



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, 2017.

STATEMENT OF FINANCIAL POSITION	Group				Bank			
	30th June, 2017 Un-audited Shs '000	31st March, 2017 Un-audited Shs '000	31st Dec, 2016 Audited Shs '000	30th June, 2016 Un-audited Shs '000	30th June, 2017 Un-audited Shs '000	31st March, 2017 Un-audited Shs '000	31st Dec, 2016 Audited Shs '000	30th June, 2016 Un-audited Shs '000
ASSETS								
Cash (both Local & Foreign)	1,581,284	1,550,654	1,919,377	1,606,126	1,229,194	1,233,548	1,585,835	1,084,721
Balances due from Central Banks	8,554,158	7,328,033	5,344,124	6,510,979	7,376,531	6,410,262	4,360,474	5,107,118
Kenyan Government securities held for dealing purposes	-	-	-	-	-	-	-	-
Financial assets at fair value through profit & loss	552,343	529,606	227,600	43,695	-	-	-	-
Investment Securities:								
a) Held to Maturity								
a. Kenya Government securities	14,036,252	3,583,188	3,491,163	10,134,937	14,036,252	3,583,188	3,491,163	10,134,937
b. Other securities	2,068,507	2,191,574	2,273,216	2,508,691	-	-	-	-
b) Available for sale:								
a. Kenya Government securities	27,452,746	24,436,739	23,795,496	15,855,713	27,452,746	24,436,739	23,795,496	15,855,713
b. Other securities	771,428	866,755	911,020	564,344	-	-	-	-
Deposits and balances due from local banking institutions	23,616	781,477	1,456,867	643,890	19,551	48,057	1,163,270	153,056
Deposits and balances due from banking institutions abroad	10,223,900	9,164,119	8,225,341	12,593,543	9,726,675	9,168,621	8,055,566	12,059,480
Tax recoverable	409,025	139,047	137,003	588,342	266,578	-	-	478,078
Loans and advances to customers (net)	116,769,833	116,323,035	114,466,274	112,150,830	109,274,084	108,913,109	107,097,133	104,821,272
Balances due from banking institutions in the group	-	-	-	-	1,557,076	1,790,695	1,375,189	1,431,157
Investments in associates	-	-	-	-	-	-	-	-
Investments in subsidiary companies	-	-	-	-	5,357,701	5,357,701	5,357,701	4,357,701
Investments in joint ventures	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-
Property and equipment	1,024,797	1,023,268	1,043,497	1,067,345	898,186	853,828	861,294	845,900
Prepaid lease rentals	522,812	522,844	522,875	522,937	6,812	6,844	6,875	6,937
Intangible assets	1,085,512	1,050,808	1,071,441	1,070,784	587,047	593,770	605,547	487,497
Deferred tax asset	2,753,766	2,752,492	2,752,871	1,362,982	2,545,665	2,545,665	2,545,664	1,167,587
Retirement benefit asset	-	-	-	-	-	-	-	-
Other assets	1,659,845	1,580,678	1,820,820	1,833,197	1,345,551	1,362,719	1,546,144	1,494,436
TOTAL ASSETS	189,489,824	173,824,317	169,458,985	169,058,335	181,679,649	166,304,746	161,847,351	159,485,590
LIABILITIES								
Balances due to Central Banks	-	-	-	-	-	-	-	-
Customer deposits	133,158,753	117,841,957	111,824,685	112,000,727	125,049,070	110,050,914	104,160,200	104,364,659
Deposits and balances due to local banking institutions	2,400,373	1,748,030	72,764	101,469	2,400,373	1,748,030	72,764	101,469
Deposits and balances due to foreign banking institutions	188,249	393,035	2,703,162	5,776,422	-	43,183	2,554,801	4,480,785
Other money market deposits	-	-	-	-	-	-	-	-
Borrowed funds	18,967,950	20,002,325	19,965,484	20,412,988	18,092,095	18,999,154	18,976,920	19,327,867
Balances due to banking institutions in the group	-	-	-	-	148,376	145,922	50,807	199,804
Tax payable	14,510	856,761	455,649	9,283	-	848,025	446,766	-
Dividends payable	22,308	25,401	35,599	-	22,308	25,401	35,599	-
Deferred tax liability	-	-	-	-	-	-	-	-
Retirement benefit liability	-	-	-	-	-	-	-	-
Other liabilities	2,170,268	1,934,042	4,056,278	2,467,511	3,424,270	3,279,936	5,261,231	2,647,477
TOTAL LIABILITIES	156,922,411	142,801,551	139,113,621	140,768,400	149,136,492	135,140,565	131,559,088	131,122,061
EQUITY								
Paid up / Assigned capital	3,199,728	3,199,728	3,199,728	3,199,728	3,199,728	3,199,728	3,199,728	3,199,728
Share Premium	2,700,017	2,700,017	2,700,017	2,700,017	2,700,017	2,700,017	2,700,017	2,700,017
Revaluation reserves	175,202	175,202	175,202	179,983	175,202	175,202	175,202	179,983
Retained earnings	25,089,502	24,160,404	23,012,504	21,563,238	24,695,377	23,622,927	22,686,358	21,234,112
Statutory loan reserves	1,182,640	1,036,354	1,238,486	1,409,194	943,865	958,088	961,793	1,193,192
Other reserves	(294,139)	(1,397,669)	(1,126,374)	(1,265,792)	828,968	(131,727)	(74,781)	(143,503)
Proposed dividends	-	639,946	639,946	-	-	639,946	639,946	-
Capital grants	-	-	-	-	-	-	-	-
	32,052,950	30,513,982	29,839,509	27,786,368	32,543,157	31,164,181	30,288,263	28,363,529
Non-controlling interests	514,463	508,784	505,855	503,567	-	-	-	-
TOTAL EQUITY	32,567,413	31,022,766	30,345,364	28,289,935	32,543,157	31,164,181	30,288,263	28,363,529
TOTAL LIABILITIES AND EQUITY	189,489,824	173,824,317	169,458,985	169,058,335	181,679,649	166,304,746	161,847,351	159,485,590



STATEMENT OF COMPREHENSIVE INCOME	Group				Bank			
	30th June, 2017 Un-audited Shs '000	31st March, 2017 Un-audited Shs '000	31st Dec, 2016 Audited Shs '000	30th June, 2016 Un-audited Shs '000	30th June, 2017 Un-audited Shs '000	31st March, 2017 Un-audited Shs '000	31st Dec, 2016 Audited Shs '000	30th June, 2016 Un-audited Shs '000
INTEREST INCOME								
Loans and advances	6,640,617	3,333,105	15,150,632	7,991,572	6,177,458	3,105,995	14,212,910	7,519,517
Government securities	2,146,988	962,808	3,735,870	1,780,442	1,883,571	831,419	3,214,229	1,539,886
Deposits and placements with banking institutions	23,863	16,318	134,173	83,968	29,880	13,432	82,388	54,816
Other interest income	-	-	-	-	-	-	-	-
TOTAL INTEREST INCOME	8,811,468	4,312,231	19,020,675	9,855,982	8,090,909	3,950,846	17,509,527	9,114,219
INTEREST EXPENSE								
Customer deposits	2,675,665	1,235,464	5,368,231	3,093,957	2,453,323	1,123,853	4,986,572	2,924,567
Deposits and placement from banking institutions	61,469	24,465	246,731	58,027	49,784	19,348	195,890	24,019
Other interest expenses	675,429	345,181	1,237,116	628,884	650,517	325,352	1,147,440	580,711
TOTAL INTEREST EXPENSE	3,412,563	1,605,110	6,852,078	3,780,868	3,153,624	1,468,553	6,329,297	3,529,297
NET INTEREST INCOME	5,398,905	2,707,121	12,168,597	6,075,114	4,937,285	2,482,293	11,179,625	5,584,922
OTHER OPERATING INCOME								
Fees and commissions on loans and advances	677,457	336,691	1,215,324	643,044	630,760	309,436	1,117,156	598,442
Other fees and commissions	436,735	217,354	795,027	383,243	391,448	193,813	710,909	338,099
Foreign exchange trading income	584,068	300,718	1,105,147	577,354	551,991	283,564	1,030,462	533,933
Dividend income	-	-	-	-	-	-	-	-
Other income	310,737	134,223	904,061	553,445	211,415	93,830	634,389	389,474
TOTAL NON-INTEREST INCOME	2,008,997	988,986	4,019,559	2,157,086	1,785,614	880,643	3,492,916	1,859,948
TOTAL OPERATING INCOME	7,407,902	3,696,107	16,188,156	8,232,200	6,722,899	3,362,936	14,672,541	7,444,870
OPERATING EXPENSES								
Loan loss provision	1,445,703	875,324	3,749,530	2,109,668	1,430,896	862,829	3,711,702	2,105,708
Staff costs	1,576,660	717,194	3,222,493	1,401,689	1,267,787	567,209	2,611,360	1,122,073
Directors' emoluments	75,455	36,320	174,638	102,032	60,207	28,899	153,065	56,318
Rental charges	190,626	95,545	370,057	197,204	125,002	61,694	221,239	123,322
Depreciation charge on property and equipment	135,428	59,638	277,906	128,152	101,365	51,294	191,673	94,303
Amortisation charges	123,869	74,332	221,937	113,974	105,742	52,687	191,670	91,147
Other operating expenses	941,773	469,126	2,004,646	960,799	787,485	400,892	1,666,322	814,647
TOTAL OPERATING EXPENSES	4,489,514	2,327,479	10,021,207	5,013,518	3,878,484	2,025,504	8,747,031	4,407,518
Profit before tax and exceptional items	2,918,388	1,368,628	6,166,949	3,218,682	2,844,415	1,337,432	5,925,510	3,037,352
Exceptional items	-	-	-	-	-	-	-	-
PROFIT AFTER EXCEPTIONAL ITEMS	2,918,388	1,368,628	6,166,949	3,218,682	2,844,415	1,337,432	5,925,510	3,037,352
Current tax	(888,625)	(416,592)	(3,226,335)	(913,580)	(853,324)	(401,230)	(3,161,441)	(911,205)
Deferred tax	-	-	1,389,782	-	-	-	1,378,078	-
PROFIT AFTER TAX AND EXCEPTIONAL ITEMS	2,029,763	952,036	4,330,396	2,305,102	1,991,091	936,202	4,142,147	2,126,147
Other Comprehensive Income:								
a. Exchange differences on translation of foreign operations	(71,514)	(214,349)	50,300	(93,600)	-	-	-	-
b. Fair value changes in available-for-sale financial assets	903,749	(56,946)	418,458	422,940	903,749	(56,946)	491,662	422,940
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	832,235	(271,295)	468,758	329,340	903,749	(56,946)	491,662	422,940
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2,861,998	680,741	4,799,154	2,634,442	2,894,840	879,256	4,633,809	2,549,087
		Shs	Shs	Shs		Shs	Shs	Shs
EARNINGS PER SHARE- BASIC & DILUTED	3.17	1.49	6.77	3.60	3.11	1.46	6.47	3.32
INTERIM DIVIDEND PER SHARE - DECLARED	-	-	0.25	0.25	-	-	0.25	0.25
FINAL DIVIDEND PER SHARE - DECLARED	-	-	1.00	-	-	-	1.00	-



OTHER DISCLOSURES	Group				Bank			
	30th June, 2017 Un-audited Shs '000	31st March, 2017 Un-audited Shs '000	31st Dec, 2016 Audited Shs '000	30th June, 2016 Un-audited Shs '000	30th June, 2017 Un-audited Shs '000	31st March, 2017 Un-audited Shs '000	31st Dec, 2016 Audited Shs '000	30th June, 2016 Un-audited Shs '000
1. NON-PERFORMING LOANS AND ADVANCES								
(a) Gross Non-performing loans and advances	14,341,928	13,800,506	13,587,912	12,565,456	13,484,055	12,963,365	12,650,315	11,752,101
(b) Less Interest in Suspense	1,688,021	1,334,166	704,080	553,456	1,626,192	1,283,690	683,839	513,565
(c) TOTAL NON-PERFORMING LOANS AND ADVANCES (a-b)	12,653,907	12,466,340	12,883,832	12,012,000	11,857,863	11,679,675	11,966,476	11,238,536
(d) Less Loan Loss Provision	5,132,699	4,643,679	5,022,089	3,952,895	4,827,677	4,451,064	4,728,028	3,662,404
(e) NET NON-PERFORMING LOANS AND ADVANCES (c-d)	7,521,208	7,822,661	7,861,743	8,059,105	7,030,186	7,228,611	7,238,448	7,576,132
(f) Discounted Value of Securities	7,521,208	7,822,661	7,861,743	8,059,105	7,030,186	7,228,611	7,238,448	7,576,132
(g) NET NPLS EXPOSURE (e-f)	-	-	-	-	-	-	-	-
2. INSIDER LOANS AND ADVANCES								
(a) Directors, shareholders and associates	630,677	531,966	600,169	750,184	536,672	474,559	498,100	694,513
(b) Employees	2,184,524	2,034,992	1,958,897	1,815,159	2,173,830	2,020,464	1,932,600	1,770,210
(c) TOTAL INSIDER LOANS AND ADVANCES AND OTHER FACILITIES	2,815,201	2,566,958	2,559,066	2,565,343	2,710,502	2,495,023	2,430,700	2,464,723
3. OFF-BALANCE SHEET ITEMS								
(a) Letters of credit, guarantees, acceptances	16,257,295	16,563,878	16,595,287	17,538,193	15,914,206	16,333,509	16,401,719	17,325,958
(b) Forwards, Swaps and options	28,773,328	27,347,310	14,043,849	24,082,204	28,773,328	27,347,310	14,043,849	24,082,204
(c) Other contingent liabilities	713,621	1,924,371	1,068,674	1,585,271	-	-	-	-
(d) TOTAL CONTINGENT LIABILITIES	45,744,244	45,835,559	31,707,810	43,205,668	44,687,534	43,680,819	30,445,568	41,408,162
4. CAPITAL STRENGTH								
(a) Core capital	30,004,474	29,449,944	28,942,838	25,141,642	26,394,170	25,848,370	25,379,908	22,071,315
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
(c) Excess (a-b)	29,004,474	28,449,944	27,942,838	24,141,642	25,394,170	24,848,370	24,379,908	21,071,315
(d) Supplementary Capital	6,745,249	6,581,519	6,780,221	10,225,995	6,506,474	6,403,242	6,503,528	9,011,641
(e) TOTAL CAPITAL (a+d)	36,749,723	36,031,463	35,723,059	35,367,637	32,900,644	32,251,612	31,883,436	31,082,955
(f) TOTAL RISK WEIGHTED ASSETS	169,791,834	164,495,227	155,044,871	150,443,200	161,806,922	156,424,637	147,419,229	142,366,737
(g) Core Capital / Total deposits liabilities	22.53%	24.99%	25.88%	22.45%	21.11%	23.49%	24.36%	21.15%
(h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
(i) Excess (g-h)	14.53%	16.99%	17.88%	14.45%	13.11%	15.49%	16.36%	13.15%
(j) Core Capital / Total risk weighted assets	17.67%	17.90%	18.67%	16.71%	16.31%	16.52%	17.22%	15.50%
(k) Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
(l) Excess (j-k)	7.17%	7.40%	8.17%	6.21%	5.81%	6.02%	6.72%	5.00%
(m) Total Capital / Total risk weighted assets	21.64%	21.90%	23.04%	22.84%	20.33%	20.62%	21.63%	21.83%
(n) Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%	14.50%
(o) Excess (m-n)	7.14%	7.40%	8.54%	8.34%	5.83%	6.12%	7.13%	7.33%
5. LIQUIDITY								
(a) Liquidity Ratio	45.65%	39.03%	38.74%	38.63%	46.58%	39.85%	38.52%	38.40%
(b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
(c) Excess (a-b)	25.65%	19.03%	18.74%	18.63%	26.58%	19.85%	18.52%	18.40%

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.

L MURAGE
GROUP COMPANY SECRETARY