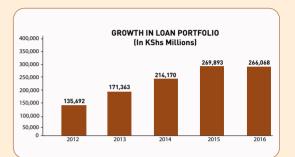
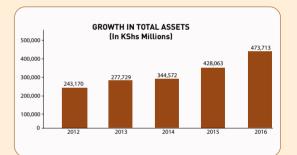
EQUITY GROUP HOLDINGS LIMITED AT 31ST DECEMBER 2016

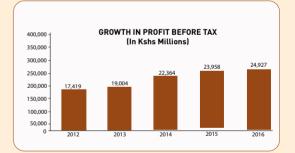


AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 31 ST DECEI							
			KENYA LIMITED	EQUITY GROUP HOLDINGS LIMITED COMPANY GROUP			
	STATEMENT OF FINANCIAL POSITION	31st Dec 2016	31st Dec 2015	31st Dec 2016	31st Dec 2015	31st Dec 2016	31st Dec 2015
A.	ASSETS	Shs. '000 (Audited)	Shs. '000' (Audited)	Shs. '000' (Audited	Shs. '000 (Audited)	Shs. '000 (Audited)	Shs. '000 (Audited)
1. 2.	Cash (both Local & foreign) Balances due from central Bank of Kenya	4,840,798 11,537,111	6,284,864 24,422,525	8,012,137	1,890,232 -	11,854,456 11,537,111	10,540,438 24,313,838
3. 4.	Kenya Government and other securities held for dealing purposes Financial Assets at fair value through profit and loss	1	-	-	-	-	
5. a)	Investment Securities: Held to Maturity: a. Kenya Government Securities	93,097,439 21,655,268 19,452,277	34,330,074 20,430,871 18,227,880	<u> </u>	-	100,588,954 26,291,502 19,452,277	42,775,489 28,465,519 18,227,880
b)	b. Other Securities Available for sale: a. Kenya Government securities	2,202,991 71,442,171	2,202,991 13,899,203	1	:	6,839,225 74,297,451 71,442,171	10,237,639 14,309,970 13,916,445
6.	b. Other securities Deposits and balances due from local banking institutions	71,442,171 - 5,000,000	13,899,203 - 2,193,439		:	2,855,280 5,316,369	393,525 2,074,349
7. 8. 9.	Deposits and balances due from banking institutions abroad Tax recoverable Loans and advances to customers (net)	20,767,981 - 213,805,548	14,360,868 293,547 225,036,662	7,807	:	35,738,191 150,494 266,068,089	33,241,361 838,894 269,892,942
10. 11.	Balances due from Group Companies Investments in associates	3,369,966	3,303,119	704,110	8,318,078	382,615	271,751
12. 13. 14.	Investments in subsidiary companies Investments in joint ventures Investment properties	- 8,494	- - 8,494	64,721,117 - -	59,345,161 - -	- - 8,494	- - 8,494
15. 16. 17.	Property and equipment Prepaid Lease Rentals Intangible Assets	7,334,622 3,953 5,606,711	8,844,622 3,999 3,824,242		:	13,754,329 114,898 6,406,911	14,056,498 28,040 4,584,782
18. 19.	Deferred Tax Asset Retirement Benefit Asset	2,938,970	2,783,284	<u> </u>		3,260,243	3,019,546
	Other Assets TOTAL ASSETS	11,437,403 379,748,996	15,639,579 341,329,318	1,074 73,446,245	33,459 69,586,931	18,531,981 473,713,133	22,416,093 428,062,514
B. 22. 23.	LIABILITIES Balances due to Central Bank of Kenya Customer deposits	277,274,668	236,609,649	1	:	337,198,618	- 302,168,588
24. 25. 26.	Deposits and balances due to Local banking institutions Deposits and balances due to foreign banking institutions Other money market deposits	5,193	565,208 - 8,577,750		Ĭ.	5,193 - 198,920	1,037,200 - 8,577,750
27. 28.	Borrowed funds Balances due to group Companies	43,726,761	33,587,610 8,108,043	2,558,355	2,475,408	45,770,072 -0	34,316,937
29. 30. 31.	Tax payable Dividends payable Deferred tax liability	313,642	-	-	137,251 - -	506,774 - 177,522	269,459 - 59,486
32. 33.	Retirement benefit liability Other Liabilities	6,087,692	6,441,445	748	11,080	- 7,878,937	9,496,679
34. C.	TOTAL LIABILITIES SHAREHOLDERS' FUNDS	327,407,956	293,889,704	2,559,103	2,623,738	391,736,036	355,926,099
35. 36. 37.	Paid up/Assigned capital Share premium discount Revaluation reserve	30,000,000 9,964,132 (785,889)	30,000,000 9,964,132 (1,469,084)	1,886,837 16,062,607	1,886,837 16,062,607 -	1,886,837 16,062,607 (7,051,002)	1,886,837 16,062,607 (7,836,506)
38. 39 40.	Retained earnings/Accumulated losses Statutory Loan Loss Reserve Other Reserves	11,284,120 1,878,677	7,695,203 1,249,363	45,390,349 - -	41,466,399	60,550,117 2,280,654	52,217,024 1,615,305
41. 42.	Proposed dividends Non Controlling Interests	<u> </u>		7,547,350	7,547,350	7,547,350 700,533	7,547,350 643,798
43. 44.	TOTAL SHAREHOLDERS' FUNDS TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	52,341,039 379,748,996	47,439,613 341,329,318	70,887,143 73,446,245	66,963,193 69,586,931	81,977,096 473,713,133	72,136,415 428,062,514
1	STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME INTEREST INCOME						
1.1	Loans and advances Government securities	35,175,592 6,699,995	32,940,737 3,582,938	-	-	43,065,889 7,882,239	37,909,498 4,380,863
1.4	Deposits and placements with banking institutions Other Interest Income Total Interest income	1,002,446 194,517 43,072,550	676,359 71,773 37,271,807	68,754 - 68,754	200,817 - 200,817	538,904 353,572 51,840,604	1,054,122 109,984 43,454,466
2.	INTEREST EXPENSES Customer deposits	6,115,253	5,669,197			7,883,466	6,898,327
2.2 2.3	Deposits and placements from banking institutions Other Interest Expense	60,970 1,836,594	153,336 1,962,392		-	220,719 1,922,526	291,498 2,141,077
2.4 3.	Total Interest Expenses NET INTEREST INCOME	8,012,818 35,059,732	7,784,925 29,486,882	68,754	200,817	10,026,712 41,813,893	9,330,902 34,123,565
4. 4.1 4.2	NON-INTEREST INCOME Fees and commissions income on loans & advances Other fees and commissions income	3,831,268 8,418,842	4,747,473 7,992,535	:	:	4,416,234 11,364,858	5,199,653 11,147,606
4.3 4.4 4.5	Foreign exchange trading income Dividend Income Other income	1,910,435 - 1,103,549	1,901,177 - 589,009	- 11,300,000 97,214	- 8,300,000 18,078	3,307,113 - 3,130,579	2,946,453 - 2,645,347
4.6	Total Non-Interest Income TOTAL OPERATING INCOME	15,264,095 50,323,827	15,230,193 44,717,076	11,397,214 11,465,968	8,318,078 8,518,896	22,218,783 64,032,676	21,939,059 56,062,624
6. 6.1	OPERATING EXPENSES Loan Loss Provision	5,010,763	1,273,638		_	6,645,641	2,433,181
	Staff costs Directors' emoluments Rental charges	8,096,990 17,276 1,262,656	7,692,337 24,977 1,186,734	13,372	Ĭ.	11,628,908 65,117 2,039,919	10,291,398 58,727 2,270,136
6.5 6.6	Depreciation on property and equipment Ammortisation charges	2,816,348 705,012	2,641,453 573,255			3,764,250 974,707	3,257,131 683,148
6.7 6.8 7.0	Other Operating Expenses Total Operating Expenses Profit loss before tax and exceptional items	9637,211 27,546,255 22,777,572	8,936,728 22,329,123 22,387,953	75,494 88,866 11,377,102	696,722 696,722 7,822,174	13,987,251 39,105,794 24,926,883	13,111,215 32,104,935 23,957,689
8.0 9.0	Exceptional items-share of profit of associate Profit loss) after exceptional items	22,777,572	22,387,953	11,377,102	7,822,174	24,926,883	23,957,689
10. 11. 12.	Current tax Deferred tax Profit loss after tax and exceptional items	(7,715,023) 155,686 15,218,234	(6,726,532) 513,933 16,175,353	94,197 - - 11,471,299	(60,731) - 7,761,443	(8,582,349) 257,995 16,602,529	(7,272,542) 641,853 17,327,000
13.	Minority Interest Profit loss after tax and exceptional items and minority interest	15,218,234	16,175,353	11,471,299	7,761,443	56,735 16,545,794	23,562 17,303,438
14. 14.1	Other Comprehensive Income Gains Losses from translating the financial statements of foreign operations		-		-	99,102	(5,752,592)
14.3	Fair value changes in available for sale financial assets Revaluation surplus on property, plant and equipment	683,195 -	(1,083,947)		:	686,403 -	(1,107,796) -
	Share of other comprehensive income of associates Income tax relating to components of other comprehensive income	-	-				
15.	Other comprehensive Income for the year net of Tax Total comprehensive Income for the year	683,195 15,901,429	(1,083,947) 15,091,407	11,471,299	- 7,761,443	785,505 17,388,034	[6,860,388] 10,466,613
	EARNINGS PER SHARE- BASIC & DILUTED DIVIDEND PER SHARE - DECLARED	507.27 366.67	539.18 266.67	3.04 2.00	2.06 2.00	4.38 2.00	4.59 2.00
1)	OTHER DISCOSURES NON PERFORMING LOANS AND ADVANCES						
a) b)	Gross non performing loans and advances Less Interest in suspense	15,457,320 1,816,643	6,832,277 1,591,160	1	:	18,754,023 2,036,824	9,078,750 1,751,088
c) d) e)	Total Non-Performing loans and Advances (a-b) less Loan loss provision Net Non - performing loans (c-d)	13,640,677 5,416,636 8,224,041	5,241,117 2,766,282 2,474,835	- - -	-	16,717,199 6,959,640 9,757,559	7,327,662 3,746,234 3,581,428
f) g)	Discounted value of securities Net NPLs Exposure (e-f)	7,296,995 927,046	2,099,497 375,338	-	-	8,829,046 928,513	3,146,485 434,943
2) a)	INSIDER LOANS AND ADVANCES Directors, shareholders and associates	2,712,762	1,726,191			2,712,762	1,726,191
b)	Employees Total Insider Loans and Advances and Other Facilities	5,084,658 7,797,420	5,846,883 7,573,075	-	-	6,005,984 8,718,747	6,281,162 8,007,354
3) a) b)	OFF BALANCE SHEET ITEMS Letter of Credit, guarantees, acceptances Forwards, Swaps and Options	32,733,625 7,749,424	17,740,598 27,888,620	:	-	35,676,396 7,749,424	20,435,598 27,991,164
c) d)	Other Contigent Liabilities Total Contigent Liabilities	40,483,049	5,609,818 51,239,036	-	-	410,344 43,836,164	5,609,818 54,036,581
4) al bl	CAPITAL STRENGTH Core Capital Minimum statutory capital	51,248,255 1,000,000	47,659,335 1,000,000		-	78,499,561 4,173,124	70,166,468 3,679,718
c) d)	Minimum statutory capital Excess defficiency Supplementary capital	50,248,255 3,846,788	46,659,335 5,227,536	<u>:</u>	-	74,326,437 4,248,766	66,486,750 5,593,479
e) f]	Total Capital (a+d) Total Risk Weighted Assets	55,095,043 356,087,595	52,886,871 325,483,654	:	:	82,748,327 420,890,802	75,759,947 375,684,698
g)	RATIOS Core Capital/ Total Deposit Liabilities	18.5%	20.1%		-	23.3%	23.1%
h) i) j)	Minimum statutory ratio Excess defficiency (g-h) Core Capital Total Risk Weighted Assets	10.5% 8.0% 14.4%	10.5% 9.6% 14.6%		-	10.5% 12.8% 18.7%	10.5% 12.6% 18.7%
k) ()	Minimum statutory Ratio Excess defficiency (j-k)	10.5% 3.9%	10.5% 4.1%	1	-	10.5% 8.2%	10.5% 8.2%
m) n) o)	Total Capital/ Total Risk Weighted Assets Minimum statutory Ratio Excess defficiency (m-n)	15.5% 14.5% 1.0%	16.2% 14.5% 1.7%		-	19.7% 14.5% 5.2%	20.2% 14.5% 5.7%
5)	LIQUIDITY Liquidity Ratio	47.7%	29.1%		_	47.6%	33.2%
ь) с)	Minimum statutory Ratio Excess defficiency (a-b)	20.0% 27.7%	20.0% 9.1%	Hospital Pood University		20.0% 27.6%	20.0% 13.2%
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These financial statements are extracts from the books of the institution as audited by Ernst & Young and received unqualified opinion.

 $\label{thm:complete} The complete set of audited financial statements, statutory and qualitative \ disclosures$ can be accessed on the Institution's website www.equitybankgroup.com

They may also be accessed at the institutions Head Office located at Equity Centre 9th floor Hospital Road Upper Hill.



CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

