



# Habib Bank AG Zurich

## Kenya Branches

Incorporated in Switzerland (1967)

(Head Office : 59 Weinbergstrasse, Zurich, Switzerland)

### QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 31ST MARCH 2016

I BALANCE SHEET IN KENYA SHS. '000		31.03.2015 (Un-audited)	31.12.2015 (Audited)	31.03.2016 (Un-audited)
<b>A. ASSETS</b>				
1	Cash (both local and foreign)	101,676	88,292	72,728
2	Balances due from Central Bank of Kenya	510,136	520,002	667,193
3	Kenya Government and other securities held for for dealing purposes	-	-	-
4	Financial Assets at fair value through profit and loss	-	-	-
5	Investment securities:			
	(a) Held to Maturity:			
	a. Kenya Government securities	7,905,053	7,753,751	9,788,281
	b. Other securities	61,262	47,558	49,010
	(b) Available for sale:			
	a. Kenya Government securities	-	-	-
	b. Other securities	-	-	-
6	Deposits and balances due from local banking institutions	230,838	202,403	101,334
7	Deposits and balances due from banking institutions abroad	89,366	150,781	215,454
8	Tax recoverable	-	47,546	-
9	Loans and advances to customers (Net)	3,911,422	5,227,349	5,184,248
10	Balances due from banking institutions in the group	96,462	53,484	67,331
11	Investment in associates	-	-	-
12	Investment in subsidiary companies	-	-	-
13	Investment in joint ventures	-	-	-
14	Investment properties	-	-	-
15	Property, plant and equipment	154,007	185,561	182,913
16	Prepaid lease rentals	15,881	17,232	17,183
17	Intangible assets	-	-	-
18	Deferred tax asset	19,835	51,629	51,629
19	Retirement benefit assets	-	-	-
20	Other assets	197,244	94,363	93,652
<b>21</b>	<b>TOTAL ASSETS</b>	<b>13,293,182</b>	<b>14,439,951</b>	<b>16,490,956</b>
<b>B. LIABILITIES</b>				
22	Balances due to Central Bank of Kenya	-	-	-
23	Customer deposits	9,266,632	10,115,568	12,019,372
24	Deposits and balances due to local banking institutions	170,000	-	225,000
25	Deposits and balances due to banking institutions abroad	9,180	673	438
26	Other money market deposits	1,500	1,500	-
27	Borrowed funds	-	-	-
28	Balances due to banking institutions in the group	1,101,131	1,560,598	1,319,184
29	Tax Payable	90,415	-	12,756
30	Dividends payable	-	-	-
31	Deferred Tax liability	-	-	-
32	Retirement benefit liability	41,128	49,043	48,534
33	Other liabilities	302,413	139,839	199,369
<b>34</b>	<b>TOTAL LIABILITIES</b>	<b>10,982,399</b>	<b>11,867,221</b>	<b>13,824,653</b>
<b>C. SHAREHOLDERS' EQUITY</b>				
35	Paid up/Assigned Capital	350,000	350,000	350,000
36	Share premium/(discount)	-	-	-
37	Revaluation reserves	-	-	-
38	Retained earnings/Accumulated losses	1,896,360	2,144,814	2,238,387
39	Statutory loan loss reserve	64,423	77,916	77,916
40	Other Reserves	-	-	-
41	Proposed dividends	-	-	-
42	Capital grants	-	-	-
<b>43</b>	<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>2,310,783</b>	<b>2,572,730</b>	<b>2,666,303</b>
<b>44</b>	<b>TOTAL LIABILITIES &amp; SHARE HOLDERS' EQUITY</b>	<b>13,293,182</b>	<b>14,439,951</b>	<b>16,490,956</b>
<b>II PROFIT &amp; LOSS ACCOUNT IN KENYA SHS.'000</b>		<b>31.03.2015 (Un-audited)</b>	<b>31.12.2015 (Audited)</b>	<b>31.03.2016 (Un-audited)</b>
<b>1</b>	<b>INTEREST INCOME</b>			
1.1	Loans and Advances	101,739	488,874	144,852
1.2	Government Securities	185,122	825,356	290,900
1.3	Deposits and placements with banking institution	2,669	29,692	4,516
1.4	Other interest income	-	-	54
<b>1.5</b>	<b>Total interest income</b>	<b>289,530</b>	<b>1,343,922</b>	<b>440,322</b>
<b>2</b>	<b>INTEREST EXPENSE</b>			
2.1	Customer deposits	100,619	469,150	175,883
2.2	Deposits and placements with banking institutions	1,894	8,296	929
2.3	Other interest expense	2,227	11,777	7,382
<b>2.4</b>	<b>Total interest expense</b>	<b>104,740</b>	<b>489,223</b>	<b>184,194</b>
<b>3</b>	<b>NET INTEREST INCOME</b>	<b>184,790</b>	<b>854,699</b>	<b>256,128</b>
<b>4</b>	<b>OTHER OPERATING INCOME</b>			
4.1	Fees and commissions on loans and advances	3,209	17,239	2,946
4.2	Other fees and commissions	8,158	28,736	7,987
4.3	Foreign exchange trading income/(loss)	5,492	24,976	4,636
4.4	Dividend income	-	-	-
4.5	Other income	7,506	35,002	9,382
<b>4.6</b>	<b>Total non-interest income</b>	<b>24,365</b>	<b>105,953</b>	<b>24,951</b>
<b>5</b>	<b>TOTAL OPERATING INCOME</b>	<b>209,155</b>	<b>960,652</b>	<b>281,079</b>
<b>6</b>	<b>OPERATING EXPENSES</b>			
6.1	Loan loss provision	-	16,234	3,211
6.2	Staff Costs	60,071	248,205	69,485
6.3	Directors' emoluments	-	-	-
6.4	Rental charges	2,799	14,266	4,189
6.5	Depreciation charge on property and equipment	3,975	21,024	5,908
6.6	Amortisation charges	49	199	49
6.7	Other operating expenses	33,818	150,889	44,434
<b>6.8</b>	<b>Total operating expenses</b>	<b>100,712</b>	<b>450,817</b>	<b>127,276</b>
<b>7</b>	<b>Profit/(Loss) before tax and exceptional items</b>	<b>108,443</b>	<b>509,835</b>	<b>153,803</b>
8	Exceptional items	-	-	-
<b>9</b>	<b>Profit/(Loss) after exceptional items</b>	<b>108,443</b>	<b>509,835</b>	<b>153,803</b>
10	Current Tax	(41,102)	(212,341)	(60,230)
11	Deferred Tax	-	31,794	-
<b>12</b>	<b>Profit/(Loss) after tax and exceptional items</b>	<b>67,341</b>	<b>329,288</b>	<b>93,573</b>
<b>13</b>	<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	-	-	-
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</b>	<b>Other comprehensive income for the year net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>15</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>67,341</b>	<b>329,288</b>	<b>93,573</b>
<b>III OTHER DISCLOSURES</b>		<b>31.03.2015 (Un-audited)</b>	<b>31.12.2015 (Audited)</b>	<b>31.03.2016 (Un-audited)</b>
<b>1</b>	<b>NON PERFORMING LOANS AND ADVANCES</b>			
a)	Gross non-performing loans and advances	80,129	115,605	119,723
	Less:			
b)	Interest in suspense	37,230	43,062	45,307
c)	<b>Total non-performing loans and advances (a-b)</b>	<b>42,899</b>	<b>72,543</b>	<b>74,416</b>
	Less:			
d)	Loan loss provisions	43,584	58,570	59,454
e)	Net Non-performing Loans (c-d)	(685)	13,973	14,962
f)	Realizable value of securities	(685)	13,973	14,962
<b>g)</b>	<b>Net Non-Performing Loans Exposure (e-f)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2</b>	<b>INSIDER LOANS AND ADVANCES</b>			
a)	Directors, Shareholders and associates	-	-	-
b)	Employees	64,974	66,407	66,220
<b>c)</b>	<b>Total Insider Loans, Advances and Other Facilities</b>	<b>64,974</b>	<b>66,407</b>	<b>66,220</b>
<b>3</b>	<b>OFF BALANCE SHEET ITEMS</b>			
a)	Letter of credits, guarantees, acceptances	592,854	798,174	801,085
b)	Forwards, swaps, and options	-	-	-
c)	Other Contingent Liabilities	541,231	586,803	587,856
<b>d)</b>	<b>Total Contingent Liabilities</b>	<b>1,134,085</b>	<b>1,384,977</b>	<b>1,388,941</b>
<b>4</b>	<b>CAPITAL STRENGTH</b>			
a)	Core Capital	2,212,689	2,494,813	2,541,601
b)	Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
c)	Excess/(Deficiency) (a-b)	1,212,689	1,494,813	1,541,601
d)	Supplementary Capital	64,423	77,916	77,916
e)	Total Capital (a-d)	2,277,112	2,572,729	2,619,517
f)	Total Risk Weighted Assets	7,446,972	9,577,267	9,393,407
g)	Core Capital/Total Deposit liabilities	24.00%	24.70%	21.20%
h)	Minimum Statutory Ratio	8.00%	8.00%	8.00%
i)	Excess/(Deficiency) (g-h)	16.00%	16.70%	13.20%
j)	Core Capital/Total Risk Weighted Assets	29.70%	26.00%	27.10%
k)	Minimum Statutory Ratio	10.50%	10.50%	10.50%
l)	Excess/(Deficiency) (j-k)	19.20%	15.50%	16.60%
m)	Total Capital/Total Risk Weighted Assets	30.60%	26.90%	27.90%
n)	Minimum Statutory Ratio	14.50%	14.50%	14.50%
o)	Excess/(Deficiency) (m-n)	16.10%	12.40%	13.40%
<b>5</b>	<b>LIQUIDITY</b>			
a)	Liquidity Ratio	80.00%	70.30%	76.70%
b)	Minimum Statutory Ratio	20.00%	20.00%	20.00%
c)	Excess/(Deficiency) (a-b)	60.00%	50.30%	56.70%

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](http://www.habibbank.com). They may also be accessed at the institutions head office located at Habib House, Koinange street, Nairobi.

Signed: **Mohammed Ali Hussain**  
Country Manager

Signed: **Mohammed Arif**  
Country Risk Manager

Kenya Branches: Koinange Street, Industrial Area, Westlands Nairobi and Nkrumah Road, Nyali Mombasa  
Branches and Affiliates in other countries: Canada, Hongkong, Isle of Man, Pakistan, South Africa, United Kingdom & UAE

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