

# PARAMOUNT BANK LTD

## QUARTERLY FINANCIAL STATEMENTS AND DISCLOSURES

I STATEMENT OF FINANCIAL POSITION AS AT 31 <sup>st</sup> MAR 2018	Group			Bank		
	Previous Year	31 <sup>st</sup> Dec 17	1 <sup>st</sup> Quarter	Previous Year	31 <sup>st</sup> Dec 17	1 <sup>st</sup> Quarter
	Same Quarter	Previous Year	Current Year	Same Quarter	Previous Year	Current Year
	Shs '000'	Shs '000'	Shs '000'	Shs '000'	Shs '000'	Shs '000'
	Un-Audited	Audited	Un-Audited	Un-Audited	Audited	Un-Audited
<b>A ASSETS</b>						
1 Cash (both local & foreign)	110,401	109,453	116,093	110,401	109,453	116,093
2 Balances due from Central Bank of Kenya	578,350	990,821	836,814	578,350	990,821	836,814
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-
4 Financial Assets at fair value through the profit and loss	-	-	-	-	-	-
5 Investment Securities:						
a) Held to Maturity:						
a. Kenya Government Securities	2,238,096	2,167,645	2,524,401	2,238,096	2,167,645	2,524,401
b. Other Securities	116,476	74,681	75,973	116,476	74,681	75,973
b. Available for sale:						
a. Kenya Government Securities	235,487	-	-	235,487	-	-
b. Other Securities	-	-	-	-	-	-
6 Deposits and balances due from local banking institutions	167,387	10,258	401,126	167,387	10,258	401,126
7 Deposits and balances due from banking institutions abroad	143,667	45,242	120,621	143,667	45,242	120,621
8 Tax Recoverable	26,618	17,645	17,645	26,621	17,418	17,418
9 Loans and advances to customers (net)	5,897,991	5,902,031	5,902,031	5,897,991	5,902,031	5,902,031
10 Balances due from group companies	-	-	-	-	-	-
11 Investments in associates	-	-	-	-	1,000	1,000
12 Investments in subsidiary companies	-	-	-	-	1,000	1,000
13 Investments in joint ventures	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-
15 Property and Equipment	67,691	57,572	53,522	67,691	57,572	53,522
16 Prepaid lease rentals	-	-	-	-	-	-
17 Intangible assets	13,086	11,279	11,896	13,004	11,219	11,842
18 Deferred Tax asset	6,520	27,534	34,775	6,380	27,534	34,742
19 Retirement benefit asset	-	-	-	-	-	-
20 Other assets	144,089	126,924	149,737	136,384	126,377	139,845
<b>21 TOTAL ASSETS</b>	<b>9,745,859</b>	<b>9,541,085</b>	<b>9,933,315</b>	<b>9,738,935</b>	<b>9,541,251</b>	<b>9,924,109</b>
<b>LIABILITIES</b>						
22 Balances due to Central Bank of Kenya	-	-	-	-	-	-
23 Customer deposits	7,860,326	7,725,963	8,315,676	7,869,608	7,729,302	8,319,428
24 Deposits and balances due to banking institutions	154,711	-	-	154,711	-	-
25 Deposits and balances due to foreign banking institutions	-	-	-	-	-	-
26 Other money market deposits	-	-	-	-	-	-
27 Borrowed funds	-	-	-	-	-	-
28 Balances due to group companies	-	-	-	-	-	-
29 Tax payable	-	-	-	-	-	-
30 Dividends payable	-	-	-	-	-	-
31 Deferred Tax liability	-	-	-	-	-	-
32 Retirement Benefit liability	-	-	-	-	-	-
33 Other liabilities	71,901	55,368	71,562	55,465	52,256	58,590
<b>34 TOTAL LIABILITIES</b>	<b>8,086,938</b>	<b>7,781,331</b>	<b>8,387,238</b>	<b>8,079,784</b>	<b>7,781,558</b>	<b>8,378,018</b>
<b>SHAREHOLDERS' EQUITY</b>						
35 Paid up/Assigned capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
36 Share premium/(discount)	-	-	-	-	-	-
37 Fair value reserve	1,637	-	-	1,637	-	-
38 Retained earnings/Accumulated losses	577,135	689,160	546,077	577,365	689,099	546,091
39 Statutory Reserves	-	-	-	-	-	-
40 Proposed dividends	80,149	70,594	-	80,149	70,594	-
41 Capital grants	-	-	-	-	-	-
<b>42 TOTAL SHAREHOLDERS' EQUITY</b>	<b>1,658,921</b>	<b>1,759,754</b>	<b>1,546,077</b>	<b>1,659,151</b>	<b>1,759,693</b>	<b>1,546,091</b>
<b>43 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>9,745,859</b>	<b>9,541,085</b>	<b>9,933,315</b>	<b>9,738,935</b>	<b>9,541,251</b>	<b>9,924,109</b>

II STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 <sup>st</sup> MAR 2018	Group			Bank		
	Previous Year	31 <sup>st</sup> Dec 17	1 <sup>st</sup> Quarter	Previous Year	31 <sup>st</sup> Dec 17	1 <sup>st</sup> Quarter
	Same Quarter	Previous Year	Current Year	Same Quarter	Previous Year	Current Year
	Shs '000'	Shs '000'	Shs '000'	Shs '000'	Shs '000'	Shs '000'
	Un-Audited	Audited	Un-Audited	Un-Audited	Audited	Un-Audited
<b>I INTEREST INCOME</b>						
1.1 Loans and advances	210,657	768,036	183,355	210,657	768,036	183,355
1.2 Government securities	55,825	225,348	55,358	55,825	225,348	55,358
1.3 Deposits and placements with banking institutions	7,260	16,651	1,781	7,260	16,651	1,781
1.4 Other Interest Income	6,911	1,353	2,033	6,911	1,353	2,033
<b>1.5 Total Interest Income</b>	<b>275,775</b>	<b>1,016,946</b>	<b>241,847</b>	<b>275,775</b>	<b>1,016,946</b>	<b>241,847</b>
<b>2 INTEREST EXPENSES</b>						
2.1 Customer deposits	168,555	641,354	157,147	168,555	641,354	157,147
2.2 Deposits and placements from banking institutions	1,189	1,986	-	1,189	1,986	-
2.3 Other Interest Expenses	-	-	-	-	-	-
<b>2.4 Total Interest Expenses</b>	<b>169,744</b>	<b>643,340</b>	<b>157,147</b>	<b>169,744</b>	<b>643,340</b>	<b>157,147</b>
<b>3 NET INTEREST INCOME/(LOSS)</b>	<b>106,031</b>	<b>373,606</b>	<b>84,700</b>	<b>106,031</b>	<b>373,606</b>	<b>84,700</b>
<b>4 OTHER OPERATING INCOME</b>						
4.1 Fees and commissions on loans & advances	3,210	13,795	3,100	2,645	10,403	2,573
4.2 Other fees & commissions	4,523	21,352	4,069	4,523	21,352	4,069
4.3 Foreign exchange trading income/(Loss)	2,904	10,260	1,805	2,904	10,260	1,805
4.4 Other Income	11,453	54,804	10,651	11,453	54,804	10,651
<b>4.5 Total Non-Interest Income</b>	<b>22,090</b>	<b>100,211</b>	<b>19,625</b>	<b>21,525</b>	<b>96,819</b>	<b>19,098</b>
<b>5 TOTAL OPERATING INCOME</b>	<b>128,121</b>	<b>473,817</b>	<b>104,325</b>	<b>127,556</b>	<b>470,425</b>	<b>103,798</b>
<b>6 OTHER OPERATING EXPENSES</b>						
6.1 Loan loss provisions	37,780	48,110	2,328	37,780	48,110	2,328
6.2 Staff costs	35,039	140,275	34,106	35,039	140,275	34,106
6.3 Directors' emoluments	6,448	26,293	6,770	6,448	26,293	6,770
6.4 Rentals charges	8,476	40,493	8,449	8,476	40,493	8,449
6.5 Depreciation charge on property and equipment	4,795	19,108	3,926	4,795	19,108	3,926
6.6 Amortisation charges	868	3,471	859	868	3,471	859
6.7 Other operating expenses	28,659	99,560	26,635	28,221	96,711	26,003
<b>6.8 Total Other Operating expenses</b>	<b>122,065</b>	<b>377,310</b>	<b>83,073</b>	<b>121,627</b>	<b>374,461</b>	<b>82,441</b>
<b>7 Profit/(Loss) before tax and exceptional items</b>	<b>6,056</b>	<b>96,507</b>	<b>21,252</b>	<b>5,929</b>	<b>95,964</b>	<b>21,357</b>
8 Exceptional items	-	-	-	-	-	-
<b>9 Profit/(Loss) after Exceptional items</b>	<b>6,056</b>	<b>96,507</b>	<b>21,252</b>	<b>5,929</b>	<b>95,964</b>	<b>21,357</b>
10 Current tax	(9,165)	(20,991)	(4,045)	(9,203)	(21,154)	(4,014)
11 Deferred tax	-	-	-	-	-	-
<b>12 Profit/(Loss) after tax and exceptional items</b>	<b>15,221</b>	<b>117,498</b>	<b>25,297</b>	<b>15,132</b>	<b>117,118</b>	<b>25,371</b>
13 Other Comprehensive Income:						
13.1 Gains/(Losses) from translating Financial statements of foreign operations	-	-	-	-	-	-
13.2 Fair value changes in available for sale financial assets	-	-	-	-	-	-
13.3 Revaluation Surplus on Property, plant and equipments	-	-	-	-	-	-
13.5 Share of other comprehensive income of associates	-	-	-	-	-	-
13.6 Income tax relating to components of other comprehensive income	-	-	-	-	-	-
14 Other Comprehensive Income for the year net of tax	-	-	-	-	-	-
<b>15 Total Comprehensive income for the year</b>	<b>15,221</b>	<b>117,498</b>	<b>25,297</b>	<b>15,132</b>	<b>117,118</b>	<b>25,371</b>

III OTHER DISCLOSURES	Group			Bank		
	Previous Year	31 <sup>st</sup> Dec 17	1 <sup>st</sup> Quarter	Previous Year	31 <sup>st</sup> Dec 17	1 <sup>st</sup> Quarter
	Same Quarter	Previous Year	Current Year	Same Quarter	Previous Year	Current Year
	Shs '000'	Shs '000'	Shs '000'	Shs '000'	Shs '000'	Shs '000'
	Un-Audited	Audited	Un-Audited	Un-Audited	Audited	Un-Audited
<b>1) NON-PERFORMING LOANS AND ADVANCES</b>						
a) Gross Non-Performing loans and advances	951,152	928,435	990,166	951,152	928,435	990,166
Less:						
b) Interest in suspense	354,270	305,120	353,823	354,270	305,120	353,823
<b>c) Total Non-Performing Loans &amp; Advances (a-b)</b>	<b>596,882</b>	<b>623,315</b>	<b>636,343</b>	<b>596,882</b>	<b>623,315</b>	<b>636,343</b>
Less:						
d) Loan loss provisions	182,829	134,747	139,993	182,829	134,747	139,993
<b>e) Net Non-Performing Loans (c-d)</b>	<b>414,053</b>	<b>488,568</b>	<b>496,350</b>	<b>414,053</b>	<b>488,568</b>	<b>496,350</b>
f) Realizable Value of Securities	414,053	488,568	496,350	414,053	488,568	496,350
g) Net NPLs Exposure (e-f)	-	-	-	-	-	-
<b>2) INSIDER LOANS AND ADVANCES</b>						
a) Directors, shareholders and associates	548,820	568,265	559,394	548,820	568,265	559,394
b) Employees	71,222	71,983	71,444	71,222	71,983	71,444
<b>c) Total Insider loans, advances &amp; Other Facilities</b>	<b>620,042</b>	<b>640,248</b>	<b>630,838</b>	<b>620,042</b>	<b>640,248</b>	<b>630,838</b>
<b>3) OFF-BALANCE SHEET ITEMS</b>						
a) Letters of credit, guarantees, acceptances	383,401	518,335	606,799	383,401	518,335	606,799
b) Other contingent liabilities	-	-	-	-	-	-
<b>c) Total contingent Liabilities</b>	<b>383,401</b>	<b>518,335</b>	<b>606,799</b>	<b>383,401</b>	<b>518,335</b>	<b>606,799</b>
<b>4) CAPITAL STRENGTH</b>						
a) Core capital	1,563,419	1,661,565	1,669,765	1,563,419	1,661,565	1,669,765
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess/(Deficiency)	563,419	661,565	669,765	563,419	661,565	669,765
d) Supplementary capital	80,149	70,594	-	80,149	70,594	-
<b>e) Total Capital (a+d)</b>	<b>1,643,568</b>	<b>1,732,159</b>	<b>1,669,765</b>	<b>1,643,568</b>	<b>1,732,159</b>	<b>1,669,765</b>
<b>f) Total risk weighted assets</b>	<b>6,271,122</b>	<b>5,879,372</b>	<b>6,119,242</b>	<b>6,264,195</b>	<b>5,879,538</b>	<b>6,108,285</b>
<b>g) Core capital/total deposit liabilities</b>						