

**THE BOARD OF DIRECTORS OF NATIONAL BANK OF KENYA LIMITED HEREBY ANNOUNCE THE AUDITED RESULTS FOR THE PERIOD ENDED 31 DEC 2019**

I. STATEMENT OF FINANCIAL POSITION As at 31 Dec 2019	BANK	BANK	GROUP	GROUP	III. OTHER DISCLOSURES	BANK	BANK
	31-Dec-18 KSh's'000 Audited	31-Dec-19 KSh's'000 Audited	31-Dec-18 KSh's'000 Audited	31-Dec-19 KSh's'000 Audited		31-Dec-18 KSh's'000 Audited	31-Dec-19 KSh's'000 Audited
<b>A ASSETS</b>							
1 Cash (both Local & Foreign)	1,744,785	1,333,800	1,744,785	1,333,800	<b>A Non-performing loans and advances</b>		
2 Balances due from Central Bank of Kenya	4,372,926	11,346,712	4,372,926	11,346,712	a Gross non-performing loans and advances	31,461,391	25,175,371
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	b Less: Interest in suspense	4,468,241	4,530,646
4 Financial Assets at fair value through profit and loss	-	-	-	-	<b>c Total Non-performing loans and advances (a-b)</b>	26,993,150	20,644,725
5 <b>Investment Securities(a+b)</b>	46,310,604	37,116,731	46,341,772	37,150,572	d Less: Loan loss Provisions	13,875,801	10,274,767
<b>a) Held to Maturity(i+ii)</b>	18,178,199	37,116,731	18,178,199	37,116,731	<b>e Net NPLs exposure (c-d)</b>	13,117,349	10,369,958
i. Kenya Government securities	18,178,199	37,116,731	18,178,199	37,116,731	f Discounted Value of Securities	12,148,568	10,066,760
ii. Other securities	-	-	-	-	<b>g Net NPLs exposure (e-f)</b>	968,781	303,199
<b>b) Available for sale(i+ii)</b>	28,132,405	-	28,163,573	33,821	<b>2 Insider loans and Advances</b>		
i. Kenya Government securities	28,132,405	-	28,163,573	33,821	a Directors, Shareholders and associates	39,144	37
ii. Other securities	-	-	-	-	b Employees	5,155,000	5,492,318
6 Deposits and balances due from local banking institutions	1,936,693	1,050,939	1,936,693	1,050,939	<b>c Total insider loans, advances and other facilities</b>	5,194,144	5,492,555
7 Deposits and balances due from banking institutions abroad	131,527	1,606,864	131,527	1,606,864	<b>3 Off-Balance sheet Items</b>		
8 Tax receivable	463,362	237,715	459,476	222,352	a Letters of credit, guarantees and acceptances	5,285,441	6,396,276
9 Loans and advances to customers (net)	47,778,777	45,871,701	47,778,777	45,871,701	b Forwards, swaps and options	357,392	506,750
10 Balances due from banking institutions in the group	-	-	-	-	c Other contingent liabilities	-	-
11 Investments in associates	366,822	515,910	366,822	515,910	<b>d Total contingent liabilities</b>	5,642,833	6,903,026
12 Investments in subsidiary companies	19,963	19,963	-	-	<b>4 Capital Strength</b>		
13 Investments in joint ventures	-	-	-	-	<b>a Core capital</b>	2,091,915	6,579,626
14 Investment properties	-	-	-	-	b Minimum Statutory Capital	1,000,000	1,000,000
15 Property and equipment	3,998,390	4,547,632	3,998,833	4,547,911	<b>c Excess/(Deficiency) (a-b)</b>	1,091,915	5,579,626
16 Prepaid lease rentals	-	-	-	-	d Supplementary capital	1,327,239	1,154,704
17 Intangible assets	1,300,500	1,041,333	1,314,221	1,055,784	<b>e Total capital (a+d)</b>	3,419,154	7,734,330
18 Deferred tax asset	2,289,527	3,103,595	2,290,168	3,104,145	<b>f Total risk weighted assets</b>	92,765,531	67,262,493
19 Retirement benefit asset	-	-	-	-	<b>g Core capital/total deposit liabilities</b>	2.1%	7.2%
20 Other assets	4,430,017	4,235,833	4,113,105	4,143,944	h Minimum Statutory Ratio	8.0%	8.0%
<b>21 TOTAL ASSETS</b>	<b>115,143,443</b>	<b>112,028,747</b>	<b>114,849,105</b>	<b>111,950,635</b>	i Excess/(Deficiency) (g-h)	-5.9%	-0.8%
<b>B LIABILITIES</b>					<b>j Core capital/total risk weighted assets</b>	2.3%	9.8%
22 Balances due to Central Bank of Kenya	-	-	-	-	k Minimum Statutory Ratio	10.5%	10.5%
23 Customer deposits	99,223,459	87,091,263	98,865,959	86,932,676	l Excess/(Deficiency) (j-k)	-8.2%	-0.7%
24 Deposits and balances due to local banking institutions	3,446,015	5,983,472	3,446,015	5,983,472	<b>m Total capital/total risk weighted assets</b>	3.7%	11.5%
25 Deposits and balances due to foreign banking institutions	2,574,715	4,003,782	2,574,715	4,003,782	n Minimum Statutory Ratio	14.5%	14.5%
26 Other money market deposits	-	-	-	-	o Excess/(Deficiency) (m-n)	-10.8%	-3.0%
27 Borrowed funds	-	-	-	-	<b>p Adjusted core capital/total deposit liabilities*</b>	2.8%	7.3%
28 Balances due to banking institutions in the group	-	-	-	-	<b>q Adjusted core capital/total risk weighted assets*</b>	3.1%	10.0%
29 Tax payable	-	-	-	-	<b>r Adjusted total capital/total risk weighted assets*</b>	4.5%	11.7%
30 Dividends payable	24,315	5,819	24,315	5,819	<b>5 Liquidity</b>		
31 Deferred tax liability	-	-	-	-	<b>a Liquidity Ratio</b>	43.1%	46.1%
32 Retirement benefit liability	-	-	-	-	b Minimum Statutory Ratio	20.0%	20.0%
33 Other Liabilities	2,939,221	3,239,991	2,965,247	3,249,224	c Excess/(Deficiency) (a-b)	23.1%	26.1%
<b>34 TOTAL LIABILITIES</b>	<b>108,207,725</b>	<b>100,324,327</b>	<b>107,876,251</b>	<b>100,174,973</b>			
<b>C SHAREHOLDERS' FUNDS</b>							
35 Paid up /Assigned capital	7,368,906	12,368,906	7,368,906	12,368,906			
36 Share premium/(discount)	-	-	-	-			
37 Revaluation reserves	1,261,907	1,255,687	1,261,906	1,255,689			
38 Retained earnings/Accumulated losses	(4,892,016)	(5,435,648)	(4,854,776)	(5,383,693)			
39 Statutory loan loss reserves	3,333,324	3,535,471	3,333,324	3,535,471			
40 Other Reserves	(136,403)	-	(136,506)	(715)			
41 Proposed dividends	-	-	-	-			
42 Capital grants	-	-	-	-			
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>6,935,718</b>	<b>11,704,420</b>	<b>6,972,854</b>	<b>11,775,662</b>			
44 Minority Interest	-	-	-	-			
<b>45 TOTAL LIABILITIES &amp; SHAREHOLDERS' FUNDS</b>	<b>115,143,443</b>	<b>112,028,747</b>	<b>114,849,105</b>	<b>111,950,635</b>			
<b>II. STATEMENT OF COMPREHENSIVE INCOME</b> For the period ended 31 Dec 2019							
1 <b>Interest Income</b>							
1.1 Loans and advances	4,427,606	4,606,559	4,427,606	4,605,935			
1.2 Government securities	4,431,954	4,386,731	4,432,457	4,488,881			
1.3 Deposits and placements with banking institutions	52,829	35,648	52,829	35,648			
1.4 Other Interest Income	-	-	-	-			
<b>1.5 TOTAL INTEREST INCOME</b>	<b>8,912,389</b>	<b>9,028,378</b>	<b>8,912,892</b>	<b>9,030,464</b>			
2 <b>Interest Expense</b>							
2.1 Customer deposits	2,589,995	2,131,853	2,565,274	2,110,509			
2.2 Deposits and placements from banking institutions	319,688	460,266	319,688	460,266			
2.3 Other Interest expenses	-	147,681	-	147,681			
<b>2.4 TOTAL INTEREST EXPENSES</b>	<b>2,909,683</b>	<b>2,739,800</b>	<b>2,884,962</b>	<b>2,718,456</b>			
<b>3 NET INTEREST INCOME</b>	<b>6,002,706</b>	<b>6,288,578</b>	<b>6,027,930</b>	<b>6,312,008</b>			
<b>4 Non-Interest Income</b>							
4.1 Fees and commissions on loans and advances	38,964	14,754	38,964	14,754			
4.2 Other fees and commissions	1,147,540	1,185,731	1,190,202	1,185,731			
4.3 Foreign exchange trading income (loss)	601,114	551,980	601,114	551,980			
4.4 Dividend Income	162,867	33,800	156,7	5,300			
4.5 Other Income	168,601	155,635	159,297	207,787			
<b>4.6 TOTAL NON-INTEREST INCOME</b>	<b>2,119,086</b>	<b>2,055,691</b>	<b>1,990,944</b>	<b>2,098,243</b>			
<b>5 TOTAL OPERATING INCOME</b>	<b>8,121,792</b>	<b>8,344,270</b>	<b>8,018,874</b>	<b>8,410,351</b>			
<b>6 Other Operating Expenses</b>							
6.1 Loan loss provision	185,099	1,984,542	185,099	1,984,542			
6.2 Staff costs	3,855,823	4,026,922	3,864,570	4,026,490			
6.3 Directors' emoluments	28,535	41,449	28,535	41,330			
6.4 Rental charges	443,186	127,190	443,714	127,478			
6.5 Depreciation charge on property and equipment	549,430	704,351	549,616	704,518			
6.6 Amortisation charges	475,506	408,226	475,506	408,226			
6.7 Other operating expenses	1,996,711	1,872,835	2,015,483	1,875,117			
<b>6.8 Total Operating Expenses</b>	<b>7,534,290</b>	<b>8,865,315</b>	<b>7,562,523</b>	<b>8,167,701</b>			
<b>7 PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS</b>	<b>587,502</b>	<b>(521,045)</b>	<b>456,351</b>	<b>(757,350)</b>			
8 Exceptional Items	536,587	137,713	541,252	137,713			
<b>9 Profit after exceptional items</b>	<b>1,124,089</b>	<b>(143,332)</b>	<b>997,603</b>	<b>(389,637)</b>			
10 Current tax	(39,881)	(235,339)	(53,611)	(264,693)			
11 Deferred tax	145,105	857,307	145,520	857,480			
<b>12 Profit after tax and exceptional items</b>	<b>1,189,313</b>	<b>(101,364)</b>	<b>989,512</b>	<b>(296,850)</b>			
13 Minority Interest	-	-	-	-			
<b>14 Profit after tax, exceptional items and minority interest</b>	<b>1,189,313</b>	<b>(101,364)</b>	<b>989,512</b>	<b>(296,850)</b>			
<b>15 OTHER COMPREHENSIVE INCOME</b>							
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-			
15.2 Fair value changes in available for sale financial assets	(8,235)	194,861	(8,383)	193,987			
15.3 Revaluation surplus on Property, plant and equipment	695,867	(8,883)	695,867	(8,881)			
15.4 Share of other comprehensive income of associates	-	-	-	-			
15.5 Income tax relating to components of other comprehensive income	(89,107)	(55,793)	(89,053)	55,532			
<b>16 Total Comprehensive Income for the year net of tax</b>	<b>598,528</b>	<b>130,186</b>	<b>598,421</b>	<b>129,574</b>			
<b>17 Other Comprehensive Income FOR THE YEAR</b>	<b>754,664</b>	<b>(206,806)</b>	<b>605,429</b>	<b>(172,703)</b>			

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