



Habib Bank AG Zurich Kenya Branches

(Head Office : 59 Weinbergstrasse, Zurich, Switzerland)

Incorporated in Switzerland (1967)

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH JUNE 2018

I BALANCE SHEET IN KENYA SHS. '000		30.06.2017 (Un-audited)	31.12.2017 (Audited)	31.03.2018 (Un-audited)	30.06.2018 (Un-audited)
A. ASSETS					
1 Cash (both local and foreign)		72,314	82,775	52,162	97,187
2 Balances due from Central Bank of Kenya		507,664	1,233,948	691,786	790,891
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		10,108,531	11,273,295	11,496,006	11,799,598
b. Other securities		29,713	23,787	24,505	17,840
(b) Available for sale:					
a. Kenya Government securities		-	-	-	-
b. Other securities		-	-	-	-
6 Deposits and balances due from local banking institutions		-	-	398,335	50,525
7 Deposits and balances due from banking institutions abroad		200,070	178,725	119,978	711,431
8 Tax recoverable		-	38,164	38,164	38,164
9 Loans and advances to customers (Net)		5,461,176	5,495,946	5,639,481	6,335,201
10 Balances due from banking institutions in the group		53,835	57,695	42,781	379,607
11 Investment in associates		-	-	-	-
12 Investment in subsidiary companies		-	-	-	-
13 Investment in joint ventures		-	-	-	-
14 Investment properties		-	-	-	-
15 Property, plant and equipment		178,238	169,485	163,952	172,503
16 Prepaid lease rentals		16,659	18,386	18,249	15,229
17 Intangible assets		-	-	-	-
18 Deferred tax asset		74,639	91,031	91,031	91,031
19 Retirement benefit assets		-	-	-	-
20 Other assets		196,928	45,004	61,973	180,529
21 TOTAL ASSETS		16,899,767	18,708,241	18,838,403	20,679,736
B. LIABILITIES					
22 Balances due to Central Bank of Kenya		-	-	-	-
23 Customer deposits		12,054,614	12,467,675	13,285,217	14,843,274
24 Deposits and balances due to local banking institutions		-	-	851,338	992,580
25 Deposits and balances due to banking institutions abroad		66,168	287	23	23
26 Other money market deposits		-	-	-	-
27 Borrowed funds		-	-	-	-
28 Balances due to banking institutions in the group		1,824,181	1,919,493	1,729,632	1,733,247
29 Tax Payable		87,959	-	29,890	63,815
30 Dividends payable		-	-	-	-
31 Deferred Tax liability		-	-	-	-
32 Retirement benefit liability		35,661	25,661	25,131	25,180
33 Other liabilities		135,801	112,793	136,068	192,579
34 TOTAL LIABILITIES		14,204,384	15,865,909	16,057,299	17,850,698
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		2,288,128	2,420,232	2,431,104	2,479,038
39 Statutory loan loss reserve		57,255	72,100	-	-
40 Other Reserves		-	-	-	-
41 Proposed dividends		-	-	-	-
42 Capital grants		-	-	-	-
43 TOTAL SHAREHOLDERS' EQUITY		2,695,383	2,842,332	2,781,104	2,829,038
44 TOTAL LIABILITIES & SHARE HOLDERS' EQUITY		16,899,767	18,708,241	18,838,403	20,679,736
II PROFIT & LOSS ACCOUNT IN KENYA SHS:'000		30.06.2017 (Un-audited)	31.12.2017 (Un-audited)	31.03.2018 (Un-audited)	30.06.2018 (Un-audited)
1 INTEREST INCOME					
1.1 Loans and Advances		253,129	559,330	128,728	266,439
1.2 Government Securities		545,354	1,132,941	308,215	622,516
1.3 Deposits and placements with banking institution		57	1,591	-	-
1.4 Other interest income		-	460	582	1,686
1.5 Total interest income		798,540	1,694,322	437,525	890,641
2 INTEREST EXPENSE					
2.1 Customer deposits		317,906	677,020	189,870	382,658
2.2 Deposits and placements with banking institutions		13,290	24,792	14,242	23,994
2.3 Other interest expense		27,377	54,650	12,117	28,225
2.4 Total interest expense		358,573	756,462	216,229	434,877
3 NET INTEREST INCOME		439,967	937,860	221,296	455,764
4 OTHER OPERATING INCOME					
4.1 Fees and commissions on loans and advances		9,255	17,051	4,505	9,363
4.2 Other fees and commissions		12,500	25,514	4,398	8,192
4.3 Foreign exchange trading income/(loss)		11,085	21,570	4,225	8,877
4.4 Dividend income		-	-	-	-
4.5 Other income		20,590	38,997	12,293	29,050
4.6 Total non-interest income		53,430	103,132	25,421	55,482
5 TOTAL OPERATING INCOME		493,397	1,040,992	246,717	511,246
6 OPERATING EXPENSES					
6.1 Loan loss provision		17,292	69,375	11,092	16,682
6.2 Staff Costs		148,020	296,123	80,436	164,133
6.3 Directors' emoluments		-	-	-	-
6.4 Rental charges		9,083	18,200	5,045	10,211
6.5 Depreciation charge on property and equipment		13,720	27,623	7,291	15,326
6.6 Amortisation charges		174	648	136	276
6.7 Other operating expenses		100,718	220,246	68,178	148,221
6.8 Total operating expenses		289,007	632,215	172,178	354,849
7 Profit/(Loss) before tax and exceptional items		204,390	408,777	74,539	156,397
8 Exceptional items		-	-	-	-
9 Profit/(Loss) after exceptional items		204,390	408,777	74,539	156,397
10 Current Tax		(81,302)	(169,976)	(29,890)	(63,814)
11 Deferred Tax		-	16,391	-	-
12 Profit/(Loss) after tax and exceptional items		123,088	255,192	44,649	92,583
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		123,088	255,192	44,649	92,583
III OTHER DISCLOSURES		30.06.2017 (Un-audited)	31.12.2017 (Audited)	31.03.2018 (Un-audited)	30.06.2018 (Un-audited)
1 NON PERFORMING LOANS AND ADVANCES					
a) Gross non-performing loans and advances		555,120	592,484	579,643	617,625
Less:					
b) Interest in suspense		72,451	106,402	118,515	134,102
c) Total non-performing loans and advances (a-b)		482,669	486,082	461,128	483,523
Less:					
d) Loan loss provisions		82,561	77,526	138,461	139,569
e) Net Non-performing Loans (c-d)		400,108	408,556	322,667	343,954
f) Realizable value of securities		400,108	408,556	322,667	343,954
g) Net Non-Performing Loans Exposure (e-f)		0	0	0	0
2 INSIDER LOANS AND ADVANCES					
a) Directors, Shareholders and associates		18,842	13,086	12,108	17,474
b) Employees		66,461	68,610	62,233	69,351
c) Total Insider Loans, Advances and Other Facilities		85,303	81,696	74,341	86,825
3 OFF BALANCE SHEET ITEMS					
a) Letter of credits, guarantees, acceptances		697,016	580,806	518,526	494,161
b) Forwards, swaps, and options		-	-	-	-
c) Other Contingent Liabilities		410,669	1,138,190	835,823	923,174
d) Total Contingent Liabilities		1,107,685	1,718,996	1,354,349	1,417,335
4 CAPITAL STRENGTH					
a) Core Capital		2,576,584	2,770,232	2,758,780	2,782,747
b) Minimum Statutory Capital		1,000,000	1,000,000	1,000,000	1,000,000
c) Excess/(Deficiency) (a-b)		1,576,584	1,770,232	1,758,780	1,782,747
d) Supplementary Capital		57,255	72,100	-	-
e) Total Capital (a-d)		2,633,839	2,842,332	2,758,780	2,782,747
f) Total Risk Weighted Assets		10,693,324	10,505,194	10,490,747	11,701,110
g) Core Capital/Total Deposit liabilities		21.40%	22.20%	20.80%	18.80%
h) Minimum Statutory Ratio		8.00%	8.00%	8.00%	8.00%
i) Excess/(Deficiency) (g-h)		13.40%	14.20%	12.80%	10.80%
j) Core Capital/Total Risk Weighted Assets		24.10%	26.40%	26.60%	24.00%
k) Minimum Statutory Ratio		10.50%	10.50%	10.50%	10.50%
l) Excess/(Deficiency) (j-k)		13.60%	15.90%	16.10%	13.50%
m) Total Capital/Total Risk Weighted Assets		24.60%	27.10%	26.60%	24.40%
n) Minimum Statutory Ratio		14.50%	14.50%	14.50%	14.50%
o) Excess/(Deficiency) (m-n)		10.10%	12.60%	12.10%	9.90%
p) Adjusted Core capital /Total deposit Liabilities*		-	-	21.10%	19.10%
q) Adjusted Core capital /Total Risk Weighted Assets*		-	-	26.90%	24.40%
r) Adjusted Total Capital /Total Risk Weighted Assets*		-	-	26.90%	24.40%
5 LIQUIDITY					
a) Liquidity Ratio		74.30%	76.00%	76.30%	73.90%
b) Minimum Statutory Ratio		20.00%	20.00%	20.00%	20.00%
c) Excess/(Deficiency) (a-b)		54.30%	56.00%	56.30%	53.90%

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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