

Consolidated income statement for the year ended 31 December 2010

	2010 Kshs million	2009 Kshs million
Interest income	17,131	17,517
Interest expense	(1,457)	(2,747)
Net interest income	15,674	14,770
Fees and commission income	7,892	6,705
Fees and commission expense	(518)	(450)
Net fees and commission income	7,374	6,255
Foreign exchange income	2,346	2,193
Other operating income	631	179
Impairment losses on loans and advances	(1,200)	(513)
Other operating expenses	(14,049)	(13,882)
Operating profit	10,776	9,002
Restructuring expense	(767)	-
Net income from sale of custody business	3,544	-
Profit before income tax	13,553	9,002
Income tax expense	(2,954)	(2,911)
Profit for the year	10,599	6,091
Earnings per share - Basic and diluted (Kshs per share)	7.8	4.5

Consolidated statement of other comprehensive income for the year ended 31 December 2010

	2010 Kshs million	2009 Kshs million
Profit for the year	10,599	6,091
Other comprehensive income	390	372
Total comprehensive income for the year	10,989	6,463

Consolidated statement of cash flows for the year ended 31 December 2010

	2010 Kshs million	2009 Kshs million
Net cash from operating activities	1,611	3,823
Net cash used in investing activities	(1,388)	(3,582)
Net cash used in financing activities	(3,734)	(2,716)
Net decrease in cash and cash equivalents	(3,511)	(2,475)
Cash and cash equivalents at beginning of year	12,151	14,626
Cash and cash equivalents at end of year	8,640	12,151

Consolidated statement of financial position as at 31 December 2010

	2010 Kshs million	2009 Kshs million
ASSETS		
Cash and balances with Central Bank of Kenya	13,131	9,751
Government securities: available-for-sale securities	55,996	43,861
Deposits and balances due from banking institutions	935	1,061
Balances due from group companies	3,285	6,246
Loans and advances to customers	87,147	93,543
Financial assets at fair value through profit or loss	350	412
Intangible assets	3,448	686
Property and equipment	3,244	5,921
Prepaid operating lease rentals	61	62
Retirement benefit assets	1,539	1,837
Other assets	3,279	1,496
Total assets	172,415	164,876
LIABILITIES		
Balances due to Central Bank of Kenya	3,105	1,503
Customer deposits	123,826	125,869
Deposits and balances due to banking institutions	92	262
Lines of credit	-	34
Balance due to group companies	1,571	3,986
Current income tax payable	193	115
Deferred income tax liabilities	508	619
Long term liabilities	4,351	4,294
Other liabilities	7,304	3,984
Total liabilities	140,950	140,666
SHAREHOLDERS' EQUITY		
Share capital	2,716	2,716
Revaluation reserve: available-for-sale securities	515	125
Retained earnings	19,326	16,882
Statutory loan loss reserve	2,526	1,771
Proposed dividend	6,382	2,716
Total shareholders' equity	31,465	24,210
Total equity and liabilities	172,415	164,876

Consolidated statement of changes in equity for the year ended 31 December 2010

	Share capital Kshs million	Retained earnings Kshs million	Statutory loan loss reserve Kshs million	Revaluation on available-for-sale securities Kshs million	Proposed dividend Kshs million	Total Kshs million
At start of year	2,716	16,882	1,771	125	2,716	24,210
Total comprehensive income	-	9,844	755	390	-	10,989
Transactions with owners	-	(7,400)	-	-	3,666	(3,734)
At end of year	2,716	19,326	2,526	515	6,382	31,465