

National Bank of Kenya Limited

The Board of Directors of National Bank of Kenya Limited hereby announce the audited results of the Bank for the year ended 31 December 2009

PROFIT AND LOSS ACCOUNT <i>for the year ended 31 December 2009</i>	31 Dec 09 Shs'000	31 Dec 08 Shs'000	BALANCE SHEET <i>as at 31 December 2009</i>	31 Dec 09 Shs'000	31 Dec 08 Shs'000
1 Interest Income			A Assets		
1.1 Loans and advances	1,621,114	1,092,375	1 Cash (both local and foreign)	1,470,378	1,446,300
1.2 Government securities	2,814,100	2,550,760	2 Balances due from Central Bank Of Kenya	6,418,485	1,926,818
1.3 Deposits and placements with banking institutions	49,795	139,324	3 Kenya Government securities	26,609,661	23,502,736
1.4 Other Interest Income	-	-	4 Foreign Currency Treasury bills and bonds	-	-
1.5 Total interest income	4,485,009	3,782,459	5 Deposits and balances due from local banking institutions	166,677	1,283,073
2 Interest Expense			6 Deposits and balances due from banking institutions abroad	987,594	1,672,684
2.1 Customer deposits	1,132,065	796,966	7 Government and other securities held for dealing purposes	-	-
2.2 Deposits and placements from banking institutions	20,551	24,065	8 Tax recoverable	-	-
2.3 Other	-	-	9 Loans and advances to customers (net)	13,156,455	8,950,145
2.4 Total Interest Expenses	1,152,616	821,031	10 Investment securities	52,509	36,714
3 Net Interest Income/(Loss)	3,332,393	2,961,428	11 Balances due from group companies	-	-
4 Non-Interest Income			12 Investment in associates	-	-
4.1 Fees and commissions on loans and advances	224,646	138,485	13 Investment in subsidiary companies	19,963	19,963
4.2 Other fees and commissions	1,128,803	1,090,742	14 Investment in joint ventures	-	-
4.3 Foreign exchange trading income (loss)	297,384	354,403	15 Investment in properties	-	-
4.4 Dividend Income	-	-	16 Property and equipment	2,071,001	1,594,944
4.5 Other Income	753,412	517,787	17 Prepaid lease rentals	11,911	12,059
4.6 Total Non-Interest Income	2,404,245	2,101,417	18 Intangible assets	57,078	30,586
5 Total Operating Income	5,736,638	5,062,845	19 Deferred tax asset	-	-
6 Other Operating Expenses			20 Retirement benefit asset	-	-
6.1 Loan loss provision	143,520	361,712	21 Other assets	382,696	2,219,678
6.2 Staff costs	1,986,720	1,693,849	22 Total Assets	51,404,408	42,695,700
6.3 Directors' emoluments	49,708	49,797	B Liabilities		
6.4 Rental charges	78,377	58,769	23 Balances due to Central Bank of Kenya	-	-
6.5 Depreciation charge on property and equipment	203,854	170,356	24 Customer deposits	41,995,446	34,277,654
6.6 Amortisation charges	28,529	31,043	25 Deposits and balances due to local banking institutions	50,290	69,325
6.7 Other operating expenses	1,086,489	900,754	26 Deposits and balances due to foreign banking institutions	-	-
6.8 Total Operating Expenses	3,577,197	3,266,280	27 Other money market deposits	-	-
7 Profit before tax and exceptional items	2,159,441	1,796,565	28 Borrowed funds	-	27,499
8 Exceptional items	-	-	29 Balances due to group companies	21,976	21,976
9 Profit after exceptional items	2,159,441	1,796,565	30 Tax payable	114,944	291,767
10 Current tax	(680,560)	(587,320)	31 Dividends payable	10,524	108,990
11 Deferred tax	(15,926)	31,365	32 Deferred tax liability	198,124	89,458
12 Profit after tax and exceptional items	1,462,955	1,240,610	33 Retirement benefit liability	-	-
OTHER DISCLOSURES	31 Dec 09	31 Dec 08	34 Other liabilities	1,105,412	1,601,186
	Shs'000	Shs'000	35 Total Liabilities	43,496,716	36,487,855
1 Non-performing loans and advances			C Shareholders' Funds		
a Gross non-performing loans and advances	1,301,757	2,434,520	36 Paid Up/Assigned Capital	6,675,000	6,675,000
Less:			37 Share Premium/(discount)	370,585	370,585
b Interest in suspense	33,651	464,198	38 Revaluation reserve	682,641	454,679
c Total Non-performing loans and advances (a-b)	1,268,106	1,970,322	39 Retained Earnings/(Accumulated losses)	53,563	(1,374,030)
Less:			40 Statutory Loan Loss Reserve	125,903	81,611
d Loan loss Provisions	888,577	1,428,242	41 Proposed Dividends	-	-
e Net NPLs exposure (c-d)	379,529	542,080	42 Capital grants	-	-
f Discounted Value of Securities	379,529	542,080	43 Total Shareholders' Funds	7,907,692	6,207,845
g Net NPLs exposure (e-f)	-	-	44 Total Liabilities & Shareholders' Funds	51,404,408	42,695,700
2 Insider loans and Advances			CONSOLIDATION		
a Shareholders and associates	-	-	Consolidated financial statements have not been prepared as the subsidiary companies are dormant and the amounts involved are not material.		
b Directors	4,418	5,526	MESSAGE FROM DIRECTORS		
c Employees	1,778,718	1,509,108	Profit before tax improved by 20% from Shs 1,797 m to Shs 2,159 m.		
d Total insider loans, advances and other facilities	1,783,136	1,514,634	The directors do not recommend payment of a dividend.		
3 Off-Balance sheet items			The directors are pleased to recommend, subject to regulatory approvals and that of the shareholders, a bonus issue in the proportion of 2 new ordinary shares for every 5 ordinary shares then held, to the shareholders registered at the close of business on 9 April 2010. The bonus shares will be credited to CDS accounts or share certificates mailed, on or about 18 June 2010. The register of members will be closed for one day on 12 April 2010.		
a Letters of credit, guarantees and acceptances	3,286,329	2,988,957	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 10 March 2010 and signed on its behalf by:		
b Other contingent liabilities	-	10,184	M E G Muhindi - Chairman		
c Total contingent liabilities	3,286,329	2,999,141	P W D Ngumi - Director/Chairman audit committee		
4 Capital Strength			R M Marambii - Managing Director		
a Core capital	7,099,149	5,671,555	LG Kamweti - Company Secretary		
b Minimum Statutory Capital	350,000	250,000	To get a full picture of the bank's performance, the full financial statements will be available in our offices and in our website after adoption by members at the annual general meeting. The financial statements were audited by Deloitte & Touche and received an unqualified opinion.		
c Excess/(Deficiency) (a-b)	6,749,149	5,421,555	ANNUAL GENERAL MEETING		
d Supplementary capital	296,563	195,281	Notice is hereby given that the Forty-First Annual General Meeting of the shareholders of National Bank of Kenya Limited will be held at the KICC - Tsavo Ballroom, Nairobi on Friday, 18 June 2010 at 10 a.m.		
e Total capital (a+d)	7,395,712	5,866,836	REGISTERED OFFICE		
f Total risk weighted assets	17,376,921	14,699,753	National Bank Building, Harambee Avenue, P.O. BOX 72866, 00200 Nairobi. Telephone 2828000, 0711038000, 0732018000 Fax 311444. Website : www.nationalbank.co.ke		
g Core capital/total deposit liabilities	17%	17%			
h Minimum Statutory Ratio	8%	8%			
i Excess/(Deficiency) (g-h)	9%	9%			
j Core capital/total risk weighted assets	41%	39%			
k Minimum Statutory Ratio	8%	8%			
l Excess/(Deficiency) (j-k)	33%	31%			
m Total capital/total risk weighted assets	43%	40%			
n Minimum Statutory Ratio	12%	12%			
o Excess (Deficiency)(m-n)	31%	28%			
5 Liquidity					
a Liquidity Ratio	35%	31%			
b Minimum Statutory Ratio	20%	20%			
c Excess (Deficiency)(a-b)	15%	11%			



National Bank

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