

**The Board of Directors of National Bank of Kenya Limited hereby announce the un-audited results for the period ended 30 June 2019**

I. STATEMENT OF FINANCIAL POSITION										III. OTHER DISCLOSURES			
As at 30 June 2019													
	BANK	BANK	BANK	BANK	GROUP	GROUP	GROUP	GROUP		BANK	BANK	BANK	BANK
	30-Jun-18	31-Dec-18	31-Mar-19	30-Jun-19	30-Jun-18	31-Dec-18	31-Mar-19	30-Jun-19		30-Jun-18	31-Dec-18	31-Mar-19	30-Jun-19
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000		Shs'000	Shs'000	Shs'000	Shs'000
	Un-Audited	Audited	Un-Audited	Un-Audited	Un-Audited	Audited	Un-Audited	Un-Audited		Un-Audited	Audited	Un-Audited	Un-Audited
<b>A ASSETS</b>													
1 Cash (both Local & Foreign)	1,397,596	1,744,785	1,128,849	1,040,460	1,397,596	1,744,785	1,128,849	1,040,460	<b>1 Non-performing loans and advances</b>				
2 Balances due from Central Bank of Kenya	7,595,481	4,372,926	3,619,594	15,966,321	7,595,481	4,372,926	3,619,594	15,966,321	a Gross non-performing loans and advances	30,143,893	31,461,391	31,480,900	32,410,269
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-	b Less: Interest in suspense	4,155,894	4,468,241	4,524,488	4,921,259
4 Financial Assets at fair value through profit and loss	-	-	-	-	-	-	-	-	<b>c Total Non-performing loans and advances (a-b)</b>	<b>25,987,999</b>	<b>26,993,150</b>	<b>26,956,412</b>	<b>27,489,010</b>
<b>5 Investment Securities:(a+b)</b>	<b>41,301,855</b>	<b>46,310,604</b>	<b>39,018,080</b>	<b>34,043,729</b>	<b>41,311,935</b>	<b>46,341,772</b>	<b>39,050,231</b>	<b>34,077,392</b>	d Less: Loan loss Provisions	13,114,296	13,875,801	14,452,406	15,124,451
a) Held to Maturity:(i+ii)	19,433,486	18,178,199	18,410,400	17,904,188	19,426,117	18,178,199	18,420,001	17,910,127	<b>e Net NPLs exposure (c-d)</b>	<b>12,873,703</b>	<b>13,117,349</b>	<b>12,504,006</b>	<b>12,364,559</b>
i. Kenya Government securities	19,433,486	18,178,199	18,410,400	17,904,188	19,426,117	18,178,199	18,420,001	17,910,127	f Discounted Value of Securities	12,266,911	12,148,568	11,796,427	11,627,745
ii. Other securities	-	-	-	-	-	-	-	-	<b>g Net NPLs exposure (e-f)</b>	<b>606,792</b>	<b>968,781</b>	<b>707,579</b>	<b>736,814</b>
b) Available for sale:(i+ii)	21,868,369	28,132,405	20,607,680	16,139,541	21,885,818	28,163,573	20,630,230	16,167,265	<b>2 Insider loans and Advances</b>				
i. Kenya Government securities	21,868,369	28,132,405	20,607,680	16,139,541	21,885,818	28,163,573	20,630,230	16,167,265	a Directors, Shareholders and associates	26,495	39,144	37,219	35,311
ii. Other securities	-	-	-	-	-	-	-	-	b Employees	4,869,686	5,155,000	5,281,345	5,321,865
6 Deposits and balances due from local banking institutions	1,880,331	1,936,693	1,341,684	2,687,208	1,880,331	1,936,693	1,341,684	2,687,208	<b>c Total insider loans, advances and other facilities</b>	<b>4,896,181</b>	<b>5,194,144</b>	<b>5,318,564</b>	<b>5,357,176</b>
7 Deposits and balances due from banking institutions abroad	840,121	131,527	302,595	395,728	840,121	131,527	302,595	395,728	<b>3 Off-Balance sheet items</b>				
8 Tax recoverable	479,803	463,362	458,370	458,685	466,079	459,476	435,948	441,568	a Letters of credit, guarantees and acceptances	8,145,277	5,285,441	5,246,336	6,043,674
9 Loans and advances to customers (net)	47,815,704	47,778,777	45,925,331	47,332,487	47,815,704	47,778,777	45,925,331	47,332,487	b Forwards, swaps and options	473,863	357,391	1,236,082	1,247,567
10 Balances due from banking institutions in the group	-	-	-	-	-	-	-	-	c Other contingent liabilities	-	-	-	-
11 Investments in associates	374,933	366,822	426,420	474,569	374,933	366,822	426,420	474,569	<b>d Total contingent liabilities</b>	<b>8,619,140</b>	<b>5,642,832</b>	<b>6,482,418</b>	<b>7,291,241</b>
12 Investments in subsidiary companies	19,322	19,963	19,963	19,963	-	-	-	-	<b>4 Capital Strength</b>				
13 Investments in joint ventures	-	-	-	-	-	-	-	-	a Core capital	<b>1,738,391</b>	<b>2,091,915</b>	<b>2,024,567</b>	<b>1,243,932</b>
14 Investment properties	-	-	-	-	-	-	-	-	b Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
15 Property and equipment	3,516,911	3,998,390	4,531,514	4,367,117	3,518,652	3,998,833	4,531,354	4,367,515	<b>c Excess/(Deficiency) (a-b)</b>	<b>738,391</b>	<b>1,091,915</b>	<b>1,024,567</b>	<b>243,932</b>
16 Prepaid lease rentals	-	-	-	-	-	-	-	-	d Supplementary capital	1,271,177	1,327,239	1,245,406	1,206,558
17 Intangible assets	1,256,824	1,300,050	1,321,193	1,241,539	1,256,824	1,314,221	1,335,364	1,255,710	<b>e Total capital (a+d)</b>	<b>3,009,568</b>	<b>3,419,154</b>	<b>3,269,973</b>	<b>2,450,489</b>
18 Deferred tax asset	1,973,554	2,289,527	2,190,256	2,198,433	1,973,736	2,290,168	2,190,417	2,200,664	<b>f Total risk weighted assets</b>	<b>88,505,301</b>	<b>92,765,531</b>	<b>86,218,929</b>	<b>85,111,042</b>
19 Retirement benefit asset	-	-	-	-	-	-	-	-	<b>g Core capital/total deposit liabilities</b>	<b>1.8%</b>	<b>2.1%</b>	<b>2.2%</b>	<b>1.3%</b>
20 Other assets	5,117,124	4,430,017	4,781,418	4,696,079	4,910,061	4,113,105	4,454,377	4,355,896	h Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%
<b>21 TOTAL ASSETS</b>	<b>113,569,560</b>	<b>115,143,443</b>	<b>105,065,267</b>	<b>114,922,318</b>	<b>113,341,453</b>	<b>114,849,105</b>	<b>104,742,164</b>	<b>114,595,518</b>	i Excess/(Deficiency) (g-h)	-6.2%	-5.9%	-5.8%	-6.7%
<b>B LIABILITIES</b>									<b>j Core capital/total risk weighted assets</b>	<b>2.0%</b>	<b>2.3%</b>	<b>2.4%</b>	<b>1.5%</b>
22 Balances due to Central Bank of Kenya	1,997,400	-	-	7,448,550	1,997,400	-	-	7,448,550	k Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
23 Customer deposits	96,322,828	99,223,459	89,520,567	91,771,954	95,990,899	98,865,959	89,101,230	91,331,602	l Excess/(Deficiency) (j-k)	-8.5%	-8.2%	-8.1%	-9.0%
24 Deposits and balances due to local banking institutions	4,035,049	3,446,015	3,282,329	3,606,812	4,035,049	3,446,015	3,282,329	3,606,812	<b>m Total capital/total risk weighted assets</b>	<b>3.4%</b>	<b>3.7%</b>	<b>3.8%</b>	<b>2.9%</b>
25 Deposits and balances due to foreign banking institutions	2,798,562	2,574,715	2,228,356	1,518,028	2,801,562	2,574,715	2,228,356	1,518,028	n Minimum Statutory Ratio	14.5%	14.5%	14.5%	14.5%
26 Other money market deposits	-	-	-	-	-	-	-	-	o Excess/(Deficiency) (m-n)	-11.1%	-10.8%	-10.7%	-11.6%
27 Borrowed funds	-	-	-	-	-	-	-	-	<b>p Adjusted core capital/total deposit liabilities*</b>	<b>2.2%</b>	<b>2.8%</b>	<b>3.1%</b>	<b>1.8%</b>
28 Balances due to banking institutions in the group	-	-	-	-	-	-	-	-	<b>q Adjusted core capital/total risk weighted assets*</b>	<b>2.4%</b>	<b>3.1%</b>	<b>3.3%</b>	<b>2.0%</b>
29 Tax payable	-	-	-	-	-	-	-	-	<b>r Adjusted total capital/total risk weighted assets*</b>	<b>3.9%</b>	<b>4.5%</b>	<b>4.7%</b>	<b>3.4%</b>
30 Dividends payable	24,260	24,315	24,315	24,315	24,260	24,315	24,315	24,315	<b>5 Liquidity</b>				
31 Deferred tax liability	-	-	-	-	-	-	-	-	a Liquidity Ratio	<b>39.9%</b>	<b>43.1%</b>	<b>40.4%</b>	<b>40.7%</b>
32 Retirement benefit liability	-	-	-	-	-	-	-	-	b Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
33 Other liabilities	2,601,221	2,939,221	2,861,270	3,308,785	2,642,973	2,965,247	2,880,279	3,342,117	c Excess/(Deficiency) (a-b)	19.9%	23.1%	20.4%	20.7%
<b>34 TOTAL LIABILITIES</b>	<b>107,779,320</b>	<b>108,207,725</b>	<b>97,916,837</b>	<b>107,678,444</b>	<b>107,492,143</b>	<b>107,876,251</b>	<b>97,516,509</b>	<b>107,271,424</b>					
<b>C SHAREHOLDERS' FUNDS</b>													
35 Paid up /Assigned capital	7,368,906	7,368,906	7,368,906	7,368,906	7,368,906	7,368,906	7,368,906	7,368,906					
36 Share premium/(discount)	-	-	-	-	-	-	-	-					
37 Revaluation reserves	659,443	1,261,907	1,256,148	1,250,390	659,443	1,261,906	1,256,148	1,250,390					
38 Retained earnings/Accumulated losses	(4,935,548)	(4,892,016)	(5,100,120)	(5,913,102)	(4,876,719)	(4,854,776)	(5,022,792)	(5,833,561)					
39 Statutory loan loss reserves	3,450,384	3,333,324	3,595,944	4,456,204	3,450,384	3,333,324	3,595,944	4,456,204					
40 Other Reserves	(752,945)	(136,403)	27,552	81,476	(752,704)	(136,506)	27,449	82,155					
41 Proposed dividends	-	-	-	-	-	-	-	-					
42 Capital grants	-	-	-	-	-	-	-	-					
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>5,790,240</b>	<b>6,935,718</b>	<b>7,148,430</b>	<b>7,243,874</b>	<b>5,849,310</b>	<b>6,972,854</b>	<b>7,225,655</b>	<b>7,324,094</b>					
<b>44 TOTAL LIABILITIES &amp; SHAREHOLDERS' FUNDS</b>	<b>113,569,560</b>	<b>115,143,443</b>	<b>105,065,267</b>	<b>114,922,318</b>	<b>113,341,453</b>	<b>114,849,105</b>	<b>104,742,164</b>	<b>114,595,518</b>					

  

II. STATEMENT OF COMPREHENSIVE INCOME									
For the period ended 30 June 2019									
	BANK	BANK	BANK	BANK	GROUP	GROUP	GROUP	GROUP	
	30-Jun-18	31-Dec-18	31-Mar-19	30-Jun-19	30-Jun-18	31-Dec-18	31-Mar-19	30-Jun-19	
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	
	Un-Audited	Audited	Un-Audited	Un-Audited	Un-Audited	Audited	Un-Audited	Un-Audited	
<b>1 Interest Income</b>									
1.1 Loans and advances	2,096,533	4,427,606	1,169,496	2,195,733	2,096,686	4,427,606	1,169,496	2,195,733	
1.2 Government securities	1,983,281	4,431,954	1,178,895	2,209,500	1,983,281	4,432,457	1,179,879	2,211,027	
1.3 Deposits and placements with banking institutions	42,496	52,829	8,286	18,190	42,496	52,829	8,286	18,190	
1.4 Other Interest Income	-	-	-	-	-	-	-	-	
<b>1.5 Total interest income</b>	<b>4,122,310</b>	<b>8,912,389</b>	<b>2,356,677</b>	<b>4,423,423</b>	<b>4,122,463</b>	<b>8,912,892</b>	<b>2,357,661</b>	<b>4,424,950</b>	
<b>2 Interest Expense</b>									
2.1 Customer deposits	1,370,345	2,589,995	611,944	1,208,346	1,359,987	2,565,274	604,464	1,194,399	
2.2 Deposits and placements from banking institutions	153,935	319,688	28,165	101,270	153,935	319,688	28,165	101,270	
2.3 Other interest expenses	-	-	-	-	-	-	-	-	
<b>2.4 Total Interest Expenses</b>	<b>1,524,280</b>	<b>2,909,683</b>	<b>640,109</b>	<b>1,309,616</b>	<b>1,513,922</b>	<b>2,884,962</b>	<b>632,629</b>	<b>1,295,669</b>	
<b>3 NET INTEREST INCOME</b>	<b>2,598,030</b>	<b>6,002,706</b>	<b>1,716,568</b>	<b>3,113,807</b>	<b>2,608,541</b>	<b>6,027,930</b>	<b>1,725,032</b>	<b>3,129,281</b>	
<b>4 Non-Interest Income</b>									
4.1 Fees and commissions on loans and advances	37,607	38,964	2,056	62,831	37,607	38,964	2,056	62,831	
4.2 Other fees and commissions	586,063	1,147,540	287,362	564,764	619,993	1,190,202	287,362	564,764	
4.3 Foreign exchange trading income (loss)	284,978	601,114	145,644	241,476	284,978	601,114	145,644	241,476	
4.4 Dividend Income	170,000	162,867	-	-	-	1,367	-	-	
4.5 Other Income	111,972	168,601	48,629	(142,933)	111,972	159,297	66,605	(116,662)	