



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, 2014.

STATEMENT OF FINANCIAL POSITION	Group			Bank		
	31st March, 2014 Un-audited Shs '000	31st Dec, 2013 Audited Shs '000	31st March, 2013 Un-audited Shs '000	31st March, 2014 Un-audited Shs '000	31st Dec, 2013 Audited Shs '000	31st March, 2013 Un-audited Shs '000
ASSETS						
Cash (both Local & Foreign)	1,288,303	1,470,152	1,011,404	852,338	1,094,149	692,444
Balances due from Central Banks	7,425,165	7,273,392	6,072,434	6,342,261	5,950,797	5,392,110
Kenyan Government securities held for dealing purposes	-	-	-	-	-	-
Financial assets at fair value through profit & loss	246,568	155,334	159,065	-	-	-
Investment Securities:						
a) Held to Maturity						
a. Kenya Government securities	7,649,289	3,972,106	4,588,247	7,649,289	3,972,106	4,588,247
b. Other securities	1,480,225	1,516,326	1,791,684	-	-	-
b) Available for sale:						
a. Kenya Government securities	11,434,613	11,974,223	10,289,659	11,434,613	11,974,223	10,289,659
b. Other securities	882,556	475,161	218,513	-	-	-
Deposits and balances due from local banking institutions	1,140,466	518,795	1,956,464	639,231	174,441	1,133,500
Deposits and balances due from banking institutions abroad	2,692,801	5,401,404	2,587,310	2,262,720	4,014,967	2,499,845
Tax recoverable	80,025	188,847	35,732	-	-	-
Loans and advances to customers (net)	85,458,931	83,493,313	70,603,886	78,558,601	77,114,087	64,130,884
Balances due from banking institutions in the group	-	-	-	1,909,522	2,029,916	1,835,966
Investments in associates	-	-	-	-	-	-
Investments in subsidiary companies	-	-	-	3,365,493	3,365,493	2,988,932
Investments in joint ventures	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-
Property and equipment	1,127,697	1,119,264	1,049,565	831,308	825,910	779,880
Prepaid lease rentals	7,219	7,250	7,344	7,219	7,250	7,344
Intangible assets	1,047,921	1,095,155	1,135,784	586,707	629,560	638,423
Deferred tax asset	328,840	328,788	245,731	302,270	302,269	241,808
Retirement benefit asset	-	-	-	-	-	-
Other assets	2,544,612	2,073,229	1,530,647	2,150,383	1,461,646	1,131,446
TOTAL ASSETS	124,835,231	121,062,739	103,283,469	116,891,955	112,916,814	96,350,488
LIABILITIES						
Balances due to Central Banks	-	-	-	-	-	-
Customer deposits	92,373,728	91,565,005	78,387,595	85,589,814	84,236,189	72,246,785
Deposits and balances due to local banking institutions	4,042,566	3,417,396	2,290,982	3,351,558	2,431,233	1,653,645
Deposits and balances due to foreign banking institutions	2,721,209	2,478,938	304,178	2,721,209	2,478,938	304,178
Other money market deposits	-	-	-	-	-	-
Borrowed funds	4,109,685	3,628,169	3,649,354	3,646,611	3,628,169	3,649,354
Balances due to banking institutions in the group	-	-	-	9,991	47,741	391,367
Tax payable	659,884	306,709	747,034	648,785	296,595	743,463
Dividends payable	-	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	-
Retirement benefit liability	-	-	-	-	-	-
Other liabilities	2,073,026	2,097,616	1,697,721	2,036,698	2,167,020	1,734,991
TOTAL LIABILITIES	105,980,098	103,493,833	87,076,864	98,004,666	95,285,885	80,723,783
EQUITY						
Paid up / Assigned capital	2,714,921	2,714,921	2,714,921	2,714,921	2,714,921	2,714,921
Share premium	1,208,068	1,208,068	1,208,242	1,208,068	1,208,068	1,208,242
Revaluation reserves	189,545	189,545	155,083	189,545	189,545	155,083
Retained earnings	13,994,746	12,592,743	10,998,777	13,478,136	12,591,876	10,716,585
Statutory loan reserves	939,021	975,617	654,469	752,081	729,104	600,112
Other reserves	(990,320)	(896,738)	(559,374)	(559,374)	(209,823)	(311,222)
Proposed dividends	407,240	407,238	542,984	407,240	407,238	542,984
Capital grants	-	-	-	-	-	-
Non-controlling interests	18,463,221	17,191,394	15,715,102	18,887,289	17,630,929	15,626,705
	391,911	377,512	491,503	-	-	-
TOTAL EQUITY	18,855,132	17,568,906	16,206,605	18,887,289	17,630,929	15,626,705
TOTAL LIABILITIES AND EQUITY	124,835,230	121,062,739	103,283,469	116,891,955	112,916,814	96,350,488

STATEMENT OF COMPREHENSIVE INCOME	Group			Bank		
	31st March, 2014 Un-audited Shs '000	31st Dec, 2013 Audited Shs '000	31st March, 2013 Un-audited Shs '000	31st March, 2014 Un-audited Shs '000	31st Dec, 2013 Audited Shs '000	31st March, 2013 Un-audited Shs '000
INTEREST INCOME						
Loans and advances	2,576,728	9,604,199	2,232,704	2,346,809	8,592,080	2,018,135
Government securities	497,928	1,792,456	490,392	428,576	1,568,197	440,924
Deposits and placements with banking institutions	122,376	245,761	33,396	80,191	152,981	21,061
Other Interest Income	-	-	18,488	-	-	-
TOTAL INTEREST INCOME	3,197,032	11,642,416	2,774,980	2,855,576	10,313,258	2,480,120
INTEREST EXPENSE						
Customer deposits	1,345,717	4,001,168	1,012,525	1,218,444	3,535,051	914,158
Deposits and placement from banking institutions	96,503	216,494	59,545	48,108	122,930	42,032
Other interest expenses	20,141	156,775	20,943	17,476	121,497	17,636
TOTAL INTEREST EXPENSE	1,462,361	4,374,437	1,093,013	1,284,028	3,779,478	973,826
NET INTEREST INCOME	1,734,671	7,267,979	1,681,967	1,571,548	6,533,780	1,506,294
OTHER OPERATING INCOME						
Fees and commissions on loans and advances	232,984	880,429	140,720	203,131	799,318	157,937
Other fees and commissions	108,925	634,665	98,181	90,451	336,894	60,688
Foreign exchange trading income	340,401	1,146,510	350,840	314,860	1,018,443	305,467
Dividend Income	-	-	-	-	-	-
Other income	161,095	556,715	152,109	112,311	465,460	79,823
TOTAL NON-INTEREST INCOME	843,405	3,218,319	741,850	720,753	2,620,115	603,915
TOTAL OPERATING INCOME	2,578,076	10,486,298	2,423,817	2,292,301	9,153,895	2,110,210
OPERATING EXPENSES						
Loan loss provision	118,961	1,092,873	142,028	146,072	479,185	97,060
Staff costs	570,046	2,151,757	523,821	465,554	1,744,568	411,856
Directors' emoluments	34,771	215,751	33,250	22,958	152,282	20,391
Rental charges	72,246	252,667	61,867	42,840	138,420	33,193
Depreciation charge on property and equipment	63,190	249,232	61,658	52,074	202,772	50,624
Amortisation charges	50,007	196,875	44,587	43,592	161,193	38,125
Other operating expenses	314,156	1,317,571	317,942	257,281	1,054,618	254,541
TOTAL OPERATING EXPENSES	1,223,377	5,476,726	1,185,153	1,030,371	3,933,038	905,790
Profit before tax and exceptional items	1,354,699	5,009,572	1,238,664	1,261,930	5,220,857	1,204,420
Exceptional items	-	-	-	-	-	-
PROFIT AFTER EXCEPTIONAL ITEMS	1,354,699	5,009,572	1,238,664	1,261,930	5,220,857	1,204,420
Current tax	(380,716)	(1,803,410)	(370,882)	(352,694)	(1,854,684)	(361,326)
Deferred tax	-	31,140	-	-	19,403	-
PROFIT AFTER TAX AND EXCEPTIONAL ITEMS	973,983	3,237,302	867,782	909,236	3,385,576	843,094
Other Comprehensive Income:						
a. Exchange differences on translation of foreign operations	113,562	(122,324)	326,719	-	-	-
b. Fair value changes in available-for-sale financial assets	347,121	(175,407)	(280,435)	347,121	(179,036)	(280,435)
c. Revaluation surplus on property, plant and equipment	-	39,243	-	-	39,243	-
d. Share of comprehensive income of associates	-	-	-	-	-	-
e. Income tax relating to components of other comprehensive income	-	-	-	-	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX	460,683	(258,488)	46,284	347,121	(139,793)	(280,435)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1,434,666	2,978,814	914,066	1,256,357	3,245,783	562,659
	Shs	Shs	Shs	Shs	Shs	Shs
EARNINGS PER SHARE- BASIC & DILUTED	1.79	5.96	1.60	1.67	6.24	1.55
INTERIM DIVIDEND PER SHARE - DECLARED	-	0.25	-	-	0.25	-
FINAL DIVIDEND PER SHARE - DECLARED	-	0.75	-	-	0.75	-

OTHER DISCLOSURES	Group			Bank		
	31st March, 2014 Un-audited Shs '000	31st Dec, 2013 Audited Shs '000	31st March, 2013 Un-audited Shs '000	31st March, 2014 Un-audited Shs '000	31st Dec, 2013 Audited Shs '000	31st March, 2013 Un-audited Shs '000
1. NON-PERFORMING LOANS AND ADVANCES						
(a) Gross Non-performing loans and advances	6,065,222	6,597,413	3,723,911	5,444,319	5,082,652	3,447,822
(b) Less Interest in Suspense	2,221,853	2,076,487	1,378,869	2,134,240	1,943,931	1,328,254
(c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)	3,843,369	4,520,926	2,345,043	3,310,079	3,138,721	2,119,568
(d) Less Loan Loss Provision	2,564,779	2,592,033	1,698,187	2,196,983	1,996,325	1,640,006
(e) NET NON-PERFORMING LOANS AND ADVANCES (c-d)	1,278,590	1,928,893	646,855	1,113,096	1,142,396	479,562
(f) Discounted Value of Securities	1,278,590	1,928,893	646,855	1,113,096	1,142,396	479,562
(g) NET NPLS EXPOSURE (e-f)	-	-	-	-	-	-
2. INSIDER LOANS AND ADVANCES						
(a) Directors, Shareholders and Associates	822,917	1,133,253	1,234,440	791,888	1,133,253	1,226,166
(b) Employees	866,351	822,165	654,681	858,577	781,758	640,144
(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	1,689,268	1,955,418	1,889,121	1,650,465	1,915,011	1,866,310
3. OFF-BALANCE SHEET ITEMS						
(a) Letters of credit, guarantees, acceptances	19,905,113	15,173,538	14,831,233	19,465,125	14,502,794	14,707,739
(b) Forwards, Swaps and options	28,016,063	34,630,655	17,682,926	28,016,063	24,858,686	17,462,516
(c) Other contingent liabilities	216,816	132,300	-	-	-	-
(d) TOTAL CONTINGENT LIABILITIES	48,137,992	49,936,493	32,514,159	47,481,188	39,361,480	32,170,255
4. CAPITAL STRENGTH						
(a) Core capital				14,132,515	14,108,111	11,780,770
(b) Minimum Statutory Capital				1,000,000	1,000,000	1,000,000
(c) Excess (a-b)				13,132,515	13,108,111	10,780,770
(d) Supplementary Capital				799,467	767,875	638,883
(e) TOTAL CAPITAL (a+d)				14,931,982	14,875,986	12,419,653
(f) TOTAL RISK WEIGHTED ASSETS				120,013,924	95,219,586	81,972,858
(g) Core Capital / Total deposits liabilities				16.56%	16.79%	16.34%
(h) Minimum statutory ratio				8.00%	8.00%	8.00%
(i) Excess (g-h)				8.56%	8.79%	8.34%
(j) Core Capital / Total risk weighted assets				11.78%	14.82%	12.45%
(k) Minimum statutory ratio				8.00%	8.00%	8.00%
(l) Excess (j-k)				3.78%	6.82%	4.45%
(m) Total Capital / Total risk weighted assets				12.44%	15.62%	13.12%
(n) Minimum statutory ratio				12.00%	12.00%	12.00%
(o) Excess (m-n)				0.44%	3.62%	1.12%
5. LIQUIDITY						
(a) Liquidity Ratio				29.17%	28.54%	33.22%
(b) Minimum statutory ratio				20.00%	20.00%	20.00%
(c) Excess (a-b)				9.17%	8.54%	13.22%

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. They may also be accessed at the institution's head office located at NIC House, Masaba Road, Nairobi.

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