

The Board of Directors of National Bank of Kenya Limited hereby announce the un-audited results for the first quarter ended 31 March 2015
**I. STATEMENT OF FINANCIAL POSITION
As at 31 March 2015**

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-14 Shs'000	BANK 31-Mar-14 Shs'000	GROUP 31-Mar-15 Shs'000	GROUP 31-Dec-14 Shs'000	GROUP 31-Mar-14 Shs'000
	Un-audited	Audited	Un-audited	Un-audited	Audited	Un-audited
A ASSETS						
1 Cash (both Local & Foreign)	2,468,118	2,750,613	2,465,489	2,816,366	2,980,344	2,696,372
2 Balances due from Central Bank of Kenya	3,504,433	14,214,869	9,825,033	3,504,433	14,214,869	9,825,033
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)	32,017,084	30,259,345	28,219,698	32,017,084	30,259,345	28,219,698
a) Held to Maturity:(i+ii)	27,766,456	25,645,729	27,457,126	27,766,456	25,645,729	27,457,126
i. Kenya Government securities	27,587,426	25,477,424	27,363,291	27,587,426	25,477,424	27,363,291
ii. Other securities	179,030	168,305	93,835	179,030	168,305	93,835
b) Available for sale:(i+ii)	4,250,628	4,613,616	762,572	4,250,628	4,613,616	762,572
i. Kenya Government securities	4,250,628	4,613,616	762,572	4,250,628	4,613,616	762,572
ii. Other securities	-	-	-	-	-	-
6 Deposits and balances due from local banking institutions	160,529	1,337,738	2,741,319	160,529	1,337,738	2,741,319
7 Deposits and balances due from banking institutions abroad	475,162	695,924	301,439	475,162	695,924	301,439
8 Tax recoverable	220,553	431,696	-	220,553	423,518	-
9 Loans and advances to customers (net)	70,050,360	65,641,491	47,193,129	70,050,360	65,641,491	47,193,129
10 Balances due from banking institutions in the group	-	-	-	-	-	-
11 Investments in associates	-	-	-	-	-	-
12 Investments in subsidiary companies	19,963	19,963	19,963	19,963	19,963	19,963
13 Investments in joint ventures	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-
15 Property and equipment	4,871,613	4,550,257	4,000,241	4,872,734	4,551,542	4,000,699
16 Prepaid lease rentals	418	419	387	418	419	387
17 Intangible assets	785,832	965,539	973,587	786,391	966,192	974,612
18 Deferred tax asset	-	-	-	-	-	94
19 Retirement benefit asset	-	-	-	-	-	-
20 Other assets	2,013,625	1,997,032	3,176,204	2,022,425	2,000,651	3,176,204
21 TOTAL ASSETS	116,587,690	122,864,886	98,916,489	116,946,418	123,091,996	99,148,949
B LIABILITIES						
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-
23 Customer deposits	85,262,783	104,733,709	81,747,128	85,262,783	104,733,709	81,747,128
24 Deposits and balances due to local banking institutions	10,042,458	5,077,625	3,130,403	10,042,458	5,077,625	3,130,403
25 Deposits and balances due to foreign banking institutions	-	-	-	-	-	-
26 Other money market deposits	-	-	-	-	-	-
27 Borrowed funds	-	-	-	-	-	-
28 Balances due to banking institutions in the group	21,976	21,976	21,976	21,976	21,976	21,976
29 Tax payable	-	-	431,869	-	-	446,703
30 Dividends payable	29,961	38,085	29,617	29,961	38,085	29,617
31 Deferred tax liability	25,460	25,460	83,894	25,460	25,227	83,894
32 Retirement benefit liability	-	-	-	-	-	-
33 Other liabilities	8,598,557	854,119	1,248,313	8,830,700	971,351	1,386,612
34 TOTAL LIABILITIES	103,981,195	110,750,974	86,693,200	104,213,338	110,867,973	86,846,333
C SHAREHOLDERS' FUNDS						
35 Paid up /Assigned capital	7,075,000	7,075,000	7,075,000	7,075,000	7,075,000	7,075,000
36 Share premium/(discount)	-	-	-	-	-	-
37 Revaluation reserves	1,188,147	1,188,147	1,201,022	1,188,147	1,188,147	1,201,022
38 Retained earnings/Accumulated losses	3,728,602	3,268,312	3,550,463	3,855,187	3,378,423	3,629,790
39 Statutory loan loss reserves	583,647	565,456	396,804	583,647	565,456	396,804
40 Other Reserves	31,099	16,997	-	31,099	16,997	-
41 Proposed dividends	-	-	-	-	-	-
42 Capital grants	-	-	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	12,606,495	12,113,912	12,223,289	12,733,080	12,224,023	12,302,616
44 TOTAL LIABILITIES & SHAREHOLDERS' FUNDS	116,587,690	122,864,886	98,916,489	116,946,418	123,091,996	99,148,949

**II. STATEMENT OF COMPREHENSIVE INCOME
for the quarter ended 31 March 2015**

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-14 Shs'000	BANK 31-Mar-14 Shs'000	GROUP 31-Mar-15 Shs'000	GROUP 31-Dec-14 Shs'000	GROUP 31-Mar-14 Shs'000
	Un-audited	Audited	Un-audited	Un-audited	Audited	Un-audited
1 Interest Income						
1.1 Loans and advances	2,250,137	7,562,961	1,553,908	2,250,137	7,562,961	1,553,908
1.2 Government securities	789,780	2,979,003	705,910	789,780	2,979,003	705,910
1.3 Deposits and placements with banking institutions	41,181	155,108	36,874	41,181	155,108	36,874
1.4 Other Interest Income	-	108	22	-	108	22
1.5 TOTAL INTEREST INCOME	3,081,098	10,697,180	2,296,714	3,081,098	10,697,180	2,296,714
2 Interest Expense						
2.1 Customer deposits	1,110,179	3,620,665	703,285	1,110,179	3,620,665	703,285
2.2 Deposits and placements from banking institutions	110,036	281,458	36,351	110,036	273,886	36,351
2.3 Other interest expenses	4,110	5,178	3,635	4,110	5,178	3,635
2.4 TOTAL INTEREST EXPENSES	1,224,325	3,907,301	743,271	1,224,325	3,899,729	743,271
3 NET INTEREST INCOME	1,856,773	6,789,879	1,553,443	1,856,773	6,797,451	1,553,443
4 Non-Interest Income						
4.1 Fees and commissions on loans and advances	85,246	406,095	158,507	85,246	406,095	158,507
4.2 Other fees and commissions	419,873	1,592,355	340,474	454,224	1,725,152	401,716
4.3 Foreign exchange trading income (loss)	136,293	434,229	81,632	136,293	434,229	81,632
4.4 Dividend Income	-	-	-	-	-	-
4.5 Other Income	94,780	571,267	212,642	94,780	571,267	212,642
4.6 TOTAL NON-INTEREST INCOME	736,192	3,003,946	793,255	770,543	3,136,743	854,497
5 TOTAL OPERATING INCOME	2,592,965	9,793,825	2,346,698	2,627,316	9,934,194	2,407,940
6 Other Operating Expenses						
6.1 Loan loss provision	155,661	525,307	141,437	155,661	525,307	141,437
6.2 Staff costs	903,487	3,679,870	989,152	912,333	3,710,219	992,026
6.3 Directors' emoluments	5,566	77,109	5,338	5,566	77,109	5,338
6.4 Rental charges	71,926	252,968	61,095	71,944	256,067	61,110
6.5 Depreciation charge on property and equipment	82,962	349,359	92,899	83,033	349,609	92,975
6.6 Amortisation charges	76,088	300,859	74,281	76,181	301,231	74,374
6.7 Other operating expenses	613,731	2,276,473	451,710	615,321	2,282,967	452,218
6.8 Total Operating Expenses	1,909,421	7,461,945	1,815,912	1,920,039	7,502,509	1,819,478
7 PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	683,544	2,331,880	530,786	707,277	2,431,685	588,462
8 Exceptional items	-	(1,128,554)	-	-	(1,128,554)	-
9 Profit after exceptional items	683,544	1,203,326	530,786	707,277	1,303,131	588,462
10 Current tax	(205,063)	(402,628)	(159,236)	(212,322)	(432,429)	(177,692)
11 Deferred tax	-	-	-	-	-	-
12 Profit after tax and exceptional items	478,481	800,698	371,550	494,955	870,702	410,770
13 OTHER COMPREHENSIVE INCOME						
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	-	-
13.2 Fair value changes in available for sale financial assets	3,447	16,997	3,447	3,447	16,997	3,447
13.3 Revaluation surplus on Property, plant and equipment	-	-	-	-	-	-
13.4 Share of other comprehensive income of associates	-	-	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	-	-	-	-	-	-
14 Other Comprehensive Income for the year net of tax	3,447	16,997	3,447	3,447	16,997	3,447
15 TOTAL COMPREHENSIVE INCOME FOR THE YEAR	481,928	817,695	374,997	498,402	887,699	414,217
16 EARNINGS PER SHARE - basic and diluted	Shs 1.71	Shs 2.86	Shs 1.33	Shs 1.77	Shs 3.11	Sh 1.47

III. OTHER DISCLOSURES
1 Non-performing loans and advances

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-14 Shs'000	BANK 31-Mar-14 Shs'000
	Un-audited	Audited	Un-audited
a Gross non-performing loans and advances	6,967,504	7,236,684	5,142,047
b Less: Interest in suspense	248,548	188,555	70,650
c Total Non-performing loans and advances (a-b)	6,718,956	7,048,129	5,071,397
d Less: Loan loss Provisions	2,185,083	2,263,409	1,886,271
e Net NPLs exposure (c-d)	4,533,873	4,784,720	3,185,126
f Discounted Value of Securities	4,533,873	4,784,720	3,185,126

2 Net NPLs exposure (e-f)

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-14 Shs'000	BANK 31-Mar-14 Shs'000
	Un-audited	Audited	Un-audited
g Insider loans and Advances			
a Directors, Shareholders and associates	106,569	113,283	85,516
b Employees	5,251,968	4,851,152	5,047,254
c Total insider loans, advances and other facilities	5,358,537	4,964,435	5,132,770

3 Off-Balance sheet items

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-14 Shs'000	BANK 31-Mar-14 Shs'000
	Un-audited	Audited	Un-audited
a Letters of credit, guarantees and acceptances	7,956,977	5,350,757	4,591,696
b Forwards, swaps and options	4,566,271	2,670,353	1,015,348
c Other contingent liabilities	-	-	64,800
d Total contingent liabilities	12,523,248	8,021,110	5,671,844

4 Capital Strength
a Core capital

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-14 Shs'000	BANK 31-Mar-14 Shs'000
	Un-audited	Audited	Un-audited
a Minimum Statutory Capital	10,546,119	10,343,312	10,426,061
b Excess/(Deficiency) (a-b)	1,000,000	1,000,000	1,000,000
c Excess/(Deficiency) (a-b)	9,546,119	9,343,312	9,426,061
d Supplementary capital	880,684	862,493	697,059
e Total capital (a+d)	11,426,803	11,205,805	11,123,120
f Total risk weighted assets	88,680,844	80,433,021	67,431,199
g Core capital/total deposit liabilities	12.3%	9.9%	12.3%
h Minimum Statutory Ratio	8.0%	8.0%	8.0%
i Excess/(Deficiency) (g-h)	4.3%	1.9%	4.3%

j Core capital/total risk weighted assets

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-14 Shs'000	BANK 31-Mar-14 Shs'000
	Un-audited	Audited	Un-audited
k Minimum Statutory Ratio			