



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 30th September, 2014

STATEMENT OF FINANCIAL POSITION	Group					Bank				
	30th Sept, 2014 Un-audited Shs '000	30th June, 2014 Un-audited Shs '000	31st March, 2014 Un-audited Shs '000	31st Dec, 2013 Audited Shs '000	30th Sept, 2013 Un-audited Shs '000	30th Sept, 2014 Un-audited Shs '000	30th June, 2014 Un-audited Shs '000	31st March, 2014 Un-audited Shs '000	31st Dec, 2013 Audited Shs '000	30th Sept, 2013 Un-audited Shs '000
ASSETS										
Cash (both Local & Foreign)	1,294,876	1,731,141	1,288,303	1,470,152	1,237,147	826,050	939,043	852,338	1,094,149	815,243
Balances due from Central Banks	8,351,934	5,019,369	7,425,165	7,273,392	3,473,864	7,178,756	4,131,454	6,342,261	5,950,797	2,713,246
Kenyan Government securities held for dealing purposes	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through profit & loss	137,015	253,042	246,568	155,334	280,647	-	-	-	-	-
Investment Securities:										
a) Held to Maturity										
a. Kenya Government securities	2,494,927	2,790,518	7,649,289	3,972,106	3,562,663	2,494,927	2,790,518	7,649,289	3,972,106	3,562,663
b. Other securities	1,370,273	1,962,854	1,480,225	1,516,326	1,626,299	-	-	-	-	-
b) Available for sale:										
a. Kenya Government securities	12,328,013	17,502,704	11,434,613	11,974,223	9,999,609	12,328,013	17,502,704	11,434,613	11,974,223	9,999,609
b. Other securities	511,614	393,068	882,556	475,161	218,564	-	-	-	-	-
Deposits and balances due from local banking institutions	2,573,729	886,919	1,140,466	518,795	1,165,563	1,399,892	580,025	639,231	174,441	289,020
Deposits and balances due from banking institutions abroad	2,245,143	1,493,948	2,692,801	5,401,404	2,723,169	1,762,034	1,296,485	2,262,720	4,014,967	2,034,274
Tax recoverable	214,430	217,748	80,025	188,847	124,614	183,927	186,740	-	-	33,557
Loans and advances to customers (net)	96,813,124	91,517,322	85,458,931	83,493,313	76,674,372	89,328,732	83,958,444	78,558,601	77,114,087	69,268,125
Balances due from banking institutions in the group	-	-	-	-	-	1,924,414	1,475,521	1,909,522	2,029,916	1,601,641
Investments in associates	-	-	-	-	-	-	-	-	-	-
Investments in subsidiary companies	-	-	-	-	-	3,931,501	3,915,493	3,365,493	3,365,493	2,988,932
Investments in joint ventures	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-
Property and equipment	1,142,003	1,165,000	1,127,697	1,119,264	1,091,237	834,273	825,873	831,308	825,910	772,767
Prepaid lease rentals	7,156	7,187	7,282	7,250	7,219	7,156	7,187	7,219	7,250	7,282
Intangible assets	1,023,274	1,023,855	1,047,921	1,095,155	1,138,349	552,472	568,150	586,707	629,560	648,461
Deferred tax asset	520,885	328,840	328,840	328,788	245,737	302,270	302,270	302,270	302,269	241,808
Retirement benefit asset	-	-	-	-	-	-	-	-	-	-
Other assets	3,130,920	3,122,737	2,544,612	2,073,229	2,734,519	2,214,645	2,205,698	2,150,383	1,461,646	2,175,264
TOTAL ASSETS	134,159,316	129,603,862	124,835,231	121,062,739	106,303,635	125,269,062	120,685,605	116,891,955	112,916,814	97,151,892
LIABILITIES										
Balances due to Central Banks	-	-	-	-	-	-	-	-	-	-
Customer deposits	98,504,859	93,481,606	92,373,728	91,565,005	80,877,431	91,193,109	85,988,836	85,589,814	84,236,189	72,782,515
Deposits and balances due to local banking institutions	1,029,210	4,424,814	4,042,566	3,417,396	1,161,432	98,216	3,362,160	3,351,558	2,431,233	822,844
Deposits and balances due to foreign banking institutions	2,157,946	4,106,293	2,721,209	2,478,938	306,672	2,157,946	4,106,293	2,721,209	2,478,938	306,672
Other money market deposits	-	-	-	-	-	-	-	-	-	-
Borrowed funds	9,459,023	6,021,182	4,109,685	3,628,169	3,663,812	8,979,117	5,706,388	3,646,611	3,628,169	3,663,812
Balances due to banking institutions in the group	-	-	-	-	-	142,414	206,150	9,991	47,741	27,458
Tax payable	7,821	4,029	659,884	306,709	2,280	-	-	648,785	296,595	-
Dividends payable	-	-	-	-	-	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	-	-	-	-	-
Retirement benefit liability	-	-	-	-	-	-	-	-	-	-
Other liabilities	2,268,382	2,336,798	2,073,026	2,097,616	2,721,149	2,202,303	2,305,664	2,036,698	2,167,020	2,438,178
TOTAL LIABILITIES	113,427,241	110,374,722	105,980,098	103,493,833	88,732,776	104,773,105	101,675,491	98,004,666	95,285,885	80,041,479
EQUITY										
Paid up / Assigned capital	2,986,413	2,986,413	2,714,921	2,714,921	2,714,921	2,986,413	2,986,413	2,714,921	2,714,921	2,714,921
Share premium	936,576	936,576	1,208,068	1,208,068	1,208,068	936,576	936,576	1,208,068	1,208,068	1,208,068
Revaluation reserves	189,545	189,545	189,545	189,545	155,083	189,545	189,545	189,545	189,545	155,083
Retained earnings	15,748,645	14,596,326	13,994,746	12,592,743	12,753,676	15,556,943	14,418,506	13,478,136	12,591,876	12,404,427
Statutory loan reserves	1,117,624	989,313	939,021	975,617	722,589	873,514	809,873	752,081	729,104	658,140
Other reserves	(762,233)	(942,220)	(990,320)	(896,738)	(627,281)	(47,033)	(330,799)	137,298	(209,823)	(165,972)
Proposed dividends	-	-	407,240	407,238	135,746	-	-	407,240	407,238	135,746
Capital grants	-	-	-	-	-	-	-	-	-	-
Non-controlling interests	515,505	473,187	391,911	377,512	508,057	-	-	-	-	-
TOTAL EQUITY	20,732,075	19,229,140	18,855,132	17,568,906	17,570,859	20,495,957	19,010,114	18,887,289	17,630,929	17,110,413
TOTAL LIABILITIES AND EQUITY	134,159,316	129,603,862	124,835,230	121,062,739	106,303,635	125,269,062	120,685,605	116,891,955	112,916,814	97,151,892

STATEMENT OF COMPREHENSIVE INCOME	Group					Bank				
	30th Sept. 2014 Un-audited Shs '000	30th June. 2014 Un-audited Shs '000	31st March. 2014 Un-audited Shs '000	31st Dec. 2013 Audited Shs '000	30th Sept. 2013 Un-audited Shs '000	30th Sept. 2014 Un-audited Shs '000	30th June. 2014 Un-audited Shs '000	31st March. 2014 Un-audited Shs '000	31st Dec. 2013 Audited Shs '000	30th Sept. 2013 Un-audited Shs '000
INTEREST INCOME										
Loans and advances	8,288,996	5,378,962	2,576,728	9,604,199	7,054,097	7,555,204	4,898,206	2,346,809	8,592,080	6,298,691
Government securities	1,592,505	1,135,941	497,928	1,792,456	1,332,323	1,368,615	981,141	428,576	1,368,197	1,176,812
Deposits and placements with banking institutions	217,258	143,970	122,376	245,761	158,192	150,517	112,759	80,191	152,981	93,911
Other Interest Income	-	-	-	-	16,025	-	-	-	-	16,025
TOTAL INTEREST INCOME	10,098,759	6,658,873	3,197,032	11,642,416	8,560,637	9,074,336	5,992,106	2,855,576	10,313,258	7,585,439
INTEREST EXPENSE										
Customer deposits	3,862,310	2,640,860	1,345,717	4,001,168	2,864,353	3,480,579	2,372,593	1,218,444	3,535,051	2,515,415
Deposits and placement from banking institutions	244,229	198,390	96,503	216,494	141,609	143,118	147,228	48,108	122,930	73,268
Other interest expenses	164,879	41,884	20,141	156,775	125,605	153,303	34,713	17,476	121,497	98,672
TOTAL INTEREST EXPENSE	4,271,418	2,881,134	1,462,361	4,374,437	3,131,567	3,777,000	2,554,534	1,284,028	3,779,478	2,687,355
NET INTEREST INCOME	5,827,341	3,777,739	1,734,671	7,267,979	5,429,070	5,297,336	3,437,572	1,571,548	6,533,780	4,898,084
OTHER OPERATING INCOME										
Fees and commissions on loans and advances	762,189	474,804	232,984	880,429	522,001	694,793	426,278	203,131	799,318	426,257
Other fees and commissions	352,149	228,758	108,925	634,665	305,415	289,717	188,691	90,451	336,894	245,143
Foreign exchange trading income	870,112	600,748	340,401	1,146,510	848,339	790,814	542,806	314,860	1,018,443	726,566
Dividend Income	-	-	-	-	-	-	-	-	-	-
Other income	675,042	310,779	161,095	556,714	734,036	457,620	187,422	112,311	465,460	481,988
TOTAL NON-INTEREST INCOME	2,659,492	1,615,089	843,405	3,218,318	2,409,791	2,232,944	1,345,197	720,753	2,620,115	1,879,954
TOTAL OPERATING INCOME	8,486,833	5,392,828	2,578,076	10,486,297	7,838,861	7,530,280	4,782,769	2,292,301	9,153,895	6,778,038
OPERATING EXPENSES										
Loan loss provision	205,514	198,656	118,961	1,092,873	588,135	283,946	251,972	146,072	479,185	341,171
Staff costs	1,743,282	1,146,018	570,046	2,151,757	1,678,751	1,405,091	913,796	465,554	1,744,568	1,346,605
Directors' emoluments	86,367	64,081	34,771	215,751	107,050	70,610	47,876	22,958	152,282	90,671
Rental charges	235,605	155,298	72,246	252,667	201,739	139,369	90,652	42,840	138,420	111,845
Depreciation charge on property and equipment	227,568	139,353	63,190	249,232	187,239	163,584	106,880	52,074	202,772	152,080
Amortisation charges	152,843	98,959	50,007	196,875	137,730	131,730	87,470	43,592	161,193	118,363
Other operating expenses	1,092,107	681,984	314,156	1,317,571	953,406	893,841	559,268	257,281	1,054,618	764,597
TOTAL OPERATING EXPENSES	3,743,286	2,484,349	1,223,377	5,476,726	3,854,050	3,088,171	2,057,914	1,030,371	3,933,038	2,925,332
Profit before tax and exceptional items	4,743,547	2,908,479	1,354,699	5,009,571	3,984,811	4,442,109	2,724,855	1,261,930	5,220,857	3,852,706
Exceptional items	-	-	-	-	-	-	-	-	-	-
PROFIT AFTER EXCEPTIONAL ITEMS	4,743,547	2,908,479	1,354,699	5,009,571	3,984,811	4,442,109	2,724,855	1,261,930	5,220,857	3,852,706
Current tax	(1,423,663)	(872,949)	(380,716)	(1,803,410)	(1,168,251)	(1,332,633)	(817,456)	(352,694)	(1,854,684)	(1,128,000)
Deferred tax	13,383	5,906	-	31,140	-	-	-	-	19,403	-
PROFIT AFTER TAX AND EXCEPTIONAL ITEMS	3,333,267	2,041,436	973,983	3,237,301	2,816,560	3,109,476	1,907,399	909,236	3,385,576	2,724,706
Other Comprehensive Income:										
a. Exchange differences on translation of foreign operations	(22,569)	78,235	113,562	(122,324)	113,562	-	-	-	-	-
b. Fair value changes in available-for-sale financial assets	160,119	(123,522)	347,121	(175,407)	(135,185)	162,790	(120,976)	347,121	(179,036)	(135,185)
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	137,550	(45,287)	460,683	(258,488)	(21,623)	162,790	(120,976)	347,121	(139,793)	(135,185)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	3,470,817	1,996,149	1,434,666	2,978,813	2,794,937	3,272,266	1,786,423	1,256,357	3,245,783	2,589,521
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
EARNINGS PER SHARE - BASIC & DILUTED	5.58	3.42	1.63	5.42	4.72	5.21	3.19	1.52	5.67	4.56
INTERIM DIVIDEND PER SHARE - DECLARED	-	-	-	0.25	-	-	-	-	0.25	-
FINAL DIVIDEND PER SHARE - DECLARED	-	-	-	0.75	-	-	-	-	0.75	-

OTHER DISCLOSURES	Group					Bank				
	30th Sept, 2014 Un-audited Shs '000	30th June, 2014 Un-audited Shs '000	31st March, 2014 Un-audited Shs '000	31st Dec, 2013 Audited Shs '000	30th Sept, 2013 Un-audited Shs '000	30th Sept, 2014 Un-audited Shs '000	30th June, 2014 Un-audited Shs '000	31st March, 2014 Un-audited Shs '000	31st Dec, 2013 Audited Shs '000	30th Sept, 2013 Un-audited Shs '000
1. NON-PERFORMING LOANS AND ADVANCES										
(a) Gross Non-performing loans and advances	5,969,938	5,687,408	6,065,222	6,597,413	5,568,862	5,351,700	5,058,203	5,444,319	5,082,652	4,534,899
(b) Less Interest in Suspense	2,596,970	2,375,101	2,221,853	2,076,487	1,834,300	2,503,519	2,279,992	2,134,240	1,943,931	1,765,124
(c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)	3,372,968	3,312,307	3,843,369	4,520,926	3,734,562	2,848,181	2,778,211	3,310,079	3,138,721	2,769,765
(d) Less Loan Loss Provision	2,603,890	2,628,317	2,564,779	2,592,033	2,035,875	2,253,442	2,271,653	2,196,983	1,996,325	1,881,578
(e) NET NON-PERFORMING LOANS AND ADVANCES (c-d)	769,078	683,990	1,278,590	1,928,893	1,698,687	594,739	506,558	1,113,096	1,142,396	888,187
(f) Discounted Value of Securities	769,078	683,990	1,278,590	1,928,893	1,698,687	594,739	506,558	1,113,096	1,142,396	888,187
(g) NET NPLS EXPOSURE (e-f)	-	-	-	-	-	-	-	-	-	-
2. INSIDER LOANS AND ADVANCES										
(a) Directors, Shareholders and Associates	1,511,144	1,423,504	822,917	1,133,253	1,151,131	1,485,691	1,392,060	791,888	1,133,253	1,149,002
(b) Employees	986,591	910,731	866,351	822,165	757,212	972,703	902,847	858,577	781,758	743,581
(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	2,497,735	2,334,235	1,689,268	1,955,418	1,908,342	2,458,394	2,294,907	1,650,465	1,915,011	1,892,583
3. OFF-BALANCE SHEET ITEMS										
(a) Letters of credit, guarantees, acceptances	15,854,536	19,002,502	19,905,113	15,173,538	16,458,358	15,505,306	18,564,130	19,465,125	14,502,794	15,978,343
(b) Forwards, Swaps and options	31,513,774	32,716,147	28,681,353	34,630,655	22,740,423	24,841,053	30,836,430	28,016,063	24,858,686	22,740,423
(c) Other contingent liabilities	-	-	216,816	132,300	-	-	-	-	-	-
(d) TOTAL CONTINGENT LIABILITIES	47,368,310	51,718,650	48,803,281	49,936,493	39,198,781	40,346,359	49,400,560	47,481,188	39,361,480	38,718,766
4. CAPITAL STRENGTH										
(a) Core capital						15,034,733	14,513,343	14,132,515	14,108,111	12,527,632
(b) Minimum Statutory Capital						1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
(c) Excess (a-b)						14,034,733	13,513,343	13,132,515	13,108,111	11,527,632
(d) Supplementary Capital						6,481,255	857,259	799,467	767,875	696,911
(e) TOTAL CAPITAL (a+d)						21,515,988	15,370,602	14,931,982	14,875,986	13,224,543
(f) TOTAL RISK WEIGHTED ASSETS						123,310,367	122,768,389	120,013,924	95,219,586	87,267,635
(g) Core Capital / Total deposits liabilities						16.59%	16.94%	16.56%	16.79%	17.26%
(h) Minimum statutory ratio						8.00%	8.00%	8.00%	8.00%	8.00%
(i) Excess (g-h)						8.59%	8.94%	8.56%	8.79%	9.26%
(j) Core Capital / Total risk weighted assets						12.19%	11.82%	11.78%	14.82%	14.36%
(k) Minimum statutory ratio						8.00%	8.00%	8.00%	8.00%	8.00%
(l) Excess (j-k)						4.19%	3.82%	3.78%	6.82%	6.36%
(m) Total Capital / Total risk weighted assets						17.45%	12.52%	12.44%	15.62%	15.15%
(n) Minimum statutory ratio						12.00%	12.00%	12.00%	12.00%	12.00%
(o) Excess (m-n)						5.45%	0.52%	0.44%	3.62%	3.15%
5. LIQUIDITY										
(a) Liquidity Ratio						28.05%	24.46%	29.17%	28.54%	27.33%
(b) Minimum statutory ratio						20.00%	20.00%	20.00%	20.00%	20.00%
(c) Excess (a-b)						8.05%	4.46%	9.17%	8.54%	7.33%

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.

JP M NDEGWA
CHAIRMAN

J GACHORA
GROUP MANAGING DIRECTOR

L MURAGE
GROUP COMPANY SECRETARY