



## UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES

	30-06-2018 (Unaudited)	31-12-2018 (Audited)	31-03-2019 (Unaudited)	30-06-2019 (Unaudited)		30-06-2018 (Unaudited)	31-12-2018 (Audited)	31-03-2019 (Unaudited)	30-06-2019 (Unaudited)		30-06-2018 (Unaudited)	31-12-2018 (Audited)	31-03-2019 (Unaudited)	30-06-2019 (Unaudited)
<b>I STATEMENT OF FINANCIAL POSITION</b>					<b>II PROFIT AND LOSS ACCOUNT</b>					<b>III OTHER DISCLOSURES</b>				
<b>A ASSETS</b>					<b>1.0 INTEREST INCOME</b>					<b>1.0 NON-PERFORMING LOANS AND ADVANCES</b>				
1 Cash ( both Local & Foreign)	290,190	362,931	342,165	373,341	1.1 Loans and advances	476,942	851,608	221,684	428,762	(a) Gross Non-performing loans and advances	1,601,295	1,850,062	1,843,792	1,871,940
2 Balances due from Central Bank of Kenya	681,322	745,976	389,970	827,820	1.2 Government securities	74,420	153,679	37,129	73,744	(b) Less: Interest in Suspense	248,088	385,106	398,880	427,115
3 Kenya Government and other securities held for dealing purposes					1.3 Deposits and placements with banking institutions	3,963	5,952	1,920	3,455	<b>(c) Total Non-Performing Loans and Advances (a-b)</b>	<b>1,353,207</b>	<b>1,464,956</b>	<b>1,444,912</b>	<b>1,444,825</b>
4 Financial Assets at fair value through profit and loss		1,110			1.4 Other interest income					(d) Less: Loan Loss Provision	531,075	635,052	666,286	699,255
5 Investment Securities:					<b>1.5 Total interest income</b>	<b>555,325</b>	<b>1,011,239</b>	<b>260,733</b>	<b>505,961</b>	<b>(e) Net Non-Performing Loans and Advances (c-d)</b>	<b>822,132</b>	<b>829,904</b>	<b>778,626</b>	<b>745,570</b>
<b>a) Held to Maturity:</b>	<b>1,630,440</b>	<b>1,614,217</b>	<b>1,635,967</b>	<b>1,604,101</b>	<b>2.0 INTEREST EXPENSE</b>					(f) Discounted Value of Securities	822,132	609,277	763,083	732,999
a. Kenya Government securities	1,630,440	1,614,217	1,635,967	1,604,101	2.1 Customer deposits	200,274	434,035	108,064	202,977	<b>(g) Net NPLs Exposure (e-f)</b>	-	<b>220,627</b>	<b>15,543</b>	<b>12,571</b>
b. Other securities	-	-	535,494	-	2.2 Deposits and placement from banking institutions	15,228	9,067	5,095	10,006	<b>2.0 INSIDER LOANS AND ADVANCES</b>				
<b>b) Available for sale:</b>			<b>535,494</b>		2.3 Other interest expenses	458	315	315	601	(a) Directors, Shareholders and Associates	718,634	630,384	535,410	582,318
a. Kenya Government securities			535,494		2.4 Total interest expenses	215,960	443,102	113,475	213,583	(b) Employees	319,555	325,518	308,607	315,092
b. Other securities					3.0 NET INTEREST INCOME/(LOSS)	339,365	568,137	147,258	292,378	<b>(c) Total Insider Loans and Advances and other facilities</b>	<b>1,038,189</b>	<b>955,902</b>	<b>844,017</b>	<b>897,410</b>
6 Deposits and balances due from local banking institutions	98,578	205,963	556,371	75,740	<b>4.0 NON-INTEREST INCOME</b>					<b>3.0 OFF-BALANCE SHEET ITEMS</b>				
7 Deposits and balances due from banking institutions abroad	45,073	5,385	6,039	527	4.1 Fees and commissions on loans and advances	63,193	117,132	24,878	53,829	(a) Letters of credit, guarantees, acceptances	535,946	250,544	272,557	254,470
8 Tax recoverable	6,131	28,985	28,985	28,985	4.2 Other fees and commissions	65,945	124,066	32,886	62,834	(b) Forwards, swaps and options	126,962	141,278	192,729	71,530
9 Loans and advances to customers (net)	6,781,343	6,625,522	6,290,296	6,164,503	4.3 Foreign exchange trading income/(Loss)	6,704	17,175	3,371	7,464	(c) Other contingent liabilities	662,908	619,891	465,286	326,000
10 Balances due from banking institutions in the group					4.4 Dividend Income					(d) Total Contingent Liabilities				
11 Investments in associates					4.5 Other income	2,383	6,861	10,524	19,622	<b>4.0 CAPITAL STRENGTH</b>				
12 Investments in subsidiary companies					4.6 Total Non-interest income	138,225	265,234	70,959	143,750	(a) Core capital	2,032,799	1,640,141	1,595,670	1,761,040
13 Investments in joint ventures					<b>5.0 TOTAL OPERATING INCOME</b>	<b>477,590</b>	<b>833,371</b>	<b>218,217</b>	<b>436,127</b>	(b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
14 Investment properties					<b>6.0 OTHER OPERATING EXPENSES</b>					(c) Excess/(Deficiency) (a-b)	1,032,799	640,141	595,670	761,040
15 Property and equipment	151,015	133,857	122,975	109,731	6.1 Loan loss provision	55,663	63,391	32,845	63,866	(d) Supplementary Capital	12,455	153,757	153,757	153,758
16 Prepaid lease rentals					6.2 Staff costs	199,457	388,284	92,165	182,720	<b>(e) Total Capital (a+d)</b>	<b>2,045,254</b>	<b>1,793,898</b>	<b>1,749,427</b>	<b>1,914,798</b>
17 Intangible assets	21,477	53,043	48,913	41,652	6.3 Directors' emoluments	8,417	16,992	3,363	5,455	(f) Total risk weighted assets	9,818,463	9,136,177	8,953,155	9,191,413
18 Deferred tax asset	122,731	170,608	170,608	170,609	6.4 Rental charges	39,546	82,308	21,514	44,736	<b>(g) Core Capital/Total deposits Liabilities</b>	<b>26.5%</b>	<b>20.5%</b>	<b>19.1%</b>	<b>22.6%</b>
19 Retirement benefit asset					6.5 Depreciation charge on property and equipment	29,567	5,742	13,814	27,613	(h) Minimum statutory Ratio	8.0%	8.0%	8.0%	8.0%
20 Other assets	291,296	287,927	364,956	642,696	6.6 Amortisation charges	16,894	36,569	5,696	11,392	(i) Excess/(Deficiency) (g-h)	18.5%	12.5%	11.1%	14.6%
<b>21 TOTAL ASSETS</b>	<b>10,119,596</b>	<b>10,235,524</b>	<b>10,492,739</b>	<b>10,039,705</b>	6.7 Other operating expenses	117,865	287,148	65,936	128,355	<b>(j) Core Capital / total risk weighted assets</b>	<b>20.7%</b>	<b>18.0%</b>	<b>17.8%</b>	<b>19.2%</b>
<b>B LIABILITIES</b>					6.8 Total Other Operating Expenses	467,409	931,834	235,333	464,119	(k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%
22 Balances due to Central Bank of Kenya					<b>7.0 Profit/(Loss) Before Tax and Exceptional Items</b>	<b>10,181</b>	<b>(98,463)</b>	<b>(17,117)</b>	<b>(27,992)</b>	(l) Excess (Deficiency) (j-k)	10.2%	7.5%	7.3%	8.7%
23 Customer deposits	7,669,446	8,018,770	8,344,960	7,777,716	<b>8.0 Exceptional Items</b>					<b>(m) Total Capital/total risk weighted assets</b>	<b>20.8%</b>	<b>19.6%</b>	<b>19.5%</b>	<b>20.8%</b>
24 Deposits and balances due to local banking institutions	179,526	63,990	28,495		<b>9.0 Profit/(Loss) After Exceptional Items</b>	<b>10,181</b>	<b>(98,463)</b>	<b>(17,117)</b>	<b>(27,992)</b>	(n) Minimum statutory Ratio	14.5%	14.5%	14.5%	14.5%
25 Deposits and balances due to foreign banking institutions					<b>10.0 Current Tax</b>	3,054	(26,622)			(o) Excess/(Deficiency) (m-n)	6.3%	5.1%	5.0%	6.3%
26 Other money market deposits					<b>11.0 Deferred Tax</b>					(p) Adjusted Core Capital/Total Deposit Liabilities*	28.1%	21.0%	19.5%	23.1%
27 Borrowed funds					<b>12.0 Profit/(Loss) After Tax and Exceptional Items</b>	<b>7,127</b>	<b>(71,841)</b>	<b>(17,117)</b>	<b>(27,992)</b>	(q) Adjusted Core Capital/Total Risk Weighted Assets*	21.9%	18.4%	18.2%	19.5%
28 Balances due to banking institutions in the group					<b>13.0 Minority Interest</b>					(r) Adjusted Total Capital/Total Risk Weighted Assets*	22.0%	20.1%	19.5%	21.2%
29 Tax payable					<b>14.0 Profit/(Loss) after tax, exceptional items and Minority Interest</b>	<b>7,127</b>	<b>(71,841)</b>	<b>(17,117)</b>	<b>(27,992)</b>	<b>14 LIQUIDITY</b>				
30 Dividends payable					<b>15.0 Other Comprehensive Income</b>					14.1 (a) Liquidity Ratio	32.6%	34.8%	40.2%	35.4%
31 Deferred tax liability					15.1 Gains/(Losses) from translating the financial statements of foreign operations					14.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%
32 Retirement benefit liability					15.2 Fair value changes in available for sale financial assets					14.3 (c) Excess (Deficiency) (a-b)	12.6%	14.8%	20.2%	15.4%
33 Other liabilities	228,934	224,178	207,799	361,187	15.3 Revaluation surplus on Property, plant and equipment									
<b>34 TOTAL LIABILITIES</b>	<b>8,077,906</b>	<b>8,306,938</b>	<b>8,581,254</b>	<b>8,138,903</b>	15.4 Share of other comprehensive income of associates									
<b>C SHAREHOLDERS' FUNDS</b>					15.5 Income tax relating to components of other comprehensive income									
35 Paid up /Assigned capital	1,000,000	1,000,000	1,000,000	1,000,000	<b>16.0 Other Comprehensive Income for the year net of tax</b>	-	-	-	-					
36 Share premium/(discount)	42,236	42,236	42,236	42,236	17.0 Total comprehensive income for the year	7,127	(71,841)	(17,117)	(27,992)					
37 Revaluation reserves					<b>18.0 EARNINGS PER SHARE- BASIC &amp; DILUTED</b>	0.07	(0.36)	0.0	0.0					
38 Retained earnings/Accumulated losses	986,999	732,593	715,492	704,809	<b>19.0 DIVIDEND PER SHARE - DECLARED</b>	-	-	-	-					
39 Statutory loan loss reserves	12,455	153,757	153,757	153,757										
40 Other Reserves														
41 Proposed dividends														
42 Capital grants														
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>2,041,690</b>	<b>1,928,586</b>	<b>1,911,485</b>	<b>1,900,802</b>										
44 Minority Interest														
<b>45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>10,119,596</b>	<b>10,235,524</b>	<b>10,492,739</b>	<b>10,039,705</b>										

\*The adjusted capital ratios include the expected credit loss provisions added back to capital in line with the CBK Guidance Note issued in April 2018 on implementation of IFRS 9

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 LANGAT CHIEF EXECUTIVE OFFICER  
 PROF. HENRY KIPLANGAT CHAIRMAN

www.tnbl.co.ke | Trans National Bank | @tnblkenya | 0704 331 786

Transnational Bank is regulated by the Central Bank of Kenya.