

## AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST DECEMBER 2016

I BALANCE SHEET		Dec -16 (Audited) Shs '000	Dec - 15 (Audited) Shs '000
<b>A ASSETS</b>			
1	Cash ( both Local & Foreign)	76,653	46,767
2	Balances due from Central Bank of Kenya	128,624	196,299
3	Kenya Government and other securities held for dealing purposes	-	-
4	Financial Assets at fair value through profit and loss	-	-
5	Investment Securities:		
	a) Held to Maturity:	1,697,549	1,402,444
	a. Kenya Government securities	1,697,549	1,402,444
	b. Other securities	-	-
	b) Available for sale:	-	-
	a. Kenya Government securities	-	-
	b. Other securities	-	-
6	Deposits and balances due from local banking institutions	95,393	2,084
7	Deposits and balances due from banking institutions abroad	48,549	2,899,113
8	Tax recoverable	3,898	3,898
9	Loans and advances to customers (net)	3,058,201	2,733,280
10	Balances due from banking institutions in the group	-	-
11	Investments in associates	-	-
12	Investments in subsidiary companies	-	-
13	Investments in joint ventures	-	-
14	Investment properties	-	-
15	Property and equipment	51,722	54,304
16	Prepaid lease rentals	-	-
17	Intangible assets	14,027	18,745
18	Deferred tax asset	300,327	325,870
19	Retirement benefit asset	-	-
20	Other assets	126,339	98,433
21	<b>TOTAL ASSETS</b>	<b>5,601,281</b>	<b>7,781,236</b>
<b>B LIABILITIES</b>			
22	Balances due to Central Bank of Kenya	-	579,113
23	Customer deposits	1,947,361	4,137,009
24	Deposits and balances due to local banking institutions	143,701	807,146
25	Deposits and balances due to foreign banking institutions	1,234,123	1,004,299
26	Other money market deposits	-	-
27	Borrowed funds	-	-
28	Balances due to banking institutions in the group	-	-
29	Tax payable	-	-
30	Dividends payable	-	-
31	Deferred tax liability	-	-
32	Retirement benefit liability	-	-
33	Other liabilities	132,711	134,580
34	<b>TOTAL LIABILITIES</b>	<b>3,457,895</b>	<b>6,662,148</b>
<b>C SHAREHOLDERS' FUNDS</b>			
35	Paid up /Assigned capital	1,261,713	1,393,363
36	Share premium/(discount)	2,384,754	1,253,104
37	Revaluation reserves	-	-
38	Retained earnings/Accumulated losses	(1,515,359)	(1,539,657)
39	Statutory loan loss reserves	12,278	12,278
40	Other Reserves	-	-
41	Proposed dividends	-	-
42	Capital grants	-	-
43	<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>2,143,386</b>	<b>1,119,088</b>
44	Minority Interest	-	-
45	<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>5,601,281</b>	<b>7,781,236</b>
<b>II PROFIT AND LOSS ACCOUNT</b>			
		Dec -16 (Audited) Shs '000	Dec - 15 (Audited) Shs '000
<b>1.0 INTEREST INCOME</b>			
1.1	Loans and advances	307,369	179,600
1.2	Government securities	122,060	126,392
1.3	Deposits and placements with banking institutions	94,466	99,255
1.4	Other Interest Income	-	-
1.5	<b>Total interest income</b>	<b>523,895</b>	<b>405,247</b>
<b>2.0 INTEREST EXPENSE</b>			
2.1	Customer deposits	159,610	194,165
2.2	Deposits and placement from banking institutions	126,097	79,094
2.3	Other interest expenses	17,513	21,492
2.4	<b>Total interest expenses</b>	<b>303,220</b>	<b>294,752</b>
3.0	<b>NET INTEREST INCOME/( LOSS)</b>	<b>220,676</b>	<b>110,495</b>
<b>4.0 NON-INTEREST INCOME</b>			
4.1	Fees and commissions on loans and advances	57,926	134,586
4.2	Other fees and commissions	23,340	21,604
4.3	Foreign exchange trading income/(loss)	81,422	43,960
4.4	Dividend Income	-	-
4.5	Other income	205,624	38,285
4.6	<b>Total Non-interest income</b>	<b>368,312</b>	<b>238,435</b>
5.0	<b>TOTAL OPERATING INCOME</b>	<b>588,988</b>	<b>348,930</b>
<b>6.0 OTHER OPERATING EXPENSES</b>			
6.1	Loan loss provision	8,600	20,093
6.2	Staff costs	260,080	278,512
6.3	Directors' emoluments	28,007	30,318
6.4	Rental charges	45,792	46,140
6.5	Depreciation charge on property and equipment	13,039	33,648
6.6	Amortisation charges	5,341	5,837
6.7	Other operating expenses	178,288	238,327
6.8	<b>Total Other Operating Expenses</b>	<b>539,147</b>	<b>652,876</b>
7.0	<b>Profit/(Loss) before tax and exceptional items</b>	<b>49,841</b>	<b>(303,946)</b>
8.0	Exceptional items	-	-
9.0	<b>Profit/(Loss) after exceptional items</b>	<b>49,841</b>	<b>(303,946)</b>
10.0	Current tax	-	-
11.0	Deferred tax	25,543	(41,293)
12.0	<b>Profit/(Loss) after tax and exceptional items</b>	<b>24,298</b>	<b>(262,653)</b>
13.0	Minority Interest	-	-
14.0	<b>Profit/(Loss) after tax, exceptional items and Minority Interest</b>	<b>24,298</b>	<b>(262,653)</b>
<b>15.0 Other Comprehensive Income</b>			
15.1	Gains/(Losses) from translating the financials of foreign operations	-	-
15.2	Fair value changes in available for sale financial assets	-	-
15.3	Revaluation surplus on Property, plant and equipment	-	-
15.4	Share of other comprehensive income of associates	-	-
15.5	Income tax relating to components of other comprehensive income	-	-
16.0	<b>Other Comprehensive Income for the year net of tax</b>	<b>-</b>	<b>-</b>
17.0	<b>Total comprehensive income for the year</b>	<b>24,298</b>	<b>(262,653)</b>
<b>EARNINGS PER SHARE- BASIC &amp; DILUTED</b>			

## III OTHER DISCLOSURES

## 1.0 NON-PERFORMING LOANS AND ADVANCES

	Dec -16 (Audited) Shs '000	Dec - 15 (Audited) Shs '000
(a) Gross Non-performing loans and advances	68,743	57,839
(b) Less Interest in Suspense	11,992	8,702
<b>(c) Total Non-Performing Loans and Advances (a-b)</b>	<b>56,752</b>	<b>49,137</b>
(d) Less Loan Loss Provision	56,505	47,955
<b>(e) Net Non-Performing Loans and Advances(c-d)</b>	<b>246</b>	<b>1,182</b>
(f) Discounted Value of Securities	-	-
<b>(g) Net NPLs Exposure (e-f)</b>	<b>246</b>	<b>1,182</b>

## 2.0 INSIDER LOANS AND ADVANCES

	Dec -16 (Audited) Shs '000	Dec - 15 (Audited) Shs '000
(a) Directors, Shareholders and Associates	124,207	149,313
(b) Employees	103,130	110,852
<b>(c) Total Insider Loans and Advances and other facilities</b>	<b>227,337</b>	<b>260,165</b>

## 3 OFF-BALANCE SHEET ITEMS

	Dec -16 (Audited) Shs '000	Dec - 15 (Audited) Shs '000
(a) Letters of credit, guarantees, acceptances	1,008,254	328,484
(b) Forwards, swaps and options	-	-
(c) Other contingent liabilities	-	-
<b>(d) Total Contingent Liabilities</b>	<b>1,008,254</b>	<b>328,484</b>

## 4.0 CAPITAL STRENGTH

	Dec -16 (Audited) Shs '000	Dec - 15 (Audited) Shs '000
(a) Core capital	2,131,109	1,106,810
(b) Minimum Statutory Capital	1,000,000	1,000,000
(c) Excess (a-b)	1,131,109	106,810
(d) Supplementary Capital	12,278	12,278
<b>(e) Total Capital (a+d)</b>	<b>2,143,386</b>	<b>1,119,088</b>
<b>(f) Total risk weighted assets</b>	<b>5,540,811</b>	<b>4,703,784</b>
<b>(g) Core Capital/Total deposits Liabilities</b>	<b>109.4%</b>	<b>26.8%</b>
(h) Minimum statutory Ratio	10.50%	10.50%
(i) Excess/ (Deficiency)	98.9%	16.3%
<b>(j) Core Capital / total risk weighted assets</b>	<b>38.5%</b>	<b>23.5%</b>
(k) Minimum Statutory Ratio	10.50%	10.50%
(l) Excess ( Deficiency) (j-k)	28.0%	13.0%
<b>(m) Total Capital/total risk weighted assets</b>	<b>38.7%</b>	<b>23.8%</b>
(n) Minimum statutory Ratio	14.5%	14.5%
(o) Excess/ ( Deficiency) (m-n)	24.2%	9.3%

## 5.0 LIQUIDITY

	Dec -16 (Audited) Shs '000	Dec - 15 (Audited) Shs '000
(a) Liquidity Ratio	34.4%	52.1%
(b) Minimum Statutory Ratio	20.0%	20.0%
<b>(c) Excess/ ( Deficiency) (a-b)</b>	<b>14.4%</b>	<b>32.1%</b>

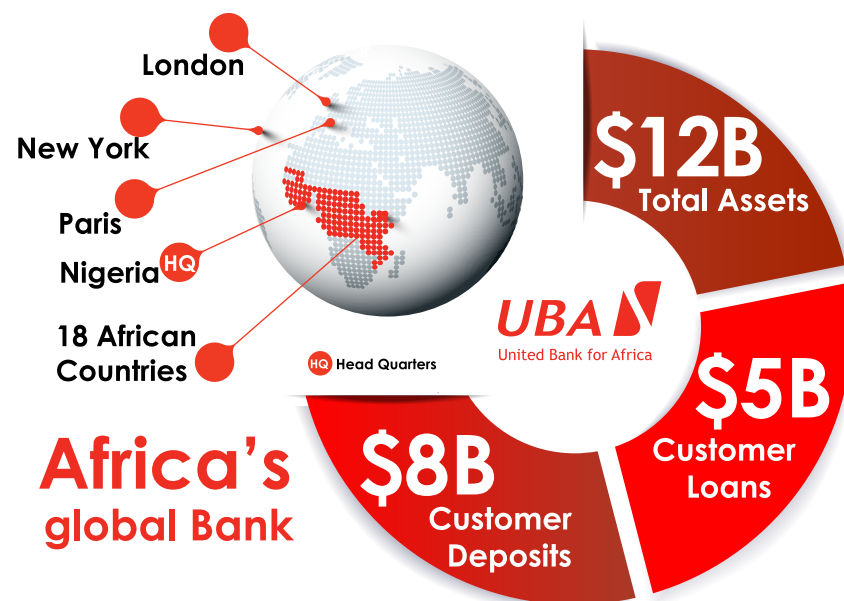
The above statement of financial position, statements of comprehensive income and other disclosures are extracts from the books of the institution. These financial statements and other disclosures can be accessed on the institution's website <http://ubagroup.com/countries/ke/>. They may also be accessed at the institution's head office located at 1st floor, Apollo Centre, Ring Road, Westlands.

ISAAC MWIGE  
MANAGING DIRECTOR/C.E.O.

JAMES OLUBAYI  
CHAIRMAN

United Bank for Africa Plc  
The Group Financial Results at a glance

UBA  
United Bank for Africa



- o Gross Earnings: \$ 1.3 billion, up 22% YoY
- o Operating Income: \$ 889 million, a 29% YoY growth
- o Profit Before Tax: \$ 298 million, translating to 32% YoY growth
- o Total Assets: \$11.5 billion
- o Deposits: \$ 8.2 billion, translating to 19% YoY growth
- o Net Loans: \$ 5 billion; a 45% YoY growth
- o BASEL II capital adequacy ratio of 20%

UBA Kenya Bank Limited is a member of United Bank for Africa Plc Group, a leading financial services group in sub-Saharan Africa, with presence in 19 African countries, as well as the United Kingdom, the United States of America and France.