



## The Board of Directors of National Bank of Kenya Limited hereby announce the unaudited results as at 30 June 2014

I. STATEMENT OF FINANCIAL POSITION as at 30 JUNE 2014	BANK	BANK	BANK	BANK	GROUP	GROUP	GROUP	GROUP
	30-Jun-14 KSh's'000 Un-audited	31-Mar-14 KSh's'000 Un-audited	31-Dec-13 KSh's'000 Audited	30-Jun-13 KSh's'000 Un-audited	30-Jun-14 KSh's'000 Un-audited	31-Mar-14 KSh's'000 Un-audited	31-Dec-13 KSh's'000 Audited	30-Jun-13 KSh's'000 Un-audited
<b>A Assets</b>								
1 Cash (both Local & Foreign)	2,436,126	2,465,489	3,394,255	2,266,073	2,616,796	2,696,372	3,501,986	2,266,073
2 Balances due from Central Bank of Kenya	13,103,287	9,825,033	5,998,426	2,981,130	13,103,287	9,825,033	5,998,426	2,981,130
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	-	-	-	-	-	-	-	-
<b>5 Investment Securities:(a+b)</b>	<b>27,419,639</b>	<b>28,219,698</b>	<b>27,537,016</b>	<b>33,159,624</b>	<b>27,419,639</b>	<b>28,219,698</b>	<b>27,537,016</b>	<b>33,159,623</b>
<b>a) Held to Maturity:(i+ii)</b>	<b>24,898,564</b>	<b>27,457,126</b>	<b>27,001,290</b>	<b>30,970,515</b>	<b>24,898,564</b>	<b>27,457,126</b>	<b>27,001,290</b>	<b>30,970,515</b>
i. Kenya Government securities	24,761,286	27,363,291	26,864,623	30,877,291	24,761,286	27,363,291	26,864,623	30,877,291
ii. Other securities	137,278	93,835	136,667	93,224	137,278	93,835	136,667	93,224
<b>b) Available for sale:(i+ii)</b>	<b>2,521,075</b>	<b>762,572</b>	<b>535,726</b>	<b>2,189,108</b>	<b>2,521,075</b>	<b>762,572</b>	<b>535,726</b>	<b>2,189,108</b>
i. Kenya Government securities	2,521,075	762,572	535,726	2,189,108	2,521,075	762,572	535,726	2,189,108
ii. Other securities	-	-	-	-	-	-	-	-
6 Deposits and balances due from local banking institutions	1,015,778	2,741,319	7,801,164	152,234	1,015,778	2,741,319	7,801,164	152,234
7 Deposits and balances due from banking institutions abroad	1,141,291	301,439	482,297	814,735	1,141,291	301,439	482,297	814,735
8 Tax recoverable	120,197	-	-	93,982	120,197	-	-	93,982
9 Loans and advances to customers (net)	54,717,166	47,193,129	39,566,678	27,521,231	54,717,166	47,193,129	39,566,678	27,521,231
10 Balances due from banking institutions in the group	-	-	-	-	-	-	-	-
11 Investments in associates	-	-	-	-	-	-	-	-
12 Investments in subsidiary companies	19,963	19,963	19,963	19,963	19,963	19,963	19,963	-
13 Investments in joint ventures	-	-	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-	-	-
15 Property and equipment	4,299,088	4,000,241	3,913,888	2,866,945	4,299,088	4,000,699	3,914,347	2,866,945
16 Prepaid lease rentals	422	387	425	11,393	422	387	425	11,393
17 Intangible assets	952,137	973,587	999,070	803,240	953,162	974,612	1,000,095	803,632
18 Deferred tax asset	-	-	-	66,441	94	94	-	66,441
19 Retirement benefit asset	-	-	-	-	-	-	-	-
20 Other assets	3,877,175	3,176,204	2,779,853	3,990,553	3,877,175	3,176,204	2,733,320	3,930,870
<b>21 TOTAL ASSETS</b>	<b>109,102,269</b>	<b>98,916,489</b>	<b>92,493,035</b>	<b>74,747,543</b>	<b>109,284,516</b>	<b>99,148,949</b>	<b>92,555,717</b>	<b>74,668,289</b>
<b>B Liabilities</b>								
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-
23 Customer deposits	91,271,433	81,747,128	77,992,820	59,985,316	91,271,433	81,747,128	77,992,820	59,985,316
24 Deposits and balances due to local banking institutions	4,357,164	3,130,403	824,858	2,049,720	4,357,164	3,130,403	824,858	2,049,720
25 Deposits and balances due to foreign banking institutions	-	-	-	-	-	-	-	-
26 Other money market deposits	-	-	-	-	-	-	-	-
27 Borrowed funds	-	-	-	-	-	-	-	-
28 Balances due to banking institutions in the group	-	-	-	-	-	-	-	-
29 Tax payable	-	431,869	272,633	-	15,102	446,703	273,873	-
30 Dividends payable	58,014	29,617	31,070	37,854	58,014	29,617	31,070	37,854
31 Deferred tax liability	83,894	83,894	83,894	-	83,894	83,894	83,801	-
32 Retirement benefit liability	-	-	-	-	-	-	-	-
33 Other liabilities	1,318,113	1,270,289	1,439,468	1,917,223	1,386,219	1,408,588	1,460,896	1,814,718
<b>34 TOTAL LIABILITIES</b>	<b>97,088,618</b>	<b>86,693,200</b>	<b>80,644,743</b>	<b>63,990,113</b>	<b>97,171,826</b>	<b>86,846,333</b>	<b>80,667,318</b>	<b>63,887,608</b>
<b>C Shareholders' Funds</b>								
35 Paid up / Assigned capital	7,075,000	7,075,000	7,075,000	7,075,000	7,075,000	7,075,000	7,075,000	7,075,000
36 Share premium/(discount)	-	-	-	-	-	-	-	-
37 Revaluation reserves	1,201,022	1,201,022	1,201,022	564,021	1,201,022	1,201,022	1,201,022	564,021
38 Retained earnings/Accumulated losses	3,252,588	3,550,463	3,237,428	2,894,552	3,351,627	3,629,790	3,277,535	2,917,803
39 Statutory loan loss reserves	485,041	396,804	334,842	223,857	485,041	396,804	334,842	223,857
40 Other Reserves	-	-	-	-	-	-	-	-
41 Proposed dividends	-	-	-	-	-	-	-	-
42 Capital grants	-	-	-	-	-	-	-	-
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>12,013,651</b>	<b>12,223,289</b>	<b>11,848,292</b>	<b>10,757,430</b>	<b>12,112,690</b>	<b>11,888,399</b>	<b>11,888,399</b>	<b>10,780,681</b>
<b>44 Total Liabilities &amp; Shareholders' Funds</b>	<b>109,102,269</b>	<b>98,916,489</b>	<b>92,493,035</b>	<b>74,747,543</b>	<b>109,284,516</b>	<b>99,148,949</b>	<b>92,555,717</b>	<b>74,668,289</b>

II. STATEMENT OF COMPREHENSIVE INCOME for the period ended 30 JUNE 2014	BANK	BANK	BANK	BANK	GROUP	GROUP	GROUP	GROUP
	30-Jun-14 KSh's'000 Un-audited	31-Mar-14 KSh's'000 Un-audited	31-Dec-13 KSh's'000 Audited	30-Jun-13 KSh's'000 Un-audited	30-Jun-14 KSh's'000 Un-audited	31-Mar-14 KSh's'000 Un-audited	31-Dec-13 KSh's'000 Audited	30-Jun-13 KSh's'000 Un-audited
<b>1 Interest Income</b>								
1.1 Loans and advances	3,319,661	1,553,908	4,765,803	2,251,105	3,319,661	1,553,908	4,765,803	2,251,105
1.2 Government securities	1,425,025	705,910	3,170,348	1,613,226	1,425,025	705,910	3,170,348	1,613,226
1.3 Deposits and placements with banking institutions	86,782	36,874	170,859	102,949	86,782	36,874	170,859	102,949
1.4 Other Interest income	81	22	58,780	60,581	81	22	58,780	60,581
<b>1.5 Total interest income</b>	<b>4,831,549</b>	<b>2,296,714</b>	<b>8,165,790</b>	<b>4,027,861</b>	<b>4,831,549</b>	<b>2,296,714</b>	<b>8,165,790</b>	<b>4,027,861</b>
<b>2 Interest Expense</b>								
2.1 Customer deposits	1,546,377	703,285	2,376,286	1,209,229	1,546,377	703,285	2,376,286	1,209,229
2.2 Deposits and placements from banking institutions	84,033	36,351	145,441	44,172	84,033	36,351	145,441	44,172
2.3 Other interest expenses	4,559	3,635	5,949	-	4,559	3,635	5,949	-
<b>2.4 Total Interest Expenses</b>	<b>1,634,969</b>	<b>743,271</b>	<b>2,527,676</b>	<b>1,253,401</b>	<b>1,634,969</b>	<b>743,271</b>	<b>2,527,676</b>	<b>1,253,401</b>
<b>3 Net Interest Income</b>	<b>3,196,580</b>	<b>1,553,443</b>	<b>5,638,114</b>	<b>2,774,460</b>	<b>3,196,580</b>	<b>1,553,443</b>	<b>5,638,114</b>	<b>2,774,460</b>
<b>4 Non-Interest Income</b>								
4.1 Fees and commissions on loans and advances	281,791	158,507	430,379	91,817	375,882	158,507	430,379	91,817
4.2 Other fees and commissions	703,380	340,474	1,125,185	660,407	703,380	401,716	1,176,033	646,407
4.3 Foreign exchange trading income (loss)	177,543	81,632	309,323	135,159	177,543	81,632	309,323	135,159
4.4 Dividend Income	-	-	-	-	-	-	-	-
4.5 Other Income	324,371	212,642	941,303	242,948	324,371	212,642	941,303	258,697
<b>4.6 Total Non-Interest Income</b>	<b>1,487,085</b>	<b>793,255</b>	<b>2,806,190</b>	<b>1,130,331</b>	<b>1,581,176</b>	<b>854,497</b>	<b>2,857,038</b>	<b>1,132,080</b>
<b>5 Total Operating Income</b>	<b>4,683,665</b>	<b>2,346,698</b>	<b>8,444,304</b>	<b>3,904,791</b>	<b>4,777,756</b>	<b>2,407,940</b>	<b>8,495,152</b>	<b>3,906,540</b>
<b>6 Other Operating Expenses</b>								
6.1 Loan loss provision	125,663	141,437	287,640	113,074	125,663	141,437	287,640	113,074
6.2 Staff costs	1,891,951	989,152	3,557,848	1,715,635	1,891,951	989,152	3,557,848	1,715,635
6.3 Directors' emoluments	9,959	5,338	137,711	34,953	9,959	5,338	137,711	8,748
6.4 Rental charges	115,080	61,095	177,033	101,216	115,080	61,110	178,233	101,216
6.5 Depreciation charge on property and equipment	178,755	92,899	326,944	165,826	178,902	92,975	326,944	165,923
6.6 Amortisation charges	149,405	74,281	238,059	112,777	149,591	74,374	238,059	112,777
6.7 Other operating expenses	1,049,042	451,710	1,939,625	708,032	1,051,996	452,218	1,944,048	709,087
<b>7 Total Operating Expenses</b>	<b>3,519,855</b>	<b>1,815,912</b>	<b>6,664,860</b>	<b>2,951,513</b>	<b>3,529,758</b>	<b>1,819,478</b>	<b>6,682,984</b>	<b>2,962,588</b>
<b>7 Profit before tax and exceptional items</b>	<b>1,163,810</b>	<b>530,786</b>	<b>1,779,444</b>	<b>953,278</b>	<b>1,247,998</b>	<b>588,462</b>	<b>1,812,168</b>	<b>943,952</b>
<b>8 Exceptional items</b>	<b>(130,760)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(130,760)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9 Profit after exceptional items</b>	<b>1,033,050</b>	<b>530,786</b>	<b>1,779,444</b>	<b>953,278</b>	<b>1,117,238</b>	<b>588,462</b>	<b>1,812,168</b>	<b>943,952</b>
10 Current tax	(315,616)	(159,236)	(829,161)	(277,709)	(340,872)	(177,692)	(838,874)	(277,709)
11 Deferred tax	-	-	139,613	-	-	-	139,509	-
<b>12 Profit after tax and exceptional items</b>	<b>717,434</b>	<b>371,550</b>	<b>1,089,896</b>	<b>675,569</b>	<b>776,366</b>	<b>410,770</b>	<b>1,112,803</b>	<b>666,243</b>
<b>13 Other Comprehensive Income</b>								
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-	-	-	-
13.2 Fair value changes in available for sale financial assets	-	3,447	-	-	-	3,447	-	-
13.3 Revaluation surplus on Property, plant and equipment	-	-	966,493	-	-	-	966,493	-
13.4 Share of other comprehensive income of associates	-	-	-	-	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	-	-	(289,948)	-	-	-	(289,948)	-
14 Other Comprehensive Income for the year net of tax	-	3,447	676,545	-	-	3,447	676,545	-
<b>15 Total comprehensive income for the year</b>	<b>717,434</b>	<b>374,997</b>	<b>1,766,441</b>	<b>675,569</b>	<b>776,366</b>	<b>414,217</b>	<b>1,789,348</b>	<b>666,243</b>

III. OTHER DISCLOSURES	BANK	BANK	BANK	BANK
	30-Jun-14 KSh's'000 Un-audited	31-Mar-14 KSh's'000 Un-audited	31-Dec-13 KSh's'000 Audited	30-Jun-13 KSh's'000 Un-audited
<b>1 Non-performing loans and advances</b>				
a Gross non-performing loans and advances	5,129,935	5,142,047	4,212,274	4,098,706
b Less: Interest in suspense	138,555	70,650	42,625	42,641
<b>c Total Non-performing loans and advances (a-b)</b>	<b>4,991,380</b>	<b>5,071,397</b>	<b>4,169,649</b>	<b>4,056,065</b>
d Less: Loan loss Provisions				