

AFRICAN BANKING CORPORATION LTD.

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UNAUDITED QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH JUNE 2019

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- 1	STATEMENT OF FINANCIAL POSITION	Bank 30th Jun	Bank 31st Dec	Bank 31st Mar	Bank 30th Jun	Group 30th Jun	Group 31st Dec	Group 31st Mar	Group 30th Jun
		2018 Unaudited	2018 Audited	2019 Unaudited	2019 Unaudited	2018 Unaudited	2018 Audited	2019 Unaudited	2019 Unaudited
A	ASSETS Cash (hoth Local & Foreign)	Shs '000' 220,374	Shs '000' 194,844	Shs '000' 211,287	Shs '000'	Shs '000'	Shs '000' 244,913	Shs '000' 262,119	Shs '000'
1 2 3	Kenya Government and other securities held for dealing purposes	1,039,810	1,413,445	1,239,947	176,375 1,447,042	278,735 1,254,182	1,523,900	1,388,249	223,348 1,583,148
4 5	Financial Assets at fair value through profit and loss Investment Securities: a) Held to Maturity:	2,980,503	2,871,097	3,123,835	3,039,874	3,484,886	3,443,154	3,674,658	3,480,483
	Kenya Government securities Other securities	2,980,503	2,871,097	3,123,835	3,039,874	2,980,503 504,383	2,871,097 572,057	3,123,835 550,823	3,039,874 440,609
	b) Available for sale: a. Kenya Government securities b. Other securities	545,807 545,807	626,418 626,418	641,543 641,543	656,724 656,724	545,807 545,807	626,418 626,418	641,543 641,543	656,724 656,724
6 7 8	Deposits and balances due from local banking institutions Deposits and balances due from banking institutions abroad	1,613,438 771,793	1,745,124 784,758	2,427,084 609,959	1,885,748 664,751	844.269	1,749,529 984,017	2,441,755 779,647 13,414	1,888,107 883,266 14,558
9 10 11	Loans and advances to customers (net)	6,154 14,411,608 13,699	17,248,429 35,232	15,242,194 35,392	15,436,166 116,553	20,409 14,897,394	17,786,770	15,750,472	15,931,718
12	2 Investments in subsidiary companies	885,405	890,935	890,936	890,937	-	-	-	3
13 14 15	8 Investments in joint ventures ' Investment properties Property and equipment	485,599	461,437	668,382	664,991	532,278	506,631	710,925	705,553
16 17 18	B Deferred tax asset	123,010 21,260	119,070 81,495	113,916 81,495	111,451 81,495	197,086 40,829	206,180 114,533	180,060 101,240	192,114 112,278
19 20 21 B 22	Retirement benefit asset Other assets TOTAL ASSETS	2,242,447	740,423	2,975,674	2,961,713	2,259,722	_	2,938,060	2,981,774
B 22	TOTAL ASSETS LIABILITIES Balances due to Central Bank of Kenya	-	_	_	-	_	_	-	_
23 24 25	Deposits and balances due to local banking institutions Deposits and balances due to foreign banking institutions	20,108,176 197,120 296,591	21,514,053 199,108 260,849	21,303,406 197,055 312,056	21,686,577 15,297 264,430	20,768,499 197,120 296,591	22,183,298 199,108 261,158	21,931,017 197,055 290,636	22,080,889 15,297 264,430
26 27 28 29	S Other money market deposits	1,113,209 149,342	1,094,163 136,257		2,097,811 86,412	-	-	2,133,757	-
29	Tax payable Dividends payable	23,155	222,520	232,210	15,492	27,426	209,782	234,513	19,782
30 31 32 33	Dividends payable Deferred tax liability Retirement benefit liability Other liabilities	245.282	228.939	- 372,711	345,276	320,714	- 459.961	495,828	561.801
33 34 C	Other liabilities TOTAL LIABILITIES SHAREHOLDERS' FUNDS	22,132,875	23,655,889 1,050,000	24,667,281	24,511,295	22,723,559	24,407,470		
35 36 37	5 Paid up /Assigned capital 5 Share premium/(discount) 7 Revaluation reserves	1,050,000	(7,669)	1,050,000 7,264	21,891	1,050,000 (112,869)	(109 463)	(94,530)	(95,653)
38 39 40	Retained earnings/Accumulated losses Statutory loan loss reserves	2,104,122 91,774	2,514,487	2,537,099	2,550,634	2,094,485 91,769 (113,611)	2,498,095 (121,189)	2,515,983 (132,854)	2,530,645
41 42 43	Proposed dividends 2 Capital grants	3 228 032	3,556,818	- 3 504 363	3 622 525	3,009,774	-	3,338,599	3,351,044
1/	Minority Interest TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS					261,082	261,077 27,985,990	260,737	262,017
1.1	1 Loans and advances	1,101,580	2,603,166	592,607	1,116,834	1,150,685	2,707,658	618,940	1,170,105
1.3 1.3 1.4	3 Deposits and placements with banking institutions 4 Other Interest Income	186,687 25,956	379,205 56,601	87,553 19,240	192,791 38,392	201,418 39,705 (1)	419,332 72,062 1,731	99,964 24,099	216,912 48,644
1.5 2. 0	5 Total interest income D INTEREST EXPENSE	1,314,223	3,038,972 1,716,434	699,400 430,865		1,391,807	3,200,783	743,003	
2.7 2.7 2.7 2.4	R Other interest expenses	840,187 5,524 66,122	1,716,434 11,955 132,770	430,865 3,776 31,012 465,653 233,747	782,771 7,474 63,521	851,852 5,793 66,122 923,767	1,736,651 5,365 132,770	434,771 4,201 31,012 469,984	789,203 8,705 63,521
3.0 4.0	NET INTEREST INCOME/(LOSS)	911,833 402,390	1,861,159 1,177,813		63,521 853,766 494,251	468,040	132,770 1,874,786 1,325,997	273,019	63,521 861,429 574,232
4.7 4.2 4.3	Pees and commissions on loans and advances Other fees and commissions	142,077 110,997 26,597	263,424 187,729 57,656	47,410 26,774 16,015	79,560 54,398 38,941	147,623 131,591 28,679	280,420 206,514 62,226	48,830 36,900 17,254	83,853 73,241 41,216
4.4	4 Dividend Income 5 Other income	4,559	11,044	117	234	14,675	54,443	3,699	7,774
6.0	6 Total Non-interest income) TOTAL OPERATING INCOME) OTHER OPERATING EXPENSES	284,230 686,620	519,853 1,697,666	90,316 324,063	173,133 667,384	322,568 790,608	603,603 1,929,600	106,683 379,702	206,084 780,316
6.2 6.2	Loan loss provision 2 Staff costs 3 Directors' emoluments	81,719 339,612 38,615	183,736 726,113 77,197	10,645 179,142 16,766	27,894 355,571 39,947 29,220 26,670 10,315 126,128 615,745 51,639	89,276 386,297 41,916	191,827 823,439 84,342 87,746 65,191 29,250	13,788 201,659 18,023	24,876 401,140 43,312 43,379 31,378 15,382 167,574 727,041 53,275
6.4	4 Rental charges 5 Depreciation charge on property and equipment 6 Americation charges	27,131 28,278 9,924	63,722 55,196 19,978	14,500 12,929 5,154	29,220 26,670	42,301 32,958 14,136	87,746 65,191	21,429 14,912 8,079	43,379 31,378
6. 6.	4 Rental charges 5 Depreciation charge on property and equipment 6 Amortisation charges 7 Other operating expenses 8 Total Other Operating Expenses 9 Profit/(loss) Before Tax and Exceptional Items	84,157 609,436 77,184	414,125 1,540,067 157,599	52,625 291,761	126,128 615,745	115,258 722,142 68,466	482,667 1,764,462 165,138	72,278 350,168 29,534	167,574 727,041
0.0	Desceptional items Descriptional items						_	-	
10. 11.	0 Current Tax 0 Deferred Tax 0 Profit(I oss) After Tax and Exceptional Items	77,184 23,155 54,029	157,599 11,730 83,072 62,797	32,302 9,690 22,612	51,639 15,492 36,147	-	114 533	29,534 11,993	53,275 19,782
13. 14 .	0 Minority Interest 0 Profit/(loss) after tax, exceptional items and Minority Interest	54,029	62,797	22,612	36,147	52,938 (1,762) 54,700	1,601 66,269	17,541 (340) 17,881	33,493 940 32,553
15. 15. 15.	Other Comprehensive Income Gains/(Losses) from translating the financial statements of foreign operations Fair value changes in available for sale financial assets	13,857	24,052	14,933	29,560	(19,905) 13,857	(44,364) (11,998)	(11,665) 14,933	(12,759) 13,810
15. 15. 15	Revaluation surplus on Property, plant and equipment Share of other comprehensive income of associates Income tax relating to components of other comprehensive income	-		-		-	-	-	-
16. 17.	0 Other Comprehensive Income for the year net of tax 0 Total comprehensive income for the year	13,857 67,886 0.51	24,052 86,849 0.60	14,933 37,545 0.22	29,560 65,707 0.34	(6,048) 46,890 0.50	(56,362) 11,508 0.63	3,268 20,809 0.17	1,051 34,544 0.31
19.	O Current Tax O Deferred Tax O Profit/(Loss) After Tax and Exceptional Items Minority Interest O Profit/(Loss) After Tax, exceptional Items and Minority Interest O Other Comprehensive Income Gains/(Losses) from translating the financial statements of foreign operations Fair value changes in available for sale financial assets Revaluation surplus on Property, plant and equipment Share of other comprehensive income of associates Income tax relating to components of other comprehensive income O Other Comprehensive income for the year net of tax O Total comprehensive income for the year net of tax O Total comprehensive income for the year EARNINGS PER SHARE- BASIC & DILUTED OTHER DISCLOSURES OTHER DISCLOSURES OTHER ORIGINAL ONS AND ADVANCES (a) Gross Non-performing loans and advances (b) Less: Interest in Suspense	0.51	0.00	0.22				0.17	0.51
1.0	D NON-PERFORMING LOANS AND ADVANCES (a) Gross Non-performing loans and advances (b) Less: Interest in Suspense (c)Total Non-Performing Loans and Advances (a-b) (d) Less: Loan Loss Provision (e) Net Non-Performing Loans and Advances(c-d) (f) Discounted Value of Securities (g) Net NPLs Exposure (e-f) D INSIDER LOANS AND ADVANCES (a) Directors, Shareholders and Associates	3,876,536 727,849 3,148,687	4,232,101 710,670	4,250,922 728,035	4,275,876 737,612	3,907,845 729,762 3,178,083 414,184 2,763,899 2,726,078 37,821	4,251,743 714,009	4,277,286 732,070	4,291,296 741,015
	(c)Total Non-Performing Loans and Advances (a-b) (d) Less: Loan Loss Provision (e) Net Non-Performing Loans and Advances(c-d)	3,148,687 404,632 2,744,055	3.521.431	4,250,922 728,035 3,522,887 658,293 2,864,594	3,538,264 675,731 2,862,533	3,178,083 414,184 2,763,899	4,251,743 714,009 3,537,734 667,947 2,869,787 2,869,787	3,545,216 663,427 2.881.789	3,550,281 681,803 2,868,478
21	(f) Discounted Value of Securities (g) Net NPLS Exposure (e-f)	2,713,532 30,523	2,860,898	2,864,594	2,862,533	2,726,078 37,821	2,869,787	2,881,789	2,868,478
	(a) Directors, Shareholders and Associates (b) Employees (c)Total Insider Loans and Advances and other facilities	238,134 510,759 748,893	326,283 486,485 812,768	312,839 495,391 808,230	298,136 487,876 786,012	240,110 512,735 752,845	327,827 488,029 815,856	314,116 496,668 810,784	298,931 488,671 787,602
3.0	O OFF-BALANCE SHEET ITEMS								
	(a)Letters of credit,guarantees, acceptances (b) Forwards, swaps and options (c)Other contingent liabilities	1,148,062 253,988 117,839	211,860	768,834 352,478 211,000	806,188	1,458,681 253,988 117,839 1,830,508	1,248,625 211,860 66,841	828,192 352,478 211,000	725,472 806,188 106,682 1,638,342
4.0	(b) Forwards, swaps and options (c) Other contingent liabilities (d) Total Contingent Liabilities 0 CAPITAL STRENGTH (a) Core capital	1,519,889 2,524,731	1,435,285 2.956.579	1,332,312	1,629,328 2,974,652	1,830,508	1,527,326	1,391,670	1,638,342
	(b) Minimum Statutory Capital (c) Excess/(Difficiency)(a-b)	1,000,000 1,524,731	1,000,000 1,956,579	1,000,000 1,967,885	1,000,000 1,974,652 16,667				
	(a)Core capital (b) Minimum Statutory Capital (c)Excess/(Difficiency)(a-b) (d) Supplementary Capital (e) Total Capital (a+d) (f) Total Capital (a+d) (f) Total risk weighted assets (g) Core Capital/Total deposits Liabilities (h) Minimum statutory Ratto (f) Excess/(Deficiency) (g-h) (f) Core Capital/ total risk weighted assets (k) Minimum Statutory Ratio (f) Excess (Deficiency) (f-k) (m) Total Capital/total risk weighted assets (n) Minimum Statutory Ratio (o) Excess/(Deficiency) (m-n) (o) Adjusted Core Capital/Total Deposit Liabilities* (f) Adjusted Core Capital/Total Risk Weighted Assets* (g) Liquibity	117,839 1,519,889 2,524,731 1,000,000 1,524,731 308,441 2,833,172 18,817,676 12,42% 8,00% 4,42% 10,50% 13,42% 10,50% 14,50% 0,56% 12,68% 12,68% 13,70% 15,34%	3,073,246 19,408,413	3,034,552 20,251,575	2,991,319 20,188,398 13.70% 8.00% 5.70%				
	(g) Core Capital/Iotal deposits Liabilities (h) Minimum statutory Ratio (l) Excess/(Deficiency) (g-h)	12.42% 8.00% 4.42%	13.61% 8.00% 5.61%	13.80% 8.00% 5.80%	13.70% 8.00% 5.70 %				
	(j) Core Capital / total risk weighted assets (k) Minimum Statutory Ratio (l) Excess (Deficiency) (i-k)	13.42% 10.50%	15.23% 10.50%	14.66% 10.50%	14.73% 10.50% 4.23% 14.82%				
	(m) Total Capital/total risk weighted assets (n) Minimum statutory Ratio	15.06% 14.50%	15.83% 14.50%	14.98% 14.50%	14.82% 14.50%				
	(p) Adjusted Core Capital/Total Deposit Liabilities* (q) Adjusted Core Capital/Total Risk Weighted Assets*	0.56% 12.68% 13.70%	1.33% 14.12% 15.81%	0.48% 14.30% 15.19%	0.32% 14.18% 15.26%				
5.0	(r) Adjusted Total Capital/Total Risk Weighted Assets* 0 LIQUIDITY (a) Liquidity Ratio	15.34% 32 77%	16.41% 33.01%	15.52% 36.50%	15.34% 33.64%				
	(a) Liquidity Ratio (b) Minimum Statutory Ratio (c) Excess (Deficiency) (a-b)	32.77% 20.00% 12.77%	33.01% 20.00% 13.01%	16.50%	33.64% 20.00% 13.64%				
*Th	e adjusted capital ratios include the expected credit loss provisions added back to capital in	n line with the Cen	trai Bank of K	enya Guidanc	e note issued i	n April 2018 c	ın ımplementat	ion of IFRS 9	1.

The adjusted capital ratios include the expected credit loss provisions added back to capital in line with the Central Bank of Kenya Guidance note issued in April 2018 on implementation of IFRS 9. 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.