



UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES

	30.06.2016 SHS 000	31.12.2016 SHS 000 (Audited)	31.03.2017 SHS 000	30.06.2017 SHS 000		30.06.2016 SHS 000	31.12.2016 SHS 000 (Audited)	31.03.2017 SHS 000	30.06.2017 SHS 000		30.06.2016 SHS 000	31.12.2016 SHS 000 (Audited)	31.03.2017 SHS 000	30.06.2017 SHS 000
I BALANCE SHEET					II PROFIT AND LOSS ACCOUNT					III OTHER DISCLOSURES				
A ASSETS					1.0 INTEREST INCOME					1.0 NON-PERFORMING LOANS AND ADVANCES				
1 Cash (both Local & Foreign)	207,323	319,790	319,366	361,298	1.1 Loans and advances	634,348	1,200,042	254,978	507,310	(a) Gross Non-performing loans and advances	951,774	891,374	853,766	878,873
2 Balances due from Central Bank of Kenya	476,234	503,568	773,896	503,209	1.2 Government securities	91,615	214,488	43,580	84,175	(b) Less: Interest in Suspense	126,636	189,078	170,899	185,806
3 Kenya Government and other securities held for dealing purposes					1.3 Deposits and placements with banking institutions	3,351	9,849	8,400	11,537	(c) Total Non-Performing Loans and Advances (a-b)	825,138	702,296	682,867	693,067
4 Financial Assets at fair value through profit and loss					1.4 Other Interest Income					(d) Less: Loan Loss Provision	436,321	366,021	394,559	443,047
5 Investment Securities:					1.5 Total interest income	729,315	1,424,379	306,958	603,022	(e) Net Non-Performing Loans and Advances(c-d)	388,817	336.275	288.308	250.020
a) Held to Maturity:					2.0 INTEREST EXPENSE					(f) Discounted Value of Securities	388,817	334,706	288,308	250,020
a. Kenya Government securities	1,944,074	1,932,497	2,111,200	1,518,434	2.1 Customer deposits	281,019	507,434	112,130	211,546	(g) Net NPLs Exposure (e-f)	-	1,569	-	-
b. Other securities	1,944,074	1,932,497	2,111,200	1,518,434	2.2 Deposits and placement from banking institutions	26,809	52,918	6,026	13,465	2.0 INSIDER LOANS AND ADVANCES				
b) Available for sale:					2.3 Other interest expenses	531	1,200	405	1,061	(a) Directors, Shareholders and Associates	840,198	780,026	766,338	710,706
a. Kenya Government securities	-	-	-	-	2.4 Total interest expenses	308,359	561,552	118,561	226,072	(b) Employees	286,088	284,688	288,118	280,449
b. Other securities	-	-	-	-	3.0 NET INTEREST INCOME/(LOSS)	420,956	862,827	188,397	376,949	(c) Total Insider Loans and Advances and other facilities	1,126,286	1,064,714	1,054,456	991,155
6 Deposits and balances due from local banking institutions	83,066	458,473	165,033	136,589	4.0 NON-INTEREST INCOME					3.0 OFF-BALANCE SHEET ITEMS				
7 Deposits and balances due from banking institutions abroad	1,443	6,429	10,517	11,033	4.1 Fees and commissions on loans and advances	45,737	68,217	24,797	61,219	(a) Letters of credit, guarantees, acceptances	875,977	695,953	580,130	635,176
8 Tax recoverable	33,348	37,671	41,504		4.2 Other fees and commissions	43,913	117,942	27,504	55,230	(b) Forwards, swaps and options	29,828	61,558	109,258	
9 Loans and advances to customers (net)	6,680,280	6,471,250	6,481,380	6,602,152	4.3 Foreign exchange trading income/(Loss)	17,847	29,828	7,585	15,584	(c) Other contingent liabilities				
10 Balances due from banking institutions in the group					4.4 Dividend Income		1,770			(d) Total Contingent Liabilities	875,977	757,511	689,388	635,176
11 Investments in associates					4.5 Other income	85		5,429	13,657	4.0 CAPITAL STRENGTH				
12 Investments in subsidiary companies					4.6 Total Non-interest income	107,581	217,757	65,314	145,689	(a) Core capital	1,999,513	1,968,557	1,976,124	1,952,681
13 Investments in joint ventures					5.0 TOTAL OPERATING INCOME	528,537	1,080,585	253,712	522,639	(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
14 Investment properties					6.0 OTHER OPERATING EXPENSES					(c) Excess/(Deficiency)(a-b)	999,513	968,557	976,124	952,681
15 Property and equipment	151,462	168,172	188,191	176,311	6.1 Loan loss provision	28,453	96,842	25,112	50,675	(d) Supplementary Capital	104,852	104,852	104,852	104,852
16 Prepaid lease rentals					6.2 Staff costs	196,339	393,302	104,286	216,949	(e) Total Capital (a+d)	2,104,365	2,073,409	2,080,976	2,057,533
17 Intangible assets	85,287	70,525	56,635	56,528	6.3 Directors' emoluments	10,656	21,873	4,581	8,420	(f) Total risk weighted assets	10,012,323	9,973,585	9,419,263	9,308,270
18 Deferred tax asset	61,195	85,962	85,962	94,474	6.4 Rental charges	32,867	88,911	17,839	39,460	(g) Core Capital/Total deposits Liabilities	28.6%	24.6%	24.2%	26.4%
19 Retirement benefit asset					6.5 Depreciation charge on property and equipment	40,487	90,846	20,093	46,349	(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%
20 Other assets	282,992	414,486	376,420	383,532	6.6 Amortisation charges	4,216	4,216	5,451	5,451	(i) Excess/(Deficiency) (g-h)	20.6%	16.6%	16.2%	18.4%
21 TOTAL ASSETS	9,973,356	10,464,500	10,606,271	9,885,064	6.7 Other operating expenses	104,753	224,570	61,215	124,110	(j) Core Capital / total risk weighted assets	20.0%	17.9%	21.0%	21.0%
B LIABILITIES					6.8 Total Other Operating Expenses	417,771	920,561	238,577	491,415	(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
22 Balances due to Central Bank of Kenya	446,369				7.0 Profit/(Loss) Before Tax and Exceptional Items	110,766	160,024	15,135	31,223	(l) Excess (Deficiency) (j-k)	9.5%	9.2%	10.5%	10.5%
23 Customer deposits	7,001,009	8,000,002	8,157,198	7,410,517	8.0 Exceptional Items					(m) Total Capital/total risk weighted assets	21.0%	20.8%	22.1%	22.1%
24 Deposits and balances due to local banking institutions	101,150	102,500	101,550	200,220	10.0 Current Tax	33,230	84,173	4,540	9,367	(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%
25 Deposits and balances due to foreign banking institutions					11.0 Deferred Tax		(24,767)			(o) Excess/(Deficiency) (m-n)	6.5%	6.3%	7.6%	7.6%
26 Other money market deposits					12.0 Profit/(Loss) After Tax and Exceptional Items	77,536	100,618	10,595	21,856	14 LIQUIDITY				
27 Borrowed funds					13.0 Minority Interest					14.1 (a) Liquidity Ratio	29.8%	36.6%	38.0%	30.7%
28 Balances due to banking institutions in the group					14.0 Profit/(Loss) after tax, exceptional items and Minority Interest	77,536	100,618	10,595	21,856	14.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
29 Tax payable		59,406			15.0 Other Comprehensive Income					14.3 (c) Excess (Deficiency) (a-b)	9.8%	16.6%	18.0%	10.7%
30 Dividends payable					15.1 Gains/(Losses) from translating the financial statements of foreign operations									
31 Deferred tax liability					15.2 Fair value changes in available for sale financial assets									
32 Retirement benefit liability					15.3 Revaluation surplus on Property, plant and equipment									
33 Other liabilities	265,080	229,184	258,979	201,183	15.4 Share of other comprehensive income of associates									
34 TOTAL LIABILITIES	7,813,608	8,391,092	8,517,727	7,811,920	15.5 Income tax relating to components of other comprehensive income									
C SHAREHOLDERS' FUNDS					16.0 Other Comprehensive Income for the year net of tax	-	-	-	-					
35 Paid up /Assigned capital	1,000,000	1,000,000	1,000,000	1,000,000	17.0 Total comprehensive income for the year	77,536	100,618	10,595	21,856					
36 Share premium/(discount)	42,236	42,236	42,236	42,236	18.0 EARNINGS PER SHARE - BASIC & DILUTED	0.39	0.50	0.21	0.22					
37 Revaluation reserves					19.0 DIVIDEND PER SHARE - DECLARED									
38 Retained earnings/Accumulated losses	1,012,660	926,320	941,556	926,056										
39 Statutory loan loss reserves	104,852	104,852	104,852	104,852										
40 Other Reserves														
41 Proposed dividends														
42 Capital grants														
43 TOTAL SHAREHOLDERS' FUNDS	2,159,748	2,073,408	2,088,544	2,073,144										
44 Minority Interest														
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	9,973,356	10,464,500	10,606,271	9,885,064										

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 institutions website: www.tnbl.co.ke

They may also be accessed at the Institution's Head Office located at Transnational Plaza, City Hall Way.

Signed: **SAMMY LANG'AT**
 CHIEF EXECUTIVE OFFICER

Signed: **DR. HENRY KIPLANGAT**
 CHAIRMAN

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Transnational Bank is regulated by the Central Bank of Kenya.