

# Standard Chartered Bank Kenya Limited

The Board of Directors of Standard Chartered Bank Kenya Limited is pleased to announce the un-audited results of the Bank and the Group for the three month period ended 31 March 2017



STATEMENT OF FINANCIAL POSITION	BANK			GROUP		
	31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.12.2016	31.03.2016
	KShs. 000	KShs. 000	KShs. 000	KShs. 000	KShs. 000	KShs. 000
	Un-audited	Audited	Un-audited	Un-audited	Audited	Un-audited
<b>ASSETS</b>						
Cash (both local and foreign)	2,947,073	3,473,071	3,005,837	2,947,073	3,473,071	3,005,837
Balances due from Central Bank of Kenya	14,356,430	12,040,483	15,067,123	14,356,430	12,040,483	15,067,123
Kenya Government securities and other securities held for dealing purposes	10,478,040	4,780,246	4,804,038	10,478,040	4,780,246	4,804,038
Financial assets at fair value through profit and loss	425,803	554,026	934,894	425,803	554,026	934,894
Investment securities:						
a) Held to Maturity:						
i. Kenya Government securities	-	-	-	-	-	-
ii. Other securities	-	-	-	-	-	-
b) Available for sale:						
i. Kenya Government securities	95,971,234	81,565,176	68,547,131	96,284,760	81,708,503	68,688,685
ii. Other securities	524,099	510,209	521,848	524,099	510,209	521,848
Deposits and balances due from local banking institutions	4,826,180	1,255,156	11,139,270	4,826,180	1,255,156	11,139,270
Deposits and balances due from banking institutions abroad	219,814	310,879	321,995	219,814	310,879	321,995
Tax recoverable	-	-	-	-	7,168	-
Loans and advances to customers (net)	116,875,407	122,711,038	109,787,058	116,875,407	122,711,038	109,787,058
Balances due from banking institutions in the group	17,700,421	14,011,495	24,631,599	17,700,509	14,151,412	24,631,669
Investments in associates	-	-	-	-	-	-
Investments in subsidiary companies	141,243	141,243	141,243	-	-	-
Investments in joint ventures	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-
Property and equipment	3,031,389	2,985,751	3,176,233	3,031,389	2,985,751	3,176,233
Prepaid lease rentals	243,249	243,980	246,177	243,249	243,980	246,177
Intangible assets	2,371,345	2,457,419	2,791,300	2,371,345	2,457,419	2,791,300
Deferred tax asset	215,116	63,348	-	217,299	63,705	-
Retirement benefit asset	-	-	-	-	-	-
Other assets	3,680,041	3,170,588	4,594,905	3,733,504	3,228,954	4,640,945
<b>TOTAL ASSETS</b>	<b>274,006,884</b>	<b>250,274,108</b>	<b>249,710,651</b>	<b>274,234,901</b>	<b>250,482,000</b>	<b>249,757,072</b>
<b>LIABILITIES</b>						
Balances due to Central Bank of Kenya	-	-	-	-	-	-
Customer deposits	205,016,693	186,598,226	184,533,840	205,016,693	186,598,226	184,533,840
Deposits and balances due to local banking institutions	3,734,201	1,618,256	152,559	3,734,201	1,618,256	152,559
Deposits and balances due to foreign banking institutions	1,333,923	1,428,159	3,828,152	1,333,923	1,428,159	3,828,152
Other money market deposits	-	-	-	-	-	-
Borrowed funds	-	-	-	-	-	-
Balances due to banking institutions in the group	9,609,348	10,759,556	11,226,840	8,912,395	10,174,520	10,761,466
Tax payable	2,018,974	1,046,259	911,868	2,133,856	1,128,697	980,643
Dividends payable	-	-	-	-	-	-
Deferred tax liability	-	-	195,815	-	-	194,770
Retirement benefit liability	95,931	85,376	14,279	95,931	85,376	14,279
Other liabilities	6,537,050	4,833,497	4,996,344	6,552,269	4,844,938	5,012,290
<b>TOTAL LIABILITIES</b>	<b>228,346,120</b>	<b>206,369,329</b>	<b>205,859,697</b>	<b>227,779,268</b>	<b>205,878,172</b>	<b>205,477,999</b>
<b>SHAREHOLDERS' FUNDS</b>						
Paid up / Assigned capital	1,997,553	1,997,553	1,825,798	1,997,553	1,997,553	1,825,798
Share premium	7,792,427	7,792,427	7,792,427	7,792,427	7,792,427	7,792,427
Revaluation reserves	455,817	457,041	461,938	455,817	457,041	461,938
Retained earnings	28,206,054	26,050,443	26,706,311	29,006,016	26,750,324	27,134,430
Statutory loan loss reserve	367,476	568,868	977,303	367,476	568,868	977,303
Other reserves (Available-for-Sale)	72,212	274,764	264,103	67,119	273,932	264,103
Proposed dividends	4,893,378	4,893,378	3,949,184	4,893,378	4,893,378	3,949,184
Capital grants	1,875,847	1,870,305	1,873,890	1,875,847	1,870,305	1,873,890
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>45,660,764</b>	<b>43,904,779</b>	<b>43,850,954</b>	<b>46,455,633</b>	<b>44,603,828</b>	<b>44,279,073</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>274,006,884</b>	<b>250,274,108</b>	<b>249,710,651</b>	<b>274,234,901</b>	<b>250,482,000</b>	<b>249,757,072</b>

OTHER DISCLOSURES	BANK		
	31.03.2017	31.12.2016	31.03.2016
	KShs. 000	KShs. 000	KShs. 000
	Un-audited	Audited	Un-audited
<b>1) NON-PERFORMING LOANS AND ADVANCES</b>			
(a) Gross non-performing loans and advances	15,367,574	15,038,172	15,409,376
(b) Less: Interest in suspense	4,906,757	4,871,365	3,516,438
<b>(c) Total non-performing loans and advances (a-b)</b>	<b>10,460,817</b>	<b>10,166,807</b>	<b>11,892,938</b>
(d) Less: Loan loss provisions	5,115,694	4,914,946	5,417,586
<b>(e) Net non-performing loans and advances (c-d)</b>	<b>5,345,123</b>	<b>5,251,861</b>	<b>6,475,352</b>
(f) Realizable value of securities	4,114,308	4,501,523	5,645,197
<b>(g) Net NPLs Exposure (e-f)</b>	<b>1,230,815</b>	<b>750,338</b>	<b>830,155</b>
<b>2) INSIDER LOANS AND ADVANCES</b>			
(a) Directors, shareholders and associates	19,483	21,237	31,128
(b) Employees	6,328,712	6,227,157	5,793,925
<b>(c) Total insider loans and advances</b>	<b>6,348,195</b>	<b>6,248,394</b>	<b>5,825,053</b>
<b>3) OFF-BALANCE SHEET ITEMS</b>			
(a) Letters of credit, guarantees and acceptances	36,744,098	35,615,697	37,646,975
(b) Forwards, swaps and options	65,599,162	53,029,551	71,189,769
(c) Other contingent liabilities	-	-	-
<b>(d) Total contingent liabilities</b>	<b>102,343,260</b>	<b>88,645,248</b>	<b>108,836,744</b>
<b>4) CAPITAL STRENGTH</b>			
(a) Core capital	36,365,564	35,257,985	34,290,023
(b) Minimum statutory capital	1,000,000	1,000,000	1,000,000
(c) Excess / (deficiency) (a-b)	35,365,564	34,257,985	33,290,023
(d) Supplementary capital	6,671,389	6,845,851	7,188,941
<b>(e) Total capital (a+d)</b>	<b>43,036,953</b>	<b>42,103,836</b>	<b>41,478,964</b>
(f) Total risk weighted assets	208,598,091	201,320,647	194,703,736
(g) Core capital / total deposit liabilities	17.74%	18.90%	18.58%
(h) Minimum statutory ratio	8.00%	8.00%	8.00%
(i) Excess / (deficiency) (g-h)	9.74%	10.90%	10.58%
(j) Core capital / total risk weighted assets	17.43%	17.51%	17.61%
(k) Minimum statutory ratio	10.50%	10.50%	10.50%
(l) Excess / (deficiency) (j-k)	6.93%	7.01%	7.11%
(m) Total capital/total risk weighted assets	20.63%	20.91%	21.30%
(n) Minimum statutory ratio	14.50%	14.50%	14.50%
(o) Excess / (deficiency) (m-n)	6.13%	6.41%	6.80%
<b>5) LIQUIDITY</b>			
(a) Liquidity ratio	65.82%	56.93%	60.67%
(b) Minimum statutory ratio	20.00%	20.00%	20.00%
(c) Excess / (deficiency) (a-b)	45.82%	36.93%	40.67%

These financial statements are extracts from the books of the institution and can be accessed on the institution's website [www.sc.com/ke/investor-relations](http://www.sc.com/ke/investor-relations). They may also be accessed at the institution's head office located at StandardChartered@Chiromo, 48 Westlands Road.

Mrs Anne Mutahi  
Chair to the Board

Mr. Lamin Manjang  
Managing Director & Chief Executive Officer

23 May 2017

Standard Chartered Bank Kenya Limited is regulated by Central Bank of Kenya.

STATEMENT OF COMPREHENSIVE INCOME						
INTEREST INCOME						
Loans and advances	3,644,325	14,845,035	3,904,096	3,644,325	14,845,035	3,904,096
Government securities	2,367,980	10,048,834	2,272,039	2,375,559	10,065,081	2,273,632
Deposits and placements with banking institutions	146,252	466,765	141,544	146,252	466,765	141,544
Other interest income	170,088	398,264	84,829	170,088	398,264	84,829
<b>Total interest income</b>	<b>6,328,645</b>	<b>25,758,898</b>	<b>6,402,508</b>	<b>6,336,224</b>	<b>25,775,145</b>	<b>6,404,101</b>
INTEREST EXPENSES						
Customer deposits	1,485,036	5,712,735	1,362,394	1,477,997	5,684,222	1,353,854
Deposits and placements from banking institutions	36,891	133,810	46,763	36,891	133,810	46,763
Other interest expenses	185,787	561,618	119,939	185,787	561,618	119,939
<b>Total interest expenses</b>	<b>1,707,714</b>	<b>6,408,163</b>	<b>1,529,096</b>	<b>1,700,675</b>	<b>6,379,650</b>	<b>1,520,556</b>
NET INTEREST INCOME						
	<b>4,620,931</b>	<b>19,350,735</b>	<b>4,873,412</b>	<b>4,635,549</b>	<b>19,395,495</b>	<b>4,883,545</b>
NON-INTEREST INCOME						
Fees and commissions on loans and advances	59,151	173,410	76,902	59,151	173,410	76,902
Other fees and commissions	921,344	3,731,715	747,412	1,088,951	4,360,874	905,077
Foreign exchange trading income	691,384	2,839,996	825,987	691,384	2,839,996	825,987
Dividend income	-	-	-	-	-	-
Other income	285,973	1,215,345	557,506	285,933	1,215,314	557,475
<b>Total Non-Interest income</b>	<b>1,957,852</b>	<b>7,960,466</b>	<b>2,207,807</b>	<b>2,125,419</b>	<b>8,589,594</b>	<b>2,365,441</b>
TOTAL OPERATING INCOME						
	<b>6,578,783</b>	<b>27,311,201</b>	<b>7,081,219</b>	<b>6,760,968</b>	<b>27,985,089</b>	<b>7,248,986</b>
OTHER OPERATING EXPENSES						
Loan loss provision	772,332	2,199,899	728,333	772,332	2,199,899	728,333
Staff costs	1,609,952	6,936,322	1,486,099	1,636,526	7,031,586	1,504,285
Directors' emoluments	42,326	162,493	37,174	42,326	162,493	37,174
Rental charges	128,398	531,452	135,281	128,398	534,294	135,541
Depreciation charge on property and equipment	106,259	441,737	118,465	106,259	441,737	118,465
Amortisation charges	102,208	464,575	116,089	102,208	464,575	116,089
Other operating expenses	956,557	3,810,297	903,412	968,091	3,862,386	912,052
<b>Total other operating expenses</b>	<b>3,718,032</b>	<b>14,546,775</b>	<b>3,524,853</b>	<b>3,756,733</b>	<b>14,696,970</b>	<b>3,551,939</b>
<b>Profit / (loss) before tax and exceptional items</b>	<b>2,860,751</b>	<b>12,764,426</b>	<b>3,556,366</b>	<b>3,004,235</b>	<b>13,288,119</b>	<b>3,697,047</b>
Exceptional items	-	-	-	-	-	-
<b>Profit / (loss) after exceptional items</b>	<b>2,860,751</b>	<b>12,764,426</b>	<b>3,556,366</b>	<b>3,004,235</b>	<b>13,288,119</b>	<b>3,697,047</b>
Current tax	(972,715)	(4,347,126)	(1,093,001)	(1,016,118)	(4,499,953)	(1,135,621)
Deferred tax	64,959	269,428	28,766	64,959	261,141	21,522
<b>Profit / (loss) after tax and exceptional items</b>	<b>1,952,995</b>	<b>8,686,728</b>	<b>2,492,131</b>	<b>2,053,076</b>	<b>9,049,307</b>	<b>2,582,948</b>
OTHER COMPREHENSIVE INCOME						
Gains / (losses) from translating the financial statements of foreign operations	-	-	-	-	-	-
Fair value changes in available-for-sale financial assets	(289,360)	562,521	624,192	(295,447)	561,332	624,192
Revaluation surplus on property, plant and equipment	-	-	-	-	-	-
Share of other comprehensive income of associates	-	-	-	-	-	-
Income tax relating to components of other comprehensive income	86,808	(168,757)	(187,258)	88,634	(168,400)	(187,258)
<b>Other comprehensive income for the period / year net of tax</b>	<b>(202,552)</b>	<b>393,764</b>	<b>436,934</b>	<b>(206,813)</b>	<b>392,932</b>	<b>436,934</b>
<b>Total comprehensive income for the period / year</b>	<b>1,750,443</b>	<b>9,080,492</b>	<b>2,929,065</b>	<b>1,846,263</b>	<b>9,442,239</b>	<b>3,019,882</b>
<b>EARNINGS PER SHARE - BASIC AND DILUTED (KShs) (March 2016 restated)</b>	<b>5.69</b>	<b>24.80</b>	<b>7.25</b>	<b>5.98</b>	<b>25.85</b>	<b>7.52</b>
<b>DIVIDEND PER SHARE - DECLARED (KShs)</b>						