

# The Co-operative Bank of Kenya Limited

The Board of Directors are pleased to announce the Un-audited Results of the Group and the Bank for the Period ended 31 March 2012

## I BALANCE SHEET

	GROUP			BANK		
	31-Mar-12 KSHS.'000 (Un-audited)	31-Dec-11 KSHS.'000 Audited	31-Mar-11 KSHS.'000 (Un-audited)	31-Mar-12 KSHS.'000 (Un-audited)	31-Dec-11 KSHS.'000 Audited	31-Mar-11 KSHS.'000 (Un-audited)
<b>A ASSETS</b>						
1 Cash (local and foreign)	6,459,134	6,072,339	4,807,994	6,367,316	6,072,333	4,615,148
2 Balances due from						
Central Bank of Kenya	9,767,005	8,078,710	10,398,955	9,767,005	8,078,710	10,398,955
3 Kenya Government securities	17,856,028	16,986,558	11,192,513	17,664,750	16,796,156	11,093,322
4 Foreign Currency Treasury bills and bonds	-	-	-	-	-	-
5 Deposits and balances due from local banking institutions	911,524	1,746,714	3,894,770	911,524	1,719,694	3,894,770
6 Deposits and balances due from banking institutions abroad	4,088,989	5,718,021	8,614,320	4,088,989	5,718,021	8,614,320
7 Government and other securities held for dealing purposes	4,907,779	5,219,834	24,888,678	4,907,779	5,218,959	24,888,678
8 Tax recoverable	-	-	-	-	-	-
9 Loans and advances to customers (net)	113,582,567	109,408,815	91,512,500	113,582,567	109,408,815	91,512,500
10 Investment Securities	31,029	31,029	32,129	31,029	31,029	32,129
11 Balances due from group companies	-	-	-	-	-	-
12 Investments in associates	1,149,662	1,028,160	121,090	755,118	755,118	121,090
13 Investments in subsidiary companies	-	-	-	240,000	280,000	280,000
14 Investment in joint ventures	-	-	-	-	-	-
15 Investment in properties	-	-	-	-	-	-
16 Property and equipment	9,068,054	8,683,473	6,444,047	9,058,067	8,672,350	6,434,577
17 Prepaid lease rentals	39,478	39,478	39,938	39,478	39,478	39,938
18 Intangible assets	600,189	613,042	567,877	346,691	359,197	307,860
19 Deferred tax asset	845,036	844,996	376	844,600	844,600	-
20 Retirement benefit asset	-	-	-	-	-	-
21 Other assets	4,694,221	3,840,431	6,937,729	4,642,748	3,775,685	6,870,883
<b>22 TOTAL ASSETS</b>	<b>174,000,697</b>	<b>168,311,601</b>	<b>169,452,916</b>	<b>173,247,662</b>	<b>167,772,389</b>	<b>169,104,170</b>
<b>B LIABILITIES</b>						
23 Balances due to Central Bank of Kenya	-	-	-	-	-	-
24 Customer deposits	145,930,577	142,632,308	135,954,244	145,930,577	142,704,593	135,954,244
25 Deposits and balances due to local banking institutions	984,020	1,881,284	2,302,228	984,020	1,881,284	2,302,228
26 Deposits and balances due to foreign banking institutions	1,030	-	-	1,030	-	-
27 Other money market deposits	-	-	-	-	-	-
28 Borrowed funds	381,688	227,563	4,560,740	381,688	227,563	4,560,740
29 Balances due to group companies	-	-	-	-	2,986	-
30 Tax payable	450,240	63,702	583,050	446,637	65,054	572,385
31 Dividends payable	-	-	-	-	-	-
32 Deferred tax liability	-	-	132,939	-	-	132,939
33 Retirement benefit liability	-	-	-	-	-	-
34 Other liabilities	2,126,866	1,960,125	3,818,375	2,042,742	1,919,291	3,775,823
<b>35 Total liabilities</b>	<b>149,874,421</b>	<b>146,764,980</b>	<b>147,351,576</b>	<b>149,786,693</b>	<b>146,800,771</b>	<b>147,298,359</b>
<b>C SHAREHOLDERS' EQUITY</b>						
36 Paid up/assigned capital	3,492,370	3,492,370	3,492,370	3,492,370	3,492,370	3,492,370
37 Share premium/(discount)	4,286,736	4,286,736	4,286,736	4,286,736	4,286,736	4,286,736
38 Revaluation reserve	369,514	369,514	476,833	339,526	339,526	346,783
39 Retained earnings/ Accumulated losses	13,665,949	11,075,778	11,492,724	13,149,361	10,654,898	11,464,114
40 Statutory Loan Loss Reserve	205,978	205,978	204,954	205,978	205,978	204,954
41 Proposed dividends	1,396,948	1,396,948	1,396,948	1,396,948	1,396,948	1,396,948
42 Capital grants	590,051	595,163	613,906	590,051	595,163	613,906
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>24,007,545</b>	<b>21,422,487</b>	<b>21,964,471</b>	<b>23,460,969</b>	<b>20,971,618</b>	<b>21,805,811</b>
43.1 Non-Controlling Interest	118,731	124,134	136,869	-	-	-
<b>44 TOTAL LIABILITIES &amp; SHAREHOLDERS' FUNDS</b>	<b>174,000,697</b>	<b>168,311,601</b>	<b>169,452,916</b>	<b>173,247,662</b>	<b>167,772,389</b>	<b>169,104,170</b>

## II PROFIT AND LOSS ACCOUNTS

	GROUP			BANK		
	31-Mar-12 KSHS.'000 (Un-audited)	31-Dec-11 KSHS.'000 Audited	31-Mar-11 KSHS.'000 (Un-audited)	31-Mar-12 KSHS.'000 (Un-audited)	31-Dec-11 KSHS.'000 Audited	31-Mar-11 KSHS.'000 (Un-audited)
<b>1.0 INTEREST INCOME</b>						
1.1 Loans and advances	5,608,896	13,292,373	2,920,566	5,608,896	13,292,373	2,920,566
1.2 Government securities	454,741	3,005,299	530,422	448,477	2,988,616	528,600
1.3 Deposits and placements with banking Institutions	15,956	93,044	5,090	15,956	93,044	5,090
1.4 Other Interest Income	-	-	503	-	-	503
<b>1.5 Total Interest Income</b>	<b>6,079,593</b>	<b>16,390,715</b>	<b>3,456,581</b>	<b>6,073,330</b>	<b>16,374,032</b>	<b>3,454,759</b>
<b>2.0 INTEREST EXPENSE</b>						
2.1 Customer deposits	2,374,823	3,851,297	569,117	2,374,823	3,851,297	569,117
2.2 Deposits and placements from banking institutions	140,258	457,079	36,701	140,258	457,079	36,701
2.3 Other Interest Expenses	67,217	197,538	-	67,217	197,538	-
<b>2.4 Total Interest Expenses</b>	<b>2,582,298</b>	<b>4,505,915</b>	<b>605,818</b>	<b>2,582,298</b>	<b>4,505,915</b>	<b>605,818</b>
<b>3.0 NET INTEREST INCOME/(LOSS)</b>	<b>3,497,296</b>	<b>11,884,801</b>	<b>2,850,763</b>	<b>3,491,032</b>	<b>11,868,118</b>	<b>2,848,941</b>
<b>4.0 NON- OPERATING INCOME</b>						
4.1 Fees and commissions on loans and advances	195,762	1,432,047	82,696	195,762	1,432,047	82,696
4.2 Other Fees and commissions	1,169,495	4,133,611	1,167,372	1,121,387	3,875,935	1,097,212
4.3 Foreign exchange trading income/(loss)	303,328	1,013,213	275,461	303,328	1,013,213	275,461
4.4 Dividend income	-	20,325	-	-	20,325	-
4.5 Other income	432,992	(148,145)	208,543	432,992	(138,813)	196,440
<b>4.6 Total Non-interest income</b>	<b>2,101,576</b>	<b>6,451,051</b>	<b>1,734,072</b>	<b>2,053,468</b>	<b>6,202,708</b>	<b>1,651,809</b>
<b>5.0 TOTAL OPERATING INCOME</b>	<b>5,598,872</b>	<b>18,335,851</b>	<b>4,584,835</b>	<b>5,544,500</b>	<b>18,070,825</b>	<b>4,500,750</b>
<b>6.0 OTHER OPERATING EXPENSES</b>						
6.1 Loan loss provision	250,001	709,903	200,000	250,001	709,903	200,000
6.2 Staff costs	1,449,164	5,511,355	1,257,653	1,426,711	5,418,058	1,240,418
6.3 Directors' emoluments	11,537	100,472	11,248	7,145	81,551	8,853
6.4 Rentals charges	186,766	692,363	151,051	184,654	683,501	151,051
6.5 Depreciation charge on property and equipment	311,271	1,120,187	256,269	309,756	1,116,023	254,626
6.6 Amortisation charges	32,104	119,099	27,891	31,907	117,323	27,694
6.7 Other operating expenses	1,012,669	3,873,854	632,470	999,016	3,776,698	611,781
6.8 Total other operating expenses	3,253,513	12,127,233	2,536,582	3,209,191	11,903,057	2,494,423
7.0 Profit/(Loss) before tax and exceptional items	2,345,359	6,208,618	2,048,253	2,335,309	6,167,769	2,006,327
8.0 Exceptional items-Share of profit of associate	121,502	153,943	-	-	-	-
9.0 Profit/(Loss) before tax	2,466,862	6,362,562	2,048,253	2,335,309	6,167,769	2,006,327
10 Current tax	510,300	1,206,870	407,511	505,107	1,188,370	401,265
11 Deferred tax	-	(206,910)	-	-	(206,944)	-
12 Profit/(loss) after tax and exceptional items	1,956,562	5,362,602	1,640,742	1,830,203	5,186,343	1,605,062
13 Minority interest share	-	-	-	-	-	-
14 Profit/(loss) after tax, exceptional items and minority interest	1,956,562	5,362,602	1,640,742	1,830,203	5,186,343	1,605,062

## III OTHER DISCLOSURES

	GROUP			BANK		
	31-Mar-12 KSHS.'000 (Un-audited)	31-Dec-11 KSHS.'000 Audited	31-Mar-11 KSHS.'000 (Un-audited)	31-Mar-12 KSHS.'000 (Un-audited)	31-Dec-11 KSHS.'000 Audited	31-Mar-11 KSHS.'000 (Un-audited)
<b>1. NON PERFORMING LOANS AND ADVANCES</b>						
a) Gross non-performing loans and advances	5,659,678	5,207,834	4,985,934	5,659,678	5,207,834	4,985,934
Less	-	-	-	-	-	-
b) Interest in suspense	833,177	1,070,677	1,058,262	833,177	1,070,677	1,058,262
<b>c) Total Non-performing loans (a-b)</b>	<b>4,826,501</b>	<b>4,137,157</b>	<b>3,927,672</b>	<b>4,826,501</b>	<b>4,137,157</b>	<b>3,927,672</b>
Less	-	-	-	-	-	-
d) Loan loss provisions	2,752,372	3,827,664	2,647,703	2,752,372	3,827,664	2,647,703
e) Net Non performing loans (c-d)	2,074,129	309,493	1,279,969	2,074,129	309,493	1,279,969
f) Realizable Value of Securities	1,985,795	309,493	1,279,800	1,985,795	309,493	1,279,800
<b>g) Net NPLs Exposure (e-f)</b>	<b>88,334</b>	<b>-</b>	<b>169</b>	<b>88,334</b>	<b>-</b>	<b>169</b>
<b>2. INSIDER LOANS AND ADVANCES</b>						
a) Directors, Shareholders and associates	147,308	150,036	146,852	147,308	150,036	146,852
b) Employees	5,054,685	4,777,870	4,256,339	5,054,685	4,777,870	4,256,339
<b>c) Total insider loans, Advances and Other Facilities</b>	<b>5,201,993</b>	<b>4,927,906</b>	<b>4,403,191</b>	<b>5,201,993</b>	<b>4,927,906</b>	<b>4,403,191</b>
<b>3. OFF-BALANCE SHEET ITEMS</b>						
a) Letters of credit, guarantees, acceptances	13,294,541	14,962,504	13,112,696	13,294,541	14,962,504	13,112,696
b) Other contingent liabilities	-	-	-	-	-	-
<b>c) Total contingent liabilities</b>	<b>13,294,541</b>	<b>14,962,504</b>	<b>13,112,696</b>	<b>13,294,541</b>	<b>14,962,504</b>	<b>13,112,696</b>
<b>4. CAPITAL STRENGTH</b>						
a) Core capital	-	-	-	23,069,848	22,103,269	19,051,375
b) Minimum Statutory Capital	-	-	-	700,000	700,000	500,000
c) Excess/(deficiency)	-	-	-	22,369,848	21,403,269	18,551,375
d) Supplementary capital	-	-	-	472,547	518,422	552,205
e) Total capital (a+d)	-	-	-	23,542,395	22,621,691	19,603,580
f) Total risk weighted assets	-	-	-	141,027,102	137,792,005	115,180,610
g) Core capital/total deposit liabilities	-	-	-	15.7%	15.3%	14.0%
h) Minimum Statutory Ratio	-	-	-	8.0%	8.0%	8.0%
i) Excess/(deficiency)	-	-	-	7.7%	7.3%	6.0%
j) Core capital/total risk weighted assets	-	-	-	16.4%	16.0%	16.5%
k) Minimum Statutory Ratio	-	-	-	8.0%	8.0%	8.0%
l) Excess/(deficiency)(j-k)	-	-	-	8.4%	8.0%	8.5%
m) Total capital/total risk weighted assets	-	-	-	16.7%	16.4%	17.0%
n) Minimum Statutory Ratio	-	-	-	12.0%	12.0%	12.0%
o) Excess/(deficiency)(m-n)	-	-	-	4.7%	4.4%	5.0%
<b>5. LIQUIDITY</b>						
a) Liquidity Ratio	-	-	-	25.6%	27.2%	40.2%
b) Minimum Statutory Ratio	-	-	-	20.0%	20.0%	20.0%
c) Excess/(deficiency)(a-b)	-	-	-	5.6%	7.2%	20.2%

### Sustainable Profitability

