



**UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR PERIOD ENDED 31<sup>ST</sup> MARCH 2015**

I STATEMENT OF FINANCIAL POSITION		Bank		
		31 <sup>st</sup> March 2014 Shs. '000'	31 <sup>st</sup> December 2014 Shs. '000'	31 <sup>st</sup> March 2015 Shs. '000'
<b>A ASSETS</b>				
1 Cash ( both Local & Foreign)	Unaudited	73,361	112,354	83,463
2 Balances due from Central Bank of Kenya		1,269,781	1,342,371	2,644,658
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		17,839,611	19,520,483	19,638,955
b. Other securities				
b) Available for sale:				
a. Kenya Government securities		384,487	399,352	391,437
b. Other securities				
6 Deposits and balances due from local banking institutions				
7 Deposits and balances due from banking institutions abroad		485,471	386,363	269,669
8 Tax recoverable		-	19,426	-
9 Loans and advances to customers (net)		12,207,887	12,375,611	13,415,995
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		131,981	128,728	123,316
16 Prepaid lease rentals				
17 Intangible assets		2,711	1,407	1,407
18 Deferred tax asset		31,938	38,126	38,126
19 Retirement benefit asset				
20 Other assets		20,626	46,201	49,556
21 <b>TOTAL ASSETS</b>		<b>32,447,854</b>	<b>34,370,422</b>	<b>36,656,582</b>
<b>B LIABILITIES</b>				
22 Balances due to Central Bank of Kenya				
23 Customer deposits		24,322,911	24,668,023	26,770,143
24 Deposits and balances due to local banking institutions		200,000	200,000	-
25 Deposits and balances due to foreign banking institutions		2,408,992	3,246,125	3,326,109
26 Other money market deposits				
27 Borrowed funds				
28 Balances due to banking institutions in the group				
29 Tax payable		44,419		60,574
30 Dividends payable				
31 Deferred tax liability				
32 Retirement benefit liability		84,861	97,232	97,232
33 Other liabilities		132,299	84,241	97,345
34 <b>TOTAL LIABILITIES</b>		<b>27,193,482</b>	<b>28,295,621</b>	<b>30,351,403</b>
<b>C SHAREHOLDERS' FUNDS</b>				
35 Paid up /Assigned capital		450,000	450,000	450,000
36 Share premium/(discount)				
37 Revaluation reserves		(7,000)	-	-
38 Retained earnings/Accumulated losses		4,687,372	5,489,801	5,710,179
39 Statutory loan loss reserves		124,000	135,000	145,000
40 Other Reserves				
41 Proposed dividends				
42 Capital grants				
43 <b>TOTAL SHAREHOLDERS' FUNDS</b>		<b>5,254,372</b>	<b>6,074,801</b>	<b>6,305,179</b>
44 <b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>		<b>32,447,854</b>	<b>34,370,422</b>	<b>36,656,582</b>
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>				
<b>1.0 INTEREST INCOME</b>				
1.1 Loans and advances		309,747	1,337,641	364,202
1.2 Government securities		430,355	1,873,721	475,838
1.3 Deposits and placements with banking institutions		5,911	29,026	8,117
1.4 Other Interest Income		318	1,200	-
1.5 <b>Total interest income</b>		<b>746,331</b>	<b>3,241,588</b>	<b>848,157</b>
<b>2.0 INTEREST EXPENSE</b>				
2.1 Customer deposits		414,111	1,716,663	459,026
2.2 Deposits and placement from banking institutions		11,727	37,281	5,006
2.3 Other interest expenses				
2.4 <b>Total interest expenses</b>		<b>425,838</b>	<b>1,753,944</b>	<b>464,032</b>
<b>3.0 NET INTEREST INCOME/(LOSS)</b>		<b>320,493</b>	<b>1,487,644</b>	<b>384,125</b>
<b>4.0 NON-INTEREST INCOME</b>				
4.1 Fees and commissions on loans and advances		15,769	80,308	26,671
4.2 Other fees and commissions		16,006	62,930	15,166
4.3 Foreign exchange trading income/(Loss)		5,815	27,595	8,212
4.4 Dividend Income				
4.5 Other income		14,145	44,480	10,162
4.6 <b>Total Non-interest income</b>		<b>51,735</b>	<b>215,323</b>	<b>60,211</b>
<b>5.0 TOTAL OPERATING INCOME</b>		<b>372,228</b>	<b>1,702,967</b>	<b>444,336</b>
<b>6.0 OTHER OPERATING EXPENSES</b>				
6.1 Loan loss provision		401	(15,701)	1,150
6.2 Staff costs		43,206	190,372	57,233
6.3 Directors' emoluments				
6.4 Rental charges		3,628	23,465	5,503
6.5 Depreciation charge on property and equipment		3,871	14,618	4,348
6.6 Amortisation charges				
6.7 Other operating expenses		94,628	205,953	65,724
6.8 <b>Total Other Operating Expenses</b>		<b>145,734</b>	<b>418,707</b>	<b>133,958</b>
<b>7.0 Profit/(loss) before tax and exceptional items</b>		<b>226,494</b>	<b>1,284,260</b>	<b>310,378</b>
8.0 Exceptional items				
<b>9.0 Profit/(loss) after exceptional items</b>		<b>226,494</b>	<b>1,284,260</b>	<b>310,378</b>
10.0 Current tax		65,000	269,155	80,000
11.0 Deferred tax			(6,188)	-
<b>12.0 Profit/(loss) after tax and exceptional items</b>		<b>161,494</b>	<b>1,021,293</b>	<b>230,378</b>
<b>13.0 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		6,000	13,000	-
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				
<b>14.0 Other Comprehensive Income for the year net of tax</b>		<b>6,000</b>	<b>13,000</b>	<b>-</b>
<b>15.0 Total comprehensive income for the year</b>		<b>167,494</b>	<b>1,034,293</b>	<b>230,378</b>
<b>16.0 EARNINGS PER SHARE- BASIC &amp; DILUTED</b>				
<b>17.0 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		106,568	71,069	70,847
(b) Less: Interest in Suspense		1,790	1,861	1,890
<b>(c) Total Non-Performing Loans and Advances (a-b)</b>		<b>104,778</b>	<b>69,208</b>	<b>68,957</b>
(d) Less: Loan Loss Provision		76,910	60,809	61,958
<b>(e) Net Non-Performing Loans and Advances(c-d)</b>		<b>27,868</b>	<b>8,399</b>	<b>6,999</b>
(f) Discounted Value of Securities		27,868	8,399	6,999
<b>(g) 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		32,096	49,855	50,010
<b>(c) Total Insider Loans and Advances and other facilities</b>		<b>32,096</b>	<b>49,855</b>	<b>50,010</b>
<b>3.0 OFF-BALANCE SHEET ITEMS</b>				
(a) Letters of credit, guarantees, acceptances		1,487,276	1,740,612	1,739,631
(b) Forwards, swaps and options				
(c) Other contingent liabilities		713,055	879,606	812,621
<b>(d) Total Contingent Liabilities</b>		<b>2,200,331</b>	<b>2,620,218</b>	<b>2,552,252</b>
<b>4.0 CAPITAL STRENGTH</b>				
(a) Core capital		5,027,687	5,901,675	6,006,864
(b) Minimum Statutory Capital		1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency)(a-b)		4,027,687	4,901,675	5,006,864
(d) Supplementary Capital		124,000	135,000	145,000
<b>(e) Total Capital (a+d)</b>		<b>5,151,687</b>	<b>6,036,675</b>	<b>6,151,864</b>
(f) Total risk weighted assets		14,249,892	15,316,073	16,619,178
<b>(g) Core Capital/Total deposits Liabilities</b>		<b>20.7%</b>	<b>23.9%</b>	<b>22.4%</b>
(h) Minimum statutory Ratio		8.0%	8.0%	8.0%
(i) Excess/(Deficiency) (g-h)		12.7%	15.9%	14.4%
<b>(j) Core Capital / total risk weighted assets</b>		<b>35.3%</b>	<b>38.5%</b>	<b>36.1%</b>
(k) Minimum Statutory Ratio		10.5%	10.5%	10.5%
(l) Excess (Deficiency) (j-k)		24.8%	28.0%	25.6%
<b>(m) Total Capital/total risk weighted assets</b>		<b>36.2%</b>	<b>39.4%</b>	<b>37.0%</b>
(n) Minimum statutory Ratio		14.5%	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)		21.7%	24.9%	22.5%
<b>5 LIQUIDITY</b>				
<b>(a) Liquidity Ratio</b>		<b>71.7%</b>	<b>74.2%</b>	<b>70.6%</b>
(b) Minimum Statutory Ratio		20.0%	20.0%	20.0%
(c) Excess (Deficiency) (a-b)		51.7%	54.2%	50.6%

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.boikenya.com. They may be accessed at the institutions head office located at: BANK OF INDIA BUILDING, KENYATTA AVENUE NAIROBI/SHINDIGA.

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