Capital grants
TOTAL SHAREHOLDERS' FUNDS

TOTAL LIABILITIES & SHAREHOLDERS' FUNDS

16 EARNINGS PER SHARE - basic and diluted



## The Board of Directors of National Bank of Kenya Limited hereby announce the un-audited results for the period ended 30 September 2016

	I. STATEMENT OF FINANCIAL POSITION as at 30 September 2016					- 1								•				
			BANK 31-Dec-15 Shs'000 Audited	Shs'000		Shs'000	GROUP 30-Sep-15 Shs'000 Un-audited	GROUP 31-Dec-15 Shs'000 Audited	GROUP 31-Mar-16 Shs'000 Un-audited	GROUP 30-Jun-16 Shs'000 Un-audited	30-Sep-16 Shs'000	6 0	OTHER DISCLOSURES	BANK 30-Sep-15 Shs'000 Un-audited	Shs'000	BANK 31-Mar-16 Shs'000 Un-audited	BANK 30-Jun-16 Shs'000 Un-audited	BANK 30-Sep-16 Shs'000 Un-audited
Α	ASSETS											1	Non-performing loans and advances					
1	Cash (both Local & Foreign)	3,419,415	3,350,178	3,352,781	2,944,010	2,931,089	3,709,069	3,668,583	3,696,472	3,293,535	3,287,209	a	Gross non-performing loans and advances	6 459 891	11,762,498	16,978,927	27,302,184	29,269,19
2	Balances due from Central Bank of Kenya	4,316,829	12.769.536	4,763,006	7.840.851	8.815.173	4,316,829	12,769,536	4.763.006	7,840,851	8.815.173	h	Less: Interest in suspense	353,548		1.895.355	2,466,080	3.120.48
3	Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-	-	-	c	Total Non-performing loans and advances (a-b)		9,963,684	15,083,572	24,836,104	26,148,70
4	Financial Assets at fair value through profit and loss	-	-	-	-	-	=	-	-	-	-	d	Less: Loan loss Provisions	574,586		3,946,004	4,931,989	5,257,19
5	Investment Securities:(a+b)	27,457,806	27,315,111	28,630,502	28,199,452	27,955,588	27,457,806	27,315,111	28,630,502	28,199,452	27,955,588	•	Net NPLs exposure (c-d)	5,531,757		11,137,568	19,904,115	
	a) Held to Maturity:(i+ii)	23,239,213	27,315,111	28,630,502	28,199,452	27,955,588	23,239,213	27,315,111	28,630,502	28,199,452	27,955,588		• • •					
	i. Kenya Government securities	23,056,461	27,083,464	28,402,429	27,976,472	27,709,562	23,056,461	27,083,464	28,402,429	27,976,472	27,709,562	t	Discounted Value of Securities	5,531,757	6,724,977	11,137,568	19,904,115	20,891,50
	ii. Other securities	182,752	231,647	228,073	222,980	246,026	182,752	231,647	228,073	222,980	246,026	g	Net NPLs exposure (e-f)	-	-	-	-	
	b) Available for sale:(i+ii)	4,218,593	-	-	-	-	4,218,593	-		-	-	2	Insider loans and Advances					
	i. Kenya Government securities	4,218,593	-	-	-	-	4,218,593	-	-	-	-	α	Directors, Shareholders and associates	98,879	100,955	104,165	7,380	7,81
	ii. Other securities	-		-	-		=	-		_	-	b	Employees	5,468,236	4,893,563	4,709,121	4,380,494	4,312,23
6	Deposits and balances due from local banking institutions	185,769	3.658.835	1.409.962	120.871	302,385	185,769	3.658.835	1,409,962	120.871	302,385	c	Total insider loans, advances and other facilities	5,567,115	4,994,518	4,813,286	4,387,874	4,320,04
	Deposits and balances due from banking institutions abroad	1,664,599	598,211	816,742	132,335	324,802	1.664.599	598,211	816,742	132,335	324,802	3	Off-Balance sheet items					
	Tax recoverable	-	510.846	371,862	385,168	296,241	-	505,652	380.823	393,609	300,542	а	Letters of credit, guarantees and acceptances	7.472.483	8.842.431	7.330.618	5.510.676	5,211,23
9	Loans and advances to customers (net)	73,558,720	67,803,990	66,315,233	64,782,208		73,558,720	67,803,990	66,315,233	64,782,208		b	Forwards, swaps and options	198,415	768,085	114,853	1,427,223	1,972,42
	Balances due from banking institutions in the group	_	-	-	_	_	-	-	_	_		c	Other contingent liabilities	-	-	-	.,,	360,55
11	Investments in associates	_	_	_				_	_	_		d	Total contingent liabilities	7.670.898	9.610.516	7,445,471	6,937,899	7,544,21
	Investments in subsidiary companies	19,963	19,963	19,963	19,963	19,963	19.963	19,963	19,963	19,963	19.963	4	Capital Strength	.,,	-,,	.,,	-,,	-,,
13	Investments in joint ventures	19,903	13,303	19,903	13,303	15,505	19,963	19,903	19,303	19,903		а	Core capital	11.361.363	9,784,463	10,129,844	10,206,167	10,161,21
		-	-	-	-	-	-	-	-	-	-	h	Minimum Statutory Capital	1,000,000		1,000,000	1,000,000	1,000,00
14 15	Investment properties Property and equipment	4,306,992	4.187.457	4,227,059	4,262,661	4,192,578	4.308.049	4.188.468	4,228,065	4,263,591	4.193.706	c	Excess/(Deficiency) (a-b)	10.361.363		9.129.844	9.206.167	9,161,21
	Prepaid lease rentals		4,107,437	4,227,039	4,202,001	4,152,376	4,300,049	4,100,400	4,220,003	4,263,351		d	Supplementary capital	769,781	746,845	563,611	479,539	466,60
	Intangible assets	416 843,937	1,399,085	1,420,533	1,409,742	1,420,904	844,279	1,399,365	1,420,688	1,409,804	1,420,904	е	Total capital (a+d)	12,131,144	10,531,308	10,693,455	10,685,706	10,627,82
	Deferred tax asset	843,937	482,668	482,668	482.668		234	483,299	483,299	483,299	483.299	f	Total risk weighted assets	78,580,225	75,266,075	81,793,696	81,251,397	84,279,19
	Retirement benefit asset	_	402,000	482,008	402,000	402,000	234	463,233	463,233	403,233		а	Core capital/total deposit liabilities	12.5%	8.8%	10.1%	10.7%	10.5%
	Other assets	2.015.266	3.199.155	3,410,331	5.577.794	4.327.579	2.015.265	3.029.303	3.410.331	5.582,489		h	Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%	8.0%
	TOTAL ASSETS		-, -, -, -,	115,220,642	.,,.	, , , , , ,	, ,	.,,	-, -,	116,522,007	,,		Excess/(Deficiency) (q-h)	4.5%	0.8%	2.1%	2.7%	2.5%
В	LIABILITIES		.,,		., . ,	-1 -1 -			.,		-,,		Core capital/total risk weighted assets	14.5%	13.0%	12.4%	12.6%	12.1%
22	Balances due to Central Bank of Kenya	_	_	_	5,951,750	3,469,019	_	_	_	5,951,750	3,469,019	,						
	Customer deposits	90.817.320	110.622.469	99,444,269			90,817,320	110,622,469	99.444.269	95,569,118		K	Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%	10.5%
24	Deposits and balances due to local banking institutions	6,806,967	2,343,245	3,157,167	15,518		6,806,967	2,343,245	3,157,167	15,518	1.167.051	ı	Excess/(Deficiency) (j-k)	4.0%	2.5%	1.9%	2.1%	1.6%
	Deposits and balances due to foreign banking institutions	-	_	_	_	-	_	-	_		_	m	Total capital/total risk weighted assets	15.4%	14.0%	13.1%	13.2%	12.6%
	Other money market deposits	-	-	-	-	-	-	-	-	-	-	n	Minimum Statutory Ratio	14.5%	14.5%	14.5%	14.5%	14.5%
27	Borrowed funds	-	-	-	-	-	-	-	-	-	-	0	Excess/(Deficiency)(m-n)	0.9%	(0.5%)	(1.4%)	(1.3%)	(1.9%)
28	Balances due to banking institutions in the group	21,976	21,976	21,976	21,976	21,976	21,976	21,976	21,976	21,976	21,976	5	Liquidity					
29	Tax payable	592,131	-	-	-	-	606,296	-	-	-	-	а	Liquidity Ratio	21.1%	30.7%	26.9%	25.7%	25.2%
30	Dividends payable	29,885	29,826	29,811	29,807	29,805	29,885	29,826	29,811	29,807	29,805	b	Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0% 5.7%	20.0%
31	Deferred tax liability	25,460	-	-	-	-	25,460	-	-	-	-	C	Excess/(Deficiency)(a-b)	1.1%	10.7%	0.9%	5.7%	5.2%
32	Retirement benefit liability	-	-	-	-	-	-	-	-	-	-							
33	Other liabilities	6,052,093	1,363,897	1,329,502	3,347,136	794,917	6,261,546	1,369,251	1,533,738	3,568,995	1,021,417	_						
34	TOTAL LIABILITIES	104,345,832	114,381,413	103,982,725	104,935,305	101,900,096	104,569,450	114,386,767	104,186,961	105,157,164	102,126,596	D	IVIDENDS					
C	SHAREHOLDERS' FUNDS																	
35	Paid up /Assigned capital	7,214,976	7,214,976	7,214,976	7,214,976	7,214,976	7,214,976	7,214,976	7,214,976	7,214,976	7,214,976	Th	he directors do not recommend the payment of c	an interim d	vidend.			
36	Share premium/(discount)	-	-	-	-	-	-	-	-	-	-							
37	Revaluation reserves	519,601	509,752	509,752	509,752	568,131	519,601	509,752	509,752	509,752	568,131	Α	PPROVAL					
38	Retained earnings/Accumulated losses	5,278,103	2,569,487	3,077,016	3,145,589	3,204,221	5,345,771	2,709,414	3,227,224	3,288,014	3,348,291	Th	he un-audited financial statements are extracts	of the final	ncial staten	nents and re	cords of the	Bank whi
39	Statutory loan loss reserves	639,881	619,407	436,173	352,101	324,572	639,881	619,407	436,173	352,101	324,572	W	ere approved by the Board of Directors on 25	November	2016. The	complete se	et of quarte	erly financ
40	Other Reserves	(208,681)		-	-	3,141	(208,681)	-		_	3,141	st	atements, statutory and qualitative disclosures	can be acce	ssed on th	e Bank's wel	site www.n	ationalbar
							, ,						· ·					

13,443,880 10,913,622 11,237,917 11,222,418 11,315,041 13,511,548 11,053,549 11,388,125 11,364,843 11,459,111

117,789,712 125,295,035 115,220,642 116,157,723 113,215,137 118,080,998 125,440,316 115,575,086 116,522,007 113,585,707

She 7.22 She (3.96) She 1.05 She 1.00 She 1.68 She 8.05 She (3.86) She 1.09 She 1.01 She 1.69

II.	STATEMENT OF COMPREHENSIVE INCOME for the period ended 30 September 2016	BANK 30-Sep-15	BANK 31-Dec-15	BANK 31-Mar-16	BANK 30-Jun-16	BANK 30-Sep-16	GROUP 30-Sep-15	GROUP 31-Dec-15	GROUP 31-Mar-16	GROUP 30-Jun-16	GROUI 30-Sep-10
		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	Un-audited	Audited	Un-audited	Un-audited	Un-audite
	Interest Income										
1.1	Loans and advances	7,323,477	8,934,150	2,715,453	5,454,979	7,631,818	7,323,477	8,934,150	2,715,453	5,454,979	7,631,81
1.2	Government securities	2,318,406	3,201,903	768,805	1,472,037	2,348,265	2,318,406	3,201,903	768,805	1,472,037	2,348,26
1.3	Deposits and placements with banking institutions	106,352	112,150	38,019	44,211	49,892	106,352	112,150	38,019	44,211	49,89
1.4	Other Interest Income	-	-	-	-	-	-	-	-	-	
1.5	TOTAL INTEREST INCOME	9,748,235	12,248,203	3,522,277	6,971,227	10,029,975	9,748,235	12,248,203	3,522,277	6,971,227	10,029,97
2	Interest Expense										
2.1	Customer deposits	3,523,767	5,128,954	1,205,378	1,969,748	1	3,523,767	5,112,772	1,205,378	1,969,748	2,549,64
2.2	Deposits and placements from banking institutions	516,713	726,460	39,658	340,231	677,376	516,713	726,460	39,658	340,231	677,37
2.3	Other interest expenses	10,689	11,432	4,539	224,607	224,607	10,689	11,432	4,539	224,607	224,60
2.4	TOTAL INTEREST EXPENSES	4,051,169	5,866,846	1,249,575	2,534,586		4,051,169	5,850,664	1,249,575	2,534,586	3,451,62
3	NET INTEREST INCOME	5,697,066	6,381,357	2,272,702	4,436,641	6,578,347	5,697,066	6,397,539	2,272,702	4,436,641	6,578,34
<b>4</b> 4.1	Non-Interest Income Fees and commissions on loans and advances	281,346	307,622	57,054	74,005	97,340	281,346	382,145	57,054	74,005	455.01
+.1	Other fees and commissions	1,192,688	1,744,555	350,745	716,129	1,046,160	1,192,688	1,744,555	388,043	764,870	155,0! 1,046,16
3	Foreign exchange trading income (loss)	421,651	564,754	98,417	196,945	273,938	421,651	564,754	98,417	196,945	273,9
.4	Dividend Income	121,051	1,247	50,117	150,515	-	-	1,247	,	,	
5	Other Income	1,150,897	464,853	192,318	331,392	387,360	1,226,666	464,853	192,318	331,392	387,36
6	TOTAL NON-INTEREST INCOME	3,046,582	3,083,031	698,534	1,318,471	1,804,798	3,122,351	3,157,554	735,832	1,367,212	1,862,50
	-	5,5 .5,552	5,005,00	050,55	.,5.0,	.,00 .,,,,	5,122,551	5/157/55	755,552	.,,	.,002,50
	TOTAL OPERATING INCOME	8,743,648	9,464,388	2,971,236	5,755,112	8,383,145	8,819,417	9,555,093	3,008,534	5,803,853	8,440,85
5	Other Operating Expenses										
5.1	Loan loss provision	586,426	3,719,128	696,923	1,617,029	1,910,131	586,426	3,719,128	696,923	1,617,029	1,910,1
5.2	Staff costs	2,672,063	3,587,995	875,719	1,773,900		2,701,144	3,620,758	880,025	1,781,467	2,691,35
5.3	Directors' emoluments	16,143	24,875	4,576	20,303	31,915	16,143	24,875	4,576	20,303	31,9
5.4	Rental charges	227,464	317,289	83,786	193,794	283,864	227,464	317,289	83,786	193,794	283,86
5.5	Depreciation charge on property and equipment	253,112	337,081	92,388	189,908	300,337	253,340	337,366	92,464	190,059	300,53
5.6	Amortisation charges	228,816	319,696	95,571	194,268	301,120	229,127	320,069	95,664	194,454	301,36
5.7	Other operating expenses	1,582,208	2,842,722	658,993	1,331,436	2,140,605	1,586,706	2,853,593	677,129	1,368,300	2,177,3
5.8	Total Operating Expenses	5,566,232	11,148,786	2,507,956	5,320,638	7,646,061	5,600,350	11,193,078	2,530,567	5,365,406	7,696,50
,	PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	3.177.416	(1,684,398)	463,280	434,474	737.084	3,219,067	(1,637,985)	477.967	438.447	744,34
3	Exceptional items	-,,						.,,	,		
,	Profit after exceptional items	Z 177 /-16	(1,684,398)	463,280	434,474	737.084	Z 219 067	(1,637,985)	477,967	438,447	744,30
	Current tax			-	-				-		-
0		(953,225)	501,104	(138,985)	(125,678)	(221,125)	(965,720)	484,508	(143,391)	(127,153)	(223,304
1	Deferred tax	2 227 424	(4 407 201 )	70/ 005	700 700	-		(4 457 ( 77)		744 004	F24 01
2	Profit after tax and exceptional items OTHER COMPREHENSIVE INCOME	2,224,191	(1,183,294)	324,295	308,796	515,959	2,253,341	(1,153,477)	334,576	311,294	521,04
3					_	_	_	-	_	_	
	Gains/(Losses) from translating the financial statements of foreign operations	-	-	-							
3.1		(225,678)	(16,997)	-	-	3,141	(225,678)	(16,997)	_	-	3.1
3.1	foreign operations Fair value changes in available for sale financial assets	(225,678)	- (16,997) -	-	-	3,141	(225,678)	(16,997)	-	-	3,14
3.3	foreign operations Fair value changes in available for sale financial assets	- (225,678) - -	- (16,997) - -	-	-	3,141 - -	(225,678) - -	(16,997) - -	-	- - -	3,14
3.1 3.2 3.3 3.4	foreign operations  Fair value changes in available for sale financial assets  Revaluation surplus on Property, plant and equipment  Share of other comprehensive income of associates	- (225,678) - -	- (16,997) - -	- - -	- - -	3,141 - -	(225,678) - - -	(16,997) - -	-	- - -	3,14
3.1 3.2 3.3 3.4	foreign operations Fair value changes in available for sale financial assets Revaluation surplus on Property, plant and equipment	(225,678) - - - - (225,678)	(16,997) - - - - (16,997)	- - - -	- - -	3,141 - - - - <b>3,141</b>	(225,678) - - - - (225,678)	(16,997) - - - - (16,997)	- - -	- - -	3,14

and records of the Bank which olete set of quarterly financial nk's website www.nationalbank. co.ke.

Wilfred Musau - Managing Director & CEO Habil Waswani - Company Secretary

## REGISTERED OFFICE

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