/(Loss)	203,505	346,962	122,456	210,441	203,505	346,962	210,441
Dividend Income	58,488	98,385	-	24,425	58,488	1,524	210
Other income	8,997	22,369	54,224	80,746	581,854	1,203,904	526,963
<b>Total Non-interest income</b>	<b>548,398</b>	<b>1,077,504</b>	<b>285,508</b>	<b>522,844</b>	<b>1,121,255</b>	<b>2,162,178</b>	<b>944,846</b>
<b>TOTAL OPERATING INCOME</b>	<b>2,644,382</b>	<b>5,466,620</b>	<b>1,380,453</b>	<b>2,698,154</b>	<b>3,217,239</b>	<b>6,551,294</b>	<b>3,120,156</b>
<b>OTHER OPERATING EXPENSES</b>							
Loan loss provision	80,195	351,743	56,008	126,562	80,195	351,743	126,562
Staff costs	592,591	1,297,943	325,608	625,300	592,591	1,297,943	625,300
Directors' emoluments	61,044	123,886	32,349	65,596	61,044	123,886	65,596
Rental charges	68,002	48,924	40,440	79,776	68,002	48,924	79,776
Depreciation charge on property and equipment	125,000	255,525	52,741	155,483	125,000	255,525	155,483
Amortisation charges	-	51,244	-	-	-	51,244	-
Other operating expenses	396,685	880,860	186,946	378,422	895,596	1,730,190	683,908
<b>Total Other Operating Expenses</b>	<b>1,323,517</b>	<b>3,010,125</b>	<b>694,092</b>	<b>1,431,139</b>	<b>1,822,428</b>	<b>3,859,455</b>	<b>1,736,625</b>
<b>Profit/(Loss) Before Tax and Exceptional Items</b>	<b>1,320,865</b>	<b>2,456,495</b>	<b>686,361</b>	<b>1,267,015</b>	<b>1,394,811</b>	<b>2,691,839</b>	<b>1,383,531</b>
<b>Exceptional Items</b>							
Profit/(Loss) After Exceptional Items	1,320,865	2,456,495	686,361	1,267,015	1,394,811	2,691,839	1,383,531
Current Tax	120,000	104,919	55,000	90,000	134,654	166,315	141,974
Deferred Tax	-	(92,016)	-	-	-	(93,824)	-
<b>Profit/(Loss) After Tax and Exceptional Items</b>	<b>1,200,865</b>	<b>2,443,592</b>	<b>631,361</b>	<b>1,177,015</b>	<b>1,260,157</b>	<b>2,619,348</b>	<b>1,241,557</b>
Minority Interest					11,431	52,561	17,112
<b>Profit/(Loss) after tax, exceptional items and Minority Interest</b>	<b>1,200,865</b>	<b>2,443,592</b>	<b>631,361</b>	<b>1,177,015</b>	<b>1,248,726</b>	<b>2,566,787</b>	<b>1,224,445</b>

	BANK				GROUP		
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<b>Other Comprehensive Income</b>							
Gains/(Losses) from translating the financial statements of foreign operations							
Fair value changes in available for sale financial assets	230,663	(1,052,930)	(1,210,227)	(356,250)			
Revaluation surplus on Property, plant and equipment							
Share of other comprehensive income of associates		315,879					308,387
Income tax relating to components of other comprehensive income							
<b>Other Comprehensive Income for the year net of tax</b>	<b>230,663</b>	<b>(737,051)</b>	<b>(1,210,227)</b>	<b>(356,250)</b>	<b>230,663</b>	<b>(697,980)</b>	<b>(381,905)</b>
<b>Net comprehensive income for the year</b>	<b>1,431,528</b>	<b>1,706,541</b>	<b>(578,866)</b>	<b>820,765</b>	<b>1,485,275</b>	<b>1,868,807</b>	<b>842,540</b>
<b>EARNINGS PER SHARE- BASIC &amp; DILUTED</b>		<b>367</b>				<b>386</b>	
<b>DIVIDEND PER SHARE -DECLARED</b>							

### OTHER DISCLOSURES

<b>NON-PERFORMING LOANS AND ADVANCES</b>							
(a) Gross Non-performing loans and advances	3,762,445	4,554,770	4,964,145	4,772,554	3,762,445	4,554,770	4,772,554
(b) Less: Interest in Suspense	677,852	787,270	846,691	928,576	677,852	787,270	928,576
<b>(c) Total Non-Performing Loans and Advances (a-b)</b>	<b>3,084,593</b>	<b>3,767,500</b>	<b>4,117,454</b>	<b>3,843,978</b>	<b>3,084,593</b>	<b>3,767,500</b>	<b>3,843,978</b>
(d) Less: Loan Loss Provision	1,104,203	1,219,718	1,229,668	1,275,843	1,104,203	1,219,718	1,275,843
<b>(e) Net Non-Performing Loans and Advances (c-d)</b>	<b>1,980,390</b>	<b>2,547,782</b>	<b>2,887,786</b>	<b>2,568,135</b>	<b>1,980,390</b>	<b>2,547,782</b>	<b>2,568,135</b>
(f) Discounted Value of Securities	1,964,960	2,508,188	2,822,055	2,422,991	1,964,960	2,508,188	2,422,991
<b>(g) Net NPLs Exposure (e-f)</b>	<b>15,430</b>	<b>39,594</b>	<b>65,731</b>	<b>145,144</b>	<b>15,430</b>	<b>39,594</b>	<b>145,144</b>
<b>INSIDER LOANS AND ADVANCES</b>							
(a) Directors, Shareholders and Associates	1,564,735	1,606,582	1,635,830	1,658,157	1,564,735	1,606,582	1,658,157
(b) Employees	333,322	336,685	348,017	349,410	333,322	336,685	349,410
<b>(c) Total Insider Loans and Advances and other facilities</b>	<b>1,898,057</b>	<b>1,943,267</b>	<b>1,983</b>				