

KCB GROUP PLC UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31 MARCH 2020

	UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31 MARCH 2020										ZUZU		
		31-Mar-20 Kshs 000	KCB BANK KENYA 31-Dec-19 Kshs 000	31-Mar-19 Kshs 000	31-Mar-20 Kshs 000	31-Dec-19	31-Mar-19	31-Mar-20 Kshs 000	COMPANY 31-Dec-19	31-Mar-19	31-Mar-20 Kshs 000	GROUP 31-Dec-19	31-Mar-19
I A	STATEMENT OF FINANCIAL POSITION ASSETS	Un-audited	Audited	Un-audited	Un-audited	Kshs 000 Audited	Kshs 000 Un-audited	Un-audited	Kshs 000 Audited	Kshs 000 Un-audited	Un-audited	Kshs 000 Audited	Kshs 000 Un-audited
1 2 3 4	Cash (both Local & Foreign) Balances due from Central Bank of Kenya Kenya Government and other securities held for dealing purposes Financial Assets at fair value through profit and loss Investment securities:	7,012,397 36,538,551 1,018,114	8,412,261 33,809,960 - -	6,218,297 28,808,413 - -	1,736,165 3,800,171 - -	1,333,800 11,346,712 - -	1,128,849 3,619,594 - -	:	- - -	-	15,564,160 40,338,722 1,018,114	15,604,680 45,156,672 - -	10,662,173 28,808,413 - -
5	a) Held at armotized cost: a. Kenya Government securities b. Other securities	53,226,189	53,102,746	40,679,833	37,231,962	37,116,751	18,410,400	-	-	-	90,458,151 8,051,064	90,182,021 8,409,396	43,411,594 6,130,196
6	b) Fair value through OCI: a. Kenya Government securities b. Other securities Deposits and balances due from local banking institutions	89,878,296 1,698,705 6,077,642	63,639,829 1,613,175 10,276,990	73,333,775 3,949,128 6,078,270	7,417,750 - 1,051,419	1,050,939	20,607,680 - 1,341,684	25,240 1,432,715	25,356 1,177,914	33,626 893,966	97,325,778 6,807,967 7,129,061	63,711,225 6,940,734 11,290,453	79,669,319 4,096,159 6,078,270
7 8 9	Deposits and balances due from banking institutions abroad Taxe recoverable Loans and advances to customers (net)	15,603,672 - 463,085,623	4,108,445 458,286 447,154,955	5,058,303 - 424,828,537	395,444 231,360 47,879,059	1,606,864 237,713 45,871,701	302,595 458,370 45,925,331	27,834	27,352	68,639	42,943,498 - 553,861,270	36,356,464 551,675 535,370,260	30,151,070 - 464,262,958
10 11 12	Loans and advances to customers (net) Balances due from group companies Investments in associates	3,892,669	4,818,740 - -	3,251,795	480,881 19,963	515,910 19,963	426,420 19,963	5,997,303 - 79,227,397	6,335,793 - 79,227,397	6,390,520 - 68,036,625	=	=	-
13 14 15	Investments in subsidiary companies Investments in joint ventures Investment properties	10,359,302	10,104,529	6,144,796	4,432,535	4,547,631	4,531,514	611,821	606,651	654,948	20,683,599	20,163,379	9,888,315
16 17	Property and equipment Prepaid lease rentals Intangible assets	123,894 4,992,174	124,516 4,918,474	127,013 3,721,204	975,331	1,041,333	1,321,193	9,117	9,623	-	125,899 6,301,879	126,522 6,337,138	129.018
18 19 20	Deferred tax asset Retirement benefit asset Other assets	9,216,872 - 26,189,737	8,684,284 - 23,074,530	8,746,909 658,000 22,941,808	3,024,490 - 5,120,226	3,103,595 - 4,235,835	2,190,256 - 4,781,418	69 - 326,992	1,221 - 38,354 87,449,661	126,332 - 7,224	13,051,236 - 43,407,837	12,861,416 - 45,510,178	3,847,630 9,494,550 658,000 28,375,763 725,663,428
21 B 22	TOTAL ASSETS LIABILITIES Balances due to Central Bank of Kenya	728,913,837	674,301,720	634,546,081	113,796,756	112,028,747	105,065,267	87,658,488	87,449,661 -	76,211,880 -	947,068,235	898,572,213	_
23 24 25	Customer deposits Deposits and balances due to local banking institutions Deposits and balances due to foreign banking institutions Other money market deposits	580,142,217 1,606,534 1,541,324	528,114,597 7,522,635 1,192,971	491,016,763 500,000 404,185	92,000,375 3,581,037 3,289,035	87,091,263 5,983,472 4,003,782	89,520,567 3,282,329 2,228,356	-	-	- - -	740,444,394 5,187,571 8,092,433	686,583,179 9,509,090 10,861,504	552,204,662 500,000 9,016,377
26 27 28	Other money market deposits Borrowed funds Balances due to group companies	19,222,105	18,463,923	18,734,182	-	-	-	-	-	- - 111,102	21,969,872	21,485,494	21,465,662
29 30 31	Tax payable Dividends payable Deferred tax liability	2,007,973 8,097,915	8,097,915	2,955,282	5,811 -	5,819 -	24,315	-	-	-	2,108,655 - -	135,791 - -	2,723,231
32 33 34	Retirement benefit liability Other liabilities TOTAL LIABILITIES	18,123,042 630,741,110	18,302,045 581.694.086	18,333,118 531.943.530	3,061,076 101,937,334	3,239,991 100,324,327	2,861,270 97,916,837	197,393 197,393	4,368 4,368	70,757 181,859	33,719,230 811.522.155	40,256,047 768.831.105	20,290,172 606,200,104
C 35	SHAREHOLDERS' FUNDS Paid up /Assigned capital	53,986,100	53,986,100	53,986,100	12,368,906	12,368,906	7,368,906	3,213,456 27,690,149	3,213,456 27,690,149	3,066,057 21,646,777	3,213,456	3,213,456 27,690,149	3,066,057
36 37 38	Share premium/(discount) Revaluation reserves Retained earnings/ Accumulated losses	(752,698) 41,143,497	(858,082) 36,214,366	2,260,607 38,580,581	1,255,693 (5,565,416)	1,255,687 (5,455,648)	1,256,148 (5,100,120)	(51,503) 48,575,353	(51,387) 48,559,435	(43,117) 43,695,161	27,690,149 403,794 98,809,635	553,547 93,318,092	21,646,777 2,146,879 90,955,873
39 40 41	Statutory loan loss reserve Other Reserves/Re-measurement of defined benefit asset/liability Proposed dividends	3,795,828 - -	3,265,250 - -	44,100 7,731,163	3,800,239 - -	3,535,475 - -	3,595,944 27,552	8,033,640	8,033,640	7,665,143	6,685,208 (9,289,802) 8,033,640	5,914,702 (8,982,478) 8,033,640	90,955,873 1,222,095 (7,239,500) 7,665,143
42 43 44	Capital grants TOTAL SHAREHOLDERS' FUNDS Minority Interest	98,172,727	92,607,634	102,602,551	11,859,422	11,704,420	7,148,430	87,461,095	87,445,293	76,030,021	135,546,080	129,741,108	119,463,324
45 II	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS STATEMENT OF COMPREHENSIVE INCOME INTEREST INCOME	728,913,837	674,301,720	634,546,081	113,796,756	112,028,747	105,065,267	87,658,488	87,449,661	76,211,880	947,068,235	898,572,213	725,663,428
•	1.1 Loans and advances 1.2 Government securities 1.3 Deposits and placements with banking institutions 1.4 Other Interest Income	11,896,104 3,683,039 190,164	50,614,710 12,010,200 1,124,242	12,101,356 2,762,217 129,078	1,268,617 1,162,797 19,312	4,606,559 4,386,171 35,648	1,169,496 1,178,895 8,286	- 14,425	-	-	14,663,657 5,274,889 268,430	59,011,291 14,066,479 1,272,851	13,387,549 3,230,329 159,386
2	1.5 Total interest income INTEREST EXPENSE 2.1 Customer deposits	15,769,307 3,531,341	63,749,152 13,434,169	14,992,651 3,069,113	2,450,726 596,326	9,028,378 2,131,853	2,356,677 611,944	14,425	-	-	20,206,976 4,685,278	74,350,621 16,265,919	16,777,264 3,575,443
	2.2 Deposits and placement from banking institutions 2.3 Other interest expenses	320,960	1,456,515	361,338	15,565 24,002	460,267 147,679	28,165		-		467,758	1,953,699	493,900
3 4	2.4 Total interest expenses NET INTEREST INCOME/(LOSS) OTHER OPERATING INCOME	3,852,301 11,917,006	14,890,684 48,858,468	3,430,451 11,562,200	635,893 1,814,833	2,739,799 6,288,579	640,109 1,716,568	14,425	-	-	5,153,036 15,053,940	18,219,618 56,131,003	4,069,343 12,707,921
	4.1 Fees and commissions on loans and advances 4.2 Other fees and commissions 4.3 Foreign exchange trading income	2,563,123 1,932,572 971,964	8,804,676 8,017,461 3,137,498	1,668,091 1,782,440 639,912	44,851 299,070 89,737	147,545 1,185,731 551,980	2,056 287,362 145,644	20,795	(3,942)	- (5,013)	2,670,815 2,730,873 1,479,246	9,179,404 10,670,461 4,497,062	2,156,531 1,885,926 976,835
	4.4 Dividend Income 4.5 Other income 4.6 Total other operating income	727,301 6,194,960	3,579,632 23,539,267	916,797 5,007,240	57,000 41,550 532,208	33,800 136,635 2,055,691	48,629 483,691	170,000 34,679 225,474	16,551,183 155,586 16,702,827	24,883 19,870	1,016,126 7,897,060	3,824,612 28,171,539	1,030,682 6,049,974
6	TOTAL OPERATING INCOME OTHER OPERATING EXPENSES 6.1 Loan loss provision	2,510,549	72,397,735 8,719,671	988,314	2,347,041 294,514	1,984,542	2,200,259 357,097	239,899	16,702,827	19,870	22,951,000 2,897,881	8,888,942	18,757,895 1,163,108 4,611,671
	6.2 Staff costs 6.3 Directors' emoluments 6.4 Rental charges	4,123,350 24,710 16,821	15,644,172 323,366 132,753	3,892,235 22,743 191,387	1,001,102 4,761 34,280	4,026,922 41,449 127,190	997,115 9,721 61,903	85,099 10,041	66,500 38,611	12,584 10,373	5,811,719 61,083 109,662	19,459,349 356,030 98,083	65,433 311,496
	6.5 Depreciation charge on property and equipment 6.6 Amortisation charges 6.7 Other operating expenses	514,120 433,055 2,634,622	1,944,821 1,432,055 11,016,949	364,253 285,470 2,661,750	168,044 99,768 510,543	704,351 408,226 1,872,835	176,490 89,553 408,334	2,781 506 122,381	8,610 506 560,077	1,874 - 95,496	832,029 554,047 3,762,502	2,761,425 1,625,137 14,216,218	452,818 300,648 3,356,456
7 8	6.8 Total other operating expenses Profit/(loss) before tax and exceptional items Exceptional items	10,257,227 7,854,739	39,213,787 33,183,948	8,406,152 8,163,288	2,113,012 234,029 -	9,165,515 (821,245) (137,713)	2,100,213 100,046	220,808 19,091	674,304 16,028,523	120,327 (100,457)	14,028,923 8,922,077	47,405,184 36,897,358	10,261,630 8,496,265
9 10 11	Profit(loss) after exceptional items Current tax Deferred tax	7,854,739 (2,465,970) 70,940	33,183,948 (11,589,773) 1,111,726	8,163,288 (2,899,934) 350,266	234,029 - (79,105)	(958,958) (235,339) 857,307	100,046 (4,795) (29,000)	19,091 479 (1,151)	16,028,523 (41,286) (100,948)	(100,457) - 24,165	8,922,077 (2,712,341) 52,314	36,897,358 (11,708,148) (24,042)	8,496,265 (3,096,954) 374,431
12 13 14	Profit/(loss) after tax and exceptional items Minority Interest Profit/(loss) after tax and exceptional items and Minority Interest	70,940 5,459,709 - 5,459,709	22,705,901	5,613,620 - 5,613,620	(79,105) 154,924 154,924	(336,990)	66,251	18,419 - 18,419	15,886,289 - 15,886,289	(76,292) - (76,292)	6,262,050 - 6,262,050	25,165,168 - 25,165,168	5,773,742 - 5,773,742
15	Other Comprehensive income: 15.1 Gains/Llosses from translating the financial statements of foreign operations 15.2 Fair value changes in available-for-sale financial assets	150,549	(3,612,287)	228,651	-	194,861	234,227	(166)	(12,653)	(839)	(307,324) (213,933)	(337,000) (3,746,701)	(381,155) 421,790
	15.3 Re-measurement of defined benefit pension fund 15.4 Share of other comprehensive income of associates 15.5 Income tax relating to components of other comprehensive income	(45,165)	(719,000) - 869,353	(68,595)	-	(8,881)	(70,273)	50	3,796	-	-	(719,000) - 909,550	-
16 17 18	Other comprehensive income for the year net of tax Total comprehensive income for the year EARNINGS PER SHARE- DILUTED & BASIC KSHS	105,384 5,565,093 0.40	(3,461,934) 19,243,967 0.40	160,056 5,773,676 0.42	154,924 0.05	(55,794) 130,186 (206,804)	163,954 230,205 0.04	(116) 18,303 0.02	(8,857) 15,877,432	252 (587) (76,879)	64,180 (457,077) 5,804,973 7.79	(3,893,151) 21,272,017 8.11	[12,190] 28,445 5,802,187 7.53
19 III	DIVIDEND PER SHARE - DECLARED KSHS OTHER DISCLOSURES	-	0.30		-	-	-	-	5.12 3.50	-	-	3.50	- 7.33
1	NON-PERFORMING LOANS AND ADVANCES a) Gross Non-performing loans and advances b) Less Interest in Suspense c) Total Non-Performing Loans and Advances (a-b)	37,422,149 4,403,204	34,786,250 4,050,790	35,929,025 4,256,303	25,078,227 4,895,141	25,175,371 4,530,646	31,480,900 4,524,488				66,200,990 9,641,413	63,396,118 8,984,349	38,823,607 4,639,189
	c) Total Non-Performing Loans and Advances (a-b) d) Less Loan Loss Provision e) Net Non-Performing Loans and Advances(c-d)	33,018,945 19,516,138 13,502,807	30,735,460 17,052,633 13,682,827	31,672,722 14,541,637 17,131,085	20,183,086 10,490,396 9,692,690	20,644,725 10,274,767 10,369,958	26,956,412 14,452,406 12,504,006				56,559,577 30,937,749 25,621,828	54,411,769 28,716,020 25,695,749	34,184,418 15,179,879 19,004,539
2	f) Discounted Value of Securities g) Net NPLs Exposure (e-f) INSIDER LOANS AND ADVANCES	11,473,497 2,029,310	11,604,247 2,078,580	15,798,783 1,332,302	9,291,633 401,057	10,066,760 303,198	11,796,427 707,579				28,300,710 (2,678,882)	26,065,820 (370,071)	21,050,017 (2,045,478)
	a) Directors, Shareholders and Associates b) Employees	2,913,388 13,086,830 16,000,218	1,385,533 12,614,514 14,000,047	2,233,339 11,644,458 13,877,797	37 5,401,972 5,402,009	37 5,492,318 5,492,355	37,219 5,281,345 5,318,564				1,206,571 19,610,008 20,816,579	1,410,254 19,392,521 20,802,775	2,255,696 12,810,656 15,066,352
3	c) Total Insider Loans and Advances and other facilities OFF-BAL ANCE SHEET ITEMS a) Letters of credit, guarantees, acceptances b) Forwards, swaps and options	79,374,884 18,681,757	76,191,558 14,472,705	69,580,493 17,500,426	7,547,409 1,081,138	6,396,276 506,750	5,246,336 1,236,082				98,351,717 21,554,217	91,779,400 15,444,637	76,163,376 17,927,725
	c) Other contingent liabilities d) Total Contingent Liabilities CAPITAL STRENGTH	98,056,641	90,664,263	87,080,919	8,628,547	6,903,026	6,482,418				119,905,934	107,224,037	94,091,101
-	a) Core capital b) Minimum Statutory Capital	92,399,743 1,000,000	90,200,466 1,000,000	89,803,971 1,000,000	6,400,196 1,000,000	6,579,626 1,000,000	2,024,567 1,000,000				126,582,215 7,651,564 118,930,651	124,221,697 6,470,636 117,751,061	112,809,462 6,472,614 106,336,848
	c] Excess (a-b) d] Supplementary Capital e) Total Capital (a-d)	91,399,743 11,697,078 104,096,821	89,200,466 10,866,500 101,066,966	88,803,971 7,560,000 97,363,971	5,400,196 1,165,133 7,565,329	5,579,626 1,154,704 7,734,330	1,024,567 1,245,406 3,269,973				14,586,458 141,168,673	13,515,952 137,737,649	8,782,095 121,591,557
-	f) Total risk weighted assets g) Core Capital/Total deposits Liabilities h) Minimum statutory Ratio	606,969,620 15.9% 8.0%	577,236,270 17.1% 8.0%	548,967,531 18.3% 8.0%	65,953,814 6.7% 8.0%	67,262,493 7.2% 8.0%	86,218,929 2.2% 8.0%				741,289,624 17.1% 8.0%	723,921,493 18.1% 8.0%	622,119,690 20.4% 8.0%
	Excess Core Capital / total risk weighted assets k) Minimum Statutory Ratio	7.9% 15.2% 10.5%	9.1% 15.6% 10.5%	10.3% 16.4% 10.5%	-1.3% 9.7% 10.5%	-0.8% 9.8% 10.5%	-5.8% 2.4% 10.5%				9.1% 17.1% 10.5%	10.1% 17.2% 10.5%	12.4% 18.1% 10.5%
-	Excess -k m Total Capital/total risk weighted assets n Minimum statutory Ratio	4.7% 17.2% 14.5%	5.1% 17.5% 14.5%	5.9% 17.7% 14.5%	-0.8% 11.5% 14.5%	-0.7% 11.5%	-8.1% 3.8% 14.5%				6.6% 19.0% 14.5%	6.7% 19.0% 14.5%	7.6% 19.5% 14.5%
	o) Excess (m-n) p) Adjusted Core Capital/Total Deposit Liabilities*	2.7% 16.4%	3.0% 17.7%	3.2% 19.2%	-3.0% 6.8%	14.5% -3.0% 7.3%	-10.7% 3.1%				4.5% 17.5%	4.5% 18.6%	5.0% 21.3%
5 .	q) Adjusted Core Capital/Total Risk Weighted Assets* r) Adjusted Total Capital/Total Risk Weighted Assets* LIQUIDITY	15.7% 17.6%	16.2% 18.1%	17.2% 18.6%	9.8% 11.6%	10.0% 11.7%	3.3% 4.7%				17.5% 19.4%	17.6% 19.5%	18.9% 20.3%
	a) Liquidity Ratio b) Minimum Statutory Ratio c) Excess [a-b]	35.4% 20.0% 15.4%	30.8% 20.0% 10.8%	32.3% 20.0% 12.3%	45.7% 20.0% 25.7%	46.1% 20.0% 26.1%	40.4% 20.0% 20.4%				40.1% 20.0% 20.1%	37.1% 20.0% 17.1%	35.6% 20.0% 15.6%
	The adjusted capital ratios include the expected credit loss provisions added back to capita! Message from the Directors	l in line with the C	BK guidance note i	ssued in April 201	8 on implementati	on of IFRS9							

Message from the Directors
The above 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 institution's website www.kcbgroup.com They may also be accessed at the institutions Head Office located at Kencom House, Moi Avenue, Nairobi, Kenya.
The financial statements were approved by the Board of Directors on Wednesday 20 May, 2020 and signed on its behalf by:
Andrew W. Kairu – Group Chairman | Joshua Oigara – Group Chief Executive Officer and Managing Director
Regulated by Central Bank of Kenya.

www.kcbgroup.com



