



Absa Bank Kenya PLC

The Board of Directors of Absa Bank Kenya PLC is pleased to announce the unaudited group results for the period ended 30 June 2021

	Bank				Group			
	June 2020	December 2020	March 2021	June 2021	June 2020	December 2020	March 2021	June 2021
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited
I Statement of financial position								
A Assets								
1 Cash balances (both local and foreign)	5,067,749	5,829,269	6,038,429	5,425,405	5,067,749	5,829,269	6,038,429	5,425,405
2 Balances due from Central Bank of Kenya	20,938,548	12,430,538	9,727,440	16,372,581	20,938,548	12,430,538	9,727,440	16,372,581
3 Kenya Government and other securities held for dealing purposes	41,857,346	36,375,211	44,182,908	44,206,563	41,857,346	36,375,211	44,182,908	44,206,563
4 Financial assets at fair value through profit and loss	-	-	-	-	-	-	-	-
5 Investment securities:								
a) Held to maturity:	-	-	-	-	-	-	-	-
a. Kenya Government securities	-	-	-	-	-	-	-	-
b. Other securities	-	-	-	-	-	-	-	-
b) Fair value through other comprehensive income (FVOCI)	91,574,036	89,164,217	82,129,680	76,636,504	92,013,288	89,681,995	82,557,903	77,064,445
a. Kenya Government securities	91,574,036	89,164,217	82,129,680	76,636,504	92,013,288	89,681,995	82,557,903	77,064,445
b. Other securities	-	-	-	-	-	-	-	-
6 Deposits and balances due from local banking Institutions	1,716	2,718,500	1,500,000	1,736,301	1,716	2,718,500	1,500,000	1,736,301
7 Deposits and balances due from banking Institutions abroad	3,319,536	2,929,648	1,340,063	3,394,934	3,319,536	2,929,648	1,340,063	3,394,934
8 Tax recoverable	1,904,867	773,099	-	-	2,027,389	993,112	-	-
9 Loans and advances to customers(net)	201,948,138	208,854,694	218,265,767	218,872,997	201,948,138	208,854,694	218,265,767	218,872,997
10 Balances due from banking institutions in the group	9,112,380	2,933,836	3,769,442	12,856,186	8,867,613	2,675,696	3,769,442	12,856,186
11 Investment in associates	-	-	-	-	-	-	-	-
12 Investment in subsidiary companies	422,751	427,751	427,751	462,751	-	-	-	-
13 Investment in joint Ventures	-	-	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-	-	-
15 Property and equipment	3,228,565	2,855,402	2,853,543	2,593,536	3,228,748	2,855,555	2,854,058	2,594,893
16 Prepaid operating rental leases	34,725	34,236	34,236	34,236	34,725	34,236	34,236	34,236
17 Intangible assets	364,530	342,673	242,658	311,900	440,707	414,449	310,748	377,333
18 Deferred tax	2,424,391	3,141,054	3,785,649	3,824,036	2,456,432	3,187,961	3,836,533	3,883,601
19 Retirement benefit asset	-	71,668	68,605	65,542	-	71,668	68,605	65,542
20 Other assets	9,518,426	9,053,976	9,702,252	11,097,398	9,676,906	10,388,144	9,602,201	11,266,979
21 Total asset	392,017,704	377,935,772	384,068,423	397,890,870	391,878,841	379,440,676	384,088,333	398,151,996
B Liabilities								
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-
23 Customers' deposits	249,714,021	253,630,105	258,633,865	265,663,097	248,745,829	253,630,105	257,071,483	263,943,909
24 Deposits and balances due to Banking institutions (Local)	5,638,863	3,844,866	4,092,536	5,892,426	5,638,863	3,844,866	4,092,536	5,892,426
25 Deposits and balances due to Banking institutions (Foreign)	520,673	230,900	1,897,056	791,688	520,673	230,900	1,897,056	791,688
26 Other money market deposits	-	-	-	-	-	-	-	-
27 Borrowed funds	-	-	-	-	-	-	-	-
28 Balances due to banking institutions in the group	76,105,247	58,277,071	53,628,013	55,976,238	75,440,994	58,240,341	53,628,013	55,976,238
29 Tax payable	-	-	708,326	1,104,821	-	-	550,916	958,486
30 Dividends payable	-	-	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-	-	-	-
32 Retirement benefit liability	16,518	-	-	-	16,518	-	-	-
33 Other liabilities	18,346,796	16,983,547	18,126,140	18,288,981	18,524,677	16,990,525	18,191,698	18,622,083
34 Total liabilities	350,342,118	332,966,489	337,085,936	347,717,251	348,887,554	332,936,737	335,431,702	346,184,830
C Shareholders' funds								
35 Paid up/Assigned capital	2,715,768	2,715,768	2,715,768	2,715,768	2,715,768	2,715,768	2,715,768	2,715,768
36 Share premium/(discount)	-	-	-	-	-	-	-	-
37 Revaluation reserves	1,159,942	1,071,236	808,417	935,123	1,168,730	1,081,930	820,575	945,821
38 Retained earnings/(Accumulated losses)	37,595,951	40,999,674	43,281,614	46,312,702	38,902,864	42,523,636	44,943,600	48,095,551
39 Statutory loan loss reserve	-	-	-	-	-	-	-	-
40 Other reserves	203,925	182,605	176,688	210,026	203,925	182,605	176,688	210,026
41 Proposed dividend	-	-	-	-	-	-	-	-
42 Capital grants	-	-	-	-	-	-	-	-
43 Total shareholders' funds	41,675,586	44,969,283	46,982,487	50,173,619	42,991,287	46,503,939	48,656,631	51,967,166
44 Minority interest	-	-	-	-	-	-	-	-
45 Total liabilities and total shareholders funds	392,017,704	377,935,772	384,068,423	397,890,870	391,878,841	379,440,676	384,088,333	398,151,996
II Statement of comprehensive income								
1.0 Interest income								
1.1 Loans and advances to customers	10,873,912	22,303,047	5,542,005	11,013,403	10,873,912	22,303,047	5,542,005	11,013,403
1.2 Government securities	4,297,956	8,924,100	2,032,097	4,072,230	4,318,682	8,970,618	2,044,265	4,096,807
1.3 Deposits and placements with banking institutions	124,985	166,428	11,954	80,173	124,985	166,428	12,499	80,173
1.4 Other interest income	-	-	-	-	-	-	-	-
1.5 Total interest income	15,296,853	31,393,575	7,586,056	15,165,806	15,317,579	31,440,093	7,598,769	15,190,383
2.0 Interest expenses								
2.1 Customer deposits	3,193,841	6,038,015	1,451,183	2,979,974	3,173,109	5,984,154	1,431,788	2,937,460
2.2 Deposits and placements with banking institutions	4,888,712	1,892,645	169,285	189,506	748,476	1,892,644	169,285	189,506
2.3 Other interest expenses	91,575	182,041	33,729	67,613	91,575	182,041	33,937	68,327
2.4 Total interest expenses	4,033,892	8,112,701	1,654,197	3,237,093	4,013,160	8,058,839	1,635,010	3,195,293
3.0 Net interest income	11,262,961	23,280,874	5,931,859	11,928,713	11,304,419	23,381,254	5,963,759	11,995,090
4.0 Non - interest income								
4.1 Fees and commissions income on loans & advances	695,772	1,257,897	447,972	877,574	695,772	1,257,897	447,972	877,574
4.2 Other fees and commissions	1,714,752	3,414,733	923,578	1,749,707	2,119,915	4,259,828	1,180,441	2,238,879
4.3 Foreign exchange trading income	2,061,768	4,447,966	933,057	2,072,787	2,061,767	4,447,966	933,057	2,072,787
4.4 Dividend income	-	-	-	-	-	-	-	-
4.5 Other income	634,051	1,184,513	294,100	663,347	631,633	1,174,613	290,359	655,865
4.6 Total non-interest income	5,106,343	10,305,109	2,598,707	5,363,416	5,509,087	11,140,304	2,851,829	5,845,105
5.0 Total operating income	16,369,304	33,585,983	8,530,566	17,292,129	16,813,506	34,521,558	8,815,588	17,840,195
6.0 Operating expenses								
6.1 Loan loss provision	5,383,999	9,026,783	1,393,246	1,941,456	5,384,951	9,026,772	1,393,890	1,942,104
6.2 Staff costs	4,888,712	9,455,599	2,228,580	4,267,509	5,019,598	9,761,649	2,301,777	4,414,972
6.3 Directors emoluments	95,250	223,980	48,485	81,210	100,388	234,214	51,086	85,655
6.4 Rental charge	40,855	124,499	8,473	45,905	40,855	124,499	8,473	45,905
6.5 Depreciation on property and equipment	507,713	987,433	211,765	404,670	507,743	987,494	212,559	406,991
6.6 Amortisation charges	195,556	513,771	25,050	53,610	200,214	323,605	28,032	59,576
6.7 Other operating expenses	2,272,488	1,554,058	1,403,099	2,919,924	2,300,290	5,215,105	1,411,906	2,939,744
6.8 Total operating expenses	13,384,573	25,286,123	5,318,698	9,714,284	13,554,039	25,673,338	5,407,723	9,894,947
7.0 Profit before tax and exceptional items	2,984,731	8,299,860	3,211,868	7,577,845	3,259,467	8,848,220	3,407,865	7,945,248
8.0 Exceptional items	1,666,929	3,201,219	-	-	1,666,929	3,201,987	-	-
9.0 Profit after exceptional items	1,317,802	5,098,641	3,211,868	7,577,845	1,592,538	5,646,233	3,407,865	7,945,248
10 Current tax	(525,959)	(1,757,727)	(1,461,888)	(2,889,465)	(606,194)	(1,910,289)	(1,524,490)	(3,010,666)
11 Deferred tax	(404,367)	402,530	531,959	624,648	(397,352)	426,065	536,589	637,333
12 Profit after tax and exceptional items	387,476	3,743,444	2,281,939	5,313,028	588,992	4,162,009	2,419,964	5,571,915
13 Other comprehensive income								
13.1 Gains/(losses) from translating the financial statements of foreign operations	-	-	-	-	-	-	-	-
13.2 Fair value changes in FVOCI financial assets	1,153,166	1,136,914	(375,456)	(194,447)	1,156,712	1,144,020	(373,364)	(194,442)
13.3 Revaluation surplus on property, plant and equipment	-	-	-	-	-	-	-	-
13.4 Share of other comprehensive income of associates	-	-	-	-	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	(268,751)	(341,205)	112,637	58,334	(269,229)	(343,337)	112,009	58,333
14 Other comprehensive income for the year net of tax	884,415	795,709	(262,819)	(136,113)	887,483	800,683	(261,355)	(136,109)
15 Total comprehensive income for the year	1,271,891	4,539,153	2,019,120	5,176,915	1,476,475	4,962,692	2,158,609	5,435,806
Earnings per share (Shs)	0.07	0.69	0.42	0.98	0.11	0.77	0.45	1.03
Dividends per share (Shs)	-	-	-	-	-	-	-	-

	Bank			
	June 2020 Shs '000 Unaudited	December 2020 Shs '000 Audited	March 2021 Shs '000 Unaudited	June 2021 Shs '000 Unaudited
III Other disclosures				
1) Non-performing loans and advances				
a) Gross non-performing loans and advances	17,012,548	17,099,144	17,267,408	18,346,771
b) Less: Interest in suspense	2,439,830	2,432,972	2,418,021	2,408,728
c) Total non performing loans and advances	14,572,718	14,666,172	14,849,387	15,938,043
d) Less: loan loss provisions	8,378,762	9,722,309	10,248,992	10,592,395
e) Net non performing loans(c-d)	6,193,956	4,943,863	4,600,395	5,345,648
f) Discounted value of securities	4,372,214	3,651,088	3,521,803	3,291,141
g) Net NPLs (Excess)/Exposure (e-f)	1,821,742	1,292,775	1,078,592	2,054,507
2) Insider loans and advances				
a) Directors ,shareholders and associates	38,233	37,019	36,371	35,725
b) Employees	10,233,863	10,053,555	9,769,404	9,817,299
c) Total insider loans and advances	10,272,096	10,090,574	9,805,775	9,853,024
3) Off Balance sheet items				
a) Letters of credit ,guarantees, acceptances	25,197,336	32,065,910	43,882,881	45,011,575
b) Forwards, swaps and options	119,490,552	93,379,388	85,958,439	97,781,958
c) Other contingent liabilities	-	-	-	-
d) Total Contingent liabilities	144,687,888	125,445,298	129,841,320	142,793,533
4) Capital Strength				
a) Core capital	40,117,982	43,715,442	44,856,413	46,370,849
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess/(Deficiency)	39,117,982	42,715,442	43,856,413	45,370,849
d) Supplementary capital	7,994,999	8,193,742	8,212,501	8,096,251
e) Total capital	48,112,981	51,909,183	53,068,914	54,467,100
f) Total risk weighted assets	291,125,988	297,314,183	311,724,625	314,494,821
g) Core capital/total deposit liabilities	16.2%	17.3%	17.5%	17.7%
h) Minimum statutory ratio	8.0%	8.0%	8.0%	8.0%
i) Excess/(Deficiency)	8.2%	9.3%	9.5%	9.7%
j) Core capital/total risk weighted assets	13.8%	14.7%	14.4%	14.7%
k) Minimum statutory ratio	10.5%	10.5%	10.5%	10.5%
l) Excess/(Deficiency)	3.3%	4.2%	3.9%	4.2%
m) Total capital/total risk weighted assets	16.5%	17.5%	17.0%	17.3%
n) Minimum statutory ratio	14.5%	14.5%	14.5%	14.5%
o) Excess/(Deficiency)	2.0%	3.0%	2.5%	2.8%
p) Adjusted Core Capital/Total Deposit Liabilities*	16.3%	17.5%	17.7%	17.8%
q) Adjusted Core Capital/Total Risk Weighted Assets*	13.9%	14.8%	14.5%	14.8%
r) Adjusted Total Capital/Total Risk Weighted Assets*	16.7%	17.6%	17.1%	17.4%
5) Liquidity				
a) Liquidity ratio	39.1%	38.7%	38.3%	38.1%
b) Minimum statutory ratio	20.0%	20.0%	20.0%	20.0%
c) Excess/(Deficiency)	19.1%	18.7%	18.3%	18.1%