

	31-Mar-2017 UN-AUDITED	31-Dec-2017 AUDITED	31-Mar-2018 UN-AUDITED
	SHS '000	SHS '000	SHS '000
<b>STATEMENT OF FINANCIAL POSITION</b>			
<b>A Assets</b>			
1 Cash (both local and foreign)	92,328	87,665	83,688
2 Balances due from Central Bank of Kenya	2,474,138	1,660,897	1,255,296
3 Kenya Government and other securities held for dealing purposes	0	0	0
4 Financial Assets at fair value through profit and loss	0	0	0
5 Investment Securities:	0	0	0
<b>a) Held to Maturity:</b>	<b>1,721,563</b>	<b>1,429,704</b>	<b>1,785,516</b>
a. Kenya Government securities	1,606,131	1,316,967	1,673,535
b. Other securities	115,432	112,737	111,981
<b>b) Available for sale:</b>	<b>1,387,909</b>	<b>1,619,958</b>	<b>1,624,133</b>
a. Kenya Government securities	1,134,724	1,269,728	1,281,269
b. Other securities	253,185	350,230	342,864
6 Deposits and balances due from local banking institutions	44,006	909,801	515,104
7 Deposits and balances due from banking institutions abroad	861,565	632,351	969,255
8 Tax recoverable	0	0	0
9 Loans and advances to customers (Net)	15,453,895	18,870,101	20,139,725
10 Balances due from banking institutions in the group	0	0	0
11 Investments in associates	284,031	297,064	297,064
12 Investments in subsidiary companies	0	0	0
13 Investments in joint ventures	0	0	0
14 Investment properties	0	0	0
15 Property and equipment	183,882	174,508	202,119
16 Prepaid lease rentals	0	0	0
17 Intangible assets	24,301	26,186	24,049
18 Deferred tax asset	13,734	15,435	15,435
19 Retirement benefit asset	0	0	0
20 Other assets	331,182	261,490	407,634
21 <b>Total assets</b>	<b>22,872,534</b>	<b>25,985,160</b>	<b>27,319,018</b>
<b>B Liabilities</b>			
22 Balances due to Central Bank of Kenya	0	0	0
23 Customer deposits	15,908,522	18,677,388	19,639,560
24 Deposits and balances due to local banking institutions	0	0	0
25 Deposits and balances due to foreign banking institutions	0	208,812	268,905
26 Other money market deposits	0	0	0
27 Borrowed funds	1,473,817	1,382,370	1,388,286
28 Balances due to banking institutions in the group	0	0	0
29 Tax payable	76,652	6,721	68,521
30 Dividends payable	0	0	0
31 Deferred tax liability	0	0	0
32 Retirement benefit liability	0	0	0
33 Other liabilities	126,505	97,976	176,123
34 <b>Total liabilities</b>	<b>17,585,496</b>	<b>20,373,267</b>	<b>21,541,395</b>
<b>C Shareholders' Funds</b>			
35 Paid up / Assigned share capital	838,494	838,494	838,494
36 Share premium / (discount)	1,321,289	1,321,289	1,321,289
37 Revaluation reserves	137,000	137,000	137,000
38 Retained earnings/Accumulated losses	2,909,773	3,203,346	3,346,390
39 Statutory loan loss reserve	105,000	120,000	116,528
40 Other Reserves	(24,518)	(8,236)	17,922
41 Proposed dividends	0	0	0
42 Capital grants	0	0	0
43 <b>Total shareholders' funds</b>	<b>5,287,038</b>	<b>5,611,893</b>	<b>5,777,623</b>
44 <b>Total liabilities and total shareholders' funds</b>	<b>22,872,534</b>	<b>25,985,160</b>	<b>27,319,018</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>			
<b>1.0 Interest income</b>			
1.1 Loans and advances	493,403	2,180,414	628,012
1.2 Government securities	80,401	319,034	75,616
1.3 Deposits and placements with banking institutions	6,408	43,387	11,005
1.4 Other interest income	9,510	15,840	2,898
1.5 <b>Total interest income</b>	<b>589,722</b>	<b>2,558,675</b>	<b>717,531</b>
<b>2.0 Interest expense</b>			
2.1 Customer deposits	251,849	1,174,689	369,401
2.2 Deposits and placements from banking institutions	0	3	0
2.3 Other interest expense	24,313	99,671	25,047
2.4 <b>Total interest expense</b>	<b>276,162</b>	<b>1,274,363</b>	<b>394,448</b>
3.0 <b>Net interest income/(loss)</b>	<b>313,560</b>	<b>1,284,312</b>	<b>323,083</b>
<b>4.0 Non interest income</b>			
4.1 Fees and commissions on loans and advances	30,418	153,016	43,552
4.2 Other fees and commissions	31,010	118,441	30,331
4.3 Foreign exchange trading income/(loss)	6,593	29,587	9,608
4.4 Dividend income	0	0	0
4.5 Other income	3,983	57,669	8,894
4.6 <b>Total non interest income</b>	<b>72,004</b>	<b>358,713</b>	<b>92,385</b>
5.0 <b>Total operating income</b>	<b>385,564</b>	<b>1,643,025</b>	<b>415,468</b>
<b>6.0 Other operating expenses</b>			
6.1 Loan loss provisions	4,500	35,321	5,519
6.2 Staff costs	67,753	349,096	91,675
6.3 Directors' emoluments	18,900	101,495	29,100
6.4 Rental charges	5,696	22,984	5,827
6.5 Depreciation charge on property and equipment	9,254	34,972	10,669
6.6 Amortization charges	1,803	8,088	2,137
6.7 Other operating expenses	46,290	241,870	54,716
6.8 <b>Total other operating expenses</b>	<b>154,196</b>	<b>793,826</b>	<b>199,643</b>
7.0 <b>Profit/(loss) before tax and exceptional items</b>	<b>231,368</b>	<b>849,199</b>	<b>215,825</b>
8.0 Exceptional items	0	0	0
9.0 <b>Profit/(loss) after exceptional items</b>	<b>231,368</b>	<b>849,199</b>	<b>215,825</b>
10.0 Current tax	(69,500)	(243,382)	(61,800)
11.0 Deferred tax	0	11,360	0
12.0 <b>Profit/(loss) after tax and exceptional items</b>	<b>161,868</b>	<b>617,177</b>	<b>154,025</b>
<b>13.0 Other Comprehensive Income</b>			
13.1 Gains/(Losses) from translating the financial statements of foreign operations	0	0	0
13.2 Fair value changes in available for sale financial assets	6,256	22,538	26,158
13.3 Revaluation surplus on Property, plant and equipment	0	0	0
13.4 Share of other comprehensive income of associates	0	0	0
13.5 Income tax relating to components of other comprehensive income	0	0	0
14.0 <b>Other Comprehensive Income for the year net of tax</b>	<b>6,256</b>	<b>22,538</b>	<b>26,158</b>
15.0 <b>Total comprehensive income for the year</b>	<b>168,124</b>	<b>639,715</b>	<b>180,183</b>
16.0 <b>Earnings per share - Basic &amp; diluted</b>	<b>3.86</b>	<b>14.72</b>	<b>3.67</b>
17.0 <b>Dividend Per share</b>	<b>0.00</b>	<b>3.50</b>	<b>0.00</b>

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	SHS '000	SHS '000	SHS '000
<b>OTHER DISCLOSURES</b>			
<b>1.0 Non-performing loans and advances</b>			
a) Gross non-performing loans and advances	0	16,855	17,438
b) Less: Interest in suspense	0	1,696	2,581
<b>c) Total non-performing loans and advances (a - b)</b>	<b>0</b>	<b>15,159</b>	<b>14,857</b>
d) Less: Loan loss provisions	0	15,159	14,857
<b>e) Net non-performing loans and advances (c - d)</b>	<b>0</b>	<b>0</b>	<b>0</b>
f) Less: Discounted value of securities	0	0	0
<b>g) Net non-performing loans exposure (e - f)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2.0 Insider loans and advances</b>			
a) Directors, shareholders and associates	148,568	181,051	287,022
b) Employees	97,498	117,602	80,908
<b>c) Total insider loans, advances and other facilities</b>	<b>246,066</b>	<b>298,653</b>	<b>367,930</b>
<b>3.0 Off-balance sheet items</b>			
a) Letters of credit, guarantees, acceptances	2,106,207	2,756,914	3,387,147
b) Forwards, swaps and options	33,026	34,712	28,620
c) Other contingent liabilities	166,694	54,081	147,661
<b>d) Total contingent liabilities</b>	<b>2,305,927</b>	<b>2,845,707</b>	<b>3,563,428</b>
<b>4.0 Capital strength</b>			
a) Core capital	4,988,622	5,363,129	5,413,725
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
<b>c) Excess (a-b)</b>	<b>3,988,622</b>	<b>4,363,129</b>	<b>4,413,725</b>
d) Supplementary capital	139,250	154,250	150,778
<b>e) Total capital (a + d)</b>	<b>5,127,872</b>	<b>5,517,379</b>	<b>5,564,503</b>
f) Total risk weighted assets	20,080,775	24,264,522	26,453,685
<b>g) Core capital / total deposit liabilities</b>	<b>31.40%</b>	<b>28.70%</b>	<b>27.60%</b>
h) Minimum Statutory Ratio	8.00%	8.00%	8.00%
i) Excess (g - h)	23.40%	20.70%	19.60%
<b>j) Core capital / total risk weighted assets</b>	<b>24.80%</b>	<b>22.10%</b>	<b>20.50%</b>
k) Minimum Statutory Ratio	10.50%	10.50%	10.50%
l) Excess (j - k)	14.30%	11.60%	10.00%
<b>m) Total capital / total risk weighted assets</b>	<b>25.50%</b>	<b>22.70%</b>	<b>21.00%</b>
n) Minimum Statutory Ratio	14.50%	14.50%	14.50%
o) Excess (m - n)	11.00%	8.20%	6.50%
<b>p) Adjusted Core capital / total deposit liabilities<sup>o</sup></b>			<b>27.60%</b>
<b>q) Adjusted Core capital / total risk weighted assets<sup>o</sup></b>			<b>20.50%</b>
<b>r) Adjusted Total capital / total risk weighted assets<sup>o</sup></b>			<b>21.00%</b>
<b>5.0 Liquidity</b>			
a) <b>Liquidity Ratio</b>	<b>33.30%</b>	<b>28.60%</b>	<b>26.60%</b>
b) Minimum Statutory Ratio	20.00%	20.00%	20.00%
c) Excess (a - b)	13.30%	8.60%	6.60%

<sup>o</sup> 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.

## MESSAGE FROM THE DIRECTORS

The above Statement of Financial Position and Statement of Comprehensive income are extracts from the financial records of the bank. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the bank's website [www.victoriabank.co.ke](http://www.victoriabank.co.ke) and at our head office located at Victoria Towers, Mezzanine Floor, Kilimanjaro Avenue Upper hill, Nairobi Kenya.

SIGNED

**Kanji D Pattni**  
CHAIRMAN

**Yogesh K Pattni Ph.D**  
CHIEF EXECUTIVE OFFICER

Our next Ultimate.  
WE'RE COMING TO RUARAKA

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