

**UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30TH JUNE 2015**

**I STATEMENT OF FINANCIAL POSITION**

	BANK			
	30th June 2014	31st December 2014	31st March 2015	30th June 2015
	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited	Shs. '000' Unaudited
<b>A ASSETS</b>				
1 Cash (both Local & Foreign)	56,152	112,354	83,463	111,411
2 Balances due from Central Bank of Kenya	1,430,359	1,342,371	2,644,658	1,135,665
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:	19,036,971	19,520,483	19,638,955	21,084,762
a. Kenya Government securities	19,036,971	19,520,483	19,638,955	21,084,762
b. Other securities				
b) Available for sale:	390,102	399,352	391,437	399,102
a. Kenya Government securities	390,102	399,352	391,437	399,102
b. Other securities				
6 Deposits and balances due from local banking institutions	515,254			98,639
7 Deposits and balances due from banking institutions abroad	263,216	386,363	269,669	481,358
8 Tax recoverable	20,952	19,426		4,426
9 Loans and advances to customers (net)	12,370,425	12,375,611	13,415,995	13,362,230
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	129,591	128,728	123,316	125,788
16 Prepaid lease rentals				
17 Intangible assets	2,711	1,407	1,407	1,407
18 Deferred tax asset	31,938	38,126	38,126	38,126
19 Retirement benefit asset				
20 Other assets	17,561	46,201	49,556	56,347
<b>21 TOTAL ASSETS</b>	<b>34,265,232</b>	<b>34,370,422</b>	<b>36,656,582</b>	<b>36,899,261</b>
<b>B LIABILITIES</b>				
22 Balances due to Central Bank of Kenya				
23 Customer deposits	25,392,328	24,668,023	26,770,143	26,395,882
24 Deposits and balances due to local banking institutions				200,000
25 Deposits and balances due to foreign banking institutions	3,195,936	3,246,125	3,326,109	3,535,297
26 Other money market deposits				
27 Borrowed funds				
28 Balances due to banking institutions in the group				
29 Tax payable			60,574	
30 Dividends payable				
31 Deferred tax liability				
32 Retirement benefit liability	84,861	97,232	97,232	97,232
33 Other liabilities	106,911	84,241	97,345	90,735
<b>34 TOTAL LIABILITIES</b>	<b>28,780,036</b>	<b>28,295,621</b>	<b>30,351,403</b>	<b>30,319,146</b>
<b>C SHAREHOLDERS' FUNDS</b>				
35 Paid up /Assigned capital	450,000	450,000	450,000	450,000
36 Share premium/(discount)				
37 Revaluation reserves	(9,000)	-	-	-
38 Retained earnings/Accumulated losses	4,912,196	5,489,801	5,710,179	5,984,115
39 Statutory loan loss reserves	132,000	135,000	145,000	146,000
40 Other Reserves				
41 Proposed dividends				
42 Capital grants				
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>5,485,196</b>	<b>6,074,801</b>	<b>6,305,179</b>	<b>6,580,115</b>
<b>44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>34,265,232</b>	<b>34,370,422</b>	<b>36,656,582</b>	<b>36,899,261</b>
<b>II STATEMENT OF COMPREHENSIVE INCOME</b>				
<b>1.0 INTEREST INCOME</b>				
1.1 Loans and advances	662,690	1,337,641	364,202	747,582
1.2 Government securities	884,451	1,873,721	475,838	995,652
1.3 Deposits and placements with banking institutions	12,218	29,026	8,117	19,503
1.4 Other Interest Income	555	1,200		1,623
<b>1.5 Total interest income</b>	<b>1,559,914</b>	<b>3,241,588</b>	<b>848,157</b>	<b>1,767,737</b>
<b>2.0 INTEREST EXPENSE</b>				
2.1 Customer deposits	825,022	1,716,663	459,026	938,081
2.2 Deposits and placement from banking institutions	24,989	37,281	5,006	9,926
2.3 Other interest expenses				
<b>2.4 Total interest expense</b>	<b>850,011</b>	<b>1,753,944</b>	<b>464,032</b>	<b>948,007</b>
<b>3.0 NET INTEREST INCOME/(LOSS)</b>	<b>709,903</b>	<b>1,487,644</b>	<b>384,125</b>	<b>814,730</b>
<b>4.0 NON-INTEREST INCOME</b>				
4.1 Fees and commissions on loans and advances	36,170	80,308	26,671	30,426
4.2 Other fees and commissions	29,903	62,930	15,166	28,651
4.3 Foreign exchange trading income/(Loss)	11,373	27,595	8,212	17,154
4.4 Dividend Income				
4.5 Other income	25,013	44,490	10,162	19,238
<b>4.6 Total Non-interest income</b>	<b>102,459</b>	<b>215,323</b>	<b>60,211</b>	<b>95,469</b>
<b>5.0 TOTAL OPERATING INCOME</b>	<b>812,362</b>	<b>1,702,967</b>	<b>444,336</b>	<b>910,199</b>
<b>6.0 OTHER OPERATING EXPENSES</b>				
6.1 Loan loss provision	(1,399)	(15,701)	1,150	2,550
6.2 Staff costs	86,129	190,372	57,233	108,881
6.3 Directors' emoluments				
6.4 Rental charges	11,494	23,465	5,503	14,306
6.5 Depreciation charge on property and equipment	7,182	14,618	4,348	7,360
6.6 Amortisation charges				
6.7 Other operating expenses	134,638	205,953	65,724	106,788
<b>6.8 Total Other Operating Expenses</b>	<b>238,044</b>	<b>418,707</b>	<b>133,958</b>	<b>239,885</b>
<b>7.0 Profit/(loss) before tax and exceptional items</b>	<b>574,318</b>	<b>1,284,260</b>	<b>310,378</b>	<b>670,314</b>
7.1 Exceptional items				
<b>9.0 Profit/(loss) after exceptional items</b>	<b>574,318</b>	<b>1,284,260</b>	<b>310,378</b>	<b>670,314</b>
10.0 Current tax	150,000	269,155	80,000	165,000
11.0 Deferred tax		(6,188)		
<b>12.0 Profit/(loss) after tax and exceptional items</b>	<b>424,318</b>	<b>1,021,293</b>	<b>230,378</b>	<b>505,314</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	4,000	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>4,000</b>	<b>13,000</b>	<b>-</b>	<b>-</b>
<b>15.0 Total comprehensive income for the year</b>	<b>428,318</b>	<b>1,034,293</b>	<b>230,378</b>	<b>505,314</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	103,588	71,069	70,847	70,954
(b) Less: Interest in Suspense	1,810	1,861	1,890	1,996
<b>(c) Total Non-Performing Loans and Advances (a-b)</b>	<b>101,778</b>	<b>69,208</b>	<b>68,957</b>	<b>68,958</b>
(d) Less: Loan Loss Provision	75,110	60,809	61,958	63,358
<b>(e) Net Non-Performing Loans and Advances(c-d)</b>	<b>26,668</b>	<b>8,399</b>	<b>6,999</b>	<b>5,600</b>
(f) Discounted Value of Securities	26,668	8,399	6,999	5,600
<b>(g) Net NPLs Exposure (e-f)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2.0 INSIDER LOANS AND ADVANCES</b>				
(a) Directors, Shareholders and Associates				
(b) Employees	41,338	49,855	50,010	53,661
<b>(c) Total Insider Loans and Advances and other facilities</b>	<b>41,338</b>	<b>49,855</b>	<b>50,010</b>	<b>53,661</b>
<b>3.0 OFF-BALANCE SHEET ITEMS</b>				
(a) Letters of credit, guarantees, acceptances	1,689,795	1,740,612	1,739,631	1,575,237
(b) Forwards, swaps and options				
(c) Other contingent liabilities	715,541	879,606	812,621	773,568
<b>(d) Total Contingent Liabilities</b>	<b>2,405,336</b>	<b>2,620,218</b>	<b>2,552,252</b>	<b>2,348,805</b>
<b>4.0 CAPITAL STRENGTH</b>				
(a) Core capital	5,118,099	5,901,675	6,006,864	6,143,332
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency) (a-b)	4,118,099	4,901,675	5,006,864	5,143,332
(d) Supplementary Capital	132,000	135,000	145,000	146,000
<b>(e) Total Capital (a+d)</b>	<b>5,250,099</b>	<b>6,036,675</b>	<b>6,151,864</b>	<b>6,289,332</b>
(f) Total risk weighted assets	14,207,777	15,316,073	16,619,178	16,363,591
<b>(g) Core Capital/Total deposits Liabilities</b>	<b>20.2%</b>	<b>23.9%</b>	<b>22.4%</b>	<b>23.3%</b>
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%
(i) Excess/(Deficiency) (g-h)	12.2%	15.9%	14.4%	15.3%
<b>(j) Core Capital / Total Risk weighted assets</b>	<b>36.0%</b>	<b>38.5%</b>	<b>36.1%</b>	<b>37.5%</b>
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
(l) Excess/(Deficiency) (j-k)	25.5%	28.0%	25.6%	27.0%
<b>(m) Total Capital/total risk weighted assets</b>	<b>37.0%</b>	<b>39.4%</b>	<b>37.0%</b>	<b>38.4%</b>
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)	22.5%	24.9%	22.5%	23.9%
<b>5 LIQUIDITY</b>				
(a) Liquidity Ratio	72.8%	74.2%	70.6%	74.2%
(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
<b>(c) Excess (Deficiency) (a-b)</b>	<b>52.8%</b>	<b>54.2%</b>	<b>50.6%</b>	<b>54.2%</b>

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](http://www.boikenya.com)

They may be accessed at the institutions head office located at: BANK OF INDIA BUILDING, KENYATTA AVENUE NAIROBI

Signed:  
**M. K. SRIVASTAVA**  
**CHIEF MANAGER**  
**NAIROBI BRANCH**

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

BANK OF INDIA KENYA BRANCHES ARE REGULATED BY THE CENTRAL BANK OF KENYA AND RESERVE BANK OF INDIA