EQUITY BANK GROUP

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30TH JUNE 2010



	GROUP 30/6/10	GROUP 31/3/10	GROUP 31/12/09	GROUP 30/6/09	BANK 30/6/10	BANK 31/3/10	BANK 31/12/09	BANK 30/6/09
	Shs.000 Un-audited	Shs. 000 Un-audited	Shs. 000 Audited	Shs. 000 Un-audited	Shs. 000 Un-audited	Shs. 000 Un-audited	Shs. 000 Audited	Shs. 000 Un-audited
BALANCE SHEET A. ASSETS A. Hard Mark Land Of Continue	7.050.001	5.013.004	4.250.222	2.050.501	4751126	4 220 012	2 772 165	2 505 525
Cash (both Local & foreign) Balances due from Central Bank of Kenya Kenya government securities	7,950,821 4,020,309 9,733,187	5,812,004 3,276,472 7,771,577	4,359,233 3,739,749 5,016,507	3,859,581 3,127,641 4,383,568	4,751,136 4,020,309 9,733,187	4,239,912 3,276,472 7,771,577	2,773,165 3,739,749 5,016,507	3,595,535 3,127,641 4,383,568
Foreign currency treasury bills and bonds Deposits and balances due from banking institutions	90,575 789,441	194,038 2,100,849	308,760 3,378,988	80,562 1,640,150	658,243	2,025,261	3,263,290	1,572,571
6. Deposits and balances due from banking institutions abroad7. Government and other securities held for dealing purposes	1,327,247 16,566,950	1,492,412 10,603,450	1,516,384 6,827,150	2,062,281 6,036,450	456,148 16,566,950	412,351 10,603,450	227,433 6,827,150	1,028,328 6,036,450
Tax recoverable Loans and advances to customers (net) Investment securities	28,004 68,251,013 62,760	19,242 66,160,578 39,405	74,519 63,378,232 32,305	7,965 53,802,673 22,720	65,176,064	63,276,592	59,868,232	50,707,913
Hivestment sections Balances due from group companies Investments in associates	48,995 1,249,816	1,231,900	9,608 1,213,872	1,178,815	601,685 1,249,816	1,559,225 1,231,900	2,022,379 1,213,872	1,628,252 1,155,562
13. Investments in subsidiary companies14. Investments in joint ventures	-	- -	-	1,100	4,880,691 -	3,437,691 -	3,437,691 -	3,371,191 -
Investment properties Property and equipment	8,494 6,628,279	8,494 6,549,065	8,494 6,441,969	11,269 6,121,970	8,494 5,432,428	8,494 5,342,984	8,494 5,192,719	11,269 5,210,300
Prepaid lease rentals Intangible assets Deferred tax asset	4,007 1,808,550 5,536	4,011 1,741,443 5,536	30,892 1,762,930 5,536	4,101 1,899,491	4,007 631,062 5,536	4,011 557,118 5,536	4,069 569,795 5,536	4,101 280,838
20. Retirement benefit asset 21. Other assets	3,925,111	3,572,139	2,706,623	- 3,466,148	3,402,505	2,804,611	2,341,644	2,689,516
22. TOTAL ASSETS	122,499,096	110,582,616	100,811,750	87,706,484	117,578,261	106,557,186	96,511,725	84,803,036
Balances due to Central Bank of Kenya Customer deposits	- 87,816,821	- 77,448,989	- 69,842,963	57,489,663	82,091,656	- 72,925,916	- 65,824,732	- 55,745,444
Deposits and balances due to Local banking institutions Deposits and balances due to Foreign banking institutions		76,030		3,389				3,389
27. Other money market deposits 28. Borrowed funds	- 6,466,750	6,790,347	- 6,486,123	6,938,552	6,451,492	6,773,032	- 6,114,047	6,673,740
29. Balances due to group companies 30. Tax payable 31. Distinguished and the second land.	870,593	427,125	20,231	5,598	849,622	427,125	20,231	- 1015
Dividends payable. Deferred tax liability Retirement benefit liability	70,874 - -	679,694 25,397 -	1,052	5,577 92,545 -	70,874	679,694 - -	1,052 - -	1,015 67,024
34. Other liabilities 35. TOTAL LIABILITIES	1,548,659 96,773,697	1,766,862 87,214,445	1,552,512 77,902,880	2,099,745 66,635,069	1,294,913 90,758,556	1,351,146 82,156,914	1,214,223 73,174,285	1,775,389 64,266,001
C. SHAREHOLDERS' FUNDS								
36. Paid up/assigned capital 37. Share premium/ (discount) 38. Revaluation reserve	1,851,388 12,161,021 1,173,211	1,851,388 12,161,021 664,964	1,851,388 12,161,021 (142,193)	1,851,388 12,157,307 (3,814)	1,851,388 12,161,021 1,643,308	1,851,388 12,161,021 1,011,214	1,851,388 12,161,021 112,871	1,851,388 12,157,307 (47,496)
39. Retained earnings/ accumulated losses 40. Statutory loan loss reserve	10,141,783 397,996	8,354,273 336,525	7,108,066 449,477	6,758,118 308,416	10,827,463 336,525	9,040,124 336,525	7,394,523 336,525	6,267,420 308,416
41. Proposed dividends 42. Capital grants	-	· .	1,481,111	:	-	-	1,481,111 -	-
43. TOTAL SHAREHOLDERS' FUNDS 44. TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	25,725,400 122,499,096	23,368,171 110,582,616	22,908,870 100,811,750	21,071,416 87,706,484	26,819,705 117,578,261	24,400,272 106,557,186	23,337,440 96,511,725	20,537,035 84,803,036
PROFIT AND LOSS ACCOUNT INTEREST INCOME								
1.1 Loans and advances1.2 Government securities.	5,528,025 1,748,170	2,712,472 599,947	9,483,873 1,275,115	4,279,693 694,488	5,112,092 1,740,237	2,500,342 594,463	8,286,601 1,263,406	3,673,898 690,167
Deposits and placements with banking institutions Hence the state of the s	36,865 - 7,313,060	40,621 - - 3,353,041	33,197 - - 10,792,186	86,712 - 5,060,892	75,865 - 6,928,194	60,717 - 3,155,522	141,309 - 9,691,317	72,209 - 4,436,274
INTEREST EXPENSES		- 3,333,041	-	3,000,892	0,928,194	3,133,322	9,091,317	4,430,274
Customer deposits Deposits and placements from banking institutions	681,786 4,009	337,075 3,201	815,157 4,426	329,482 9,701	584,402 2,409	287,376 1,638	675,534 4,296	278,401 1,949
2.3 Other Interest expense 2.4 Total interest Expenses NET INTEREST INCOME	321,968 1,007,763 6,305,297	175,229 515,505 2,837,536	802,536 1,622,119 9,170,067	370,239 709,422 4,351,471	321,968 908,779 6,019,415	159,491 448,505 2,707,016	733,935 1,413,764 8,277,552	370,239 650,589 3,785,685
OTHER OPERATING INCOME	-	-	-	4,551,471	0,015,415	2,707,010	0,2,7,332	3,703,003
4.1 Fees and commissions income on loans & advances4.2 Other fees and commissions income	1,139,828 2,138,665	565,694 1,019,204	2,106,760 3,928,382	875,010 1,797,227	1,092,028 2,010,312	543,727 967,279	1,977,386 3,791,506	813,529 1,742,788
4.3 Foreign exchange trading income 4.4 Dividend Income 4.5 Other income.	290,316 - 247,585	113,747 - 117,882	222,150 17,181 231,630	110,379 - 103,208	116,831 - 66,588	40,236 - 23,722	161,211 17,181 48,324	70,317 - 30,518
4.6 Total Non-Interest Income TOTAL OPERATING INCOME	3,816,394 10,121,691	1,816,527 4,654,063	6,506,103 15,676,169	2,885,824 7,237,295	3,285,759 9,305,174	1,574,963 4,281,980	5,995,608 14,273,161	2,657,152 6,442,837
OPERATING EXPENSES								
6.1 Loan Loss Provision 6.2 Staff costs	920,457 2,428,369	506,748 1,099,330	1,035,328 4,295,321	296,410 2,072,976	642,191 2,038,923	224,005 903,308	880,436 3,561,197	296,219 1,749,841
6.3 Directors' emoluments 6.4 Rental charges 6.5 Depreciation on property and equipment	12,201 328,628 664,542	5,491 159,609 349,534	43,424 645,389 1,035,732	11,724 280,979 442,691	9,450 262,850 560,138	4,575 124,576 296,290	24,557 471,330 921,927	10,217 230,973 409,183
6.6 Ammortisation charges _6.7 Other operating expenses	70,253 1,853,600	24,887 848,243	138,315 3,262,839	66,734 1,433,785	60,342 1,484,954	20,110 674,331	120,494 2,723,657	56,537 1,281,756
6.8 Total Operating Expenses Profit/(loss) before tax and exceptional items	6,278,050 3,843,641	2,993,842 1,660,221	10,456,349 5,219,821	4,605,299 2,631,995	5,058,847 4,246,327	2,247,194 2,034,786	8,703,597 5,569,564	4,034,726 2,408,111
Exceptional items-share of profit of associate Profit/(loss) after exceptional items Current tax	35,881 3,879,522 (869,127)	18,028 1,678,249 (431,764)	58,310 5,278,130 (1,116,703)	23,253 2,655,248 (558,021)	35,881 4,282,208 (849,265)	18,028 2,052,813 (406,957)	58,310 5,627,874 (1,137,302)	23,253 2,431,364 (481,622)
Deferred tax Profit / (loss) after tax and exceptional items	3,010,396	1,246,485	72,561 4,233,988	2,097,228	3,432,943	1,645,856	72,561 4,563,132	1,949,742
OTHER DISCLOSURES				,			, ,	
NON PERFORMING LOANS AND ADVANCES Gross non performing loans and advances b) Less Interest in suspense	4,337,279 500,812	4,790,370 513,232	5,332,979 491,134	4,233,059 536,637	3,878,866 500,812	4,048,146 497,124	4,565,118 491,134	3,936,270 536,637
c) Total Non-Performing loans and advances (a-b) d) less Loan loss provision	3,836,467 1,263,602	4,277,138 1,673,797	4,841,846 1,777,476	3,696,422 835,885	3,378,054 981,620	3,551,022 1,078,157	4,073,984 1,431,230	3,399,633 729,723
e) Net non- performing loans(c-b) f) Discounted value of securities	2,572,865 2,572,865	2,606,120 2,606,120	3,064,370 3,064,370	2,860,537 2,860,537	2,396,434 2,396,434	2,472,865 2,472,865	2,642,754 2,642,754	2,669,910 2,669,910
g) Net NPLs Exposure (e-f)	-	-	-	-	-		-	-
INSIDER LOANS AND ADVANCES Directors, shareholders and associates Employees	2,506,866 1,601,236	1,880,803 1,527,718	1,461,907 1,492,771	370,525 1,339,822	2,506,767 1,517,830	1,880,492 1,448,310	1,460,846 1,395,980	369,069 1,283,060
c) Total insider Loans and Advances and other Facilities	4,108,102	3,408,520	2,954,678	1,710,348	4,024,597	3,328,802	2,856,826	1,652,129
 a) OFF BALANCE SHEET ITEMS a) Letter of Credit, guarantees, acceptances 	2,359,227	1,882,790	2,185,000	2,167,662	2,278,857	1,762,480	2,105,727	2,167,662
b) Other contigent Liabilities c) Total contigent Liabilities	47,364 2,406,592	50,875 1,933,664	766 2,185,766	353 2,168,015	47,364 2,326,221	50,875 1,813,354	766 2,106,493	353 2,168,015
4) CAPITAL STRENGTH a) Core Capital					17,110,593	17,677,840	16,873,069	14,837,317
b) Minimum statutory capital c) Excess/ (defficiency)					350,000 16,760,593	350,000 17,327,840	350,000 16,623,069	250,000 14,587,317
d) Supplementary capital e) Total capital (a+d) f) Total risk weighted assets					5,365,017 22,475,610 76,588,357	5,266,645 22,944,486 74,808,767	5,615,069 22,488,266 71,416,437	5,619,615 20,456,932 61,815,500
Ratios Q) Core capital/ total deposit liabilities					76,588,357	74,808,767	26%	27%
h) Minimum statutory ratio i) Excess / (defficiency) (g-h)					8% 13%	8% 16%	8% 18%	8% 19%
j) Core capital/ total risk weighted assets k) Minimum statutory ratio					22% 8%	24% 8%	24% 8%	24% 8%
L) Excess / (defficiency) (j-k) m) Total capital/ total risk weighted assets n) Minimum statutory ratio					14% 29% 12%	16% 31% 12%	16% 31% 12%	16% 33% 12%
o) Excess / (defficiency) (m-n) 5) LIQUIDITY					17%	19%	19%	21%
a) Liquidity ratio b) Minimum statutory ratio					43% 20%	37% 20%	32% 20%	32% 20%
c) Excess / (defficiency) (a-b)					23%	17%	12%	12%

The above financial statements and disclosures are extracts of the financial records of the Group Signed: DR. JAMES MWANGI, MBS Signed: MR. PETER K. MUNGA, EBS CHIEF EXECUTIVE OFFICER/MANAGING DIRECTOR CHAIRMAN