

National Bank of Kenya Limited

The Board of Directors of National Bank of Kenya Limited hereby announce the audited results for the year ended 31 December 2011

	31 Dec 11 Shs'000	31 Dec 10 Shs'000		31 Dec 11 Shs'000	31 Dec 10 Shs'000
PROFIT AND LOSS ACCOUNT <i>for the year ended 31 December 2011</i>			BALANCE SHEET <i>as at 31 December 2011</i>		
1 Interest Income			A Assets		
1.1 Loans and advances	3,517,135	2,302,655	1 Cash (both local and foreign)	2,250,352	1,988,893
1.2 Government securities	2,879,939	3,105,316	2 Balances due from Central Bank Of Kenya	3,314,646	2,856,969
1.3 Deposits and placements with banking institutions	60,923	22,790	3 Kenya Government securities	25,849,231	18,820,392
1.4 Other Interest Income	-	-	4 Foreign Currency Treasury bills and bonds	-	-
1.5 Total interest income	6,457,997	5,430,761	5 Deposits and balances due from local banking institutions	2,581,409	12,112
2 Interest Expense			6 Deposits and balances due from banking institutions abroad	806,782	1,396,587
2.1 Customer deposits	1,232,331	1,052,877	7 Government and other securities held for dealing purposes	828,868	10,788,668
2.2 Deposits and placements from banking institutions	144,556	11,178	8 Tax recoverable	-	88,299
2.3 Other	-	-	9 Loans and advances to customers (net)	28,068,218	20,844,636
2.4 Total Interest Expenses	1,376,887	1,064,055	10 Investment securities	62,872	48,053
3 Net Interest Income/(Loss)	5,081,110	4,366,706	11 Balances due from group companies	-	-
4 Non-Interest Income			12 Investment in associates	-	-
4.1 Fees and commissions on loans and advances	312,664	250,437	13 Investment in subsidiary companies	19,963	19,963
4.2 Other fees and commissions	1,149,208	1,120,040	14 Investment in joint ventures	-	-
4.3 Foreign exchange trading income (loss)	310,015	282,738	15 Investment in properties	-	-
4.4 Dividend Income	-	-	16 Property and equipment	2,740,003	2,385,466
4.5 Other Income	942,142	1,079,995	17 Prepaid lease rentals	11,615	11,763
4.6 Total Non-Interest Income	2,714,029	2,733,210	18 Intangible assets	402,400	52,787
5 Total Operating Income	7,795,139	7,099,916	19 Deferred tax asset	-	-
6 Other Operating Expenses			20 Retirement benefit asset	-	-
6.1 Loan loss provision	692,423	362,653	21 Other assets	1,728,157	712,106
6.2 Staff costs	2,635,180	2,266,835	22 Total Assets	68,664,516	60,026,694
6.3 Directors' emoluments	75,438	58,769	B Liabilities		
6.4 Rental charges	118,488	91,210	23 Balances due to Central Bank of Kenya	-	-
6.5 Depreciation charge on property and equipment	314,974	279,872	24 Customer deposits	56,728,163	47,804,607
6.6 Amortisation charges	37,756	30,234	25 Deposits and balances due to local banking institutions	155,613	780,203
6.7 Other operating expenses	1,477,030	1,312,520	26 Deposits and balances due to foreign banking institutions	-	-
6.8 Total Operating Expenses	5,351,289	4,402,093	27 Other money market deposits	-	-
7 Profit before tax and exceptional items	2,443,850	2,697,823	28 Borrowed funds	-	-
8 Exceptional items	-	-	29 Balances due to group companies	21,976	21,976
9 Profit after exceptional items	2,443,850	2,697,823	30 Tax payable	322,357	-
10 Current tax	(1,073,467)	(673,728)	31 Dividends payable	21,728	10,515
11 Deferred tax	175,730	(2,176)	32 Deferred tax liability	24,570	200,300
12 Profit after tax and exceptional items	1,546,113	2,021,919	33 Retirement benefit liability	-	-
13 Earnings Per Share - Basic & Diluted	Shs 3.19	Shs 4.18	34 Other liabilities	933,635	1,279,482
	31 Dec 11	31 Dec 10	35 Total Liabilities	58,208,042	50,097,083
	Shs'000	Shs'000	C Shareholders' Funds		
OTHER DISCLOSURES			36 Paid Up/Assigned Capital	7,075,000	7,075,000
1 Non-performing loans and advances			37 Share Premium/(discount)	-	-
a Gross non-performing loans and advances	1,196,826	936,290	38 Revaluation reserve	603,559	643,100
Less:			39 Retained Earnings/(Accumulated losses)	2,501,448	2,006,611
b Interest in suspense	42,151	29,656	40 Statutory Loan Loss Reserve	276,467	204,900
c Total Non-performing loans and advances (a-b)	1,154,675	906,634	41 Proposed Dividends	-	-
Less:			42 Capital grants	-	-
d Loan loss Provisions	854,456	681,581	43 Total Shareholders' Funds	10,456,474	9,929,611
e Net NPLs exposure (c-d)	300,219	225,053	44 Total Liabilities & Shareholders' Funds	68,664,516	60,026,694
f Discounted Value of Securities	300,219	225,053			
g Net NPLs exposure (e-f)	-	-	MESSAGE FROM DIRECTORS		
2 Insider loans and Advances			Profit before tax of Sh. 2,444 m was 9 % below the year 2010 of 2,698 m		
a Shareholders and associates	-	-	DIVIDEND		
b Directors	11,233	10,459	1.The Directors are pleased to announce a dividend of Kshs 0.15 per share (3%) to preference shareholders.		
c Employees	2,888,391	2,328,057	2.The Directors have resolved to recommend to the forthcoming Annual General Meeting a first and final dividend of Kshs 0.40 per share to ordinary and participating preference shareholders. The dividend will be payable to shareholders on register at close of business on 12th April 2012. The register will remain closed on 13th April 2012 for preparation of dividend warrants.		
d Total insider loans, advances and other facilities	2,899,624	2,338,516	CONSOLIDATION		
3 Off-Balance sheet items			Consolidated financial statements have not been prepared as the subsidiary companies are dormant and the amounts involved are not material.		
a Letters of credit, guarantees and acceptances	4,211,887	4,175,639	APPROVAL		
b Other contingent liabilities	64,800	55,200	The above balance sheet and profit and loss account are extracts from the audited financial statements which were approved by the Board of Directors on 16th March 2012 and signed on its behalf by:		
c Total contingent liabilities	4,276,687	4,230,839	M.A. Hassan - Chairman		
4 Capital Strength			S.M. Kitonga (Ms) - Director/Chair - Audit & Risk Committee		
a Core capital	9,576,447	9,081,611	R.M. Marambii - Managing Director		
b Minimum Statutory Capital	700,000	500,000	L.G. Kamweti - Company Secretary		
c Excess/(Deficiency) (a-b)	8,876,447	8,581,611			
d Supplementary capital	427,357	365,675			
e Total capital (a+d)	10,003,804	9,447,286			
f Total risk weighted assets	34,286,442	25,590,922			
g Core capital/total deposit liabilities	17%	19%			
h Minimum Statutory Ratio	8%	8%			
I Excess/(Deficiency) (g-h)	9%	11%			
j Core capital/total risk weighted assets	28%	36%			
k Minimum Statutory Ratio	8%	8%			
I Excess/(Deficiency) (j-k)	20%	28%			
m Total capital/total risk weighted assets	29%	37%			
n Minimum Statutory Ratio	11%	12%			
o Excess (Deficiency)(m-n)	18%	25%			
5 Liquidity					
a Liquidity Ratio	34%	41%			
b Minimum Statutory Ratio	20%	20%			
c Excess (Deficiency)(a-b)	14%	21%			



National Bank

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