



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 June, 2012.

BALANCE SHEET	Group				Bank			
	30th June, 2012 Un-audited Shs '000	31st March, 2012 Un-audited Shs '000	31st Dec, 2011 Audited Shs '000	30th June, 2011 Un-audited Shs '000	30th June, 2012 Un-audited Shs '000	31st March, 2012 Un-audited Shs '000	31st Dec, 2011 Audited Shs '000	30th June, 2011 Un-audited Shs '000
<b>ASSETS</b>								
Cash ( both Local & Foreign)	754,218	851,670	718,687	593,233	580,164	647,683	562,869	474,243
Balances due from Central Banks	6,051,882	6,387,782	4,920,229	3,459,824	5,245,766	5,456,417	4,201,757	2,539,570
Government securities	3,213,260	3,410,241	3,093,792	5,485,373	2,985,044	3,080,190	3,077,723	5,055,074
Foreign Currency Treasury Bills & Bonds	-	-	-	-	-	-	-	-
Deposits and balances due from local banking institutions	4,132,763	4,814,556	1,244,990	2,184,480	2,790,546	4,003,622	635,233	1,348,133
Deposits and balances due from banking institutions abroad	3,240,760	4,885,282	4,447,665	2,869,805	2,697,164	3,449,947	3,851,242	2,731,373
Government and other securities held for dealing purposes	5,319,856	4,700,305	4,406,496	3,366,317	5,177,941	4,700,305	4,139,032	3,366,317
Tax recoverable	8,220	11,022	8,690	22,161	-	-	-	-
Loans and advances to customers (net)	62,379,602	56,556,355	56,624,621	47,263,092	57,808,875	52,194,916	52,025,475	44,515,093
Investment securities	51,735	48,289	52,932	34,001	-	-	-	-
Balances due from group companies	-	-	-	-	951,342	907,597	1,360,846	56,752
Investments in associates	-	-	-	-	-	-	-	-
Investments in subsidiary companies	-	-	-	-	2,109,324	2,109,324	1,147,786	1,147,786
Investments in joint ventures	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-
Property and equipment	993,234	936,817	967,989	738,540	856,867	855,019	851,768	700,124
Prepaid lease rentals	7,438	7,469	7,500	7,562	7,438	7,469	7,500	7,562
Intangible assets	1,163,896	1,135,630	1,037,222	895,251	530,452	499,328	400,544	256,946
Deferred tax asset	360,870	361,081	361,842	12,113	348,945	348,945	348,946	-
Retirement benefit asset	-	-	-	-	-	-	-	-
Other assets	981,598	760,197	1,091,350	880,206	523,996	572,157	970,600	582,650
<b>TOTAL ASSETS</b>	<b>88,659,332</b>	<b>84,866,696</b>	<b>78,984,005</b>	<b>67,811,958</b>	<b>82,613,864</b>	<b>78,832,919</b>	<b>73,581,321</b>	<b>62,781,623</b>
<b>LIABILITIES</b>								
Balances due to Central Banks	-	-	-	-	-	-	-	-
Customer deposits	72,719,453	69,293,378	66,293,053	55,521,105	67,791,301	64,614,313	62,008,953	52,069,441
Deposits and balances due to local banking institutions	683,598	902,885	788,647	1,999,944	150,407	101,940	206,149	1,026,429
Deposits and balances due to foreign banking institutions	-	-	-	-	-	-	-	-
Other money market deposits	-	-	-	-	-	-	-	-
Borrowed funds	1,940,128	1,941,220	190,280	269,253	1,940,128	1,941,220	190,280	269,253
Balances due to group companies	-	-	-	-	240,598	229,378	322,115	215,068
Tax payable	98,204	531,881	229,538	88,470	100,778	525,785	223,321	81,385
Dividends payable	-	-	-	-	-	-	-	-
Deferred tax liability	-	-	-	10,014	-	-	-	10,014
Retirement benefit liability	-	-	-	-	-	-	-	-
Other liabilities	1,067,978	791,754	959,534	880,472	743,705	576,785	730,643	616,408
<b>TOTAL LIABILITIES</b>	<b>76,509,361</b>	<b>73,461,118</b>	<b>68,461,052</b>	<b>58,769,258</b>	<b>70,966,917</b>	<b>67,989,421</b>	<b>63,681,461</b>	<b>54,287,998</b>
<b>EQUITY</b>								
Paid up / Assigned capital	1,974,488	1,974,488	1,974,488	1,974,488	1,974,488	1,974,488	1,974,488	1,974,488
Share premium	-	-	-	-	-	-	-	-
Revaluation reserves	63,000	(193,637)	(356,384)	(319,249)	63,000	(39,509)	(277,300)	(272,449)
Retained earnings	9,314,785	8,514,864	7,803,398	6,526,111	9,044,855	8,301,005	7,596,429	6,363,517
Statutory loan reserves	303,644	534,852	533,581	431,258	564,604	508,790	507,519	428,069
Proposed dividends	-	98,724	98,724	-	-	98,724	98,724	-
Capital grants	-	-	-	-	-	-	-	-
<b>Non-controlling interests</b>	<b>11,655,917</b>	<b>10,929,291</b>	<b>10,053,807</b>	<b>8,612,608</b>	<b>11,646,947</b>	<b>10,843,498</b>	<b>9,899,860</b>	<b>8,493,625</b>
	494,054	476,287	469,146	430,092	-	-	-	-
<b>TOTAL EQUITY</b>	<b>12,149,971</b>	<b>11,405,578</b>	<b>10,522,953</b>	<b>9,042,700</b>	<b>11,646,947</b>	<b>10,843,498</b>	<b>9,899,860</b>	<b>8,493,625</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>88,659,332</b>	<b>84,866,696</b>	<b>78,984,005</b>	<b>67,811,958</b>	<b>82,613,864</b>	<b>78,832,919</b>	<b>73,581,321</b>	<b>62,781,623</b>

PROFIT AND LOSS ACCOUNT	Group				Bank			
	30th June, 2012 Un-audited Shs '000	31st March, 2012 Un-audited Shs '000	31st Dec, 2011 Audited Shs '000	30th June, 2011 Un-Audited Shs '000	30th June, 2012 Un-audited Shs '000	31st March, 2012 Un-audited Shs '000	31st Dec, 2011 Audited Shs '000	30th June, 2011 Un-Audited Shs '000
<b>INTEREST INCOME</b>								
Loans and advances	4,912,492	2,392,350	6,020,072	2,453,574	4,525,620	2,215,886	5,526,584	2,262,243
Government securities	560,739	246,571	660,195	215,427	481,141	237,616	631,526	202,893
Deposits and placements with banking institutions	106,600	49,050	137,689	43,818	96,098	41,189	113,675	28,187
Other Interest Income	17,416	8,534	13,625	3,829	17,416	8,534	13,625	3,829
<b>TOTAL INTEREST INCOME</b>	<b>5,597,247</b>	<b>2,696,505</b>	<b>6,831,581</b>	<b>2,716,648</b>	<b>5,120,275</b>	<b>2,503,225</b>	<b>6,285,410</b>	<b>2,497,152</b>
<b>INTEREST EXPENSE</b>								
Customer deposits	2,912,630	1,419,361	2,417,373	761,061	2,742,428	1,337,079	2,261,284	687,536
Deposits and placement from banking institutions	141,535	94,746	121,156	17,083	97,437	73,009	62,211	10,431
Other interest expenses	24,192	4,316	13,564	5,038	22,905	4,316	13,564	3,598
<b>TOTAL INTEREST EXPENSE</b>	<b>3,078,357</b>	<b>1,518,423</b>	<b>2,552,093</b>	<b>783,182</b>	<b>2,862,770</b>	<b>1,414,404</b>	<b>2,337,059</b>	<b>701,565</b>
<b>NET INTEREST INCOME</b>	<b>2,518,890</b>	<b>1,178,082</b>	<b>4,279,488</b>	<b>1,933,466</b>	<b>2,257,505</b>	<b>1,088,821</b>	<b>3,948,351</b>	<b>1,795,587</b>
<b>OTHER OPERATING INCOME</b>								
Fees and commissions on loans and advances	274,628	126,169	551,683	223,694	246,197	111,572	461,485	182,213
Other fees and commissions	250,778	126,119	464,899	223,864	227,324	113,682	422,252	205,880
Foreign exchange trading income	675,888	343,807	946,410	362,553	638,483	321,331	851,587	331,417
Dividend Income	-	-	-	-	-	-	-	-
Other income	329,272	98,727	418,652	233,609	226,071	76,588	244,154	124,162
<b>TOTAL NON-INTEREST INCOME</b>	<b>1,530,566</b>	<b>694,822</b>	<b>2,381,644</b>	<b>1,043,720</b>	<b>1,338,075</b>	<b>623,173</b>	<b>1,979,478</b>	<b>843,672</b>
<b>TOTAL OPERATING INCOME</b>	<b>4,049,456</b>	<b>1,872,904</b>	<b>6,661,132</b>	<b>2,977,186</b>	<b>3,595,580</b>	<b>1,711,994</b>	<b>5,927,829</b>	<b>2,639,259</b>
<b>OPERATING EXPENSES</b>								
Loan loss provision	105,070	66,459	258,151	78,060	82,054	42,797	249,166	50,783
Staff costs	883,073	417,868	1,480,668	714,833	736,775	363,880	1,229,415	603,565
Directors' emoluments	78,108	36,960	117,582	49,999	50,830	23,321	97,170	39,570
Rental charges	102,494	36,989	137,530	61,734	73,346	28,405	95,846	43,252
Depreciation charge on property and equipment	91,810	44,308	157,276	74,287	79,583	38,900	143,259	68,436
Amortisation charges	31,406	15,348	41,512	15,130	27,693	13,592	35,572	13,291
Other operating expenses	480,042	221,966	863,465	382,062	394,566	192,743	716,799	316,737
<b>TOTAL OPERATING EXPENSES</b>	<b>1,772,003</b>	<b>839,898</b>	<b>3,056,184</b>	<b>1,376,105</b>	<b>1,444,847</b>	<b>703,638</b>	<b>2,567,227</b>	<b>1,135,634</b>
Profit before tax and exceptional items	2,277,453	1,033,006	3,604,948	1,601,081	2,150,733	1,008,356	3,360,602	1,503,625
Exceptional items	-	-	-	-	-	-	-	-
<b>PROFIT AFTER EXCEPTIONAL ITEMS</b>	<b>2,277,453</b>	<b>1,033,006</b>	<b>3,604,948</b>	<b>1,601,081</b>	<b>2,150,733</b>	<b>1,008,356</b>	<b>3,360,602</b>	<b>1,503,625</b>
Current tax	(684,084)	(309,963)	(1,070,517)	(505,275)	(645,220)	(302,507)	(999,157)	(475,606)
Deferred tax	-	-	172,705	-	-	-	171,603	-
<b>PROFIT AFTER TAX AND EXCEPTIONAL ITEMS</b>	<b>1,593,369</b>	<b>723,043</b>	<b>2,707,136</b>	<b>1,095,806</b>	<b>1,505,513</b>	<b>705,849</b>	<b>2,533,048</b>	<b>1,028,019</b>
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
<b>EARNINGS PER SHARE- BASIC &amp; DILUTED</b>	<b>4.03</b>	<b>1.83</b>	<b>6.86</b>	<b>2.77</b>	<b>3.81</b>	<b>1.79</b>	<b>6.41</b>	<b>2.60</b>
<b>INTERIM DIVIDEND PER SHARE - PAID</b>	-	-	0.25	0.25	-	-	0.25	0.25
<b>FINAL DIVIDEND PER SHARE - DECLARED</b>	-	-	0.25	-	-	-	0.25	-

OTHER DISCLOSURES	Group				Bank			
	30th June, 2012 Un-audited Shs '000	31st March, 2012 Un-audited Shs '000	31st Dec, 2011 Audited Shs '000	30th June, 2011 Un-Audited Shs '000	30th June, 2012 Un-audited Shs '000	31st March, 2012 Un-audited Shs '000	31st Dec, 2011 Audited Shs '000	30th June, 2011 Un-Audited Shs '000
<b>1. NON-PERFORMING LOANS AND ADVANCES</b>								
(a) Gross Non-performing loans and advances					2,942,134	2,805,303	2,721,451	2,702,238
(b) Less Interest in Suspense					1,192,998	1,179,738	1,064,779	881,912
<b>(c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)</b>					<b>1,749,136</b>	<b>1,625,565</b>	<b>1,656,672</b>	<b>1,820,326</b>
(d) Less Loan Loss Provision					1,640,814	1,625,331	1,587,162	1,387,217
<b>(e) NET NON-PERFORMING LOANS AND ADVANCES (c-d)</b>					<b>108,322</b>	<b>234</b>	<b>69,510</b>	<b>433,109</b>
(f) Discounted Value of Securities					108,322	234	69,510	433,109
<b>(g) NET NPLS EXPOSURE (e-f)</b>					<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. INSIDER LOANS AND ADVANCES</b>								
(a) Directors, Shareholders and Associates					1,449,087	1,447,478	1,559,786	1,317,578
(b) Employees					614,018	594,521	587,883	478,281
<b>(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES</b>					<b>2,063,105</b>	<b>2,041,999</b>	<b>2,147,669</b>	<b>1,795,859</b>
<b>3. OFF-BALANCE SHEET ITEMS</b>								
(a) Letters of credit, guarantees, acceptances					15,781,063	12,648,910	12,829,381	10,888,050
(b) Other contingent liabilities					3,599,618	8,678,917	10,519,850	14,875,801
<b>(c) TOTAL CONTINGENT LIABILITIES</b>					<b>19,380,681</b>	<b>21,327,827</b>	<b>23,349,231</b>	<b>25,763,851</b>
<b>4. CAPITAL STRENGTH</b>								
(a) Core capital					8,708,764	8,364,746	9,073,356	7,227,711
(b) Minimum Statutory Capital					700,000	700,000	700,000	500,000
<b>(c) Excess (a-b)</b>					<b>8,008,764</b>	<b>7,664,746</b>	<b>8,373,356</b>	<b>6,727,711</b>
(d) Supplementary Capital					604,570	548,756	547,485	470,426
<b>(e) TOTAL CAPITAL (a+d)</b>					<b>9,313,334</b>	<b>8,913,502</b>	<b>9,620,841</b>	<b>7,698,136</b>
<b>(f) TOTAL RISK WEIGHTED ASSETS</b>					<b>68,545,629</b>	<b>61,350,838</b>	<b>60,555,497</b>	<b>52,795,566</b>
(g) Core Capital / Total deposits liabilities					12.90%	13.00%	14.68%	13.93%
(h) Minimum statutory ratio					8.00%	8.00%	8.00%	8.00%
<b>(I) Excess (g-h)</b>					<b>4.90%</b>	<b>5.00%</b>	<b>6.68%</b>	<b>5.93%</b>
(j) Core Capital / Total risk weighted assets					12.71%	13.63%	14.98%	13.69%
(k) Minimum statutory ratio					8.00%	8.00%	8.00%	8.00%
<b>(l) Excess (j-k)</b>					<b>4.71%</b>	<b>5.63%</b>	<b>6.98%</b>	<b>5.69%</b>
(m) Total Capital / Total risk weighted assets					13.59%	14.53%	15.89%	14.58%
(n) Minimum statutory ratio					12.00%	12.00%	12.00%	12.00%
<b>(o) Excess (m-n)</b>					<b>1.59%</b>	<b>2.53%</b>	<b>3.89%</b>	<b>2.58%</b>
<b>5. LIQUIDITY</b>								
(a) Liquidity Ratio					29.45%	33.94%	27.41%	28.61%
(b) Minimum statutory ratio					20.00%	20.00%	20.00%	20.00%
<b>(c) Excess (a-b)</b>					<b>9.45%</b>	<b>13.94%</b>	<b>7.41%</b>	<b>8.61%</b>

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

By order of the Board,

Livingstone Murage  
Group Company Secretary