



**QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 31<sup>ST</sup> MARCH 2016**

	Bank			Group		
	31st Mar 2015 Unaudited Shs '000'	31st Dec 2015 Audited Shs '000'	31st Mar 2016 Unaudited Shs '000'	31st Mar 2015 Unaudited Shs '000'	31st Dec 2015 Audited Shs '000'	31st Mar 2016 Unaudited Shs '000'
<b>I BALANCE SHEET</b>						
<b>A ASSETS</b>						
1 Cash (both Local & Foreign)	172,123	181,083	176,534	198,790	224,355	221,456
2 Balances due from Central Bank of Kenya	692,915	903,947	1,192,352	744,289	1,006,547	1,307,144
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:	4,346,728	3,398,545	2,900,091	4,922,935	3,848,018	3,297,451
a. Kenya Government securities	4,102,526	3,241,430	2,900,091	4,102,526	3,241,430	2,900,091
b. Other securities	244,202	157,115	-	820,409	606,588	397,360
b) Available for sale:	829,158	499,621	480,881	829,158	499,621	480,881
a. Kenya Government securities	829,158	499,621	480,881	829,158	499,621	480,881
b. Other securities	-	-	-	-	-	-
6 Deposits and balances due from local banking institutions	80,977	91,784	82,963	90,187	98,937	95,333
7 Deposits and balances due from banking institutions abroad	198,098	31,481	145,324	349,055	343,715	480,108
8 Tax recoverable	80,302	20,655	20,655	94,354	35,038	34,777
9 Loans and advances to customers (net)	12,945,731	14,828,522	14,062,190	13,501,549	15,292,071	14,518,774
10 Balances due from banking institutions in the group	10,579	11,479	12,112	-	-	-
11 Investments in associates	-	-	-	-	-	-
12 Investments in subsidiary companies	885,405	885,405	885,405	-	-	-
13 Investments in joint ventures	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-
15 Property and equipment	525,726	498,770	527,216	564,607	532,416	558,792
16 Prepaid lease rentals	-	-	-	-	-	-
17 Intangible assets	138,636	132,362	128,134	139,022	132,719	128,385
18 Deferred tax asset	31,501	25,440	25,440	33,125	29,943	30,046
19 Retirement benefit asset	-	-	-	-	-	-
20 Other assets	869,986	549,203	1,088,356	976,146	574,364	1,138,960
<b>21 TOTAL ASSETS</b>	<b>21,807,865</b>	<b>22,058,297</b>	<b>21,727,653</b>	<b>22,443,217</b>	<b>22,617,744</b>	<b>22,292,107</b>
<b>B LIABILITIES</b>						
22 Balances due to Central Bank of Kenya	-	1,098,624	838,402	-	1,098,624	838,402
23 Customer deposits	16,451,190	15,774,465	15,995,342	16,816,733	16,300,473	16,485,489
24 Deposits and balances due to local banking institutions	510,117	370,229	101,449	510,117	370,229	101,449
25 Deposits and balances due to foreign banking institutions	148,423	184,213	196,942	148,423	-	24,387
26 Other money market deposits	-	-	-	-	-	-
27 Borrowed funds	1,494,354	1,404,578	1,350,014	1,494,354	1,404,578	1,350,014
28 Balances due to banking institutions in the group	-	-	-	-	-	-
29 Tax payable	32,790	-	33,520	36,427	-	38,068
30 Dividends payable	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-	-
33 Other liabilities	482,118	389,580	315,394	569,343	413,454	368,767
<b>34 TOTAL LIABILITIES</b>	<b>19,118,992</b>	<b>19,221,689</b>	<b>18,831,063</b>	<b>19,575,397</b>	<b>19,587,358</b>	<b>19,206,576</b>
<b>C SHAREHOLDERS' FUNDS</b>						
35 Paid up /Assigned capital	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000
36 Share premium/(discount)	-	-	-	-	-	-
37 Revaluation reserves	(18,436)	(60,908)	(79,139)	(122,011)	(136,555)	(154,786)
38 Retained earnings/Accumulated losses	1,557,100	1,733,365	1,811,578	1,561,652	1,742,052	1,822,733
39 Statutory loan loss reserves	100,209	114,151	114,151	105,767	120,957	118,717
40 Other Reserves	-	-	-	(11,183)	(30,322)	(38,260)
41 Proposed dividends	-	-	-	-	-	-
42 Capital grants	-	-	-	-	-	-
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>2,688,873</b>	<b>2,836,608</b>	<b>2,896,590</b>	<b>2,584,225</b>	<b>2,746,132</b>	<b>2,798,404</b>
44 Minority Interest	-	-	-	383,595	284,254	287,127
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>21,807,865</b>	<b>22,058,297</b>	<b>21,727,653</b>	<b>22,443,217</b>	<b>22,617,744</b>	<b>22,292,107</b>
<b>II PROFIT AND LOSS ACCOUNT</b>						
<b>1.0 INTEREST INCOME</b>						
1.1 Loans and advances	519,024	2,287,672	663,732	545,454	2,396,824	688,123
1.2 Government securities	121,035	470,251	104,021	136,860	527,048	115,128
1.3 Deposits and placements with banking institutions	1,139	3,706	11	3,349	25,030	13,972
1.4 Other Interest Income	7,085	25,699	2,610	7,085	25,699	2,625
<b>1.5 Total Interest Income</b>	<b>648,283</b>	<b>2,787,328</b>	<b>770,374</b>	<b>692,748</b>	<b>2,974,601</b>	<b>819,848</b>
<b>2.0 INTEREST EXPENSE</b>						
2.1 Customer deposits	293,129	1,323,055	454,705	297,777	1,344,269	459,880
2.2 Deposits and placement from banking institutions	6,378	97,941	32,881	7,038	94,399	32,701
2.3 Other interest expenses	41,322	164,051	38,028	41,322	164,051	38,028
<b>2.4 Total Interest Expenses</b>	<b>340,829</b>	<b>1,585,047</b>	<b>525,614</b>	<b>346,137</b>	<b>1,602,719</b>	<b>530,609</b>
<b>3.0 NET INTEREST INCOME/(LOSS)</b>	<b>307,454</b>	<b>1,202,281</b>	<b>244,760</b>	<b>346,611</b>	<b>1,371,882</b>	<b>289,239</b>
<b>4.0 NON-INTEREST INCOME</b>						
4.1 Fees and commissions on loans and advances	15,043	166,062	42,128	16,412	168,798	44,013
4.2 Other fees and commissions	51,953	155,333	34,102	63,830	186,819	41,037
4.3 Foreign exchange trading income/(Loss)	25,414	60,245	33,925	27,028	64,225	35,110
4.4 Dividend Income	-	-	-	-	-	-
4.5 Other Income	1,601	8,781	(1,681)	5,247	43,080	2,006
<b>4.6 Total Non-interest income</b>	<b>94,011</b>	<b>390,421</b>	<b>108,474</b>	<b>112,517</b>	<b>462,922</b>	<b>122,166</b>
<b>5.0 TOTAL OPERATING INCOME</b>	<b>401,465</b>	<b>1,592,702</b>	<b>353,234</b>	<b>459,128</b>	<b>1,834,804</b>	<b>411,405</b>
<b>6.0 OTHER OPERATING EXPENSES</b>						
6.1 Loan loss provision	10,000	77,742	11,200	12,639	88,088	12,154
6.2 Staff costs	142,072	585,803	149,619	164,986	685,120	175,256
6.3 Directors' emoluments	13,359	58,188	14,365	13,359	59,770	14,428
6.4 Rental charges	15,033	69,172	16,793	21,098	94,398	23,956
6.5 Depreciation charge on property and equipment	17,832	62,018	13,888	19,777	69,970	15,740
6.6 Amortisation charges	2,617	16,258	4,227	2,706	16,650	4,331
6.7 Other operating expenses	91,252	368,095	31,409	107,845	432,409	48,023
<b>6.8 Total Other Operating Expenses</b>	<b>292,165</b>	<b>1,237,276</b>	<b>241,501</b>	<b>342,410</b>	<b>1,446,405</b>	<b>291,888</b>
<b>7.0 Profit/(Loss) Before Tax and Exceptional Items</b>	<b>109,300</b>	<b>355,426</b>	<b>111,733</b>	<b>116,718</b>	<b>388,399</b>	<b>119,517</b>
8.0 Exceptional Items	-	-	-	-	-	-
<b>9.0 Profit/(Loss) After Exceptional Items</b>	<b>109,300</b>	<b>355,426</b>	<b>111,733</b>	<b>116,718</b>	<b>388,399</b>	<b>119,517</b>
10.0 Current Tax	32,790	82,547	33,520	34,682	95,633	35,963
11.0 Deferred Tax	-	6,161	-	-	2,847	-
<b>12.0 Profit/(Loss) After Tax and Exceptional Items</b>	<b>76,510</b>	<b>266,718</b>	<b>78,213</b>	<b>82,036</b>	<b>289,919</b>	<b>83,554</b>
13.0 Minority Interest	-	-	-	2,512	10,357	2,873
<b>14.0 Profit/(loss) after tax, exceptional items and Minority Interest</b>	<b>76,510</b>	<b>266,718</b>	<b>78,213</b>	<b>79,524</b>	<b>279,562</b>	<b>80,681</b>
<b>15.0 Other Comprehensive Income</b>						
Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-	-
15.1 operations	-	-	-	-	-	-
15.2 Fair value changes in available for sale financial assets	(10,188)	(52,660)	(18,231)	(18,242)	(76,917)	(7,874)
15.3 revaluation surplus on Property, plant and equipment	-	-	-	-	(30,347)	(18,231)
15.4 Share of other comprehensive income of associates	-	-	-	-	-	-
15.5 Income tax relating to components of other comprehensive income	-	-	-	-	-	-
<b>16.0 Other Comprehensive Income for the year net of tax</b>	<b>(10,188)</b>	<b>(52,660)</b>	<b>(18,231)</b>	<b>(28,430)</b>	<b>(107,264)</b>	<b>(26,105)</b>
<b>17.0 Total comprehensive income for the year</b>	<b>66,322</b>	<b>214,058</b>	<b>59,982</b>	<b>53,606</b>	<b>182,655</b>	<b>57,449</b>
<b>18.0 EARNINGS PER SHARE- BASIC &amp; DILUTED</b>	<b>0.73</b>	<b>2.54</b>	<b>0.74</b>	<b>0.78</b>	<b>2.66</b>	<b>0.80</b>
<b>19.0 DIVIDEND PER SHARE -DECLARED</b>						
<b>III OTHER DISCLOSURES</b>						
<b>1.0 NON-PERFORMING LOANS AND ADVANCES</b>						
(a) Gross Non-performing loans and advances	1,356,464	2,676,858	2,803,218	1,362,739	2,694,737	2,824,209
(b) Less: Interest in Suspense	337,536	513,773	530,130	337,987	514,280	531,719
<b>(c) Total Non-Performing Loans and Advances (a-b)</b>	<b>1,018,928</b>	<b>2,163,085</b>	<b>2,273,088</b>	<b>1,024,752</b>	<b>2,180,457</b>	<b>2,292,490</b>
(d) Less: Loan Loss Provision	181,094	195,996	195,304	183,663	202,720	201,422
<b>(e) Net Non-Performing Loans and Advances (c-d)</b>	<b>837,834</b>	<b>1,967,089</b>	<b>2,077,784</b>	<b>841,089</b>	<b>1,977,737</b>	<b>2,091,068</b>
(f) Discounted Value of Securities	837,834	1,967,089	2,077,784	841,089	1,977,737	2,091,068
<b>(g) Net NPLs Exposure (e-f)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2.0 INSIDER LOANS AND ADVANCES</b>						
(a) Directors, Shareholders and Associates	202,932	207,629	233,198	202,932	208,312	233,963
(b) Employees	244,891	362,059	388,362	244,891	362,742	389,127
<b>(c) Total Insider Loans and Advances and other facilities</b>	<b>447,823</b>	<b>569,688</b>	<b>621,560</b>	<b>447,823</b>	<b>571,054</b>	<b>623,090</b>
<b>3.0 OFF-BALANCE SHEET ITEMS</b>						
(a) Letters of credit, guarantees, acceptances	2,331,539	901,587	858,040	2,389,885	1,126,545	1,034,541
(b) Forwards, swaps and options	2,539,663	1,181,087	1,114,305	2,539,663	1,181,087	1,114,305
(c) Other contingent liabilities	290,576	56,414	99,910	290,576	56,414	99,910
<b>(d) Total Contingent Liabilities</b>	<b>5,161,778</b>	<b>2,139,088</b>	<b>2,072,255</b>	<b>5,220,124</b>	<b>2,364,046</b>	<b>2,248,756</b>
<b>4.0 CAPITAL STRENGTH</b>						
(a) Core capital	1,966,132	2,180,988	2,220,095	-	-	-
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	-	-	-
(c) Excess/(Deficiency) (a-b)	966,132	1,180,988	1,220,095	-	-	-
(d) Supplementary Capital	967,987	930,818	780,818	-	-	-
<b>(e) Total Capital (a+d)</b>	<b>2,934,119</b>	<b>3,011,806</b>	<b>3,000,913</b>	<b>-</b>	<b>-</b>	<b>-</b>
(f) Total risk weighted assets	18,373,684	18,304,295	18,423,018	-	-	-
<b>(g) Core Capital/Total deposits Liabilities</b>	<b>12.0%</b>	<b>13.8%</b>	<b>13.8%</b>	<b>12.0%</b>	<b>13.9%</b>	<b>13.9%</b>
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	-	-	-
(i) Excess/(Deficiency) (g-h)	4.0%	5.8%	5.9%	-	-	-
<b>(j) Core Capital / total risk weighted assets</b>	<b>10.7%</b>	<b>11.9%</b>	<b>12.1%</b>	<b>10.7%</b>	<b>12.1%</b>	<b>12.1%</b>
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	-	-	-
(l) Excess (Deficiency) (j-k)	0.2%	1.4%	1.6%	-	-	-
<b>(m) Total Capital/total risk weighted assets</b>	<b>16.0%</b>	<b>16.5%</b>	<b>16.3%</b>	<b>16.0%</b>	<b>16.5%</b>	<b>16.3%</b>
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	-	-	-
(o) Excess/(Deficiency) (m-n)	1.5%	2.0%	1.8%	-	-	-
<b>5 LIQUIDITY</b>						
(a) Liquidity Ratio	33%	22%	25%	-	-	-
(b) Minimum Statutory Ratio	20%	20%	20%	-	-	-
(c) Excess (Deficiency) (a-b)	13%	2%	5%	-	-	-

The financial statements are extracts from the books of the institution. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the institution's website www.abcthebank.com. They may also be accessed at the institution's head office located at ABC Bank House, Woodvale Grove, Westlands Nairobi.

**SIGNED**  
SHAMAZ SAVANI  
GROUP MANAGING DIRECTOR

JOSEPH K.MUIRURI  
DIRECTOR