



Habib Bank AG Zurich Kenya Branches

(Head Office : 59 Weinbergstrasse, Zurich, Switzerland)

Incorporated in Switzerland

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH JUNE 2016

I BALANCE SHEET IN KENYA SHS. '000		30.06.2015 (Un-audited)	31.12.2015 (Audited)	31.03.2016 (Un-audited)	30.06.2016 (Un-audited)
A. ASSETS					
1 Cash (both local and foreign)	90,057	88,292	72,728	78,536	
2 Balances due from Central Bank of Kenya	490,921	520,002	667,193	746,619	
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	7,482,346	7,753,751	9,788,281	10,010,648	
b. Other securities	53,520	47,558	49,010	41,585	
(b) Available for sale:					
a. Kenya Government securities	-	-	-	-	
b. Other securities	-	-	-	-	
6 Deposits and balances due from local banking institutions	447,959	202,403	101,334	-	
7 Deposits and balances due from banking institutions abroad	157,887	150,781	215,454	87,090	
8 Tax recoverable	-	47,546	-	-	
9 Loans and advances to customers (Net)	4,440,566	5,227,349	5,184,248	5,250,064	
10 Balances due from banking institutions in the group	51,254	53,484	67,331	101,599	
11 Investment in associates	-	-	-	-	
12 Investment in subsidiary companies	-	-	-	-	
13 Investment in joint ventures	-	-	-	-	
14 Investment properties	-	-	-	-	
15 Property, plant and equipment	179,015	185,561	182,913	178,017	
16 Prepaid lease rentals	15,832	17,232	17,183	17,134	
17 Intangible assets	-	-	-	-	
18 Deferred tax asset	19,835	51,629	51,629	51,629	
19 Retirement benefit assets	-	-	-	-	
20 Other assets	292,308	94,363	93,652	202,513	
21 TOTAL ASSETS	13,721,500	14,439,951	16,490,956	16,765,434	
B. LIABILITIES					
22 Balances due to Central Bank of Kenya	-	-	-	-	
23 Customer deposits	10,293,157	10,115,568	12,019,372	11,928,950	
24 Deposits and balances due to local banking institutions	-	-	225,000	550,000	
25 Deposits and balances due to banking institutions abroad	1	673	438	167	
26 Other money market deposits	1,500	1,500	-	-	
27 Borrowed funds	-	-	-	-	
28 Balances due to banking institutions in the group	642,496	1,560,598	1,319,184	1,169,965	
29 Tax Payable	90,069	-	12,756	81,983	
30 Dividends payable	-	-	-	-	
31 Deferred Tax liability	-	-	-	-	
32 Retirement benefit liability	43,934	49,043	48,534	48,420	
33 Other liabilities	269,427	139,839	199,369	211,089	
34 TOTAL LIABILITIES	11,340,584	11,867,221	13,824,653	13,990,574	
C. SHAREHOLDERS' EQUITY					
35 Paid up/Assigned Capital	350,000	350,000	350,000	350,000	
36 Share premium/(discount)	-	-	-	-	
37 Revaluation reserves	-	-	-	-	
38 Retained earnings/Accumulated losses	1,966,493	2,144,814	2,238,387	2,346,944	
39 Statutory loan loss reserve	64,423	77,916	77,916	77,916	
40 Other Reserves	-	-	-	-	
41 Proposed dividends	-	-	-	-	
42 Capital grants	-	-	-	-	
43 TOTAL SHAREHOLDERS' EQUITY	2,380,916	2,572,730	2,666,303	2,774,860	
44 TOTAL LIABILITIES & SHARE HOLDERS' EQUITY	13,721,500	14,439,951	16,490,956	16,765,434	
II PROFIT & LOSS ACCOUNT IN KENYA SHS.'000					
	30.06.2015 (Un-audited)	31.12.2015 (Audited)	31.03.2016 (Un-audited)	30.06.2016 (Un-audited)	
1 INTEREST INCOME					
1.1 Loans and Advances	210,446	488,874	144,852	289,216	
1.2 Government Securities	381,376	825,356	290,900	607,134	
1.3 Deposits and placements with banking institution	4,465	29,692	4,516	5,246	
1.4 Other interest income	-	-	54	54	
1.5 Total interest income	596,287	1,343,922	440,322	901,650	
2 INTEREST EXPENSE					
2.1 Customer deposits	200,435	469,150	175,883	347,185	
2.2 Deposits and placements with banking institutions	8,155	8,296	929	3,591	
2.3 Other interest expense	4,889	11,777	7,382	13,205	
2.4 Total interest expense	213,479	489,223	184,194	363,981	
3 NET INTEREST INCOME	382,808	854,699	256,128	537,669	
4 OTHER OPERATING INCOME					
4.1 Fees and commissions on loans and advances	6,442	17,239	2,946	6,236	
4.2 Other fees and commissions	16,616	28,736	7,987	15,065	
4.3 Foreign exchange trading income/(loss)	11,827	24,976	4,636	4,636	
4.4 Dividend income	-	-	-	-	
4.5 Other income	15,257	35,002	9,382	24,430	
4.6 Total non-interest income	50,142	105,953	24,951	50,367	
5 TOTAL OPERATING INCOME	432,950	960,652	281,079	588,036	
6 OPERATING EXPENSES					
6.1 Loan loss provision	-	16,234	3,211	6,374	
6.2 Staff Costs	121,685	248,205	69,485	143,125	
6.3 Directors' emoluments	-	-	-	-	
6.4 Rental charges	6,415	14,266	4,189	8,459	
6.5 Depreciation charge on property and equipment	9,526	21,024	5,908	11,425	
6.6 Amortisation charges	98	199	49	98	
6.7 Other operating expenses	70,688	150,889	44,434	86,936	
6.8 Total operating expenses	208,412	450,817	127,276	256,417	
7 Profit/(Loss) before tax and exceptional items	224,538	509,835	153,803	331,619	
8 Exceptional items	-	-	-	-	
9 Profit/(Loss) after exceptional items	224,538	509,835	153,803	331,619	
10 Current Tax	(87,064)	(212,341)	(60,230)	(129,489)	
11 Deferred Tax	-	31,794	-	-	
12 Profit/(Loss) after tax and exceptional items	137,474	329,288	93,573	202,130	
13 Other comprehensive income					
13.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	
13.2 Fair value changes in available-for sale financial assets	-	-	-	-	
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 Other comprehensive income for the year net of tax	-	-	-	-	
15 TOTAL COMPREHENSIVE INCOME FOR THE YEAR	137,474	329,288	93,573	202,130	
III OTHER DISCLOSURES					
	30.06.2015 (Un-audited)	31.12.2015 (Audited)	31.03.2016 (Un-audited)	30.06.2016 (Un-audited)	
1 NON PERFORMING LOANS AND ADVANCES					
a) Gross non-performing loans and advances	86,916	115,605	119,723	123,246	
Less:					
b) Interest in suspense	38,761	43,062	45,307	47,949	
c) Total non-performing loans and advances (a-b)	48,155	72,543	74,416	75,297	
Less:					
d) Loan loss provisions	48,334	58,570	59,454	62,743	
e) Net Non-performing Loans (c-d)	-179	13,973	14,962	12,554	
f) Realizable value of securities	-179	13,973	14,962	12,554	
g) Net Non-Performing Loans Exposure (e-f)	0	0	0	0	
2 INSIDER LOANS AND ADVANCES					
a) Directors, Shareholders and associates	13,763	12,267	11,512	12,886	
b) Employees	54,162	54,140	54,708	70,204	
c) Total Insider Loans, Advances and Other Facilities	67,925	66,407	66,220	83,090	
3 OFF BALANCE SHEET ITEMS					
a) Letter of credits, guarantees, acceptances	598,643	798,174	801,085	724,625	
b) Forwards, swaps, and options	-	-	-	-	
c) Other Contingent Liabilities	612,418	586,803	587,856	671,975	
d) Total Contingent Liabilities	1,211,061	1,384,977	1,388,941	1,396,600	
4 CAPITAL STRENGTH					
a) Core Capital	2,247,756	2,494,813	2,541,601	2,595,879	
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	
c) Excess/(Deficiency) (a-b)	1,247,756	1,494,813	1,541,601	1,595,879	
d) Supplementary Capital	64,423	77,916	77,916	77,916	
e) Total Capital (a+d)	2,312,179	2,572,729	2,619,517	2,673,795	
f) Total Risk Weighted Assets	7,617,945	9,577,267	9,393,400	9,294,274	
g) Core Capital/Total Deposit liabilities	21.90%	24.70%	21.80%	21.80%	
h) Minimum Statutory Ratio	8.00%	8.00%	8.00%	8.00%	
i) Excess/(Deficiency) (g-h)	13.90%	16.70%	13.20%	13.80%	
j) Core Capital/Total Risk Weighted Assets	29.50%	26.00%	27.10%	27.90%	
k) Minimum Statutory Ratio	10.50%	10.50%	10.50%	10.50%	
l) Excess/(Deficiency) (j-k)	19.00%	15.50%	16.60%	17.40%	
m) Total Capital/Total Risk Weighted Assets	30.40%	26.90%	27.90%	28.80%	
n) Minimum Statutory Ratio	14.50%	14.50%	14.50%	14.50%	
o) Excess/(Deficiency) (m-n)	15.90%	12.40%	13.40%	14.30%	
5 LIQUIDITY					
a) Liquidity Ratio	76.50%	70.30%	76.70%	76.60%	
b) Minimum Statutory Ratio	20.00%	20.00%	20.00%	20.00%	
c) Excess/(Deficiency) (a-b)	56.50%	50.30%	56.70%	56.60%	

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.habibbank.com. They may also be accessed at the institutions head office located at Habib House, Koinange street, Nairobi.

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