

The Board of Directors of NIC Bank Limited are pleased to announce the un-audited financial results of the Bank for the period ended 31st March, 2008

BALANCE SHEET

	31st Mar, 2008 Unaudited Shs '000	31st Dec, 2007 Audited Shs '000	31st Mar, 2007 Unaudited Shs '000
ASSETS			
Cash (both Local & Foreign)	457,433	502,813	335,871
Balances due from Central Bank of Kenya	4,778,881	1,916,395	2,210,913
Kenya Government securities	2,172,097	2,411,997	1,579,686
Foreign Currency Treasury Bills & Bonds	-	-	-
Deposits and balances due from local banking institutions	471,524	103,184	556,246
Deposits and balances due from banking institutions abroad	3,513,061	2,579,207	3,202,167
Kenya Government and other securities held for dealing purposes	209,091	-	-
Tax recoverable	-	-	-
Loans and advances to customers (net)	23,696,461	22,209,186	17,753,203
Investment securities	-	-	-
Balances due from group companies	-	63	-
Investments in associates	-	-	-
Investments in subsidiary companies	277,666	277,666	80,501
Investments in joint ventures	-	-	-
Investment properties	-	-	-
Property and equipment	458,211	506,813	493,275
Prepaid lease rentals	7,969	8,000	8,094
Intangible assets	44,045	45,203	54,043
Deferred tax asset	-	-	-
Retirement benefit asset	-	-	-
Other assets	897,955	835,815	539,712
TOTAL ASSETS	36,984,394	31,396,342	26,813,711
LIABILITIES			
Balances due to Central Bank of Kenya	-	-	-
Customer deposits	28,985,172	24,805,595	22,087,729
Deposits and balances due to local banking institutions	1,470,000	-	315,000
Deposits and balances due to foreign banking institutions	-	-	61,898
Other money market deposits	-	-	-
Borrowed funds	663,693	650,100	280,482
Balances due to group companies	65,195	134,872	46,865
Tax payable	180,867	90,808	144,867
Dividends payable	-	-	-
Deferred tax liability	7,319	7,319	32,958
Retirement benefit liability	-	-	-
Other liabilities	666,823	972,451	648,031
TOTAL LIABILITIES	32,039,069	26,661,145	23,617,830
SHAREHOLDERS' FUNDS			
Paid up / Assigned capital	1,483,462	1,483,462	412,073
Share premium	340,946	340,946	299,943
Revaluation reserves	101,775	101,775	104,768
Retained earnings	2,563,623	2,368,922	2,072,359
Statutory loan reserves	218,165	202,738	150,150
Proposed dividends	237,354	237,354	156,588
Capital grants	-	-	-
TOTAL SHAREHOLDERS' FUNDS	4,945,325	4,735,197	3,195,881
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	36,984,394	31,396,342	26,813,711
	-	-	-

PROFIT AND LOSS ACCOUNT

	31st Mar, 2008	31st Dec, 2007	31st Mar, 2007
	Unaudited Shs '000	Audited Shs '000	Unaudited Shs '000
INTEREST INCOME			
Loans and advances	723,576	2,543,740	574,513
Government securities	48,896	152,064	40,451
Deposits and placements with banking institutions	16,498	101,279	16,716
Other Interest Income	-	2,557	840
TOTAL INTEREST INCOME	788,970	2,799,640	632,520
INTEREST EXPENSE			
Customer deposits	327,509	1,098,787	238,012
Deposits and placement from banking institutions	15,242	18,359	3,151
Other interest expenses	11,876	44,447	7,530
TOTAL INTEREST EXPENSE	354,627	1,161,593	248,693
NET INTEREST INCOME	434,343	1,638,047	383,827
OTHER OPERATING INCOME			
Fees and commissions on loans and advances	32,253	150,598	22,755
Other fees and commissions	73,273	273,222	63,517
Foreign exchange trading income	119,754	206,731	49,168
Dividend Income	-	-	-
Other income	27,979	113,141	22,737
TOTAL NON-INTEREST INCOME	253,259	743,692	158,177
TOTAL OPERATING INCOME	687,602	2,381,739	542,004
OPERATING EXPENSES			
Loan loss provision	64,414	100,067	25,223
Staff costs	136,821	599,392	123,985
Directors' emoluments	10,873	52,042	10,428
Rental charges	20,150	35,070	14,880
Depreciation charge on property and equipment	22,644	102,283	22,879
Amortisation charges	4,528	26,209	6,864
Other operating expenses	127,979	418,565	107,848
TOTAL OPERATING EXPENSES	387,409	1,333,628	312,107
Profit before tax and exceptional items	300,193	1,048,111	229,897
Exceptional items	-	-	-
PROFIT AFTER EXCEPTIONAL ITEMS	300,193	1,048,111	229,897
Current tax	(90,058)	(329,312)	(68,970)
Deferred tax	-	25,639	-
PROFIT AFTER TAX AND EXCEPTIONAL ITEMS	210,135	744,438	160,927
	Shs	Shs	Shs
EARNINGS PER SHARE- BASIC & DILUTED	0.71	2.56	0.55
DIVIDEND PER SHARE - DECLARED	-	0.80	-

OTHER DISCLOSURES

	31st Mar, 2008 Unaudited Shs '000	31st Dec, 2007 Audited Shs '000	31st Mar, 2007 Unaudited Shs '000
1. NON-PERFORMING LOANS AND ADVANCES			
(a) Gross Non-performing loans and advances	1,187,253	1,156,255	1,078,721
(b) Less Interest in Suspense	206,558	188,531	142,699
(C) TOTAL NON-PERFORMING LOANS AND ADVANCES (A-B)	980,695	967,724	936,022
(d) Less Loan Loss Provision	510,107	479,884	426,507
(E) NET NON-PERFORMING LOANS AND ADVANCES (C-D)	470,588	487,840	509,515
(f) Discounted Value of Securities	470,588	487,840	509,515
(G) NET NPLS EXPOSURE (E-F)	-	-	-
2. INSIDER LOANS AND ADVANCES			
(a) Directors, Shareholders and Associates	555,884	471,340	540,631
(b) Employees	309,709	315,361	249,513
(C) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	865,593	786,701	790,144
3. OFF-BALANCE SHEET ITEMS			
(a) Letters of credit, guarantees, acceptances	4,873,414	4,550,164	3,024,986
(b) Other contingent liabilities			
(C) TOTAL CONTINGENT LIABILITIES	4,873,414	4,550,164	3,024,986
4. CAPITAL STRENGTH			
(a) Core capital	4,282,964	4,058,465	2,623,411
(b) Minimum Statutory Capital	250,000	250,000	250,000
(c) Excess (a-b)	4,032,964	3,808,465	2,373,411
(d) Supplementary Capital	243,609	228,182	176,342
(E) TOTAL CAPITAL (A+D)	4,526,572	4,286,647	2,799,753
(F) TOTAL RISK WEIGHTED ASSETS	28,171,550	25,625,430	21,993,328
(g) Core Capital / Total deposits Liabilities	14.76%	16.30%	11.87%
(h) Minimum statutory Ratio	8.00%	8.00%	8.00%
(I) Excess	6.76%	8.30%	3.87%
(j) Core Capital / Total risk weighted assets	15.20%	15.84%	11.93%
(k) Minimum Statutory Ratio	8.00%	8.00%	8.00%
(I) Excess (j-k)	7.20%	7.84%	3.93%
(m) Total Capital / Total risk weighted assets	16.07%	16.73%	12.73%
(n) Minimum statutory Ratio	12.00%	12.00%	12.00%
(o) Excess (m-n)	4.07%	4.73%	0.73%
5. LIQUIDITY			
(a) Liquidity Ratio	30.99%	28.68%	32.04%
(b) Minimum Statutory Ratio	20.00%	20.00%	20.00%
(c) Excess (a-b)	10.99%	8.68%	12.04%

The above financial statements are extracts from the books of the institutions.

Signed

J P M Ndegwa
Chairman

J Macharia
Managing Director

L Murage
Company Secretary