



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, 2013.

STATEMENT OF FINANCIAL POSITION	Group					Bank				
	30th Sept, 2013 Un-audited Shs '000	30th June, 2013 Un-audited Shs '000	31st Mar, 2013 Un-audited Shs '000	31st Dec, 2012 Audited Shs '000	30th Sept, 2012 Un-audited Shs '000	30th Sept, 2013 Un-audited Shs '000	30th June, 2013 Un-audited Shs '000	31st Mar, 2013 Un-audited Shs '000	31st Dec, 2012 Audited Shs '000	30th Sept, 2012 Un-audited Shs '000
ASSETS										
Cash (both Local & Foreign)	1,237,147	1,184,684	1,011,404	1,081,131	870,047	815,243	657,171	692,444	830,855	613,552
Balances due from Central Banks	3,473,864	4,663,732	6,072,434	5,969,831	6,681,119	2,713,246	3,899,903	5,392,110	5,132,414	6,217,818
Kenyan Government securities held for dealing purposes	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through profit & loss	280,647	117,178	159,065	138,509	-	-	-	-	-	-
Investment Securities:										
a) Held to Maturity										
a. Kenya Government securities	3,562,663	1,753,566	4,588,247	9,194,971	5,028,599	3,562,663	1,753,566	4,588,247	9,194,971	5,028,599
b. Other securities	1,626,299	1,248,848	1,791,684	1,146,224	1,102,831	-	-	-	-	-
b) Available for sale:										
a. Kenya Government securities	9,999,609	9,269,197	10,289,659	7,027,460	8,348,527	9,999,609	9,269,197	10,289,659	7,027,460	8,348,527
b. Other securities	218,564	217,041	218,513	214,999	28,174	-	-	-	-	-
Deposits and balances due from local banking institutions	1,165,563	4,676,383	1,956,464	2,046,810	3,916,165	289,020	4,296,879	1,133,500	586,836	2,542,502
Deposits and balances due from banking institutions abroad	2,723,169	5,125,509	2,587,310	6,141,906	4,912,622	2,034,274	4,317,272	2,499,845	5,983,128	4,528,805
Tax recoverable	124,614	85,552	35,732	17,860	9,309	33,557	36,823	-	-	-
Loans and advances to customers (net)	76,674,372	71,006,628	70,603,886	71,540,092	66,072,035	69,268,125	64,016,944	64,130,884	66,381,215	60,104,187
Balances due from banking institutions in the group	-	-	-	-	-	1,601,641	2,316,279	1,835,966	1,603,250	422,411
Investments in associates	-	-	-	-	-	-	-	-	-	-
Investments in subsidiary companies	-	-	-	-	-	2,988,932	2,988,932	2,988,932	2,285,324	2,109,324
Investments in joint ventures	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-
Property and equipment	1,091,237	1,038,581	1,049,565	1,009,891	1,039,009	772,767	757,794	779,880	785,612	834,691
Prepaid lease rentals	7,282	7,312	7,344	7,375	7,406	7,282	7,312	7,344	7,375	7,406
Intangible assets	1,138,349	1,095,527	1,135,784	1,127,492	1,312,332	648,461	610,765	638,423	642,337	677,971
Deferred tax asset	245,737	245,536	245,731	257,632	361,987	241,808	241,808	241,808	241,808	348,945
Retirement benefit asset	-	-	-	-	-	-	-	-	-	-
Other assets	2,734,520	1,957,781	1,530,647	1,426,410	1,099,324	2,175,264	1,438,069	1,131,446	1,069,120	631,051
TOTAL ASSETS	106,303,636	103,693,055	103,283,469	108,348,593	100,789,486	97,151,892	96,608,714	96,350,488	101,771,705	92,415,789
LIABILITIES										
Balances due to Central Banks	-	-	-	-	-	-	-	-	-	-
Customer deposits	80,877,431	79,991,713	78,387,595	83,379,576	82,969,158	72,782,515	73,919,424	72,246,785	77,466,042	76,136,281
Deposits and balances due to local banking institutions	1,161,432	1,202,236	2,290,982	598,531	1,105,729	822,844	18,226	1,653,645	72,210	105,345
Deposits and balances due to foreign banking institutions	306,672	31,671	304,178	2,972,749	602,735	306,672	31,671	304,178	2,972,749	602,735
Other money market deposits	-	-	-	-	-	-	-	-	-	-
Borrowed funds	3,663,812	3,631,380	3,649,354	3,655,414	1,961,831	3,663,812	3,631,380	3,649,354	3,655,414	1,961,831
Balances due to banking institutions in the group	-	-	-	-	-	27,458	426,147	391,367	610,360	481,286
Tax payable	2,280	3,228	747,034	383,325	153,855	-	-	743,463	382,138	144,297
Dividends payable	-	-	-	-	-	-	-	-	-	-
Deferred tax liability	-	-	-	-	-	-	-	-	-	-
Retirement benefit liability	-	-	-	-	-	-	-	-	-	-
Other liabilities	2,721,149	1,917,143	1,697,721	1,877,376	953,769	2,438,178	1,948,137	1,734,991	1,548,185	657,332
TOTAL LIABILITIES	88,732,776	86,777,371	87,076,864	92,866,971	87,747,077	80,041,479	79,974,985	80,723,783	86,707,098	80,089,107
EQUITY										
Paid up / Assigned capital	2,714,921	2,714,921	2,714,921	2,714,921	1,974,488	2,714,921	2,714,921	2,714,921	2,714,921	1,974,488
Share premium	1,208,068	1,208,068	1,208,242	1,208,799	1,208,068	1,208,068	1,208,242	1,208,799	1,208,799	-
Revaluation reserves	155,083	155,083	155,083	155,083	159,864	155,083	155,083	155,083	155,083	159,864
Retained earnings	12,753,676	11,852,899	10,998,777	10,095,639	10,092,891	12,404,427	11,524,399	10,716,585	9,836,433	9,774,440
Statutory loan reserves	722,589	664,215	654,469	687,543	596,745	658,140	605,165	600,112	637,174	570,683
Other reserves	(627,281)	(309,790)	(559,374)	(444,881)	(294,038)	(165,972)	(311,222)	(311,222)	(30,787)	(152,793)
Proposed dividends	135,746	135,746	542,984	542,984	-	135,746	135,746	542,984	542,984	-
Capital grants	-	-	-	-	-	-	-	-	-	-
	17,062,802	16,421,142	15,715,102	14,960,088	12,529,950	17,110,413	16,633,729	15,626,705	15,064,607	12,326,682
Non-controlling interests	508,057	494,542	491,503	521,534	512,459	-	-	-	-	-
TOTAL EQUITY	17,570,859	16,915,684	16,206,605	15,481,622	13,042,409	17,110,413	16,633,729	15,626,705	15,064,607	12,326,682
TOTAL LIABILITIES AND EQUITY	106,303,635	103,693,055	103,283,469	108,348,593	100,789,486	97,151,892	96,608,714	96,350,488	101,771,705	92,415,789

STATEMENT OF COMPREHENSIVE INCOME	Group					Bank				
	30th Sept, 2013 Un-audited Shs '000	30th June, 2013 Un-audited Shs '000	31st Mar, 2013 Un-audited Shs '000	31st Dec, 2012 Audited Shs '000	30th Sept, 2012 Un-audited Shs '000	30th Sept, 2013 Un-audited Shs '000	30th June, 2013 Un-audited Shs '000	31st Mar, 2013 Un-audited Shs '000	31st Dec, 2012 Audited Shs '000	30th Sept, 2012 Un-audited Shs '000
INTEREST INCOME										
Loans and advances	7,054,097	4,524,852	2,232,704	9,868,592	7,571,892	6,298,691	4,058,219	1,999,647	9,048,895	6,957,561
Government securities	1,332,323	914,535	490,392	1,161,118	787,335	1,176,812	828,280	440,924	1,081,419	739,158
Deposits and placements with banking institutions	158,192	100,320	33,396	412,324	374,879	93,911	59,909	21,061	290,551	256,593
Other interest income	16,025	33,318	18,488	25,540	20,540	16,025	33,318	18,488	25,540	20,540
TOTAL INTEREST INCOME	8,560,637	5,573,025	2,774,980	11,467,574	8,754,646	7,585,439	4,979,726	2,480,120	10,446,405	7,973,852
INTEREST EXPENSE										
Customer deposits	2,864,353	1,975,941	1,012,525	5,735,877	4,561,332	2,515,415	1,762,996	914,158	5,342,007	4,269,076
Deposits and placement from banking institutions	141,609	86,261	59,545	187,865	164,095	73,268	40,545	42,032	124,874	109,259
Other interest expenses	125,605	79,160	20,943	59,964	43,620	98,672	65,190	17,636	59,964	41,687
TOTAL INTEREST EXPENSE	3,131,567	2,141,362	1,093,013	5,983,706	4,769,047	2,687,355	1,868,731	973,826	5,526,845	4,420,022
NET INTEREST INCOME	5,429,070	3,431,663	1,681,967	5,483,868	3,985,599	4,898,084	3,110,995	1,506,294	4,919,560	3,553,830
OTHER OPERATING INCOME										
Fees and commissions on loans and advances	522,001	325,832	140,720	510,442	419,276	426,257	264,394	120,958	509,976	371,787
Other fees and commissions	305,415	192,442	98,181	542,670	389,850	245,143	157,189	75,169	429,763	340,261
Foreign exchange trading income	848,339	596,515	350,840	1,164,312	907,424	726,566	504,772	305,467	1,074,248	853,201
Dividend Income	-	-	-	-	-	-	-	-	-	-
Other income	734,036	498,649	152,109	679,106	491,916	481,988	316,696	102,322	480,729	314,045
TOTAL NON-INTEREST INCOME	2,409,791	1,613,438	741,850	2,896,530	2,208,466	1,879,954	1,243,051	603,916	2,494,716	1,879,294
TOTAL OPERATING INCOME	7,838,861	5,045,101	2,423,817	8,380,398	6,194,065	6,778,038	4,354,046	2,110,210	7,414,276	5,433,124
OPERATING EXPENSES										
Loan loss provision	588,135	342,573	142,028	297,485	171,161	341,171	201,744	97,060	265,264	145,855
Staff costs	1,678,751	1,068,789	516,100	1,814,769	1,346,145	1,346,605	855,086	404,135	1,482,668	1,106,291
Directors' emoluments	107,050	53,546	40,971	163,882	111,931	90,671	39,004	28,112	109,886	76,771
Rental charges	201,739	125,449	61,867	169,317	132,147	111,845	68,917	33,193	101,037	81,067
Depreciation charge on property and equipment	187,239	120,983	61,658	204,471	141,648	152,080	101,737	50,624	173,730	119,968
Amortisation charges	137,730	92,295	44,587	113,461	60,184	118,363	76,885	38,125	97,213	54,921
Other operating expenses	953,406	613,876	317,942	1,099,046	802,952	764,597	490,829	254,541	873,529	646,570
TOTAL OPERATING EXPENSES	3,854,050	2,417,511	1,185,153	3,862,431	2,766,168	2,925,332	1,834,202	905,790	3,103,327	2,231,443
Profit before tax and exceptional items	3,984,811	2,627,590	1,238,664	4,517,967	3,427,897	3,852,706	2,519,844	1,204,420	4,310,949	3,201,681
Exceptional items	-	-	-	-	-	-	-	-	-	-
PROFIT AFTER EXCEPTIONAL ITEMS	3,984,811	2,627,590	1,238,664	4,517,967	3,427,897	3,852,706	2,519,844	1,204,420	4,310,949	3,201,681
Current tax	(1,168,251)	(760,861)	(370,882)	(1,561,372)	(1,031,948)	(1,128,000)	(728,141)	(361,326)	(1,470,111)	(960,504)
Deferred tax	-	-	-	80,199	-	-	-	-	67,024	-
PROFIT AFTER TAX AND EXCEPTIONAL ITEMS	2,816,560	1,866,729	867,782	3,036,794	2,395,949	2,724,706	1,791,703	843,094	2,907,862	2,241,177
Other Comprehensive Income:										
a. Exchange differences on translation of foreign operations	113,562	(25,266)	326,719	(335,010)	(62,161)	-	-	-	-	-
b. Fair value changes in available-for-sale financial assets	(135,185)	321,134	(280,435)	406,377	284,371	(135,185)	321,134	(280,435)	406,377	284,371
c. Revaluation surplus on property, plant and equipment	-	-	-	-	-	-	-	-	-	-
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	(21,623)	295,868	46,284	71,367	222,210	(135,185)	321,134	(280,435)	406,377	284,371
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2,794,937	2,162,597	914,066	3,108,161	2,618,159	2,589,521	2,112,837	562,659	3,314,239	2,525,548
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
EARNINGS PER SHARE- BASIC & DILUTED	5.19	3.44	1.60	5.59	4.41	5.02	3.30	1.55	5.36	4.13
INTERIM DIVIDEND PER SHARE - DECLARED	-	0.25	-	-	-	-	0.25	-	-	-
FINAL DIVIDEND PER SHARE - DECLARED	-	-	-	1.00	-	-	-	-	1.00	-

OTHER DISCLOSURES	Group					Bank				
	30th Sept, 2013 Un-audited Shs '000	30th June, 2013 Un-audited Shs '000	31st Mar, 2013 Un-audited Shs '000	31st Dec, 2012 Audited Shs '000	30th Sept, 2012 Un-audited Shs '000	30th Sept, 2013 Un-audited Shs '000	30th June, 2013 Un-audited Shs '000	31st Mar, 2013 Un-audited Shs '000	31st Dec, 2012 Audited Shs '000	30th Sept, 2012 Un-audited Shs '000
1. NON-PERFORMING LOANS AND ADVANCES										
(a) Gross Non-performing loans and advances	5,568,862	4,306,751	3,723,911	3,551,222	3,425,862	4,534,889	3,861,633	3,447,822	3,209,075	3,191,747
(b) Less Interest in Suspense	1,834,300	1,768,672	1,378,869	1,218,521	1,386,941	1,765,124	1,576,517	1,328,254	1,158,201	1,323,182
(c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)	3,734,562	2,538,079	2,345,043	2,332,701	2,038,921	2,769,765	2,285,116	2,119,568	2,050,874	1,868,565
(d) Less Loan Loss Provision	2,035,875	1,837,840	1,698,187	1,652,986	1,704,380	1,881,578	1,746,166	1,640,006	1,583,147	1,635,141
(e) NET NON-PERFORMING LOANS AND ADVANCES (c-d)	1,698,687	700,239	646,855	679,715	334,541	888,187	538,950	479,562	467,727	233,424
(f) Discounted Value of Securities	1,698,687	700,239	646,855	679,715	334,541	888,187	538,950	479,562	467,727	233,424
(g) NET NPLS EXPOSURE (e-f)	-	-	-	-	-	-	-	-	-	-
2. INSIDER LOANS AND ADVANCES										
(a) Directors, Shareholders and Associates	1,151,131	1,218,579	1,234,440	1,327,022	1,287,757	1,149,002	1,210,618	1,226,166	1,302,049	1,267,726
(b) Employees	757,212	708,634	654,681	664,900	628,511	743,581	694,852	640,144	620,288	626,218
(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	1,908,342	1,927,213	1,889,121	1,991,922	1,916,268	1,892,583	1,905,470	1,866,310	1,922,337	1,893,944
3. OFF-BALANCE SHEET ITEMS										
(a) Letters of credit, guarantees, acceptances	16,458,358	14,138,405	14,831,233	14,112,010	17,104,312	15,978,343	13,999,785	14,707,739	13,486,049	17,013,383
(b) Forwards, Swaps and options	22,740,423	16,812,096	17,682,926	10,904,232	4,046,844	22,740,423	16,497,723	17,462,516	10,366,805	4,046,844
(c) Other contingent liabilities	-	-	-	-	-	-	-	-	-	-
(d) TOTAL CONTINGENT LIABILITIES	39,198,781	30,950,501	32,514,159	25,016,242	21,151,156	38,718,766	30,497,508	32,170,255	23,852,854	21,060,227
4. CAPITAL STRENGTH										
(a) Core capital						12,527,632	12,249,852	11,780,770	12,569,308	9,070,517
(b) Minimum Statutory Capital						1,000,000	1,000,000	1,000,000	1,000,000	700,000
(c) Excess (a-b)						11,527,632	11,249,852	10,780,770	11,569,308	8,370,517
(d) Supplementary Capital						696,911	643,936	638,883	677,140	610,649
(e) TOTAL CAPITAL (a+d)						13,224,543	12,893,787	12,419,653	13,246,448	9,681,166
(f) TOTAL RISK WEIGHTED ASSETS						87,267,635	81,775,916	81,972,858	80,565,229	73,639,505
(g) Core Capital / Total deposits liabilities						17.26%	16.63%	16.34%	16.29%	11.97%
(h) Minimum statutory ratio						8.00%	8.00%	8.00%	8.00%	8.00%
(l) Excess (g-h)						9.26%	8.63%	8.34%	8.29%	3.97%
(j) Core Capital / Total risk weighted assets						14.36%	14.98%	14.37%	15.60%	12.32%
(k) Minimum statutory ratio						8.00%	8.00%	8.00%	8.00%	8.00%
(l) Excess (j-k)						6.36%	6.98%	6.37%	7.60%	4.32%
(m) Total Capital / Total risk weighted assets						15.15%	15.77%	15.15%	16.44%	13.15%
(n) Minimum statutory ratio						12.00%	12.00%	12.00%	12.00%	12.00%
(o) Excess (m-n)						3.15%	3.77%	3.15%	4.44%	1.15%
5. LIQUIDITY										
(a) Liquidity Ratio						27.33%	35.16%	33.22%	35.27%	35.37%
(b) Minimum statutory ratio						20.00%	20.00%	20.00%	20.00%	20.00%
(c) Excess (a-b)						7.33%	15.16%	13.22%	15.27%	15.37%

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.

JPM NDEGWA
CHAIRMAN

JM GACHORA
GROUP MANAGING DIRECTOR