EQUITY BANK GROUP

UN-AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURES





	AS AT 30th JUNE 2009							
BALANCE SHEET	Group 30/6/09 KShs. '000's (Un-audited)	Group 31/3/09 KShs. '000's (Un-audited)	Group 31/12/08 KShs. '000's (Audited)	Group 30/6/08 KShs. '000's (Un-audited)	Bank 30/6/09 KShs. '000's (Un-audited)	Bank 31/3/09 KShs.'000's (Un-audited)	Bank 31/12/08 KShs. '000's (Audited)	Bank 30/6/08 KShs. '000's Un-audited)
A. ASSETS 1. Cash (both Local & foreign) 2. Balances due from central Bank of Kenya 3. Kenya Government securities	3,859,581 3,127,641 4,383,568	4,335,775 2,688,562 4,240,927	3,652,137 2,468,490 4,329,659	2,877,496 2,295,384 13,479,097	3,595,535 3,127,641 4,383,568	3,827,543 2,688,562 4,240,927	3,395,811 2,468,490 4,329,659	2,719,022 2,295,384 13,340,731
 Foreign Currency Treasury Bills and Bonds Deposits and balances due from banking institutions Deposits and balances due from banking institutions abroad 	80,562 1,640,150 2,062,281	48,059 3,396,504 1,882,835	88,774 5,160,775 1,162,111	2,391,547 5,278,213	- 1,572,571 1,028,328	3,396,504 1,226,227	5,160,775 669,833	1,745,894 5,278,213
7. Government and other securities held for dealing purposes 8. Tax recoverable 9. Loans and advances to customers (net) 10. Investment securities	6,036,450 7,965 53,802,673 22,720	7,185,450 4,438 48,236,566	8,145,450 13,312 44,193,749	14,489 36,240,523	6,036,450 - 50,707,913 -	7,185,450 - 45,210,843 -	8,145,450 - 40,857,796 -	34,272,837
Balances due from group companies Investments in associates Investments in subsidiary companies Investments in joint ventures	1,178,815 1,100	- 1,155,562 51,200	1,155,562 51,000	1,628,252 1,127,230	1,548,535 1,155,562 3,371,191	182,373 1,155,562 2,976,191	41,214 1,155,562 2,976,191	1,127,230 2,081,703
15. Investment properties 16. Property and equipment 17. Prepaid lease rentals	11,269 6,121,970 4,101	11,269 5,246,781 4,101	11,269 4,824,261 4,101	11,269 3,211,323 4,136	11,269 5,210,300 4,101	11,269 4,669,864 4,101	11,269 4,258,579 4,101	11,269 3,050,408 4,136
18. Intangible assets 19. Deferred tax asset 20. Retirement benefit asset 21. Other assets	1,899,491 - - 3,466,148	1,811,362 - - 2,691,581	1,465,428 - - 2,110,726	1,430,489 - - 4,123,326	280,838 - - 2,689,516	284,930 - 1,990,838	347,797 - 3,171,840	243,137 - 3,891,115
22.TOTAL ASSETS B. LIABILITIES	87,706,484	82,990,972	78,836,806	72,484,521	84,803,036	80,417,347	77,135,526	70,102,293
 23. Balances due to Central Bank of Kenya 24. Customer deposits 25. Deposits and balances due to Local banking institutions 26. Deposits and balances due to Foreign banking institutions 	57,489,663 - 3,389	53,720,367 - 827	50,334,525 - 899	3,288 43,003,799 855,548 450	55,745,444 - 3,389	52,214,177 - 827	48,977,136 - 899	42,116,043 855,548 450
27. Other money market deposits 28. Borrowed funds 29. Balances due to group companies	6,938,552 -	6,546,421 -	6,463,137	7,284,114 -	6,673,740 -	- 6,267,027 -	6,166,630	5,956,904
30. Tax payable 31. Dividends payable. 32. Deferred tax liability	5,598 5,577 92,545	729,973 291,979 67,024	513,730 - 94,144	346,456 - 44,975	1,015 67,024	700,347 291,979 67,024.1	513,730 - 67,024	346,115 - 44,877
33. Retirement benefit liability 34. Other liabilities 35. TOTAL LIABILITIES	2,099,745 66,635,069	1,913,382 63,269,972	1,892,567 59,299,002	2,604,754 54,143,384	1,775,389 64,266,001	1,618,575 61,159,955	1,750,185 57,475,603	2,437,022 51,756,957
C. SHAREHOLDERS' FUNDS 36. Paid up/Assigned capital	1,851,388	1,851,388	1,851,388	1,851,388	1,851,388	1,851,388	1,851,388	1,851,388
37. Share premium/ (discount) 38. Revaluation reserve 39. Retained earnings/ Accumulated losses	12,157,307 (3,814) 6,758,118	12,157,307 (146,993) 5,550,881	12,161,021 (349,321) 4,455,467	12,163,700 (74,392) 4,101,408	12,157,307 (47,496) 6,267,420	12,157,307 (146,993) 5,087,273	12,161,021 (112,216) 4,340,480	12,163,700 (74,392) 4,105,607
40. Statutory Loan Loss reserve 41. Proposed dividends 42. Capital grants	308,416 - -	308,416 - -	308,416 1,110,833	299,032 - -	308,416 - -	308,416 - -	308,416 1,110,833	299,032 - -
43. TOTAL SHAREHOLDERS' FUNDS 44. TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	21,071,416 87,706,484	19,721,000 82,990,972	19,537,804 78,836,806	18,341,137 72,484,521	20,537,035 84,803,036	19,257,391 80,417,347	19,659,923 77,135,526	70,102,293
PROFIT AND LOSS ACCOUNT	30/6/09 Shs. 000	31/3/09 Shs. 000	31/12/08 Shs. 000	30/6/08 Shs. 000	30/6/09 Shs. 000	31/3/09 Shs. 000	31/12/08 Shs. 000	30/3/08 Shs. 000
1.0 INTEREST INCOME 1.1 Loans and advances	(Un-audited) 4,279,693	(Un-audited) 2,104,948	(Audited) 6,175,508	(Un-audited) 2,771,510	(Un-audited) 3,673,898	(Un-audited) 1,691,490	(Audited) 5,357,338	(Un-audited) 2,417,547
Government securities. Beposits and placements with banking institutions Other Total Interest income	694,488 86,712 - 5,060,892	338,523 59,290 - 2,502,762	1,540,590 262,924 - 7,979,022	860,247 185,285 - 3,817,042	690,167 72,209 - 4,436,274	337,890 55,743 - 2,085,123	1,540,590 270,713 - 7,168,641	860,247 175,169 - 3,452,963
2.0 INTEREST EXPENSES 2.1 Customer deposits	329,482	141,290	552,339	247,151	278,401	133,661	517,424	225,616
2.2 Deposits and placements from banking institutions 2.3 Other Interest expense 2.4 Total interest Expenses 3.0 NET INTEREST INCOME	9,701 370,239 709,422 4,351,471	286 242,885 384,460 2,118,301	22,824 787,064 1,362,228 6,616,794	90,666 303,490 641,307 3,175,735	1,949 370,239 650,589 3,785,685	286 189,758 323,705 1,761,418	22,824 676,382 1,216,630 5,952,011	17,602 300,862 544,081 2,908,882
4.0 OTHER OPERATING INCOME 4.1 Fees and commissions income on loans & advances 4.2 Other Fees and commissions income 4.3 Foreign exchange trading income 4.4 Dividend Income 4.5 Other income.	875,010 1,797,227 110,379 - 103,208	354,751 826,503 8,431 - 71,817	1,869,197 3,281,099 754,405 - 83,874	1,253,803 1,541,964 525,761 - 88,038	813,529 1,742,788 70,317 - 30,518	326,791 807,905 (23,385) - 21,244	1,679,039 3,154,891 707,951 - 62,440	1,182,971 1,530,382 525,761 - 13,383
4.6 Total Non-Interest income 5.0 TOTAL OPERATING INCOME	2,885,824 7,237,295	1,261,503 3,379,804	5,988,575 12,605,369	3,409,566 6,585,301	2,657,152 6,442,837	1,132,555 2,893,973	5,604,320 11,556,331	3,252,498 6,161,380
6.0 OPERATING EXPENSES 6.1 Loan Loss Provision	296,410	54,014	1,019,626	458,315	296,219	54,014	875,061	413,998
6.2 Staff costs 6.3 Directors' emoluments 6.4 Rental charges	2,072,976 11,724 280,979	1,101,768 4,382 123,254	2,937,836 16,661 375,428	1,389,693 13,506 181,270	1,749,841 10,217 230,973	939,444 4,382 113,097	2,567,458 16,661 356,700	1,245,079 7,791 149,987
6.5 Depreciation on property and equipment 6.6 Ammortisation charges 6.7 Other operating expenses	442,691 66,734 1,433,785	208,730 30,672 696,805	649,375 99,779 2,518,461	278,202 52,554 1,124,978	409,183 56,537 1,281,756	195,457 27,714 626,938	615,671 95,648 2,272,530	263,152 51,769 1,032,663
6.8 Total Operating Expenses Profit/(loss) before tax and exceptional items Exceptional items-share of profit of associate	4,605,299 2,631,995 23,253	2,219,625 1,160,179 12,413	7,617,167 4,988,203 34,083	3,498,518 3,086,783	4,034,726 2,408,111	1,961,046 932,927	6,799,729 4,756,601 34,083	3,164,440 2,996,940
Profit/(loss) after exceptional items Current tax Deferred tax	2,655,248 (558,021) -	1,172,592 (254,761) -	5,022,286 (1,062,599) (49,404)	3,086,783 (627,600)	2,408,111 (481,622) -	932,927 (186,585) -	4,790,684 (1,015,653) (22,389)	2,996,940 (599,388)
Profit / (loss) after tax and exceptional items 111 OTHER DISCLOSURES	2,097,228	917,831	3,910,283	2,459,183	1,926,489	746,342	3,752,643	2,397,552
1) NON PERFORMING LOANS AND ADVANCES	30/6/09 Shs. 000 (Un-audited)	31/3/09 Shs. 000 (Un-audited)	31/12/08 Shs. 000 (Audited)	30/6/08 Shs. 000 (Un-audited)	30/6/09 Shs. 000 (Un-audited)	31/3/09 Shs. 000 (Un-audited)	31/12/08 Shs. 000 (Audited)	30/6/08 Shs. 000 (Un-audited)
a) Gross non performing loans and advances b) Less Interest in suspense c) Total Non-Performing loans and advances (a-b)	4,233,059 536,637 3,696,422	3,851,656 441,776 3,409,880	2,754,750 222,980 2,531,770	1,844,508 304,077 1,540,431	3,936,270 536,637 3,399,633	3,676,597 437,580 3,239,017	2,443,666 215,979 2,227,687	1,844,508 304,077 1,540,431
d) less Loan loss provision e) Net non- performing loans(c-b) f) Discounted value of securities	835,885 2,860,537 2,860,537	659,230 2,750,650 2,750,650	750,111 1,781,659 1,781,659	351,748 1,188,683 1,188,683	729,723 2,669,910 2,669,910	529,701 2,709,316 2,709,316	649,661 1,578,026 1,578,026	351,748 1,188,683 1,188,683
g) Net NPLs Exposure (e-f) 2)INSIDER LOANS AND ADVANCES					-	-	-	
a) Directors, shareholders and associates b)Employees c) Total insider Loans and Advances and other Facilities	370,525 1,339,822 1,710,348	304,767 1,147,083 1,451,850	208,753 956,678 1,165,431	230,274 787,023 1,017,297	369,069 1,283,060 1,652,129	303,101 1,091,097 1,394,198	207,434 900,428 1,107,862	228,694 747,236 975,930
a) Letter of Credit, guarantees, acceptances b) Other contigent Liabilities	2,167,662 353	1,960,006 1,030	1,889,017 8,517	2,772,940 8,517	2,167,662 353	1,960,006 1,030	1,889,017 8,517	2,772,940 8,517
c) Total contigent Liabilities 4) CAPITAL STRENGTH	2,168,015	1,961,036	1,897,534	2,781,457	2,168,015	1,961,036	1,897,534	2,781,457
a) Core Capital b) Minimum statutory capital c) Excess/ (defficiency) d) Supplementary capital e) Total Capital (a+d) f) Total Risk Weighted Assets Ratios					14,837,317 250,000 14,587,317 5,619,615 20,456,932 61,815,500	14,642,244 250,000 14,392,244 5,713,131 20,355,375 54,155,352	14,272,336 250,000 14,022,336 5,637,234 9,659,570 48,833,994	13,713,087 250,000 13,463,087 5,291,736 19,004,823 42,643,640
natios g) Core Capital/Total Deposit Liabilities h) Minimum statutory ratio i) Excess / (defficiency) (g-h) j) Core Capital/ Total Risk Weighted Assets					27% 8% 19% 24%	28% 8% 20% 27%	29% 8% 21% 29%	33% 8% 25% 32%
J) Core Capital Total risk weighted Assets (k) Minimum statutory Ratio L) Excess / (defficiency) (j-k) m) Total Capital/Total Risk Weighted assets n) Minimum statutory Ratio					24% 8% 16% 33% 12%	8% 19% 38% 12%	29% 8% 21% 41% 12%	8% 24% 45% 12%
o) Excess / (defficiency) (m-n) 5) LIQUIDITY					21%	26%	29%	33%
5) LiQuiDITY a) Liquidity Ratio b) Minimum statutory Ratio c) Excess / (defficiency) (a-b)					32% 20% 12%	40% 20% 20%	47% 20% 27%	56% 20% 36%
The above quarterly statements and disclosures are extracts of the fi	nancial records of t	he Group.						



AFRICAN BUSINESS OF THE YEAR

(African Business Awards 2009)



REGIONAL WINNER AFRICA/ MIDDLE EAST

(FT Sustainable Banking Awards 2009)



THE BEST BANK IN AFRICA
(Ai Financial Reporting
Awards 2009)



GLOBAL CREDIT RATING 2009



THE BEST PERFORMING COMPANY IN AFRICA (Ai 100 Africa Investor Awards 2008)

The Directors do not recommend the payment of an interim dividend.