

# The Board of Directors of NIC Bank Limited is pleased to announce the Un-audited financial results of the Group and Bank for the period ended 31st March 2015

STATEMENT OF FINANCIAL POSITION	GROUP			BANK		
	31st Mar, 2015 Un-audited Shs '000	31st Dec, 2014 Audited Shs '000	31st Mar, 2014 Un-audited Shs '000	31st Mar, 2015 Un-audited Shs '000	31st Dec, 2014 Audited Shs '000	31st Mar, 2014 Un-audited Shs '000
<b>ASSETS</b>						
Cash ( both Local & Foreign)	1,264,370	1,472,964	1,288,303	952,848	1,026,642	852,338
Balances due from Central Banks	6,630,190	9,066,532	7,425,165	5,761,352	8,079,859	6,342,261
Kenyan Government securities held for dealing purposes	-	-	-	-	-	-
Financial assets at fair value through profit & loss	119,724	126,762	246,568	-	-	-
<b>Investment Securities:</b>						
<b>a) Held to Maturity:</b>						
a. Kenya Government securities	3,986,462	3,197,123	7,649,289	3,986,462	3,197,123	7,649,289
b. Other securities	2,115,910	2,319,274	1,480,225	-	-	-
<b>b) Available for sale:</b>						
a. Kenya Government securities	13,504,642	13,256,989	11,434,613	13,504,642	13,256,989	11,434,613
b. Other securities	871,776	323,537	882,556	-	-	-
Deposits and balances due from local banking institutions	1,866,361	569,774	1,140,466	1,398,015	145,853	639,231
Deposits and balances due from banking institutions abroad	2,702,521	8,184,135	2,692,801	2,036,911	7,698,050	2,262,720
Tax recoverable	83,208	185,185	80,025	-	56,570	-
Loans and advances to customers (net)	105,555,857	102,042,135	85,458,931	97,748,567	94,424,035	78,558,601
Balances due from banking institutions in the group	-	-	-	1,839,592	-	1,909,522
Investments in associates	-	-	-	-	-	-
Investments in subsidiary companies	-	-	-	3,931,501	3,931,501	3,365,493
Investments in joint ventures	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-
Property and equipment	1,029,951	1,079,110	1,127,697	818,035	843,775	831,308
Prepaid lease rentals	523,094	523,125	7,219	7,094	7,125	7,219
Intangible assets	999,748	1,045,559	1,047,921	516,432	548,776	586,707
Deferred tax asset	278,716	313,702	328,840	109,113	109,113	302,270
Retirement benefit asset	-	-	-	-	-	-
Other assets	2,201,581	2,074,598	2,544,612	1,859,996	1,682,025	2,150,383
<b>TOTAL ASSETS</b>	<b>143,734,111</b>	<b>145,780,505</b>	<b>124,835,231</b>	<b>134,470,560</b>	<b>137,087,464</b>	<b>116,891,955</b>
<b>LIABILITIES</b>						
Balances due to Central Banks	-	-	-	-	-	-
Customer deposits	96,128,684	100,434,954	92,373,728	89,515,245	92,791,078	85,589,814
Deposits and balances due to local banking institutions	2,242,780	2,405,488	4,042,566	116,468	1,619,236	3,351,558
Deposits and balances due to foreign banking institutions	4,437,195	3,006,176	2,721,209	4,437,195	3,006,170	2,721,209
Other money market deposits	-	-	-	-	-	-
Borrowed funds	14,182,122	14,358,480	4,109,685	13,906,335	13,844,209	3,646,611
Balances due to banking institutions in the group	-	-	-	24,890	168,093	9,991
Tax payable	362,512	12,613	659,884	345,631	-	648,785
Dividends payable	-	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	-
Retirement benefit liability	-	-	-	-	-	-
Other liabilities	2,324,859	2,212,081	2,073,027	2,063,306	2,400,661	2,036,698
<b>TOTAL LIABILITIES</b>	<b>119,678,152</b>	<b>122,429,792</b>	<b>105,980,099</b>	<b>110,409,070</b>	<b>113,829,447</b>	<b>98,004,666</b>
<b>EQUITY</b>						
Paid up /Assigned capital	3,199,728	3,199,728	2,714,921	3,199,728	3,199,728	2,714,921
Share premium	2,731,255	2,731,255	1,208,068	2,731,255	2,731,255	1,208,068
Revaluation reserves	184,764	184,764	189,545	184,764	184,764	189,545
Retained earnings	17,000,814	16,012,992	13,994,746	16,714,048	15,785,977	13,478,136
Statutory loan reserves	1,034,725	1,041,058	939,021	929,353	919,004	752,081
Other reserves	(1,225,208)	(936,604)	(990,320)	(337,604)	(202,657)	137,298
Proposed dividends	639,946	639,946	407,240	639,946	639,946	407,240
Capital grants	-	-	-	-	-	-
<b>TOTAL EQUITY</b>	<b>23,566,023</b>	<b>22,873,139</b>	<b>18,463,221</b>	<b>24,061,490</b>	<b>23,258,017</b>	<b>18,887,289</b>
<b>Non-controlling interests</b>	<b>489,936</b>	<b>477,574</b>	<b>391,911</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>143,734,111</b>	<b>145,780,505</b>	<b>124,835,231</b>	<b>134,470,560</b>	<b>137,087,464</b>	<b>116,891,955</b>

OTHER DISCLOSURES	GROUP			BANK		
	31st Mar, 2015 Un-audited Shs '000	31st Dec, 2014 Audited Shs '000	31st Mar, 2014 Un-audited Shs '000	31st Mar, 2015 Un-audited Shs '000	31st Dec, 2014 Audited Shs '000	31st Mar, 2014 Un-audited Shs '000
<b>1.NON-PERFORMING LOANS AND ADVANCES</b>						
(a) Gross Non-performing loans and advances	9,155,452	6,899,672	6,065,222	8,448,258	5,968,828	5,444,319
(b) Less interest in suspense	3,075,239	2,867,664	2,221,853	3,000,691	2,724,737	2,134,240
<b>(c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)</b>	<b>6,080,213</b>	<b>4,032,008</b>	<b>3,843,369</b>	<b>5,447,567</b>	<b>3,244,091</b>	<b>3,310,079</b>
(d) Less loan loss provision	2,874,222	2,680,360	2,564,779	2,648,782	2,301,711	2,196,983
<b>(e) NET NON-PERFORMING LOANS AND ADVANCES (c-d)</b>	<b>3,205,991</b>	<b>1,351,648</b>	<b>1,278,590</b>	<b>2,798,785</b>	<b>942,380</b>	<b>1,113,096</b>
(f) Discounted value of securities	3,205,991	1,351,648	1,278,590	2,798,785	942,380	1,113,096
<b>(g) NET NPLS EXPOSURE (e-f)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2.INSIDER LOANS AND ADVANCES</b>						
(a) Directors, shareholders and Associates	1,810,453	1,707,952	822,917	1,783,098	1,664,953	791,888
(b) Employees	1,098,487	1,037,274	866,351	1,084,228	999,931	858,577
<b>(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES</b>	<b>2,908,940</b>	<b>2,745,226</b>	<b>1,689,268</b>	<b>2,867,326</b>	<b>2,664,884</b>	<b>1,650,465</b>
<b>3.OFF-BALANCE SHEET ITEMS</b>						
(a) Letters of credit, guarantees, acceptances	13,910,741	16,156,604	19,905,113	13,622,398	16,379,472	19,465,125
(b) Forwards, swaps and options	40,387,880	32,567,890	28,681,353	40,221,726	30,381,438	28,016,063
(c) Other contingent liabilities	1,061,590	133,924	216,816	-	-	-
<b>(d) TOTAL CONTINGENT LIABILITIES</b>	<b>55,360,211</b>	<b>48,858,418</b>	<b>48,803,282</b>	<b>53,844,124</b>	<b>46,760,910</b>	<b>47,481,188</b>
<b>4.CAPITAL STRENGTH</b>						
(a) Core capital	-	-	-	19,236,333	18,826,499	14,132,515
(b) Minimum statutory capital	-	-	-	1,000,000	1,000,000	1,000,000
<b>(c) Excess (a-b)</b>				<b>18,236,333</b>	<b>17,826,499</b>	<b>13,132,515</b>
(d) Supplementary capital	-	-	-	8,384,724	8,513,693	799,467
<b>(e) TOTAL CAPITAL (a+d)</b>				<b>27,621,057</b>	<b>27,340,192</b>	<b>14,931,982</b>
<b>(f) TOTAL RISK WEIGHTED ASSETS</b>				<b>136,012,717</b>	<b>131,044,542</b>	<b>120,013,924</b>
(g) Core capital / Total deposits liabilities	-	-	-	21.61%	20.47%	16.56%
(h) Minimum statutory ratio	-	-	-	8.00%	8.00%	8.00%
<b>(i) Excess (g-h)</b>				<b>13.61%</b>	<b>12.47%</b>	<b>8.56%</b>
(j) Core capital / Total risk weighted assets	-	-	-	14.14%	14.37%	11.78%
(k) Minimum statutory ratio	-	-	-	10.50%	10.50%	8.00%
<b>(l) Excess (j-k)</b>				<b>3.64%</b>	<b>3.87%</b>	<b>3.78%</b>
(m) Total capital / Total risk weighted assets	-	-	-	20.31%	20.86%	12.44%
(n) Minimum statutory ratio	-	-	-	14.50%	14.50%	12.00%
<b>(o) Excess (m-n)</b>				<b>5.81%</b>	<b>6.36%</b>	<b>0.44%</b>
<b>5. LIQUIDITY</b>						
(a) Liquidity ratio	-	-	-	27.87%	33.08%	29.17%
(b) Minimum statutory ratio	-	-	-	20.00%	20.00%	20.00%
<b>(c) Excess (a-b)</b>				<b>7.87%</b>	<b>13.08%</b>	<b>9.17%</b>

The financial statements are extracts from the books of the institution. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the institution's website [www.nic-bank.com](http://www.nic-bank.com). They may also be accessed at the institution's head office located at NIC House, Masaba Road, Nairobi.

#### BY ORDER OF THE BOARD

**LIVINGSTONE MURAGE**  
GROUP COMPANY SECRETARY

## NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the fifty fifth Annual General Meeting of the shareholders of NIC Bank Limited will be held at the Kenyatta International Conference Centre (KICC), Nairobi on Wednesday 20th May 2015, at 11.00 am for the following purposes:-

- To read the Notice convening the Meeting.
- To receive, consider and if thought fit, adopt the Financial Statements for the year ended 31st December 2014 and the Directors' and Auditors' Reports thereon.
- To approve the payment of a first and final dividend for the year of Shs 1.00 per share (2013: interim dividend of Shs 0.25 and final dividend of Shs 0.75) on the paid up capital of Shs 3,199,728,000.
- To approve the payment of fees to the Directors for the year ended 31st December 2014.
- To elect Directors:
  - In accordance with Articles 97 of the Company's Articles of Association, Esther Ngaine, who was appointed to the Board since the last Annual General Meeting, retires from office and, being eligible, offers herself for re-election.
  - In accordance with Articles 108, 109 and 110 of the Company's Articles of Association, G A Maina retires by rotation and being eligible, offers himself for re-election.
  - Special business:

M L Somen and F N Mwanzia who have attained the age of 70 years, retire in accordance with Section 186 (2) of the Companies Act [Cap 486]. Special Notice has been received by the Company pursuant to Section 142 of the Companies Act, that the following resolution be proposed in accordance with Section 186 (5) of the said Act, and, if thought fit, passed by the members:

"That M L Somen, a Director who has attained the age of 70 years, be and is hereby re-elected as a director of the Company"

And

"That F N Mwanzia, a Director who has attained the age of 70 years, be and is hereby re-elected as a director of the Company".
- To note that PricewaterhouseCoopers will continue in office as the Auditors by virtue of Section 159(2) of the Companies Act (Cap.486) subject to Central Bank of Kenya approval in accordance with section 24(1) of the Banking Act (Cap.488) and to authorize the Directors to fix their remuneration.
- To transact any other business of the Annual General Meeting of which due notice has been received.

#### BY ORDER OF THE BOARD

**Livingstone Murage**  
Group Company Secretary  
Nairobi  
22nd April 2015

- "A Member entitled to attend and vote at the meeting and who is unable to attend is entitled to appoint a proxy to attend and vote on his, her or its behalf. A proxy need not be a Member of the Company. To be valid a proxy must be duly completed by the Member and lodged with the Group Company Secretary at the Company's registered office situated at NIC Bank Limited, NIC House, Masaba Road, Nairobi, Kenya, before 11 am on Monday 18th May 2015, failing which it will be invalid. In the case of a Member which is a corporate body then the proxy must be given under its common seal."
- A copy of this notice, proxy form and full copy of the Group financial statements including explanatory notes are available from our website [www.nic-bank.com](http://www.nic-bank.com) or a printed copy may be obtained from the Company's share registrars, Custody & Registrar Services Limited upon request and also will be made available at the venue and on the day of the Annual General Meeting.