

The Board of Directors of National Bank of Kenya Limited hereby announce the audited results for the period ended 31 December 2022
**I. STATEMENT OF FINANCIAL POSITION
as at 31 December 2022**

	BANK 31-Dec-21 KSh's'000 Audited	BANK 31-Dec-22 KSh's'000 Audited	GROUP 31-Dec-21 KSh's'000 Audited	GROUP 31-Dec-22 KSh's'000 Audited
A Assets				
1. Cash (both Local & Foreign)	1,250,983	1,432,365	1,250,983	1,432,365
2. Balances due from Central Bank of Kenya	7,722,963	3,806,747	7,722,963	3,806,747
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)	53,369,382	48,691,029	53,452,206	48,880,214
a) Held to Maturity:(i+ii)	33,345,031	24,859,649	33,345,031	24,871,033
i. Kenya Government securities	33,049,950	24,564,568	33,049,950	24,575,952
ii. Other securities	295,081	295,081	295,081	295,081
b) Available for sale:(i+ii)	20,024,351	23,831,380	20,107,175	24,009,181
i. Kenya Government securities	20,024,351	23,831,380	20,107,175	24,009,181
ii. Other securities				
6. Deposits and balances due from local banking institutions	1,852,529	1,722,415	1,852,529	1,722,415
7. Deposits and balances due from banking institutions abroad	496,359	856,588	496,359	856,588
8. Tax recoverable	-	35,633	-	39,434
9. Loans and advances to customers (net)	67,045,738	71,188,674	67,045,738	71,188,674
10. Balances due from banking institutions in the group	-	20,504	-	20,504
11. Investments in associates	649,876	630,147	649,876	630,147
12. Investments in subsidiary companies	24,963	24,963	-	-
13. Investments in joint ventures	-	-	-	-
14. Investment properties	-	-	-	-
15. Property and equipment	4,119,087	2,107,445	4,120,459	2,108,484
16. Prepaid lease rentals	-	-	-	-
17. Intangible assets	612,378	413,519	636,462	431,823
18. Deferred tax asset	3,317,439	4,423,855	3,316,905	4,425,472
19. Retirement benefit asset	-	-	-	-
20. Other assets	6,081,608	7,415,390	5,910,476	7,247,550
21. TOTAL ASSETS	146,543,305	142,769,274	146,454,956	142,790,417
B. Liabilities				
22. Balances due to Central Bank of Kenya	3,496,740	-	3,496,740	-
23. Customer deposits	106,103,099	105,675,307	105,786,296	105,386,533
24. Deposits and balances due to local banking institutions	10,554,365	12,276,816	10,554,365	12,276,816
25. Deposits and balances due to foreign banking institutions	7,455,621	6,213,529	7,455,621	6,213,529
26. Other money market deposits	-	-	-	-
27. Borrowed funds	-	628,790	-	628,790
28. Balances due to banking institutions in the group	-	38,104	-	38,104
29. Tax payable	215,227	-	237,067	-
30. Dividends payable	274	-	274	-
31. Deferred tax liability	-	-	-	-
32. Retirement benefit liability	-	-	-	-
33. Other liabilities	2,353,257	2,846,796	2,409,259	2,901,832
34. TOTAL LIABILITIES	130,178,583	127,679,342	129,939,622	127,445,604
C. Shareholders' Funds				
35. Paid up /Assigned capital	12,683,038	12,683,038	12,683,038	12,683,038
36. Share premium/(discount)	3,141,319	3,141,319	3,141,319	3,141,319
37. Revaluation reserves	1,200,558	-	1,200,560	-
38. Retained earnings/Accumulated losses	(5,190,271)	(4,324,159)	(5,038,471)	(4,064,249)
39. Statutory loan loss reserves	4,520,549	4,374,215	4,520,549	4,374,215
40. Other Reserves	9,529	(784,481)	8,339	(789,510)
41. Proposed dividends	-	-	-	-
43. Capital grants	-	-	-	-
44. TOTAL SHAREHOLDERS' FUNDS	16,364,722	15,089,932	16,515,334	15,344,813
45. Minority interest	-	-	-	-
46. Total Liabilities & Shareholders' Funds	146,543,305	142,769,274	146,454,956	142,790,417

**II. STATEMENT OF COMPREHENSIVE INCOME
for the period ended 31 December 2022**

	BANK 31-Dec-21 KSh's'000 Audited	BANK 31-Dec-22 KSh's'000 Audited	GROUP 31-Dec-21 KSh's'000 Audited	GROUP 31-Dec-22 KSh's'000 Audited
1. Interest Income				
1.1. Loans and advances	6,301,436	7,499,952	6,301,436	7,499,952
1.2. Government securities	5,761,130	5,616,106	5,769,193	5,637,016
1.3. Deposits and placements with banking institutions	170,981	40,017	170,981	40,017
1.4. Other Interest Income	6,221	35,501	6,221	35,501
1.5. Total interest income	12,239,768	13,191,576	12,247,831	13,212,486
2. Interest Expense				
2.1. Customer deposits	2,941,403	3,123,059	2,929,073	3,106,757
2.2. Deposits and placements from banking institutions	687,169	853,860	687,169	853,860
2.3. Other interest expenses	347,976	171,048	347,976	171,048
2.4. Total Interest Expenses	3,976,548	4,147,967	3,964,218	4,131,665
3. Net Interest Income	8,263,220	9,043,609	8,283,613	9,080,821
4. Non-Interest Income				
4.1. Fees and commissions on loans and advances	84,686	182,740	84,686	182,740
4.2. Other fees and commissions	691,150	781,435	939,446	1,024,153
4.3. Foreign exchange trading income (loss)	666,907	964,611	666,907	964,611
4.4. Dividend Income	100,021	-	21	-
4.5. Other Income	305,043	390,978	299,842	390,978
4.6. Total Non-Interest Income	1,847,807	2,319,764	1,990,902	2,562,482
5. Total Operating Income	10,111,027	11,363,373	10,274,515	11,643,303
6. Other Operating Expenses				
6.1. Loan loss provision	1,014,004	2,003,475	1,014,004	2,003,475
6.2. Staff costs	4,266,885	4,694,743	4,293,896	4,743,387
6.3. Directors' emoluments	26,719	35,038	33,581	45,694
6.4. Rental charges	141,700	123,551	142,054	123,824
6.5. Depreciation charge on property and equipment	762,341	589,774	762,545	590,107
6.6. Amortisation charges	364,429	285,536	369,246	291,316
6.7. Other operating expenses	2,147,992	2,783,626	2,148,889	2,828,936
6.8. Total Operating Expenses	8,724,070	10,515,743	8,764,215	10,626,739
7. Profit before tax and exceptional items	1,386,957	847,630	1,510,300	1,016,564
8. Exceptional items	-	-	-	-
9. Profit after exceptional items	1,386,957	847,630	1,510,300	1,016,564
10. Current tax	531,628	553,222	598,616	614,116
11. Deferred tax	(162,261)	(425,371)	(161,321)	(425,443)
12. Profit after tax and exceptional items	1,017,590	719,779	1,073,005	827,891
13. Minority interest	-	-	-	-
14. Profit after tax, exceptional items and minority interest	1,017,590	719,779	1,073,005	827,891
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	(62,663)	(1,134,300)	(64,530)	(1,139,785)
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	18,799	340,290	19,271	341,935
16. Other Comprehensive Income for the year net of tax	(43,864)	(794,010)	(45,259)	(797,849)
17. Total comprehensive income for the year	973,726	(74,231)	1,027,746	30,042
Earnings Per Share	8%	6%	8.5%	6.5%

III. OTHER DISCLOSURES

	BANK 31-Dec-21 KSh's'000 Audited	BANK 31-Dec-22 KSh's'000 Audited
1. Non-performing loans and advances		
a) Gross non-performing loans and advances	26,541,854	18,495,986
b) Less:Interest in suspense	4,391,263	2,434,820
c) Total Non-performing loans and advances (a-b)	22,150,591	16,061,166
d) Less:Loan loss Provisions	11,782,093	10,227,482
e) Net NPLs exposure (c-d)	10,368,498	5,833,684
f) Discounted Value of Securities	10,239,577	5,575,691
g) Net NPLs exposure (e-f)	128,920	257,994
2. Insider loans and Advances		
a) Directors,Shareholders and associates	18	19
b) Employees	5,845,656	5,725,588
c) Total insider loans, advances and other facilities	5,845,674	5,725,607
3. Off-Balance sheet items		
a) Letters of credit, guarantees and acceptances	4,514,574	8,622,735
b) Forwards, swaps and options	5,204,900	6,121,453
c) Other contingent liabilities	-	-
d) Total contingent liabilities	9,719,474	14,744,188
4. Capital Strength		
a) Core capital	10,288,488	11,034,430
b) Minimum Statutory Capital	1,000,000	1,000,000
c) Excess/(Deficiency) (a-b)	9,288,488	10,034,430
d) Supplementary capital	1,316,500	1,129,549
e) Total capital (a+d)	11,604,988	12,163,979
f) Total risk weighted assets	81,308,855	90,363,905
g) Core capital/total deposit liabilities	9.1%	10.0%
h) Minimum Statutory Ratio	8.0%	8.0%
i) Excess/(Deficiency) (g-h)	1.1%	2.0%
j) Core capital/total risk weighted assets	12.7%	12.2%
k) Minimum Statutory Ratio	10.5%	10.5%
l) Excess/(Deficiency) (j-k)	2.2%	1.7%
m) Total capital/total risk weighted assets	14.3%	13.5%
n) Minimum Statutory Ratio	14.5%	14.5%
o) Excess/(Deficiency)(m-n)	-0.2%	-1.0%
p) Adjusted core capital/total deposit liabilities*	9.2%	10.1%
q) Adjusted core capital/total risk weighted assets*	12.9%	12.4%
r) Adjusted total capital/total risk weighted assets*	14.5%	13.7%
5. Liquidity		
a) Liquidity Ratio	41.7%	40.5%
b) Minimum Statutory Ratio	20.0%	20.0%
c) Excess/(Deficiency)(a-b)	21.7%	20.5%

NOTES

* The adjusted Capital Ratios includes the expected credit loss provisions added back to Capital in line with the CBK Guidance Note issued in April 2018 on implementation of IFRS 9

APPROVAL

The audited financial statements are an extract from the books of the Financial statements and records of the bank and approved on 7th March 2023. and signed on its behalf by:

Jones Nzomo - Chairman, Board Audit Committee
George Odhiambo - Managing Director

The complete set of FY audited financial statements, statutory and qualitative disclosures can be accessed on the Bank's website www.nationalbank.co.ke. They may also be accessed at the institutions head office located at Harambee Avenue.

This may be also accessed at the Bank's registered office listed hereunder.

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