

KENYA COMMERCIAL BANK GROUP
UNAUDITED RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

	GROUP					BANK				
	30-Sep-10	31-Dec-10	31-Mar-11	30-Jun-11	30-Sep-11	30-Sep-10	31-Dec-10	31-Mar-11	30-Jun-11	30-Sep-11
	Kshs 000 Un-Audited	Kshs 000 Audited	Kshs 000 Un-Audited	Kshs 000 Un-Audited	Kshs 000 Un-Audited	Kshs 000 Un-Audited	Kshs 000 Audited	Kshs 000 Un-Audited	Kshs 000 Un-Audited	Kshs 000 Un-Audited
I BALANCE SHEET										
1 ASSETS										
1.1 Cash (both Local & Foreign)	8,447,544	10,009,715	9,978,616	11,221,819	14,908,103	4,673,172	5,777,976	6,001,692	7,039,497	7,073,016
1.2 Balances due from Central Bank of Kenya	6,872,282	8,018,535	7,862,984	6,645,299	12,503,113	6,872,282	8,018,535	7,862,984	6,645,299	12,503,113
1.3 Kenya Government securities	48,885,333	42,051,335	46,153,881	37,714,299	35,922,637	48,885,333	42,051,335	46,153,881	37,714,299	35,922,637
1.4 Foreign Currency Treasury Bills & Bonds	1,098,873	1,346,799	1,512,896	2,414,056	2,548,209	-	-	-	-	-
1.5 Deposits and balances due from local banking institutions	357,270	2,880,000	1,101,000	1,910,000	6,358,000	357,270	2,880,000	1,101,000	1,910,000	6,358,000
1.6 Deposits and balances due from banking institutions abroad	17,413,401	16,300,581	22,486,597	19,387,191	30,428,213	3,405,538	1,079,963	5,393,599	2,117,229	6,962,470
1.7 Kenya Government and other securities held for dealing purposes	974,385	847,876	492,132	415,366	411,585	974,385	847,876	492,132	415,366	411,585
1.8 Tax recoverable	1,494,456	11,009	761	345,751	488,642	1,493,695	-	-	334,151	487,881
1.9 Loans and advances to customers (net)	137,893,928	148,113,364	154,965,748	175,204,072	193,888,733	128,089,186	137,344,568	142,264,529	159,539,609	174,464,329
1.10 Investment securities	2,011,277	5,862,488	7,911,772	7,476,940	7,952,637	2,011,277	5,862,488	7,911,772	7,476,940	7,952,637
1.11 Balances due from group companies	-	-	-	-	-	-	-	-	-	-
1.12 Investments in associates	-	-	-	-	-	1,125	125	125	125	125
1.13 Investments in subsidiary companies	-	-	-	-	-	6,505,138	6,769,498	8,087,611	8,623,612	8,623,611
1.14 Investments in joint ventures	-	-	-	-	-	-	-	-	-	-
1.15 Investment properties	-	-	-	-	-	-	-	-	-	-
1.16 Property and equipment	8,598,370	8,271,647	8,780,854	8,734,597	8,346,673	5,910,328	5,888,285	6,127,010	6,124,413	5,802,402
1.17 Prepaid lease rentals	237,840	145,893	145,402	144,894	437,511	144,150	143,644	143,644	142,628	142,120
1.18 Intangible assets	1,351,509	1,368,385	1,264,489	1,189,969	1,331,922	1,349,243	1,319,367	1,218,134	1,145,162	1,288,093
1.19 Deferred tax asset	261,439	1,126,284	1,126,284	1,126,284	1,126,284	13,011	855,115	855,115	855,115	855,115
1.20 Retirement benefit asset	-	-	-	-	-	-	-	-	-	-
1.21 Other assets	8,309,291	5,002,289	7,160,082	5,785,524	5,809,796	7,606,792	4,185,781	5,419,636	4,736,389	5,012,996
1.22 TOTAL ASSETS	244,207,198	251,356,200	270,943,498	279,716,061	322,462,058	218,291,925	223,024,556	239,032,356	244,819,834	273,860,130
2 LIABILITIES										
2.1 Balances due to Central Bank of Kenya	-	1,499,595	-	6,880,000	-	-	1,499,595	-	6,880,000	-
2.2 Customer deposits	193,137,485	196,974,651	209,200,001	215,737,886	252,388,364	164,292,305	163,188,681	173,809,964	176,604,713	201,712,903
2.3 Deposits and balances due to local banking institutions	6,205,250	8,025,637	2,033,558	368,000	118,031	6,205,250	8,025,637	2,033,558	368,000	118,031
2.4 Deposits and balances due to foreign banking institutions	2,234,474	1,531,735	11,727,916	12,725,784	14,451,682	3,851,848	1,282,069	11,314,242	11,642,437	16,604,273
2.5 Other money market deposits	-	-	-	-	-	-	-	-	-	-
2.6 Borrowed funds	-	-	-	-	10,030,000	-	-	-	-	10,030,000
2.7 Balances due to group companies	-	-	-	-	-	1,073,455	4,638,052	4,485,697	6,278,242	796,464
2.8 Tax payable	1,926,632	1,837,722	2,482,485	42,268	57,671	1,916,712	1,750,345	2,455,244	-	-
2.9 Dividends payable	-	-	-	-	-	-	-	-	-	-
2.10 Deferred tax liability	-	121	121	121	-	-	-	-	-	-
2.11 Retirement benefit liability	-	-	-	-	-	-	-	-	-	-
2.12 Other liabilities	3,868,205	2,356,968	4,610,479	5,526,895	4,405,219	2,781,492	1,763,732	2,454,340	3,139,580	2,522,372
2.13 TOTAL LIABILITIES	207,372,046	212,226,429	230,054,560	241,280,954	281,450,967	180,121,062	182,148,111	196,553,045	204,912,972	231,784,043
3 SHAREHOLDERS' FUNDS										
3.1 Paid up /Assigned capital	2,950,260	2,950,260	2,950,260	2,950,260	2,950,260	2,950,260	2,950,260	2,950,260	2,950,260	2,950,260
3.2 Share premium	18,565,504	18,565,504	18,565,504	18,565,504	18,565,504	18,565,504	18,565,504	18,565,504	18,565,504	18,565,504
3.3 Revaluation reserves	214,943	(172,625)	(187,693)	(1,237,180)	(1,036,468)	347,908	225,356	183,457	(849,652)	(896,515)
3.4 Retained earnings	14,999,775	13,953,178	15,727,413	18,010,894	20,386,166	16,220,976	15,388,072	17,032,837	19,181,322	21,397,410
3.5 Statutory loan reserves	104,670	145,629	145,629	145,629	145,629	86,215	59,428	59,428	59,428	59,428
3.6 Proposed dividends	-	3,687,825	3,687,825	-	-	-	3,687,825	3,687,825	-	-
3.7 Capital grants	-	-	-	-	-	-	-	-	-	-
3.8 TOTAL SHAREHOLDERS' FUNDS	36,835,152	39,129,771	40,888,938	38,435,107	41,011,091	38,170,863	40,876,445	42,479,311	39,906,862	42,076,087
3.10 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	244,207,198	251,356,200	270,943,498	279,716,061	322,462,058	218,291,925	223,024,556	239,032,356	244,819,834	273,860,130

II PROFIT AND LOSS ACCOUNT	GROUP					BANK				
	30-Sep-10	31-Dec-10	31-Mar-11	30-Jun-11	30-Sep-11	30-Sep-10	31-Dec-10	31-Mar-11	30-Jun-11	30-Sep-11
	Kshs 000	Kshs 000	Kshs 000	Kshs 000	Kshs 000	Kshs 000	Kshs 000	Kshs 000	Kshs 000	Kshs 000
	Un-Audited	Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited	Un-Audited	Un-Audited	Un-Audited
4 INTEREST INCOME										
4.1 Loans and advances	13,077,525	17,663,904	4,654,924	9,711,628	15,771,190	12,024,907	16,162,740	4,247,476	8,768,811	14,216,484
4.2 Government securities	4,242,347	5,259,702	979,099	1,921,245	2,902,804	4,205,351	5,178,712	945,046	1,830,556	2,750,769
4.3 Deposits and placements with banking institutions	156,850	186,187	74,768	146,867	339,060	86,707	99,810	19,897	60,000	131,075
4.4 Other Interest Income	-	-	-	-	-	-	-	-	-	-
4.5 Total Interest Income	17,476,722	23,109,793	5,708,791	11,779,740	19,013,054	16,316,965	21,441,262	5,212,419	10,659,367	17,098,328
5 INTEREST EXPENSE										
5.1 Customer deposits	2,740,197	3,307,581	523,226	1,040,743	2,024,043	2,391,841	2,802,736	397,772	785,915	1,600,067
5.2 Deposits and placement from banking institutions	115,586	156,887	74,185	206,471	384,593	85,487	140,145	61,752	180,274	320,812
5.3 Other interest expenses	-	-	-	-	-	-	-	-	-	-
5.4 Total Interest expenses	2,855,783	3,464,468	597,411	1,247,214	2,408,636	2,477,328	2,942,881	459,524	966,189	1,920,879
5.5 NET INTEREST INCOME	14,620,939	19,645,325	5,111,380	10,532,526	16,604,418	13,839,637	18,498,381	4,752,895	9,693,178	15,177,449
6 OTHER OPERATING INCOME										
6.1 Fees and commissions on loans and advances	2,421,125	4,091,986	913,285	1,840,771	3,366,321	2,328,255	3,212,596	861,035	1,729,106	2,726,859
6.2 Other fees and commissions	2,258,869	2,696,594	1,028,227	2,397,331	3,555,390	1,567,933	2,405,750	623,736	1,588,555	2,598,025
6.3 Foreign exchange trading income	2,234,846	2,775,494	748,294	1,359,204	2,247,614	968,212	1,357,658	389,517	769,580	1,297,712
6.4 Dividend Income	1,149	1,185	170	10,410	13,674	1,149	1,519,248	170	10,410	13,674
6.5 Other income	359,493	1,450,803	109,770	733,059	1,099,881	343,982	1,392,649	95,656	687,737	1,051,898
6.6 Total non-interest income	7,275,482	11,016,062	2,799,746	6,340,775	10,282,880	5,209,531	9,887,901	1,970,114	4,785,388	7,688,168
6.7 TOTAL OPERATING INCOME	21,896,421	30,661,387	7,911,126	16,873,301	26,887,298	19,049,168	28,386,282	6,723,009	14,478,566	22,865,617
7 OPERATING EXPENSES										
7.1 Loan loss provision	1,625,059	2,144,320	424,995	840,138	1,407,461	1,480,164	1,898,230	370,250	670,251	1,077,585
7.2 Staff costs	7,243,085	9,379,643	2,572,078	5,393,593	8,648,319	6,190,194	8,024,266	2,190,654	4,638,734	7,444,882
7.3 Directors' emoluments	89,901	104,401	25,901	89,499	109,032	68,827	91,522	24,652	64,505	84,914
7.4 Rental charges	581,286	798,141	220,743	431,118	666,359	180,039	236,654	68,246	134,845	204,668
7.5 Depreciation charge on property and equipment	992,401	1,382,540	370,015	742,805	1,155,548	795,428	1,029,438	274,102	548,789	860,841
7.6 Amortisation charges	237,798	375,249	103,895	211,065	320,346	237,798	371,219	101,233	207,730	315,344
7.7 Other operating expenses	4,614,305	6,679,122	1,687,124	3,426,265	5,469,802	3,707,680	5,197,422	1,344,207	2,794,784	4,292,614
7.8 Total operating expenses	15,383,835	20,863,416	5,404,751	11,134,483	17,776,867	12,660,130	16,848,749	4,373,344	9,059,638	14,280,848
7.9 Profit before tax and exceptional items	6,512,586	9,797,971	2,506,375	5,738,818	9,110,431	6,389,038	11,537,533	2,349,665	5,418,928	8,584,769
7.10 Exceptional items	-	-	-	-	-	-	-	-	-	-
7.11 Profit after exceptional items	6,512,586	9,797,971	2,506,375	5,738,818	9,110,431	6,389,038	11,537,533	2,349,665	5,418,928	8,584,769
7.12 Current tax	(2,170,959)	(3,651,244)	(732,140)	(1,681,102)	(2,677,443)	(1,916,712)	(3,560,777)	(704,899)	(1,625,678)	(2,575,431)
7.13 Deferred tax	154,159	1,031,246	-	-	-	-	842,104	-	-	-
7.15 Profit after tax and exceptional items	4,495,786	7,177,973	1,774,235	4,057,716	6,432,988	4,472,326	8,818,860	1,644,766	3,793,250	6,009,338
8 EARNINGS PER SHARE- DILUTED & BASIC KSHS	2.52	2.76	2.41	2.75	2.91	2.50	3.40	2.23	2.57	2.72
9 DIVIDEND PER SHARE - PROPOSED KSHS		1.25					1.25			

III OTHER DISCLOSURES	GROUP					BANK				
	30-Sep-10	31-Dec-10	31-Mar-11	30-Jun-11	30-Sep-11	30-Sep-10	31-Dec-10	31-Mar-11	30-Jun-11	30-Sep-11
	Kshs 000	Kshs 000	Kshs 000	Kshs 000	Kshs 000	Kshs 000	Kshs 000	Kshs 000	Kshs 000	Kshs 000
	Un-Audited	Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited	Un-Audited	Un-Audited	Un-Audited
10 NON-PERFORMING LOANS AND ADVANCES										
10.1 (a) Gross Non-performing loans and advances	15,375,335	14,583,382	14,736,110	14,981,335	15,878,326	14,410,964	13,053,727	13,067,658	13,301,048	13,834,099
10.2 (b) Less Interest in Suspense	1,889,384	1,796,530	1,815,553	1,780,783	1,808,021	1,793,206	1,707,256	1,702,854	1,693,933	1,684,324
10.3 (c) Total Non-Performing Loans and Advances (a-b)	13,485,951	12,786,852	12,920,557	13,200,552	14,070,305	12,617,758	11,346,471	11,364,804	11,607,115	12,149,775
10.4 (d) Less Loan Loss Provision	8,177,347	6,790,567	7,215,562	7,051,437	6,830,768	7,715,524	6,471,258	6,841,508	6,420,772	6,254,004
10.5 (e) Net Non-Performing Loans and Advances(c-d)	5,308,604	5,996,285	5,704,995	6,149,115	7,239,537	4,902,234	4,875,213	4,523,296	5,186,343	5,895,771
10.6 (f) Discounted Value of Securities	5,308,604	5,996,285	5,704,995	6,149,115	7,239,537	4,902,234	4,875,213	4,523,296	5,186,343	5,895,771
10.7 (g) Net NPLs Exposure (e-f)	-	-	-	-	-	-	-	-	-	-
11 INSIDER LOANS AND ADVANCES										
11.1 (a) Directors, Shareholders and Associates	4,213,145	4,213,193	3,603,724	5,231,288	6,157,571	4,210,722	4,198,868	3,586,514	5,229,861	6,141,065
11.2 (b) Employees	5,719,988	4,989,949	5,620,352	5,790,249	6,437,717	4,845,504	4,956,054	5,205,797	5,625,853	5,785,114
11.3 (c) Total Insider Loans and Advances and other facilities	9,933,133	9,203,142	9,224,076	11,021,537	12,595,288	9,056,226	9,154,922	8,792,311	10,855,714	11,926,179
12 OFF-BALANCE SHEET ITEMS										
12.1 (a) Letters of credit, guarantees, acceptances	40,589,495	72,429,394	72,069,963	78,059,707	104,093,628	38,634,194	69,532,289	70,447,939	76,067,503	101,664,578
12.2 (b) Other contingent liabilities	34,285,019	25,002,591	34,675,208	40,878,093	32,043,352	34,108,666	23,319,177	34,405,288	40,659,095	31,563,275
12.3 (c) Total Contingent Liabilities	74,874,514	97,431,985	106,745,171	118,937,800	136,137,180	72,742,860	92,851,466	104,853,227	116,726,598	133,227,853
13 CAPITAL STRENGTH										
13.1 (a) Core capital						30,394,083	35,220,808	34,725,075	31,575,495	32,683,538
13.2 (b) Minimum Statutory Capital						350,000	500,000	500,000	500,000	500,000
13.3 (c) Excess (a-b)						30,044,083	34,720,808	34,225,075	31,075,495	32,183,538
13.4 (d) Supplementary Capital						86,215	59,428	59,428	59,428	59,428
13.5 (e) Total Capital (a+d)						30,480,297	35,280,236	34,784,503	31,634,923	32,742,966
13.6 (f) Total risk weighted assets						145,122,238	152,310,594	162,481,336	189,563,890	200,418,661
13.7 (g) Core Capital/Total deposits Liabilities						18.6%	21.6%	20.0%	17.9%	16.2%
13.8 (h) Minimum statutory Ratio						8%	8%	8%	8%	8%
13.9 (i) Excess						10.6%	13.6%	12.0%	9.9%	8.2%
13.10 (j) Core Capital / total risk weighted assets						20.9%	23.1%	21.4%	16.6%	16.3%
13.11 (k) Minimum Statutory Ratio						8%	8%	8%	8%	8%
13.12 (l) Excess (j-k)						12.9%	15.1%	13.4%	8.6%	8.3%
13.13 (m) Total Capital/total risk weighted assets						21.0%	23.2%	21.4%	16.7%	16.3%
13.14 (n) Minimum statutory Ratio						12%	12%	12%	12%	12%
13.15 (o) Excess (m-n)						9.0%	11.2%	9.4%	4.7%	4.3%
14 LIQUIDITY										
14.1 (a) Liquidity Ratio						38.7%	30.7%	32.8%	20.7%	28.7%
14.2 (b) Minimum Statutory Ratio						20.0%	20.0%	20.0%	20.0%	20.0%
14.3 (c) Excess (a-b)						18.7%	10.7%	12.8%	0.7%	8.7%

INTERIM DIVIDEND

The Directors do not recommend payment of interim dividend.

MESSAGE FROM THE DIRECTORS

The above are extracts of financial statements and records of the Bank and Subsidiaries.

M L Oduor-Otieno - Chief Executive

P W Muthoka - Chairman

