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**UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31ST MARCH 2017**

I	STATEMENT OF FINANCIAL POSITION	31 <sup>st</sup> March 2017	31 <sup>st</sup> December 2016	31 <sup>st</sup> March 2016	II	STATEMENT OF COMPREHENSIVE INCOME	31 <sup>st</sup> March 2017	31 <sup>st</sup> December 2016	31 <sup>st</sup> March 2016	III	OTHER DISCLOSURES	31 <sup>st</sup> March 2017	31 <sup>st</sup> December 2016	31 <sup>st</sup> March 2016
		Shs '000' (Unaudited)	Shs '000' (Audited)	Shs '000' (Unaudited)			Shs '000' (Unaudited)	Shs '000' (Unaudited)	Shs '000' (Audited)			Shs '000' (Unaudited)	Shs '000' (Unaudited)	Shs '000' (Unaudited)
<b>A</b>	<b>ASSETS</b>				<b>1.0</b>	<b>INTEREST INCOME</b>				<b>1.0</b>	<b>NON-PERFORMING LOANS AND ADVANCES</b>			
1	Cash ( both Local & Foreign)	67,714	76,653	39,821	1.1	Loans and advances	86,389	307,369	84,374	(a)	Gross Non-performing loans and advances	78,508	68,743	59,559
2	Balances due from Central Bank of Kenya	292,923	128,624	317,410	1.2	Government securities	31,899	122,604	27,111	(b)	Less Interest in Suspense	11,899	11,992	9,270
3	Kenya Government and other securities held for dealing purposes	-	-	-	1.3	Deposits and placements with banking institutions	10,271	94,466	41,216	<b>(c) Total Non-Performing Loans and Advances (a-b)</b>	<b>66,608</b>	<b>56,752</b>	<b>50,289</b>	
4	Financial Assets of fair value through profit and loss	-	-	-	1.4	Other Interest Income	-	-	-	(d)	Less Loan Loss Provision	59,602	56,505	49,155
5	Investment Securities:				<b>1.5</b>	<b>Total Interest Income</b>	<b>128,559</b>	<b>523,895</b>	<b>152,702</b>	<b>(e) Net Non-Performing Loans and Advances(c-d)</b>	<b>7,006</b>	<b>246</b>	<b>1,134</b>	
a)	Held to Maturity:				<b>2.0</b>	<b>INTEREST EXPENSE</b>				(f)	Discounted Value of Securities	-	-	-
a.	Kenya Government securities	1,368,259	1,697,549	1,484,683	2.1	Customer deposits	30,983	159,610	64,107	<b>(g) Net NPLs Exposure (e-f)</b>	<b>7,006</b>	<b>246</b>	<b>1,134</b>	
b.	Other securities	1,342,237	1,697,549	1,484,683	2.2	Deposits and placement from banking institutions	22,151	126,097	39,559	<b>2.0</b>	<b>INSIDER LOANS AND ADVANCES</b>			
b.	Other securities	26,021	-	-	2.3	Other interest expenses	1,029	17,513	15,570	(a)	Directors, Shareholders and Associates	138,732	124,207	48,599
b)	Available for sale:				2.4	<b>Total Interest Expenses</b>	<b>54,163</b>	<b>303,220</b>	<b>119,237</b>	(b)	Employees	144,627	103,130	126,415
a.	Kenya Government securities	-	-	-	3.0	<b>NET INTEREST INCOME/( LOSS)</b>	<b>74,396</b>	<b>220,676</b>	<b>33,465</b>	<b>(c) Total Insider Loans and Advances and other facilities</b>	<b>283,359</b>	<b>227,337</b>	<b>175,015</b>	
b.	Other securities	-	-	-	<b>4.0</b>	<b>NON-INTEREST INCOME</b>				<b>3.0</b>	<b>OFF-BALANCE SHEET ITEMS</b>			
6	Deposits and balances due from local banking institutions	586,435	95,393	101,126	4.1	Fees and commissions on loans and advances	23,215	57,926	13,111	(a)	Letters of credit, guarantees, acceptances	301,620	1,008,254	501,530
7	Deposits and balances due from banking institutions abroad	197,116	48,549	1,171,165	4.2	Other fees and commissions	6,224	23,340	5,643	(b)	Forwards, swaps and options	-	-	-
8	Tax recoverable	3,898	3,898	-	4.3	Foreign exchange trading income/(loss)	15,390	81,422	29,242	(c)	Other contingent liabilities	29,966	-	478,939
9	Loans and advances to customers (net)	3,192,039	3,058,201	2,876,324	4.4	Dividend Income	-	-	-	<b>(d) Total Contingent Liabilities</b>	<b>331,585</b>	<b>1,008,254</b>	<b>980,469</b>	
10	Balances due from banking institutions in the group	-	-	-	4.5	Other income	23,897	205,624	67,652	<b>4.0</b>	<b>CAPITAL STRENGTH</b>			
11	Investments in associates	-	-	-	4.6	<b>Total Non-interest income</b>	<b>68,726</b>	<b>368,312</b>	<b>115,648</b>	(a)	Core capital	2,134,481	2,131,109	1,114,459
12	Investments in subsidiary companies	-	-	-	5.0	<b>TOTAL OPERATING INCOME</b>	<b>143,122</b>	<b>588,988</b>	<b>149,113</b>	(b)	Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
13	Investments in joint ventures	-	-	-	<b>6.0</b>	<b>OTHER OPERATING EXPENSES</b>				<b>(c) Excess (a-b)</b>	<b>1,134,481</b>	<b>1,131,109</b>	<b>1,143,459</b>	
14	Investment properties	-	-	-	6.1	Loan loss provision	10,782	8,600	(800)	(d)	Supplementary Capital	12,278	12,278	12,278
15	Property and equipment	48,273	51,722	52,281	6.2	Staff costs	61,973	260,080	68,159	<b>(e) Total Capital (a+d)</b>	<b>2,146,759</b>	<b>2,143,386</b>	<b>1,126,736</b>	
16	Prepaid lease rentals	-	-	-	6.3	Directors' emoluments	7,673	28,007	7,480	<b>(f) Total risk weighted assets</b>	<b>4,855,812</b>	<b>5,540,811</b>	<b>4,804,807</b>	
17	Intangible assets	13,824	14,027	17,786	6.4	Rental charges	11,564	45,792	11,243	(a)	Core Capital/Total deposits Liabilities	83.0%	109.4%	87.1%
18	Deferred tax asset	300,327	300,327	325,870	6.5	Depreciation charge on property and equipment	3,950	13,039	2,620	(h)	Minimum statutory Ratio	8.00%	8.00%	8.00%
19	Retirement benefit asset	-	-	-	6.6	Amortisation charges	1,266	5,341	1,357	(i)	Excess/(Deficiency)	75.0%	101.4%	29.1%
20	Other assets	210,249	126,339	147,820	6.7	Other operating expenses	42,227	178,288	41,144	<b>(j) Core Capital / Total risk weighted assets</b>	<b>44.0%</b>	<b>38.5%</b>	<b>23.2%</b>	
21	<b>TOTAL ASSETS</b>	<b>6,281,056</b>	<b>5,601,281</b>	<b>6,538,183</b>	<b>6.8</b>	<b>Total Other Operating Expenses</b>	<b>139,435</b>	<b>539,147</b>	<b>131,202</b>	(k)	Minimum Statutory Ratio	10.50%	10.50%	10.50%
					<b>7.0</b>	<b>Profit/(Loss) before tax and exceptional items</b>	<b>3,688</b>	<b>49,841</b>	<b>17,911</b>	(l)	Excess ( Deficiency) [i-k]	33.5%	28.0%	12.7%
<b>B</b>	<b>LIABILITIES</b>				<b>8.0</b>	<b>Exceptional items</b>	-	-	-	<b>(m) Total Capital/total risk weighted assets</b>	<b>44.2%</b>	<b>38.7%</b>	<b>23.5%</b>	
22	Balances due to Central Bank of Kenya	-	-	479,688	<b>9.0</b>	<b>Profit/(Loss) after exceptional items</b>	<b>3,688</b>	<b>49,841</b>	<b>17,911</b>	(n)	Minimum statutory Ratio	14.5%	14.5%	14.5%
23	Customer deposits	2,571,372	1,947,361	3,001,255	<b>10.0</b>	<b>Current tax</b>	-	-	-	(a)	Excess/ ( Deficiency) (m-n)	29.7%	24.2%	9.0%
24	Deposits and balances due to local banking institutions	534,987	1,43,701	300,090	<b>11.0</b>	<b>Deferred tax</b>	-	25,543	-	<b>5.0</b>	<b>LIQUIDITY</b>			
25	Deposits and balances due to foreign banking institutions	843,810	1,234,123	1,422,804	<b>12.0</b>	<b>Profit/(Loss) after tax and exceptional items</b>	<b>3,688</b>	<b>24,298</b>	<b>17,911</b>	(a)	Liquidity Ratio	44.2%	34.4%	30.4%
26	Other money market deposits	-	-	-	<b>13.0</b>	<b>Minority Interest</b>	-	-	-	(b)	Minimum Statutory Ratio	20.0%	20.0%	20.0%
27	Borrowed funds	-	-	-	<b>14.0</b>	<b>Profit/(Loss) after tax, exceptional items and Minority Interest</b>	<b>3,688</b>	<b>24,298</b>	<b>17,911</b>	<b>(c) Excess/ ( Deficiency) (a-b)</b>	<b>24.2%</b>	<b>14.4%</b>	<b>10.4%</b>	
28	Balances due to banking institutions in the group	-	-	-	<b>15.0</b>	<b>Other Comprehensive Income</b>	-	-	-					
29	Tax payable	-	-	-	<b>15.1</b>	Gains/(Losses) from translating the financial statements of foreign operations	-	-	-					
30	Dividends payable	-	-	-	15.2	Fair value changes in available for sale financial assets	-	-	-					
31	Deferred tax liability	-	-	-	15.3	Revaluation surplus on Property, plant and equipment	-	-	-					
32	Retirement benefit liability	-	-	-	15.4	Share of other comprehensive income of associates	-	-	-					
33	Other liabilities	182,284	132,711	198,654	15.5	Income tax relating to components of other comprehensive income	-	-	-					
34	<b>TOTAL LIABILITIES</b>	<b>4,132,453</b>	<b>3,457,895</b>	<b>5,402,492</b>	<b>16.0</b>	<b>Other Comprehensive Income for the year net of tax</b>	-	-	-					
<b>C</b>	<b>SHAREHOLDERS' FUNDS</b>				<b>17.0</b>	<b>Total comprehensive income for the year</b>	<b>3,688</b>	<b>24,298</b>	<b>17,911</b>					
35	Paid up /Assigned capital	1,261,713	1,261,713	1,393,363	<b>18.0</b>	<b>EARNINGS PER SHARE- BASIC &amp; DILUTED</b>	-	-	-					
36	Share premium/(discount)	2,384,754	2,384,754	1,253,104	<b>19.0</b>	<b>DIVIDEND PER SHARE- DECLARED</b>	-	-	-					
37	Revolution reserves	-	-	-										
38	Retained earnings/Accumulated losses	(1,510,142)	(1,515,359)	(1,523,053)										
39	Statutory loan loss reserves	12,278	12,278	12,278										
40	Other Reserves	-	-	-										
41	Proposed dividends	-	-	-										
42	Capital grants	-	-	-										
43	<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>2,148,603</b>	<b>2,143,386</b>	<b>1,135,692</b>										
44	Minority Interest	-	-	-										
45	<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>6,281,056</b>	<b>5,601,281</b>	<b>6,538,183</b>										

These financial statements are extracts from the books of the institution. The complete set of quarterly financial statements , statutory, and qualitative disclosures can be assessed on the institutions website <http://ubagroup.com/countries/ke/>. They may also be accessed at the institution's head office located at 1st floor, Apollo Centre, Ring Road, Woodvale Close, Westlands

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