

UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31ST MARCH 2015

I STATEMENT OF FINANCIAL POSITION

	Mar 2015 Shs 000 (Unaudited)	Dec 2014 Shs 000 (Audited)	Mar 2014 Shs 000 (Unaudited)
A ASSETS			
1 Cash (both Local & Foreign)	56,834	54,061	73,131
2 Balances due from Central Bank of Kenya	408,089	431,981	154,286
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:	1,894,053	1,473,384	1,530,944
a. Kenya Government securities	1,894,053	1,473,384	1,530,944
b. Other securities			
b) Available for sale:			
a. Kenya Government securities			
b. Other securities			
6 Deposits and balances due from local banking institutions	294,392	1,054,773	136,201
7 Deposits and balances due from banking institutions abroad	624,750	535,572	841,772
8 Tax recoverable	3,898	3,898	3,898
9 Loans and advances to customers (net)	1,552,983	734,061	805,312
10 Balances due from banking institutions in the group			6,707
11 Investments in associates			
12 Investments in subsidiary companies			
13 Investments in joint ventures			
14 Investment properties			
15 Property and equipment	61,779	68,800	68,240
16 Prepaid lease rentals			
17 Intangible assets	18,586	19,894	5,525
18 Deferred tax asset	284,577	284,577	235,218
19 Retirement benefit asset			
20 Other assets	133,036	94,785	123,176
21 TOTAL ASSETS	5,332,978	4,755,787	3,984,411
B LIABILITIES			
22 Balances due to Central Bank of Kenya			
23 Customer deposits	3,876,761	3,576,275	2,825,168
24 Deposits and balances due to local banking institutions			85,000
25 Deposits and balances due to foreign banking institutions	184,928		17,876
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	49,090	40,551	48,923
34 TOTAL LIABILITIES	4,110,779	3,616,826	2,976,966
C SHAREHOLDERS' FUNDS			
35 Paid up /Assigned capital	1,655,603	1,564,473	1,287,975
36 Share premium/(discount)	839,214	839,214	752,952
37 Revaluation reserves			
38 Retained earnings/(Accumulated losses)	(1,284,896)	(1,277,004)	(1,033,483)
39 Statutory loan loss reserves	12,278	12,278	
40 Other Reserves			
41 Proposed dividends			
42 Capital grants			
43 TOTAL SHAREHOLDERS' FUNDS	1,222,199	1,138,961	1,007,444
44 Minority Interest			
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	5,332,978	4,755,787	3,984,411

II STATEMENT OF COMPREHENSIVE INCOME

1.0 INTEREST INCOME			
1.1 Loans and advances	33,546	93,062	23,063
1.2 Government securities	35,145	106,013	26,044
1.3 Deposits and placements with banking institutions	13,796	31,512	10,028
1.4 Other Interest Income			
1.5 Total interest income	82,488	230,587	59,135
2.0 INTEREST EXPENSE			
2.1 Customer deposits	48,376	150,579	30,925
2.2 Deposits and placement from banking institutions	5,152	4,913	4,602
2.3 Other interest expenses	122	10,409	5,642
2.4 Total interest expenses	53,650	165,901	41,168
3.0 NET INTEREST INCOME/(LOSS)	28,838	64,686	17,966
4.0 NON-INTEREST INCOME			
4.1 Fees and commissions on loans and advances	74,051	73,926	40,926
4.2 Other fees and commissions	4,752	34,157	5,347
4.3 Foreign exchange trading income/(loss)	4,328	18,642	4,420
4.4 Dividend income			
4.5 Other income	6,294	54,634	13,938
4.6 Total Non-interest income	89,425	181,358	64,630
5.0 TOTAL OPERATING INCOME	118,264	246,044	82,596
6.0 OTHER OPERATING EXPENSES			
6.1 Loan loss provision	(2,400)	41,222	2,100
6.2 Staff costs	67,534	264,109	67,028
6.3 Directors' emoluments	7,495	67,667	13,252
6.4 Rental charges	10,952	44,902	10,677
6.5 Depreciation charge on property and equipment	8,341	30,433	10,331
6.6 Amortisation charges	1,559	14,328	824
6.7 Other operating expenses	21,884	114,782	29,269
6.8 Total Other Operating Expenses	115,364	577,444	133,482
7.0 Profit/(Loss) before tax and exceptional items	2,899	(331,400)	(50,886)
8.0 Exceptional items			
9.0 Profit/(Loss) after exceptional items	2,899	(331,400)	(50,886)
10.0 Current tax			
11.0 Deferred tax		(49,360)	
12.0 Profit/(Loss) after tax and exceptional items	2,899	(282,040)	(50,886)
13.0 Minority Interest			
14.0 Profit/(Loss) after tax, exceptional items and Minority Interest	2,899	(282,040)	(50,886)
15.0 Other Comprehensive Income			
15.1 Gains/(Losses) from translating the financial statements 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 Other Comprehensive Income for the year net of tax			
17.0 Total comprehensive income for the year	2,899	(282,040)	(50,886)
EARNINGS PER SHARE- BASIC & DILUTED			

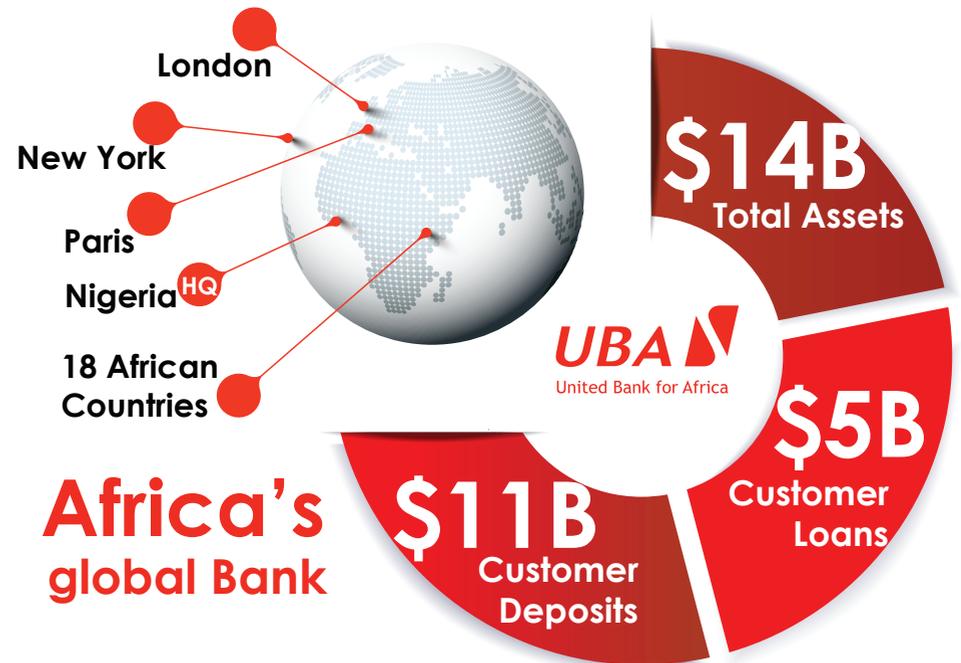
III OTHER DISCLOSURES

1.0 NON-PERFORMING LOANS AND ADVANCES			
(a) Gross Non-performing loans and advances	48,249	52,343	18,188
(b) Less Interest in Suspense	5,629	6,119	3,083
(c) Total Non-Performing Loans and Advances (a-b)	42,620	46,224	15,106
(d) Less Loan Loss Provision	39,175	45,064	7,177
(e) Net Non-Performing Loans and Advances(c-d)	3,445	1,161	7,929
(f) Discounted Value of Securities			
(g) Net NPLs Exposure (e-f)	3,445	1,161	7,929
2.0 INSIDER LOANS AND ADVANCES			
(a) Directors, Shareholders and Associates	51,002	12,243	45,692
(b) Employees	52,437	87,212	11,711
(c) Total Insider Loans and Advances and other facilities	103,439	99,455	57,404
3.0 OFF-BALANCE SHEET ITEMS			
(a) Letters of credit, guarantees, acceptances	444,428	244,939	1,356,984
(b) Forwards, swaps and options			252,265
(c) Other contingent liabilities			
(d) Total Contingent Liabilities	444,428	244,939	1,609,249
4.0 CAPITAL STRENGTH			
(a) Core capital	1,209,922	1,126,684	1,007,444
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
(c) Excess (a-b)	209,922	126,684	7,444
(d) Supplementary Capital	12,278	12,278	
(e) Total Capital (a+d)	1,222,199	1,138,961	1,007,444
(f) Total risk weighted assets	2,672,285	1,943,047	3,342,929
(g) Core Capital/Total deposits Liabilities	31.2%	31.5%	35.7%
(h) Minimum statutory Ratio	10.50%	8.00%	8.00%
(i) Excess/(Deficiency)	20.7%	23.5%	27.7%
(j) Core Capital / total risk weighted assets	45.3%	58.0%	30.1%
(k) Minimum Statutory Ratio	10.50%	8.00%	8.00%
(l) Excess / (Deficiency) (j-k)	34.8%	50.0%	22.1%
(m) Total Capital/total risk weighted assets	45.7%	58.6%	30.1%
(n) Minimum statutory Ratio	14.5%	12.0%	12.0%
(o) Excess/ (Deficiency) (m-n)	31.2%	46.6%	18.1%
5.0 LIQUIDITY			
(a) Liquidity Ratio	79.3%	99.3%	93.2%
(b) Minimum Statutory Ratio	20.0%	20.0%	20.0%
(c) Excess/ (Deficiency) (a-b)	59.3%	79.3%	73.2%

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, Woodvale Close, Westlands

ISAAC MWIGE
MANAGING DIRECTOR/C.E.O.

NGUGI KIUNA
CHAIRMAN



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