

		<b>AMOUNT/(SHS' 000)</b>		
		<b>Bank</b>		
<b>I STATEMENT OF FINANCIAL POSITION</b>		<b>31st March 2013</b>	<b>31st December 2013</b>	<b>31st March 2014</b>
		<b>Shs. '000'</b>	<b>Shs. '000'</b>	<b>Shs. '000'</b>
		<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>
<b>A ASSETS</b>				
1	Cash (both Local & Foreign)	71,624	88,363	73,361
2	Balances due from Central Bank of Kenya	3,163,030	1,213,844	1,269,781
3	Kenya Government and other securities held for dealing purposes			
4	Financial Assets at fair value through profit and loss			
5	Investment Securities:			
	a) Held to Maturity:			
	a. Kenya Government securities	13,481,311	17,850,570	17,839,611
	b. Other securities	13,481,311	17,850,570	17,839,611
	b) Available for sale:			
	a. Kenya Government securities	449,106	386,352	384,487
	b. Other securities	449,106	386,352	384,487
6	Deposits and balances due from local banking institutions			
7	Deposits and balances due from banking institutions abroad	80,590	293,731	485,471
8	Tax recoverable	193,950	20,581	-
9	Loans and advances to customers (net)	10,202,630	10,672,752	12,207,887
10	Balances due from banking institutions in the group			
11	Investments in associates			
12	Investments in subsidiary companies			
13	Investments in joint ventures			
14	Investment properties			
15	Property and equipment	100,535	133,425	131,981
16	Prepaid lease rentals			
17	Intangible assets	3,459	2,711	2,711
18	Deferred tax asset	31,815	31,938	31,938
19	Retirement benefit asset			
20	Other assets	140,276	27,173	20,626
21	<b>TOTAL ASSETS</b>	<b>27,918,326</b>	<b>30,721,440</b>	<b>32,447,854</b>
<b>B LIABILITIES</b>				
22	Balances due to Central Bank of Kenya			
23	Customer deposits	21,395,930	22,778,336	24,322,911
24	Government securities		250,000	200,000
25	Deposits and balances due to foreign banking institutions	2,051,752	2,445,201	2,408,992
26	Other money market deposits			
27	Borrowed funds			
28	Balances due to banking institutions in the group			
29	Tax payable			44,419
30	Dividends payable			
31	Deferred tax liability			
32	Retirement benefit liability	86,988	84,861	84,861
33	Other liabilities	126,368	76,163	132,299
34	<b>TOTAL LIABILITIES</b>	<b>23,661,058</b>	<b>25,634,561</b>	<b>27,193,482</b>
<b>C SHAREHOLDERS' FUNDS</b>				
35	Paid up/Assigned capital	450,000	450,000	450,000
36	Share premium/(discount)			
37	Revaluation reserves	(35,000)	(13,000)	(7,000)
38	Retained earnings/Accumulated losses	3,730,768	4,532,879	4,687,372
39	Statutory loan loss reserves	111,500	117,000	124,000
40	Other Reserves			
41	Proposed dividends			
42	Capital grants			
43	<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>4,257,268</b>	<b>5,086,879</b>	<b>5,254,372</b>
44	<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>27,918,326</b>	<b>30,721,440</b>	<b>32,447,854</b>
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>				
<b>1.0 INTEREST INCOME</b>				
1.1	Loans and advances	318,003	1,253,658	309,747
1.2	Government securities	350,795	1,658,322	430,355
1.3	Deposits and placements with banking institutions	26,567	63,854	5,911
1.4	Other Interest Income	80	482	318
1.5	<b>Total interest income</b>	<b>695,445</b>	<b>2,976,316</b>	<b>746,331</b>
<b>2.0 INTEREST EXPENSE</b>				
2.1	Customer deposits	367,200	1,504,727	414,111
2.2	Deposits and placement from banking institutions	13,412	47,809	11,727
2.3	Other interest expenses			
2.4	<b>Total interest expenses</b>	<b>380,612</b>	<b>1,552,536</b>	<b>425,838</b>
3.0	<b>NET INTEREST INCOME/(LOSS)</b>	<b>314,833</b>	<b>1,423,780</b>	<b>320,493</b>
<b>4.0 NON-INTEREST INCOME</b>				
4.1	Fees and commissions on loans and advances	18,342	66,717	15,769
4.2	Other fees and commissions	11,082	64,113	16,006
4.3	Foreign exchange trading income/(Loss)	7,044	28,716	5,815
4.4	Dividend Income			
4.5	Other income	15,479	36,501	14,145
4.6	<b>Total Non-interest income</b>	<b>51,947</b>	<b>196,047</b>	<b>51,735</b>
5.0	<b>TOTAL OPERATING INCOME</b>	<b>366,780</b>	<b>1,619,827</b>	<b>372,228</b>
<b>6.0 OTHER OPERATING EXPENSES</b>				
6.1	Loan loss provision	2,410	1,844	401
6.2	Staff costs	39,976	171,660	43,206
6.3	Directors' emoluments	-	-	-
6.4	Rental charges	3,472	14,466	3,628
6.5	Depreciation charge on property and equipment	3,459	14,906	3,871
6.6	Amortisation charges	-	-	-
6.7	Other operating expenses	45,615	164,247	94,628
6.8	<b>Total Other Operating Expenses</b>	<b>94,932</b>	<b>367,123</b>	<b>145,734</b>
7.0	<b>Profit/(loss) before tax and exceptional items</b>	<b>271,848</b>	<b>1,252,704</b>	<b>226,494</b>
8.0	Exceptional items			
9.0	<b>Profit/(loss) after exceptional items</b>	<b>271,848</b>	<b>1,252,704</b>	<b>226,494</b>
10.0	Current tax	70,000	243,369	65,000
11.0	Deferred tax	-	(123)	-
12.0	<b>Profit/(loss) after tax and exceptional items</b>	<b>201,848</b>	<b>1,009,458</b>	<b>161,494</b>
13.0	<b>Other Comprehensive Income</b>			
13.1	Gains/(Losses) from translating the financial statements of foreign operations			
13.2	Fair value changes in available for sale financial assets	(8,000)	14,000	6,000
13.3	Revaluation surplus on Property, plant and equipment			
13.4	Share of other comprehensive income of associates			
13.5	Income tax relating to components of other comprehensive income			
14.0	<b>Other Comprehensive Income for the year net of tax</b>	<b>(8,000)</b>	<b>14,000</b>	<b>6,000</b>
15.0	<b>Total comprehensive income for the year</b>	<b>193,848</b>	<b>1,023,458</b>	<b>167,494</b>
16.0	<b>EARNINGS PER SHARE- BASIC &amp; DILUTED</b>			
17.0	<b>DIVIDEND PER SHARE-DECLARED</b>			
<b>III OTHER DISCLOSURES</b>				
<b>1.0 NON-PERFORMING LOANS AND ADVANCES</b>				
(a)	Gross Non-performing loans and advances	157,298	107,418	106,568
(b)	Less: Interest in Suspense	340	340	1,790
(c)	<b>Total Non-Performing Loans and Advances (a-b)</b>	<b>156,958</b>	<b>107,078</b>	<b>104,778</b>
(d)	Less: Loan Loss Provision	118,609	76,510	76,910
(e)	<b>Net Non-Performing Loans and Advances (c-d)</b>	<b>38,349</b>	<b>30,568</b>	<b>27,868</b>
(f)	Discounted Value of Securities	38,349	30,568	27,868
(g)	<b>Net NPLs Exposure (e-f)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2.0 INSIDER LOANS AND ADVANCES</b>				
(a)	Directors, Shareholders and Associates			
(b)	Employees	32,755	31,929	32,096
(c)	<b>Total Insider Loans and Advances and other facilities</b>	<b>32,755</b>	<b>31,929</b>	<b>32,096</b>
<b>3.0 OFF-BALANCE SHEET ITEMS</b>				
(a)	Letters of credit, guarantees, acceptances	2,238,423	1,556,122	1,487,276
(b)	Forwards, swaps and options			
(c)	Other contingent liabilities	470,588	534,704	713,055
(d)	<b>Total Contingent Liabilities</b>	<b>2,708,481</b>	<b>2,090,826</b>	<b>2,200,331</b>
<b>4.0 CAPITAL STRENGTH</b>				
(a)	Core capital	4,079,844	4,950,941	5,027,687
(b)	Minimum Statutory Capital	700,000	1,000,000	1,000,000
(c)	Excess/(Deficiency) (a-b)	3,379,844	3,950,941	4,027,687
(d)	Supplementary Capital	111,500	117,000	124,000
(e)	<b>Total Capital (a+d)</b>	<b>4,191,344</b>	<b>5,067,941</b>	<b>5,151,687</b>
(f)	Total risk weighted assets	12,361,458	12,205,480	14,249,892
(g)	<b>Core Capital/Total deposits Liabilities</b>	<b>19.1%</b>	<b>21.7%</b>	<b>20.7%</b>
(h)	Minimum statutory Ratio	8.0%	10.5%	10.5%
(i)	Excess/(Deficiency) (g-h)	11.1%	11.2%	10.2%
(j)	<b>Core Capital / total risk weighted assets</b>	<b>33.0%</b>	<b>40.6%</b>	<b>35.3%</b>
(k)	Minimum Statutory Ratio	8.0%	10.5%	10.5%
(l)	Excess (Deficiency) (j-k)	25.0%	30.1%	24.8%
(m)	<b>Total Capital/total risk weighted assets</b>	<b>33.9%</b>	<b>41.5%</b>	<b>36.2%</b>
(n)	Minimum statutory Ratio	12.0%	14.5%	14.5%
(o)	Excess/(Deficiency) (m-n)	21.9%	27.0%	21.7%
<b>5 LIQUIDITY</b>				
(a)	<b>Liquidity Ratio</b>	<b>67.0%</b>	<b>75.2%</b>	<b>71.7%</b>
(b)	Minimum Statutory Ratio	20.0%	20.0%	20.0%
(c)	Excess (Deficiency) (a-b)	47.0%	55.2%	51.7%

These 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 institutions website [www.boikeny.com](http://www.boikeny.com)  
They may be accessed at the institutions head office located at: **BANK OF INDIA BUILDING, KENYATTA AVENUE NAIROBI**

Signed:  
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CHIEF MANAGER  
NAIROBI BRANCH

Signed:  
**R. K. VERMA**  
CHIEF EXECUTIVE  
KENYA BRANCHES