



Habib Bank AG Zurich

Kenya Branches

Incorporated in Switzerland (1967)

(Head Office : 59 Weinbergstrasse, Zurich, Switzerland)

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH SEPTEMBER 2022

I STATEMENT OF FINANCIAL POSITION	30.09.2021	31.12.2021	31.03.2022	30.06.2022	30.09.2022
	Shs. '000 (Unaudited)	Shs. '000 (Audited)	Shs. '000 (Unaudited)	Shs. '000 (Unaudited)	Shs. '000 (Unaudited)
A. ASSETS					
1 Cash (both local and foreign)	70,132	81,038	88,079	73,415	88,043
2 Balances due from Central Bank of Kenya	1,122,897	843,548	810,361	963,182	1,210,569
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-
4 Financial assets at fair value through profit and loss	-	-	-	-	-
5 Investment securities:	19,625,060	20,122,613	20,692,349	20,340,646	20,892,638
(a) Amortised cost:	19,625,060	20,122,613	20,692,349	20,340,646	20,892,638
i. Kenya Government securities	19,625,060	20,122,613	20,692,349	20,340,646	20,892,638
ii. Other securities	-	-	-	-	-
(b) Fair value through OCI:	-	-	-	-	-
i. Kenya Government securities	-	-	-	-	-
ii. Other securities	-	-	-	-	-
6 Deposits and balances due from local banking institutions	113,527	123,017	90,792	56,168	437,457
7 Deposits and balances due from banking institutions abroad	144,890	262,161	557,611	305,146	307,796
8 Tax recoverable	125,346	190,664	190,664	281,681	212,895
9 Loans and advances to customers (net)	5,788,699	5,840,875	6,142,881	6,421,976	6,373,967
10 Balances due from banking institutions in the group	242,825	194,369	406,298	383,786	324,959
11 Investment in associates	-	-	-	-	-
12 Investment in subsidiary companies	-	-	-	-	-
13 Investment in joint ventures	-	-	-	-	-
14 Investment properties	-	-	-	-	-
15 Property and equipment	310,063	370,762	365,585	385,388	374,824
16 Prepaid lease rentals	39,446	-	-	-	-
17 Intangible assets	-	-	-	-	-
18 Deferred tax asset	206,492	249,755	249,755	249,755	249,755
19 Retirement benefit asset	-	-	-	-	-
20 Other assets	346,479	275,161	314,687	328,699	215,286
21 TOTAL ASSETS	28,135,856	28,553,963	29,909,062	29,789,842	30,688,189
B. LIABILITIES					
22 Balances due to Central Bank of Kenya	-	-	-	-	-
23 Customer deposits	23,423,154	23,683,972	24,993,983	24,726,131	26,177,967
24 Deposits and balances due to local banking institutions	355,883	855,469	150,005	790,000	895,000
25 Deposits and balances due to banking institutions abroad	15,699	43,984	48,877	-	170,208
26 Other money market deposits	-	-	-	-	-
27 Borrowed funds	-	-	-	-	-
28 Balances due to banking institutions in the group	917,189	507,916	923,854	284,950	48,387
29 Tax payable	-	-	-	-	-
30 Dividends payable	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-
32 Retirement benefit liability	11,648	16,270	16,482	8,714	8,929
33 Other liabilities	299,112	118,885	290,023	393,004	292,727
34 TOTAL LIABILITIES	25,022,685	25,226,496	26,423,224	26,202,799	27,593,218
C. SHAREHOLDERS' EQUITY					
35 Paid up / assigned capital	350,000	350,000	350,000	350,000	350,000
36 Share premium / (discount)	-	-	-	-	-
37 Revaluation reserve	-	-	-	-	-
38 Retained earnings / (accumulated losses)	2,562,619	2,658,046	2,982,037	3,050,837	2,565,773
39 Statutory loan loss reserve	200,552	319,421	153,801	186,206	179,198
40 Other reserves	-	-	-	-	-
41 Proposed dividends	-	-	-	-	-
42 Capital grants	-	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	3,113,171	3,327,467	3,485,838	3,587,043	3,094,971
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	28,135,856	28,553,963	29,909,062	29,789,842	30,688,189

II STATEMENT OF COMPREHENSIVE INCOME	30.09.2021	31.12.2021	31.03.2022	30.06.2022	30.09.2022
	Shs. '000 (Unaudited)	Shs. '000 (Audited)	Shs. '000 (Unaudited)	Shs. '000 (Unaudited)	Shs. '000 (Unaudited)
1 INTEREST INCOME					
1.1 Loans and advances	328,231	514,828	109,396	231,952	365,156
1.2 Government securities	1,367,208	1,840,029	467,665	953,332	1,450,611
1.3 Deposits and placements with banking institutions	991	1,585	539	1,254	3,623
1.4 Other interest income	-	-	-	-	-
1.5 Total interest income	1,696,430	2,356,442	577,600	1,186,538	1,819,390
2 INTEREST EXPENSE					
2.1 Customer deposits	776,423	1,052,043	297,358	600,987	921,393
2.2 Deposits and placements from banking institutions	28,267	39,953	10,547	25,689	37,486
2.3 Other interest expense	1,334	3,707	607	1,126	3,338
2.4 Total interest expense	806,024	1,095,703	308,512	627,802	962,217
3 NET INTEREST INCOME	890,406	1,260,739	269,088	558,736	857,173
4 OTHER OPERATING INCOME					
4.1 Fees and Commissions on loans and advances	5,223	9,329	8,558	11,187	13,158
4.2 Other fees and Commissions	23,186	41,753	8,293	17,129	24,974
4.3 Foreign exchange trading income / (loss)	25,035	46,807	12,660	51,708	84,376
4.4 Dividend income	-	-	-	-	-
4.5 Other income	12,200	19,704	7,663	12,351	23,216
4.6 Total other operating income	65,644	117,593	37,174	92,375	145,724
5 TOTAL OPERATING INCOME	956,050	1,378,332	306,262	651,111	1,002,897
6 OPERATING EXPENSES					
6.1 Loan loss provision	32,139	44,055	10,055	27,911	39,447
6.2 Staff costs	245,082	330,178	86,526	179,604	271,746
6.3 Directors' emoluments	-	-	-	-	-
6.4 Rental charges	8,266	1,752	-	-	8,468
6.5 Depreciation charge on property and equipment	29,214	48,589	10,497	20,778	32,787
6.6 Amortisation charges	541	2,944	259	798	-
6.7 Other operating expenses	305,874	408,388	106,733	222,747	331,840
6.8 Total operating expenses	621,116	835,906	214,070	451,838	684,288
7 Profit / (loss) before tax and exceptional items	334,934	542,426	92,192	199,273	318,609
8 Exceptional items	-	-	-	-	-
9 Profit / (loss) after exceptional items	334,934	542,426	92,192	199,273	318,609
10 Current tax	(125,600)	(162,054)	(34,572)	(74,727)	(120,472)
11 Deferred tax	-	43,263	-	-	-
12 Profit / (loss) after tax and exceptional items	209,334	423,635	57,620	124,546	198,137
13 Other comprehensive income					
13.1 Gains / (losses) from translating the financial statements of foreign operations	-	-	-	-	-
13.2 Fair value changes in FVOCI financial assets	-	-	-	-	-
13.3 Revaluation surplus on property 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	209,334	423,635	57,620	124,546	198,137

III OTHER DISCLOSURES	30.09.2021	31.12.2021	31.03.2022	30.06.2022	30.09.2022
	Shs. '000 (Unaudited)	Shs. '000 (Audited)	Shs. '000 (Unaudited)	Shs. '000 (Unaudited)	Shs. '000 (Unaudited)
1 NON-PERFORMING LOANS AND ADVANCES					
a) Gross non-performing loans and advances	798,589	739,193	753,824	770,478	786,000
Less:					
b) Interest in suspense	225,583	174,357	190,902	208,050	224,266
c) Total non-performing loans and advances (a-b)	573,006	564,836	562,922	562,428	561,734
Less:					
d) Loan loss provisions	257,797	266,745	329,108	349,586	361,526
e) Net non-performing loans (c-d)	315,209	298,091	233,814	212,842	200,208
f) Discounted value of securities	315,209	298,091	233,814	212,842	200,208
g) Net NPLs exposure (e-f)	-	-	-	-	-
2 INSIDER LOANS AND ADVANCES					
a) Directors, shareholders and associates	12,964	10,548	14,412	14,026	23,774
b) Employees	94,384	101,005	104,184	117,272	119,404
c) Total insider loans, advances and other facilities	107,348	111,553	118,596	131,298	143,177
3 OFF-BALANCE SHEET ITEMS					
a) Letters of credit, guarantees, acceptances	662,208	503,822	684,927	575,604	537,903
b) Forwards, swaps, and options	-	-	-	-	-
c) Other contingent liabilities	16,222	316,110	47,817	152,878	257,501
d) Total contingent liabilities	678,430	819,932	732,744	728,482	795,404
4 CAPITAL STRENGTH					
a) Core capital	2,593,544	2,750,374	3,045,556	3,080,894	2,566,950
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess / (deficiency) [a-b]	1,593,544	1,750,374	2,045,556	2,080,894	1,566,950
d) Supplementary capital	200,552	319,421	153,801	186,206	179,198
e) Total capital (a+d)	2,794,096	3,069,795	3,199,357	3,267,100	2,746,148
f) Total risk weighted assets	9,507,089	8,902,061	10,138,149	9,505,256	9,551,240
g) Core capital / Total deposit liabilities	11.07%	11.61%	12.19%	12.46%	9.81%
h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%	8.00%
i) Excess / (deficiency) [g-h]	3.07%	3.61%	4.19%	4.46%	1.81%
j) Core capital / Total risk weighted assets	27.28%	30.90%	30.04%	32.41%	26.88%
k) Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%	10.50%
l) Excess / (deficiency) [j-k]	16.78%	20.40%	19.54%	21.91%	16.38%
m) Total capital / Total risk weighted assets	29.39%	34.48%	31.56%	34.37%	28.75%
n) Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%	14.50%
o) Excess / (deficiency) [m-n]	14.89%	19.98%	17.06%	19.87%	14.25%
p) Adjusted core capital / Total deposit liabilities*	11.07%	11.61%	12.19%	12.46%	9.81%
q) Adjusted core capital / Total risk weighted assets*	27.28%	30.90%	30.04%	32.41%	26.88%
r) Adjusted total capital / Total risk weighted assets*	29.39%	34.48%	31.56%	34.37%	28.75%
5 LIQUIDITY					
a) Liquidity ratio	82.91%	84.98%	85.19%	83.85%	83.70%
b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%	20.00%
c) Excess / (deficiency) [a-b]	62.91%	64.98%	65.19%	63.85%	63.70%

*The adjusted capital ratios include the expected credit loss provisions added back to capital in line with CBK guidance issued in April 2018 on implementation of IFRS 9. The 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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