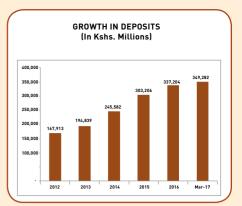
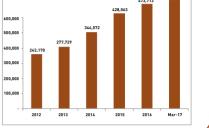
EQUITY GROUP HOLDINGS LIMITED UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 31MARCH 2017

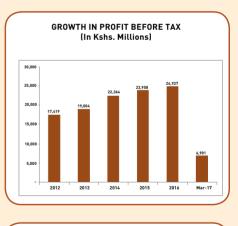
| | | | ank (Kenya) Lim | | | | | oldings Limited | | |
|---------------------------------|---|---|--|---|---|--------------------------------------|---|---|---|--|
| | STATEMENT OF FINANCIAL POSITION AS AT | 31st Mar | BANK 31st Dec | 31st Mar | 31st Mar | COMPANY 31st Dec 2016 | 31st Mar | 31st Mar | GROUP 31st Dec | 31st Mar |
| A. 1. 2. 3. | ASSETS Cash (both Local & foreign) Balances due from central. Bank of Kenya Kenya Government and other securities held for dealing purposes | 2016 Shs. '000' (Un-Audited) 7,782,967 16,174,119 | 2016 Shs. '000' (Audited) 4,840,798 11,537,111 | 2017 Shs. '000' (Un-Audited) 7,478,172 14,744,284 | 2016 Shs. '000' (Un-Audited) - | Shs. '000' (Audited) 8,012,137 | 2017 Shs. '000' (Un-Audited) 8,090,385 | 2016 Shs. '000' (Un-Audited) 8,051,739 16,174,119 | 2016 Shs. '000' (Audited) 11,854,456 11,537,111 | 2017 Shs. '000' (Un-Audited) 15,926,537 14,744,284 |
| 4. 5. | Financial Assets at fair value through profit and loss Investment Securities: | 41,554,630 | 93,097,439 | 105,406,210 | - | - | 1 | 62,385,083 | 100,588,954 | 112,988,818 |
| | a) Held to Maturity: a. Kenya Government securities b. Other securities | 26,626,659 24,423,669 2,202,991 | 21,655,268 19,452,277 2,202,991 | 19,747,214 17,544,224 2,202,991 | - | - | | 46,057,125 24,423,669 21,633,457 | 26,291,502 19,452,277 6,839,225 | 22,142,487 17,544,224 4,598,264 |
| | b) Available for sale: a. Kenya Government securities b. Other securities | 14,927,971 14,927,971 | 71,442,171 71,442,171 | 85,658,995 85,658,995 | - | - | - | 16,327,957 15,251,993 1,075,965 | 74,297,451 71,442,171 2,855,280 | 90,846,331 85,658,995 5,187,336 |
| 6. 7. | Deposits and balances due from local banking institutions Deposits and balances due from banking institutions abroad | 1,167,775 11,636,972 | 5,000,000 20,767,981 | 2,800,000 23,499,047 | 6,981,092 - | - | - | 9,579,862 14,477,482 | 5,316,369 35,738,191 | 3,231,033 38,791,085 |
| 8. 9. 10. | Tax recoverable Loans and advances to customers (net) Balances due from group companies | 229,474,440 9,970,843 | - 213,805,548 3,369,966 | - 208,356,659 3,335,342 | 342,554 | 7,807 - 704,110 | 7,807 - 613,125 | 116,641 275,017,411 307,027 | 150,494 266,068,089 382,615 | 119,698 261,899,197 480,428 |
| 11. 12. 13. | Investments in associates Investments in subsidiary companies Investments in joint ventures | - | | | 59,345,161 | 64,721,117 | 64,721,117 | - | - | - |
| 14. 15. | Investment properties Property and equipment | 8,494 8,392,203 | 8,494 7,334,622 | 8,494 7,044,139 | - | - | - | 8,494 13,857,056 | 8,494 13,754,329 | 8,494 13,345,923 |
| 16. 17. 18. | Prepaid lease rentals Intangible assets Deferred tax asset | 3,987 3,965,742 2,783,284 | 3,953 5,606,711 2,938,970 | 3,941 5,547,427 2,938,970 | - | - | - | 97,184 4,435,911 3,004,822 | 114,898 6,406,911 3,260,243 | 87,219 6,316,484 3,241,681 |
| 19. 20. 21. | Retirement benefit asset Other assets TOTAL ASSETS | 14,644,449 347,559,904 | 11,437,403 379,748,996 | 12,700,961 393,863,646 | 50,005 66,718,812 | <u>1,074</u> 73,446,245 | 153,622 73,586,056 | 22,674,363 430,187,193 | 18,531,981 473,713,133 | 20,972,586 492,153,465 |
| B. 22. | LIABILITIES Balances due to Central Bank of Kenya | | | | 00,710,012 | /3,440,243 | | 430,107,173 | 473,713,133 | |
| 23. | Customer deposits Deposits and balances due to Local banking institutions | 243,260,863 946,290 | 277,274,668 5,193 | 288,006,775 - | - | - | 1 | 299,219,415 1,118,210 | 337,198,618 5,193 | 347,514,400 1,765,208 |
| 23. 24. 25. 26. 27. | Deposits and balances due to Foreign banking institutions Other money market deposits Borrowed funds | 6,176,128 37,216,045 | 43,726,761 | 42,679,794 | - | - | - | 6,176,128 39,871,970 | - 198,920 45,770,072 | 2,414 1,313,655 44,480,018 |
| 28. 29. 30. | Balances due to group companies Tax payable Dividends payable. | 1,702,326 | 313,642 | 2,073,020 | 2,478,425 141,309 4,638,210 | 2,558,355 | 2,584,265 7,547,350 | 2,201,317 4,638,210 | 506,774 | 2,397,632 7,547,350 |
| 31. 32. 33. | Deferred tax liability Retirement benefit liability | | - | 4 837 009 | - | | - | 57,411 | 177,522 7,878,937 | 155,838 |
| 34. | Other liabilities | 6,132,278 295,433,929 | 6,087,692 327,407,956 | 4.837.009 337,596,599 | 11,080 7,269,024 | 2,559,103 | 748 10,132,363 | 7,788,612 361,071,272 | 391,736,037 | 412,714,127 |
| C. 35. 36. 37. | SHAREHOLDERS' FUNDS Paid up/Assigned capital Share premium/ (discount) | 30,000,000 9,964,132 (1,440,225) | 30,000,000 9,964,132 | 30,000,000 9,964,132 (965,096) | 1,886,837 16,062,607 | 1,886,837 16,062,607 | 1,886,837 16,062,607 | 1,886,837 16,062,607 [8,446,525] | 1,886,837 16,062,607 | 1,886,837 16,062,607 |
| 37. 38. 39 | Revaluation reserve Retained earnings/ Accumulated losses Statutory Loan Loss reserve | (1,440,225) 12,352,706 1,249,363 | (785,889) 11,284,120 1,878,677 | (965,096) 15,389,335 1,878,677 | 41,500,344 | 45,390,349 | 45,504,249 | (8,446,525) 57,349,181 1,615,305 | (7,051,002) 60,550,117 2,280,654 | (6,891,531) 65,382,778 2,280,654 |
| 40. 41. 42. | Other Réserves Proposed dividends Non Controlling Interests | - | - | - | - | 7,547,350 | 1 | 648,517 | 7,547,350 700,533 | - - 717,994 |
| 42. 43. 44. | TOTAL SHAREHOLDERS' FUNDS TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS | 52,125,975 347,559,904 | 52,341,039 379,748,996 | 56,267,047 393,863,646 | 59,449,789 66,718,812 | 70,887,143 | 63,453,693 73,586,056 | <u>69,115,922</u> 430,187,193 | 81,977,096 473,713,133 | 79,439,339 492,153,466 |
| | STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME | | | 07010001040 | | | 10,000,000 | | | 47211001400 |
| 1. | INTEREST INCOME 1.1 Loans and advances | 9,465,508 | 35,175,592 | 6,072,495 | - | - | - | 11,238,433 | 43,065,889 | 8,191,847 2,964,984 |
| | 1.2 Government securities. 1.3 Deposits and placements with banking institutions 1.4 Other Interest Income | 1,017,086 205,904 44,950 | 6,699,995 1,002,446 194,517 | 2,724,759 151,077 25,243 | 19,466 | 68,754 | 152,548 307 | 1,281,162 290,787 71,869 | 7,882,239 538,904 353,572 | 258,056 50,160 |
| 2. | 1.5 Total Interest income INTEREST EXPENSES | 10,733,448 | 43,072,550 | 8,973,574 | 19,466 | 68,754 | 152,855 | 12,882,251 | 51,840,604 | 11,465,047 |
| | 2.1 Customer deposits 2.2 Deposits and placements from banking institutions | 1,356,199 6,082 | 6,115,253 60,970 | 1,520,483 10,490 | - | - | 1 | 1,773,400 60,821 | 7,883,466 220,719 | 2,021,029 48,646 |
| | 2.3 Other Interest expense 2.4 Total interest Expenses | 428,519 1,790,800 | 1,836,594 8,012,818 | 485,345 2,016,318 | | - | - | 615,101 2,449,321 | 1,922,526 10,026,712 | 509,416 2,579,091 |
| 3. 4. | NET INTEREST INCOME NON-INTEREST INCOME | 8,942,648 | 35,059,732 | 6,957,257 | 19,466 | 68,754 | 152,855 | 10,432,930 | 41,813,893 | 8,885,956 |
| | 4.1 Fees and commissions income on loans & advances 4.2 Other Fees and commissions income 4.3 Foreign exchange trading income | 815,740 1,879,224 624,873 | 3,831,268 8,418,842 1,910,435 | 1,240,213 2,378,571 587,125 | - | - | - | 930,820 2,611,766 842,417 | 4,416,234 11,364,858 3,307,113 | 1,377,130 3,107,974 916,587 |
| | 4.4 Dividend Income 4.5 Other income. | - 144,370 | 1,103,549 | - 172,517 | 24,476 | 11,300,000 97,214 | | 828,161 | - 3,130,579 | - 931,604 |
| 5. 6. | 4.6 Total Non-Interest Income TOTAL OPERATING INCOME OPERATING EXPENSES | 3,464,208 12,406,856 | 15,264,095 50,323,827 | <u>4,378,426</u> 11,335,682 | <u>24,476</u> 43,941 | <u>11,397,214</u> 11,465,968 | 152,855 | <u>5,213,164</u> 15,646,094 | 22,218,783 64,032,676 | <u>6,333,295</u> 15,219,252 |
| 0. | 6.1 Loan Loss Provision 6.2 Staff costs | 382,029 2,197,054 | 5,010,763 8,096,990 17,276 | 630,652 1,636,535 2,777 | - | - | - | 704,919 2,993,523 5,954 | 6,645,641 11,628,908 | 796,900 2,472,447 |
| | 6.3 Directors' emoluments 6.4 Rental charges 6.5 Depreciation on property and equipment | - 306,778 722,835 | 1,262,656 2,816,348 | 2,777 326,950 678,137 | - | 13,372 | 2,033 | 5,954 549,900 902,346 | 65,117 2,039,919 3 764 250 | 12,660 593,290 931,828 |
| | 6.6 Ammortisation charges 6.7 Other operating expenses | 153,949 1,990,636 | 705,012 9,637,211 | 185,677 2,010,361 | 5,937 | 75,494 | 36,922 | 180,915 3,021,297 | 2,039,919 3,764,250 974,707 13,987,251 | 218,420 3,292,925 |
| | 6.8 Total Operating Expenses 7.0 Profit/(loss) before tax and exceptional items 8.0 Exceptional items-share of profit of associate | 5,753,280 6,653,575 | 27,546,255 22,777,572 | 5,471,089 5,864,593 | <u>5,937</u> 38,004 | <u>88,866</u> 11,377,102 | <u>38,955</u> 113,900 | 8,358,853 7,287,241 | <u>39,105,794</u> 24,926,883 | 8,318,470 6,900,782 |
| | 9.0 Profit/(loss) after exceptional items 10. Current tax 11. Deferred tax | 6,653,575 (1,996,073) | 22,777,572 (7,715,023) 155,686 | 5,864,593 (1,759,378) | 38,004 (11,401) | 11,377,102 94,197 | 113,900 [34,170] | 7,287,241 (2,200,413) 50,047 | 24,926,883 (8,582,349) 257,995 | 6,900,782 (2,050,660) |
| | Profit / [loss] after tax and exceptional items I2.1 Minority interest I3. Profit / loss] after tax and exceptional items and minority interest | 4,657,503 | 15,218,234 | 4,105,215 | 26,603 | 11,471,299 - 11,471,299 | 79,730 | 5,136,876 4,718 5,132,157 | 16,602,529 56,735 16,545,794 | 4,850,122 17,461 4,832,661 |
| 14. | Other Comprehensive Income 14.1 Gains/[Losses] from translating the financial statements of foreign | 4,037,303 | 13,210,234 | 4,103,213 | 20,003 | 11,471,277 | /1,/30 | | | |
| | operations 14.2 Fair value changes in available for sale financial assets | - (28,859) | - 683,195 | - (179,207) | - | - | - | (581,160) (28,859) | 99,102 686,403 | 340,443 (180,972) |
| | 14.3 Revaluation surplus on Property, plant and equipment 14.4 Share of other comprehensive income of associates 14.5 Income tax relating to components of other comprehensive income | - | - | - | - | | - | - | - | - |
| 15. 16. | Other Comprehensive Income for the year net of tax Total comprehensive income for the year | (28,859) 4,628,644 | 683,195 15,901,429 | (179,207) 3,926,008 | - 26,603 | - 11,471,299 | - 79,730 | (610,019) 4,522,138 | 785,505 17,331,299 | 159,471 4,992,132 |
| | EARNINGS PER SHARE- BASIC & DILUTED DIVIDEND PER SHARE -DECLARED | 155.25 | 507.27 366.67 | 136.84 | 0.01 | 3.04 2.00 | 0.02 | 1.39 | 4.38 2.00 | 1.28 - |
| 1) | OTHER DISCLOSURES NON PERFORMING LOANS AND ADVANCES | | | | | | | | | |
| | a) Gross non performing loans and advances b) Less Interest in suspense c] Total Non-Performing loans and advances (a-b) | 8,248,531 1,674,141 6,574,390 | 15,457,320 1,816,643 13,640,677 | 15,355,068 2,081,336 13,273,732 | - | | | 10,915,628 1,882,217 9,033,411 | 18,754,023 2,036,824 16,717,199 | 19,509,295 2,333,688 17,175,607 |
| | d) less Loan loss provision e) Net non- performing loans(c-d) | 3,043,325 3,531,065 | 5,416,636 8,224,041 | 5,647,521 7,626,211 | - | - | : | 4,228,285 4,805,126 | 6,959,640 9,757,559 | 7,069,507 10,106,100 |
| | f) Discounted value of securities g) Net NPLs Exposure (e-f) | 2,834,697 696,368 | 7.296.995 927,046 | 6,649,306 976,904 | | | - | 4,058,145 746,981 | 8.829.046 928,513 | 9.105.049 1,001,051 |
| 2) | INSIDER LOANS AND ADVANCES a) Directors, shareholders and associates b) Employees | 2,374,258 5,585,120 | 2,712,762 5,084,658 | 2,886,735 4,895,253 | - | - | - | 2,374,258 5,983,809 | 2,712,762 6,005,984 | 2,980,280 5,865,634 |
| 3) | c) Total insider Loans and Advances and other Facilities OFF BALANCE SHEET ITEMS | 7,959,378 | 7,797,420 | 7,781,988 | | | | 8,358,067 | 8,718,747 | 8,845,914 |
| | a) Letter of Credit, guarantees, acceptances b) Forwards, Swaps and Options c) Other contigent Liabilities | 19,877,248 38,371,279 5,694,789 | 32,733,625 7,749,424 - | 34,448,069 19,702,640 - | - | - | Ē | 22,380,106 38,371,279 5,694,789 | 35,676,396 7,749,424 410,344 | 37,666,636 20,734,024 - |
| 4) | d) Total contigent Libilities CAPITAL STRENGTH | 63,943,317 | 40,483,049 | 54,150,710 | - | _ | - | 66,446,174 | 43,836,164 | 58,400,660 |
| | a) Core Capital <u>b) Minimum statutory capital</u> | 49,988,086 1,000,000 | 51,248,255 1,000,000 | 53,300,859 1,000,000 | - | | 1 | 72,732,547 | 78,499,561 4,173,124 | 80,924,622 4,173,124 |
| | c) Excess/ (deficiency) d) Supplementary capital e) Total Capital (a-d) | 48,989,737 4,586,176 54,575,913 | 50,248,255 3,846,788 55,095,043 | 52,300,859 3,446,417 56,747,276 | - | - | - | 71,732,547 5,227,518 77,960,065 | 74,326,437 4,248,766 82,748,327 | 76,751,498 3,848,395 84,773,016 |
| | f) Total Risk Weighted Assets Ratios | 338,895,732 | 356,087,595 | 358,841,053 | - | - | - | 397,824,037 | 420,890,802 | 418,802,658 |
| | g) Core Capital/ Total Deposit Liabilities h) Minimum statutory ratio | 20.5% 10.5% | 18.5% 10.5% | 18.5% 10.5% | - | - | | 24.2% 10.5% | 23.3% 10.5% | 23.2% 10.5% |
| | i) Excess / (defficiency) (g-h) j) Core Capital/ Total Risk Weighted Assets | 10.0% 14.8% | 8.0% 14.4% | 8.0% 14.9% | - | | | 13.7% 18.3% | 12.8% 18.7% | 12.7% 19.3% |
| | k Minimum statutory Ratio L) Excess / [defficiency] [j-k] m) Total Capital/ Total Risk Weighted assets | 10.5% 4.3% 16.1% | <u>10.5%</u> 3.9% 15.5% | 10.5% 4.4% 15.8% | | | - | 10.5% 7.8% 19.6% | <u>10.5%</u> 8.2% 19.7% | 10.5% 8.8% 20.2% |
| | m) lotal Capital/ lotal Kisk Weighted assets j Minimum statutory Ratio o) Excess / (defficiency) (m-n) | 16.1% 14.5% 1.6% | 15.5% 14.5% 1.0% | 15.8% 14.5% 1.3% | - | | - | 19.6% 14.5% 5.1% | 19.7% 14.5% 5.2% | 20.2% 14.5% 5.7% |
| 5) | LIQUIDITY a) Liquidity Ratio | 29.4% | 47.7% | 53.2% | - | - | - | 34.9% | 47.6% | 50.6% |
| | b) Minimum statutory Ratio c) Excess / (defficiency) [a-b] | 20.0% 9.4% | 20.0% | 20.0% 33.2% | - | | | 20.0% | 20.0% 27.6% | 20.0% 30.6% |
| | | | | | | | | | | |



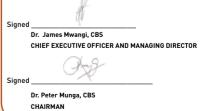








These financial statements are extracts from the books of the institution. The complete set of financial statements, statutory and qualitative disclosures can be accessed on the Institution's website www.equitybankgroup.com. They may also be accessed at the institutions head office located at Equity Centre 9th floor, Hospital Road Upperhill.



Equity Centre, 9th Floor • Hospital Road, Upper Hill • Tel : +254 763 063 000 Email: info@equitygroupholdings.com, www.equitygroupholdings.com Equity Group Holdings Limited and

Equity Bank Kenya Limited are regulated by the Central Bank of Kenya.

