

EQUITY GROUP HOLDINGS PLC
UNAUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR PERIOD ENDED 30TH JUNE, 2018



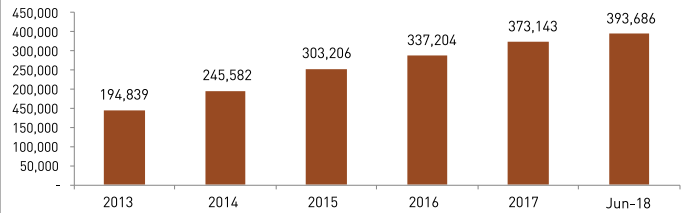
	EQUITY BANK (KENYA) LIMITED				EQUITY GROUP HOLDINGS PLC							
	BANK				COMPANY				GROUP			
STATEMENT OF FINANCIAL POSITION AS AT	30 th June 2017 Shs. '000' (Un-Audited)	31 st Dec 2017 Shs. '000' [Audited]	31 st Mar 2018 Shs. '000' (Un-Audited)	30 th June 2018 Shs. '000' (Un-Audited)	30 th June 2017 Shs. '000' (Un-Audited)	31 st Dec 2017 Shs. '000' [Audited]	31 st Mar 2018 Shs. '000' (Un-Audited)	30 th June 2018 Shs. '000' (Un-Audited)	30 th June 2017 Shs. '000' (Un-Audited)	31 st Dec 2017 Shs. '000' [Audited]	31 st Mar 2018 Shs. '000' (Un-Audited)	30 th June 2018 Shs. '000' (Un-Audited)
A. ASSETS												
1. Cash (both local & foreign)	7,316,252	8,817,113	8,527,912	7,681,677	2,561	8,318,168	8,343,784	842,803	17,644,409	11,039,112	18,600,402	20,034,426
2. Balances due from Central Bank of Kenya	15,401,190	15,635,640	12,149,433	19,747,145	-	-	-	-	15,401,190	15,635,640	12,149,433	19,747,145
3. Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-	-	-	-	-
4. Financial assets at fair value through profit and loss	-	-	-	-	-	-	-	-	-	-	-	-
5. Investment securities:	107,305,707	115,449,191	138,943,824	148,718,742	-	-	-	-	115,595,812	128,001,775	150,181,142	158,940,490
a) Held to maturity:	19,191,428	20,350,034	17,454,621	18,305,886	-	-	-	-	21,704,050	20,699,626	18,312,256	20,486,739
a. Kenya Government securities	16,988,437	18,347,044	15,451,631	16,302,896	-	-	-	-	16,988,437	18,347,044	15,451,631	16,302,896
b. Other securities	2,202,991	2,002,991	2,002,991	2,002,991	-	-	-	-	4,715,613	2,352,582	2,860,626	4,183,843
b) Available for sale:	88,114,279	95,099,157	121,489,203	130,412,856	-	-	-	-	93,891,762	107,302,149	131,868,885	138,453,752
a. Kenya Government securities	88,114,279	88,132,192	106,906,526	108,451,662	-	-	-	-	88,114,279	88,132,192	106,906,526	108,451,662
b. Other securities	-	6,966,965	14,582,677	21,961,194	-	-	-	-	5,777,483	19,169,957	24,962,359	30,002,090
6. Deposits and balances due from local banking institutions	4,990,000	9,508,240	989,800	988,820	-	-	-	-	5,910,383	9,508,240	5,609,181	4,576,693
7. Deposits and balances due from banking institutions abroad	23,126,023	14,556,710	7,836,827	2,703,067	-	-	-	-	38,831,255	43,437,650	31,418,931	29,965,899
8. Tax recoverable	813,233	2,065,436	56,744	-	7,203	-	-	-	927,115	2,193,237	130,369	119,973
9. Loans and advances to customers (net)	207,490,076	214,484,733	206,862,953	207,144,231	-	-	-	-	265,086,161	279,091,669	271,075,482	275,036,697
10. Balances due from group companies	3,533,130	4,121,975	3,478,167	2,470,573	282,544	312,764	429,735	195,482	533,227	449,019	-	-
11. Investments in associates	-	-	-	-	-	-	-	-	-	-	-	-
12. Investments in subsidiary companies	-	-	-	-	65,760,617	65,760,617	65,760,617	65,760,617	-	-	-	-
13. Investments in joint ventures	-	-	-	-	-	-	-	-	-	-	-	-
14. Investment properties	8,494	8,494	8,494	-	-	-	-	-	8,494	8,494	8,494	-
15. Property and equipment	6,564,939	6,004,819	5,527,805	5,265,171	-	-	-	-	13,004,808	10,865,247	10,798,446	10,488,727
16. Prepaid lease rentals	3,721	3,698	3,687	12,169	-	-	-	-	448,779	554,718	138,566	106,438
17. Intangible assets	5,862,813	6,366,242	6,333,477	6,423,587	-	-	-	-	6,628,163	6,996,028	6,921,863	7,006,827
18. Deferred tax asset	2,938,970	2,413,059	2,413,059	2,413,059	-	-	-	-	3,278,363	2,706,182	2,690,008	2,830,154
19. Retirement benefit asset	-	-	-	-	-	-	-	-	-	-	-	-
20. Other assets	14,175,320	6,967,136	9,049,545	6,804,369	1,074	-	-	36,187	21,646,133	13,978,734	18,058,423	13,162,772
21. TOTAL ASSETS	399,529,870	406,402,486	402,181,727	410,372,609	66,053,998	74,391,550	74,534,135	66,867,907	504,944,293	524,465,745	527,780,738	542,016,243
B. LIABILITIES												
22. Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-	-	-	-	-
23. Customer deposits	288,488,484	298,702,851	301,623,121	303,505,353	-	-	-	-	362,788,342	373,143,247	382,422,176	393,685,732
24. Deposits and balances due to local banking institutions	-	-	-	-	-	-	-	-	608,740	-	-	-
25. Deposits and balances due to foreign banking institutions	-	-	-	-	-	-	-	-	237,423	-	-	-
26. Other money market deposits	-	-	1,194,848	2,108,650	-	-	-	-	2,015,564	1,735,822	3,600,896	3,514,720
27. Borrowed funds	42,364,070	39,494,907	37,690,150	36,845,148	-	-	-	-	43,532,545	46,137,632	45,309,531	49,137,286
28. Balances due to group companies	-	199,394	259,760	149,388	2,604,164	2,667,097	2,700,087	2,727,763	-	-	101,114	69,879
29. Tax payable	-	-	-	201,264	-	3,304	36,280	-	293,602	411,712	581,678	623,321
30. Dividends payable	-	-	-	-	-	-	7,547,350	64,467	-	-	7,547,350	64,467
31. Deferred tax liability	-	-	-	-	-	-	-	-	150,488	64,374	62,463	61,917
32. Retirement benefit liability	-	-	-	-	-	-	-	-	-	-	-	-
33. Other liabilities	7,017,835	6,098,943	2,885,453	5,331,693	748	258,847	258,846	82,890	9,423,926	9,830,022	6,032,678	8,547,449
34. TOTAL LIABILITIES	337,870,389	344,496,096	343,653,331	348,141,497	2,604,912	2,929,248	10,542,562	2,875,119	419,050,629	431,322,809	445,657,886	455,704,771
C. SHAREHOLDERS' FUNDS												
35. Paid up/assigned capital	30,000,000	30,000,000	30,000,000	30,000,000	1,886,837	1,886,837	1,886,837	1,886,837	1,886,837	1,886,837	1,886,837	1,886,837
36. Share premium/(discount)	9,964,132	9,964,132	9,964,132	9,964,132	16,062,607	16,062,607	16,062,607	16,062,607	16,062,607	16,062,606	16,062,607	16,062,607
37. Revaluation reserve	551,817	441,394	958,103	570,804	-	-	-	-	[4,920,682]	[7,255,865]	[6,449,649]	[7,978,637]
38. Retained earnings/accumulated losses	19,264,855	19,233,437	17,606,162	21,696,177	45,499,641	45,965,507	46,042,129	46,043,343	69,860,922	71,535,063	69,848,854	75,522,803
39. Statutory loan loss reserve	1,878,677	2,267,428	-	-	-	-	-	-	2,280,654	2,617,569	-	-
40. Other reserves	-	-	-	-	-	-	-	-	-	-	-	-
41. Proposed dividends	-	-	-	-	-	7,547,350	-	-	-	7,547,350	-	-
42. Non-controlling interests	-	-	-	-	-	-	-	-	723,327	749,375	774,203	817,862
43. TOTAL SHAREHOLDERS' FUNDS	61,659,481	61,906,391	58,528,396	62,231,112	63,449,086	71,462,301	63,991,573	63,992,788	85,893,664	93,142,935	82,122,852	86,311,472
44. TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	399,529,870	406,402,486	402,181,727	410,372,609	66,053,998	74,391,550	74,534,135	66,867,907	504,944,293	524,465,745	527,780,738	542,016,243
STATEMENT OF COMPREHENSIVE INCOME												
1. INTEREST INCOME												
1.1 Loans and advances	11,995,774	24,976,130	6,166,360	11,886,701	-	-	-	-	16,3			

EQUITY GROUP HOLDINGS PLC
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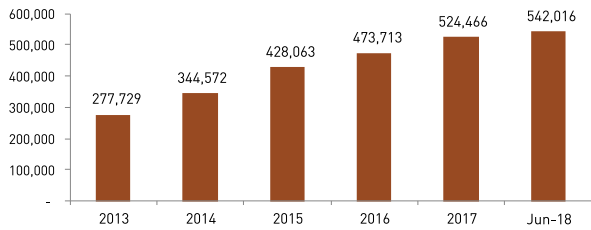


OTHER DISCLOSURES	EQUITY BANK (KENYA) LIMITED				EQUITY GROUP HOLDINGS PLC							
	BANK				COMPANY				GROUP			
	30 th June 2017 (Un-Audited)	31 st Dec 2017 (Audited)	31 st Mar 2018 (Un-Audited)	30 th June 2018 (Un-Audited)	30 th June 2017 (Un-Audited)	31 st Dec 2017 (Audited)	31 st Mar 2018 (Un-Audited)	30 th June 2018 (Un-Audited)	30 th June 2017 (Un-Audited)	31 st Dec 2017 (Audited)	31 st Mar 2018 (Un-Audited)	30 th June 2018 (Un-Audited)
1) NON-PERFORMING LOANS AND ADVANCES												
a) Gross non performing loans and advances	16,224,017	14,757,622	14,548,854	20,221,983	-	-	-	-	20,363,500	17,984,680	18,109,172	24,450,171
b) Less Interest in suspense	2,648,797	2,218,181	2,297,416	2,720,186	-	-	-	-	2,867,909	2,542,267	2,596,101	3,063,863
c) Total non-performing loans and advances (a-b)	13,575,220	12,539,442	12,251,438	17,501,797	-	-	-	-	17,495,591	15,442,413	15,513,071	21,386,307
d) Less loan loss provision	6,253,916	4,994,773	4,795,621	8,096,435	-	-	-	-	7,801,417	6,509,901	6,198,682	9,608,862
e) Net non-performing loans(c-d)	7,321,304	7,544,668	7,455,817	9,405,361	-	-	-	-	9,694,174	8,932,512	9,314,390	11,777,445
f) Discounted value of securities	6,674,525	7,544,668	7,455,817	9,137,691	-	-	-	-	9,023,366	8,932,512	9,314,390	11,549,812
g) Net NPLs exposure (e-f)	646,779	-	-	267,671	-	-	-	-	670,808	-	-	227,633
2) INSIDER LOANS AND ADVANCES												
a) Directors, shareholders and associates	2,757,639	3,199,639	3,512,692	3,005,876	-	-	-	-	2,757,639	3,243,982	3,572,021	3,142,280
b) Employees	4,630,970	4,568,199	4,618,257	4,789,612	-	-	-	-	5,727,086	5,662,202	5,726,414	5,991,924
c) Total insider loans and advances and other facilities	7,388,609	7,767,838	8,130,949	7,795,489	-	-	-	-	8,484,725	8,906,184	9,298,435	9,134,203
3) OFF BALANCE SHEET ITEMS												
a) Letter of credit, guarantees and acceptances	31,402,413	37,189,926	41,844,595	53,892,320	-	-	-	-	36,870,118	41,300,140	45,391,516	58,925,478
b) Forwards, swaps and options	24,648,738	16,308,703	19,223,894	21,222,019	-	-	-	-	24,648,738	17,136,211	20,739,197	22,106,352
c) Other contingent liabilities	-	-	-	-	-	-	-	-	-	-	-	-
d) Total contingent liabilities	56,051,151	53,498,629	61,068,489	75,114,339	-	-	-	-	61,518,856	58,436,351	66,130,714	81,031,830
4) CAPITAL STRENGTH												
a) Core Capital	55,238,619	59,197,568	55,226,820	54,858,769	-	-	-	-	83,180,300	87,572,831	84,845,929	82,096,531
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000	-	-	-	-	4,173,124	4,173,124	4,173,124	4,173,124
c) Excess/(deficiency)	54,238,619	58,197,568	54,226,820	53,858,769	-	-	-	-	79,007,176	83,399,708	80,672,806	77,923,408
d) Supplementary capital	3,037,709	2,704,894	316,487	204,229	-	-	-	-	3,439,686	3,055,035	316,487	204,229
e) Total capital (a+d)	58,276,328	61,902,462	55,543,307	55,062,997	-	-	-	-	86,619,986	90,627,866	85,162,417	82,300,760
f) Total risk weighted assets	361,653,743	374,209,300	383,326,845	374,495,224	-	-	-	-	424,252,800	444,102,519	454,511,423	447,791,699
Ratios												
g) Core capital/total deposit liabilities	19.1%	19.8%	18.3%	18.1%	-	-	-	-	22.9%	23.5%	22.2%	20.9%
h) Minimum statutory ratio	10.5%	10.5%	10.5%	10.5%	-	-	-	-	10.5%	10.5%	10.5%	10.5%
i) Excess/(deficiency) (g-h)	8.6%	9.3%	7.8%	7.6%	-	-	-	-	12.4%	13.0%	11.7%	10.4%
j) Core capital/total risk weighted assets	15.3%	15.8%	14.4%	14.6%	-	-	-	-	19.6%	19.7%	18.7%	18.3%
k) Minimum statutory ratio	10.5%	10.5%	10.5%	10.5%	-	-	-	-	10.5%	10.5%	10.5%	10.5%
l) Excess/(deficiency) (j-k)	4.8%	5.3%	3.9%	4.1%	-	-	-	-	9.1%	9.2%	8.2%	7.8%
m) Total capital/total risk weighted assets	16.1%	16.5%	14.5%	14.7%	-	-	-	-	20.4%	20.4%	18.7%	18.4%
n) Minimum statutory ratio	14.5%	14.5%	14.5%	14.5%	-	-	-	-	14.5%	14.5%	14.5%	14.5%
o) Excess/(deficiency) (m-n)	1.6%	2.0%	0.0%	0.2%	-	-	-	-	5.9%	5.9%	4.2%	3.9%
(p) Adjusted core capital/total deposit liabilities*	-	-	20.4%	19.1%	-	-	-	-	-	-	24.0%	21.8%
(q) Adjusted core capital/total risk weighted assets*	-	-	16.1%	15.5%	-	-	-	-	-	-	20.2%	19.1%
(r) Adjusted total capital/total risk weighted assets*	-	-	16.2%	15.5%	-	-	-	-	-	-	20.3%	19.2%
5) LIQUIDITY												
a) Liquidity ratio	54.4%	54.8%	56.0%	59.4%	-	-	-	-	51.1%	54.2%	55.2%	57.1%
b) Minimum statutory ratio	20.0%	20.0%	20.0%	20.0%	-	-	-	-	20.0%	20.0%	20.0%	20.0%
c) Excess/(deficiency) (a-b)	34.4%	34.8%	36.0%	39.4%	-	-	-	-	31.1%	34.2%	35.2%	37.1%

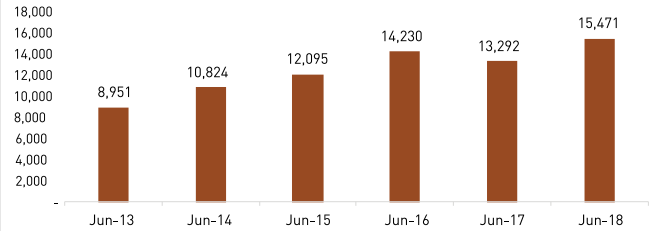
GROWTH IN DEPOSITS
(In KShs. Millions)



GROWTH IN TOTAL ASSETS
(In KShs. Millions)

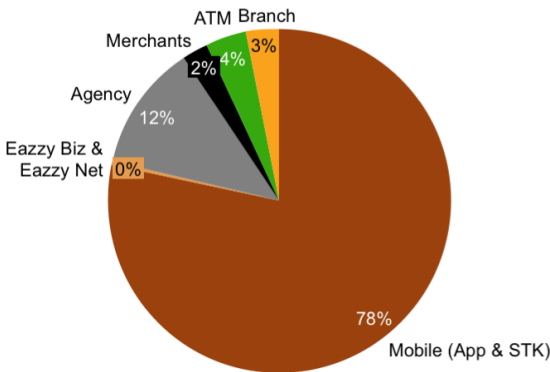


GROWTH IN PROFIT BEFORE TAX
(In KShs. Millions)

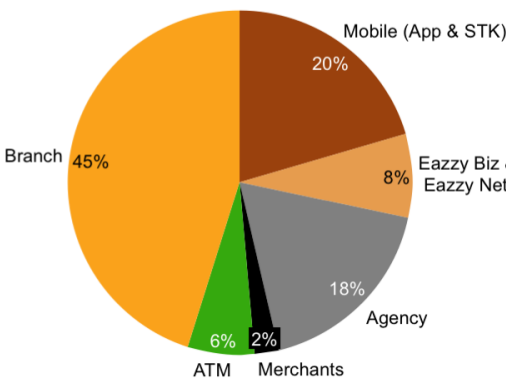


FINTECH, INNOVATION AND DIGITISATION

97% of our transactions outside the branch



55% of our transactions value outside the branch



*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 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.

Signed

Dr. James Mwangi

CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

Signed

Mary Wangari Wamae

GROUP EXECUTIVE DIRECTOR