

The Board of Directors are pleased to announce the Un-audited results of the Group and the Bank for the Period ended 30 June 2016									
I	STATEMENT OF FINANCIAL POSITION	GROUP				BANK			
		30-Jun-16	31-Mar-16	31-Dec-15	30-Jun-15	30-Jun-16	31-Mar-16	31-Dec-15	30-Jun-15
		KSHS.'000 (Un-audited)	KSHS.'000 (Un-audited)	KSHS.'000 Audited	KSHS.'000 (Un-audited)	KSHS.'000 (Un-audited)	KSHS.'000 (Un-audited)	KSHS.'000 Audited	KSHS.'000 (Un-audited)
A	ASSETS								
1	Cash (local and foreign)	7,581,964	7,978,601	9,057,746	7,508,556	7,239,780	7,821,957	8,880,989	7,179,341
2	Balances due from Central Bank Of Kenya	22,989,169	21,032,758	20,397,945	15,315,765	21,456,656	19,545,749	18,292,656	12,868,445
3	Kenya Government and other securities held for dealing purposes	-	-	-	30,009	-	-	-	30,009
4	Financial Assets at fair value through profit and loss investment securities: term to maturity- Kenya	148	148	206	508	148	148	149	508
5.a.a	Government Securities: Held to Maturity- Other	41,674,100	34,286,737	36,154,555	28,752,567	41,674,100	34,286,737	35,999,971	28,582,094
5.a.b	Securities Investment Securities: Available for Sale- Kenya	191,762	171,327	-	-	-	-	-	-
5.b.a	Government Securities: Available for Sale- Other	34,891,696	34,768,272	23,955,077	21,397,003	34,891,696	34,768,272	23,824,739	21,397,003
5.b.b	Securities Investment Securities: Available for Sale- Other	4,560,868	4,742,767	4,816,792	5,064,507	4,560,868	4,742,767	4,816,792	5,064,507
6	Deposits and balances due from local banking institutions	591,791	5,538,895	9,878,262	6,808,967	444,850	5,364,839	9,770,382	6,568,800
7	Deposits and balances due from banking institutions abroad	3,942,115	1,916,075	4,098,975	10,440,630	3,942,115	1,916,075	4,098,891	10,440,630
8	Tax recoverable	10,378	-	18,380	3,932	-	-	-	-
9	Loans and advances to customers (net)	221,288,801	213,724,068	208,571,920	204,839,981	220,425,621	213,234,193	208,074,513	203,407,985
10	Balances due from banking institutions in the group	-	-	507,137	-	-	-	550,768	-
11	Investments in associates	2,211,403	2,186,927	2,267,230	1,993,781	755,118	755,118	755,118	755,118
12	Investments in subsidiary companies	-	-	-	-	2,512,920	2,512,920	2,207,370	1,955,869
13	Investment in joint ventures	-	-	-	-	-	-	-	-
14	Investment in properties	-	-	-	-	-	-	-	-
15	Property, plant and equipment	7,779,437	7,958,116	8,020,778	10,370,416	7,524,688	7,704,516	7,812,740	8,732,242
16	Prepaid lease rentals	36,964	36,964	36,964	37,570	36,964	36,964	36,964	37,570
17	Intangible assets	1,290,817	1,207,956	1,605,068	1,240,822	1,260,499	1,177,636	1,461,590	1,104,238
18	Deferred tax asset	887,472	615,562	886,055	614,297	876,614	609,156	876,614	609,156
19	Retirement benefit asset	-	-	-	-	-	-	-	-
20	Other assets	13,079,779	14,555,001	12,245,099	10,657,474	12,438,829	13,877,841	12,089,562	10,265,444
21	TOTAL ASSETS	363,008,665	350,720,175	342,518,187	325,076,787	360,041,467	348,354,889	339,549,808	318,998,960
B	LIABILITIES								
22	Balances due to Central Bank Of Kenya	-	-	-	-	-	-	-	-
23	Customer deposits	278,252,423	261,703,941	265,398,587	248,347,164	276,615,244	260,532,716	263,709,415	244,891,356
24	Deposits and balances due to local banking institutions	1,299,587	4,679,066	2,914,082	4,394,016	1,299,587	4,679,066	2,905,405	4,394,016
25	Deposits and balances due to banking institutions abroad	15,421	1,066,685	507,137	13,257	15,421	1,066,685	-	13,257
26	Other money market deposits	-	-	-	-	-	-	-	-
27	Borrowed funds	14,788,908	19,822,412	19,271,212	18,677,184	14,788,908	19,822,412	19,271,212	18,677,184
28	Balances due to banking institutions in the group	-	-	-	-	-	-	-	-
29	Tax payable	959,123	1,675,776	189,707	641,113	959,423	1,628,323	157,596	614,873
30	Dividends payable	-	-	-	-	-	-	-	-
31	Deferred tax liability	-	-	-	-	-	-	-	-
32	Retirement benefit liability	-	-	-	-	-	-	-	-
33	Other liabilities	10,130,539	6,857,147	4,416,895	5,776,061	9,245,937	5,972,386	4,195,406	4,612,597
34	TOTAL LIABILITIES	305,446,000	295,805,028	292,697,620	277,848,795	302,924,520	293,701,589	290,239,033	273,203,282
C	SHAREHOLDERS' FUNDS								
35	Paid up/Assigned capital	4,889,317	4,889,317	4,889,317	4,889,317	4,889,317	4,889,317	4,889,317	4,889,317
36	Share premium/(discount)	2,889,789	2,889,789	2,889,789	2,889,789	2,889,789	2,889,789	2,889,789	2,889,789
37	Revaluation reserve	397,057	403,407	(488,797)	403,407	397,057	403,407	397,057	403,407
38	Retained earnings/ Accumulated losses	47,014,672	43,189,023	39,574,445	38,494,581	45,027,217	41,262,564	37,830,867	37,205,161
39	Statutory Loan Loss Reserve	717,844	717,844	784,381	717,844	717,844	717,844	717,844	717,844
40	Other Reserves	1,519,915	(1,215,801)	(1,870,841)	(836,394)	2,687,644	66,228	(1,842,869)	(836,394)
41	Proposed dividends	-	3,911,453	3,911,453	-	-	3,911,453	3,911,453	-
42	Capital grants	508,079	512,698	517,317	526,554	508,079	512,698	517,317	526,554
43	TOTAL SHAREHOLDERS' FUNDS	57,936,673	55,297,730	50,207,064	47,085,098	57,116,947	54,653,300	49,310,775	45,795,678
43.1	Non-Controlling Interest	(374,007)	(382,582)	(386,497)	142,894	-	-	-	-
44	TOTAL LIABILITIES & SHAREHOLDERS' FUNDS	363,008,665	350,720,175	342,518,187	325,076,787	360,041,467	348,354,889	339,549,808	318,998,960
II	STATEMENT OF COMPREHENSIVE INCOME								
		30-Jun-16	31-Mar-16	31-Dec-15	30-Jun-15	30-Jun-16	31-Mar-16	31-Dec-15	30-Jun-15
		KSHS.'000 (Un-audited)	KSHS.'000 (Un-audited)	KSHS.'000 Audited	KSHS.'000 (Un-audited)	KSHS.'000 (Un-audited)	KSHS.'000 (Un-audited)	KSHS.'000 Audited	KSHS.'000 (Un-audited)
1.0	INTEREST INCOME								
1.1	Loans and advances	16,776,762	8,313,117	30,039,822	13,560,507	16,725,478	8,294,204	29,845,776	13,474,274
1.2	Government securities	4,410,288	2,143,096	6,086,562	2,823,749	4,380,233	2,126,214	6,069,362	2,805,268
1.3	Deposits and placements with banking Institutions	285,045	204,950	664,820	299,692	285,045	204,950	604,321	299,692
1.1.1	Other Interest Income	-	4,663	-	-	-	-	-	-
1.5	Total Interest Income	21,472,095	10,665,826	36,791,204	16,683,949	21,390,756	10,625,368	36,519,458	16,579,234
2.0	INTEREST EXPENSE								
2.1	Customer deposits	6,488,666	3,575,257	12,183,736	4,368,245	6,469,313	3,575,078	12,161,604	4,367,530
2.2	Deposits and placements from banking institutions	15,567	6,819	232,602	37,917	15,567	6,819	232,602	37,917
2.3	Other Interest Expenses	505,169	291,317	1,170,573	503,509	505,169	281,834	1,170,573	503,509
2.4	Total Interest Expenses	7,009,402	3,873,393	13,586,911	4,909,671	6,990,049	3,863,730	13,564,779	4,908,956
3	NET INTEREST INCOME/(LOSS)	14,462,694	6,792,433	23,204,293	11,774,278	14,400,708	6,761,638	22,954,679	11,670,278
4	NON- INTEREST INCOME								
4.1	Fees and commissions on loans and advances	1,199,012	686,664	2,339,680	1,114,083	1,199,012	686,664	2,339,680	1,114,083
4.2	Other Fees and commissions	3,762,607	1,740,340	7,162,155	3,557,992	3,266,447	1,475,247	6,308,056	3,083,045

4.3	Foreign exchange trading income/(loss)	969,353	498,024	3,192,469	1,010,897	891,390	459,662	1,880,617	713,210
4.4	Dividend income	73,001	9	69,407	69,406	73,001	9	69,407	69,406
4.5	Other income	845,447	538,713	421,775	217,839	834,672	534,304	475,679	214,334
4.6	Total Non-interest income	6,849,420	3,463,750	13,185,486	5,970,216	6,264,523	3,155,886	11,073,438	5,194,078
5.0	TOTAL OPERATING INCOME	21,312,114	10,256,183	36,389,778	17,744,494	20,665,231	9,917,524	34,028,117	16,864,356
6.0	OTHER OPERATING EXPENSES								
6.1	Loan loss provision	1,310,000	625,000	2,019,295	667,000	1,310,000	625,000	2,007,357	667,000
6.2	Staff costs	4,349,769	2,180,180	8,925,220	3,863,180	4,132,682	2,090,002	8,408,222	3,633,223
6.3	Directors' emoluments	75,318	19,127	148,257	61,579	55,784	7,722	107,181	43,180
6.4	Rentals charges	711,997	335,280	1,395,950	660,171	667,443	313,521	1,236,484	585,568
6.5	Depreciation charge on property and equipment	942,876	473,493	1,923,609	976,269	928,287	465,170	1,795,458	894,369
6.6	Armortisation charges	216,085	103,442	434,016	181,954	208,238	100,636	378,169	176,632
6.7	Other operating expenses	3,357,614	1,499,208	6,543,423	2,648,540	3,176,480	1,413,049	6,021,880	2,460,651
6.8	Total other operating expenses	10,963,659	5,235,730	21,389,770	9,058,693	10,478,915	5,015,100	19,954,752	8,460,623
7	Profit/(Loss) before tax and exceptional items	10,348,456	5,020,452	15,000,008	8,685,801	10,186,316	4,902,424	14,073,365	8,403,733
8	Exceptional items-Early Retirement Costs	-	-	(1,908)	-	-	-	(1,908)	-
8	Exceptional items-Share of profit of associate	97,477	(80,294)	384,991	67,112	-	-	-	-
9	Profit/(Loss) before tax	10,445,933	4,940,159	15,383,092	8,752,912	10,186,316	4,902,424	14,071,457	8,403,733
10	Current tax	3,035,849	1,505,146	3,944,959	2,512,634	2,989,965	1,470,727	3,867,317	2,462,945
11	Deferred tax	-	-	(267,426)	-	-	-	(267,457)	-
12	Profit/(loss) after tax and exceptional items	7,410,084	3,435,012	11,705,558	6,240,278	7,196,350	3,431,697	10,471,597	5,940,788
13.0	OTHER COMPREHENSIVE INCOME:								
13.1	Gains/(Losses) from translating the financial statements of foreign operations	-	-	(1,890,682)	-	-	-	-	-
13.2	Fair value changes in available-for-sale financial assets	3,390,755	1,909,096	(1,026,494)	(43,039)	4,530,512	1,909,096	(1,048,807)	(42,333)
13.3	Revaluation Surplus on property, Plant and Equipment	-	-	-	-	-	-	-	-
13.4	Share of other comprehensive income of associates	-	-	13,773	-	-	-	-	-
13.5	Income tax relating to components of other comprehensive income	-	-	-	-	-	-	-	-
14	OTHER COMPREHENSIVE INCOME NET OF TAX	3,390,755	1,909,096	(2,903,403)	(43,039)	4,530,512	1,909,096	(1,048,807)	(42,333)
15	TOTAL COMPREHENSIVE INCOME	10,800,840	5,344,108	8,802,155	6,197,239	11,726,863	5,340,793	9,422,790	5,898,455
	Basic Earnings per share	1.52	0.70	2.31	1.28	1.47	0.70	2.14	1.22
	Diluted Earnings per share	1.52	0.70	2.31	1.28	1.47	0.70	2.14	1.22
	Dividend per share	-	-	0.80	-	-	-	0.80	-
III	OTHER DISCLOSURES								
		GROUP				BANK			
		30-Jun-16	31-Mar-16	31-Dec-15	30-Jun-15	30-Jun-16	31-Mar-16	31-Dec-15	30-Jun-15
		KSHS.'000	KSHS.'000	KSHS.'000	KSHS.'000	KSHS.'000	KSHS.'000	KSHS.'000	KSHS.'000
		(Un-audited)	(Un-audited)	Audited	(Un-audited)	(Un-audited)	(Un-audited)	Audited	(Un-audited)
1	NON PERFORMING LOANS AND ADVANCES								
a)	Gross non-performing loans and advances	10,253,392	8,581,586	8,189,196	8,324,335	10,253,392	8,581,586	8,189,196	8,324,335
	Less	-	-	-	-	-	-	-	-
b)	Interest in suspense	1,215,940	1,250,339	1,058,631	183,083	1,215,940	1,250,339	1,058,631	183,083
c)	Total Non-performing loans and advances (a-b)	9,037,452	7,331,247	7,130,565	8,141,252	9,037,452	7,331,247	7,130,565	8,141,252
	Less	-	-	-	-	-	-	-	-
d)	Loan loss provisions	3,780,032	3,113,946	3,577,424	2,492,107	3,780,032	3,113,946	3,577,424	2,492,107
e)	Net Non performing loans (c-d)	5,257,420	4,217,301	3,553,141	5,649,145	5,257,420	4,217,301	3,553,141	5,649,145
f)	Discounted Value of Securities	5,257,420	4,217,301	3,553,141	5,649,145	5,257,420	4,217,301	3,553,141	5,649,145
g)	Net NPLs Exposure (c-f)	-	-	-	-	-	-	-	-
2	Insider loans and advances								
a)	Directors, shareholders and associates	728,220	299,836	302,146	246,342	728,220	299,836	302,146	246,342
b)	Employees	6,988,790	6,634,835	6,596,839	6,687,384	6,988,790	6,634,835	6,596,839	6,687,384
c)	Total insider loans, advances and other facilities	7,717,010	6,934,671	6,898,985	6,933,726	7,717,010	6,934,671	6,898,985	6,933,726
3	Off-Balance Sheet Items								
a)	Letters of credit, guarantees, acceptances	11,793,939	12,748,534	12,509,752	13,709,178	11,793,939	12,748,534	12,509,752	13,709,178
b)	Forwards, swaps and options	10,683,829	15,475,855	14,655,575	7,524,322	10,683,829	15,475,855	14,655,575	7,524,322
c)	Other contingent liabilities	-	-	-	-	-	-	-	-
d)	Total contingent liabilities	22,477,767	28,224,389	27,165,327	21,233,501	22,477,767	28,224,389	27,165,327	21,233,501
	Capital strength								
a)	Core capital	47,145,132	46,881,244	46,984,813	42,636,137	46,566,692	44,956,442	43,283,305	40,215,401
b)	Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c)	Excess/(deficiency)	46,145,132	45,881,244	45,984,813	41,636,137	45,566,692	43,956,442	42,283,305	39,215,401
d)	Supplementary capital	15,606,017	19,141,109	19,933,394	19,495,880	15,606,017	19,141,109	20,088,320	19,495,880
e)	Total capital (a+d)	61,751,149	66,022,352	66,918,207	61,132,017	62,172,709	64,097,551	63,371,625	59,711,281
f)	Total risk weighted assets	310,912,926	304,952,392	299,184,957	294,252,299	309,083,963	303,957,229	298,137,367	290,601,549
g)	Core capital/total deposit liabilities	16.86%	17.5%	17.5%	15.95%	16.8%	16.9%	16.9%	16.1%
h)	Minimum Statutory Ratio	10.50%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
i)	Excess/(deficiency)	6.36%	7.0%	7.0%	5.45%	6.3%	6.4%	5.7%	5.6%
j)	Core capital/total risk weighted assets	15.16%	15.4%	15.7%	13.70%	15.1%	14.8%	14.5%	13.8%
k)	Minimum Statutory Ratio	10.50%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
l)	Excess/(deficiency)(j-k)	4.66%	4.9%	5.2%	3.20%	4.6%	4.3%	4.0%	3.3%
m)	Total capital/total risk weighted assets	20.18%	21.7%	22.4%	20.32%	20.1%	21.1%	21.3%	20.5%
n)	Minimum Statutory Ratio	14.50%	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%
o)	Excess/(deficiency)(m-n)	5.68%	7.2%	7.9%	5.82%	5.6%	6.6%	6.8%	6.0%
5	Liquidity								
a)	Liquidity Ratio	41.6%	39.0%	37.1%	33.7%	41.0%	38.5%	36.1%	32.9%
b)	Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
c)	Excess/(deficiency)(a-b)	21.6%	19.0%	17.1%	13.7%	21.0%	18.5%	16.1%	12.9%

The Financial Statements were approved by the Board of Directors on 16th August 2016

Signed: S C Muchiri, EBS
Group Chairman

Signed: Dr.G. Muriuki, MBS
Group Managing Director & CEO