

The Board of Directors of National Bank of Kenya Limited hereby announce the un-audited results for the period ended 31 March 2016
**I. STATEMENT OF FINANCIAL POSITION
As at 31 March 2016**

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-15 Shs'000	BANK 31-Mar-16 Shs'000	GROUP 31-Mar-15 Shs'000	GROUP 31-Dec-15 Shs'000	GROUP 31-Mar-16 Shs'000
	Un-audited	Audited	Un-audited	Un-audited	Audited	Un-audited
A ASSETS						
1 Cash (both Local & Foreign)	2,468,118	3,350,178	3,352,781	2,816,366	3,668,583	3,696,472
2 Balances due from Central Bank of Kenya	3,504,433	12,769,536	4,763,006	3,504,433	12,769,536	4,763,006
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	27,315,111	28,630,502	32,017,084	27,315,111	28,630,502
a) Held to Maturity:(i+ii)	27,766,456	27,315,111	28,630,502	27,766,456	27,315,111	28,630,502
i. Kenya Government securities	27,587,426	27,083,464	28,402,429	27,587,426	27,083,464	28,402,429
ii. Other securities	179,030	231,647	228,073	179,030	231,647	228,073
b) Available for sale:(i+ii)	4,250,628	-	-	4,250,628	-	-
i. Kenya Government securities	4,250,628	-	-	4,250,628	-	-
ii. Other securities	-	-	-	-	-	-
6 Deposits and balances due from local banking institutions	160,529	3,658,835	1,409,962	160,529	3,658,835	1,409,962
7 Deposits and balances due from banking institutions abroad	475,162	598,211	816,742	475,162	598,211	816,742
8 Tax recoverable	220,553	510,846	371,862	220,553	505,652	380,823
9 Loans and advances to customers (net)	70,050,360	67,803,990	66,315,233	70,050,360	67,803,990	66,315,233
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	4,187,457	4,227,059	4,872,734	4,188,468	4,228,065
16 Prepaid lease rentals	418	-	-	418	-	-
17 Intangible assets	785,832	1,399,085	1,420,533	786,391	1,399,365	1,420,688
18 Deferred tax asset	-	482,668	482,668	-	483,299	483,299
19 Retirement benefit asset	-	-	-	-	-	-
20 Other assets	2,013,625	3,199,155	3,410,331	2,022,425	3,029,303	3,410,331
21 TOTAL ASSETS	116,587,690	125,295,035	115,220,642	116,946,418	125,440,316	115,575,086
B LIABILITIES						
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-
23 Customer deposits	85,262,783	110,622,469	99,444,269	85,262,783	110,622,469	99,444,269
24 Deposits and balances due to local banking institutions	10,042,458	2,343,245	3,157,167	10,042,458	2,343,245	3,157,167
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	-	-	-	-	-	-
30 Dividends payable	29,961	29,826	29,811	29,961	29,826	29,811
31 Deferred tax liability	25,460	-	-	25,460	-	-
32 Retirement benefit liability	-	-	-	-	-	-
33 Other liabilities	8,598,557	1,363,897	1,329,502	8,830,700	1,369,251	1,533,738
34 TOTAL LIABILITIES	103,981,195	114,381,413	103,982,725	104,213,338	114,386,767	104,186,961
C SHAREHOLDERS' FUNDS						
35 Paid up /Assigned capital	7,075,000	7,214,976	7,214,976	7,075,000	7,214,976	7,214,976
36 Share premium/(discount)	-	-	-	-	-	-
37 Revaluation reserves	1,188,147	509,752	509,752	1,188,147	509,752	509,752
38 Retained earnings/Accumulated losses	3,728,602	2,569,487	3,077,016	3,855,187	2,709,414	3,227,224
39 Statutory loan loss reserves	583,647	619,407	436,173	583,647	619,407	436,173
40 Other Reserves	31,099	-	-	31,099	-	-
41 Proposed dividends	-	-	-	-	-	-
42 Capital grants	-	-	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	12,606,495	10,913,622	11,237,917	12,733,080	11,053,549	11,388,125
44 TOTAL LIABILITIES & SHAREHOLDERS' FUNDS	116,587,690	125,295,035	115,220,642	116,946,418	125,440,316	115,575,086

**II. STATEMENT OF COMPREHENSIVE INCOME
for the period ended 31 March 2016**

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-15 Shs'000	BANK 31-Mar-16 Shs'000	GROUP 31-Mar-15 Shs'000	GROUP 31-Dec-15 Shs'000	GROUP 31-Mar-16 Shs'000
	Un-audited	Audited	Un-audited	Un-audited	Audited	Un-audited
1 Interest Income						
1.1 Loans and advances	2,250,137	8,934,150	2,715,453	2,250,137	8,934,150	2,715,453
1.2 Government securities	789,780	3,201,903	768,805	789,780	3,201,903	768,805
1.3 Deposits and placements with banking institutions	41,181	112,150	38,019	41,181	112,150	38,019
1.4 Other Interest Income	-	-	-	-	-	-
1.5 TOTAL INTEREST INCOME	3,081,098	12,248,203	3,522,277	3,081,098	12,248,203	3,522,277
2 Interest Expense						
2.1 Customer deposits	1,110,179	5,128,954	1,205,378	1,110,179	5,112,772	1,205,378
2.2 Deposits and placements from banking institutions	110,036	726,460	39,658	110,036	726,460	39,658
2.3 Other interest expenses	4,110	11,432	4,539	4,110	11,432	4,539
2.4 TOTAL INTEREST EXPENSES	1,224,325	5,866,846	1,249,575	1,224,325	5,850,664	1,249,575
3 NET INTEREST INCOME	1,856,773	6,381,357	2,272,702	1,856,773	6,397,539	2,272,702
4 Non-Interest Income						
4.1 Fees and commissions on loans and advances	85,246	307,622	57,054	85,246	382,145	57,054
4.2 Other fees and commissions	419,873	1,744,555	350,745	454,224	1,744,555	388,043
4.3 Foreign exchange trading income (loss)	136,293	564,754	98,417	136,293	564,754	98,417
4.4 Dividend Income	-	1,247	-	-	1,247	-
4.5 Other Income	94,780	464,853	192,318	94,780	464,853	192,318
4.6 TOTAL NON-INTEREST INCOME	736,192	3,083,031	698,534	770,543	3,157,554	735,832
5 TOTAL OPERATING INCOME	2,592,965	9,464,388	2,971,236	2,627,316	9,555,093	3,008,534
6 Other Operating Expenses						
6.1 Loan loss provision	155,661	3,719,128	696,923	155,661	3,719,128	696,923
6.2 Staff costs	903,487	3,587,995	875,719	912,333	3,620,758	880,025
6.3 Directors' emoluments	5,566	24,875	4,576	5,566	24,875	4,576
6.4 Rental charges	71,926	317,289	83,786	71,944	317,289	83,786
6.5 Depreciation charge on property and equipment	82,962	337,081	92,388	83,033	337,366	92,464
6.6 Amortisation charges	76,088	319,696	95,571	76,181	320,069	95,664
6.7 Other operating expenses	613,731	2,842,722	658,993	615,321	2,853,593	677,129
6.8 Total Operating Expenses	1,909,421	11,148,786	2,507,956	1,920,039	11,193,078	2,530,567
7 PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	683,544	(1,684,398)	463,280	707,277	(1,637,985)	477,967
8 Exceptional items	-	-	-	-	-	-
9 Profit after exceptional items	683,544	(1,684,398)	463,280	707,277	(1,637,985)	477,967
10 Current tax	(205,063)	501,104	(138,985)	(212,322)	484,508	(143,391)
11 Deferred tax	-	-	-	-	-	-
12 Profit after tax and exceptional items	478,481	(1,183,294)	324,295	494,955	(1,153,477)	334,576
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	(16,997)	-
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	(16,997)	-
15 TOTAL COMPREHENSIVE INCOME FOR THE YEAR	481,928	(1,200,291)	324,295	498,402	(1,170,474)	334,576
16 EARNINGS PER SHARE - basic and diluted	Shs 1.71	Shs (3.96)	Shs 1.05	Shs 1.77	Shs (3.86)	Shs 1.09

III. OTHER DISCLOSURES
1 Non-performing loans and advances

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-15 Shs'000	BANK 31-Mar-16 Shs'000
	Un-audited	Audited	Un-audited
a Gross non-performing loans and advances	6,967,504	11,762,498	16,978,927
b Less: Interest in suspense	248,548	1,798,814	1,895,355
c Total Non-performing loans and advances (a-b)	6,718,956	9,963,684	15,083,572
d Less: Loan loss Provisions	2,185,083	3,238,707	3,946,004
e Net NPLs exposure (c-d)	4,533,873	6,724,977	11,137,568
f Discounted Value of Securities	4,533,873	6,724,977	11,137,568
g Net NPLs exposure (e-f)	-	-	-

2 Insider loans and Advances

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-15 Shs'000	BANK 31-Mar-16 Shs'000
	Un-audited	Audited	Un-audited
a Directors, Shareholders and associates	106,569	100,955	104,165
b Employees	5,251,968	4,893,563	4,709,121
c Total insider loans, advances and other facilities	5,358,537	4,994,518	4,813,286

3 Off-Balance sheet items

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-15 Shs'000	BANK 31-Mar-16 Shs'000
	Un-audited	Audited	Un-audited
a Letters of credit, guarantees and acceptances	7,956,977	8,842,431	7,330,618
b Forwards, swaps and options	4,566,271	768,085	114,853
c Other contingent liabilities	-	-	-
d Total contingent liabilities	12,523,248	9,610,516	7,445,471

4 Capital Strength

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-15 Shs'000	BANK 31-Mar-16 Shs'000
	Un-audited	Audited	Un-audited
a Core capital	10,546,119	9,784,463	10,129,844
b Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
c Excess/(Deficiency) (a-b)	9,546,119	8,784,463	9,129,844
d Supplementary capital	880,684	746,845	563,611
e Total capital (a+d)	11,426,803	10,531,308	10,693,455
f Total risk weighted assets	88,680,844	75,266,075	81,793,696

g Core capital/total deposit liabilities

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-15 Shs'000	BANK 31-Mar-16 Shs'000
	Un-audited	Audited	Un-audited
h Minimum Statutory Ratio	8.0%	8.0%	8.0%
i Excess/(Deficiency) (g-h)	4.3%	0.8%	2.1%

j Core capital/total risk weighted assets

	BANK 31-Mar-15 Shs'000	BANK 31-Dec-15 Shs'000	BANK 31-Mar-16 Shs'000