

**BANKING SECTOR - UN-AUDITED FINANCIAL STATEMENTS AND DISCLOSURES AS AT MARCH 31ST 2009**
**I: BALANCE SHEET**

		BANKS TOTAL	NBFI's TOTAL	GRAND TOTAL
<b>A</b>	<b>ASSETS</b>			
1	Cash balances (both local and foreign)	25,341,978	120,352	25,462,330
2	Balances due from Central Bank of Kenya	50,863,640	-	50,863,640
3	Kenya Government securities	191,865,918	1,856,962	193,722,880
4	Foreign Currency Treasury bills and bonds	321,000	-	321,000
5	Deposits and balances due from local banking institutions	22,374,631	3,911,894	26,286,526
6	Deposits and balances due from banking institutions abroad	51,485,062	-	51,485,062
7	Government and other securities held for dealing purposes	35,151,845	-	35,151,845
8	Tax recoverable	153,558	-	153,558
9	Loans and advances to customers(Net)	620,915,948	21,714,254	642,630,202
10	Investments securities	3,788,291	-	3,788,291
11	Balances due from group companies	64,068,988	-	64,068,988
12	Investment in associates	2,048,261	-	2,048,261
13	Investment in subsidiary companies	10,396,418	130,020	10,526,438
14	Investment in joint ventures	846,077	-	846,077
15	Investment properties	1,055,103	-	1,055,103
16	Property & equipment	31,605,793	399,204	32,004,997
17	Prepaid lease rentals	1,067,679	42,518	1,110,197
18	Intangible assets	4,179,637	6,799	4,186,436
19	Deferred tax asset	3,003,162	87,046	3,090,207
20	Retirement benefit asset	1,993,715	-	1,993,715
21	Other assets	39,329,389	249,241	39,578,630
<b>22</b>	<b>TOTAL ASSETS</b>	<b>1,161,856,093</b>	<b>28,518,291</b>	<b>1,190,374,383</b>
<b>B.</b>	<b>LIABILITIES</b>			
23	Balances due to Central Bank of Kenya	8,010,558	-	8,010,558
24	Customer deposits	865,922,327	15,169,003	881,091,330
25	Deposits and balances due to local banking institutions	24,269,995	-	24,269,995
26	Deposits and balances due to foreign banking institutions	15,805,299	-	15,805,299
27	Other Money Markets deposits	719,812	-	719,812
28	Borrowed funds	15,966,631	400,000	16,366,631
29	Balances due to group companies	13,963,524	7,541,254	21,504,779
30	Taxation payable	5,744,038	155,121	5,899,160
31	Dividends payable	465,960	-	465,960
32	Deferred tax liability	780,153	-	780,153
33	Retirement benefits liability	554,412	-	554,412
34	Other liabilities	41,448,681	400,227	41,848,908
<b>35</b>	<b>TOTAL LIABILITIES</b>	<b>993,651,390</b>	<b>23,665,605</b>	<b>1,017,316,995</b>
<b>C</b>	<b>SHAREHOLDERS' FUNDS</b>			
36	Paid up/ assigned capital	51,428,922	1,650,000	53,078,922
37	Share premium/(discounts)	33,651,965	1,549,173	35,201,138
38	Revaluation reserves	3,378,345	203,062	3,581,407
39	Retained earnings /accumulated losses	61,230,782	838,043	62,068,824
40	Statutory loan loss reserve	9,990,079	492,658	10,482,737
41	Proposed dividend (gross)	7,066,098	69,000	7,135,098
42	Capital grants	1,458,514	50,750	1,509,264
<b>43</b>	<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>168,204,704</b>	<b>4,852,686</b>	<b>173,057,390</b>
<b>44</b>	<b>TOTAL LIABILITY &amp; SHAREHOLDERS' FUNDS</b>	<b>1,161,856,095</b>	<b>28,518,291</b>	<b>1,190,374,385</b>

<b>II</b>	<b>PROFIT AND LOSS ACCOUNT</b>			
<b>1.0</b>	<b>INTEREST INCOME</b>			
1.1	Loans and advances	20,902,669	656,950	21,559,620
1.2	Government Securities	5,427,302	29,318	5,456,620
1.3	Deposits and placements with banking institutions	865,530	55,324	920,854
1.4	Other interest income	572,882	-	572,882
<b>1.5</b>	<b>Total Interest Income</b>	<b>27,768,383</b>	<b>741,592</b>	<b>28,509,975</b>
<b>2.0</b>	<b>INTEREST EXPENSES</b>			
2.1	Customers deposits	7,309,873	139,716	7,449,589
2.2	Deposits and placements from banking institutions	410,292	48,976	459,268
2.3	Other interest expenses	739,006	10,565	749,571
<b>2.4</b>	<b>Total Interest Expenses</b>	<b>8,459,171</b>	<b>199,257</b>	<b>8,658,428</b>
<b>3.0</b>	<b>NET INTEREST INCOME/(LOSS)</b>	<b>19,309,213</b>	<b>542,335</b>	<b>19,851,548</b>
<b>4.0</b>	<b>NON-OPERATING INCOME</b>			
4.1	Fees and Commissions on loans and advances	2,236,875	28,580	2,265,454
4.2	Other fees and commissions	5,401,769	39,688	5,441,457
4.3	Foreign exchange trading income/(loss)	2,992,953	-	2,992,953
4.4	Dividend income	36,994	-	36,994
4.5	Other income	905,880	11,762	917,642
<b>4.6</b>	<b>Total Non Interest Income</b>	<b>11,574,471</b>	<b>80,030</b>	<b>11,654,501</b>
				-
<b>5.0</b>	<b>TOTAL OPERATING INCOME</b>	<b>30,883,683</b>	<b>622,365</b>	<b>31,506,048</b>
<b>6.0</b>	<b>OPERATING EXPENSES</b>			
6.1	Loan loss provision	1,667,466	37,247	1,704,713
6.2	Staff costs	9,200,363	172,065	9,372,428
6.3	Directors emoluments	225,967	1,835	227,802
6.4	Rental charges	990,031	20,906	1,010,937
6.5	Depreciation on property and equipment	1,295,980	11,583	1,307,563
6.6	Amortization charges	223,189	3,674	226,863
6.7	Other expenses	6,024,532	101,241	6,125,773
<b>6.8</b>	<b>Total Other Operating Expenses</b>	<b>19,627,529</b>	<b>348,551</b>	<b>19,976,079</b>
<b>7.0</b>	<b>Profit/(loss) before tax and exceptional items</b>	<b>11,256,155</b>	<b>273,814</b>	<b>11,529,969</b>
8.0	Exceptional items	- 110	-	110
<b>9.0</b>	<b>Profit/(loss) after exceptional items</b>	<b>11,256,265</b>	<b>273,814</b>	<b>11,530,079</b>
10.0	Current tax	3,419,654	82,573	3,502,227
11.0	Deferred tax	72,427	- 7,096	65,331
<b>12.0</b>	<b>Profit/(loss) after tax and exceptional items</b>	<b>7,764,183</b>	<b>198,337</b>	<b>7,962,521</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>61,415,313</b>	<b>3,155,293</b>	<b>64,570,606</b>
	<b>Less:</b>			-
b)	Interest in suspense	13,002,336	852,588	13,854,924
<b>c)</b>	<b>Total non-performing loans and advances(a-b)</b>	<b>48,412,977</b>	<b>2,302,705</b>	<b>50,715,682</b>
	<b>Less:</b>			-
d)	Loan loss provision	26,236,544	240,129	26,476,673
<b>e)</b>	<b>Net Non-performing Loans (c-d )</b>	<b>22,176,432</b>	<b>2,062,577</b>	<b>24,239,009</b>
f)	Discounted value of securities	17,118,298	1,285,118	18,403,415
<b>g)</b>	<b>Net NPLs Exposure (e-f)</b>	<b>5,058,135</b>	<b>777,459</b>	<b>5,835,594</b>

<b>2)</b>	<b>INSIDER LOANS,ADVANCES AND OTHER FACILITIES</b>			
a)	Directors, shareholders and associates	12,119,227	-	12,119,227
b)	Employees	20,044,415	426,331	20,470,746
<b>c)</b>	<b>Total Insider Loans, Advances and Other Facilities</b>	<b>32,163,642</b>	<b>426,331</b>	<b>32,589,973</b>
<b>3)</b>	<b>OFF BALANCE SHEET</b>		-	-
a)	Letters of credit, guarantees, acceptances	169,455,262	5,733	169,460,995
b)	Other contingent liabilities	266,009,097	-	266,009,097
<b>c)</b>	<b>Total Contingent Liabilities</b>	<b>435,464,359</b>	<b>5,733</b>	<b>435,470,092</b>
<b>4)</b>	<b>CAPITAL STRENGTH</b>		-	-
a)	Core capital	140,478,369	3,888,048	144,366,416
b)	Minimum statutory capital	10,750,000	500,000	11,250,000
c)	Excess/(deficiency)	129,728,369	3,388,048	133,116,416
d)	Supplementary capital	16,593,503	244,916	16,838,419
<b>e)</b>	<b>Total capital (a + d)</b>	<b>157,071,872</b>	<b>4,132,964</b>	<b>161,204,836</b>
f)	Total risk weighted assets	791,351,888	14,822,553	806,174,441
<b>g)</b>	<b>Core capital/total deposit liabilities</b>	<b>15.5%</b>	<b>25.6%</b>	<b>15.7%</b>
h)	Minimum statutory ratio	8.0%	8.0%	8.0%
i)	Excess/(deficiency)	7.5%	17.6%	7.7%
<b>j)</b>	<b>Core Capital/Total Risk Weighted Assets</b>	<b>17.8%</b>	<b>26.2%</b>	<b>17.9%</b>
k)	Minimum Statutory Ratio	8.0%	8.0%	8.0%
l)	Excess/(Deficiency)	9.8%	18.2%	9.9%
<b>m)</b>	<b>Total capital/total risk weighted assets</b>	<b>19.8%</b>	<b>27.9%</b>	<b>20.0%</b>
n)	Minimum Statutory Ratio	12.0%	12.0%	12.0%
o)	Excess/(Deficiency)	7.8%	15.9%	8.0%
<b>5)</b>	<b>Liquidity</b>			-
a)	Liquidity ratio	40.0%	23.9%	39.6%
b)	Minimum Statutory Ratio	20.0%	20.0%	20.0%
c)	Excess/(Deficiency) (a-b)	20.0%	3.9%	19.6%