



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 2023

	Bank				Group			
	June 2022	December 2022	March 2023	June 2023	June 2022	December 2022	March 2023	June 2023
	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)	6,752,477	11,464,397	13,151,558	8,429,922	6,752,477	11,464,397	13,151,558	8,429,922
2 Balances due from Central Bank of Kenya	13,044,351	12,746,777	13,856,697	13,404,820	13,044,351	12,746,777	13,856,697	13,404,820
3 Kenya Government and other securities held for dealing purposes	31,076,657	42,905,378	47,237,832	35,271,586	31,076,657	42,905,378	47,237,832	35,271,586
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)	89,286,448	90,192,869	86,651,020	80,359,746	89,679,257	90,584,670	87,026,795	80,732,814
a. Kenya Government securities	89,286,448	90,192,869	86,651,020	80,359,746	89,679,257	90,584,670	87,026,795	80,732,814
b. Other securities	-	-	-	-	-	-	-	-
6 Deposits and balances due from local banking Institutions	-	843,225	1,259,224	3,992,100	-	843,225	1,259,224	3,992,100
7 Deposits and balances due from banking Institutions abroad	3,390,256	4,113,673	4,643,518	2,200,293	3,390,256	4,113,673	4,643,518	2,200,293
8 Tax recoverable	623,550	537,355	-	-	812,692	747,970	-	-
9 Loans and advances to customers(net)	261,535,623	283,578,543	309,973,217	317,946,670	261,535,623	283,578,543	309,973,217	317,946,670
10 Balances due from banking institutions in the group	18,023,319	8,726,287	13,021,919	13,963,927	18,023,320	8,726,287	13,021,919	13,963,927
11 Investment in Associates	-	-	-	-	-	-	-	-
12 Investment in Subsidiary Companies	462,751	462,751	462,751	462,751	-	-	-	-
13 Investment in joint Ventures	-	-	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-	-	-
15 Property and equipment	2,224,779	2,674,477	2,516,021	2,510,700	2,224,840	2,675,951	2,517,424	2,507,817
16 Prepaid operating rental leases	33,710	32,116	31,855	31,590	33,710	32,116	31,855	31,590
17 Intangible assets	431,040	461,929	467,517	495,653	491,966	515,795	518,594	548,155
18 Deferred Tax	5,601,315	5,834,288	5,956,746	6,876,652	5,667,144	5,924,099	6,053,091	6,981,604
19 Retirement benefit asset	-	-	12,370	3,740	-	-	12,370	3,740
20 Other assets	12,687,549	12,716,483	15,575,575	18,139,057	12,556,052	12,375,056	15,299,990	17,723,948
21 Total asset	445,173,825	477,290,548	514,817,820	504,089,207	445,288,345	477,233,937	514,604,084	503,738,986
B Liabilities								
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-
23 Customers' deposits	284,012,134	306,662,590	314,010,528	336,078,746	281,668,662	303,751,003	310,831,231	332,599,693
24 Deposits and balances due to banking institutions (local)	6,211,655	8,375,258	9,099,706	9,736,639	6,211,655	8,375,258	9,099,706	9,736,639
25 Deposits and balances due to banking institutions (foreign)	558,425	642,615	2,264,509	1,627,365	558,425	642,615	2,264,509	1,627,365
26 Other money market deposits	-	-	-	-	-	-	-	-
27 Borrowed funds	-	4,266,919	4,226,962	4,202,591	-	4,266,919	4,226,962	4,202,591
28 Balances due to banking institutions in the group	77,954,402	76,303,685	96,362,152	68,590,108	77,954,402	76,303,685	96,362,152	68,590,108
29 Tax payable	-	-	1,392,026	269,486	-	-	1,268,419	6,963
30 Dividends payable	1,086,307	-	-	1,086,307	1,086,307	-	-	1,086,307
31 Deferred tax liability	-	-	-	-	-	-	-	-
32 Retirement benefit liability	106,413	121,000	-	-	106,413	121,000	-	-
33 Other liabilities	21,447,035	20,107,180	22,597,096	22,109,275	21,462,745	20,160,439	22,570,096	22,148,659
34 Total liabilities	391,376,371	416,479,247	449,952,979	443,700,517	389,048,609	413,620,919	446,623,075	439,998,325
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	(559,289)	(1,536,412)	(1,588,960)	(2,011,709)	(573,238)	(1,551,380)	(1,614,041)	(2,046,499)
38 Retained earnings/(Accumulated losses)	51,469,518	53,163,772	57,291,697	59,513,564	53,925,749	55,980,457	60,432,946	62,900,325
39 Statutory loan loss reserve	-	-	-	-	-	-	-	-
40 Other reserves	171,457	221,907	200,070	171,067	171,457	221,907	200,070	171,067
41 Proposed dividend	-	6,246,266	6,246,266	-	-	6,246,266	6,246,266	-
42 Capital grants	-	-	-	-	-	-	-	-
43 Total shareholders' funds	53,797,454	60,811,301	64,864,841	60,388,690	56,239,736	63,613,018	67,981,009	63,740,661
44 Minority Interest	-	-	-	-	-	-	-	-
45 Total liabilities and total shareholders funds	445,173,825	477,290,548	514,817,820	504,089,207	445,288,345	477,233,937	514,604,084	503,738,986
II Statement of comprehensive income								
1.0 Interest income								
1.1 Loans and advances to customers	13,347,220	30,681,559	9,576,767	20,210,699	13,347,220	30,681,559	9,576,767	20,210,699
1.2 Government securities	4,525,721	9,375,735	2,406,459	4,692,016	4,550,961	9,420,791	2,417,509	4,714,239
1.3 Deposits and placements with banking institutions	528,356	750,751	149,196	308,137	528,356	750,751	149,196	308,137
1.4 Other interest income	-	-	-	-	-	-	-	-
1.5 Total interest income	18,401,297	40,808,045	12,132,422	25,210,852	18,426,537	40,853,101	12,143,472	25,233,075
2.0 Interest expenses								
2.1 Customer deposits	3,363,787	7,114,100	2,167,288	4,747,773	3,303,130	6,975,120	2,126,823	4,655,451
2.2 Deposits and placements with banking institutions	640,246	1,448,752	630,876	1,293,038	640,246	1,448,752	630,876	1,293,038
2.3 Other interest expenses	53,415	113,871	30,018	59,932	53,415	113,871	30,018	59,932
2.4 Total interest expenses	4,057,448	8,676,723	2,828,182	6,100,743	3,996,791	8,537,743	2,787,717	6,008,421
3.0 Net interest income	14,343,849	32,131,322	9,304,240	19,110,109	14,429,746	32,315,358	9,355,755	19,224,654
4.0 Non - interest income								
4.1 Fees and commissions income on loans & advances	701,822	1,382,234	329,731	697,669	701,822	1,382,234	329,731	697,669
4.2 Other fees and commissions	1,741,920	3,524,336	1,074,349	2,138,243	2,339,465	4,790,442	1,571,252	2,985,691
4.3 Foreign exchange trading income	2,988,752	6,646,031	2,203,917	3,764,153	2,988,751	6,646,029	2,203,915	3,764,150
4.4 Dividend income	-	-	-	-	-	-	-	-
4.5 Other income	454,509	871,842	404,554	700,338	447,038	853,875	400,077	691,321
4.6 Total non-interest income	5,887,003	12,424,443	4,012,551	7,300,403	6,477,076	13,672,580	4,504,975	8,138,831
5.0 Total operating income	20,230,852	44,555,765	13,316,791	26,410,512	20,906,822	45,987,938	13,860,730	27,363,485
6.0 Operating expenses								
6.1 Loan loss provision	2,955,706	6,401,737	2,400,869	5,155,341	2,955,674	6,479,523	2,400,944	5,155,422
6.2 Staff costs	4,684,179	10,226,482	2,626,165	5,491,453	4,807,075	10,487,747	2,681,124	5,602,308
6.3 Directors emoluments	114,076	178,713	29,205	87,780	118,178	187,396	31,510	92,389
6.4 Rental charge	35,316	113,116	33,938	59,596	35,316	113,252	34,073	59,799
6.5 Depreciation on property and equipment	359,172	755,924	209,554	420,051	359,204	756,025	209,626	420,194
6.6 Amortisation charges	60,382	116,220	28,544	58,369	65,961	127,377	31,333	63,947
6.7 Other operating expenses	3,423,955	6,931,142	2,031,727	3,861,362	3,452,313	6,987,304	2,050,194	3,898,186
6.8 Total operating expenses	11,632,786	24,723,334	7,360,002	15,133,952	11,793,721	25,138,624	7,438,804	15,292,245
7.0 Profit before tax and exceptional items	8,598,066	19,832,431	5,956,789	11,276,560	9,113,101	20,849,314	6,421,926	12,071,240
8.0 Exceptional items	-	-	-	-	-	-	-	-
9.0 Profit after exceptional items	8,598,066	19,832,431	5,956,789	11,276,560	9,113,101	20,849,314	6,421,926	12,071,240
10 Current tax	(3,136,231)	(6,255,473)	(1,929,381)	(4,383,550)	(3,303,396)	(6,576,739)	(2,072,159)	(4,614,801)
11 Deferred tax	473,376	290,928	100,516	842,090	484,336	314,591	102,720	848,737
12 Profit after tax and exceptional items	5,935,211	13,867,886	4,127,924	7,735,100	6,294,041	14,587,166	4,452,487	8,305,176
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	(1,502,038)	(2,897,985)	(73,140)	(667,581)	(1,518,988)	(2,916,370)	(87,575)	(695,896)
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	450,611	869,396	21,942	200,274	455,696	874,911	26,272	208,769
14 Other comprehensive income for the year net of tax	(1,051,427)	(2,028,589)	(51,198)	(467,307)	(1,063,292)	(2,041,459)	(61,303)	(487,127)
15 Total comprehensive income for the year	4,883,784	11,839,297	4,076,726	7,267,793	5,230,749	12,545,707	4,391,184	7,818,049
Earnings per Share (Shs)	1.09	2.55	0.76	1.42	1.16	2.69	0.82	1.53
Dividends per share (Shs)	0.20	1.35	-	0.20	0.20	1.35	-	0.20

	Bank			
	June 2022 Shs '000 Audited	December 2022 Shs '000 Audited	March 2023 Shs '000 Unaudited	June 2023 Shs '000 Unaudited
III Other disclosures				
1) Non-performing loans and advances				
a) Gross non-performing loans and advances	19,792,505	22,519,244	31,142,698	32,179,930
b) Less: Interest in suspense	2,433,135	4,794,156	4,521,938	4,648,699
c) Total non performing loans and advances	17,359,370	17,725,088	26,620,760	27,531,231
d) Less: loan loss provisions	13,112,358	13,344,496	15,368,861	17,669,239
e) Net non performing loans(c-d)	4,247,012	4,380,592	11,251,899	9,861,992
f) Discounted value of securities	3,158,189	3,257,843	8,891,882	7,700,786
g) Net NPLs (Excess)/Exposure (e-f)	1,088,823	1,122,749	2,360,017	2,161,206
2) Insider loans and advances				
a) Directors, shareholders and associates	34,293	33,034	33,243	58,995
b) Employees	9,926,528	10,258,378	10,226,224	10,288,808
c) Total insider loans and advances	9,960,821	10,291,412	10,259,467	10,347,803
3) Off Balance sheet items				
a) Letters of credit, guarantees, acceptances	71,804,441	57,644,594	49,483,405	54,162,125
b) Forwards, swaps and options	98,030,550	141,534,025	158,956,906	148,689,765
c) Other contingent liabilities	-	-	-	-
d) Total Contingent liabilities	169,834,991	199,178,619	208,440,311	202,851,890
4) Capital Strength				
a) Core capital	50,738,134	55,606,048	57,781,106	57,321,310
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess/(Deficiency)	49,738,134	54,606,048	56,781,106	56,321,310
d) Supplementary capital	8,872,278	15,505,695	16,646,233	17,659,767
e) Total capital	59,610,412	71,111,743	74,427,339	74,981,077
f) Total risk weighted assets	363,421,230	382,149,724	410,913,245	424,761,594
g) Core capital/total deposit liabilities	18.1%	18.4%	18.6%	17.3%
h) Minimum statutory ratio	8.0%	8.0%	8.0%	8.0%
i) Excess/(Deficiency)	10.1%	10.4%	10.6%	9.3%
j) Core capital/total risk weighted assets	14.0%	14.6%	14.1%	13.5%
k) Minimum statutory ratio	10.5%	10.5%	10.5%	10.5%
l) Excess/(Deficiency)	3.5%	4.1%	3.6%	3.0%
m) Total capital/total risk weighted assets	16.4%	18.6%	18.1%	17.7%
n) Minimum statutory ratio	14.5%	14.5%	14.5%	14.5%
o) Excess/(Deficiency)	1.9%	4.1%	3.6%	3.2%
p) Adjusted Core Capital/Total Deposit Liabilities*	18.2%	18.4%	18.7%	-
q) Adjusted Core Capital/Total Risk Weighted Assets*	14.0%	14.6%	14.2%	-
r) Adjusted Total Capital/Total Risk Weighted Assets*	16.5%	18.6%	18.2%	-
5 Liquidity				
a) Liquidity ratio	30.3%	33.6%	28.6%	28.7%
b) Minimum statutory ratio	20.0%	20.0%	20.0%	20.0%
c) Excess/(Deficiency)	10.3%	13.6%	8.6%	8.7%