

# Co-operative Bank of Kenya Ltd

## Group Financial Results | Q32022

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## Key Highlights

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We are Growing | We are Resilient | We are Agile

# *A Transformational Bank*

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**Largest Co-operative Bank in Africa 15 Million Members**

Successful Universal Banking Model, **Increased Dominance** in Kenya

**Growth, Resilience and Agility** in a pandemic environment

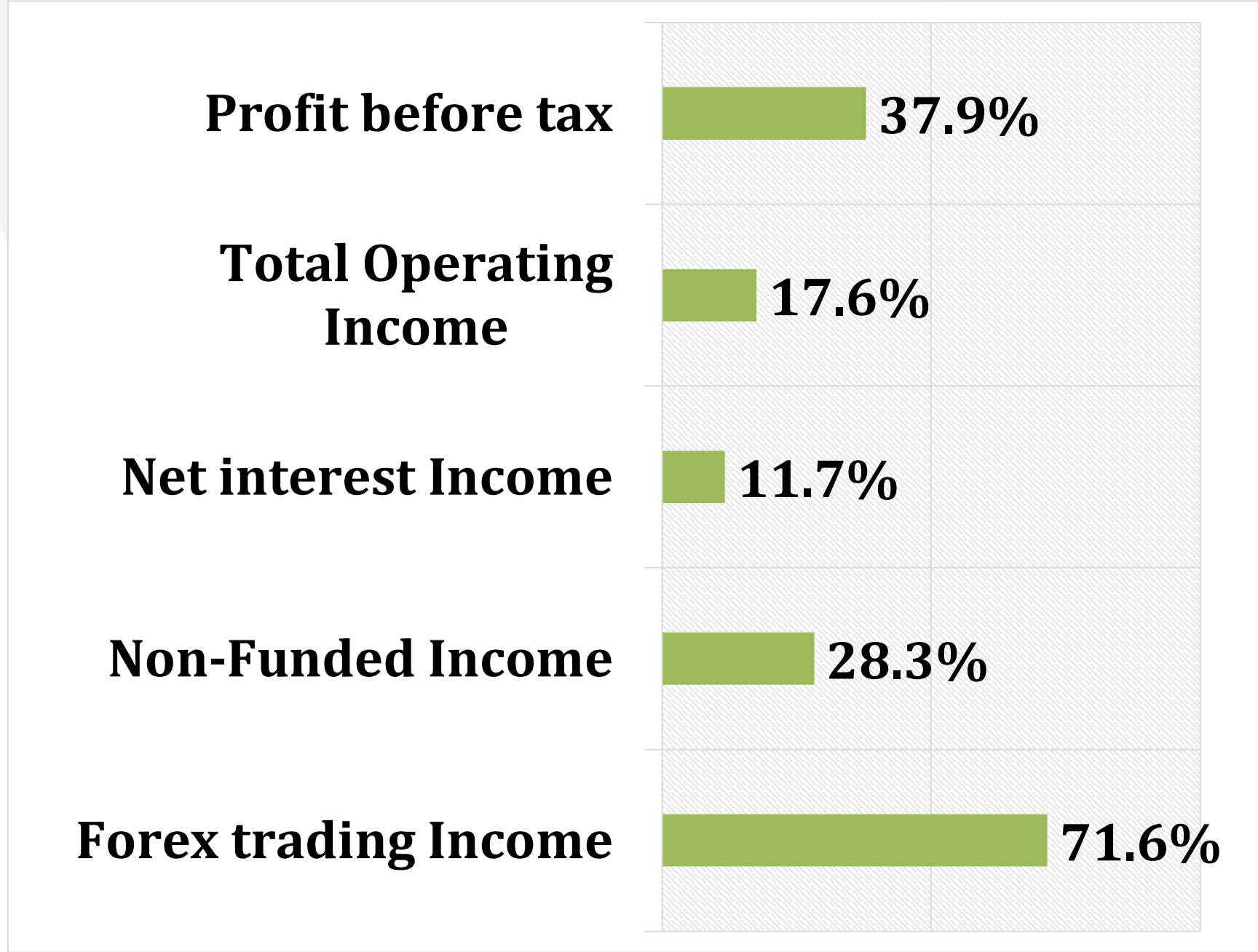
**Kshs. 622.1 Billion** in Total Assets

**4792 Skilled, Motivated Staff Members**



# We are Growing: Creating Value

Continued focus on optimizing opportunities for growth through an innovative array of financial solutions.





# We are Resilient: Protecting Value



Profitable Bank Kshs. 22.7 Billion



Strong Capital Buffers Total Capital to RWA 16.8% (Regulatory min 14.5%)



Proactive Enterprise Risk Management Framework.



Proactive provisioning for NPL: Kshs. 5.7B in Q32022. NPL Coverage now at 77.0% from 74.1% (Q32021)



Continuous support to our customers, staff and all our other stakeholders.



Low relative exposure in high-risk sectors like Tourism (0.7%) and Manufacturing (2.5%). Up to **50.9% of our loan Book** is in Consumer banking which is performing well.



**Optimal risk spread** with a 182.4Bn in government securities.



Proactive Regulatory compliance



ESG focus driven from Board Level. We have a dedicated ESG unit, appointed ESG Champions in all Strategic Business Units and have published our ESG Policy Statement.

**Continued gains from our institutionalized Transformation seeking efficiency and growth.**

Key ongoing transformation initiatives aimed at a quality loan book are;

- Credit Review Implementation Project “Project Kilele” with McKinsey & Co.
- Decentralization of loan portfolio management enabling Project 3C (Connect, Collect and Cure).
- Project Connect & Build (CB) – focused on co-creating solutions with our customers to grow the loan book and increase product holding.

# We are Agile

Fast | Adaptable



Operational efficiency with  
**94%**  
of our transactions in alternative  
channels.

- Enhanced digitization of internal bank processes and engagement platforms, to ensure contactless capabilities for both customers and staff.
- New Core Banking Platform implementation on track. Expected Key benefits include enhanced;
  - Business agility & Innovation
  - Customer experience
  - Cost management
  - Analytics
  - Process automation & Digitization
- Successful customer migration to Omnichannel: Integrates accessibility and User experience

## Staff Productivity

- Supporting new ways of working – Digital Workforce
- **+22.4%** Pre-provision return per staff.

# Macroeconomic Highlights

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- Economic growth
- Inflation and Interest Rate
- South Sudan

# KENYA'S ECONOMIC GROWTH PATH

SECTOR	2021	Q1 2022	Q2 2022	2022 PROJECTION
Agriculture	-0.2	-0.1	-2.1	1.0
Mining and Quarrying	18.0	22.1	22.6	11.8
Manufacturing	6.9	3.7	3.6	3.5
Electricity and Water Supply	5.0	1.9	5.0	4.8
Construction	6.6	6.4	5.8	5.2
Wholesale and Retail Trade, Repairs	7.9	8.7	8.2	6.8
Accommodation and Restaurants	52.5	56.2	22.0	25.4
Transport & storage	7.2	8.1	7.1	6.0
Information & Comm	8.8	6.1	6.6	7.5
Financial and Insurance	12.5	14.4	4.2	7.1
Public Administration	5.6	6.4	11.6	5.6
Professional, Admin & support services	5.7	14.9	11.2	6.4
Real Estate	6.7	6.1	5.5	5.4
Education	21.4	6.2	6.7	5.1
Health	6.0	5.0	4.8	5.0
Other Services	12.6	11.1	6.7	4.2
Real GDP Growth	7.5	6.8	5.2	5.4
IMF October 2022 Forecast				5.3

- All the sectors of the economy have recorded improved growth from the pandemic dip.
- The bank has diversified across the various sectors of the economy.
- The September Market Perceptions Survey revealed stronger optimism about business activity and economic growth prospects.
- Key Risks to growth include adverse weather conditions, global geo-political risks and intention by Government to cut down spending in the short term.



# INFLATION & INTEREST RATES

**Headline inflation increased to 9.6% in October 2022** from 6.5% in October 2021.

- Food inflation rose to 15.8% from 10.6% in a similar period last year and fuel inflation that increased to 12.6% from 9.6% due to increase in fuel and electricity prices.
- Non-Food Non-Fuel (NFNF) inflation increased to 3.8% in October from 2.2% in prior year.
- There was price pressure from new excise duty taxes in October too.
- Inflationary risk abounds in the near-term from both local and global events.

**The money market remained fairly stable in the third quarter of 2022.**

- Yields on short-term government securities went up slightly in the 3Q2022.
- Interest rate on 91-days, 182-days and 364-days Treasury bills are currently at 9.1%, 9.7% and 10%, respectively compared to 8%, 9.2% and 9.9%, respectively at the close of June 2022.
- Appetite for long-dated paper by the government.
- The average interbank rate has remained low (at 5% currently) compared to 5.2% at the end of June 2022, indicating very marginal movements in the money market.
- The MPC met at end of September and increased the CBR to 8.25%. MPC noted persistent inflationary pressures and thus scope for a tightening.
- Growth in private sector credit rose to 12.5% in August 2022 mainly driven by manufacturing, trade and consumer durables.

- South Sudan's real GDP is projected to expand by about 1.5% in 2022, as higher global oil prices boost government revenues and spending.
- Headline inflation rate decreased to -ve 2.5% (y-o-y) in August 2022, following several months of base effects.
- As the exchange rate moves in favor of the USD, we forecast this transmission to drive up overall inflation rate further in addition to higher food prices in the key source markets of Kenya and Uganda.
- Households incomes and consumption are still constrained by inflation, food insecurity and sub-national conflicts.
- The South Sudanese Pound (SSP) continued to depreciate in response to the global strengthening of the USD to stand at 625 to the USD as of October 2022.
- However, recent reforms have helped to unify the official and parallel exchange rates. The spread has remained within the single digit band pointing to some stability in the market.
- General elections initially scheduled for 2021 have been postponed twice to December 2024. This will impact negatively on economic activities.

# Strategic Focus

## 2020-2024 Strategic Themes

1. Aggressive deepening of our dominance in the Kenya Market
2. Dominant provider of financial services to the Co-operative Movement in Kenya and the region.
3. Customer experience that is seamless across all our touch points.
4. Operating efficiency driven by digitization, innovative products & Processes, efficient business models, and staff productivity.
5. Optimal Enterprise Risk and Compliance in the dynamic environment
6. Positive impact on Economy, Society & Environment.

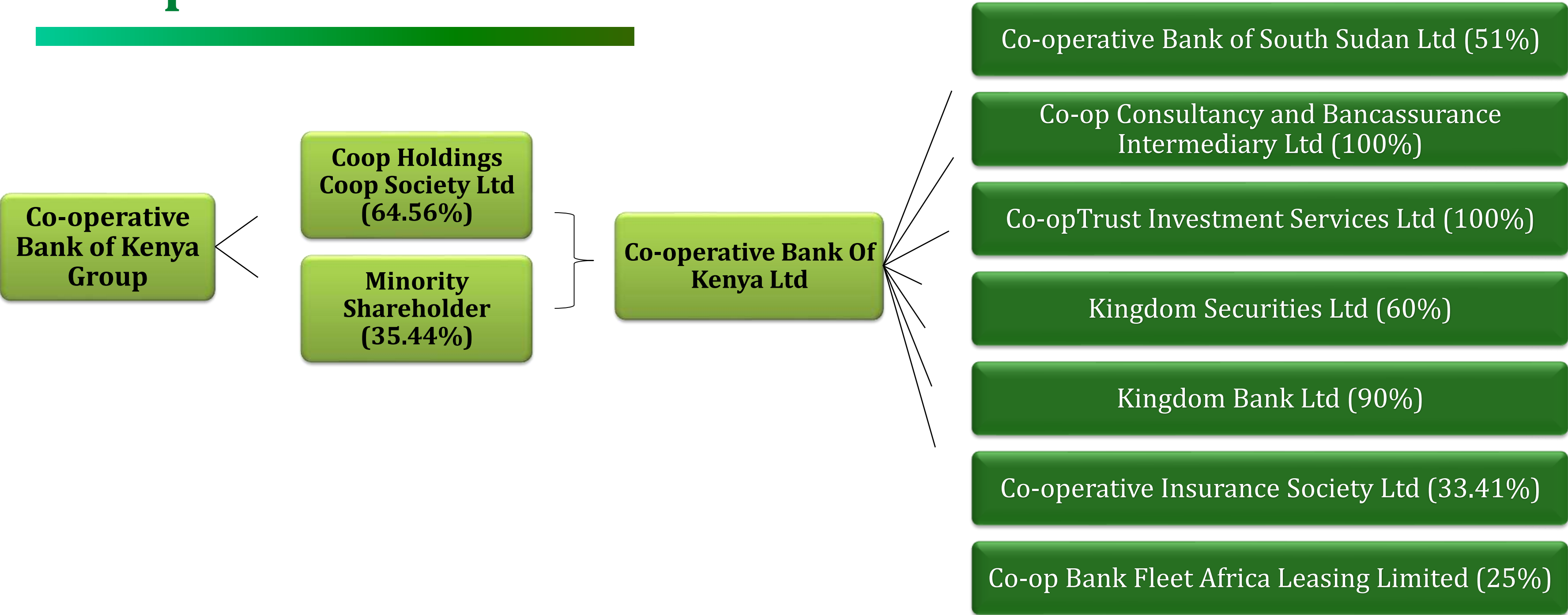
### Vision

To be the dominant bank in Kenya and the region, riding on the unique Co-operative Model providing innovative financial solutions for distinctive customer experience.

### Mission

To offer a wide range of innovative financial solutions leveraging on our heavy investment in multi-channels, national and regional presence and with a focus on excellent customer experience by a highly motivated and talented team.

# Group Structure





# A Successful Universal Banking Model

**Retail and Business  
Banking (Kshs. 235.4  
Billion Loan Book)**



**Co-operatives Banking (Kshs.  
33.0 Billion Loan Book)**



**Funds under management  
(Kshs. 202.6 Billion  
(Q32021 Kshs. 187.1 Billion))**



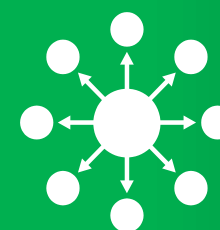
**Consultancy and  
capacity building  
3230 Mandates**



**Stock Brokerage**  
 • Share trading  
 services  
 • Online Share  
 Trading



**Insurance Brokerage 25.5%  
(YoY) growth in Insurance  
Commission**



**Corporate Government &  
Institutional Banking (Kshs.  
95.6 Billion Loan Book)**



**Leasing:  
Coop Bank Fleet  
Africa Ltd  
(Kes.1.6Bn YTD)**







181 Branches



5M Omni channel Customers  
(Mobile & Internet)



550 ATMs



Co-op Kwa Jirani Agents



466 Sacco Front Offices Branch network



24hr Contact Centre



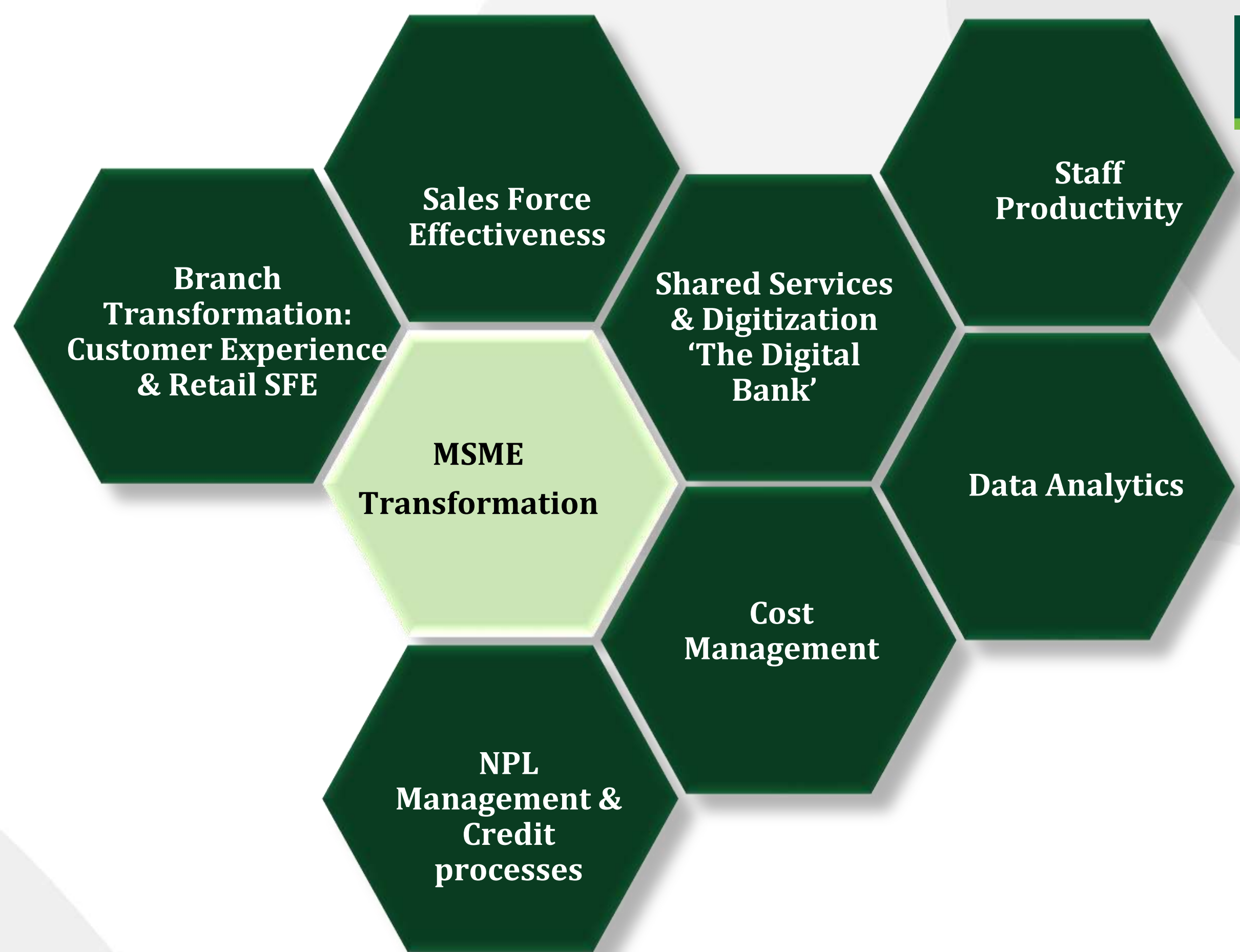
20K Diaspora Banking Customers

## Our Presence

Key Pillars

**“Soaring Eagle”  
Transformation  
Initiatives**

- Growth
- Efficiency



## E-Credit Focus: Kshs.254.9B Disbursed so far

- 1.Short term tenor of maximum 6 months .
- 2.Average disbursement of Ksh.6.9B per month.
- 3.Consumer Based that is on salary checkoff deductions at source.
- 4.Low credit risk

- ✓ *Average queue time of 8.6 Minutes.*
- ✓ *94% transactions on alternative channels.*

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## Proactive credit management through;

- ✓ Continuous Process improvement for enhanced End to End Turn Around Time on all loan applications.
- ✓ Proactive early delinquency & NPL management through Connecting with our customers, collecting and offering customer centric solutions.
- ✓ Credit Review Implementation Project *“Project Kilele”, Project 3Cs (Connect, Collect, Cure), Project Connect & Build*

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## MSME Transformation:

- 1.30,723 trained customers.
- 2.166K+ on boarded on the new packages (Gold, Silver, Bronze).
- 3.Supply chain financing
4. Non-Financial Services (NFS):251 NFS clinics, 19 Networking forums, 4 international business trips.
5. Government of Kenya Credit Guarantee Scheme.
6. Year to date, Kshs.18.8 Billion lent to MSMEs though e-credit YTD.

## *“Soaring Eagle” Transformation:* **Key achievements**

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### Sales Force Effectiveness for CIBD and Cooperatives:

- ✓ Sector focus; Tailor-made go to market strategies for different sectors.
- ✓ Scale up value chain business.
- ✓ Leasing- Partnership with coop fleet to offer assets on lease
  
- ✓ **Digitization:** Core Banking System (ongoing), Omnichannel, Business Process Management System, Master Card.
  
- ✓ **Advanced data analytics** – Supporting Data-led sales, reporting and decision making
  
- ✓ **Staff productivity and enablement** – Pre-provision productivity grew by 22.4% YoY



# Credit Review Implementation Project

## *“Project Kilele”*

E2E assessment of credit risk management practices

Comprehensive diagnostic review on each area of credit risk, including:

- ✓ Credit risk management framework with a key focus on risk governance, credit risk appetite, origination and underwriting process, credit approval process, credit scoring/rating models, and pricing
- ✓ Portfolio management, monitoring and reporting procedures
- ✓ Non-performing loan management, collections, and recovery processes

Strengthen portfolio assessment and risk frameworks

- ✓ Stress-testing of existing work done on portfolio analysis
- ✓ Assess client level (and sub-sector) strategies that have been developed and suggest improvements
- ✓ Quantify impacts of work done - Improvements on work done and potential heuristics that can be applied to enhance PD, LGC, and ECL modeling incorporating sector expertise

Enhance Collections

- ✓ Diagnostic of collections area (including recoveries and restructuring)
- ✓ Segment by segment re-design
- ✓ Future roadmap for collections function



# Credit Review Implementation Project

## *“Project Kilele”*

### Key Achievements:

- ✓ **Underwriting process optimization**
- ✓ **Reclassification of sectors and sub-sectors**
- ✓ **NPV (Net Present Value) Restructuring Model**
- ✓ **Early Warning System**
- ✓ **Enhanced Strategic Collections**
- ✓ **Client level action Plans**

- ✓ Roll out of new Application For Facility forms.
- ✓ Improving Turn Around Time for facilities.
- ✓ Auto disbursements.
- ✓ Business Process Management System optimization
- ✓ Training for Frontline staff and service teams done to enable onboarding new customers with the new sectors and subsectors.
- ✓ Early Alert meetings at a segment level with the new guidelines.
- ✓ NPV (Net Present Value) Restructuring Model deployed
- ✓ Entire corporate and Co-operative book has been reclassified into the new Sector classification to enhance quarterly stress testing of customers by sector and subsector.
- ✓ Enhanced Client level action Plans to ensure regular and comprehensive update and actioning.
- ✓ Escrow buildup by our customers.

# Environmental, Social and Governance (ESG) Policy Statement

## Introduction

Co-operative Bank of Kenya Ltd was formed by Co-operators through their Co-operative Societies in 1968 to ensure delivery of affordable financial services to the Co-operative movement for maximum benefit of the societies' members. Sustainability is thus the backbone of our strategy and operations to date.

Co-operative Bank Group is committed to transforming lives and being a responsible corporate citizen. The Bank believes that sustainable development and sustainable profit growth are complementary to each other and create a positive impact on the economy, society, and the environment.

Co-operative Bank Group is a responsible financial partner and supports the UN Sustainable Developments Goals (SDGs) by developing products and services aimed at addressing challenges identified by the SDGs with the support of the Co-operative movement, customers, funding partners, investors, and all other stakeholders.

## Our ESG Policy

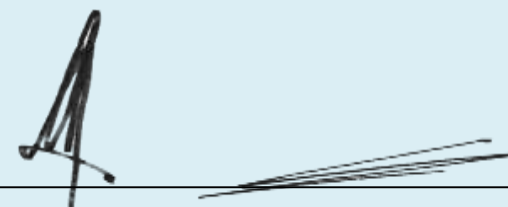
*We are fully committed to sustainable development and to achieve positive environmental & social outcomes with good governance.*

### **The Co-operative Bank Group objectives under this policy are:**

- To incorporate strong environmental, social, and corporate governance principles throughout all operations and business activities.
- To comply with relevant national laws, regulations and agreements on the environment, climate change, health, safety, and social issues to which the Group subscribes to and in the countries it operates in.
- To evaluate and manage environmental and social impacts when developing policies, products, or major change initiatives.
- To communicate this policy to internal and external stakeholders as part of regular reporting.

This policy shall be applied enterprise-wide and covers all material operations, including geographies, corporate functions, and business units of the Co-operative Bank (Co-op Bank) Group.

**Signed:**



**DR. GIDEON MURIUKI – CBS, MBS  
GROUP MANAGING DIRECTOR & CEO  
NOVEMBER 2022**

# Our ESG Framework

Our aim is to have positive impact on the economy, society, and the environment.





# ESG Focus Areas

## Environmental

### Environment & Climate Change

- Supporting the transition to a low-carbon economy and reduce the impact of climate change on our business.
- Identifying and measuring our financed emissions
- Limiting our exposure to climate risk
- Developing targets on climate change
- Enabling climate mitigation and adaptation by financing access to sustainable energy sources

### Responsible Resource Use

- Encourage the responsible and efficient use of resources through the Bank's operations
- Focusing on reducing waste
- Efficient use of energy and water

## Social

### Financial Inclusion

- Enable access to financial solutions that support economic development and reduce equality.
- Increase convenience and access to financial products and services
- Provide relevant financial education and advice
- Increase access to credit
- Addressing segment/sector specific needs including small enterprises (MSMES)

### Economic Inclusion

- Financial intermediation in the economy
- Provide investment capital and/or loans to initiatives that increase access to affordable housing, jobs and support a just and orderly transition
- Facilitating trade and investment flows between countries and key global markets including China
- Paying and facilitating collection of taxes to contribute to the prosperity and stability of our country

### Social Inclusion

- Enabling members of community, especially the underserved to become economically empowered and resilient
- Employee health & Wellbeing
- CSR & Philanthropy
- Supporting and increasing access to inclusive quality education

## Governance

### ESG Integration

- Strong business ethics & integrity – doing the right thing by our stakeholders & the planet.
- Formalizing and integrating an ESG in our operations.





# Our ESG Performance

## Governance

- Well diversified Board skillset
- Progressive governance framework
- Business Ethics
- Proactive Environmental & Social Policy
- Strategic Organizational Structure
- Compliant Reporting & Disclosure
- Board structure, policies & procedures

Group wide ESG Policy framework developed with a clear implementation roadmap

Dedicated ESG Unit  
23 ESG champions

## Social

- **9553** Students sponsored by the Bank
- **3230** Consultancies to the Co-operative Movement
- **166,500** MSMEs onboarded on account packages
- **30,723 MSME** customers trained . 251 clinics, 19 Networking forums
- **88%** Percent of our suppliers are local
- 5.63B Amount of taxes paid (in billions) Sep 2022
- **133.3M** Digital channel transactions
- **335.2B** Net loans and advances (in billions)
- Kshs.18.9 Billion to MSMEs through e-credit YTD.
- **39.6B (2021)** Economic value distributed
- **74%** Employees below 40yrs (0.5% Staff with disability)
- **58M Staff** Training spend (in millions) YTD

## Environment & Climate change

- Board committees provide ongoing oversight on key risks
- Ongoing implementation of the CBK Guidance on Climate- Related Risk Management, TCFD and NSE ESG disclosure guidance.
- Screening of loans & advances for environmental risk as laid out in the Environmental & Social Policy (E&S). Corporate, Co-operatives ( Above USD 1M), MSME (Above USD 50K)
- Continuous digitization of customer journeys and bank processes.
- 18th KAM ENERGY MANAGEMENT AWARDS (EMA) 2022 – Best new entrant
- Ongoing rehabilitation of 259.5Ha, Lusoi forest in Laikipia
- Signatory to the United for Wildlife’s (UfW) Financial Taskforce
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### Support to the Fundraising Appeal to Fight Hunger

Co-op Bank Group wishes to join other Kenyans and indeed the global community of goodwill in fully supporting the Fundraising Appeal initiated by His Excellency the President, with a key contribution of Kshs. 150 Million to support relief efforts aimed at assisting families affected by the severe drought ravaging various parts of the Country.





# Sustainability Awards

Most Sustainable Bank in Kenya



**Asanteni  
Saana!**

**OVERALL  
WINNER**

Sustainable Finance Catalyst Awards



**Sfi  
CATALYST  
AWARDS 2021**  
Best Overall Award  
1<sup>st</sup> place  
Co-operative Bank of Kenya

- Most Innovative Bank
- Best in financing Commercial Clients
- 1<sup>ST</sup> Runners up – Best in Sustainable Finance
- 1<sup>ST</sup> Runners up – Best in Covid 19 response
- 2<sup>ND</sup> Runners Up – Best in Financing MSME

# Award Winning Brand

A bank continuously feted for its commitment to drive sustainable impact



## 18th ENERGY MANAGEMENT AWARDS (EMA) 2022

Electricity Savings Award – Small Consumers - 1<sup>st</sup> Runners UP  
Service Sector Award-1<sup>st</sup> Runners Up  
Best New Entrant Award-Winner



## EMEA FINANCE AFRICAN BANKING AWARDS 2021

CEO of the year – Pan Africa  
Best Bank – Kenya  
Financial inclusion – Pan Africa  
Best Asset manager, Co-optrust Investments Services - Kenya



## GLOBAL SME FINANCE AWARDS 2021

Honorary Mention - Product innovation of the year 2021



**WINNER**  
BEST REGIONAL BANK – EAST AFRICA  
Co-Operative Bank of Kenya



## VISA AWARDS 2021

Best SME acquirer solution roll out  
Best contactless champion - issuing  
Most financially inclusive bank

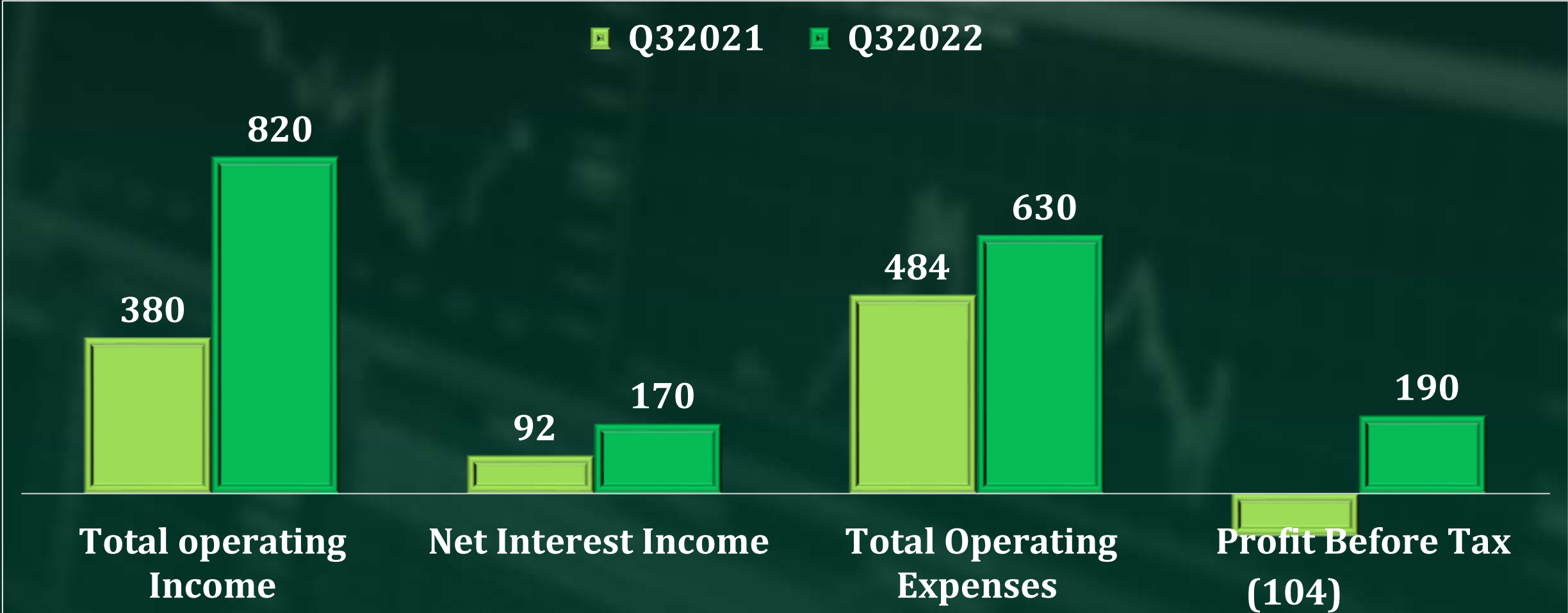
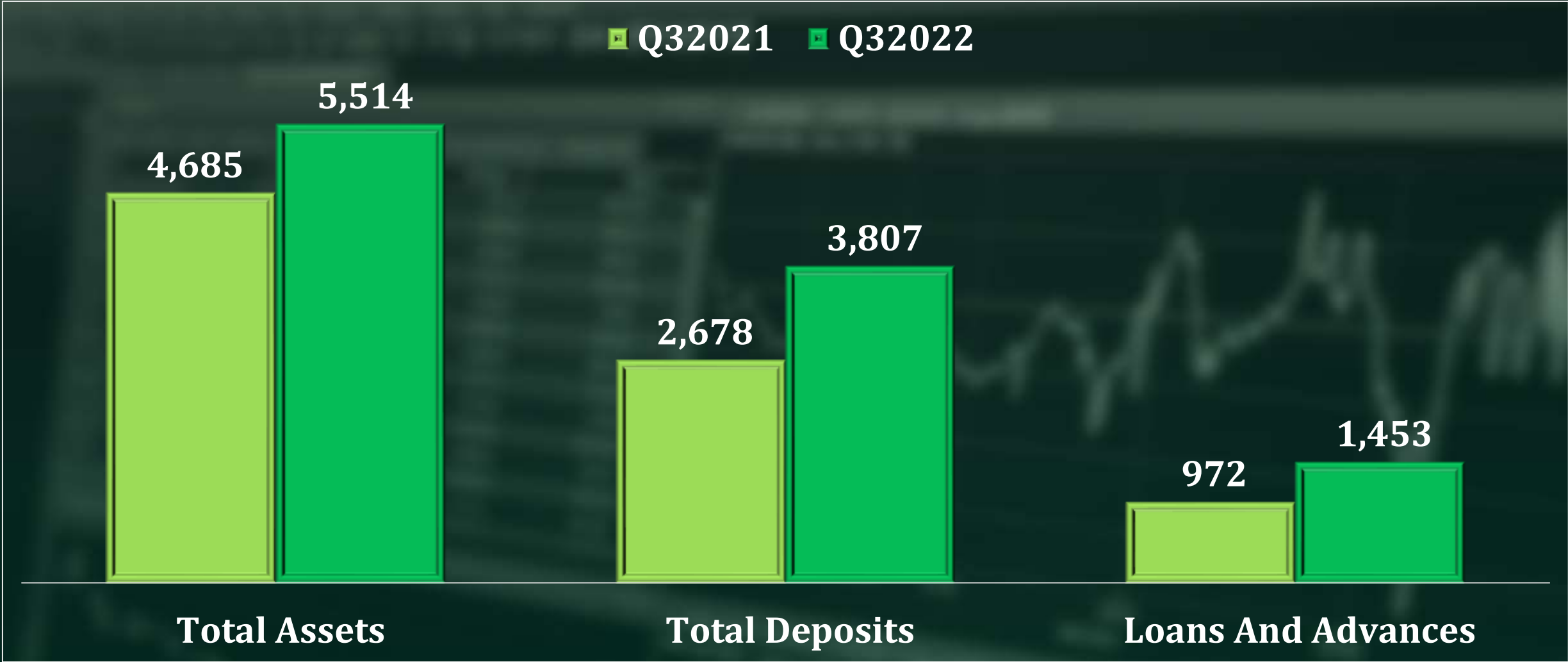
The Group celebrates Dr. Gideon Muriuki (CBS, MBS) on being conferred Doctor of Humane Letters (Honoris Causa) - DLitt. of The Africa International University.



# Regional Business (Kshs. Million)



4 branches in Juba  
 5 Non-oil collection centers.  
 Owns 31% of CIC Africa Ltd-  
 South Sudan



# Channel Performance

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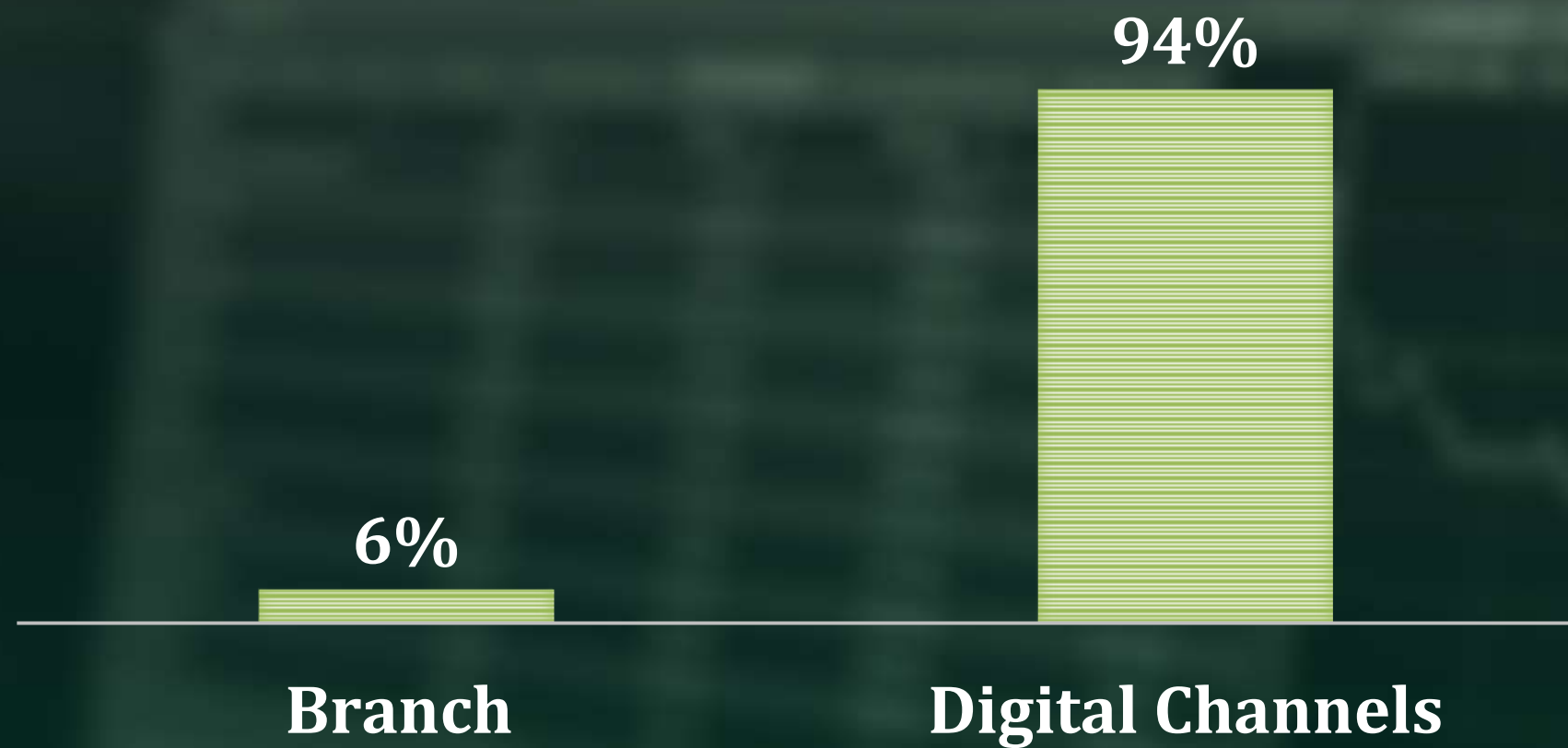
# Growing Digital Channels



94% of our Transactions are on alternative Channels providing opportunities for efficiency.

- Mobile
- Internet
- ATM
- Agency

## Digital Channels Vs Branch (%)





# Mco-op Cash Mobile Wallet

## A unique Offering



MCo-op Cash is an all-telco, all products mobile banking service that enables customers to enjoy access to a variety of banking services, money transfer and payment services. It's a virtual account with a simple menu where the customers mobile number acts as the account number and can be opened and operated end-to-end from the phone without having to visit the branch. Mco-op cash has continued to reach many customers who would have remained unbanked and underbanked.

### Mco-opcash main features includes;

- ✓ Full access to other wallets in the market
- ✓ Affordable pricing compared to Brick & Mortar
- ✓ Payment of goods and services directly to Telco Paybill/Till number
- ✓ Cardless withdrawal at the bank's agent and ATM network
- ✓ External and Internal funds transfer
- ✓ E-Credit - Access to the mobile based loans offered by the bank.

# Omnichannel Banking

We have successfully migrated our customers to the Omni-channel, integrating accessibility and user experience.

Our omnichannel interfaces online banking through personal computers, mobile phones and USSD availing our services to all customers through their preferred channel yet retain the same experience from wherever they are.

## Welcome to the new Internet Banking

Your banking team is at your fingertips



Personal Internet Banking



Corporate Internet Banking

Successful offering continues to scale:

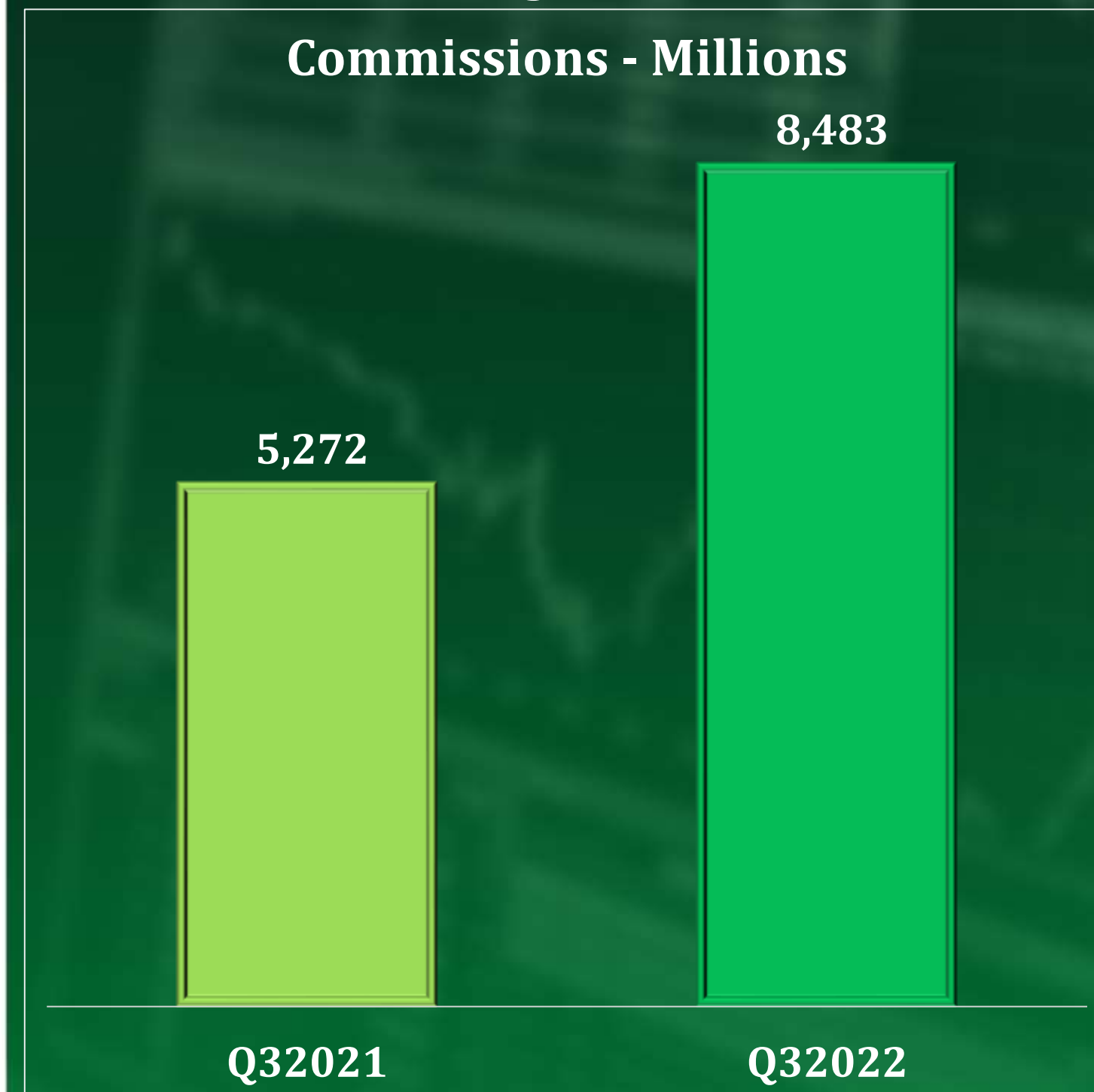
### Commissions - Millions

5,272

8,483

Q32021

Q32022



# Digital lending focus

## E-credit



**A superior product for our customers that continues to scale and is a key revenue source**

- ✓ A key focus area, Kshs.254.9B disbursed to Date.
- ✓ Kshs.6.9 Billion disbursed per month on average.
- ✓ Consumer based salary checkoff hence lower credit risk.
- ✓ Short term tenure



Get an instant relief from cash worries by applying for a Flexi Cash Salary Advance Loan

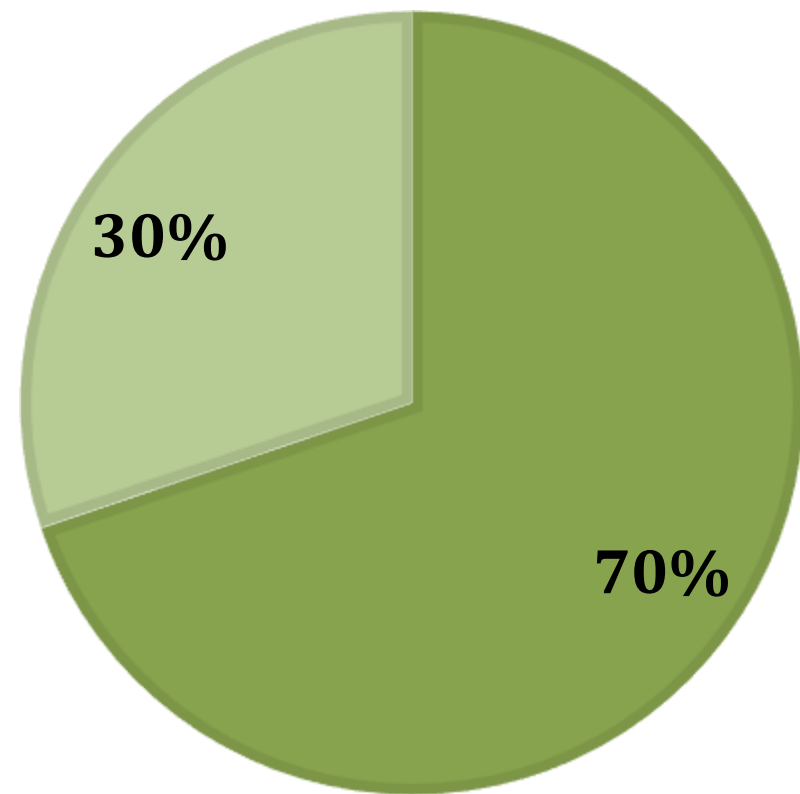


# E-Credit

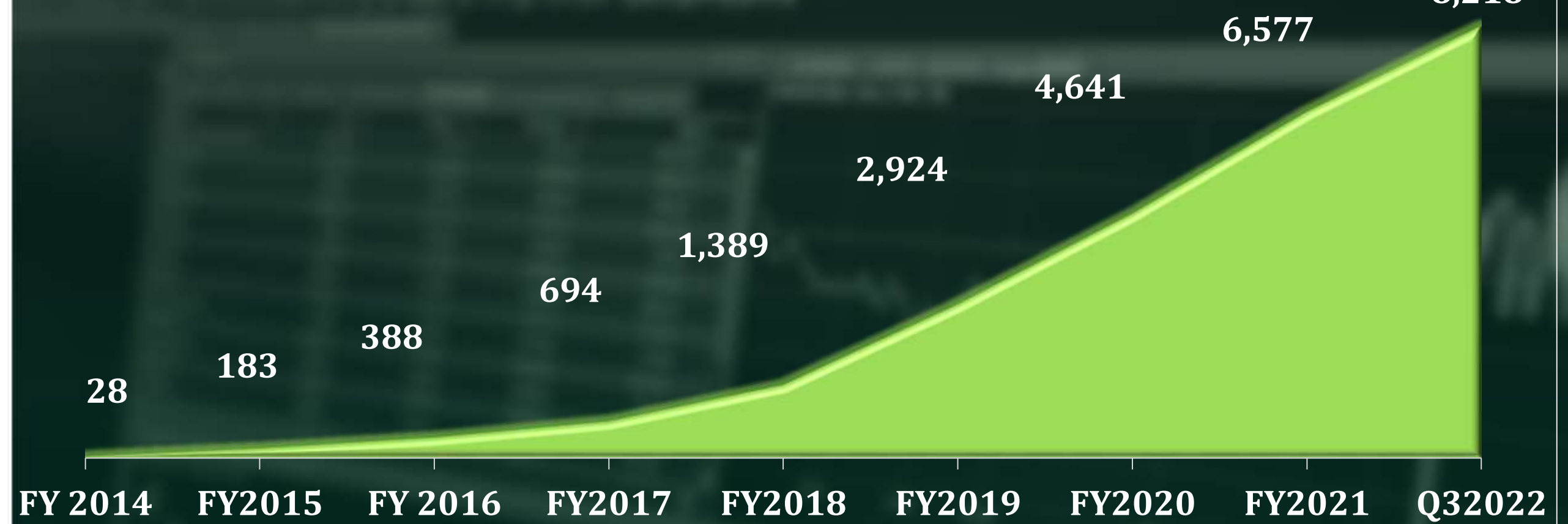
A superior product for our customers that continues to scale and is a key revenue source

**Kshs.62.2B Disbursed YTD**

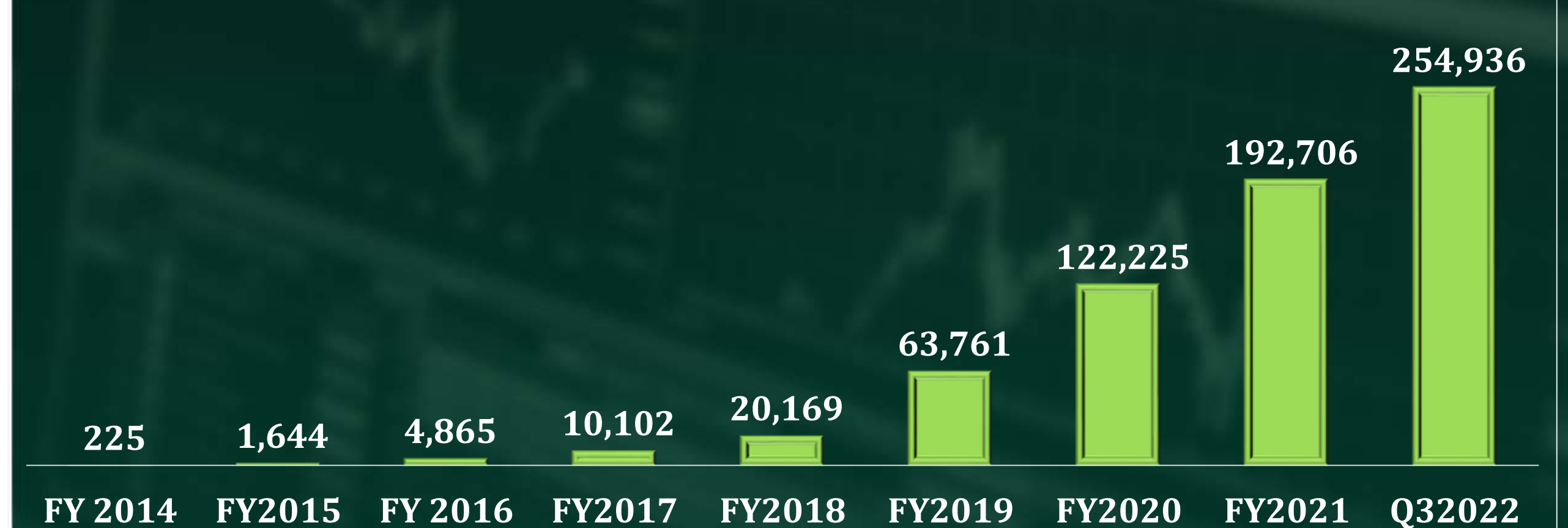
- Flexi Salary loan
- MSME Business Plus Loan



### Cumulative Mcoop Cash Loan Customer Numbers ( In '000')



### Cumulative Mcoopcash Disbursement - In Millions

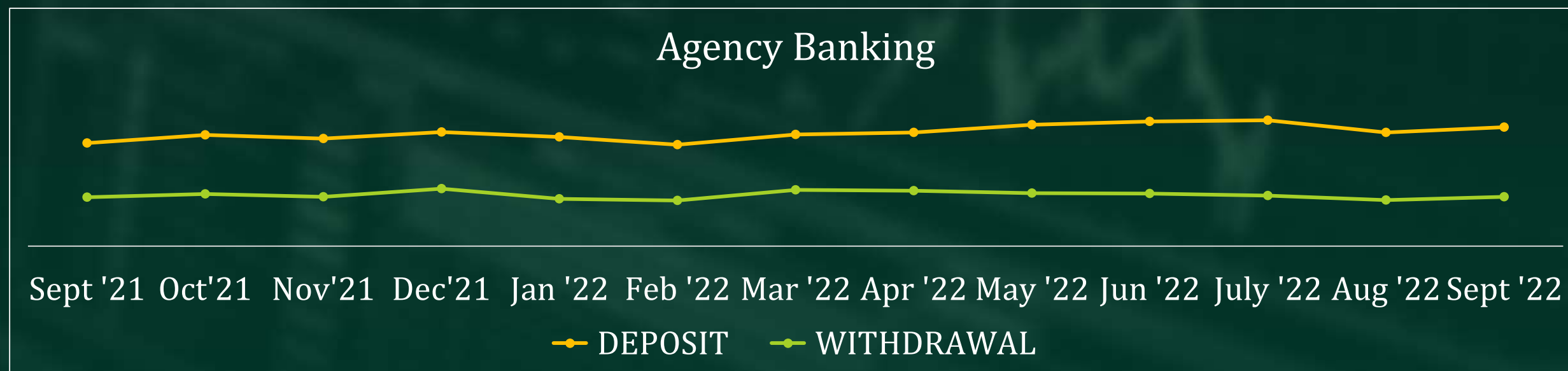
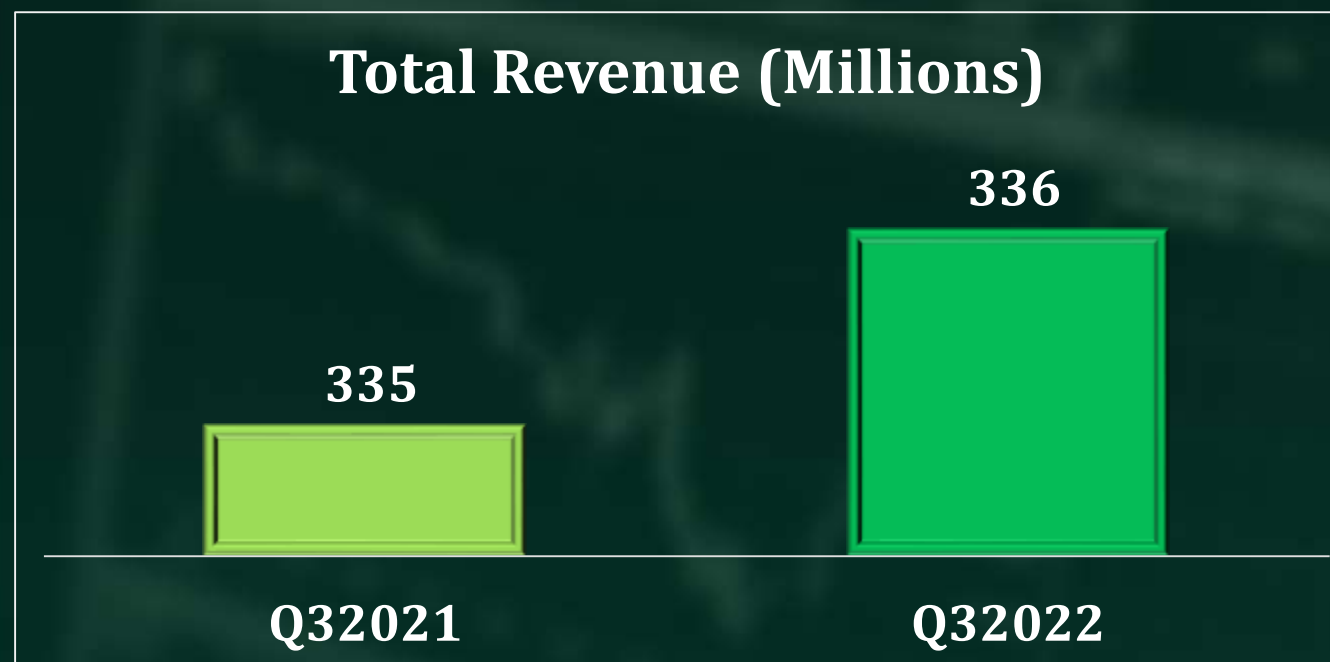
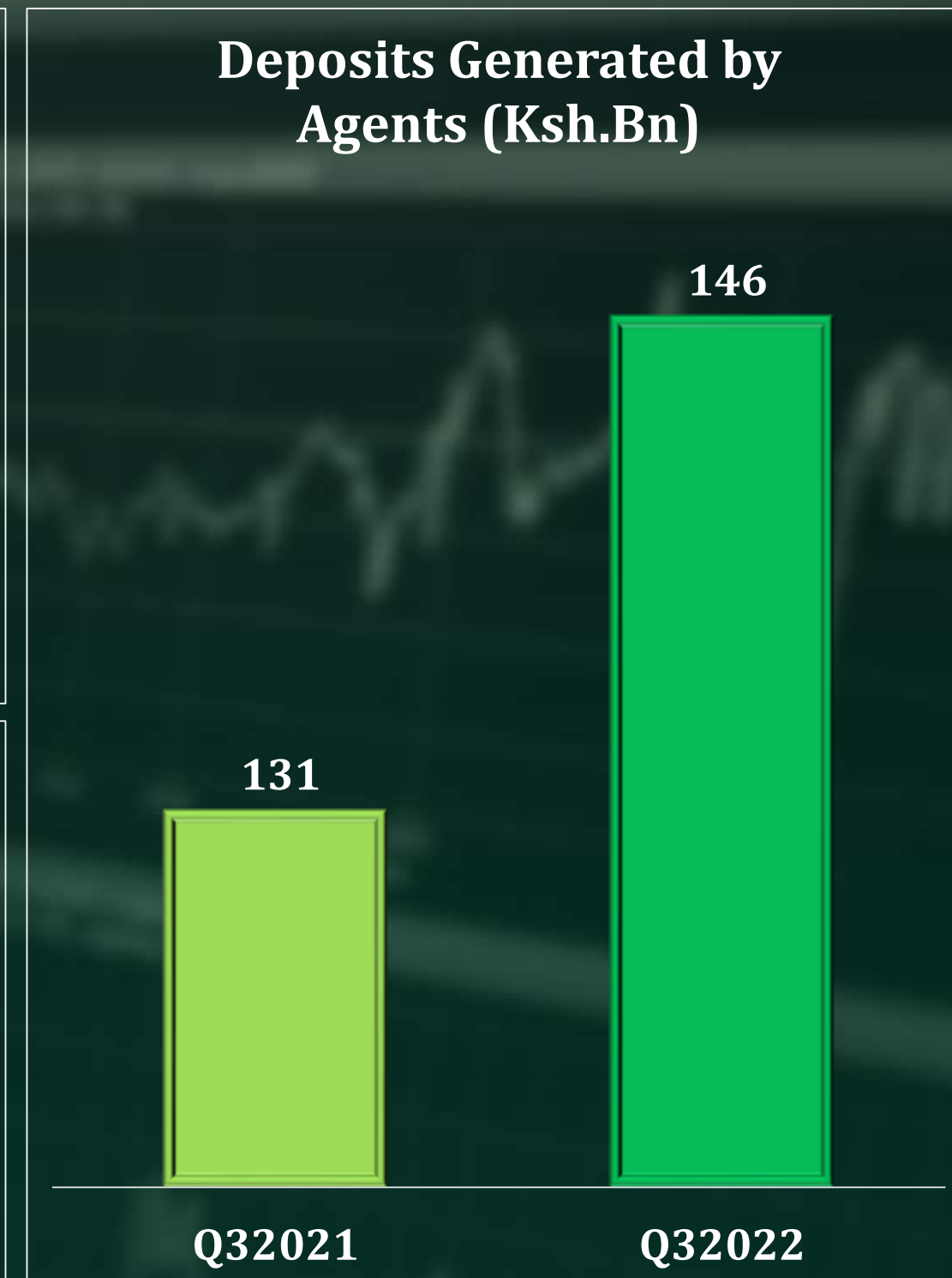
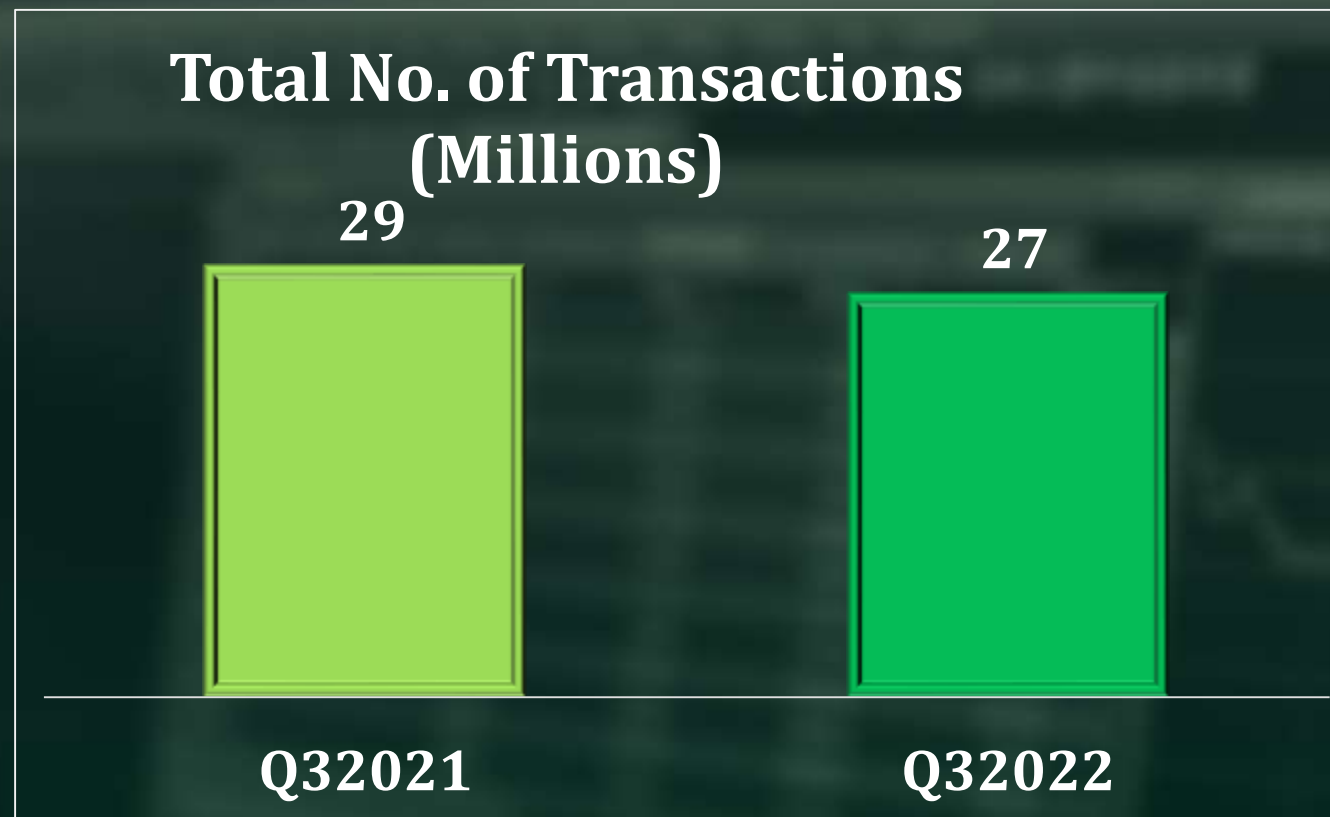




# Agency Banking

Growing Co-op Kwa Jirani Agency Banking

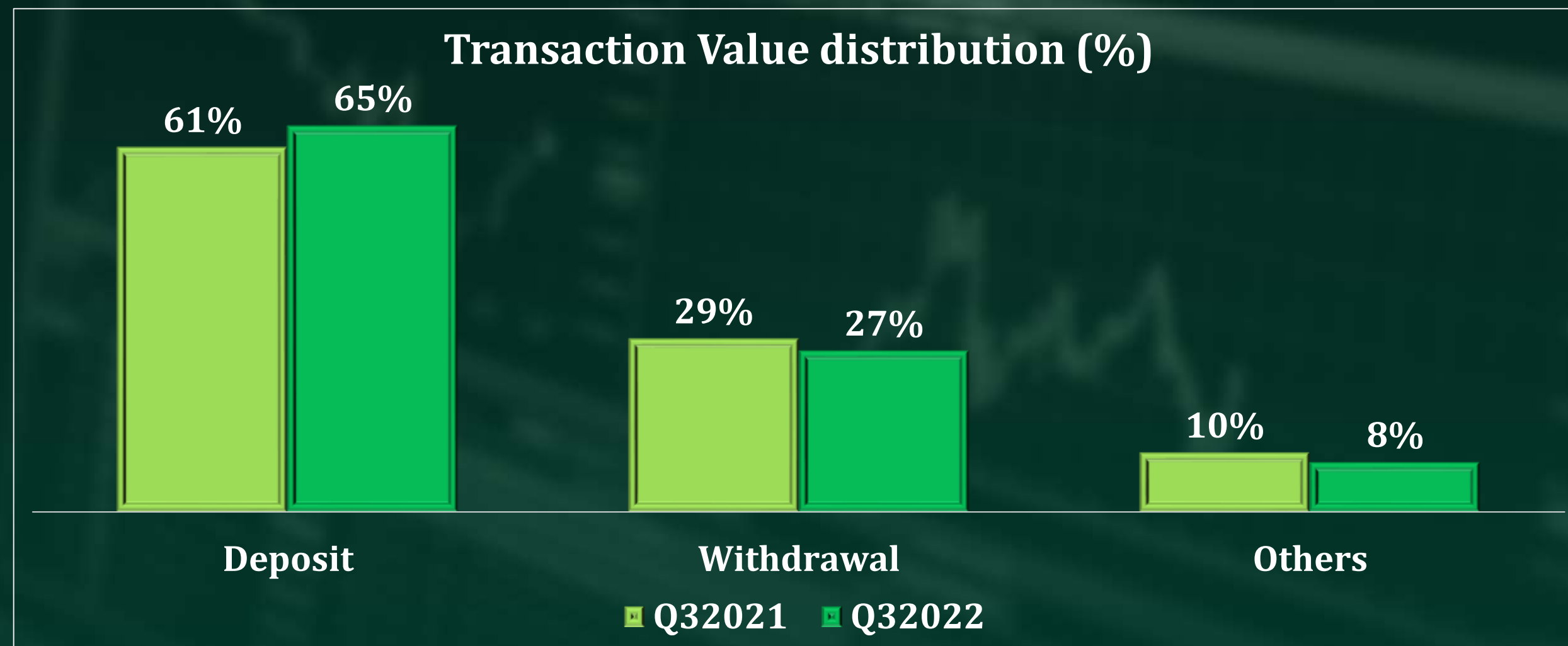
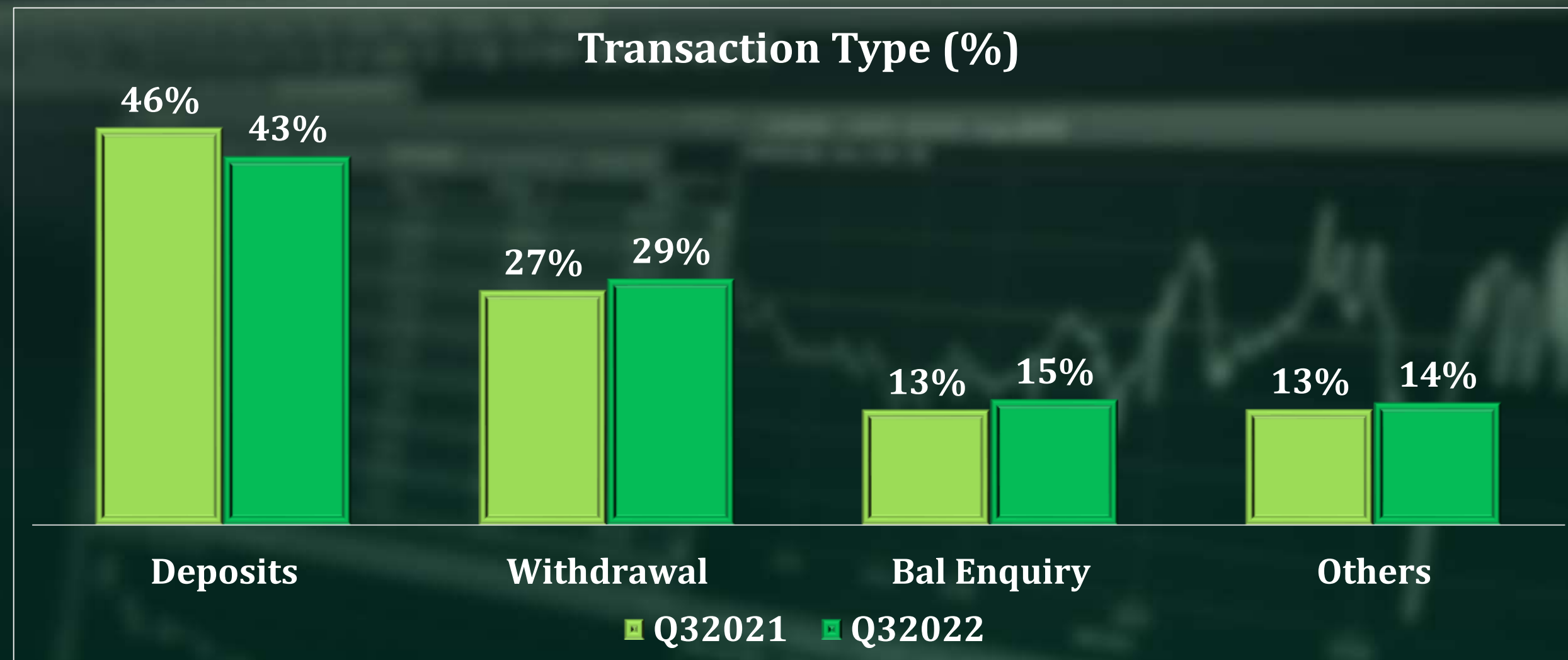
- Deposits mobilized through Agency banking up by 11.5%



# Agency Banking

Growing Co-op Kwa Jirani Agency Banking

- Key deposit mobilization channel
- Higher deposit than withdrawal



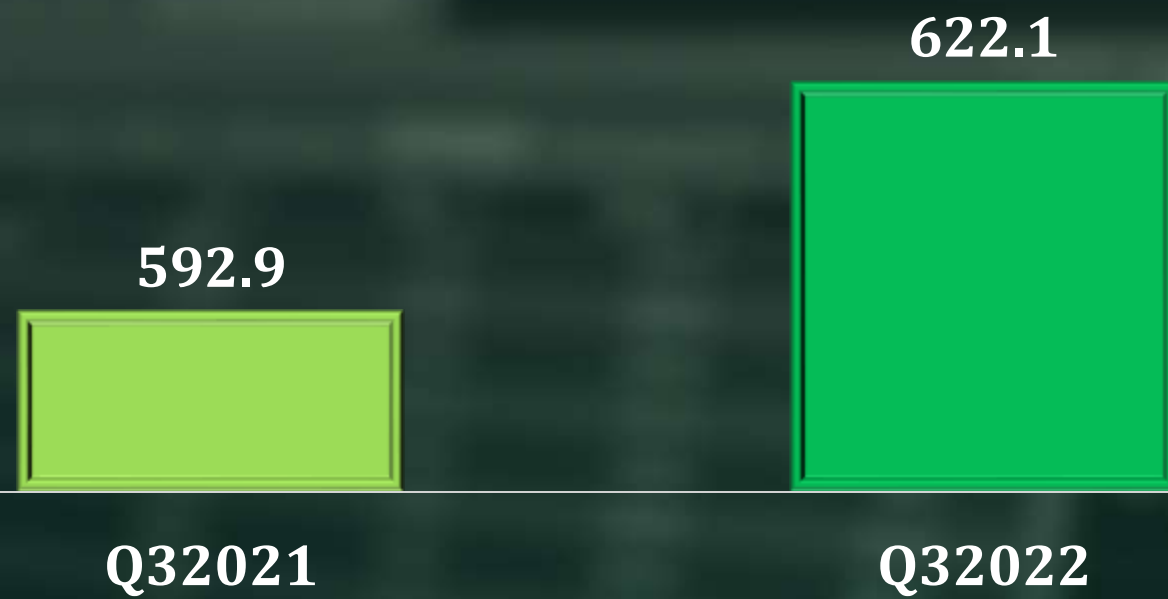
# Financial Highlights

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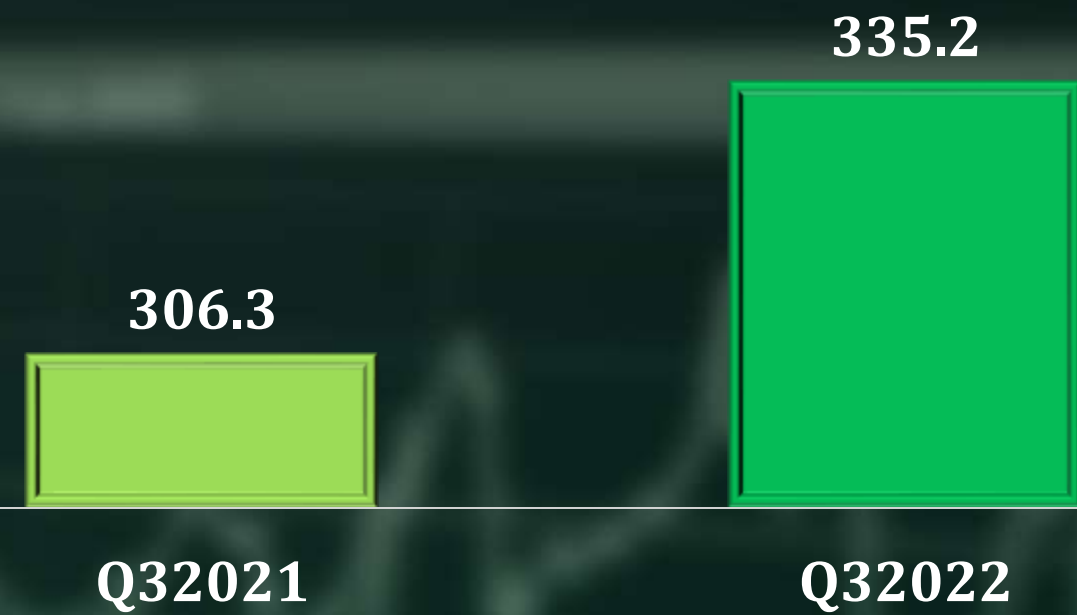
# Strong Financial Position (Kshs. Billion)



### Total Assets



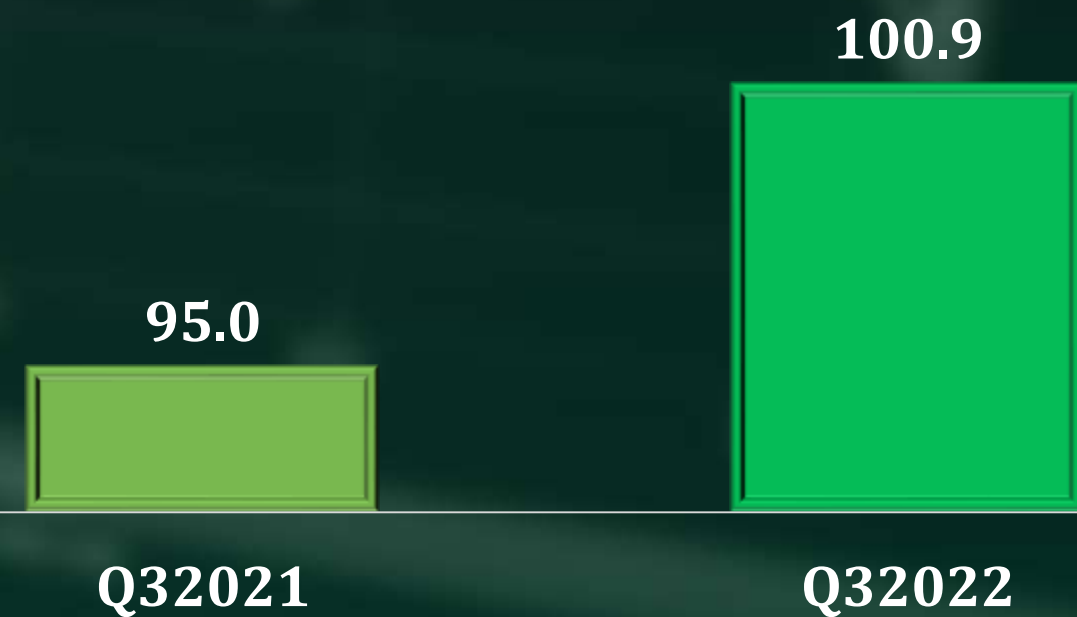
### Net Loan book



### Total Deposits



### Shareholder's Funds





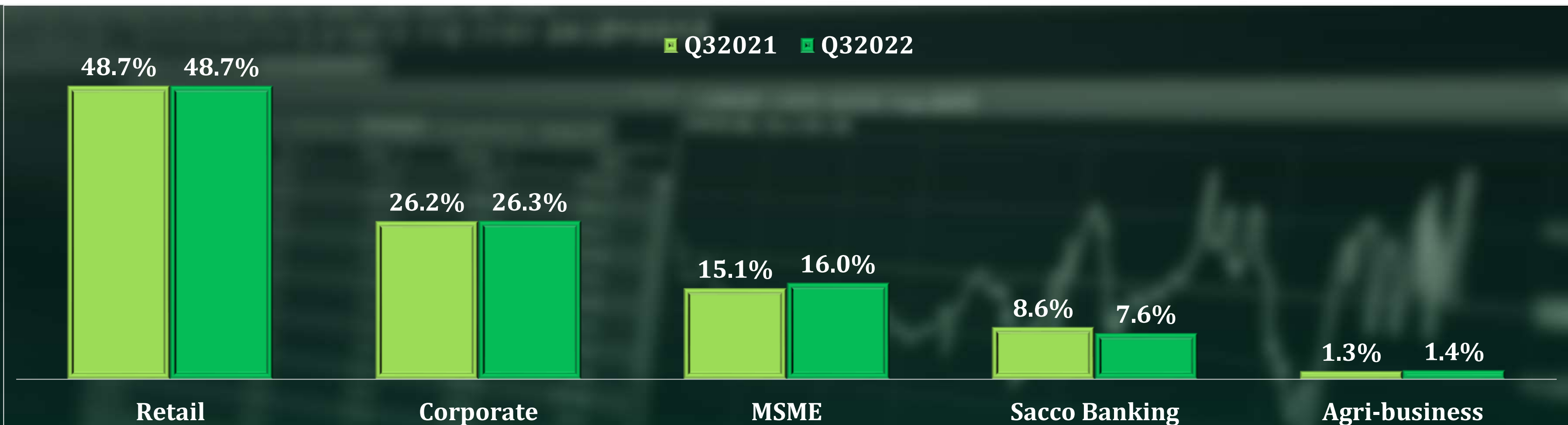
# Strong Financial Position (Kshs.Billion)

	Q32022	Q32021	YoY Change	
<b>Total Assets</b>	622.1	592.9	4.9%	↑
<b>Net Loan book</b>	335.2	306.3	9.4%	↑
<b>Government Securities</b>	182.4	193.3	-5.7%	↓
<b>Total Deposits</b>	442.5	424.3	4.3%	↑
<b>Borrowed Funds</b>	41.9	43.8	-4.3%	↓
<b>Shareholder's Funds</b>	100.9	95.0	6.2%	↑

# Diversified loan book

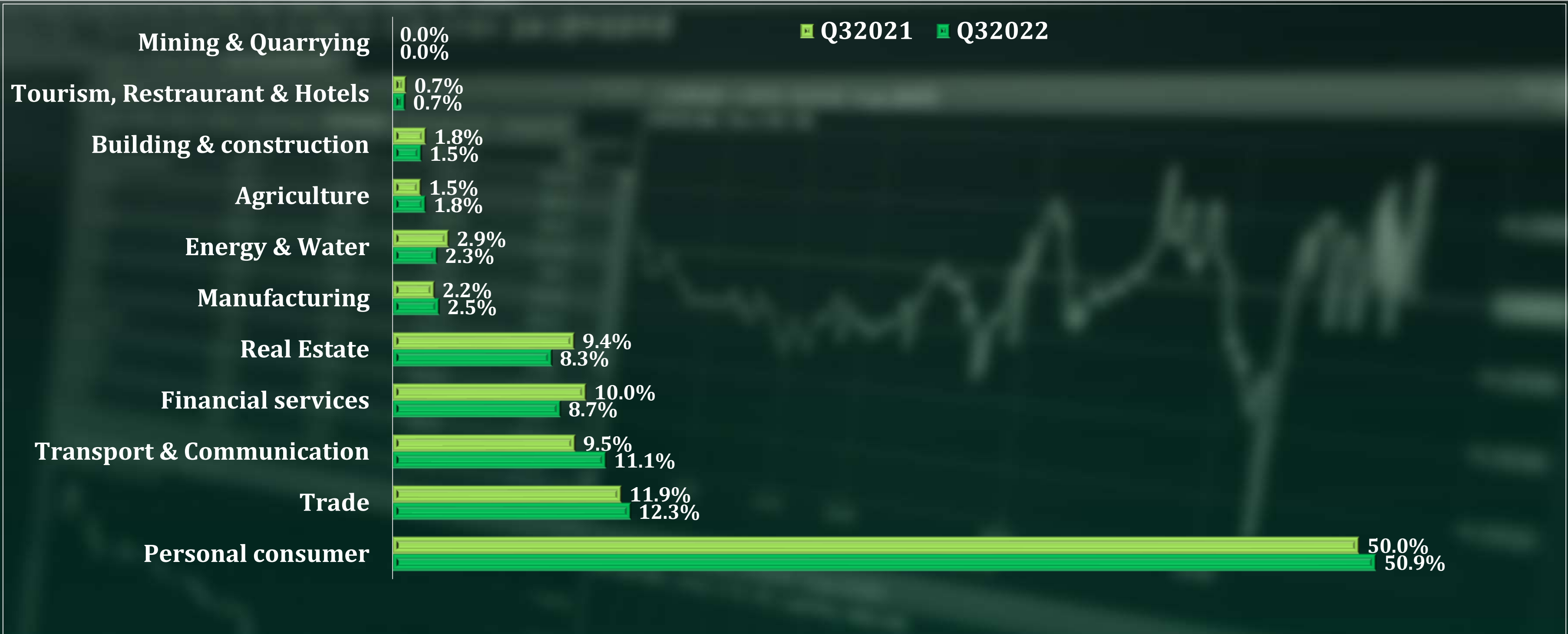
- Diversified across segments.
- Highest book is in Personal Banking;

- ✓ Check off; deductions are done at source.
- ✓ Diversified across various Government/quasi-government employees.
- ✓ Appraisal of both employer and employee for optimal risk-return.



# Diversified loan book across sectors

50.9% in Personal consumer which is well performing  
 Low relative exposure in high-risk sectors



# Improving Non-Performing Loan Book

The group's NPL has improved from 13.9% in Q32021 to 13.6% in Q32022



## Below Industry NPL Level

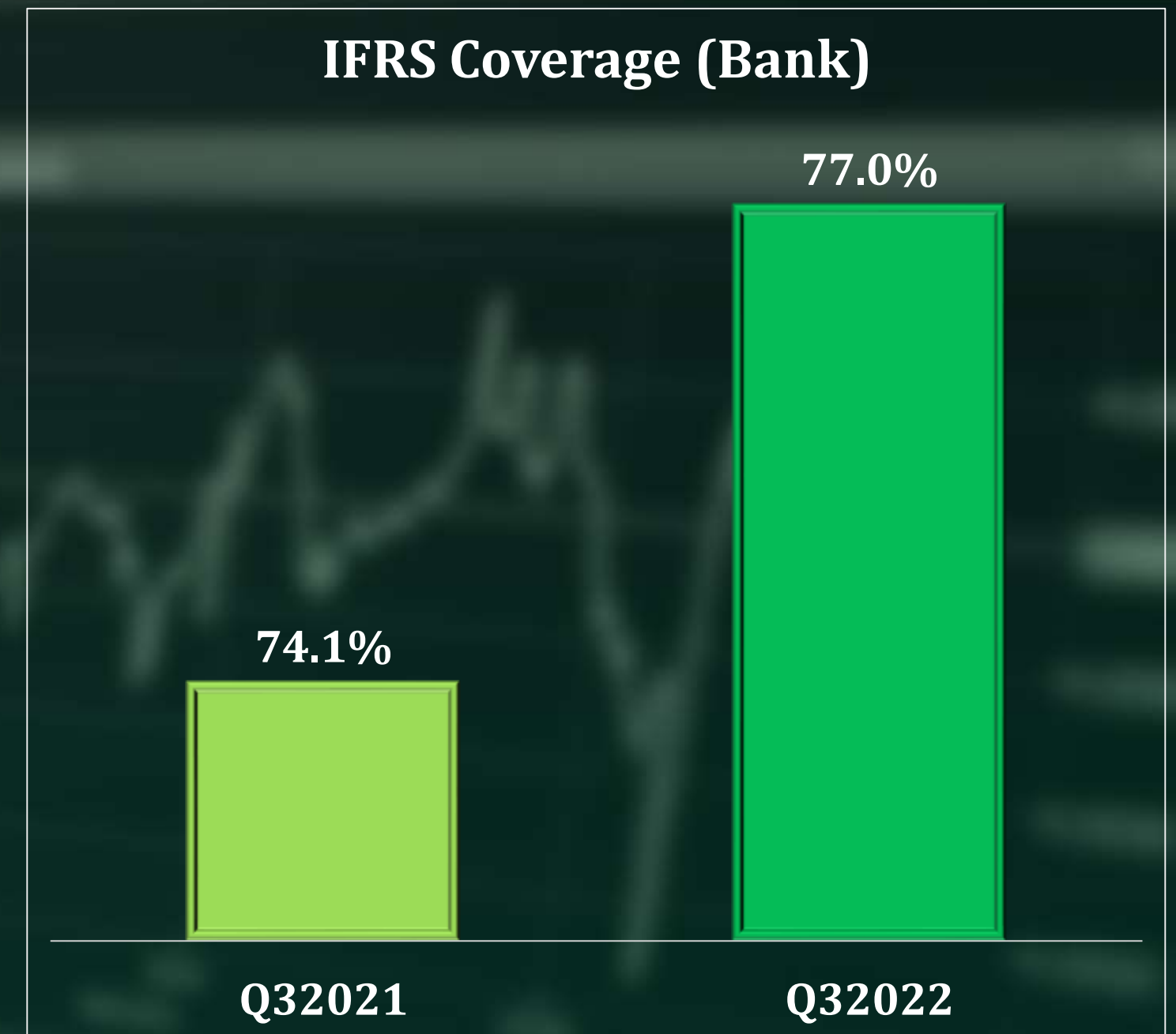
Supported by;

- ✓ Proactive Credit Management Strategies.
- ✓ Business Growth.
- ✓ Consumers and Businesses continued recovery from the impact of Covid 19 Pandemic.



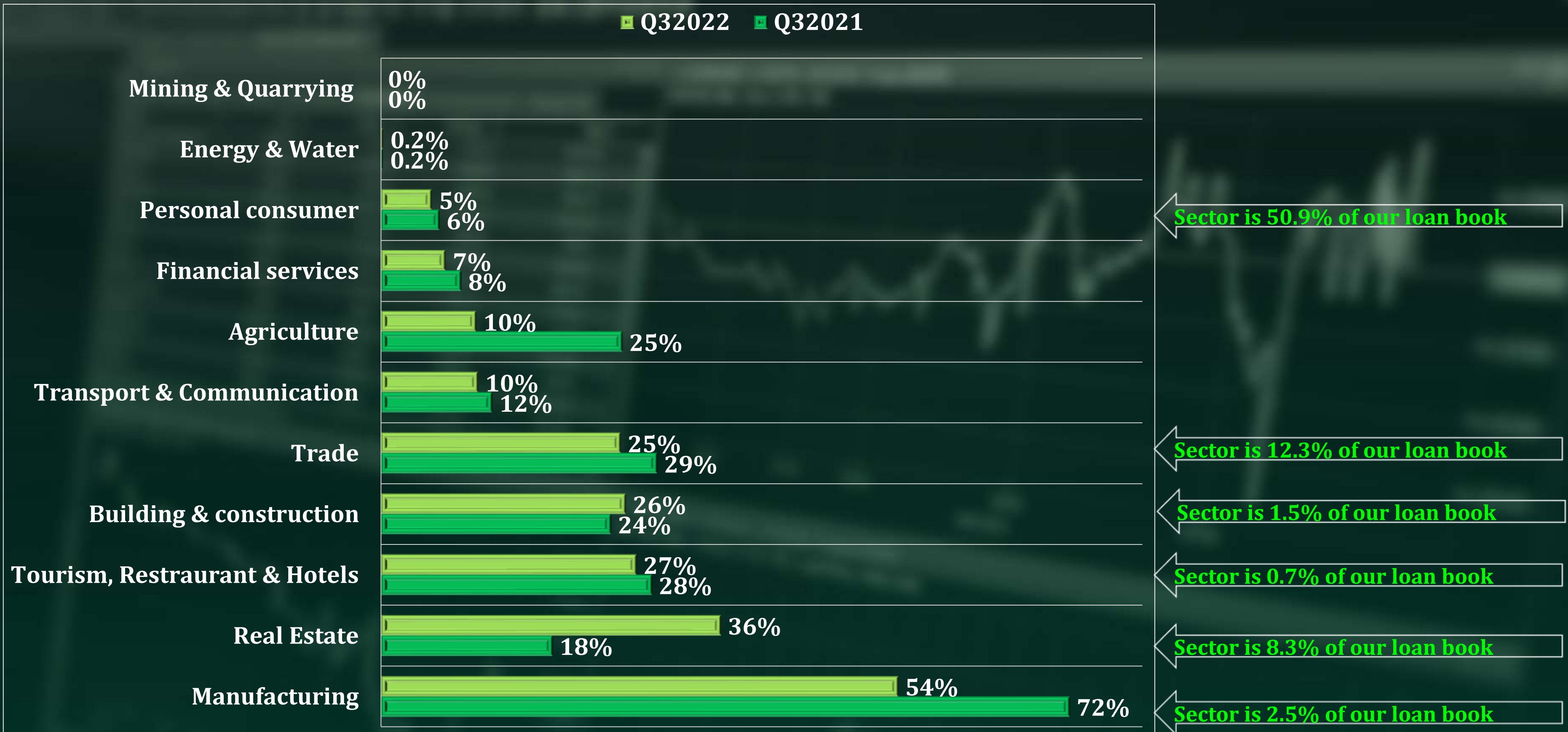
# Adequate Coverage

Kshs. 5.7 Billion loan loss provisions in Q32022 (Kshs. 6.0 Billion in Q32021), indicating improving quality of our asset book.

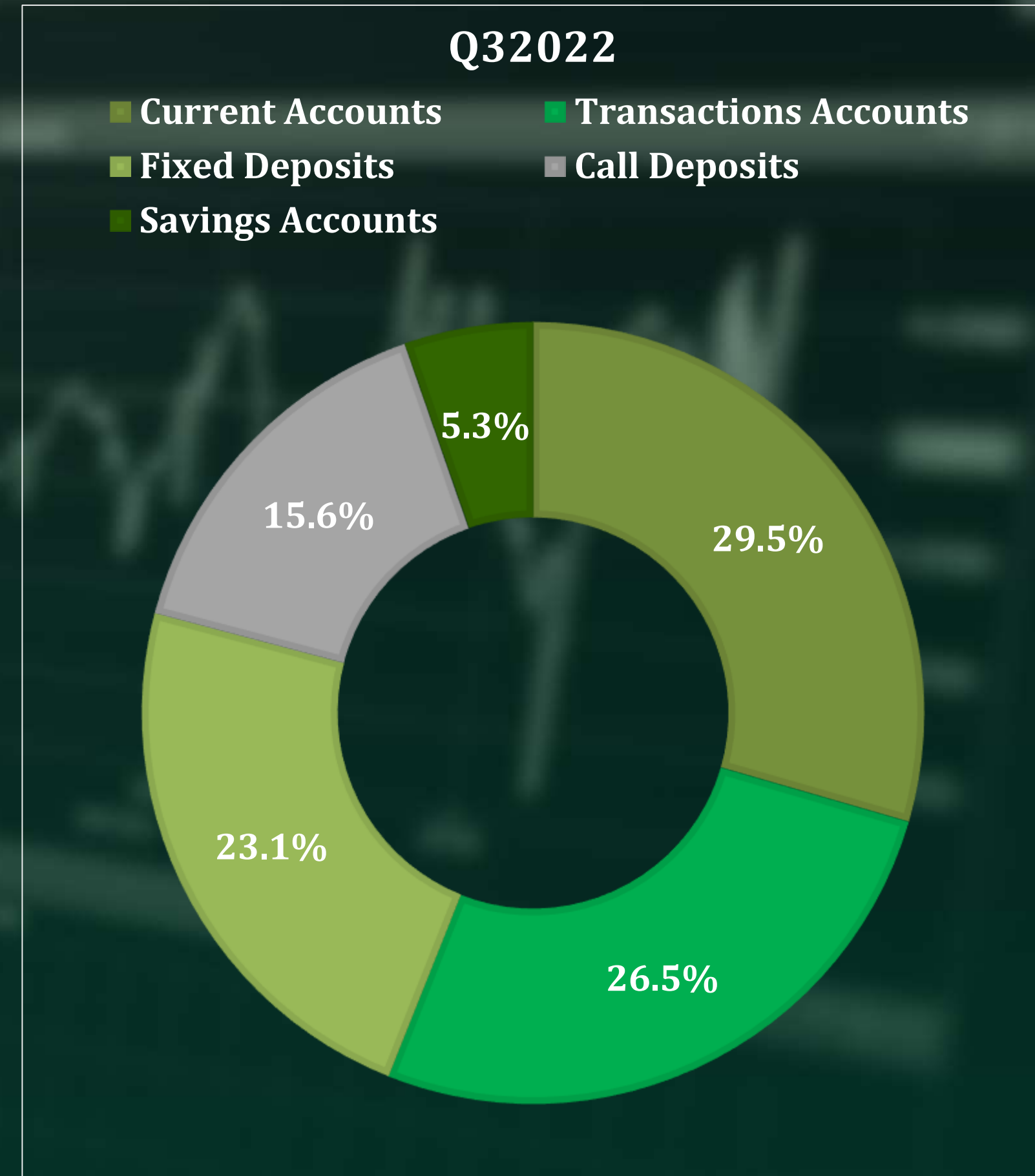
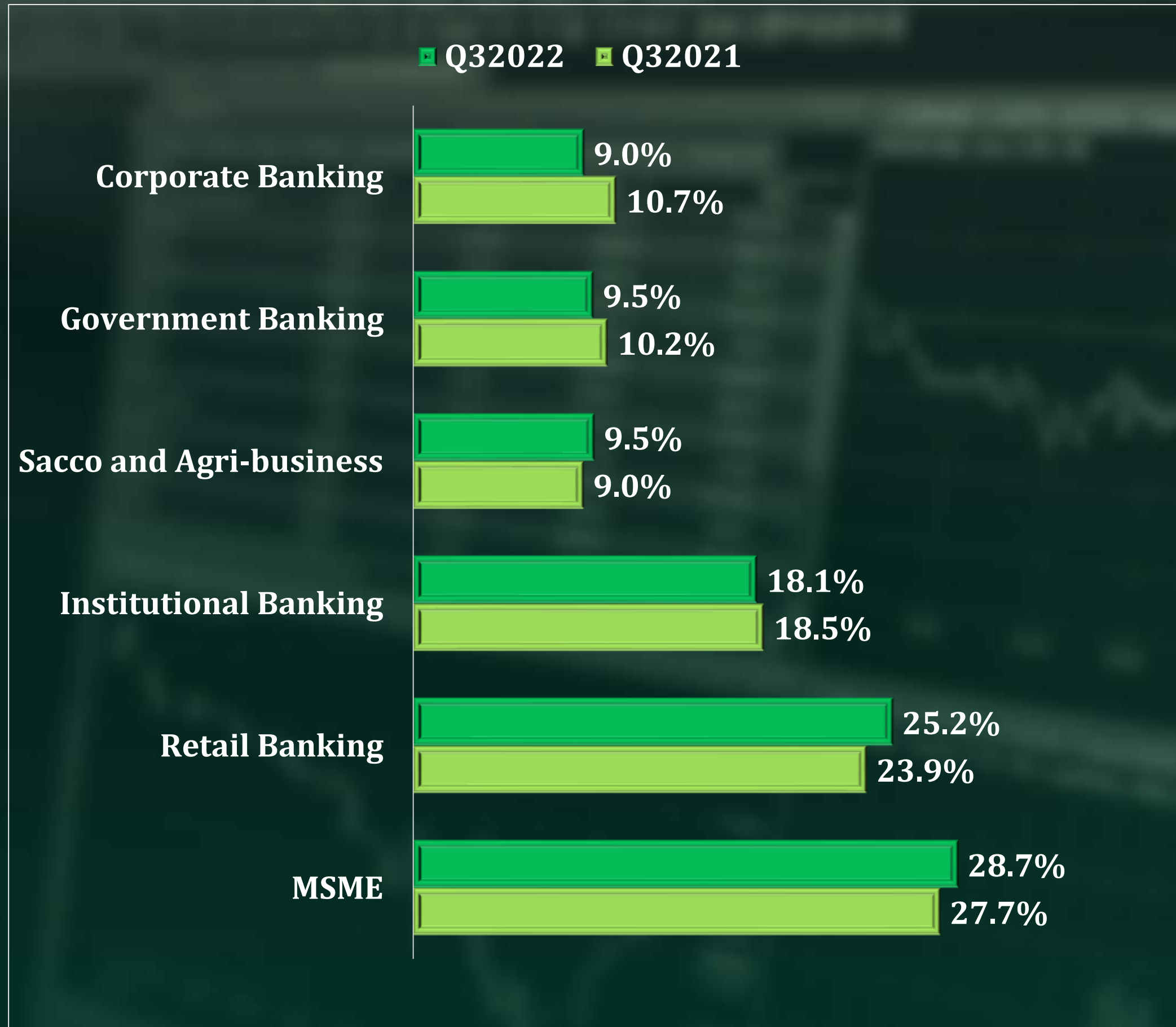


Inclusive of the Discounted Value of Securities, our coverage is at **105.7%**

# Portfolio Trends – Sector NPL



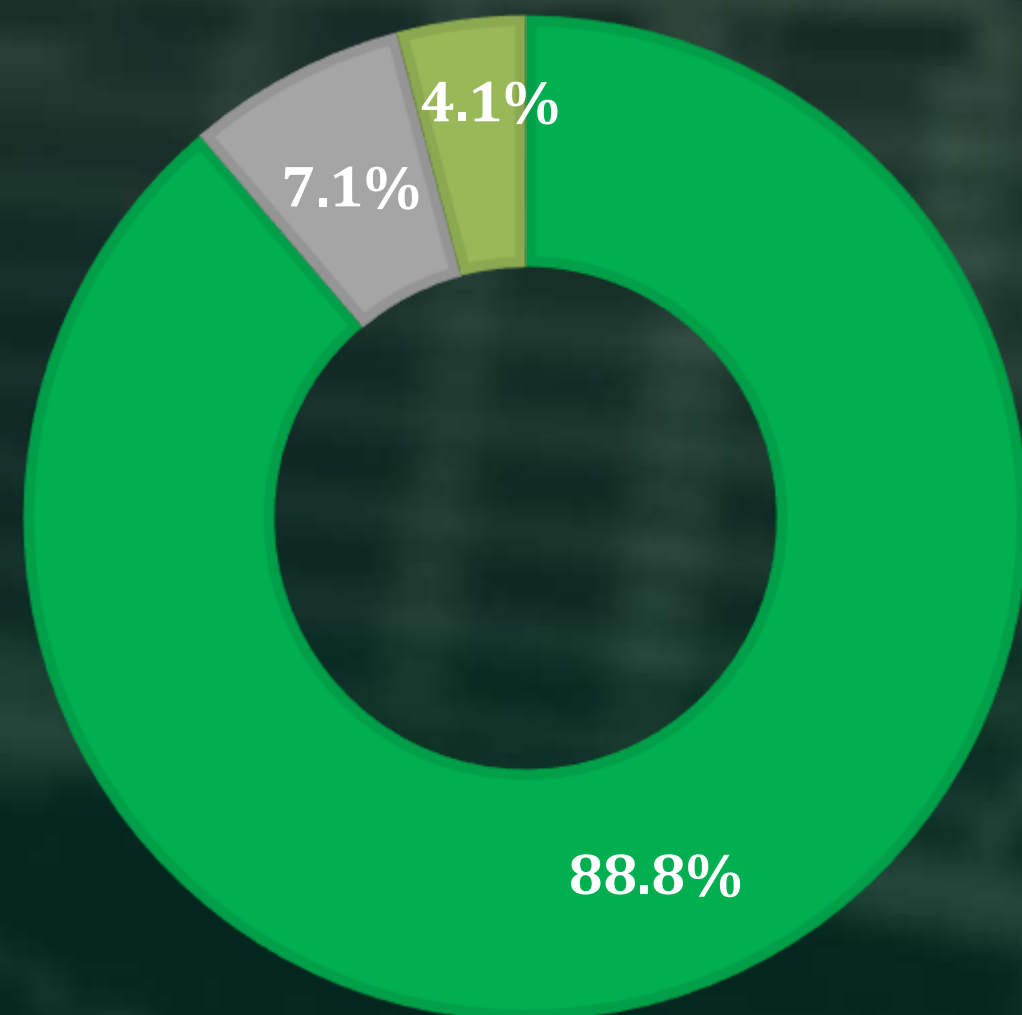
# Well-diversified Liability Portfolio



# An optimally balanced Kenya Shilling asset & funding book

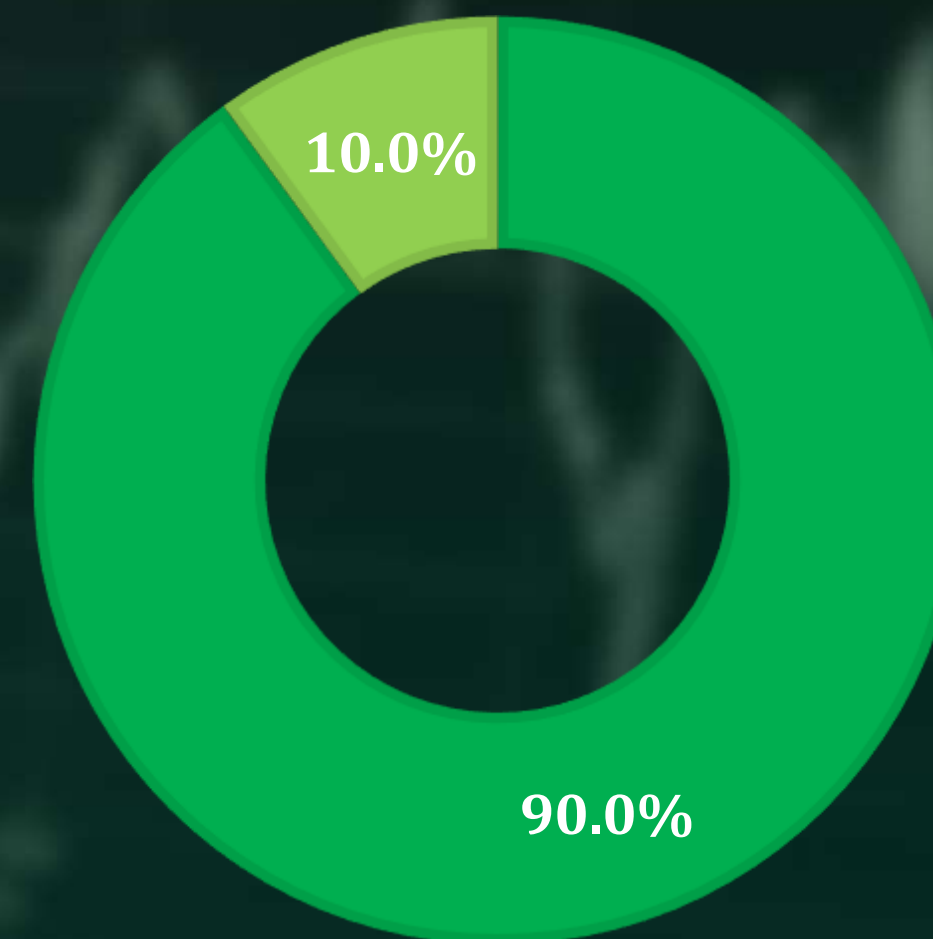
## FUNDING: LOCAL VS. FOREIGN CURRENCY

■ LCY Funding ■ FCY Deposits ■ FCY Borrowing



## LOAN BOOK: LOCAL VS. FOREIGN CURRENCY

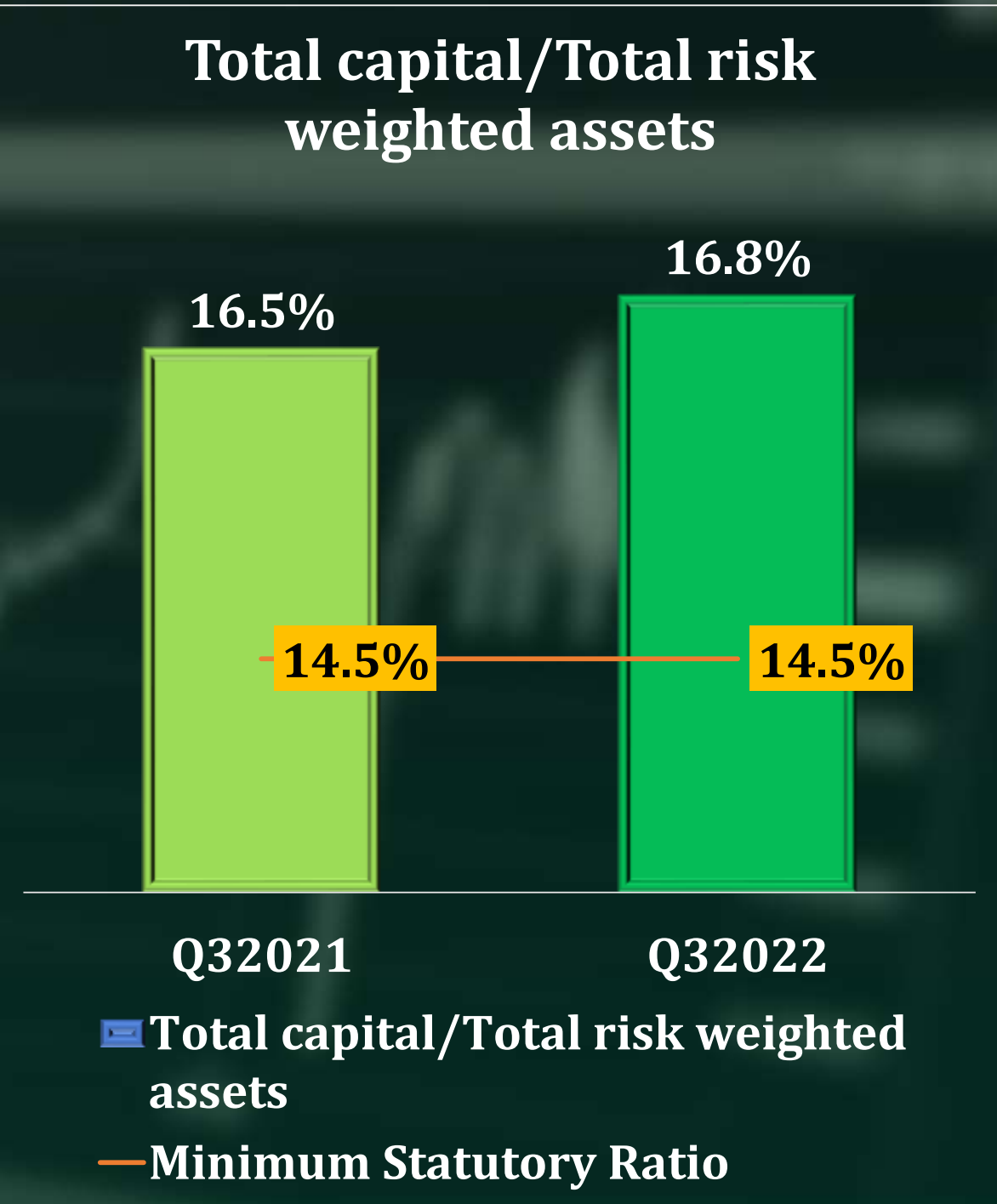
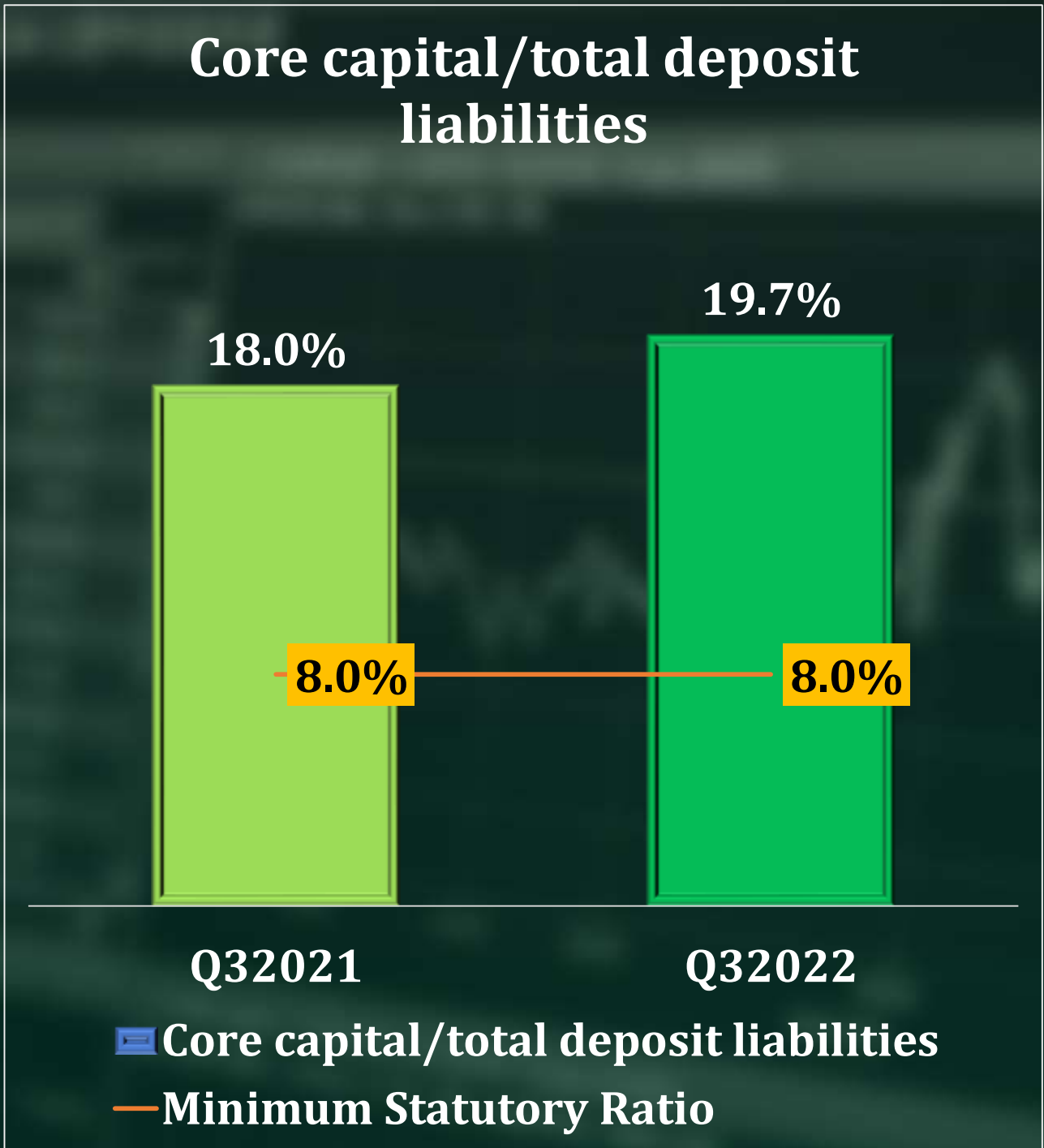
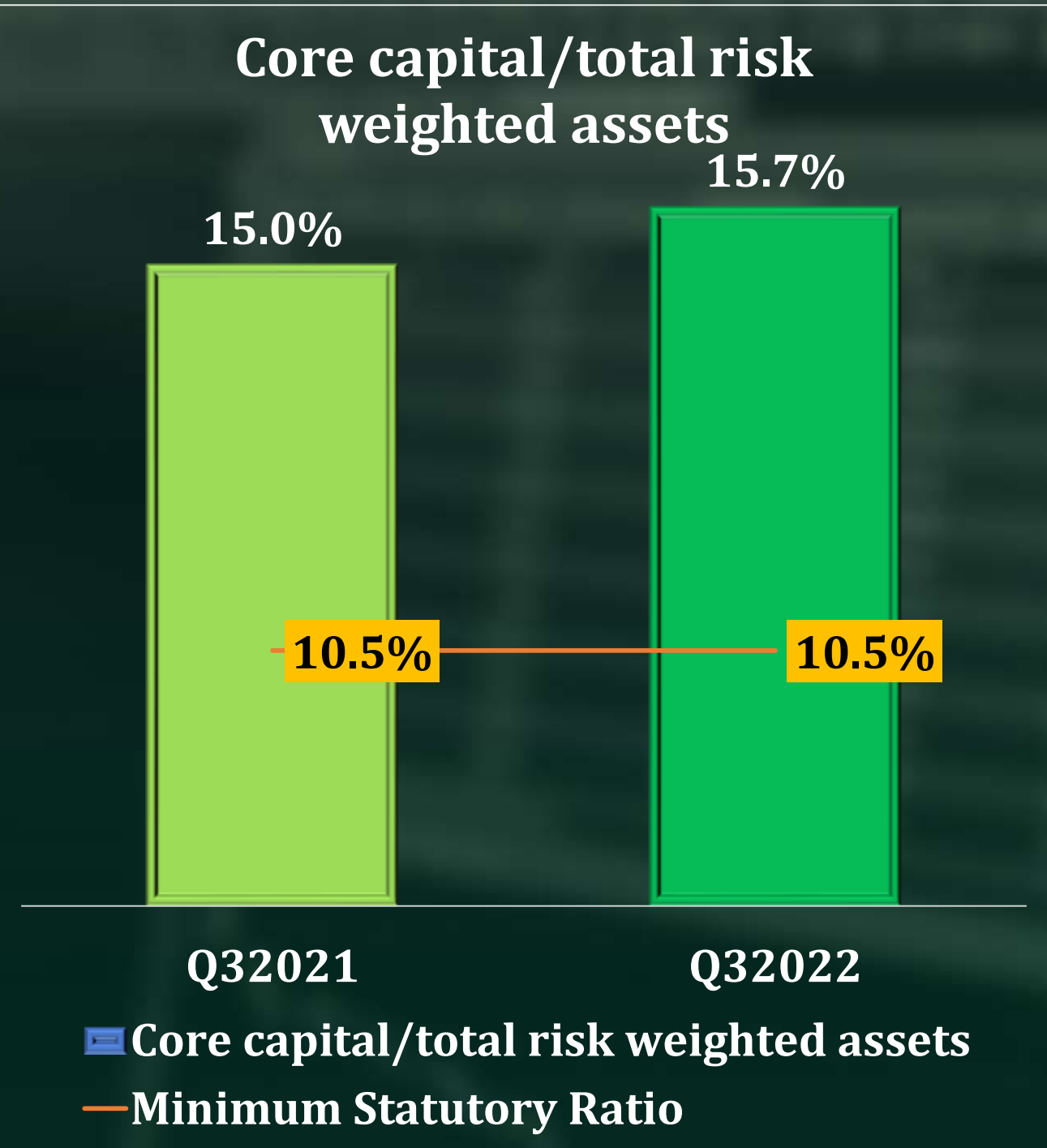
■ LCY ■ FCY





# Strong capital to support future growth

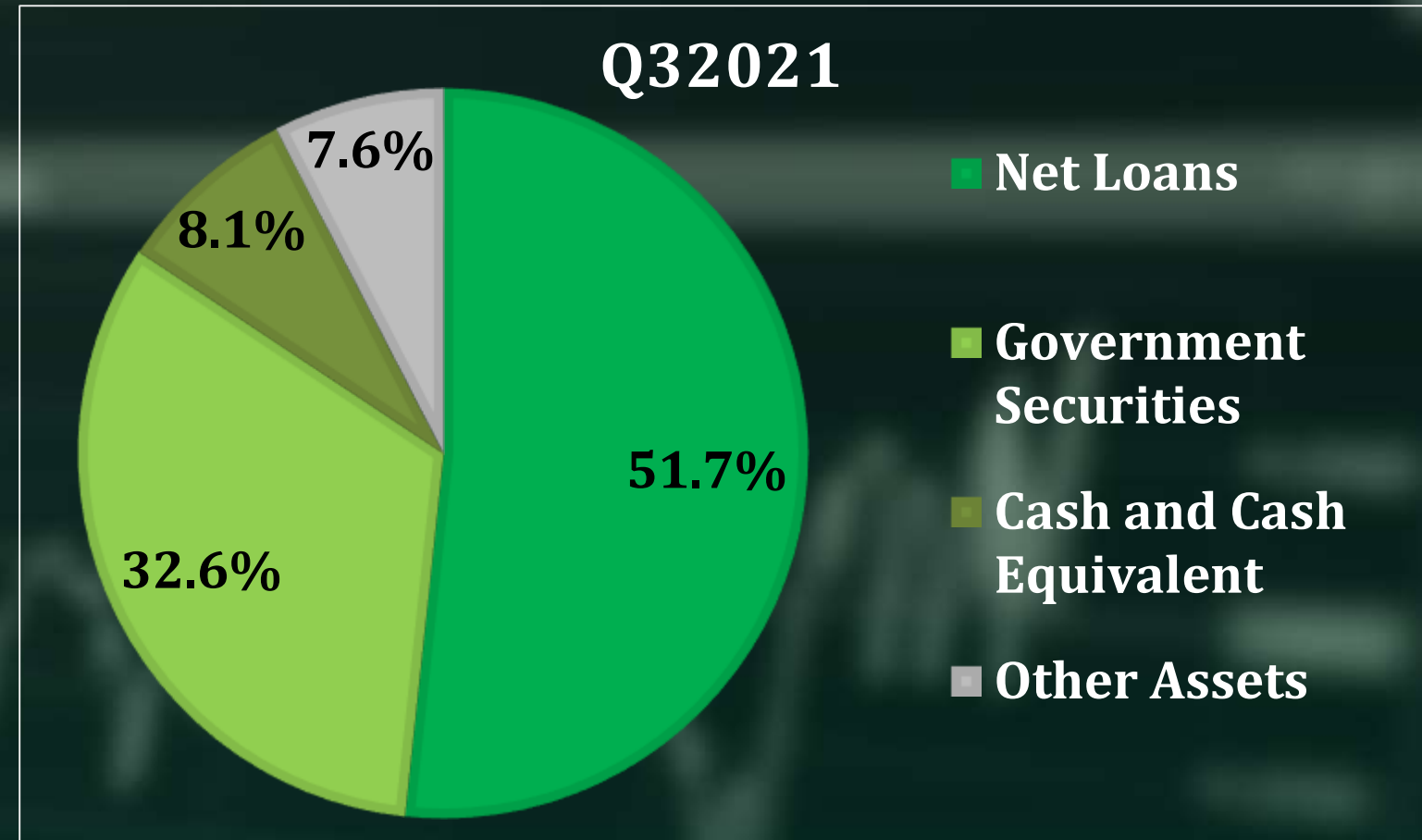
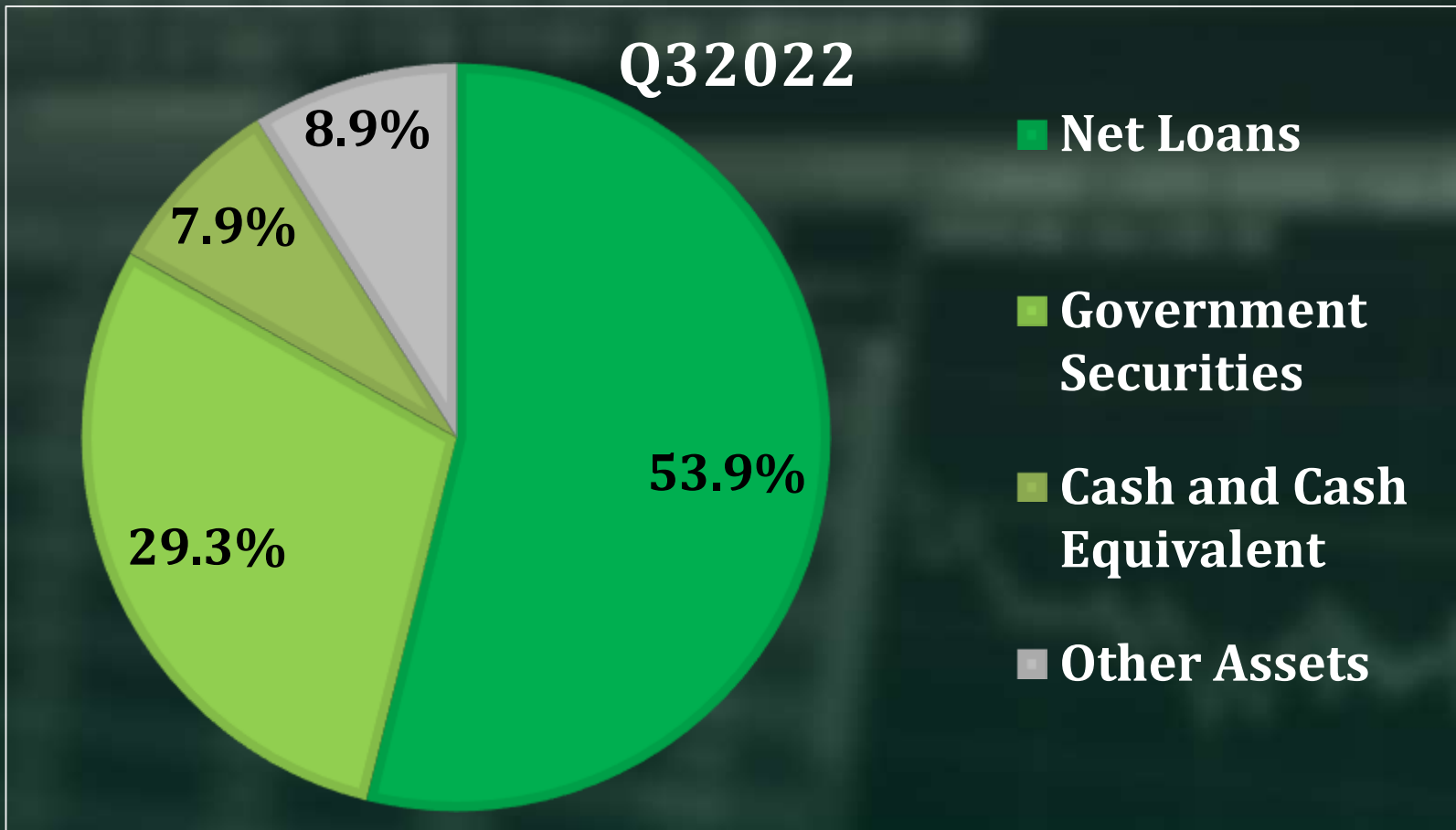
Capital buffers for sustainable growth



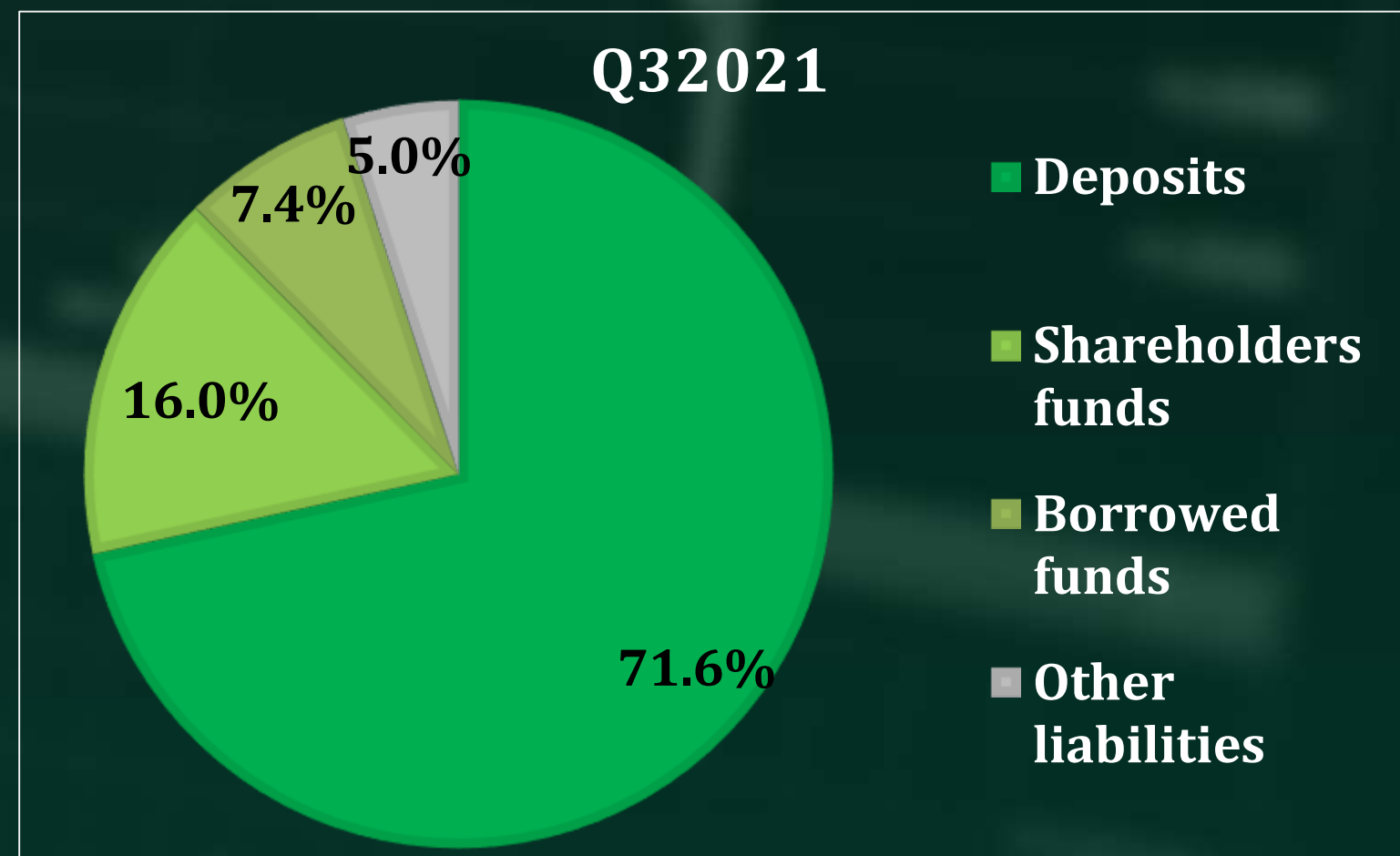
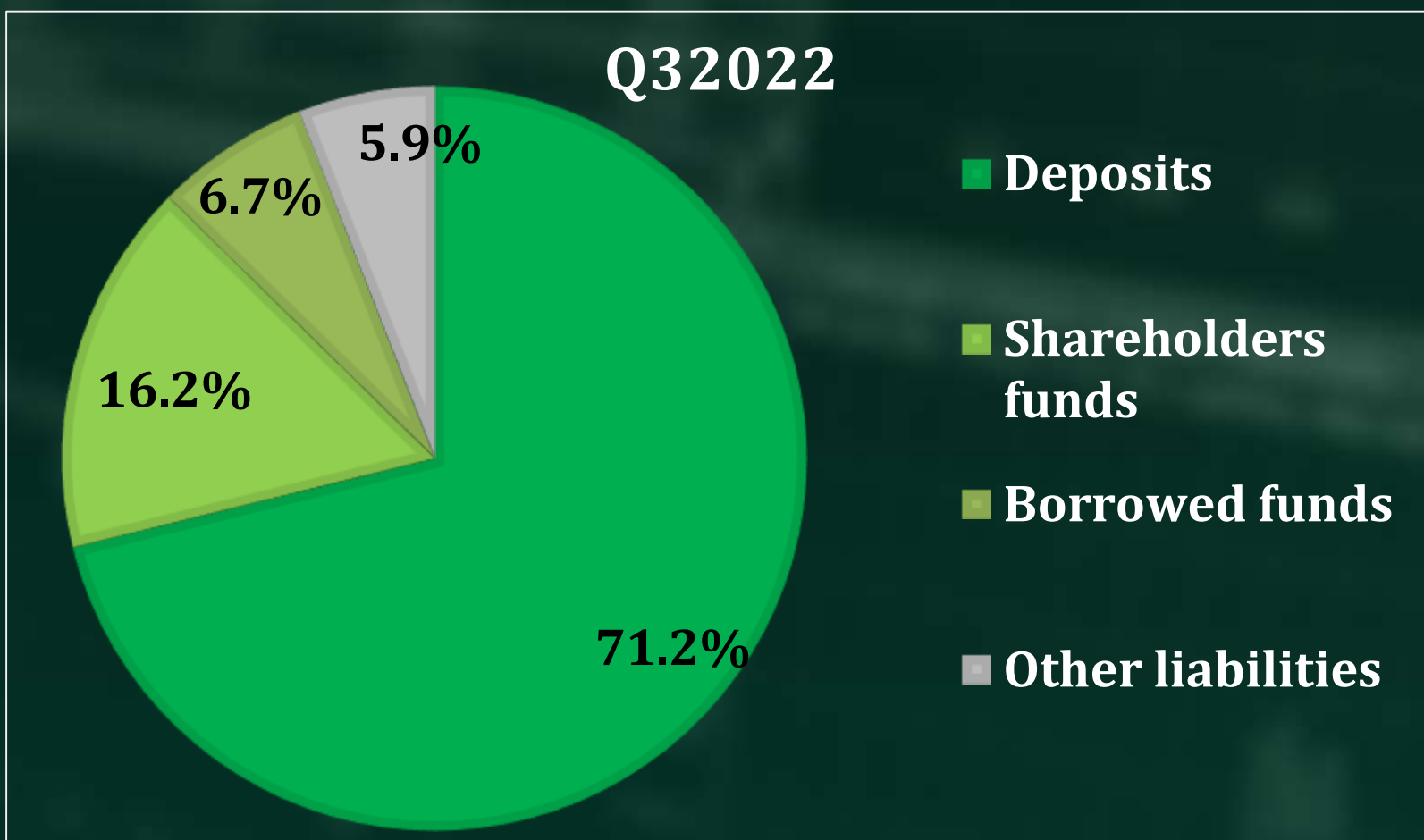
# Optimal Asset and Funding Mix



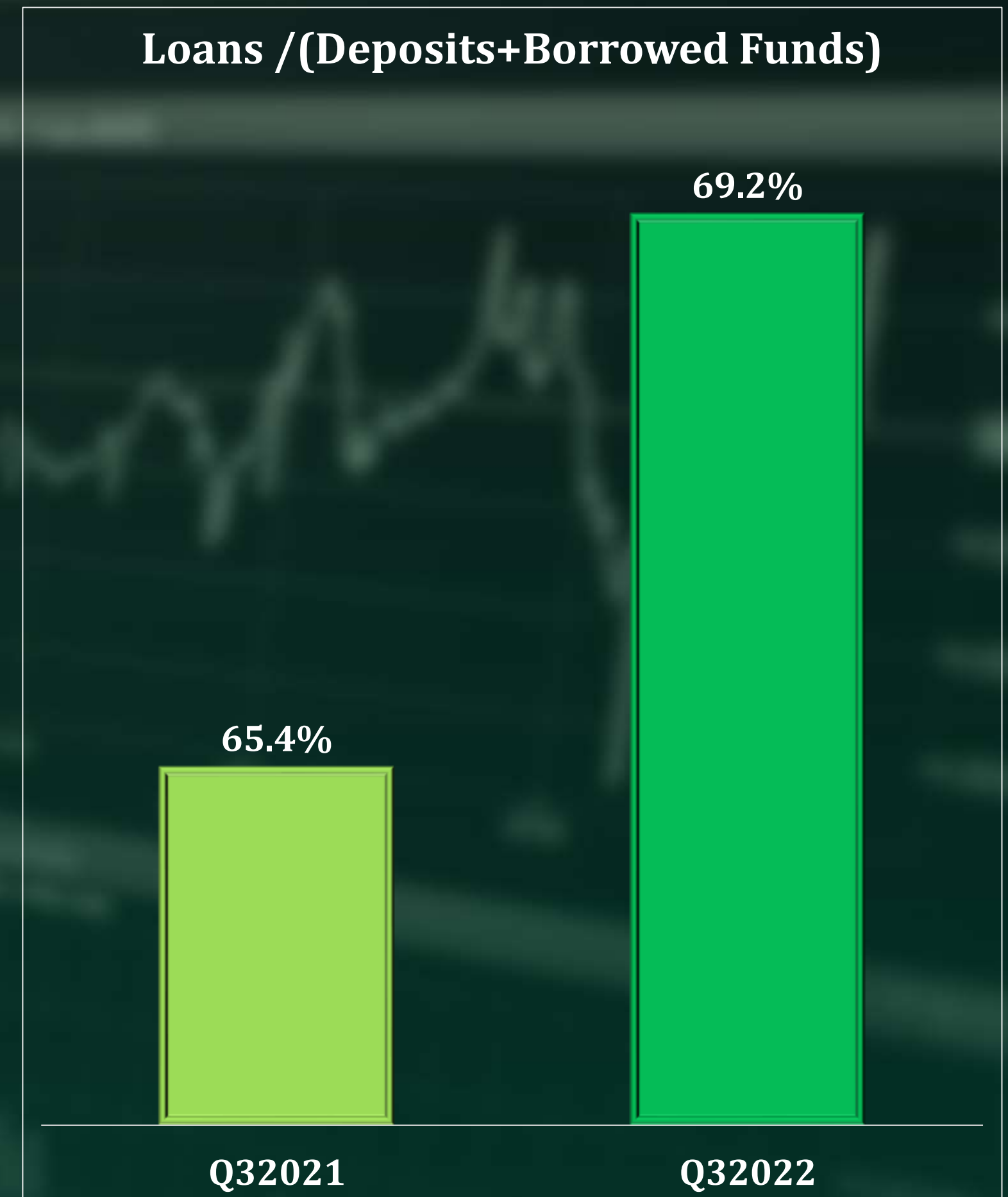
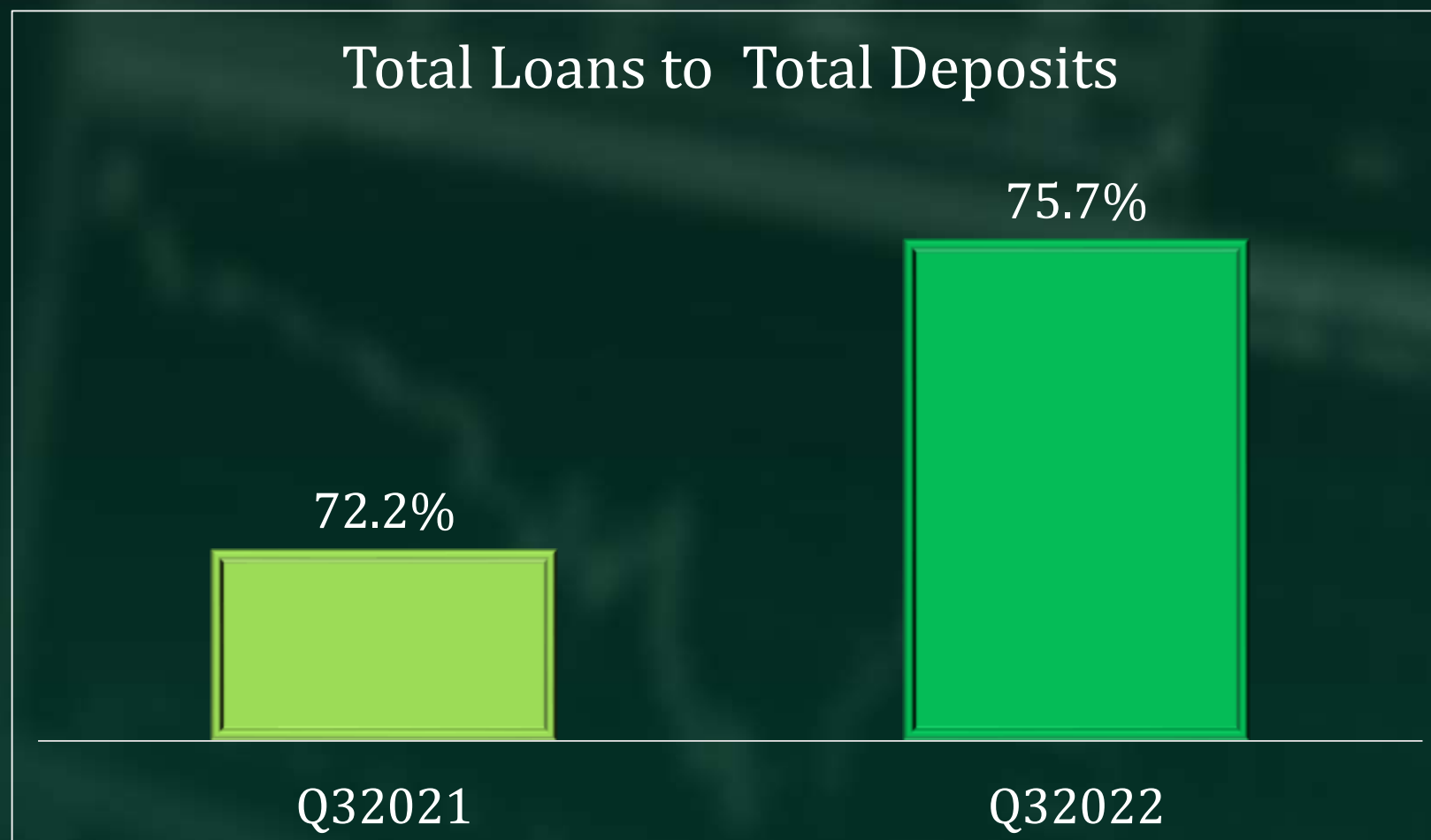
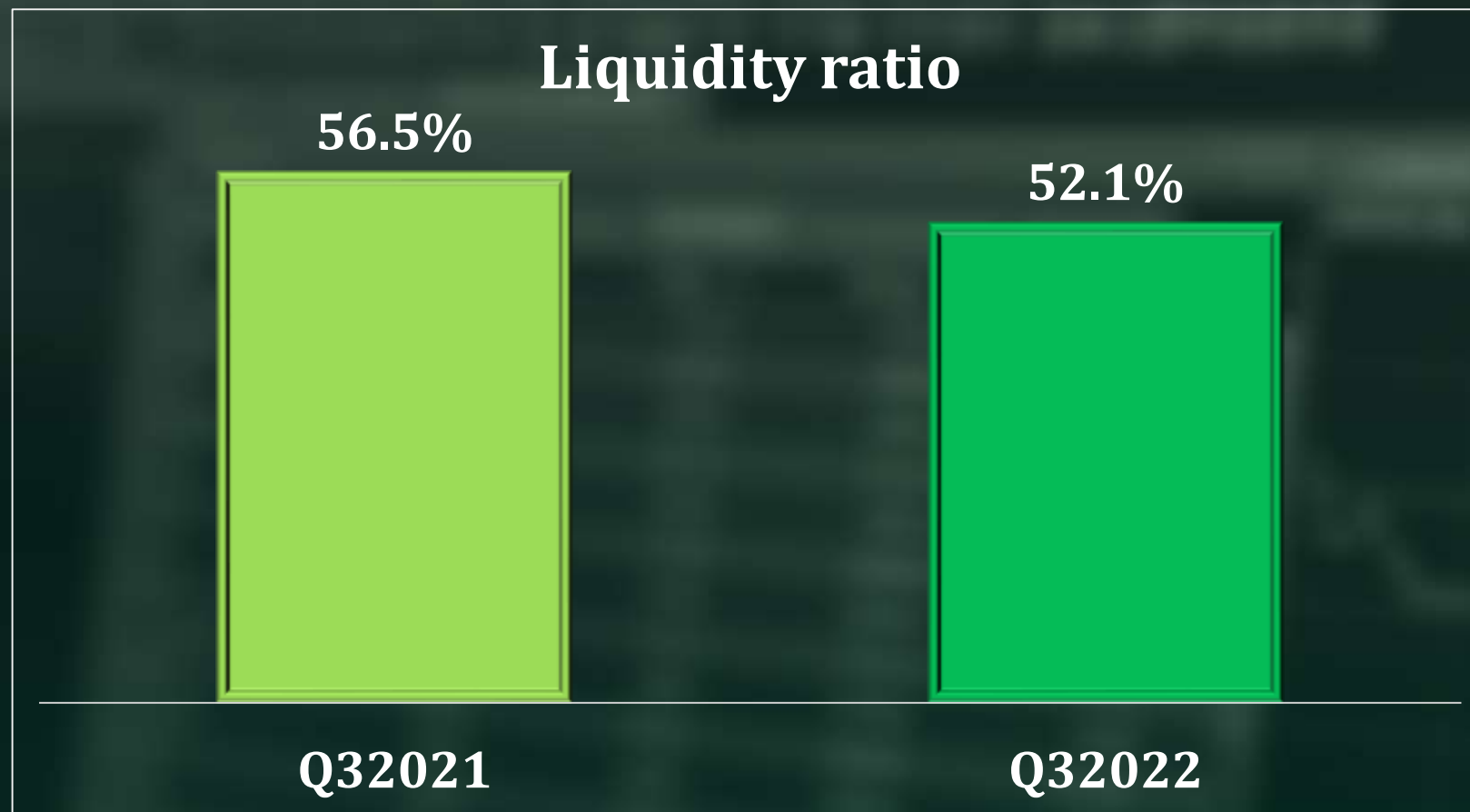
## Asset Categories



## Funding Categories



# Strong Liquidity to support investments



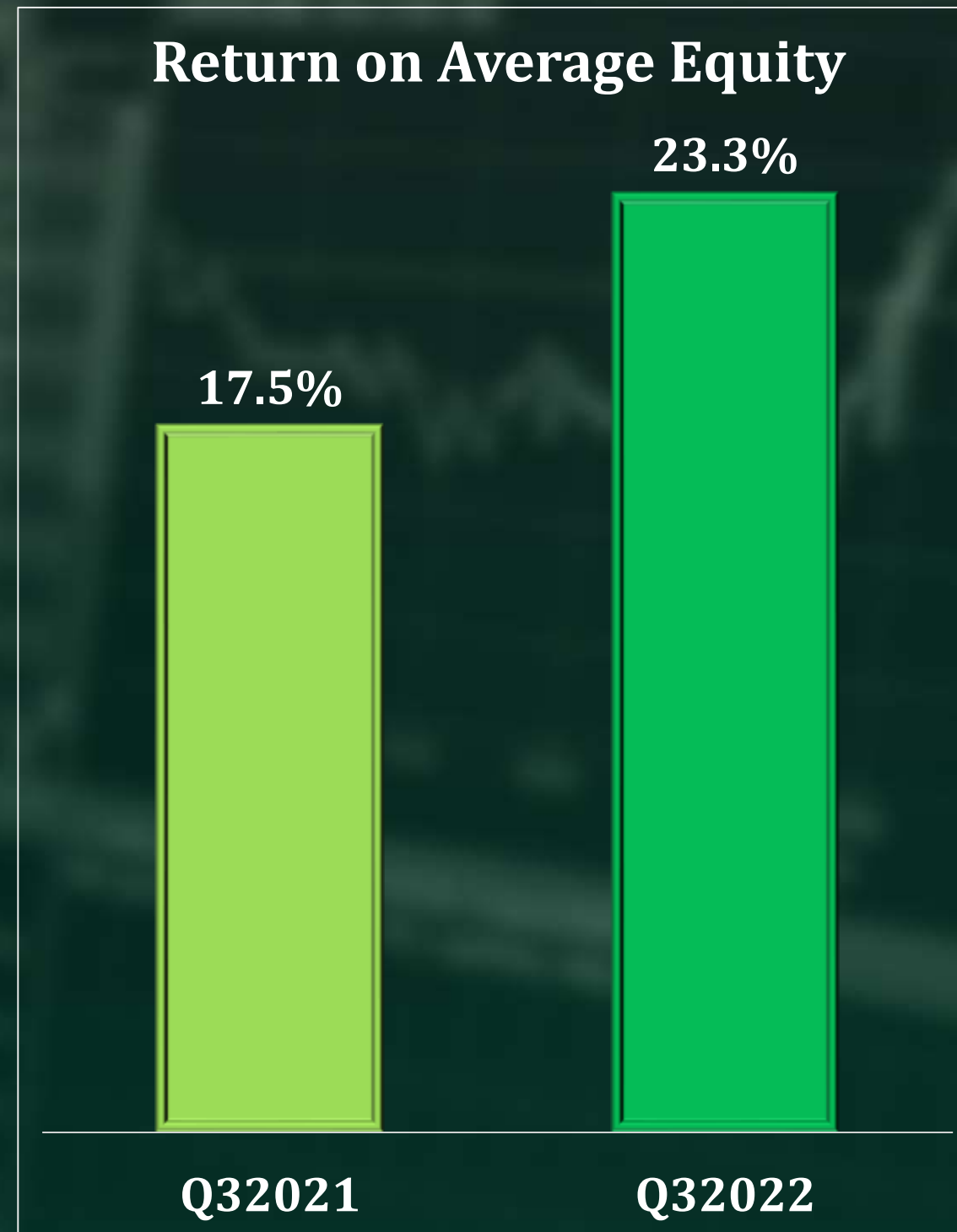
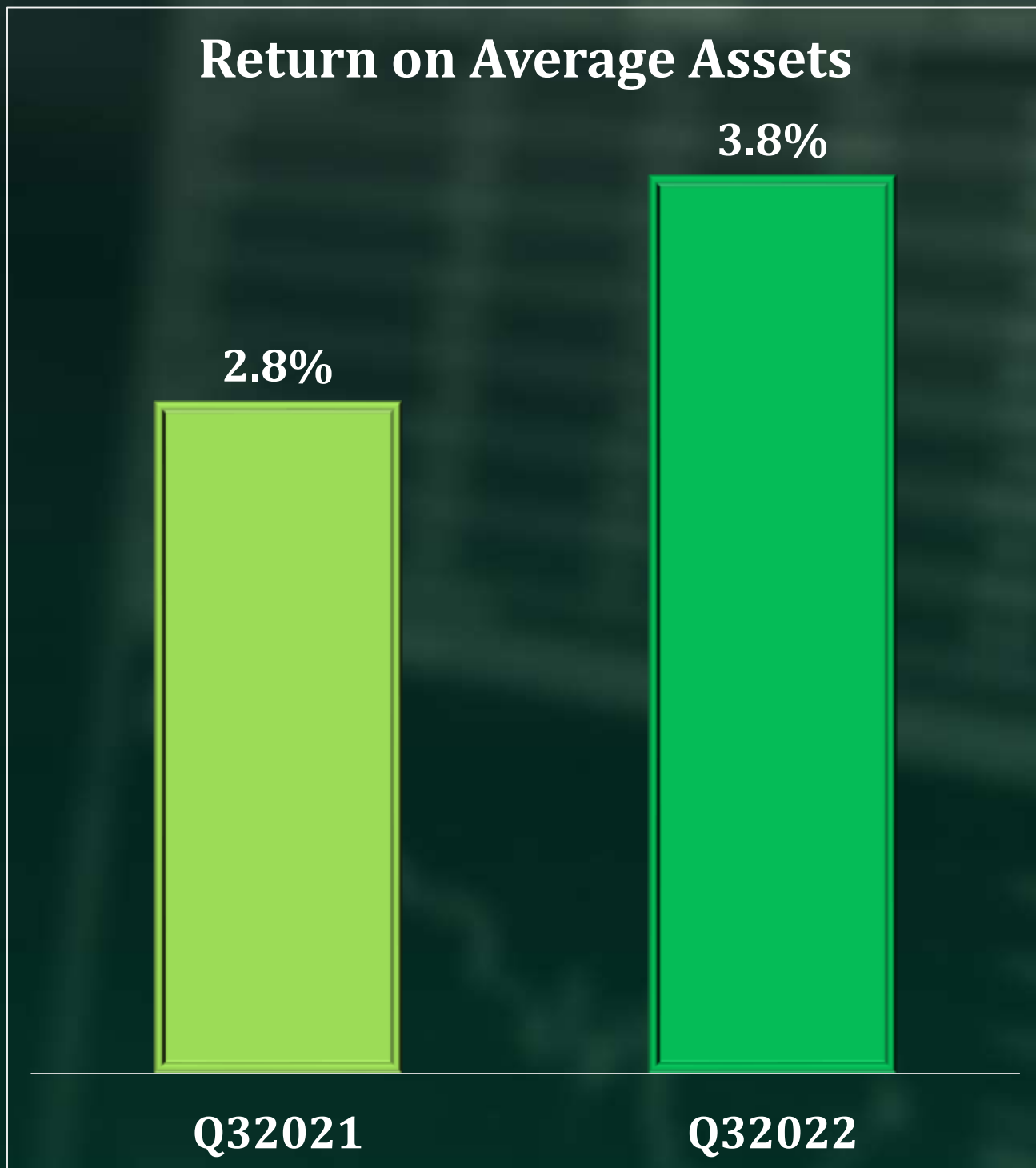
## Sustainable Profitability Growth

	Q32022	Q32021	YoY Change	
Total Interest Income	43.7	39.6	10.5%	↑
Total Interest Expenses	11.7	10.9	7.2%	↑
<b>Net Interest Income</b>	<b>32.0</b>	<b>28.7</b>	<b>11.7%</b>	↑
Fees and commissions on loans and advances	8.4	5.5	52.0%	↑
Other Fees and commissions	7.9	6.9	15.4%	↑
Foreign exchange trading income/(loss)	3.3	1.9	71.6%	↑
Other income	0.5	1.4	-61.0%	↓
<b>Total Operating Income</b>	<b>52.2</b>	<b>44.4</b>	<b>17.6%</b>	↑
Loan loss provision	5.7	6.0	-5.3%	↓
Staff costs	10.8	10.0	8.1%	↑
Other operating expenses	13.1	11.9	9.9%	↑
Total Operating expenses	29.6	28.0	6.0%	↑
Profit before tax and exceptional items	22.6	16.4	37.3%	↑
Exceptional items-Share of profit of associate	0.2	0.04	262.9%	↑
<b>Profit/(Loss) before tax</b>	<b>22.7</b>	<b>16.5</b>	<b>37.9%</b>	↑
Income tax	5.6	4.9	16.0%	↑
<b>Profit after tax</b>	<b>17.1</b>	<b>11.6</b>	<b>47.0%</b>	↑

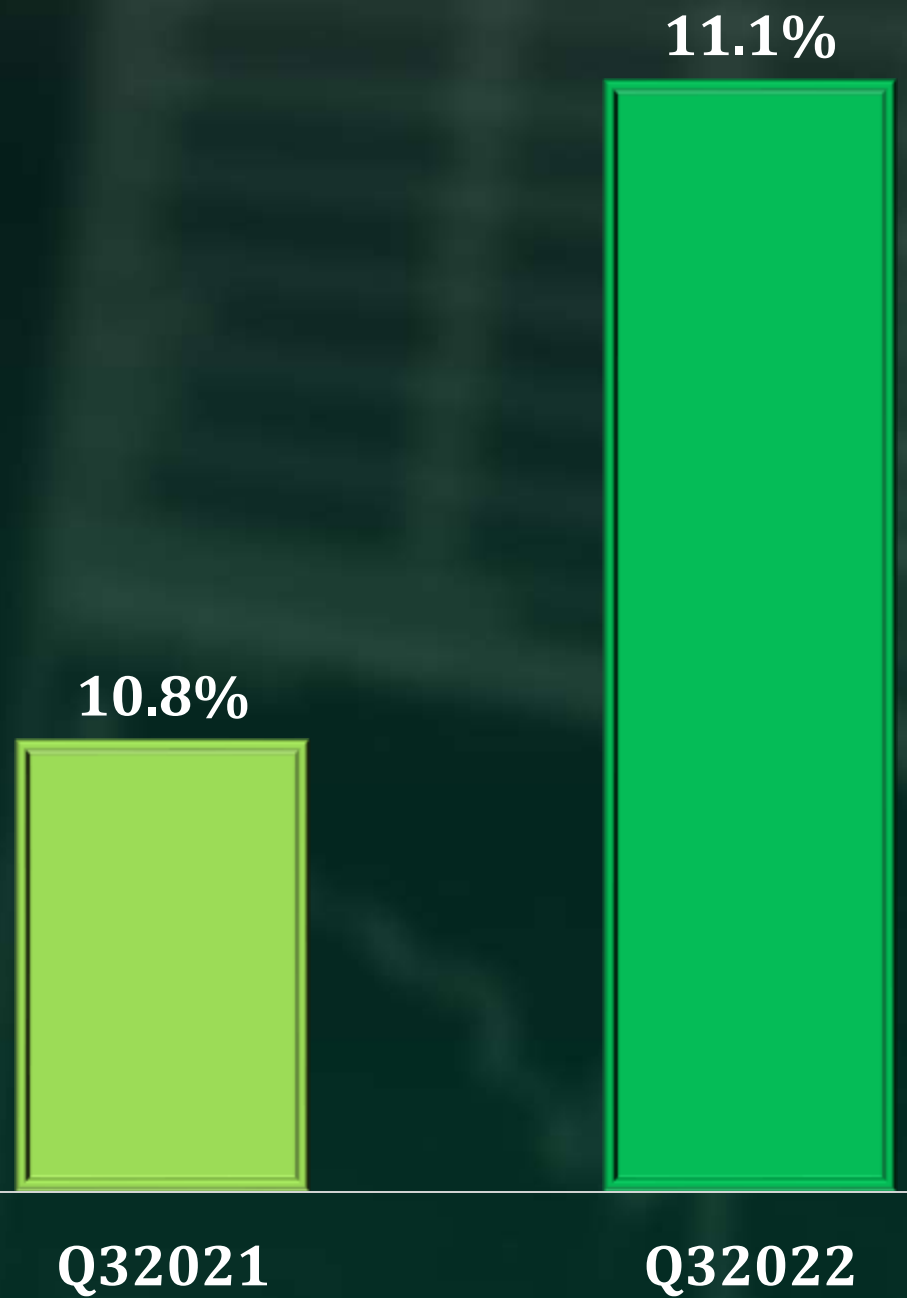


## Subsidiary Contribution

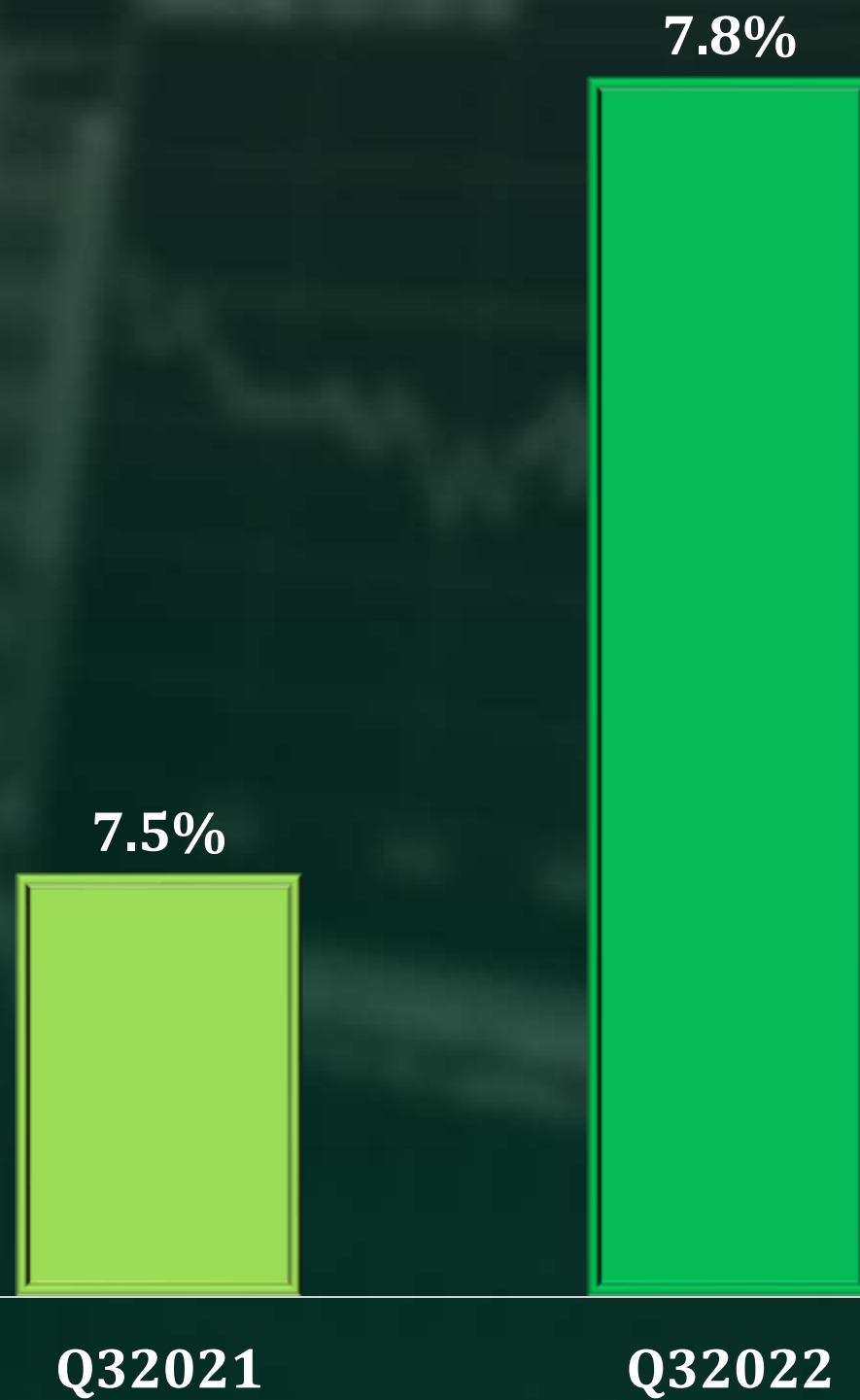
	Q32022	Q32021	Growth	Growth
	Kshs. '000'	Kshs. '000'	Kshs. '000'	%
Co-operative Bank of Kenya Ltd	20,834,066	15,358,066	5,476,000	35.7%
Co-operative Bank of South Sudan	190,393	(103,994)	294,387	283.1%
Co-opTrust Investment Services Ltd	141,030	92,304	48,727	52.8%
Co-op Consultancy & Bancassurance Intermediary Ltd	772,136	648,023	124,114	19.2%
Kingdom Securities Ltd	10,359	590	9,769	1654.7%
Kingdom Bank Ltd	630,157	446,992	183,164	41.0%
<b>Co-op Bank and Subsidiaries Total</b>	<b>22,578,142</b>	<b>16,441,981</b>	<b>6,136,161</b>	<b>37.3%</b>
Associates share of profit	152,582	42,046	110,537	262.9%
<b>Group Profit Before Tax</b>	<b>22,730,724</b>	<b>16,484,027</b>	<b>6,246,697</b>	<b>37.9%</b>
Income Tax Expense	5,633,850	4,857,312	776,538	16.0%
<b>Group Profit after Tax</b>	<b>17,096,874</b>	<b>11,626,715</b>	<b>5,470,159</b>	<b>47.0%</b>



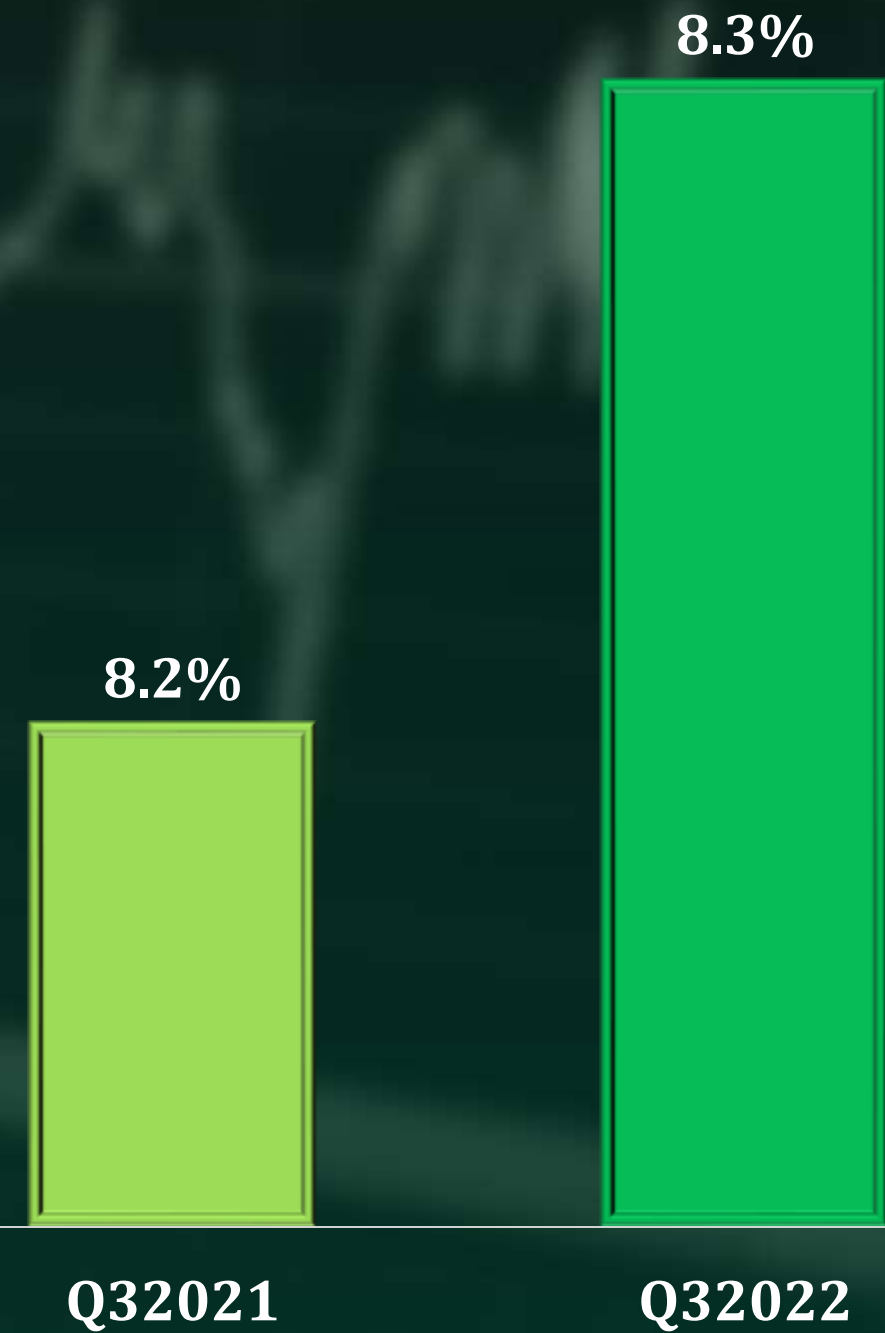
### Average Return on Interest Earning Assets



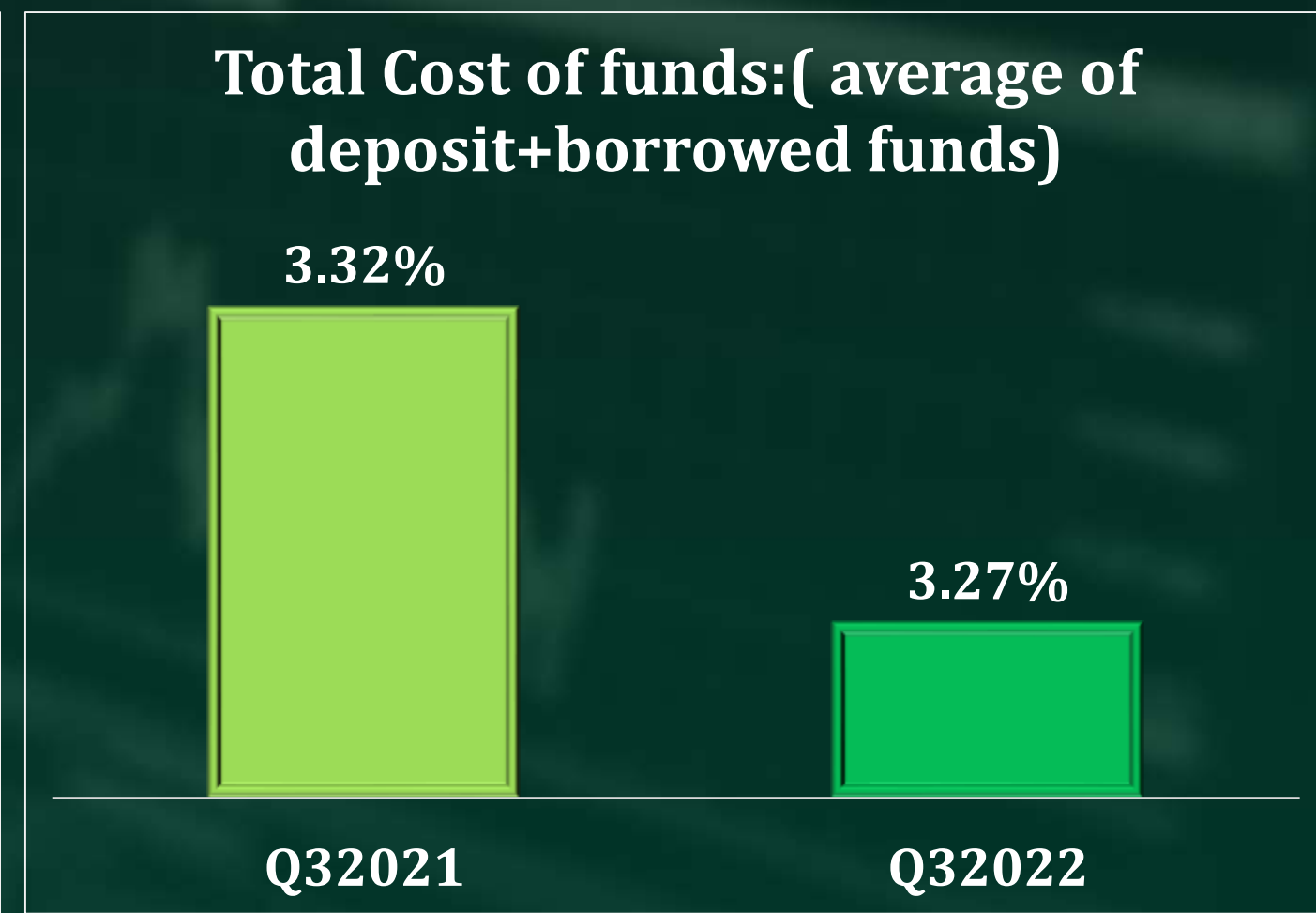
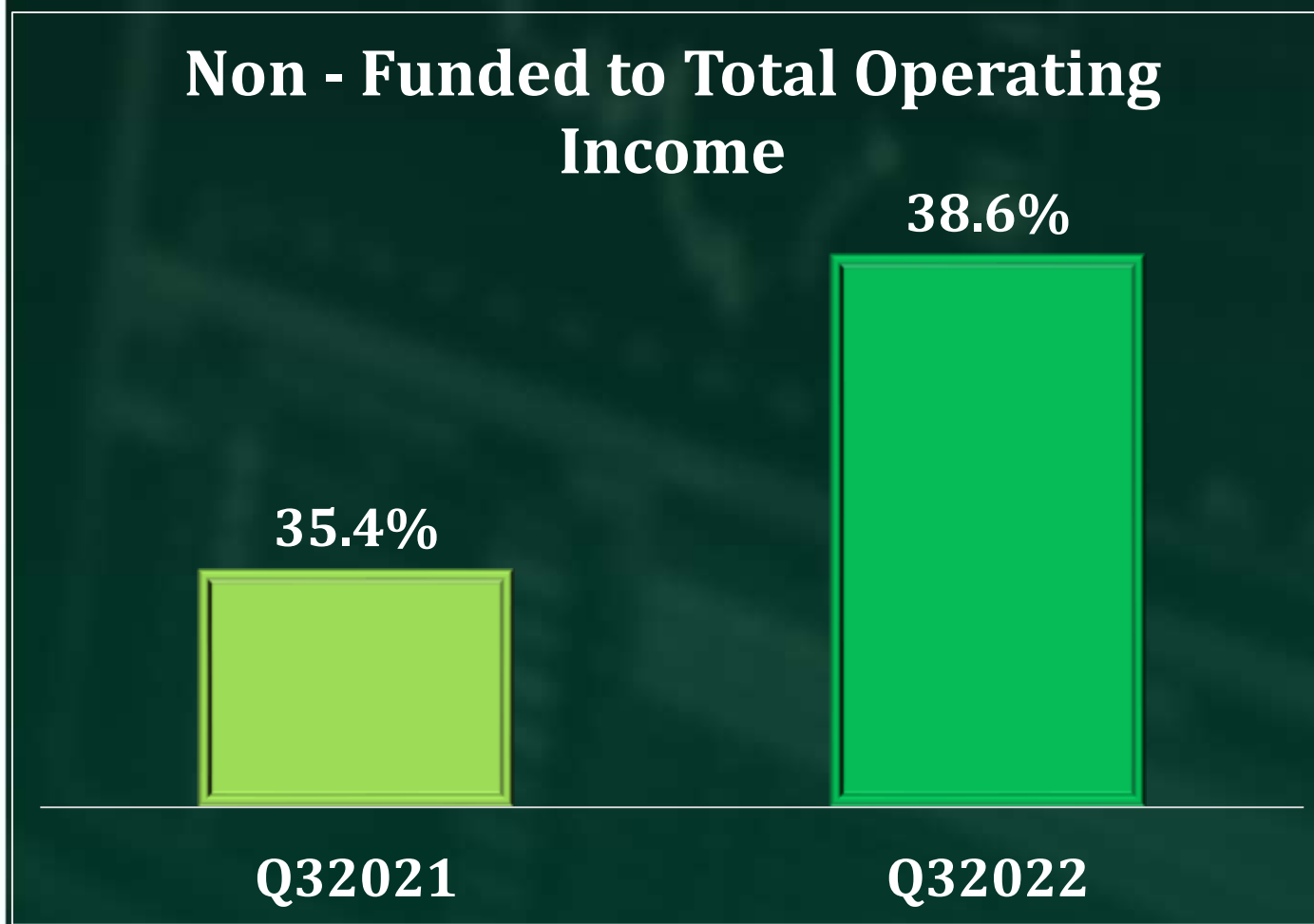
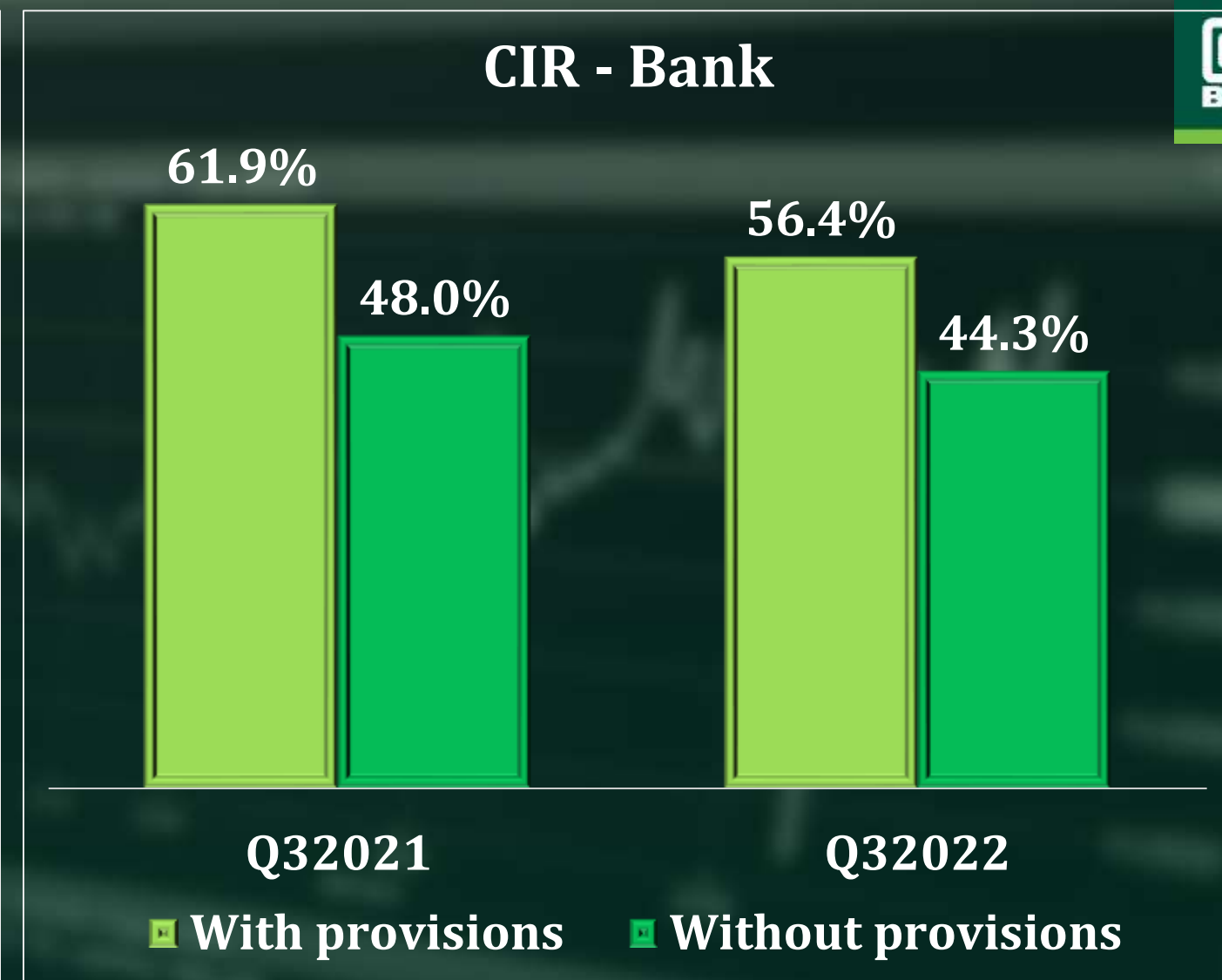
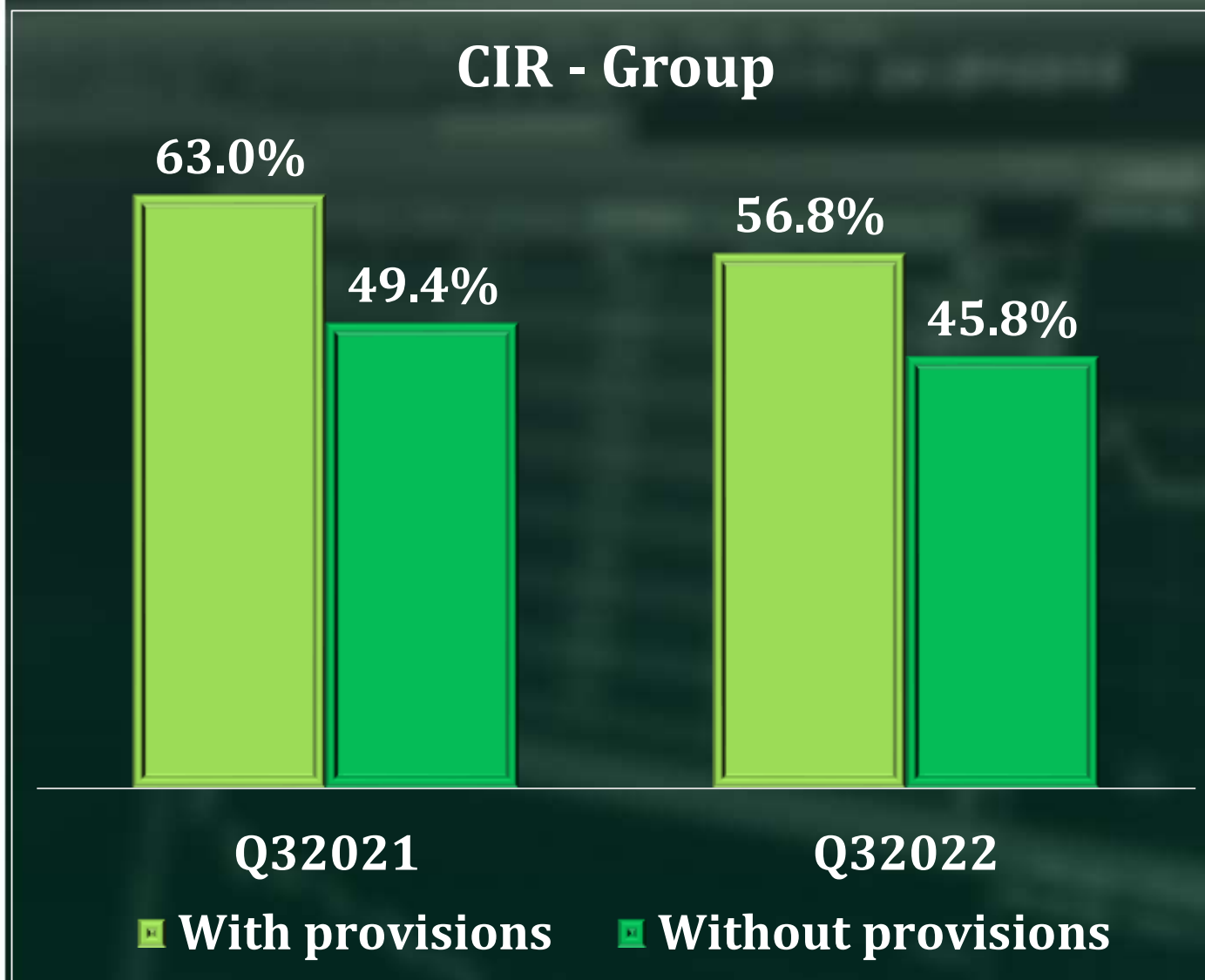
### NIM on earning Assets



### NIM on Loans



# Key Ratios







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# Thank You

[investorelations@co-opbank.co.ke](mailto:investorelations@co-opbank.co.ke)