



# 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 2020

<b>BALANCE SHEET IN KENYA SHS. '000</b>					
	30.06.2019	31.12.2019	31.03.2020	30.06.2020	
	(Un-audited)	(Audited)	(Un-audited)	(Un-audited)	
<b>A. ASSETS</b>					
1 Cash (both local and foreign)	103,299	86,426	89,165	64,946	
2 Balances due from Central Bank of Kenya	883,178	669,507	872,780	946,765	
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	14,643,388	16,040,030	16,417,369	16,696,891	
b. Other securities	5,825	-	-	-	
(b) Available for sale:					
a. Kenya Government securities	-	-	-	-	
b. Other securities	-	-	-	-	
6 Deposits and balances due from local banking institutions	297,238	-	-	396,042	
7 Deposits and balances due from banking institutions abroad	106,125	145,297	152,480	378,047	
8 Tax recoverable	56,684	134,599	134,599	122,116	
9 Loans and advances to customers (Net)	6,608,360	6,698,672	6,477,766	6,531,223	
10 Balances due from banking institutions in the group	536,676	421,080	415,680	287,845	
11 Investment in associates	-	-	-	-	
12 Investment in subsidiary companies	-	-	-	-	
13 Investment in joint ventures	-	-	-	-	
14 Investment properties	-	-	-	-	
15 Property, plant and equipment	304,000	283,217	295,015	287,074	
16 Prepaid lease rentals	16,961	69,644	69,419	69,194	
17 Intangible assets	-	-	-	-	
18 Deferred tax asset	109,484	143,662	143,662	143,662	
19 Retirement benefit assets	-	-	-	-	
20 Other assets	216,226	131,325	89,458	161,347	
<b>21 TOTAL ASSETS</b>	<b>23,887,444</b>	<b>24,823,459</b>	<b>25,157,373</b>	<b>26,075,152</b>	
<b>B. LIABILITIES</b>					
22 Balances due to Central Bank of Kenya	-	-	-	-	
23 Customer deposits	18,531,151	19,581,053	19,776,769	20,550,867	
24 Deposits and balances due to local banking institutions	650,324	950,924	335,558	447,806	
25 Deposits and balances due to banking institutions abroad	28	24	774	789	
26 Other money market deposits	-	-	-	-	
27 Borrowed funds	-	-	-	-	
28 Balances due to banking institutions in the group	1,528,536	1,021,844	1,776,755	1,912,248	
29 Tax Payable	62,211	-	-	-	
30 Dividends payable	-	-	-	-	
31 Deferred Tax liability	-	-	-	-	
32 Retirement benefit liability	29,238	19,643	20,280	9,383	
33 Other liabilities	159,474	172,652	129,236	169,659	
<b>34 TOTAL LIABILITIES</b>	<b>20,960,162</b>	<b>21,746,140</b>	<b>22,099,352</b>	<b>23,090,552</b>	
<b>C. SHAREHOLDERS' EQUITY</b>					
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	2,513,498	2,674,270	2,714,972	2,581,551	
39 Statutory loan loss reserve	63,784	53,049	53,049	53,049	
40 Other Reserves	-	-	-	-	
41 Proposed dividends	-	-	-	-	
42 Capital grants	-	-	-	-	
<b>43 TOTAL SHAREHOLDERS' EQUITY</b>	<b>2,927,282</b>	<b>3,077,319</b>	<b>3,118,021</b>	<b>2,984,600</b>	
<b>44 TOTAL LIABILITIES &amp; SHARE HOLDERS' EQUITY</b>	<b>23,887,444</b>	<b>24,823,459</b>	<b>25,157,373</b>	<b>26,075,152</b>	
<b>II PROFIT &amp; LOSS ACCOUNT IN KENYA SHS. '000</b>	<b>30.06.2019</b>	<b>31.12.2019</b>	<b>31.03.2020</b>	<b>30.06.2020</b>	
	<b>(Un-audited)</b>	<b>(Audited)</b>	<b>(Un-audited)</b>	<b>(Un-audited)</b>	
<b>1 INTEREST INCOME</b>					
1.1 Loans and Advances	269,346	613,028	127,662	252,828	
1.2 Government Securities	685,689	1,477,596	403,621	775,424	
1.3 Deposits and placements with banking institution	3,549	15,433	678	4,075	
1.4 Other interest income	601	846	-	-	
<b>1.5 Total interest income</b>	<b>959,185</b>	<b>2,106,903</b>	<b>532,181</b>	<b>1,032,327</b>	
<b>2 INTEREST EXPENSE</b>					
2.1 Customer deposits	409,564	907,497	268,225	520,732	
2.2 Deposits and placements with banking institutions	20,755	36,016	10,018	13,207	
2.3 Other interest expense	27,135	54,108	7,808	16,612	
<b>2.4 Total interest expense</b>	<b>457,454</b>	<b>997,621</b>	<b>286,051</b>	<b>550,551</b>	
<b>3 NET INTEREST INCOME</b>	<b>501,731</b>	<b>1,109,282</b>	<b>246,130</b>	<b>481,776</b>	
<b>4 OTHER OPERATING INCOME</b>					
4.1 Fees and commissions on loans and advances	8,679	14,393	6,150	7,983	
4.2 Other fees and commissions	9,785	35,072	9,037	14,909	
4.3 Foreign exchange trading income/(loss)	12,087	22,470	4,872	9,992	
4.4 Dividend income	-	-	-	-	
4.5 Other income	14,893	19,794	4,222	8,782	
<b>4.6 Total non-interest income</b>	<b>45,444</b>	<b>91,725</b>	<b>24,281</b>	<b>41,666</b>	
<b>5 TOTAL OPERATING INCOME</b>	<b>547,175</b>	<b>1,201,007</b>	<b>270,411</b>	<b>523,442</b>	
<b>6 OPERATING EXPENSES</b>					
6.1 Loan loss provision	46,428	43,715	10,708	24,708	
6.2 Staff Costs	165,321	356,816	95,805	173,805	
6.3 Directors' emoluments	-	-	-	-	
6.4 Rental charges	10,425	4,499	4,426	9,372	
6.5 Depreciation charge on property and equipment	15,560	50,028	12,552	21,283	
6.6 Amortisation charges	352	898	225	450	
6.7 Other operating expenses	156,966	359,982	81,570	153,039	
<b>6.8 Total operating expenses</b>	<b>395,052</b>	<b>815,738</b>	<b>205,286</b>	<b>382,657</b>	
<b>7 Profit/(Loss) before tax and exceptional items</b>	<b>152,123</b>	<b>385,269</b>	<b>65,125</b>	<b>140,785</b>	
8 Exceptional items	-	-	-	-	
<b>9 Profit/(Loss) after exceptional items</b>	<b>152,123</b>	<b>385,269</b>	<b>65,125</b>	<b>140,785</b>	
10 Current Tax	(62,211)	(179,498)	(64,623)	(52,796)	
11 Deferred Tax	-	34,178	-	-	
<b>12 Profit/(Loss) after tax and exceptional items</b>	<b>89,912</b>	<b>239,949</b>	<b>40,702</b>	<b>87,989</b>	
<b>13 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 Other comprehensive income for the year net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>15 TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>89,912</b>	<b>239,949</b>	<b>40,702</b>	<b>87,989</b>	
<b>III OTHER DISCLOSURES</b>	<b>30.06.2019</b>	<b>31.12.2019</b>	<b>31.03.2020</b>	<b>30.06.2020</b>	
	<b>(Un-audited)</b>	<b>(Audited)</b>	<b>(Un-audited)</b>	<b>(Un-audited)</b>	
<b>1 NON PERFORMING LOANS AND ADVANCES</b>					
a) <b>Gross non-performing loans and advances</b>	<b>779,056</b>	<b>787,312</b>	<b>811,491</b>	<b>839,272</b>	
b) Less: Interest in suspense	143,174	169,652	189,168	213,093	
<b>c) Total non-performing loans and advances (a-b)</b>	<b>635,882</b>	<b>617,660</b>	<b>622,323</b>	<b>626,179</b>	
d) Less: Loan loss provisions	75,988	132,108	214,627	231,154	
e) Net Non-performing Loans [c-d]	559,894	485,552	407,696	395,025	
f) Realizable value of securities	559,894	485,552	407,696	395,025	
<b>g) Net Non-Performing Loans Exposure [e-f]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>2 INSIDER LOANS AND ADVANCES</b>					
a) Directors, Shareholders and associates	33,432	35,758	34,705	35,481	
b) Employees	108,266	114,356	108,814	74,226	
<b>c) Total Insider Loans, Advances and Other Facilities</b>	<b>141,698</b>	<b>150,114</b>	<b>143,519</b>	<b>109,707</b>	
<b>3 OFF BALANCE SHEET ITEMS</b>					
a) Letter of credits, guarantees, acceptances	657,136	716,114	679,486	583,948	
b) Forwards, swaps, and options	-	-	-	-	
c) Other Contingent Liabilities	519,591	362,189	346,739	327,700	
<b>d) Total Contingent Liabilities</b>	<b>1,176,727</b>	<b>1,078,303</b>	<b>1,026,225</b>	<b>911,648</b>	
<b>4 CAPITAL STRENGTH</b>					
a) Core Capital	2,706,548	2,875,701	2,898,724	2,741,531	
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	
c) Excess/(Deficiency) (a-b)	1,706,548	1,875,701	1,898,724	1,741,531	
d) Supplementary Capital	63,784	53,049	53,049	53,049	
e) Total Capital (a+d)	2,770,332	2,928,750	2,951,773	2,794,580	
f) Total Risk Weighted Assets	11,278,488	11,731,752	11,586,945	11,585,044	
<b>g) Core Capital/Total Deposit liabilities</b>	<b>14.60%</b>	<b>14.70%</b>	<b>14.70%</b>	<b>13.40%</b>	
h) Minimum Statutory Ratio	8.00%	8.00%	8.00%	8.00%	
i) Excess/(Deficiency) (g-h)	6.60%	6.70%	6.70%	5.40%	
<b>j) Core Capital/Total Risk Weighted Assets</b>	<b>24.00%</b>	<b>26.80%</b>	<b>25.10%</b>	<b>23.70%</b>	
k) Minimum Statutory Ratio	10.50%	10.50%	10.50%	10.50%	
l) Excess/(Deficiency) (j-k)	13.50%	16.30%	14.60%	13.20%	
<b>m) Total Capital/Total Risk Weighted Assets</b>	<b>24.60%</b>	<b>27.30%</b>	<b>25.50%</b>	<b>24.10%</b>	
n) Minimum Statutory Ratio	14.50%	14.50%	14.50%	14.50%	
o) Excess/(Deficiency) (m-n)	10.10%	12.80%	11.00%	9.60%	
p) Adjusted Core capital /Total deposit Liabilities*	14.80%	14.70%	14.50%	13.20%	
q) Adjusted Core capital /Total Risk Weighted Assets*	24.30%	26.80%	24.80%	23.00%	
r) Adjusted Total Capital /Total Risk Weighted Assets*	24.80%	27.30%	25.30%	23.50%	
<b>5 LIQUIDITY</b>					
a) Liquidity Ratio	77.00%	77.90%	79.50%	79.10%	
b) Minimum Statutory Ratio	20.00%	20.00%	20.00%	20.00%	
c) Excess/(Deficiency) (a-b)	57.00%	57.90%	59.50%	59.10%	

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, Koingane Street, Nairobi.

Signed: Asim M Basharullah  
Chief Executive Officer

Signed: Simon K Murigi  
Chief Finance Officer

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