

The Board of Directors of National Bank of Kenya Limited hereby announce the un-audited results for the period ended 30 June 2016													
I. STATEMENT OF FINANCIAL POSITION as at 30 June 2016  A ASSETS	BANK 30-Jun-15 Shs'000 Un-audited	BANK 31-Dec-15 Shs'000 Audited	BANK 31-Mar-16 Shs'000 Un-audited	BANK 30-Jun-16 Shs'000 Un-audited	Shs'000	GROUP 31-Dec-15 Shs'000 Audited	Shs'000			BANK 30-Jun-15 Shs'000	BANK 31-Dec-15 Shs'000	BANK 31-Mar-16 Shs'000	BANK 30-Jun-16 Shs'000
1 Cash (both Local & Foreign)	2760163	3,350,178	3,352,781	2,944,010	3,045,307	3,668,583	3,696,472	3,293,535		Un-audited	Audited	Un-audited	Un-audited
2 Balances due from Central Bank of Kenya	2,768,162 12.527.082	12,769,536		7,840,851	12,527,082	12,769,536	4,763,006		1 Non-performing loans and advances				
3 Kenya Government and other securities held for dealing purposes	12,327,002	12,709,550	4,763,006	7,040,031	12,327,002	12,769,336	4,763,006	7,040,031		6 707 675	11 762 (00	16 070 027	27.702.107
4 Financial Assets at fair value through profit and loss	_	_	_	_	_	_	_	_	a Gross non-performing loans and advances b Less: Interest in suspense	6,793,635 308.548	11,762,498 1,798,814	16,978,927 1,895,355	27,302,184 2,466,080
5 Investment Securities:(a+b)	30,312,373	27.315.111	28,630,502	28.199.452	30.312.373	27.315.111	28.630.502	28,199,452					
a) Held to Maturity:(i+ii)	25,859,644	27,315,111	28,630,502	28,199,452	25,859,644		28,630,502		t Total Non-performing loans and davances (a-b)	6,485,087	9,963,684	15,083,572	24,836,104
i. Kenya Government securities	25.676.892	27,083,464	28,402,429	27,976,472		27,083,464			g 255, 254, 1655, 1645, 1615	729,285	3,238,707	3,946,004	4,931,989
ii. Other securities	182,752	231,647	228,073	222,980	182,752	231,647	228,073		e Net NPLs exposure (c-d)	5,755,802	6,724,977	11,137,568	19,904,115
b) Available for sale:(i+ii)	4,452,729			-	4,452,729				f Discounted Value of Securities	5,755,802	6,724,977	11,137,568	19,904,115
i. Kenya Government securities	4,452,729	-	_	_	4,452,729			_	g Net NPLs exposure (e-f)	-	_	-	_
ii. Other securities	-, .52,,23	_	_	_		_	_	_	2 Insider loans and Advances				
6 Deposits and balances due from local banking institutions	104,009	3,658,835	1,409,962	120,871	104,009	3,658,835	1,409,962			58.935	100,955	104,165	7,380
7 Deposits and balances due from banking institutions abroad	388.864	598,211	816,742	132,335	388,864	598,211	816,742	132,335		5,451,918	4,893,563	4,709,121	4,380,494
8 Tax recoverable	-	510,846		385,168	-	505,652	380,823			5,510,853	4,994,518	4,813,286	4,387,874
9 Loans and advances to customers (net)	71.435.361	67,803,990		64,782,208	71.435.361			64,782,208			1,00 1,010	1,010,000	1,001,011
10 Balances due from banking institutions in the group	-	_	,,		-	-			a Letters of credit, guarantees and acceptances	5,587,834	8,842,431	7,330,618	5,510,676
11 Investments in associates	_	_	_	_	_	_	_	_	b Forwards, swaps and options	1,212,219	768,085	114,853	1,427,223
12 Investments in subsidiary companies	19,963	19,963	19,963	19,963	19,963	19,963	19,963			-		,000	- 1, 127,223
13 Investments in joint ventures	15,505	15,505	15,505	15,505	15,505	13,303	15,505		d Total contingent liabilities	6,800,053	9,610,516	7,445,471	6,937,899
14 Investment properties	_	_	_	_	_	_	_	_	4 Capital Strength		.,,	.,,	-,,
15 Property and equipment	4,050,590	4,187,457	4,227,059	4,262,661	4,051,640	4,188,468	4,228,065	4,263,591	a Core capital	11,211,302	9,784,463	10,129,844	10,206,167
16 Prepaid lease rentals	416		- 1,227,033	- 1,202,001	416		1,220,003		b Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
17 Intangible assets	717,295	1,399,085	1,420,533	1,409,742	717,761	1,399,365	1,420,688			10,211,302	8,784,463	9,129,844	9,206,167
18 Deferred tax asset	-	482,668	482,668	482,668	94	483,299	483,299			719,173	746,845	563,611	479,539
19 Retirement benefit asset	=	-	-	-	-	-			e Total capital (a+d)	11,930,475	10,531,308	10,693,455	10,685,706
20 Other assets	1,819,995	3,199,155	3,410,331	5,577,794		3,029,303				80,636,882	75,266,075	81,793,696	81,251,397
21 TOTAL ASSETS	124,144,110	125,295,035	115,220,642	116,157,723	124,427,662	125,440,316	115,575,086	116,522,007	g Core capital/total deposit liabilities	11.5%	8.8%	10.1%	10.7%
B LIABILITIES									h Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%
22 Balances due to Central Bank of Kenya	-	-	-	5,951,750	-	-	-	5,951,750	I Excess/(Deficiency) (g-h)	3.5%	0.8%	2.1%	2.7%
23 Customer deposits	97,151,395	110,622,469	99,444,269	95,569,118	97,151,395	110,622,469	99,444,269	95,569,118	j Core capital/total risk weighted assets	13.9%	13.0%	12.4%	12.6%
24 Deposits and balances due to local banking institutions	9,961,122	2,343,245	3,157,167	15,518	9,961,122	2,343,245	3,157,167	15,518	k Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
25 Deposits and balances due to foreign banking institutions	-	-	-	-	=	-	-	-	Excess/(Deficiency) (j-k)	3,4%	2.5%	1.9%	2.1%
26 Other money market deposits	-	-	-	-	-	-	-	-	m Total capital/total risk weighted assets	14.8%	14.0%	13.1%	13.2%
27 Borrowed funds	21.076	21.076	21.076	21.076	21.076	21.076	21.076	21.076	· · · · · · · · · · · · · · · · · · ·	14.5%	14.5%	14.5%	14.5%
28 Balances due to banking institutions in the group	21,976	21,976	21,976	21,976	21,976 376,716	21,976	21,976	21,976	o Excess/(Deficiency)(m-n)	0.3%	(0.5%)	(1,4%)	(1.3%)
29 Tax payable	373,360		20.011	20.007		29.826	20.011	29,807	5 Liquidity	0.070	(0.570)	(11110)	(11575)
30 Dividends payable	6,353	29,826	29,811	29,807	6,353 25,460	29,826	29,811	29,807	a Liquidity Ratio	25.8%	30.7%	26.9%	25.7%
31 Deferred tax liability 33 Definement hangital liability	25,460	-	-	_	25,460	-	_	-	b Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
32 Retirement benefit liability 33 Other liabilities	3,488,435	1,363,897	1.329.502	3,347,136	3.631.895	1,369,251	1.533.738	3.568.995	c Excess/(Deficiency)(a-b)	5.8%	10.7%	6.9%	5.7%
34 TOTAL LIABILITIES				104,935,305		114,386,767							
C SHAREHOLDERS' FUNDS	111,028,101	114,301,413	103,362,723	104,933,303	111,174,517	114,300,707	104,100,501	105,157,164	<u> </u>				
35 Paid up /Assigned capital	7,214,976	7,214,976	7,214,976	7,214,976	7,214,976	7 21/, 976	7,214,976	7,214,976	DIVIDENDS				
36 Share premium/(discount)	7,214,970	7,214,970	7,214,976	7,214,376	7,214,370	7,214,970	7,214,970	7,214,370	DIVIDENDS				
37 Revaluation reserves	519,601	509,752	509,752	509,752	519,601	509,752	509,752	509,752	The directors do not recommend the payment of an interim di	vidend			
38 Retained earnings/Accumulated losses	4,815,729	2,569,487	3,077,016	3,145,589	4,952,465	2,709,414	3,227,224		2 2 as not recommend the paymont of difficulties of				
39 Statutory loan loss reserves	589,273	619,407	436,173	352,101	589,273	619,407	436,173		APPROVAL				
40 Other Reserves	(23,570)	017,407	30,1/3	332,101	(23,570)	013,407	-10,1/3	332,101					
41 Proposed dividends	(23,370)	_	]	_	(23,370)	_	]		The un-audited financial statements are extracts of the financ	ial statements and r	ecords of the B	ank which were	e approved by th
·									Board of Directors on 10 August 2016. The complete set of qu		atements, stati	utory and quali	itative disclosure
42 Capital grants	-	40.047.655				44 000 01 0		44 841 611	can be accessed on the Bank's website www.nationalbank.co.l	e.			
43 TOTAL SHAREHOLDERS' FUNDS 44 TOTAL LIABILITIES & SHAREHOLDERS' FUNDS			11,237,917										
44 IUIAL LIADILITES & SHAKEHULDEKS FUNDS	124,144,110	123,295,035	115,220,642	116,157,723	124,427,662	123,440,376	115,575,086	116,522,007	M.A. Hassan - Chairman				

II.	STATEMENT OF COMPREHENSIVE INCOME for the period ended 30 June 2016	BANK 30-Jun-15	BANK 31-Dec-15	BANK 31-Mar-16	BANK 30-Jun-16	GROUP 30-Jun-15	GROUP 31-Dec-15	GROUP 31-Mar-16	GROU 30-Jun-1
		Shs'000 Un-audited	Shs'000 Audited	Shs'000 Un-audited	Shs'000 Un-gudited	Shs'000 Un-gudited	Shs'000 Audited	Shs'000 Un-gudited	Shs'00 Un-audite
	Interest Income								
1.1	Loans and advances	4,605,358	8,934,150	2,715,453	5,454,979	4,605,358	8,934,150	2,715,453	5,454,97
1.2	Government securities	1,706,156	3,201,903	768,805	1,472,037	1,706,156	3,201,903	768,805	1,472,03
1.3	Deposits and placements with banking institutions	103,057	112,150	38,019	44,211	103,057	112,150	38,019	44,2
1.4	Other Interest Income		-	-			-		
1.5	TOTAL INTEREST INCOME	6,414,571	12,248,203	3,522,277	6,971,227	6,414,571	12,248,203	3,522,277	6,971,22
2	Interest Expense								
.1	Customer deposits	2,366,761	5,128,954	1,205,378	1,969,748	2,366,761	5,112,772	1,205,378	1,969,74
2.2	Deposits and placements from banking institutions	244,474	726,460	39,658	340,231	244,474	726,460	39,658	340,2
2.3	Other interest expenses	6,616	11,432	4,539	224,607	6,616	11,432	4,539	224,60
2.4	TOTAL INTEREST EXPENSES	2,617,851	5,866,846	1,249,575	2,534,586	2,617,851	5,850,664	1,249,575	2,534,58
5	NET INTEREST INCOME	3,796,720	6,381,357	2,272,702	4,436,641	3,796,720	6,397,539	2,272,702	4,436,6
٠	Non-Interest Income								
٠.1	Fees and commissions on loans and advances	215,487	307,622	57,054	74,005	215,487	382,145	57,054	74,0
+.2	Other fees and commissions	830,900	1,744,555	350,745	716,129	830,900	1,744,555	388,043	764,8° 196,9
+.3	Foreign exchange trading income (loss)	252,604	564,754	98,417	196,945	252,604	564,754	98,417	196,94
.4	Dividend Income	-	1,247	400.740	-	-	1,247		
⊦.5 <b>⊦.6</b>	Other Income TOTAL NON-INTEREST INCOME	998,505 <b>2,297,496</b>	464,853 <b>3,083,031</b>	192,318 <b>698,534</b>	331,392 <b>1,318,471</b>	1,060,041 <b>2,359,032</b>	464,853 <b>3,157,554</b>	192,318 <b>735,832</b>	331,3°
;	TOTAL OPERATING INCOME	6,094,216	9,464,388	2,971,236	5,755,112	6,155,752	9,555,093	3,008,534	5,803,8
,	Other Operating Expenses	0,03-1,210	5,404,500	2,571,250	3,733,112	0,133,732	5,555,655	3,000,334	3,003,0
5.1	Loan loss provision	332,779	3,719,128	696,923	1,617,029	332,779	3,719,128	696,923	1,617,0
5.2	Staff costs	1,806,054	3,587,995	875,719	1,773,900	1,826,438	3,620,758	880,025	1,781,4
5.3	Directors' emoluments	9,526	24,875	4,576	20,303	9,526	24,875	4,576	20,3
5.4	Rental charges	147,969	317,289	83,786	193,794	147,994	317,289	83,786	193,79
5.5	Depreciation charge on property and equipment	166,549	337,081	92,388	189,908	166,691	337,366	92,464	190,0
5.6	Amortisation charges	152,670	319,696	95,571	194,268	152,856	320,069	95,664	194,4
6.7	Other operating expenses	1,034,083	2,842,722	658,993	1,331,436	1,037,004	2,853,593	677,129	1,368,30
5.8			11,148,786	2,507,956	5,320,638		11,193,078		5,365,40
			( <b>)</b>				<i>(</i>		
,	PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	2,444,586	(1,684,398)	463,280	434,474	2,482,464	(1,637,985)	477,967	438,4
3 9	Exceptional items			-			· · · · · · · · · · · · ·		
	Profit after exceptional items		(1,684,398)	463,280	434,474		(1,637,985)	477,967	438,4
0	Current tax	(739,077)	501,104	(138,985)	(125,678)	(750,440)	484,508	(143,391)	(127,15
1	Deferred tax			-		-			
2	Profit after tax and exceptional items	1,705,509	(1,183,294)	324,295	308,796	1,732,024	(1,153,477)	334,576	311,29
3.1	<b>OTHER COMPREHENSIVE INCOME</b> Gains/(Losses) from translating the financial statements of	_	_	_		_	_		
١.٠	foreign operations								
	En la	(/OFC7)	(16,997)			(40,567)	(16,997)		
13.2	Fair value changes in available for sale financial assets	(40,567)	(16,997)			(40,507)	(10,557)		
	Revaluation surplus on Property,plant and equipment	(40,567)	(16,997)	-	-	(40,507)	(10,557)	-	

(40,567) (16,997)

Shs 5.54 Shs (3.96)

14 Other Comprehensive Income for the year net of tax 15 TOTAL COMPREHENSIVE INCOME FOR THE YEAR

16 EARNINGS PER SHARE - basic and diluted

(40,567) (16,997)

Shs 5.62 Shs (3.86) Shs 1.09

1,664,942 (1,200,291) 324,295 308,796 1,691,457 (1,170,474) 334,576 311,294

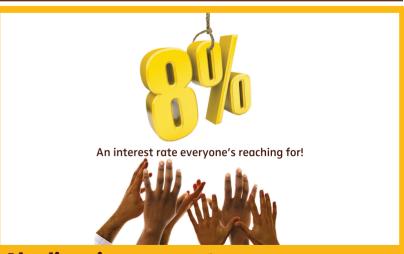
Shs 1.00

Shs 1.05

M.A. Hassan - Chairman
Wilfred Musau - Ag. Managing Director & CEO
Habil Waswani - Company Secretary

## REGISTERED OFFICE

REGISTERED OFFICE
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