

STANDARD CHARTERED BANK KENYA LIMITED  
CONSOLIDATED PROFIT AND LOSS STATEMENT  
FULL YEAR FINANCIAL STATEMENTS AND OTHER DISCLOSURES

II	PROFIT AND LOSS ACCOUNT	31.03.2011 Shs. '000' Un-audited	31.12.2011 Shs. '000' Audited	31.03.2012 Shs. '000' Un-audited
1	<b>INTEREST INCOME</b>			
1.1	Loans and advances	1,676,078	9,546,532	3,953,511
1.2	Government securities	740,937	2,240,570	879,371
1.3	Deposits and placements with banking institutions	19,028	263,286	49,706
1.4	Other Interest Income	13,418	72,329	16,533
1.5	<b>Total Interest Income</b>	<b>2,449,461</b>	<b>12,122,717</b>	<b>4,899,121</b>
2	<b>INTEREST EXPENSES</b>			
2.1	Customer deposits	176,195	1,153,556	837,607
2.2	Deposits and placements from banking institutions	63,871	826,627	389,889
2.3	Other Interest Expenses	2,539	27,498	11,441
2.4	<b>Total Interest Expenses</b>	<b>242,605</b>	<b>2,007,681</b>	<b>1,238,937</b>
3	<b>NET INTEREST INCOME/(LOSS)</b>	<b>2,206,856</b>	<b>10,115,036</b>	<b>3,660,184</b>
4	<b>NON-OPERATING INCOME</b>			
4.1	Fees and commissions on loans and advances	119,963	766,316	133,907
4.2	Other fees and commissions	674,172	2,636,120	653,028
4.3	Foreign Exchange trading income/ (loss)	700,401	2,586,397	517,346
4.4	Dividend Income	-	-	-
4.5	Other income	408,316	110,398	507,343
4.6	<b>Total Non-Interest Income</b>	<b>1,902,852</b>	<b>6,099,231</b>	<b>1,811,624</b>
5	<b>TOTAL OPERATING INCOME</b>	<b>4,109,708</b>	<b>16,214,267</b>	<b>5,471,808</b>
6	<b>OTHER OPERATING EXPENSES</b>			
6.1	Loan loss provision	135,536	561,217	134,301
6.2	Staff costs	894,340	3,621,200	1,108,167
6.3	Directors' emoluments	28,513	123,734	31,460
6.4	Rentals charges	64,210	329,089	85,921
6.5	Depreciation charge on property and equipment	43,924	341,857	127,589
6.6	Amortisation charges	91,976	369,282	88,191
6.7	Other operating expenses	537,168	2,612,753	639,583
6.8	<b>Total Other Operating Expenses</b>	<b>1,795,667</b>	<b>7,959,132</b>	<b>2,215,212</b>
7	<b>Profit/ (loss) before tax and exceptional items</b>	<b>2,314,041</b>	<b>8,255,135</b>	<b>3,256,596</b>
8	Exceptional items	-	-	-
9	<b>Profit/ (loss) after exceptional items</b>	<b>2,314,041</b>	<b>8,255,135</b>	<b>3,256,596</b>
10	Current tax	735,515	2,576,029	1,015,945
11	Deferred tax	(62,179)	(157,715)	(72,453)
12	<b>Profit/ (loss) after tax and exceptional items</b>	<b>1,640,705</b>	<b>5,836,821</b>	<b>2,313,104</b>

STANDARD CHARTERED BANK KENYA LIMITED  
COMPANY PROFIT AND LOSS STATEMENT  
FULL YEAR FINANCIAL STATEMENTS AND OTHER DISCLOSURES

II	PROFIT AND LOSS ACCOUNT	31.03.2011 Shs. '000' Un-audited	31.12.2011 Shs. '000' Audited	31.03.2012 Shs. '000' Un-audited
1	<b>INTEREST INCOME</b>			
1.1	Loans and advances	1,676,078	9,546,532	3,953,511
1.2	Government securities	740,937	2,240,570	879,371
1.3	Deposits and placements with banking institutions	19,028	263,286	49,706
1.4	Other Interest Income	13,418	72,329	16,533
1.5	<b>Total Interest Income</b>	<b>2,449,461</b>	<b>12,122,717</b>	<b>4,899,121</b>
2	<b>INTEREST EXPENSES</b>			
2.1	Customer deposits	177,313	1,156,993	851,634
2.2	Deposits and placements from banking institutions	63,871	826,627	389,889
2.3	Other Interest Expenses	2,539	27,498	11,441
2.4	<b>Total Interest Expenses</b>	<b>243,723</b>	<b>2,011,118</b>	<b>1,252,964</b>
3	<b>NET INTEREST INCOME/(LOSS)</b>	<b>2,205,738</b>	<b>10,111,599</b>	<b>3,646,157</b>
4	<b>NON-OPERATING INCOME</b>			
4.1	Fees and commissions on loans and advances	119,963	766,316	133,907
4.2	Other fees and commissions	672,616	2,621,495	647,296
4.3	Foreign Exchange trading income/ (loss)	700,401	2,586,397	517,346
4.4	Dividend Income	-	-	-
4.5	Other income	408,316	110,398	507,343
4.6	<b>Total Non-Interest Income</b>	<b>1,901,296</b>	<b>6,084,606</b>	<b>1,805,892</b>
5	<b>TOTAL OPERATING INCOME</b>	<b>4,107,034</b>	<b>16,196,205</b>	<b>5,452,049</b>
6	<b>OTHER OPERATING EXPENSES</b>			
6.1	Loan loss provision	135,536	561,217	134,301
6.2	Staff costs	892,402	3,613,501	1,104,104
6.3	Directors' emoluments	28,513	123,734	31,460
6.4	Rentals charges	64,210	329,089	85,921
6.5	Depreciation charge on property and equipment	43,924	341,857	127,589
6.6	Amortisation charges	91,976	369,282	88,191
6.7	Other operating expenses	537,075	2,606,685	639,451
6.8	<b>Total Other Operating Expenses</b>	<b>1,793,636</b>	<b>7,945,365</b>	<b>2,211,017</b>
7	<b>Profit/ (loss) before tax and exceptional items</b>	<b>2,313,398</b>	<b>8,250,840</b>	<b>3,241,032</b>
8	Exceptional items	-	-	-
9	<b>Profit/ (loss) after exceptional items</b>	<b>2,313,398</b>	<b>8,250,840</b>	<b>3,241,032</b>
10	Current tax	735,515	2,574,428	1,015,945
11	Deferred tax	(62,383)	(157,594)	(72,453)
12	<b>Profit/ (loss) after tax and exceptional items</b>	<b>1,640,266</b>	<b>5,834,006</b>	<b>2,297,540</b>

NAME OF INSTITUTION: STANDARD CHARTERED BANK KENYA LIMITED  
CONSOLIDATED FULL YEAR FINANCIAL STATEMENTS AND DISCLOSURES

<b>I BALANCE SHEET</b>	<b>31.03.2011</b>	<b>31.12.2011</b>	<b>31.03.2012</b>
	<b>Shs. '000'</b>	<b>Shs. '000'</b>	<b>Shs. '000'</b>
<b>A. ASSETS</b>	<b>Un-audited</b>	<b>Audited</b>	<b>Un-audited</b>
1. Cash (both local and foreign)	2,117,157	2,926,464	2,296,711
2. Balances due from Central Bank of Kenya	5,710,659	9,078,590	6,465,395
3. Kenya Government Securities	42,835,166	24,584,908	30,410,177
4. Foreign Currency Treasury bills and bonds	-	-	-
5. Deposits and balances due from local banking institutions	2,341,244	1,936,706	1,914,266
6. Deposits and balances due from banking institutions abroad	171,571	605,721	599,298
7. Kenya Government and other securities held for dealing purposes	4,509,282	468,735	6,477,583
8. Tax recoverable	-	-	-
9. Loans and advances to customers (net)	68,524,021	96,097,823	96,525,855
10. Investment Securities	-	-	-
11. Balances due from group companies	8,381,025	16,678,067	12,536,931
12. Investments in associates	-	-	-
13. Investments in subsidiary companies	-	-	-
14. Investments in joint ventures	-	-	-
15. Investment properties	-	-	-
16. Property and equipment	3,465,009	4,113,491	4,066,224
17. Prepaid lease rentals	109,785	107,042	276,092
18. Intangible assets	4,648,433	4,373,307	4,273,536
19. Deferred tax asset	-	327,104	54,505
20. Retirement benefit asset	-	-	-
21. Other assets	2,356,808	2,748,666	3,408,033
<b>22. TOTAL ASSETS</b>	<b>145,170,160</b>	<b>164,046,624</b>	<b>169,304,606</b>
<b>B. LIABILITIES</b>			
23. Balances due to Central Bank of Kenya	2,660,437	-	-
24. Customer deposits	101,469,158	122,323,049	118,586,112
25. Deposits and balances due to local banking institutions	1,759,643	4,983,727	1,234,899
26. Deposits and balances due to banking institutions abroad	1,086,386	2,755,260	4,452,459
27. Other money market deposits	-	-	-
28. Borrowed funds	-	-	-
29. Balances due to group companies	9,830,067	8,183,214	12,958,495
30. Tax payable	764,543	108,172	1,121,966
31. Dividends payable	-	-	-
32. Deferred tax liability	799,248	-	-
33. Retirement benefit liability	168,251	49,000	14,855
34. Other liabilities	5,237,890	4,949,746	7,102,060
<b>35. TOTAL LIABILITIES</b>	<b>123,775,623</b>	<b>143,352,168</b>	<b>145,470,846</b>
<b>C. SHAREHOLDERS' FUNDS</b>			
36. Paid up/Assigned Capital	1,715,386	1,715,386	1,715,386
37. Share premium/ (discount)	4,836,258	4,836,258	4,836,258
38. Revaluation reserves	598,986	(1,764,804)	(954,802)
39. Retained earnings/ Accumulated losses	9,536,519	10,240,075	12,585,483
40. Statutory Reserve	274,050	452,010	419,706
42. Proposed dividends	2,524,846	3,325,848	3,325,848
43. Capital grants	1,908,492	1,889,683	1,905,881
<b>44. TOTAL SHAREHOLDERS' EQUITY</b>	<b>21,394,537</b>	<b>20,694,456</b>	<b>23,833,760</b>
<b>45. TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>145,170,160</b>	<b>164,046,624</b>	<b>169,304,606</b>

NAME OF INSTITUTION: STANDARD CHARTERED BANK KENYA LIMITED  
COMPANY FULL YEAR FINANCIAL STATEMENTS AND DISCLOSURES

<b>I BALANCE SHEET</b>	<b>31.03.2011</b>	<b>31.12.2011</b>	<b>31.03.2012</b>
	<b>Shs. '000'</b>	<b>Shs. '000'</b>	<b>Shs. '000'</b>
<b>A. ASSETS</b>	<b>Un-audited</b>	<b>Audited</b>	<b>Un-audited</b>
1. Cash (both local and foreign)	2,117,157	2,926,464	2,296,711
2. Balances due from Central Bank of Kenya	5,710,659	9,078,590	6,465,395
3. Kenya Government Securities	42,835,166	24,584,908	30,410,177
4. Foreign Currency Treasury bills and bonds	-	-	-
5. Deposits and balances due from local banking institutions	2,341,244	1,936,706	1,914,266
6. Deposits and balances due from banking institutions abroad	171,571	605,721	599,298
7. Kenya Government and other securities held for dealing purposes	4,509,282	468,735	6,477,583
8. Tax recoverable	-	-	-
9. Loans and advances to customers (net)	68,524,021	96,097,823	96,525,855
10. Investment Securities	-	-	-
11. Balances due from group companies	8,381,025	16,678,067	12,536,931
12. Investments in associates	-	-	-
13. Investments in subsidiary companies	140,243	140,243	140,243
14. Investments in joint ventures	-	-	-
15. Investment properties	-	-	-
16. Property and equipment	3,465,009	4,113,491	4,066,224
17. Prepaid lease rentals	109,785	107,042	276,092
18. Intangible assets	4,648,433	4,373,307	4,273,536
19. Deferred tax asset	-	321,875	49,277
20. Retirement benefit asset	-	-	-
21. Other assets	2,352,650	2,748,666	3,407,000
<b>22. TOTAL ASSETS</b>	<b>145,306,245</b>	<b>164,181,638</b>	<b>169,438,588</b>
<b>B. LIABILITIES</b>			
23. Balances due to Central Bank of Kenya	2,660,437	-	-
24. Customer deposits	101,469,158	122,323,049	118,586,112
25. Deposits and balances due to local banking institutions	1,759,643	4,983,727	1,234,899
26. Deposits and balances due to banking institutions abroad	1,086,386	2,755,260	4,452,459
27. Other money market deposits	-	-	-
28. Borrowed funds	-	-	-
29. Balances due to group companies	10,091,079	8,448,868	13,236,577
30. Tax payable	773,381	120,027	1,135,926
31. Dividends payable	-	-	-
32. Deferred tax liability	804,152	-	-
33. Retirement benefit liability	168,251	49,000	14,855
34. Other liabilities	5,220,295	4,930,701	7,083,014
<b>35. TOTAL LIABILITIES</b>	<b>124,032,782</b>	<b>143,610,632</b>	<b>145,743,842</b>
<b>C. SHAREHOLDERS' FUNDS</b>			
36. Paid up/Assigned Capital	1,715,386	1,715,386	1,715,386
37. Share premium/ (discount)	4,836,258	4,836,258	4,836,258
38. Revaluation reserves	598,986	(1,764,804)	(954,802)
39. Retained earnings/ Accumulated losses	9,415,445	10,116,625	12,446,469
40. Statutory Reserve	274,050	452,010	419,706
42. Proposed dividends	2,524,846	3,325,848	3,325,848
43. Capital grants	1,908,492	1,889,683	1,905,881
<b>44. TOTAL SHAREHOLDERS' EQUITY</b>	<b>21,273,463</b>	<b>20,571,006</b>	<b>23,694,746</b>
<b>45. TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>145,306,245</b>	<b>164,181,638</b>	<b>169,438,588</b>

**STANDARD CHARTERED BANK KENYA LIMITED**  
**FULL YEAR FINANCIAL STATEMENTS AND OTHER DISCLOSURES**

<b>III. OTHER DISCLOSURES</b>	<b>31.03.2011</b>	<b>31.12.2011</b>	<b>31.03.2012</b>
	Shs. '000'	Shs. '000'	Shs. '000'
	Un-audited	Audited	Un-audited
<b>1) NON-PERFORMING LOANS AND ADVANCES</b>			
a) Gross non-performing loans and advances	1,247,939	1,030,827	1,236,083
Less			
b) Interest in suspense	415,044	354,081	371,528
<b>c) Net Non-Performing Loans and Advances (a-b)</b>	<b>832,895</b>	<b>676,746</b>	<b>864,555</b>
Less			
d) Loan loss Provisions	445,345	423,503	405,090
<b>e) Net Non-Performing Loans (c-d)</b>	<b>387,550</b>	<b>253,243</b>	<b>459,465</b>
f) Realizable Value of Securities	301,277	127,194	339,824
<b>g) Net NPLs Exposure (e-f)</b>	<b>86,273</b>	<b>126,049</b>	<b>119,641</b>
<b>2) INSIDER LOANS AND ADVANCES</b>			
a) Directors, shareholders and associates	30,615	65,570	65,615
b) Employees	2,468,899	2,699,329	2,739,295
<b>c) Total Insider Loans, Advances and Other Facilities</b>	<b>2,499,514</b>	<b>2,764,899</b>	<b>2,804,910</b>
<b>3) OFF-BALANCE SHEET ITEMS</b>			
a) Letters of credit, guarantees, acceptances	32,071,727	32,309,595	36,568,688
b) Other contingent items	56,765,232	54,725,047	58,087,843
<b>c) Total Contingent Liabilities</b>	<b>88,836,959</b>	<b>87,034,642</b>	<b>94,656,531</b>
<b>4) CAPITAL STRENGTH</b>			
a) Core Capital	12,328,660	14,122,455	15,402,417
b) Minimum Statutory Capital	500,000	700,000	700,000
c) Excess/ (Deficiency)	11,828,660	13,422,455	14,702,417
d) Supplementary Capital	340,487	2,291,330	2,225,594
<b>e) Total capital (a+d)</b>	<b>12,669,147</b>	<b>16,413,785</b>	<b>17,628,011</b>
f) Total risk weighted assets	89,912,649	114,759,981	117,310,348
g) Core capital/total deposit liabilities	12%	12%	13%
h) Minimum Statutory Ratio	8%	8%	8%
i) Excess/ (Deficiency) (g-h)	4%	4%	5%
j) Core capital/total risk weighted assets	14%	12%	13%
k) Minimum Statutory Ratio	8%	8%	8%
l) Excess/ (Deficiency) (j-k)	6%	4%	5%
m) Total capital/total risk weighted assets	14%	14%	15%
n) Minimum Statutory Ratio	12%	12%	12%
o) Excess/ (Deficiency) (m-n)	2%	2%	3%
<b>5) LIQUIDITY</b>			
a) Liquidity Ratio	47%	34%	35%
b) Minimum Statutory Ratio	20%	20%	20%
c) Excess/ (Deficiency) (a-b)	27%	14%	15%