

# THE CO-OPERATIVE BANK OF KENYA LIMITED

The Board of Directors is pleased to announce the Un-audited results of the Group and the Bank for the Period ended 30 June 2014

I BALANCE SHEET	GROUP				BANK			
	30-Jun-14 KShs. '000 (Un-audited)	31-Mar-14 KShs. '000 (Un-audited)	31-Dec-13 KShs. '000 Audited	30-Jun-13 KShs. '000 (Un-audited)	30-Jun-14 KShs. '000 (Un-audited)	31-Mar-14 KShs. '000 (Un-audited)	31-Dec-13 KShs. '000 Audited	30-Jun-13 KShs. '000 (Un-audited)
<b>A ASSETS</b>								
1 Cash (local and foreign)	7,096,063	7,040,644	9,196,193	6,178,202	6,853,075	6,623,163	8,908,316	5,988,956
2 Balances due from Central Bank of Kenya	13,410,681	13,086,638	11,516,976	11,483,179	12,268,529	11,601,889	10,388,172	11,483,179
3 Kenya Government and other securities held for dealing purposes	30,009	30,009	30,009	30,009	30,009	30,009	30,009	30,009
4 Financial Assets at fair value through profit and loss	511	500	557	514	511	500	501	514
5.a.a Investment Securities: Held to Maturity - Kenya Government Securities	20,617,445	17,266,903	13,983,393	7,620,730	20,407,188	17,057,791	13,820,482	7,460,416
5.a.b Investment Securities: Held to Maturity - Other Securities	-	-	45,000	19,670	-	-	-	-
5.b.a Investment Securities: Available for Sale - Kenya Government Securities	20,383,353	20,412,869	19,560,640	26,742,318	20,383,353	20,412,869	19,560,640	26,742,318
5.b.b Investment Securities: Available for Sale - Other Securities	4,588,175	5,630,544	5,746,273	5,970,492	4,588,175	5,630,544	5,746,273	5,970,492
6 Deposits and balances due from local banking institutions	6,438,796	4,022,659	2,968,294	9,785,901	6,104,820	4,022,659	3,003,578	9,785,901
7 Deposits and balances due from banking institutions abroad	4,776,316	4,659,220	7,072,622	9,873,283	4,741,507	4,649,009	7,053,215	9,873,283
8 Tax recoverable	3,655	335	97,029	9,898	-	-	99,631	-
9 Loans and advances to customers (net)	165,759,035	154,648,317	137,087,227	124,922,159	165,600,406	154,597,026	137,051,537	124,922,159
10 Balances due from banking institutions in the group	-	-	-	-	-	-	109,379	-
11 Investments in associates	1,812,241	1,838,817	1,688,888	1,470,764	755,118	755,118	755,118	755,118
12 Investments in subsidiary companies	-	-	-	-	1,748,494	1,748,494	1,748,494	672,500
13 Investment in joint ventures	-	-	-	-	-	-	-	-
14 Investment in properties	-	-	-	-	-	-	-	-
15 Property, plant and equipment	9,932,424	9,732,657	11,447,430	8,917,627	8,703,019	8,947,316	10,641,897	8,912,270
16 Prepaid lease rentals	38,180	38,180	38,180	38,863	38,180	38,180	38,180	38,863
17 Intangible assets	2,788,764	2,810,038	1,616,772	2,092,114	2,485,961	2,558,341	1,094,514	1,840,066
18 Deferred tax asset	66,554	66,554	66,658	9,916	56,113	56,113	56,113	-
19 Retirement benefit asset	-	-	-	-	-	-	-	-
20 Other assets	8,930,483	6,034,274	9,053,219	10,086,619	8,737,356	5,344,600	8,768,434	9,573,407
<b>21 TOTAL ASSETS</b>	<b>266,672,685</b>	<b>247,319,159</b>	<b>231,215,359</b>	<b>225,252,258</b>	<b>263,501,814</b>	<b>244,073,622</b>	<b>228,874,484</b>	<b>224,049,450</b>
<b>B LIABILITIES</b>								
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-
23 Customer deposits	199,243,875	187,165,735	175,425,121	172,833,142	198,114,365	185,904,735	174,776,225	172,833,142
24 Deposits and balances due to local banking institutions	4,089,298	4,448,278	5,462,337	5,882,877	4,089,298	4,448,278	5,462,337	5,882,877
25 Deposits and balances due to banking institutions abroad	41,195	-	-	-	41,195	-	-	-
26 Other money market deposits	-	-	-	-	-	-	-	-
27 Borrowed funds	13,577,791	12,748,453	10,252,392	5,269,985	13,577,791	12,748,453	10,252,392	5,269,985
28 Balances due to banking institutions in the group	-	-	-	-	-	-	-	-
29 Tax payable	420,253	897,999	-	116,112	413,246	887,802	-	115,248
30 Dividends payable	38,180	-	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	175,713	-	-	-	175,713
32 Retirement benefit liability	-	-	-	-	-	-	-	-
33 Other liabilities	8,840,736	1,475,791	2,937,252	7,251,624	8,402,283	1,200,360	2,731,485	7,145,007
<b>34 TOTAL LIABILITIES</b>	<b>226,213,148</b>	<b>206,736,256</b>	<b>194,077,101</b>	<b>191,529,453</b>	<b>224,638,177</b>	<b>205,189,629</b>	<b>193,222,439</b>	<b>191,421,972</b>
<b>C SHAREHOLDERS' EQUITY</b>								
35 Paid up/Assigned capital	4,190,844	4,190,844	4,190,844	4,190,844	4,190,844	4,190,844	4,190,844	4,190,844
36 Share premium/(discount)	3,588,262	3,588,262	3,588,262	3,588,262	3,588,262	3,588,262	3,588,262	3,588,262
37 Revaluation reserve	407,035	407,035	460,752	425,178	407,035	407,035	407,035	425,178
38 Retained earnings/Accumulated losses	31,413,544	29,003,382	26,409,433	24,562,815	30,103,788	27,658,204	25,354,077	23,600,567
39 Statutory Loan Loss Reserve	717,844	717,844	718,026	451,784	717,844	717,844	717,844	451,784
40 Other Reserves	(689,166)	(323,267)	(1,243,357)	(193,647)	(689,166)	(323,267)	(1,255,707)	(193,647)
41 Proposed dividends	-	2,095,422	2,095,422	-	2,095,422	2,095,422	-	-
42 Capital grants	545,030	549,649	554,268	564,492	545,030	549,649	554,268	564,492
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>40,173,393</b>	<b>40,229,172</b>	<b>36,773,649</b>	<b>33,589,726</b>	<b>38,863,637</b>	<b>38,883,993</b>	<b>35,652,045</b>	<b>32,627,478</b>
43.1 Non-Controlling Interest	286,145	353,732	364,608	133,080	-	-	-	-
<b>44 TOTAL LIABILITIES &amp; SHAREHOLDERS' FUNDS</b>	<b>266,672,685</b>	<b>247,319,160</b>	<b>231,215,359</b>	<b>225,252,258</b>	<b>263,501,814</b>	<b>244,073,622</b>	<b>228,874,484</b>	<b>224,049,450</b>

II STATEMENT OF COMPREHENSIVE INCOME	GROUP				BANK			
	30-Jun-14 KShs. '000 (Un-audited)	31-Mar-14 KShs. '000 (Un-audited)	31-Dec-13 KShs. '000 Audited	30-Jun-13 KShs. '000 (Un-audited)	30-Jun-14 KShs. '000 (Un-audited)	31-Mar-14 KShs. '000 (Un-audited)	31-Dec-13 KShs. '000 Audited	30-Jun-13 KShs. '000 (Un-audited)
<b>1.0 INTEREST INCOME</b>								
1.1 Loans and advances	11,188,210	5,477,944	20,045,346	9,579,673	11,177,532	5,475,008	20,044,538	9,579,673
1.2 Government securities	2,294,774	1,092,487	4,126,061	1,891,107	2,276,815	1,085,084	4,107,495	1,878,553
1.3 Deposits and placements with banking Institutions	168,061	79,201	370,318	272,722	168,061	79,201	358,889	272,722
1.1 Other Interest Income	-	-	-	-	-	-	-	-
<b>1.5 Total Interest Income</b>	<b>13,651,045</b>	<b>6,649,632</b>	<b>24,541,725</b>	<b>11,743,502</b>	<b>13,622,408</b>	<b>6,639,293</b>	<b>24,510,922</b>	<b>11,730,948</b>
<b>2.0 INTEREST EXPENSE</b>								
2.1 Customer deposits	3,212,541	1,594,528	5,103,060	2,526,949	3,212,437	1,594,520	5,103,054	2,526,949
2.2 Deposits and placements from banking institutions	40,071	15,300	146,220	36,346	40,071	15,300	146,220	36,346
2.3 Other Interest Expenses	468,236	221,456	666,535	318,014	468,236	221,456	666,535	318,014
<b>2.4 Total Interest Expenses</b>	<b>3,720,848</b>	<b>1,831,284</b>	<b>5,915,815</b>	<b>2,881,310</b>	<b>3,720,744</b>	<b>1,831,275</b>	<b>5,915,809</b>	<b>2,881,310</b>
<b>3.0 NET INTEREST INCOME/(LOSS)</b>	<b>9,930,198</b>	<b>4,818,348</b>	<b>18,625,910</b>	<b>8,862,192</b>	<b>9,901,664</b>	<b>4,808,017</b>	<b>18,595,113</b>	<b>8,849,638</b>
<b>4.0 NON-OPERATING INCOME</b>								
4.1 Fees and commissions on loans and advances	1,028,917	494,650	1,935,527	868,748	1,028,917	494,650	1,935,527	868,748
4.2 Other Fees and commissions	3,869,909	1,441,624	5,225,451	2,434,541	3,548,334	1,346,068	4,894,638	2,289,679
4.3 Foreign exchange trading income/(loss)	921,168	447,614	1,471,977	669,721	760,784	327,484	1,443,649	669,721
4.4 Dividend income	54,089	-	53,551	-	54,089	-	53,551	-
4.5 Other income	364,331	276,152	577,386	525,164	364,152	209,686	625,615	524,773
<b>4.6 Total Non-interest income</b>	<b>6,238,414</b>	<b>2,660,039</b>	<b>9,263,893</b>	<b>4,498,174</b>	<b>5,756,276</b>	<b>2,377,888</b>	<b>8,952,980</b>	<b>4,352,921</b>
<b>5.0 TOTAL OPERATING INCOME</b>	<b>16,168,612</b>	<b>7,478,387</b>	<b>27,889,803</b>	<b>13,360,366</b>	<b>15,657,940</b>	<b>7,185,905</b>	<b>27,548,093</b>	<b>13,202,560</b>
<b>6.0 OTHER OPERATING EXPENSES</b>								
6.1 Loan loss provision	400,036	150,561	778,157	500,000	400,036	150,561	773,291	500,000
6.2 Staff costs	4,037,123	1,893,893	8,013,780	3,286,389	3,868,978	1,799,912	7,825,352	3,240,980
6.3 Directors' emoluments	38,470	18,844	131,734	21,550	23,770	11,086	110,274	17,374
6.4 Rentals charges	646,254	308,310	1,123,891	498,995	566,966	276,284	1,062,895	496,987
6.5 Depreciation charge on property and equipment	983,637	494,888	1,528,961	699,580	915,315	454,428	1,514,249	697,665
6.6 Amortisation charges	144,645	72,113	178,812	68,239	144,645	72,113	176,176	67,977
6.7 Other operating expenses	3,190,792	1,221,289	5,627,393	2,530,556	2,952,927	1,129,911	5,380,400	2,484,018
6.8 Total other operating expenses	9,440,957	4,159,898	17,382,727	7,605,309	8,872,638	3,894,295	16,842,637	7,505,002
7 Profit/(Loss) before tax and exceptional items	6,727,655	3,318,488	10,507,075	5,755,057	6,785,302	3,291,610	10,705,457	5,697,558
8 Exceptional items-Share of profit of associate	27,513	149,929	365,368	115,829	-	-	-	-
9 Profit/(Loss) before tax	6,755,168	3,468,418	10,872,444	5,870,886	6,785,302	3,291,610	10,705,457	5,697,558
10 Current tax	2,039,836	1,002,844	1,996,713	1,156,813	2,035,591	987,483	1,958,092	1,139,512
11 Deferred tax	-	-	(232,454)	-	-	-	(231,826)	-
<b>12 Profit/(loss) after tax and exceptional items</b>	<b>4,715,331</b>	<b>2,465,574</b>	<b>9,108,185</b>	<b>4,714,073</b>	<b>4,749,711</b>	<b>2,304,127</b>	<b>8,979,191</b>	<b>4,558,046</b>
<b>13.0 OTHER COMPREHENSIVE INCOME:</b>								
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	1,060	-	-	-	-	-
13.2 Fair value changes in available-for-sale financial assets	566,541	932,440	(178,378)	883,839	566,541	932,440	(178,221)	883,839
13.3 Revaluation Surplus on property, Plant and Equipment	-	-	-	-	-	-	-	-
13.4 Share of other comprehensive income of associates	-	-	20,713	-	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	-	-	-	-	-	-	-	-
<b>14 OTHER COMPREHENSIVE INCOME NET OF TAX</b>	<b>566,541</b>	<b>932,440</b>	<b>(156,605)</b>	<b>883,839</b>	<b>566,541</b>	<b>932,440</b>	<b>(178,221)</b>	<b>883,839</b>
<b>15 TOTAL COMPREHENSIVE INCOME</b>	<b>5,281,872</b>	<b>3,398,014</b>	<b>8,951,580</b>	<b>5,597,911</b>	<b>5,316,252</b>	<b>3,236,567</b>	<b>8,800,970</b>	<b>5,441,885</b>
Basic Earnings per share	1.13	0.59	2.17	1.12	1.13	0.55	2.14	1.09
Diluted Earnings per share	0.96	0.50	1.86	0.97	0.97	0.47	1.84	0.96
Dividend per share	-	-	0.50	-	-	-	0.50	-