

The Board of Directors of National Bank of Kenya Limited hereby announce the un-audited results for the half year ended 30 June 2018

I. STATEMENT OF FINANCIAL POSITION
As at 30 June 2018

	BANK 30-Jun-17 Shs'000	BANK 31-Dec-17 Shs'000	BANK 31-Mar-18 Shs'000	BANK 30-Jun-18 Shs'000	GROUP 30-Jun-17 Shs'000	GROUP 31-Dec-17 Shs'000	GROUP 31-Mar-18 Shs'000	GROUP 30-Jun-18 Shs'000
	Un-audited	Audited	Un-audited	Un-audited	Un-audited	Audited	Un-audited	Un-audited
A ASSETS								
1 Cash (both Local & Foreign)	1,631,110	2,006,948	1,427,692	1,397,596	1,865,610	2,006,948	1,427,692	1,397,596
2 Balances due from Central Bank of Kenya	6,696,423	5,493,224	3,328,339	7,595,481	6,696,423	5,493,224	3,328,339	7,595,481
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	-	-	-	-	-	-	-	-
5 Investment Securities:(a+b)	37,622,418	35,707,852	33,920,283	41,301,855	37,622,418	35,718,032	33,931,383	41,311,935
a) Held to Maturity:(i+ii)	20,683,170	20,813,253	20,303,524	19,433,486	20,683,170	20,813,253	20,314,624	19,426,117
i. Kenya Government securities	20,683,170	20,813,253	20,303,524	19,433,486	20,683,170	20,813,253	20,314,624	19,426,117
ii. Other securities	-	-	-	-	-	-	-	-
b) Available for sale:(i+ii)	16,939,248	14,894,599	13,616,759	21,868,369	16,939,248	14,904,779	13,616,759	21,885,818
i. Kenya Government securities	16,939,248	14,894,599	13,616,759	21,868,369	16,939,248	14,904,779	13,616,759	21,885,818
ii. Other securities	-	-	-	-	-	-	-	-
6 Deposits and balances due from local banking institutions	1,996,192	1,838,642	2,548,402	1,880,331	1,996,192	1,838,642	2,548,402	1,880,331
7 Deposits and balances due from banking institutions abroad	34,323,666	621,500	1,226,806	840,121	34,323,666	621,500	1,226,806	840,121
8 Tax recoverable	502,674	479,924	480,748	479,803	513,661	486,345	501,454	466,079
9 Loans and advances to customers (net)	57,023,483	52,361,043	51,149,483	47,815,704	57,023,483	52,361,043	51,149,483	47,815,704
10 Balances due from banking institutions in the group	-	-	-	-	-	-	-	-
11 Investments in associates	282,850	334,134	346,542	374,933	282,850	334,134	346,542	374,933
12 Investments in subsidiary companies	19,963	19,963	19,963	19,322	19,963	-	-	-
13 Investments in joint ventures	-	-	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-	-	-
15 Property and equipment	4,031,479	3,710,328	3,625,876	3,516,911	4,032,241	3,710,949	3,626,541	3,518,652
16 Prepaid lease rentals	-	-	-	-	-	-	-	-
17 Intangible assets	1,488,621	1,159,618	1,209,169	1,256,824	1,488,621	1,159,618	1,209,169	1,256,824
18 Deferred tax asset	482,668	1,862,181	2,067,021	1,973,554	483,299	1,862,363	2,067,203	1,973,736
19 Retirement benefit asset	-	-	-	-	-	-	-	-
20 Other assets	4,257,312	4,346,685	4,122,228	5,117,124	4,260,895	4,280,343	3,870,286	4,910,061
21 TOTAL ASSETS	116,378,429	109,942,042	105,472,552	113,569,560	116,628,892	109,873,141	105,233,300	113,341,453
B LIABILITIES								
22 Balances due to Central Bank of Kenya	-	-	4,391,812	1,997,400	-	-	4,391,812	1,997,400
23 Customer deposits	98,785,964	94,544,397	87,214,204	96,322,828	98,785,964	94,275,768	86,883,002	95,990,899
24 Deposits and balances due to local banking institutions	1,599,625	2,069,482	4,069,299	4,035,049	1,599,625	2,069,482	4,069,299	4,035,049
25 Deposits and balances due to foreign banking institutions	928,946	3,550,638	1,240,104	2,798,562	928,946	3,550,638	1,240,104	2,801,562
26 Other money market deposits	-	-	-	-	-	-	-	-
27 Borrowed funds	-	-	-	-	-	-	-	-
28 Balances due to banking institutions in the group	-	-	-	-	20,326	-	-	-
29 Tax payable	63,965	-	-	-	70,583	-	-	-
30 Dividends payable	24,447	24,446	24,260	24,260	24,447	24,446	24,260	24,260
31 Deferred tax liability	-	-	-	-	-	-	-	-
32 Retirement benefit liability	-	-	-	-	-	-	-	-
33 Other liabilities	3,757,618	2,705,542	2,118,185	2,601,221	3,768,470	2,718,899	2,161,804	2,642,973
34 TOTAL LIABILITIES	105,160,565	102,894,505	99,057,863	107,779,320	105,198,361	102,639,233	98,770,280	107,492,143
C SHAREHOLDERS' FUNDS								
35 Paid up /Assigned capital	7,214,976	7,368,906	7,368,906	7,368,906	7,214,976	7,368,906	7,368,906	7,368,906
36 Share premium/(discount)	-	-	-	-	-	-	-	-
37 Revaluation reserves	660,062	670,678	670,678	659,443	660,062	670,678	670,678	659,443
38 Retained earnings/Accumulated losses	3,066,340	(3,711,873)	(4,441,118)	(4,935,548)	3,279,007	(3,525,502)	(4,392,834)	(4,876,719)
39 Statutory loan loss reserves	284,793	2,852,654	2,959,458	3,450,384	284,793	2,852,654	2,959,458	3,450,384
40 Other Reserves	(8,307)	(132,828)	(143,235)	(752,945)	(8,307)	(132,828)	(143,188)	(752,704)
41 Proposed dividends	-	-	-	-	-	-	-	-
42 Capital grants	-	-	-	-	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	11,217,864	7,047,537	6,414,689	5,790,240	11,430,531	7,233,908	6,463,020	5,849,310
44 TOTAL LIABILITIES & SHAREHOLDERS' FUNDS	116,378,429	109,942,042	105,472,552	113,569,560	116,628,892	109,873,141	105,233,300	113,341,453

II. STATEMENT OF COMPREHENSIVE INCOME
For the half year ended 30 June 2018

	BANK 30-Jun-17 Shs'000	BANK 31-Dec-17 Shs'000	BANK 31-Mar-18 Shs'000	BANK 30-Jun-18 Shs'000	GROUP 30-Jun-17 Shs'000	GROUP 31-Dec-17 Shs'000	GROUP 31-Mar-18 Shs'000	GROUP 30-Jun-18 Shs'000
	Un-audited	Audited	Un-audited	Un-audited	Un-audited	Audited	Un-audited	Un-audited
1 Interest Income								
1.1 Loans and advances	2,449,852	5,700,756	1,021,278	2,096,533	2,449,852	5,700,756	1,021,278	2,096,686
1.2 Government securities	2,060,364	4,164,096	945,171	1,983,281	2,060,364	4,164,277	945,171	1,983,281
1.3 Deposits and placements with banking institutions	51,461	97,462	20,545	42,496	51,461	97,462	20,545	42,496
1.4 Other Interest Income	-	-	-	-	-	-	-	-
1.5 TOTAL INTEREST INCOME	4,561,677	9,962,314	1,986,994	4,122,310	4,561,677	9,962,495	1,986,994	4,122,463
2 Interest Expense								
2.1 Customer deposits	1,488,020	2,941,176	680,980	1,370,345	1,488,020	2,924,384	676,079	1,359,987
2.2 Deposits and placements from banking institutions	211,045	313,189	93,417	153,935	211,045	313,189	93,417	153,935
2.3 Other interest expenses	170	-	-	-	170	-	-	-
2.4 TOTAL INTEREST EXPENSES	1,699,235	3,254,365	774,397	1,524,280	1,699,235	3,237,573	769,496	1,513,922
3 NET INTEREST INCOME	2,862,442	6,707,949	1,212,597	2,598,030	2,862,442	6,724,922	1,217,498	2,608,541
4 Non-Interest Income								
4.1 Fees and commissions on loans and advances	92,651	141,591	141,591	37,607	92,651	141,591	141,591	37,607
4.2 Other fees and commissions	625,429	1,236,806	165,732	586,063	687,280	1,293,871	182,699	619,993
4.3 Foreign exchange trading income (loss)	281,260	526,963	172,277	284,978	281,260	526,963	172,277	284,978
4.4 Dividend Income	1,806	1,806	170,000	170,000	1,806	1,806	-	-
4.5 Other Income	150,380	464,760	55,939	111,972	150,380	464,448	55,939	111,972
4.6 TOTAL NON-INTEREST INCOME	1,151,526	2,371,926	705,539	1,190,620	1,213,377	2,428,679	552,506	1,054,550
5 TOTAL OPERATING INCOME	4,013,968	9,079,875	1,918,136	3,788,650	4,075,819	9,153,601	1,770,004	3,663,091
6 Other Operating Expenses								
6.1 Loan loss provision	235,256	756,740	(70,817)	(47,873)	235,256	756,740	(70,817)	(47,873)
6.2 Staff costs	1,866,361	3,908,839	938,088	1,896,044	1,879,186	3,916,494	924,840	1,888,971
6.3 Directors' emoluments	19,620	55,635	6,214	23,811	19,620	55,635	6,214	23,811
6.4 Rental charges	195,401	394,986	95,094	204,180	195,401	394,986	95,094	204,180
6.5 Depreciation charge on property and equipment	196,858	565,520	133,215	269,605	196,955	565,759	133,234	269,481
6.6 Amortisation charges	118,088	539,854	103,837	195,605	118,088	539,854	103,837	195,605
6.7 Other operating expenses	1,169,167	2,117,928	516,743	985,120	1,174,424	2,139,051	500,975	969,488
6.8 Total Operating Expenses	3,800,751	8,339,502	1,722,374	3,526,492	3,818,379	8,368,519	1,693,377	3,503,663
7 PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	213,217	740,373	195,762	262,158	256,889	785,082	76,627	159,428
8 Exceptional items	-	-	540,236	528,607	-	-	544,901	533,272
9 Profit after exceptional items	213,217	740,373	(344,474)	(266,448)	256,889	785,082	(468,274)	(373,843)
10 Current tax	(63,965)	14,974	824	121	(77,067)	29,078	15,109	20,266
11 Deferred tax	-	345,403	(204,840)	(111,373)	-	345,221	(204,840)	(111,373)
12 Profit after tax and exceptional items	149,252	379,996	(140,458)	(155,196)	179,822	410,783	(278,543)	(282,736)
13 Minority interest	-	-	-	-	-	-	-	-
14 Profit after tax, exceptional items and minority interest	149,252	379,996	(140,458)	(155,196)	179,822	410,783	(278,543)	(282,736)
15 OTHER COMPREHENSIVE INCOME								
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-	-	-	-
15.2 Fair value changes in available for sale financial assets	56,693	(124,755)	(67,333)	(680,165)	(56,693)	(124,755)	(67,286)	(679,924)
15.3 Revaluation surplus on Property, plant and equipment	-	-	-	-	-	-	-	-
15.4 Share of other comprehensive income of associates	-	-	-	-	-	-	-	-
15.5 Income tax relating to components of other comprehensive income	-	37,427	56,926	60,048	-	37,427	56,926	60,048
16 Other Comprehensive Income for the year net of tax	56,693	(87,328)	(10,407)	(620,117)	(56,693)	(87,328)	(10,360)	(619,876)
17 TOTAL COMPREHENSIVE INCOME FOR THE YEAR	205,945	292,668	(150,865)	(775,313)	236,515	323,455	(288,903)	(902,612)</