



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, 2012.

STATEMENT OF FINANCIAL POSITION	Group			Bank			OTHER DISCLOSURES	Bank		
	31st March, 2012 Un-audited Shs '000	31st Dec, 2011 Audited Shs '000	31st March, 2011 Un-audited Shs '000	31st March, 2012 Un-audited Shs '000	31st Dec, 2011 Audited Shs '000	31st March, 2011 Un-audited Shs '000		31st March, 2012 Un-audited Shs '000	31st Dec, 2011 Audited Shs '000	31st March, 2011 Un-audited Shs '000
ASSETS							1. NON-PERFORMING LOANS AND ADVANCES			
Cash (both Local & Foreign)	851,670	718,687	665,276	647,683	562,869	513,341	(a) Gross Non-performing loans and advances	2,805,303	2,721,451	2,305,770
Balances due from Central Banks	6,387,782	4,920,229	3,520,947	5,456,417	4,201,757	2,985,988	(b) Less Interest in Suspense	1,179,738	1,064,779	884,499
Government securities	3,410,241	3,093,792	1,765,520	3,080,190	3,077,723	1,473,813	(c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)	1,625,565	1,656,672	1,421,271
Foreign Currency Treasury Bills & Bonds	-	-	-	-	-	-	(d) Less Loan Loss Provision	1,625,331	1,587,162	1,336,580
Deposits and balances due from local banking institutions	4,814,556	1,244,990	3,338,865	4,003,622	635,233	2,502,518	(e) NET NON-PERFORMING LOANS AND ADVANCES (c-d)	234	69,510	84,691
Deposits and balances due from banking institutions abroad	4,885,282	4,447,665	6,379,881	3,449,947	3,851,242	5,488,018	(f) Discounted Value of Securities	234	69,510	84,691
Government and other securities held for dealing purposes	4,700,305	4,406,496	3,455,534	4,700,305	4,139,032	3,455,534	(g) NET NPLS EXPOSURE (e-f)	-	-	-
Tax recoverable	11,022	8,690	14,812	-	-	-	2. INSIDER LOANS AND ADVANCES			
Loans and advances to customers (net)	56,556,355	56,624,621	42,800,770	52,194,916	52,025,475	40,424,880	(a) Directors, Shareholders and Associates	1,447,478	1,559,786	1,334,653
Investment securities	48,289	52,932	40,349	-	-	-	(b) Employees	594,521	587,883	438,374
Balances due from group companies	-	-	-	907,597	1,360,846	11,954	(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	2,041,999	2,147,669	1,773,027
Investments in associates	-	-	-	-	-	-	3. OFF-BALANCE SHEET ITEMS			
Investments in subsidiary companies	-	-	-	2,109,324	1,147,786	1,147,786	(a) Letters of credit, guarantees, acceptances	12,648,910	12,829,381	8,891,475
Investments in joint ventures	-	-	-	-	-	-	(b) Other contingent liabilities	8,678,917	10,519,850	14,669,289
Investment properties	-	-	-	-	-	-	(c) TOTAL CONTINGENT LIABILITIES	21,327,827	23,349,231	23,560,764
Property and equipment	936,817	967,989	722,178	855,019	851,768	687,475	4. CAPITAL STRENGTH			
Prepaid lease rentals	7,469	7,500	7,594	7,469	7,500	7,594	(a) Core capital	8,364,746	9,073,356	7,015,164
Intangible assets	1,135,630	1,037,222	767,732	499,328	400,544	129,921	(b) Minimum Statutory Capital	700,000	700,000	500,000
Deferred tax asset	361,081	361,842	12,116	348,945	348,946	-	(c) Excess (a-b)	7,664,746	8,373,356	6,515,164
Retirement benefit asset	-	-	-	-	-	-	(d) Supplementary Capital	548,756	547,485	431,400
Other assets	760,197	1,091,350	283,918	572,157	970,600	101,444	(e) TOTAL CAPITAL (a+d)	8,913,502	9,620,841	7,446,564
TOTAL ASSETS	84,866,696	78,984,005	63,775,492	78,832,919	73,581,321	58,930,266	(f) TOTAL RISK WEIGHTED ASSETS	61,350,838	60,555,497	48,049,430
LIABILITIES							(g) Core Capital / Total deposits liabilities	13.00%	14.68%	14.57%
Balances due to Central Banks	-	-	-	-	-	-	(h) Minimum statutory ratio	8.00%	8.00%	8.00%
Customer deposits	69,293,378	66,293,053	51,331,924	64,614,313	62,008,953	48,244,003	(i) Excess (g-h)	5.00%	6.68%	6.57%
Deposits and balances due to local banking institutions	902,885	788,647	1,823,886	101,940	206,149	501,306	(j) Core Capital / Total risk weighted assets	13.63%	14.98%	14.60%
Deposits and balances due to foreign banking institutions	-	-	-	-	-	-	(k) Minimum statutory ratio	8.00%	8.00%	8.00%
Other money market deposits	-	-	-	-	-	-	(l) Excess (j-k)	5.63%	6.98%	6.60%
Borrowed funds	1,941,220	190,280	286,479	1,941,220	190,280	286,479	(m) Total Capital / Total risk weighted assets	14.53%	15.89%	15.50%
Balances due to group companies	-	-	-	229,378	322,115	454,934	(n) Minimum statutory ratio	12.00%	12.00%	12.00%
Tax payable	531,881	229,538	411,941	525,785	223,321	403,495	(o) Excess (m-n)	2.53%	3.89%	3.50%
Dividends payable	-	-	-	-	-	-	5. LIQUIDITY			
Deferred tax liability	-	-	10,014	-	-	10,014	(a) Liquidity Ratio	33.94%	27.41%	31.95%
Retirement benefit liability	-	-	-	-	-	-	(b) Minimum statutory ratio	20.00%	20.00%	20.00%
Other liabilities	791,754	959,534	992,081	576,785	730,643	619,750	(c) Excess (a-b)	13.94%	7.41%	11.95%
TOTAL LIABILITIES	73,461,118	68,461,052	54,856,325	67,989,421	63,681,461	50,519,981				
EQUITY										
Paid up /Assigned capital	1,974,488	1,974,488	1,794,989	1,974,488	1,974,488	1,794,989				
Share premium	-	-	28,848	-	-	28,848				
Revaluation reserves	(193,637)	(356,384)	12,728	(39,509)	(277,300)	59,228				
Retained earnings	8,514,864	7,803,398	6,178,071	8,301,005	7,596,429	6,048,428				
Statutory loan reserves	534,852	533,581	392,231	508,790	507,519	389,043				
Proposed dividends	98,724	98,724	89,749	98,724	98,724	89,749				
Capital grants	-	-	-	-	-	-				
TOTAL EQUITY	11,405,578	10,522,953	8,919,167	10,843,498	9,899,860	8,410,285				
Non-controlling interests	476,287	469,146	422,551	-	-	-				
TOTAL LIABILITIES AND EQUITY	84,866,696	78,984,005	63,775,492	78,832,919	73,581,321	58,930,266				

STATEMENT OF COMPREHENSIVE INCOME	Group			Bank		
	31st March, 2012 Un-audited Shs '000	31st Dec, 2011 Audited Shs '000	31st March, 2011 Un-audited Shs '000	31st March, 2012 Un-audited Shs '000	31st Dec, 2011 Audited Shs '000	31st March, 2011 Un-audited Shs '000
INTEREST INCOME						
Loans and advances	2,387,259	6,020,072	1,192,093	2,215,886	5,526,584	1,099,469
Government securities	246,571	660,195	97,083	237,616	631,526	91,330
Deposits and placements with banking institutions	49,050	137,689	25,024	41,189	113,675	13,765
Other interest income	13,625	13,625	1,978	8,534	13,625	1,978
TOTAL INTEREST INCOME	2,696,505	6,831,581	1,316,178	2,503,225	6,285,410	1,206,542
INTEREST EXPENSE						
Customer deposits	1,419,361	2,417,373	352,936	1,337,079	2,261,284	316,924
Deposits and placement from banking institutions	94,746	121,156	6,765	73,009	62,211	2,411
Other interest expenses	4,316	13,564	2,571	4,316	13,564	1,856
TOTAL INTEREST EXPENSE	1,518,423	2,552,093	362,272	1,414,404	2,337,059	321,191
NET INTEREST INCOME	1,178,082	4,279,488	953,906	1,088,821	3,948,351	885,351
OTHER OPERATING INCOME						
Fees and commissions on loans and advances	126,169	551,683	98,332	111,572	461,485	86,002
Other fees and commissions	126,119	464,899	98,072	113,682	422,252	89,516
Foreign exchange trading income	343,807	946,410	164,471	321,331	851,587	155,327
Dividend Income	-	-	-	-	-	-
Other income	98,727	418,652	115,861	76,588	244,154	74,840
TOTAL NON-INTEREST INCOME	694,822	2,381,644	476,736	623,173	1,979,478	405,685
TOTAL OPERATING INCOME	1,872,904	6,661,132	1,430,642	1,711,994	5,927,829	1,291,036
OPERATING EXPENSES						
Loan loss provision	66,459	258,151	8,902	42,797	249,166	8,902
Staff costs	425,489	1,480,668	350,005	363,880	1,229,415	296,452
Directors' emoluments	29,339	117,582	24,583	23,321	97,170	19,395
Rental charges	36,989	137,530	30,476	28,405	95,846	21,469
Depreciation charge on property and equipment	44,308	157,276	36,376	38,900	143,259	33,597
Amortisation charges	15,348	41,512	7,148	13,592	35,572	6,431
Other operating expenses	221,966	863,465	169,814	192,743	716,799	140,744
TOTAL OPERATING EXPENSES	839,898	3,056,184	627,304	703,638	2,567,227	526,990
Profit before tax and exceptional items	1,033,006	3,604,948	803,338	1,008,356	3,360,602	764,046
Exceptional items	-	-	-	-	-	-
PROFIT AFTER EXCEPTIONAL ITEMS	1,033,006	3,604,948	803,338	1,008,356	3,360,602	764,046
Current tax	(309,963)	(1,070,517)	(253,224)	(302,507)	(999,157)	(241,222)
Deferred tax	-	172,705	-	-	171,603	-
PROFIT AFTER TAX AND EXCEPTIONAL ITEMS	723,043	2,707,136	550,114	705,849	2,533,048	522,824
	Shs	Shs	Shs	Shs	Shs	Shs
EARNINGS PER SHARE - BASIC & DILUTED	1.83	6.86	1.39	1.79	6.41	1.32
INTERIM DIVIDEND PER SHARE - PAID	-	0.25	-	-	0.25	-
FINAL DIVIDEND PER SHARE - DECLARED	-	0.25	-	-	0.25	-

The financial statements are extracts from the books of the institution.

By order of the Board,

Livingstone Murage
Group Company Secretary

Annual General Meeting

Notice is hereby given that the fifty second Annual General Meeting of the shareholders of NIC Bank Limited will be held at the Kenyatta International Conference Centre (KICC) – Tsavo Ball Room, Nairobi, on **Wednesday 2nd May, 2012 at 11.00a.m.**

By order of the Board

Livingstone Murage
Group Company Secretary