

**FINANCIAL INSTITUTIONS UN-AUDITED FINANCIAL STATEMENTS AND DISCLOSURES - JUNE 2009 AND JUNE 2010**

		JUNE 2009			GROWTH	JUNE 2010		
		BANKS TOTAL	NBFI's TOTAL	GRAND TOTAL		BANKS TOTAL	NBFI's TOTAL	GRAND TOTAL
<b>I:</b>	<b>BALANCE SHEET</b>							
<b>A</b>	<b>ASSETS</b>							
1	Cash balances (both local and foreign)	24,751,058	122,292	24,873,350	19.16%	29,514,305	123,978	29,638,283
2	Balances due from Central Bank of Kenya	55,131,292	-	55,131,292	64.52%	90,701,549	-	90,701,549
3	Kenya Government securities	225,082,463	2,093,669	227,176,131	38.71%	314,612,767	510,186	315,122,953
4	Foreign Currency Treasury bills and bonds	306,000	-	306,000	-4.71%	291,586	-	291,586
5	Deposits and balances due from local banking institutions	25,270,137	4,202,380	29,472,517	7.93%	26,629,532	5,181,432	31,810,964
6	Deposits and balances due from banking institutions abroad	58,159,719	-	58,159,719	-35.75%	37,364,748	-	37,364,748
7	Government and other securities held for dealing purposes	31,326,070	-	31,326,070	173.29%	85,612,577	-	85,612,577
8	Tax recoverable	1,326,932	-	1,326,932	29.64%	1,718,319	1,919	1,720,238
9	Loans and advances to customers(Net)	638,922,363	24,042,590	662,964,953	17.20%	760,627,200	16,357,930	776,985,130
10	Investments securities	3,681,234	-	3,681,234	83.27%	6,746,552	-	6,746,552
11	Balances due from group companies	49,744,072	-	49,744,072	-13.74%	42,910,276	-	42,910,276
12	Investment in associates	2,005,475	-	2,005,475	13.07%	2,267,690	-	2,267,690
13	Investment in subsidiary companies	11,599,938	130,020	11,729,958	38.46%	16,111,756	130,020	16,241,776
14	Investment in joint ventures	846,077	-	846,077	47.21%	1,245,538	-	1,245,538
15	Investment properties	1,055,103	-	1,055,103	21.14%	1,278,105	-	1,278,105
16	Property & equipment	33,783,086	390,796	34,173,882	26.29%	42,561,103	598,609	43,159,712
17	Prepaid lease rentals	1,086,071	42,442	1,128,513	-13.34%	936,022	41,940	977,962
18	Intangible assets	4,675,734	5,897	4,681,631	17.32%	5,489,550	2,956	5,492,506
19	Deferred tax asset	2,957,835	87,046	3,044,881	-7.72%	2,790,970	18,761	2,809,731
20	Retirement benefit asset	1,972,209	-	1,972,209	-20.67%	1,564,644	-	1,564,644
21	Other assets	45,793,412	294,728	46,088,140	-6.11%	43,171,808	99,423	43,271,231
<b>22</b>	<b>TOTAL ASSETS</b>	<b>1,219,476,280</b>	<b>31,411,859</b>	<b>1,250,888,139</b>	<b>23.56%</b>	<b>1,514,146,598</b>	<b>31,411,859</b>	<b>1,545,558,457</b>

		JUNE 2009			GROWTH	JUNE 2010		
		BANKS TOTAL	NBFI's TOTAL	GRAND TOTAL		BANKS TOTAL	NBFI's TOTAL	GRAND TOTAL
<b>B.</b>	<b>LIABILITIES</b>							
23	Balances due to Central Bank of Kenya	49,741,511	-	49,741,511	-100.00%	-	-	-
24	Customer deposits	878,952,720	16,683,226	895,635,946	32.04%	1,166,217,635	16,403,973	1,182,621,608
25	Deposits and balances due to local banking institutions	22,871,465	-	22,871,465	15.17%	26,340,913	-	26,340,913
26	Deposits and balances due to foreign banking institutions	17,878,226	-	17,878,226	-19.19%	14,447,442	-	14,447,442
27	Other Money Markets deposits	1,210,724	-	1,210,724	-99.88%	1,500	-	1,500
28	Borrowed funds	16,624,655	650,000	17,274,655	22.83%	19,217,685	2,000,000	21,217,685
29	Balances due to group companies	10,535,941	8,438,141	18,974,081	19.56%	22,669,923	14,958	22,684,881
30	Taxation payable	1,697,937	58,407	1,756,344	110.90%	3,704,160	-	3,704,160
31	Dividends payable	174,985	69,000	243,985	-3.51%	120,419	115,000	235,419
32	Deferred tax liability	784,999	-	784,999	136.56%	1,856,963	-	1,856,963
33	Retirement benefits liability	838,680	-	838,680	-82.58%	146,087	-	146,087
34	Other liabilities	46,536,146	499,732	47,035,879	-9.02%	42,371,438	422,588	42,794,026
<b>35</b>	<b>TOTAL LIABILITIES</b>	<b>1,047,847,989</b>	<b>26,398,506</b>	<b>1,074,246,495</b>	<b>23.20%</b>	<b>1,297,094,164</b>	<b>26,398,506</b>	<b>1,323,492,670</b>
<b>C</b>	<b>SHAREHOLDERS' FUNDS</b>							
36	Paid up/ assigned capital	53,004,623	1,650,000	54,654,623	13.43%	60,844,499	1,150,000	61,994,499
37	Share premium/(discounts)	33,609,625	1,549,173	35,158,798	2.75%	34,575,112	1,549,173	36,124,285
38	Revaluation reserves	3,748,048	203,062	3,951,110	267.71%	14,079,467	449,202	14,528,669
39	Retained earnings /accumulated losses	69,634,004	1,018,194	70,652,198	32.73%	93,553,668	224,503	93,778,171
40	Statutory loan loss reserve	9,410,408	542,174	9,952,582	31.06%	12,437,509	606,507	13,044,016
41	Proposed dividend (gross)	801,040	-	801,040	-75.12%	118,766	80,500	199,266
42	Capital grants	1,420,544	50,750	1,471,294	1.55%	1,443,413	50,750	1,494,163
<b>43</b>	<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>171,628,292</b>	<b>5,013,353</b>	<b>176,641,645</b>	<b>25.72%</b>	<b>217,052,435</b>	<b>5,013,353</b>	<b>222,065,788</b>
<b>44</b>	<b>TOTAL LIABILITY &amp; SHAREHOLDERS' FUNDS</b>	<b>1,219,476,281</b>	<b>31,411,859</b>	<b>1,250,888,140</b>	<b>23.56%</b>	<b>1,514,146,599</b>	<b>31,411,859</b>	<b>1,545,558,458</b>

		JUNE 2009			GROWTH	JUNE 2010		
		BANKS TOTAL	NBFI's TOTAL	GRAND TOTAL		BANKS TOTAL	NBFI's TOTAL	GRAND TOTAL
<b>II</b>	<b>PROFIT AND LOSS ACCOUNT</b>							
<b>1.0</b>	<b>INTEREST INCOME</b>							
1.1	Loans and advances	42,309,054	1,421,283	43,730,337	15.28%	49,382,291	1,028,551	50,410,842
1.2	Government Securities	11,385,253	58,464	11,443,717	51.57%	17,327,738	18,067	17,345,805
1.3	Deposits and placements with banking institutions	1,618,369	110,860	1,729,229	-49.01%	778,120	103,559	881,679
1.4	Other interest income	626,954	-	626,954	22.23%	766,295	-	766,295
<b>1.5</b>	<b>Total Interest Income</b>	<b>55,939,630</b>	<b>1,590,607</b>	<b>57,530,237</b>	<b>21.41%</b>	<b>68,254,444</b>	<b>1,590,607</b>	<b>69,845,051</b>
<b>2.0</b>	<b>INTEREST EXPENSES</b>							
2.1	Customers deposits	14,705,031	308,485	15,013,516	10.84%	16,239,255	401,268	16,640,523
2.2	Deposits and placements from banking institutions	744,256	106,084	850,340	-6.12%	798,275	-	798,275
2.3	Other interest expenses	1,047,061	25,255	1,072,316	0.83%	995,697	85,495	1,081,192
<b>2.4</b>	<b>Total Interest Expenses</b>	<b>16,496,347</b>	<b>439,824</b>	<b>16,936,172</b>	<b>9.07%</b>	<b>18,033,228</b>	<b>439,824</b>	<b>18,473,052</b>
<b>3.0</b>	<b>NET INTEREST INCOME/(LOSS)</b>	<b>39,443,282</b>	<b>1,150,783</b>	<b>40,594,065</b>	<b>26.55%</b>	<b>50,221,216</b>	<b>1,150,783</b>	<b>51,371,999</b>
<b>4.0</b>	<b>NON-OPERATING INCOME</b>							
4.1	Fees and Commissions on loans and advances	4,615,635	63,385	4,679,020	28.79%	5,980,533	45,645	6,026,178
4.2	Other fees and commissions	10,997,213	65,154	11,062,367	11.98%	12,354,951	32,774	12,387,725
4.3	Foreign exchange trading income/(loss)	6,038,649	-	6,038,649	4.03%	6,281,896	-	6,281,896
4.4	Dividend income	454,707	-	454,707	-84.08%	72,392	-	72,392
4.5	Other income	2,471,957	30,025	2,501,982	223.53%	8,059,147	35,510	8,094,657
<b>4.6</b>	<b>Total Non Interest Income</b>	<b>24,578,160</b>	<b>158,564</b>	<b>24,736,725</b>	<b>33.03%</b>	<b>32,748,920</b>	<b>158,564</b>	<b>32,907,484</b>
<b>5.0</b>	<b>TOTAL OPERATING INCOME</b>	<b>64,021,443</b>	<b>1,309,347</b>	<b>65,330,790</b>	<b>29.00%</b>	<b>82,970,136</b>	<b>1,309,347</b>	<b>84,279,483</b>
<b>6.0</b>	<b>OPERATING EXPENSES</b>							
6.1	Loan loss provision	3,222,350	107,007	3,329,357	46.28%	4,752,561	117,582	4,870,143
6.2	Staff costs	18,185,982	333,673	18,519,655	22.34%	22,420,522	236,954	22,657,476
6.3	Directors emoluments	458,428	3,760	462,188	4.72%	478,373	5,631	484,004
6.4	Rental charges	1,924,886	31,670	1,956,556	11.55%	2,176,351	6,228	2,182,579
6.5	Depreciation on property and equipment	2,669,807	25,308	2,695,114	22.13%	3,274,479	17,037	3,291,516
6.6	Amortization charges	451,709	3,883	455,592	23.41%	557,263	5,002	562,265
6.7	Other expenses	12,612,906	202,747	12,815,653	17.94%	14,932,187	183,051	15,115,238

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		BANKS TOTAL	NBFI's TOTAL	GRAND TOTAL		BANKS TOTAL	NBFI's TOTAL	GRAND TOTAL
<b>6.8</b>	<b>Total Other Operating Expenses</b>	<b>39,526,068</b>	<b>708,049</b>	<b>40,234,116</b>	<b>22.53%</b>	<b>48,591,736</b>	<b>708,049</b>	<b>49,299,785</b>
<b>7.0</b>	<b>Profit/(loss) before tax and exceptional items</b>	<b>24,495,375</b>	<b>601,298</b>	<b>25,096,674</b>	<b>37.80%</b>	<b>34,378,399</b>	<b>205,858</b>	<b>34,584,257</b>
8.0	Exceptional items	- 110	-	- 110	53238.26%	- 58,672	-	- 58,672
<b>9.0</b>	<b>Profit/(loss) after exceptional items</b>	<b>24,495,485</b>	<b>601,298</b>	<b>25,096,784</b>	<b>38.04%</b>	<b>34,437,072</b>	<b>205,858</b>	<b>34,642,930</b>
10.0	Current tax	6,955,746	180,390	7,136,136	38.52%	9,817,265	67,577	9,884,842
11.0	Deferred tax	32,456	- 7,096	25,360	-632.33%	- 131,877	- 3,123	- 135,000
<b>12.0</b>	<b>Profit/(loss) after tax and exceptional items</b>	<b>17,507,283</b>	<b>428,004</b>	<b>17,935,288</b>	<b>38.79%</b>	<b>24,751,683</b>	<b>141,404</b>	<b>24,893,087</b>
<b>III.</b>	<b>OTHER DISCLOSURES</b>							
<b>1)</b>	<b>NON-PERFORMING LOANS AND ADVANCES</b>							
<b>a)</b>	<b>Gross non-performing loans and advances</b>	<b>60,977,328</b>	<b>2,969,421</b>	<b>63,946,749</b>	<b>-4.57%</b>	<b>59,222,922</b>	<b>1,799,245</b>	<b>61,022,167</b>
	Less:							
<b>b)</b>	<b>Interest in suspense</b>	<b>12,104,344</b>	<b>735,820</b>	<b>12,840,164</b>	<b>-19.96%</b>	<b>9,783,662</b>	<b>493,565</b>	<b>10,277,227</b>
<b>c)</b>	<b>Total non-performing loans and advances(a-b)</b>	<b>48,872,984</b>	<b>2,233,601</b>	<b>51,106,585</b>	<b>-0.71%</b>	<b>49,439,260</b>	<b>1,305,680</b>	<b>50,744,940</b>
	Less:							
<b>d)</b>	<b>Loan loss provision</b>	<b>25,910,125</b>	<b>674,771</b>	<b>26,584,897</b>	<b>7.54%</b>	<b>28,054,921</b>	<b>534,047</b>	<b>28,588,968</b>
<b>e)</b>	<b>Net Non-performing Loans (c-d)</b>	<b>22,962,859</b>	<b>1,558,829</b>	<b>24,521,688</b>	<b>-9.65%</b>	<b>21,384,339</b>	<b>771,633</b>	<b>22,155,972</b>
<b>f)</b>	<b>Discounted value of securities</b>	<b>16,950,613</b>	<b>1,558,829</b>	<b>18,509,442</b>	<b>10.25%</b>	<b>19,635,726</b>	<b>771,633</b>	<b>20,407,359</b>
<b>g)</b>	<b>Net NPLs Exposure (e-f)</b>	<b>6,012,245</b>	<b>-</b>	<b>6,012,245</b>	<b>-70.92%</b>	<b>1,748,613</b>	<b>-</b>	<b>1,748,613</b>
<b>2)</b>	<b>INSIDER LOANS,ADVANCES AND OTHER FACILITIES</b>							
<b>a)</b>	<b>Directors, shareholders and associates</b>	<b>17,952,414</b>	<b>-</b>	<b>17,952,414</b>	<b>4.35%</b>	<b>18,733,456</b>	<b>-</b>	<b>18,733,456</b>
<b>b)</b>	<b>Employees</b>	<b>21,688,244</b>	<b>374,655</b>	<b>22,062,899</b>	<b>22.34%</b>	<b>26,640,970</b>	<b>351,214</b>	<b>26,992,184</b>
<b>c)</b>	<b>Total Insider Loans, Advances and Other Facilities</b>	<b>39,640,658</b>	<b>374,655</b>	<b>40,015,313</b>	<b>14.27%</b>	<b>45,374,426</b>	<b>351,214</b>	<b>45,725,640</b>
<b>3)</b>	<b>OFF BALANCE SHEET</b>							
<b>a)</b>	<b>Letters of credit, guarantees, acceptances</b>	<b>154,859,780</b>	<b>5,733</b>	<b>154,865,513</b>	<b>21.69%</b>	<b>188,455,778</b>	<b>1,033</b>	<b>188,456,811</b>
<b>b)</b>	<b>Other contingent liabilities</b>	<b>298,234,192</b>	<b>-</b>	<b>298,234,192</b>	<b>32.51%</b>	<b>395,199,686</b>	<b>-</b>	<b>395,199,686</b>
<b>c)</b>	<b>Total Contingent Liabilities</b>	<b>453,093,972</b>	<b>5,733</b>	<b>453,099,705</b>	<b>28.81%</b>	<b>583,655,464</b>	<b>1,033</b>	<b>583,656,497</b>
<b>4)</b>	<b>CAPITAL STRENGTH</b>							
<b>a)</b>	<b>Core capital</b>	<b>141,165,856</b>	<b>3,953,365</b>	<b>145,119,220</b>	<b>16.29%</b>	<b>165,900,252</b>	<b>2,852,974</b>	<b>168,753,226</b>
<b>b)</b>	<b>Minimum statutory capital</b>	<b>10,750,000</b>	<b>500,000</b>	<b>11,250,000</b>	<b>36.89%</b>	<b>15,050,000</b>	<b>350,000</b>	<b>15,400,000</b>
<b>c)</b>	<b>Excess/(defficiency)</b>	<b>130,415,856</b>	<b>3,453,365</b>	<b>133,869,220</b>	<b>14.55%</b>	<b>150,850,252</b>	<b>2,502,974</b>	<b>153,353,226</b>
<b>d)</b>	<b>Supplementary capital</b>	<b>18,077,221</b>	<b>251,358</b>	<b>18,328,579</b>	<b>11.26%</b>	<b>20,093,856</b>	<b>298,707</b>	<b>20,392,563</b>
<b>e)</b>	<b>Total capital (a + d)</b>	<b>159,243,076</b>	<b>4,204,723</b>	<b>163,447,799</b>	<b>15.72%</b>	<b>185,994,108</b>	<b>3,151,681</b>	<b>189,145,789</b>
<b>f)</b>	<b>Total risk weighted assets</b>	<b>807,957,585</b>	<b>16,277,171</b>	<b>824,234,756</b>	<b>17.21%</b>	<b>955,237,704</b>	<b>10,852,487</b>	<b>966,090,191</b>

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g)	<b>Core capital/total deposit liabilities</b>	16%	24%	16%		14%	17%	14%
h)	Minimum statutory ratio	8%	8%	8%		8%	8%	8%
i)	Excess/(defficiency)	8%	16%	8%		6%	9%	6%
j)	<b>Core Capital/Total Risk Weighted Assets</b>	17%	24%	18%		17%	26%	17%
k)	Minimum Statutory Ratio	8%	8%	8%		8%	8%	8%
l)	Excess/(Defficiency)	9%	16%	10%		9%	18%	9%
m)	<b>Total capital/total risk weighted assets</b>	20%	26%	20%		19%	29%	20%
n)	Minimum Statutory Ratio	12%	12%	12%		12%	12%	12%
o)	Excess/(Defficiency)	8%	14%	8%		7%	17%	8%
<b>5)</b>	<b>Liquidity</b>							
a)	Liquidity ratio	41%	23%	42%			35%	41%
b)	Minimum Statutory Ratio	20%	20%	20%		20%	20%	20%
c)	Excess/(Defficiency) (a-b)	21%	3%	22%		-20%	15%	21%