

## AFRICAN BANKING CORPORATION LTD.

P.O. BOX 46452 - 00100, NAIROBI. Tel: (020) 4263000, 2223922, 2251540/1, 2226712 Email: talk2us@abcthebank.com Website: www.abcthebank.com

## UNAUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30<sup>TH</sup> JUNE 2017

DISCLOSURES AS AT 30 <sup>TH</sup> JUNE 2017									
1	STATEMENT OF FINANCIAL POSITION	Bank 30 <sup>th</sup> Jun 2016		Bank 31* Mar 2017		Group 30th Jun 2016		Group 31st Mar 2017	
А	ASSETS	Unaudited Shs '000'	Audited Shs '000'	Unaudited Shs '000'	Unaudited Shs '000'	Unaudited Shs '000'	Audited Shs '000'	Unaudited Shs '000'	Unaudited Shs '000'
1	ASSETS Cash ( both Local & Foreign) Balances due from Central Bank of Kenya	181,507 3,398,270	155,946 1,238,857	186,141 1,304,344	184,184 2,015,560	231,953 3,454,108	204,601 1,301,923	254,718 1,377,968	221,441 2,099,028
3 4	Kenya Government and other securities held for dealing purposes Financial Assets at fair value through profit and loss Investment Securities:	· -	-	-	-	-	-	-	-
	a. Kenya Government securities	2,921,914 2,921,914	2,920,747 2,920,747	2,906,885 2,906,885	2,929,689 2,929,689	3,518,298 2,921,914	3,391,142 2,920,747	3,324,858 2,906,885	3,662,865 2,929,689
	b. Other securities b) Available for sale:	500,375	504,209	- 510,578	- 532,847	596,384 500,375	470,395 504,209	417,973 510,578	733,176 532,847
6	a. Kenya Government securities     b. Other securities Deposits and balances due from local banking institutions	500,375 - 92,138	504,209 - 426,014	510,578 - 371,149	532,847 - 350,301	500,375 - 98,212	504,209 - 432,314	510,578 - 455,181	532,847 - 350,493
7 8	Deposits and balances due from banking institutions abroad Tax recoverable	65,609 20,655	804,091 19,219	565,171 19,219	633,392 19,219	298,766 35,383	978,614 33,717	692,323 33,982	658,462 32,524
10	Loans and advances to customers (net) Balances due from banking institutions in the group Investments in associates	14,096,987 12,370	14,228,599 12,731	13,656,946 12,912	13,560,930 12,985	14,450,667	14,641,988	14,097,299	14,002,752 -
12	Investments in associates Investments in subsidiary companies Investments in joint ventures	885,405 -	885,405	885,405 -	885,405	-	-	-	-
14 15	Investment properties Property and equipment	517,904	515,978	- 512,251	516,610	548,547	546,353	- 542,693	545,318
	Prepaid lease rentals Intangible assets Deferred tax asset	125,286 25,440	122,352 25,084	119,036 25,084	118,386 25,084	125,515 32,563	123,796 31,538	119,818 32,027	- 119,121 34,323
19 20	Retirement benefit asset Other assets	1,195,629	563,119	1,603,414	1,921,342	1,254,025	674,773	1,773,129	2,091,594
В	TOTAL ASSETS LIABILITIES Balances due to Central Bank of Kenya	24,039,489	22,422,351	22,678,535	23,705,934	24,548,412	22,864,968	23,214,574	24,350,768
23	Balances due to Central Bank of Renya Customer deposits Deposits and balances due to local banking institutions	3,326,546 15,891,610	1,392,756 16,078,445	17,686,762 -	18,566,792	3,326,546 16,239,661 84,105	1,392,756 16,573,195 7,603	18,145,638	19,120,110
25 26	Deposits and balances due to foreign banking institutions Other money market deposits	185,080	344,133	330,462	266,582	-	152,240	216,290	142,086
28	Borrowed funds Balances due to banking institutions in the group Tax payable	1,324,988 - 45,744	1,248,742	1,201,280 - 18,428	1,173,143 - 30,713	1,324,988 - 49,813	1,248,742 - -	1,201,280 - 21,112	1,173,143 - 30,713
30 31	Dividends payable Deferred tax liability	+3,/44 - -	-	10,426 - -	-		-	- 21,112	- 30,713
32 33	Retirement benefit liability Other liabilities	321,994 31,095,963	361,512 19 425 599	394,649	571,843	356,876 31 381 888	393,199	487,315 20 071 635	677,719
34 C 35	TOTAL LIABILITIES SHAREHOLDERS' FUNDS Paid up /Assigned capital	<b>21,095,962</b> 1,050,000	1 <b>9,425,588</b> 1,050,000	1 <b>9,631,581</b> 1,050,000	<b>20,609,073</b> 1,050,000	<b>21,381,989</b> 1,050,000	1 <b>9,767,735</b> 1,050,000	<b>20,071,635</b> 1,050,000	<b>21,143,771</b> 1,050,000
36 37	Share premium/(discount) Revaluation reserves	(60,727)	(58,014)	(50,820)	(29,583)	(136,374)	(159,156)	- (162,112)	(116,375)
	Retained earnings/Accumulated losses Statutory loan loss reserves Other Reserves	1,840,103 114,151	1,920,510 84,267	1,963,507 84,267	1,992,176 84,268	1,858,333 117,687 (15,261)	1,938,517 84,770 (82,517)	1,979,291 84,267 (75,170)	2,000,155 84,268 (75,170)
41 42	Proposed dividends Capital grants	-	-	-	-	-	-	-	
	TOTAL SHAREHOLDERS' FUNDS Minority Interest TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	2,943,527 - <b>24,039,489</b>	2,996,763 - <b>22,422,351</b>	3,046,954 - <b>22,678,535</b>	3,096,861 - <b>23,705,934</b>	2,874,385 292,038 <b>24,548,412</b>	2,831,614 265,619 <b>22,864,968</b>	2,876,276 266,663 <b>23,214,574</b>	2,942,878 264,119 <b>24,350,768</b>
ш	STATEMENT OF COMPREHENSIVE INCOME	24,039,489	22,422,351	22,678,535	23,705,934	24,548,412	22,864,968	23,214,574	24,350,768
1.1	INTEREST INCOME Loans and advances Government securities	1,393,628	2,620,574	501,191 96,832	1,017,216	1,441,394 228,009	2,715,634	524,920 110,747	1,066,752 218,777
1.3	Covernment securities Deposits and placements with banking institutions Other Interest Income	202,338 31 2,610	392,726 6,238 2,610	10,483	195,149 15,986	23,423 3,820	446,295 47,319 2,923	8,711 301	24,351 -
1.5 2.0	Total interest income INTEREST EXPENSE	1,598,607	3,022,148	608,506	1,228,351	1,696,646	3,212,171	644,679	1,309,880
2.1 2.2 2.3	Customer deposits Deposits and placement from banking institutions Other interest expenses	843,590 111,468 76,180	1,689,614 189,821 150,284	362,061 30,830 36,954	748,314 32,888 71,464	854,426 106,843 76,180	1,712,712 182,777 150,284	369,068 22,061 36,954	763,287 24,662 71,464
2.4 3.0	Total interest expenses NET INTEREST INCOME/(LOSS)	1,031,238 567,369	2,029,719 992,429	429,845 178,661	852,666 375,685	1,037,449 659,197	2,045,773 1,166,398	428,083 216,596	859,413 450,467
4.1	NON-INTEREST INCOME  Fees and commissions on loans and advances  Other fees and commissions	61,266 92,166	225,455 203,470	94,430 30,332	145,358 133,749	64,777 105,946	232,536 225,911	96,197 37,883	150,696 149,910
4.3	Other lees and commissions Foreign exchange trading income/(Loss) Dividend Income	39,326 27	81,837	21,091	30,854 41	41,534 27	86,425	22,656	33,583 41
4.6	Other income Total Non-interest income	(6,090) <b>186,695</b>	13,839 <b>524,601</b>	117 <b>145,970</b>	234 <b>310,236</b>	7,029 <b>219,313</b>	37,599 <b>582,471</b>	6,218 <b>162,954</b>	11,654 <b>345,884</b>
6.0	TOTAL OPERATING INCOME OTHER OPERATING EXPENSES Loan loss provision	<b>754,064</b> 82,351	<b>1,517,030</b> 102,477	<b>324,631</b> 11,020	<b>685,921</b> 70,393	<b>878,510</b> 84,660	1,748,869 108,348	<b>379,550</b> 13,282	<b>796,351</b> 78,474
6.2 6.3	Staff costs Directors' emoluments	309,572 28,025	656,733 64,457	159,962 14,864	323,281 36,613	360,170 28,155	752,972 69,445	185,013 15,411	374,694 38,367
6.5	Rental charges Depreciation charge on property and equipment Amortisation charges	32,949 27,269 8,454	70,431 54,821 16,631	19,288 14,811 4,302	34,765 29,190 8,591	47,700 31,144 8,580	98,259 62,327 16,812	27,672 16,794 4,345	51,552 34,335 8,677
6.7 <b>6.8</b>	Other operating expenses Total Other Operating Expenses	112,962 <b>601,582</b>	329,592 <b>1,295,142</b>	38,959 <b>263,206</b>	80,709 <b>583,542</b>	144,141 <b>704,550</b>	396,986 <b>1,505,149</b>	53,180 <b>315,697</b>	117,530 <b>703,629</b>
8.0	Profit/(loss) Before Tax and Exceptional Items Exceptional Items	152,482	221,888	61,425	102,379	173,960	243,720	63,853	92,722
10.0	Profit/(Loss) After Exceptional Items Current Tax Deferred Tax	152,482 45,744	221,888 64,271 356	61,425 18,428	102,379 30,713	173,960 49,895	243,720 75,856 304	63,853 22,035	92,722 32,584
<b>12.0</b> 13.0	Profit/(Loss) After Tax and Exceptional Items Minority Interest	106,738	157,261	42,997	71,666	<b>124,065</b> 7,784	<b>167,560</b> 7,282	<b>41,818</b> 1,044	<b>60,138</b> (1,500)
15.0	Profit/(loss) after tax, exceptional items and Minority Interest Other Comprehensive Income Gains/(Losses) from translating the financial statements of foreign operations	106,738	157,261	42,997	71,666	<b>116,281</b> 15,061	<b>160,278</b> (76,220)	<b>40,774</b> 7,347	<b>61,638</b> 7,358
15.2 15.3	Fair value changes in available for sale financial assets Revaluation surplus on Property, plant and equipment	181	2,894	7,194 -	28,431	181	(24,493)	7,194 7,194	28,431 -
15.4 15.5	Share of other comprehensive income of associates Income tax relating to components of other comprehensive income	-		7107		15 242	- (100 717)	- - 14 F41	- - 75 700
17.0 18.0	Other Comprehensive Income for the year net of tax Total comprehensive income for the year EARNINGS PER SHARE- BASIC & DILUTED	181 106,919 1.02	2,894 160,155 1.50	7,194 50,191 0.41	28,431 100,097 0.68	15,242 139,307 1.18	(100,713) 66,847 1.53	14,541 56,359 0.40	35,789 95,927 0.57
19.0	DIVIDEND PER SHARE -DECLARED OTHER DISCLOSURES								
	NON-PERFORMING LOANS AND ADVANCES (a) Gross Non-performing loans and advances	2,821,502	2,840,434	2,914,586	3,243,135	2,839,822	2,851,350	2,933,430	3,265,049
	(b) Less: Interest in Suspense (c)Total Non-Performing Loans and Advances (a-b)	554,838 <b>2,266,664</b>	557,552 <b>2,282,882</b>	581,889 <b>2,332,697</b>	601,122 <b>2,642,013</b>	555,799 <b>2,284,023</b>	558,406 <b>2,292,944</b>	582,940 <b>2,350,490</b>	602,725 <b>2,662,324</b>
	(d) Less: Loan Loss Provision (e) Net Non-Performing Loans and Advances(c-d) (f) Discounted Value of Securities	215,681 <b>2,050,983</b> 2,050,983	235,850 <b>2,047,032</b> 1,980,973	243,770 <b>2,088,927</b> 1,998,586	308,913 <b>2,333,100</b> 2,235,223	221,116 <b>2,062,907</b> 2,062,907	238,079 <b>2,054,865</b> 1,988,806	246,133 <b>2,104,357</b> 2,014,016	317,180 <b>2,345,144</b> 2,247,267
2.0	(g) Net NPLs Exposure (e-f) INSIDER LOANS AND ADVANCES	-	66,059	90,341	97,877	-	66,059	90,341	97,877
	(a) Directors, Shareholders and Associates (b) Employees (c)Total Insider Loans and Advances and other facilities	230,662 423,013 <b>653,675</b>	210,750 484,996 <b>695,746</b>	249,198 495,872 <b>745,070</b>	241,992 511,498 <b>753,490</b>	230,934 423,285 <b>654,219</b>	211,389 485,635 <b>697,024</b>	249,557 496,231 <b>745,788</b>	242,258 511,764 <b>754,022</b>
3.0	OFF-BALANCE SHEET ITEMS (a)Letters of credit, guarantees, acceptances	1,101,167	1,136,405	1,024,108	1,861,475	1,230,001	1,238,008	1,135,849	2,033,663
	(b) Forwards, swaps and options (c)Other contingent liabilities	952,935 13,631	205,000 20,958	- 69,407	104,600 9,445	952,935 13,631	205,000 20,958	- 69,407	104,600 9,445
4.0	(d)Total Contingent Liabilities CAPITAL STRENGTH (a)Core capital	<b>2,067,733</b> 2,234,357	1,362,363 2,368,133	1,093,515 2,389,632	1,975,520 2,403,966	2,196,567	1,463,966	1,205,256	2,147,708
	(b) Minimum Statutory Capital (c)Excess/(Dificiency)(a-b)	1,000,000 1,234,357	1,000,000 1,368,133	1,000,000 1,389,632	1,000,000 1,403,966				
	(d) Supplementary Capital (e) Total Capital (a+d) (f)Total risk weighted assets	730,818 <b>2,965,175</b> 18,717,659	600,934 <b>2,969,067</b> 18,530,459	550,934 <b>2,940,566</b> 18,800,765	500,935 <b>2,904,901</b> 19 135 556				
	(g) Core Capital/Total deposits Liabilities (h) Minimum statutory Ratio	18,717,659 <b>14.1%</b> 8.0%	18,530,459 <b>14.7%</b> 8.0%	18,800,765 <b>13.5%</b> 8.0%	19,135,556 <b>12.9%</b> 8.0%				
	(i) Excess/(Deficiency) (g-h) (j) Core Capital / total risk weighted assets	6.1% <b>11.9%</b>	6.7% <b>12.8%</b>	5.5% <b>12.7%</b>	4.9% <b>12.6%</b>				
	(k) Minimum Statutory Ratio (j) Excess (Deficiency) (j-k) (m) Total Capital/total risk weighted assets	10.5% 1.4% <b>15.8%</b>	10.5% 2.3% <b>16.0%</b>	10.5% 2.2% <b>15.6%</b>	10.5% 2.1% <b>15.2%</b>				
	(n) Minimum statutory Ratio (o) Excess/(Deficiency) (m-n)	14.5% 1.3%	14.5% 1.5%	14.5% 1.1%	14.5% 0.7%				
5.0	LIQUIDITY (a) Liquidity Ratio	23.0%	27.0%	31.0%	35.0%				
	(b) Minimum Statutory Ratio (c) Excess (Deficiency) (a-b)	20.0% 3.0%	20.0% 7.0%	20.0% 11.0%	20.0% 15.0%				
	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 ARC Bank House. Woodvale Grove Westlands Nairobi								

Ine tinancial 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 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