

STATEMENT OF FINANCIAL POSITION

	Bank		Group Consolidated	
	31st Dec 2017	30th Sep 2018	31st Dec 2017	30th Sep 2018
	Shs. '000' Audited	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited
A ASSETS				
1 Cash (both Local & Foreign)	118,593	2,558,692	118,593	2,558,692
2 Balances due from Central Bank of Kenya	892,376	4,807,893	892,376	4,807,893
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:	2,882,958	35,301,697	2,882,958	35,301,697
a. Kenya Government securities	2,882,958	34,788,556	2,882,958	34,788,556
b. Other securities	-	513,141	-	513,141
b) Available for sale:	3,491	2,412	3,573	2,468
a. Kenya Government securities	-	-	-	-
b. Other securities	3,491	2,412	3,573	2,468
6 Deposits and balances due from local banking institutions	818,915	11,246,544	818,915	11,246,544
7 Deposits and balances due from banking institutions abroad	788,313	127,379	788,313	127,379
8 Tax recoverable	60,108	60,110	59,695	62,587
9 Loans and advances to customers (net)	4,404,664	12,405,104	4,399,953	12,401,971
10 Balances due from banking institutions in the group	-	4,735,295	-	4,735,295
11 Investments in associates	-	-	-	-
12 Investments in subsidiary companies	336,394	336,536	-	-
13 Investments in joint ventures	-	-	-	-
14 Investment properties	313,148	-	440,043	-
15 Property and equipment	241,339	1,794,015	241,541	1,921,083
16 Prepaid lease rentals	-	-	-	-
17 Intangible assets	160,594	641,312	160,594	641,312
18 Deferred tax asset	675,100	675,100	676,051	676,076
19 Retirement benefit asset	-	-	-	-
20 Other assets	49,152	857,140	50,708	851,447
21 TOTAL ASSETS	11,745,145	75,549,229	11,533,313	75,334,444
B LIABILITIES				
22 Balances due to Central Bank of Kenya	2,892,626	9,997,403	2,892,626	9,997,403
23 Customer deposits	6,429,040	53,675,617	6,415,126	53,660,782
24 Deposits and balances due to local banking institutions	-	-	-	-
25 Deposits and balances due to foreign banking institutions	413,097	-	413,329	-
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	403,221	3,811,184	218,122	3,618,689
34 TOTAL LIABILITIES	10,137,984	67,484,204	9,939,203	67,276,874
C SHAREHOLDERS' FUNDS				
35 Paid up /Assigned capital	2,763,570	7,395,223	2,763,570	7,395,223
36 Share premium/(discount)	1,572,222	1,572,222	1,572,222	1,572,222
37 Revaluation reserves	60,074	60,074	62,631	62,631
38 Retained earnings/Accumulated losses	(2,794,961)	(968,750)	(2,810,569)	(978,762)
39 Statutory loan loss reserves	6,256	6,256	6,256	6,256
40 Other Reserves	-	-	-	-
41 Proposed dividends	-	-	-	-
42 Capital grants	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,607,161	8,065,025	1,594,110	8,057,570
44 Minority Interest	-	-	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	11,745,145	75,549,229	11,533,313	75,334,444

STATEMENT OF COMPREHENSIVE INCOME

	Bank		Group Consolidated	
	31st Dec 2017	30th Sep 2018	31st Dec 2017	30th Sep 2018
	Shs. '000' Audited	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited
1.0 INTEREST INCOME				
1.1 Loans and advances	373,537	290,619	373,537	290,619
1.2 Government securities	245,014	481,589	245,014	481,589
1.3 Deposits and placements with banking institutions	18,965	105,882	18,965	105,882
1.4 Other Interest Income	-	10,019	-	10,019
1.5 Total interest income	637,516	888,109	637,516	888,109
2.0 INTEREST EXPENSE				
2.1 Customer deposits	374,780	567,646	374,780	567,646
2.2 Deposits and placement from banking institutions	102,055	3,831	102,055	3,831
2.3 Other interest expenses	-	91,775	-	91,775
2.4 Total interest expenses	476,835	663,252	476,835	663,252
3.0 NET INTEREST INCOME/(LOSS)	160,681	224,857	160,681	224,857
4.0 NON-INTEREST INCOME				
4.1 Fees and commissions on loans and advances	22,397	18,155	22,397	18,155
4.2 Other fees and commissions	22,699	48,374	22,699	48,374
4.3 Foreign exchange trading income/(Loss)	7,638	122,003	7,638	122,003
4.4 Dividend Income	86	174	86	174
4.5 Other income	149,938	3,678,159	159,176	3,687,674
4.6 Total Non-interest income	202,758	3,866,865	211,996	3,876,380
5.0 TOTAL OPERATING INCOME	363,439	4,091,722	372,677	4,101,237
6.0 OTHER OPERATING EXPENSES				
6.1 Loan loss provision	53,120	1,173,418	53,120	1,173,418
6.2 Staff costs	245,205	443,476	245,205	444,107
6.3 Directors' emoluments	19,028	5,727	19,028	5,727
6.4 Rental charges	59,787	109,692	59,787	109,692
6.5 Depreciation charge on property and equipment	38,024	48,464	38,062	48,495
6.6 Amortisation charges	39,186	57,354	39,186	57,354
6.7 Other operating expenses	269,716	431,319	276,349	433,606
6.8 Total Other Operating Expenses	724,066	2,269,450	730,737	2,272,399
7.0 Profit/(Loss) Before Tax and Exceptional Items	(360,627)	1,822,272	(358,060)	1,828,838
8.0 Exceptional Items	-	-	-	-
9.0 Profit/(Loss) After Exceptional Items	(360,627)	1,822,272	(358,060)	1,828,838
10.0 Current Tax	-	-	1,581	-
11.0 Deferred Tax	(29,537)	-	(29,537)	-
12.0 Profit/(Loss) After Tax and Exceptional Items	(331,090)	1,822,272	(330,104)	1,828,838
13.0 Minority Interest	-	-	-	-
14.0 Profit/(Loss) after tax, exceptional items and Minority Interest	(331,090)	1,822,272	(330,104)	1,828,838
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	(331,090)	1,822,272	(330,104)	1,828,838

OTHER DISCLOSURES

	Bank		Group Consolidated	
	31st Dec 2017	30th Sep 2018	31st Dec 2017	30th Sep 2018
	Shs. '000' Audited	Shs. '000' Unaudited	Shs. '000' Audited	Shs. '000' Unaudited
1.0 NON-PERFORMING LOANS AND ADVANCES				
(a) Gross Non-performing loans and advances	3,917,214	18,641,696	3,917,214	18,641,696
(b) Less: Interest in Suspense	709,719	4,801,186	709,719	4,801,186
(c) Total Non-Performing Loans and Advances (a-b)	3,207,495	13,840,510	3,207,495	13,840,510
(d) Less: Loan Loss Provision	1,565,145	7,898,109	1,565,145	7,898,109
(e) Net Non-Performing Loans and Advances (c-d)	1,642,350	5,942,401	1,642,350	5,942,401
(f) Discounted Value of Securities	1,642,350	5,743,623	1,642,350	5,743,623
(g) Net NPLs Exposure (e-f)	-	198,778	-	198,778
2.0 INSIDER LOANS AND ADVANCES				
(a) Directors, Shareholders and Associates	25,034	6,132	25,034	6,132
(b) Employees	25,888	948,248	25,888	948,248
(c) Total Insider Loans and Advances and other facilities	50,922	954,380	50,922	954,380
3.0 OFF-BALANCE SHEET ITEMS				
(a) Letters of credit, guarantees, acceptances	470,850	2,743,952	470,850	2,743,952
(b) Forwards, swaps and options	-	1,463,775	-	1,463,775
(c) Other contingent liabilities	19,196	-	19,196	-
(d) Total Contingent Liabilities	490,046	4,207,727	490,046	4,207,727
4.0 CAPITAL STRENGTH				
(a) Core capital	1,019,814	6,566,542	1,019,814	6,566,542
(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
(c) Excess/(Deficiency) (a-b)	19,814	5,566,542	19,814	5,566,542
(d) Supplementary Capital	21,274	21,274	21,274	21,274
(e) Total Capital (a+d)	1,041,088	6,587,816	1,041,088	6,587,816
(f) Total risk weighted assets	6,331,335	28,369,103	6,331,335	28,369,103
(g) Core Capital/Total deposits Liabilities	15.9%	12.2%	15.9%	12.2%
(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%
(i) Excess/(Deficiency) (g-h)	7.9%	4.2%	7.9%	4.2%
(j) Core Capital / total risk weighted assets	16.1%	23.1%	16.1%	23.1%
(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
(l) Excess (Deficiency) (j-k)	5.6%	12.6%	5.6%	12.6%
(m) Total Capital/total risk weighted assets	16.4%	23.2%	16.4%	23.2%
(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%
(o) Excess/(Deficiency) (m-n)	1.9%	8.7%	1.9%	8.7%
(p) Adjusted Core Capital/Total Deposit Liabilities	-	12.2%	-	12.2%
(q) Adjusted Core Capital/Total Risk Weighted Assets	-	23.1%	-	23.1%
(r) Adjusted Total Capital/Total Risk Weighted Assets	-	23.2%	-	23.2%
14 LIQUIDITY				
14.1 (a) Liquidity Ratio	32.1%	84.0%	32.1%	84.0%
14.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
14.3 (c) Excess (Deficiency) (a-b)	12.1%	64.0%	12.1%	64.0%

SBM Bank (Kenya) Limited acquired certain assets and assumed specific liabilities of Chase Bank Limited (In Receivership) through a carve out transaction that was successfully completed on 17th August 2018. The carved out assets and assumed specific liabilities form part of the Bank balances as at 30th September 2018.

These financial statements are extracts from the books of the institution. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the institution's website www.sbmbank.co.ke. They may also be accessed at the institution head office located at Riverside Mews, Riverside Drive, Westlands, Nairobi.

Moezz Mir
Chief Executive Officer

James McFie
Chairman, Board Audit Committee

SBM HOLDINGS LTD KEY FINANCIAL HIGHLIGHTS

