

**UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH SEPTEMBER 2016****I. STATEMENT OF FINANCIAL POSITION**

	BANK					GROUP				
	30th Sept 2015	31st Dec 2015	31st Mar 2016	30th June 2016	30th Sept 2016	30th Sept 2015	31st Dec 2015	31st Mar 2016	30th June 2016	30th Sept 2016
	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)
<b>A. ASSETS</b>										
1 Cash (both local and foreign)	199,931	214,580	220,720	197,299	185,889	614,875	708,473	765,083	659,168	639,967
2 Balances with Central Bank of Kenya	1,567,228	1,498,412	1,880,489	908,138	1,191,447	1,567,228	1,498,412	1,880,489	908,138	1,191,447
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	-	-	-	-	-	-	-	-	-	-
5 Investment Securities:										
a) Held to Maturity:										
i) Kenya Government securities	2,471,227	2,268,532	1,529,805	1,544,843	1,494,472	2,471,227	2,268,532	1,529,805	1,544,843	1,494,472
ii) Other securities	-	-	-	-	-	2,026,516	2,441,880	2,820,835	1,388,680	1,345,914
b) Available for sale										
i) Kenya Government securities	4,140,755	8,076,571	8,736,079	8,463,394	9,708,774	4,140,755	8,076,571	8,736,079	8,463,394	9,708,774
ii) Other securities	152,493	106,531	110,873	96,173	96,173	152,493	106,531	110,873	96,173	96,173
6 Deposits and balances due from local banking institutions	3,035,297	601,145	322,893	85,840	687,002	3,035,297	601,145	322,893	85,840	687,002
7 Deposits and balances due from banking institutions abroad	995,035	237,663	62,016	901,405	464,040	3,535,562	2,826,002	2,568,159	3,848,324	3,155,490
8 Tax recoverable	-	-	-	-	-	-	78,678	-	-	-
9 Loans and advances to customers (net)	12,374,541	12,422,326	12,181,966	12,444,979	12,592,984	19,890,159	19,606,520	19,709,887	19,368,853	19,435,180
10 Balances due from banking institutions in the group	32,536	29,615	3,323	1,263	26,889	32,536	195,695	167,636	1,287	26,889
11 Investments in associates	-	-	-	-	-	-	-	-	-	-
12 Investments in subsidiary companies	2,737,026	2,857,690	2,857,690	2,857,690	2,857,690	-	-	-	-	-
13 Investments in Joint Ventures	-	-	-	-	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-	-	-	-	-
15 Property plant and equipment	525,658	481,696	458,559	424,822	393,211	1,278,738	1,222,941	1,162,611	1,081,277	997,231
16 Prepaid lease rentals	-	-	-	-	-	-	-	-	-	-
17 Intangible assets	250,999	237,757	231,497	228,995	225,983	581,477	587,686	565,339	541,487	522,471
18 Deferred tax asset	40,860	108,781	133,701	126,129	121,587	223,112	387,254	387,288	376,461	374,557
19 Retirement benefit asset	-	-	-	-	-	-	-	-	-	-
20 Other asset	638,249	232,763	522,715	492,108	639,318	1,014,064	358,558	867,978	803,307	1,148,644
<b>21 TOTAL ASSETS</b>	<b>29,161,835</b>	<b>29,374,062</b>	<b>29,252,326</b>	<b>28,784,276</b>	<b>30,685,457</b>	<b>40,564,039</b>	<b>40,964,878</b>	<b>41,594,955</b>	<b>39,178,430</b>	<b>40,824,220</b>
<b>B. LIABILITIES</b>										
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-	-	-
23 Customer deposits	16,061,675	15,489,690	17,570,586	17,095,525	18,744,461	26,962,924	26,371,497	29,054,255	27,449,357	28,718,835
24 Deposits and balances due to local banking institutions	-	1,458,481	101,400	-	-	-	1,750,802	101,400	-	-
25 Deposits and balances due to foreign banking institutions	1,055,522	683,406	16,750	520,520	159,466	1,175,862	683,573	475,823	550,751	284,664
26 Other money market deposits	-	-	-	-	-	-	-	-	-	-
27 Borrowed funds	200,640	196,077	200,691	196,077	1,216,386	288,923	284,587	284,253	196,077	1,216,386
28 Balances due to banking institutions in the group	3,476,257	3,248,412	2,685,887	2,192,427	1,536,383	3,476,257	3,251,737	2,688,866	2,195,197	1,539,272
29 Tax payable	32,355	4,215	65,635	36,253	45,692	32,355	4,215	65,635	36,253	45,692
30 Dividends Payable	-	-	-	-	-	-	-	-	-	-
31 Deferred tax liability	11,922	-	22,513	22,513	22,513	70,039	97,031	95,301	92,161	88,395
32 Retirement benefit liability	-	-	-	-	-	-	-	-	-	-
33 Other liabilities	547,298	388,151	544,910	512,674	620,191	823,624	665,634	873,431	767,999	855,045
<b>34 TOTAL LIABILITIES</b>	<b>21,385,669</b>	<b>21,468,332</b>	<b>21,208,372</b>	<b>20,575,989</b>	<b>22,345,093</b>	<b>32,829,984</b>	<b>33,109,076</b>	<b>33,638,964</b>	<b>31,287,795</b>	<b>32,748,289</b>
<b>B. SHAREHOLDERS' EQUITY</b>										
35 Paid up/Assigned capital	1,276,480	1,276,480	1,276,480	1,276,480	1,276,480	1,276,480	1,276,480	1,276,480	1,276,480	1,276,480
36 Share premium/(discount)	4,192,814	4,192,814	4,192,814	4,192,814	4,192,814	4,192,814	4,192,814	4,192,814	4,192,814	4,192,814
37 Revaluation reserves	(50,991)	(45,155)	(50,770)	(33,102)	(33,102)	(50,991)	(45,155)	(50,770)	(33,102)	(22,503)
38 Retained earnings/Accumulated Losses	2,280,887	2,411,193	2,550,408	2,679,757	2,815,177	2,076,238	2,226,125	2,357,810	2,339,048	2,592,843
39 Statutory Loan Loss Reserve	76,976	70,398	75,022	92,338	78,396	129,119	94,779	99,403	116,719	102,777
40 Other Reserves	-	-	-	-	-	37,998	45,533	15,760	(57,097)	(124,924)
41 Proposed dividends	-	-	-	-	-	-	-	-	-	-
42 Non controlling Interest	-	-	-	-	-	72,397	65,226	64,494	55,773	58,444
43 Capital grants	-	-	-	-	-	-	-	-	-	-
<b>44 TOTAL SHAREHOLDERS' EQUITY</b>	<b>7,776,166</b>	<b>7,905,730</b>	<b>8,043,954</b>	<b>8,208,287</b>	<b>8,340,364</b>	<b>7,734,055</b>	<b>7,855,802</b>	<b>7,955,991</b>	<b>7,890,635</b>	<b>8,075,931</b>
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>29,161,835</b>	<b>29,374,062</b>	<b>29,252,326</b>	<b>28,784,276</b>	<b>30,685,457</b>	<b>40,564,039</b>	<b>40,964,878</b>	<b>41,594,955</b>	<b>39,178,430</b>	<b>40,824,220</b>

**II. STATEMENT OF COMPREHENSIVE INCOME**

	30th Sept 2015	31st Dec 2015	31st Mar 2016	30th June 2016	30th Sept 2016	30th Sept 2015	31st Dec 2015	31st Mar 2016	30th June 2016	30th Sept 2016
	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)	Shs '000 (Un-Audited)
<b>1.0 INTEREST INCOME</b>										
1.1 Loans and advances	1,215,117	1,727,852	517,863	1,024,881	1,535,928	2,052,943	2,869,101	814,900	1,645,292	2,427,793
1.2 Government securities	639,227	986,388	302,362	587,623	862,441	798,151	1,194,275	367,073	691,090	1,007,299
1.3 Deposits and placements with banking institutions	258,339	287,064	23,263	39,654	49,511	267,437	289,960	29,515	59,282	73,523
1.4 Other Interest Income	14,149	34,564	5,124	8,221	11,211	14,149	43,967	5,124	8,221	11,211
<b>1.5 Total Interest Income</b>	<b>2,126,832</b>	<b>3,035,668</b>	<b>848,612</b>	<b>1,660,579</b>	<b>2,456,653</b>	<b>3,132,680</b>	<b>4,397,323</b>	<b>1,216,612</b>	<b>2,403,885</b>	<b>3,519,825</b>
<b>2.0 INTEREST EXPENSES</b>										
2.1 Customer deposits	800,535	1,106,735	310,144	610,943	910,472	1,091,051	1,483,012	394,989	770,311	1,133,874
2.2 Deposits and placements from banking institutions	59,280	210,382	41,828	66,161	82,033	78,206	237,494	51,077	78,507	100,643
2.3 Other Interest Expenses	13,841	18,606	4,614	9,228	16,536	18,299	24,480	6,445	11,027	18,299
<b>2.4 Total Interest Expenses</b>	<b>873,656</b>	<b>1,335,623</b>	<b>356,586</b>	<b>686,332</b>	<b>1,009,042</b>	<b>1,187,556</b>	<b>1,744,986</b>	<b>452,512</b>	<b>859,845</b>	<b>1,252,816</b>
<b>3.0 Total Interest Income</b>	<b>1,253,176</b>	<b>1,700,045</b>	<b>492,027</b>	<b>974,247</b>	<b>1,450,049</b>	<b>1,945,124</b>	<b>2,652,337</b>	<b>764,100</b>	<b>1,544,040</b>	<b>2,267,009</b>
<b>4.0 OPERATING INCOME</b>										
4.1 Fees and commissions on loans and advances	80,329	106,933	43,971	102,918	132,087	130,321	183,262	92,303	203,204	199,743
4.2 Other Fees and Commissions	113,849	138,494	36,694	73,886	111,795	229,822	302,178	56,504	102,273	225,860
4.3 Foreign exchange trading income (loss)	61,949	78,544	19,120	36,799	51,263	199,330	267,949	63,441	142,871	201,100
4.4 Dividend Income	-	-	-	-	-	-	-	-	-	-
4.5 Other income	49,140	89,971	6,191	22,568	43,450	119,652	145,699	31,228	111,035	114,365
4.6 Goodwill on Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-
<b>4.8 Total Non-Interest Income</b>	<b>305,267</b>	<b>413,942</b>	<b>105,976</b>	<b>236,171</b>	<b>338,594</b>	<b>679,125</b>	<b>899,088</b>	<b>243,476</b>	<b>559,383</b>	<b>741,068</b>
<b>5.0 TOTAL OPERATING INCOME</b>	<b>1,558,443</b>	<b>2,114,187</b>	<b>598,002</b>	<b>1,210,418</b>	<b>1,788,643</b>	<b>2,624,249</b>	<b>3,551,425</b>	<b>1,007,576</b>	<b>2,103,423</b>	<b>3,008,077</b>
<b>6.0 OPERATING EXPENSES</b>										
6.1 Loan Loss Provision	44,843	92,816	4,522	25,878	61,620	130,742	294,190	51,630	335,758	246,941
6.2 Staff costs	418,245	553,890	139,638	278,466	416,011	867,301	1,147,974	295,819	589,355	871,407
6.3 Directors' emoluments	39,388	51,129	14,085	28,500	39,915	62,350	86,918	22,994	47,278	66,220
6.4 Rentals Charges	108,842	145,358	36,756	73,451	112,617	175,588	237,032	60,499	122,720	184,095
6.5 Depreciation charge on property and equipment	67,091	146,589	33,294	66,549	99,569	152,919	277,322	75,407	130,758	180,324
6.6 Amortisation Charges	18,782	30,074	6,261	12,521	18,782	50,623	73,709	6,261	39,236	55,847
6.7 Other operating expenses	366,278	547,295	158,713	313,484	452,185	711,109	994,487	273,773	558,049	817,709
<b>6.8 Total Operating Expenses</b>	<b>1,063,469</b>	<b>1,567,150</b>	<b>393,269</b>	<b>798,849</b>	<b>1,199,700</b>	<b>2,150,632</b>	<b>3,111,632</b>	<b>786,382</b>	<b>1,823,154</b>	<b>2,422,542</b>
<b>7.0 Profit/(Loss) before tax and exceptional items</b>	<b>494,974</b>	<b>547,038</b>	<b>204,734</b>	<b>411,569</b>	<b>588,944</b>	<b>473,617</b>	<b>439,793</b>	<b>221,194</b>	<b>280,269</b>	<b>585,535</b>
<b>8.0</b>										