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Regulated by the Central Bank of Kenya

HEAD OFFICE/WESTLANDS BRANCH Sound Plaza, Westlands P.O. Box 14001 - 00800 Tel: 4449266/7/8, 0723564254, 0734258020 Main Line: 0709 935 000 Email: info@paramountbank.co.ke

Cianda House, Koinange Street P.O. Box 42363 -00100 Nairobi, Kenya Tel 2215467/8/9, 0732445508, 0732445590

KOINANGE STREET BRANCH

PARKLANDS BRANCH Diamond House, New Wing P.O. Box 13677 - 00800 Nairobi, Kenva Mombasa, Kenya Tel: 3753484/5, 0733600119, 0724255325 Email: koinaneebranch@paramountbank.co.ke | Email: parklandsbranch@paramountbank.co.ke | Email: msabranch@paramountbank.co.ke

MOMBASA BRANCH Jubilee Building, Ground Floor, Moi Avenue P.O. Box 88775 - 80100 Tel. 2319635/6/7, 0738998976, 0728606652 Main Line: 0709 935 000

ELDORET BRANCH Oloo street, Karim Building P.O. Box 4362-30100 Eldoret, Kenva. Tel: +254704385731, +254736445507 Main Line: 0709 935 000 Email: eldbranch@paramountbank.co.ke INDUSTRIAL AREA BRANCH Ambija House. Dar-es-Salarn Road P.O.Box 1400 - 00800 Nairobi, Kenva Tel. 44449266/7/8 0723564254, 0735445507 Main Line: 0709 935 000 Email: indbranch@paramountbank.co.ke

P. O. Box 3788 - 40100 Kisumu, Kenva. Tel. 44449266/7/8, 0723564254 Main line: 0709 935 000 Email: kisumubranch@paramountbank.co.ke

KISUMU BRANCH

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PARAMOUNT BANK LTD

ERLY FINANCIAL STATEMENTS AND DISCLOSURES

					QUA	RTE	
1	STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPT 2016	Previous Year	31st Dec 15	1st Quarter	2 nd Quarter	3 rd Quarte	
		Same Quarter Shs '000'	Previous Year Shs '000'	Current Year Shs '000'	Current Year Shs '000'	Current Yea Shs '000	
Α	ASSETS	Un -Audited	Audited		Un -Audited		
1_	Cash (both local & foreign)	138,372	73,166	144,582	129,436	106,48	
2	Balances due from Central Bank	721,557	934,707	870,867	453,275	700,866	
5	of Kenya Kenya Government and other						
	securities held for dealing purposes						
1	purposes Financial Assets at fair value	355,976	1,521,596	1,285,346	1,055,916	41,16	
	through the profit and loss Investment Securities:						
_	Investment Securities:						
	a). Held to Maturity :						
-	a. Kenya Government Securities	3,257,492 180,018	1,375,057	1,154,606 158,416	1,141,211 134,905	2,101,042	
_	b. Other Securities b). Available for sale	180,018	155,701	158,416	134,905	137,356	
_	a. Kenya Government Securities						
	b. Other Securities						
5	Deposits and balances due from	1,104	133,952	636	186,546	131,146	
,	local banking institutions	1,104	133,332	330	100,540	131,140	
7	local banking institutions Deposits and balances due from	292,222	244,990	122,933	255,270	133,729	
	banking institutions abroad	202,222	2,550	.22,333	235,270	.55,72.	
3	Tax Recoverable	1,219	3,195	2,503	16,678	22,68	
)	Loans and advances to	5,746,660	5,871,717	5,905,413	5,866,468	22,685 5,983,050	
	customers (net)				.,,		
0	Balances due from group						
	companies						
	Investments in associates						
2	Investments in subsidiary						
7	companies						
	Investments in joint ventures						
	Investment properties	78,402	76 794	73.943	72,600	73,88	
2	Property and Equipment Prepaid lease rentals	78,402	76,384	75,943	72,600	/3,88	
	Intangible assets	5,098	4,573	4,192	3,810	3,429	
	Deffered Tax asset	2,679	4,758	4,758	4,758	4,758	
9	Retirement benefit asset	2,079	4,/30	4,/50	4,/30	4,/30	
	Other assets	134,147	125,913	125,522	134,783	143,290	
1	TOTAL ASSETS	10,914,946	10,525,709	9,853,717	9,455,656	9,582,882	
3	LIABILITIES	,,510	,,,,,,,,	-,,,	2,122,350		
2	Balances due to Central Bank		199,522	99,934	99,801		
I	of Kenya		,522	22,35	22,501		
3	Customer deposits	9,042,511	8,067,107	7,558,140	7,586,960	7,795,134	
4	Deposits and balances due to	346,674	684,515	581,792	134,845	121,648	
	banking institutions						
5	Deposits and balances due to						
_	foreign banking institutions						
6	Other money market deposits						
27	Borrowed funds						
28	Balances due to group						
-	companies						
29	Tax payable		-				
0	Dividends payable						
	Deffered Tax liability						
	Retirement Benefit liability	77007	70 200	70 700	20 227	42.004	
55	Other liabilities TOTAL LIABILITIES	37,063	38,280	38,720	28,223	42,098	
	SHAREHOLDERS' EQUITY	9,426,248	8,989,424	8,278,586	7,849,829	7,958,880	
5	Paid up/Assigned capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
36	Share premium/(discount)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
7	Revaluation reserves						
8	Retained earnings/Accumulated	405,998	454,588	504,329	533,470	547,268	
	losses	405,550	434,300	304,329	333,470	547,200	
9	Statutory Reserves	82,700	81,697	70,802	72,357	76,734	
	Proposed dividends	02,700	0.,057	70,002	, 2,337	, 0,15	
	Capital grants						
2	TOTAL SHAREHOLDERS' EQUITY	1,488,698	1,536,285	1,575,131	1,605,827	1,624,00	
	TOTAL LIABILITIES AND	10,914,946	10,525,709	9,853,717	9,455,656	9,582,883	
	SHAREHOLDERS' EQUITY	,,		-,,	2,122,350	-,,,	

	30™ SEPT 2016		D 1 V			
		Same Quarter Shs '000'	Previous Year Shs '000'	Current Year Shs '000'		
		Un-Audited		Un-Audited	Shs '000' Un-Audited	Shs Un-Au
1	INTEREST INCOME	On Addited	Addited	On Addited	On Addited	OII-Au
Ė	1.1 Loans and advances	650,912	945,037	275,973	524,377	78
	1.2 Government securities	268,288	346,667	65,453	118,796	16
	1.3 Deposits and placements	34,254	36,723	789	2,289	
	with banking institutions					
	1.4 Other Interest Income	9,850	12,775	2,732	5,251	
_	1.5 Total Interest Income	963,304	1,341,202	344,947	650,713	96
2_	INTEREST EXPENSES					
H	2.1 Customer deposits	608,987	757,044	251,739	469,289	75
	2.2 Deposits and placements	6,055	27,726	9,216	15,605	1
H	from banking Institutions					
H	2.3 Other Interest Expenses	615,042	784,770	260,955	484,894	77
3	2.4 Total Interest Expenses NET INTEREST INCOME/(LOSS)	348,262	556,432	83,992	165,819	19
4	OTHER OPERATING INCOME	340,202	330,432	63,992	103,619	19
-	4.1 Fees and commissions on	6.723	9,806	2,692	5,216	
	loans & advances	0,723	5,500	2,092	3,210	
	4.2 Other fees & commissions	23,581	38,686	9,592	16,461	2:
	4.3 Foreign exchange trading	9,277	13,251	3,105	6,418	1
	income(Loss)	5,211	13,231	3,103	5, 110	
	4.4 Other Income	(22,398)	(105,904)	38,252	61.899	13-
	4.5 Total Non-Interest Income	17,183	(44,161)	53,641	89,994	17
5	TOTAL OPERATING INCOME	365,445	512,271	137,633	255,813	36
6	OTHER OPERATING EXPENSES	222,110		,355		
	6.1 Loan loss provisions	5,187	12,345	6,280	6,320	
	6.2 Staff costs	93,111	126,210	33,059	67,379	10
	6.3 Directors' emoluments	15,429	21,407	6,448	12,896	1:
	6.4 Rentals charges	33,584	46,701	11,191	19,355	2
	6.5 Depreciation charge on	15,470	20,546	5,288	10,576	1:
	property and equipment					
	6.6 Amortisation charges	1,181	1,574	381	763	
	6.7 Other operating expenses	76,010	114,612	35,448	75,352	110
	6.8 Total Other Operating	239,972	343,395	98,095	192,641	29
7	expenses Profit/(Loss) before tax and	125.473	168.876	39.538	63.172	78
1	exceptional items	123,413	100,870	33,330	03,172	- "
8	Exceptional items					
9	Profit/(Loss) after Exceptional	125,473	168,876	39,538	63,172	78
	items					
	Current tax	14,907	10,851	692	(6,371)	(8
	Deffered tax					
12	Profit/(Loss) after tax and	110,566	158,025	38,846	69,543	8
17	exceptional items					
13	Other Comprehensive Income:					
	13.1 Gains/ (Losses) from		-	-	-	
	translating Financial statements					
	of foreign operations	_				
	13.2 Fair value changes in	0	-	-	-	
	available for sale financial assets					
	13.4 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					
L	comprehensive income					
14	Other Comprehensive Income	-	-	-	-	
	for the year net of tax					
15	Total Comprehensive income	110,566	158,025	38,846	69,543	8
	for the year					

	STATEMENT OF COMPREHENSIVE	Dravious Voor	31st Dec 15	1st Ouarter	2 nd Ouarter	3rd Ouarter	III. OTHER DISCLOSURES	Previous Year	718 Doc 15	1st Ourseton	2 nd Ouarter	3rd Quarter
	INCOME FOR THE PERIOD END	rievious ieai	31" Dec 13	1 · Quarter	2" Quarter	3" Quarter	III. OTHER DISCLOSURES	Same Ouarter				
	30™ SEPT 2016							Shs '000'	Shs '000'	Shs '000'	Shs '000'	Shs '000'
		Same Quarter	Previous Year	Current Year	Current Year	Current Year		Un -Audited		Un -Audited		
		Shs '000'	Shs '000'	Shs '000'	Shs '000'	Shs '000'	1) NON-PERFORMING LOANS					
_	INTEREST INCOME	Un-Audited	Audited	Un-Audited	Un-Audited	Un-Audited	AND ADVANCES					
_	INTEREST INCOME	650,912	945,037	275,973	524,377	780,828	a) Gross Non-Performing loans	782,401	814,626	964,033	999,230	991,054
_	1.1 Loans and advances 1.2 Government securities	268,288	346,667	65,453	118,796	167,984	and advances	,	,	,	,	
	1.3 Deposits and placements	34,254	36,723			8,150	Less:					
	with banking institutions				, ,		b) Interest in suspense	477,543	509,735	244,995	292,430	302,813
	1.4 Other Interest Income	9,850	12,775		5,251	7,711	c) Total Non-Performing Loans &	304,858	304,891	719,038	706,800	688,240
_	1.5 Total Interest Income	963,304	1,341,202	344,947	650,713	964,673	Advances (a-b)	•	-	-		
_	2.1 Customer deposits	608,987	757.044	251,739	469,289	752,823	Less:					
_	2.2 Deposits and placements	6,055	27,726			17,229	d) Loan loss provisions	97,160	103,692	109,972	107,935	91,339
	from banking Institutions	-,		-,	,	,	e) Net Non-Performing Loans	207,698	201,199	609,066	598,865	596,901
	2.3 Other Interest Expenses						(c-d)					
	2.4 Total Interest Expenses	615,042	784,770		484,894	770,052	f) Realizable Value of Securities	207,698	201,199	609,066	598,861	598,861
<u>. </u>	NET INTEREST INCOME/(LOSS)	348,262	556,432	83,992	165,819	194,621	g) Net NPLs Exposure (e-f)	-	-	-	-	
<u>+</u>	4.1 Fees and commissions on	6,723	9,806	2,692	5,216	7,827	2) INSIDER LOANS AND					
	loans & advances	0,723	3,000	2,032	3,210	1,021	ADVANCES					
	4.2 Other fees & commissions	23,581	38,686	9,592	16,461	22,600	a) Directors, shareholders and	503,186	448,080	432,673	421,927	383,493
	4.3 Foreign exchange trading	9,277	13,251	3,105	6,418	10,263	associates					
	income(Loss)						b) Employees	52,774	43,352	43,578	73,567	71,629
	4.4 Other Income	(22,398)	(105,904)	38,252	61,899	134,641	c) Total Insider loans,advances	555,960	491,432	476,251	495,494	455,122
_	4.5 Total Non-Interest Income	17,183	(44,161)	53,641	89,994	175,331	& Other Facilities					
<u>-</u>	OTHER OPERATING EXPENSES	365,445	512,271	137,633	255,813	369,952	3) OFF-BALANCE SHEET ITEMS					
_	6.1 Loan loss provisions	5,187	12,345	6,280	6,320	6,681	a) Letters of credit, guarantees,	612,706	470,601	494,620	491,427	464,315
	6.2 Staff costs	93,111	126,210	33,059	67,379	102,397	acceptances					_
	6.3 Directors' emoluments	15,429	21,407	6,448	12,896	19,344	b) Other contingent liabilities					
-	6.4 Rentals charges 6.5 Depreciation charge on	33,584 15,470	46,701 20,546	11,191 5,288	19,355 10,576	28,778 15,864	c) Total contingent Liabilities	612,706	470,601	494,620	491,427	464,315
	property and equipment	15,470	20,546	3,200	10,576	13,004	4) CAPITAL STRENGH	1 740 076	1 440 070	1 400 140	1 400 045	1 400 651
_	6.6 Amortisation charges	1,181	1,574	381	763	1,144	a) Core capital	1,348,036 1,000,000	1,449,830	1,480,148 1,000,000	1,488,845 1.000.000	1,498,651
	6.7 Other operating expenses	76,010	114,612		75,352	116,848	b) Minimum Statutory Capital c) Excess/(Defficiency)				488,845	
	6.7 Other operating expenses 6.8 Total Other Operating	239,972	343,395	98,095	192,641	291,056	d) Supplementary capital	348,036 82,700	449,830 81,697	480,148 70,802	72,357	498,651 76,801
_	expenses	105 455	160.076		67.170	70.005	e) Total Capital (a+d)	1,430,736	1,531,527	1,550,950	1,561,202	1,575,452
′	Profit/(Loss) before tax and exceptional items	125,473	168,876	39,538	63,172	78,896	f) Total risk weighted assets	5,869,073	6,349,081	6,360,020	6,394,877	5,948,325
3	Exceptional items						g) Core capital/total deposit	14.9%	18.0%	19.6%	19.6%	19.2%
9	Profit/(Loss) after Exceptional	125,473	168,876	39,538	63,172	78,896	liabilities	14.570	10.070	13.070	13.370	13.270
	items						h) Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%	8.0%
	Current tax	14,907	10,851	692	(6,371)	(8,822)	I) Excess/(Defficiency)(g-h)	6.9%	10.0%	11.6%	11.6%	11.2%
	Deffered tax Profit/(Loss) after tax and	110.566	158,025	38.846	69,543	87.718	j) Core Capital/total risk	23.0%	22.8%	23.3%	23.3%	25.2%
-	exceptional items	110,300	130,023	30,040	09,343	01,110	weighted assets					
13	Other Comprehensive Income:						k) Minimum Statutory Ratio	10.5%	10.5%	10.5%	10.5%	10.5%
	13.1 Gains/ (Losses) from		-	-	-	-	l) Excess/(Defficiency)(j-k)	12.5%	12.3%	12.8%	12.8%	14.7%
	translating Financial statements						m) Total Capital/total risk	24.4%	24.1%	24.4%	24.4%	26.5%
_	of foreign operations	0					weighted assets					
	13.2 Fair value changes in available for sale financial assets	0	-	_	-		n) Minimum Statutory Ratio	14.5%	14.5%	14.5%	14.5%	14.5%
	13.4 Revaluation Surplus on						o) Excess/(Defficiency)(m-n)	9.9%	9.6%	9.9%	9.9%	12.0%
	Property, plant and equipments	_					5) Liquidity					
	13.5 Share of other	-	-	-	-	-	a) Liquidity Ratio	48.7%	42.0%	40.2%	40.9%	41.2%
	comprehensive income of						b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%	20.0%
	associates						c) Excess/(Defficiency)(a-b)	28.7%	22.0%	20.2%	20.9%	21.2%
	13.6 Income tay relating											

These financial statements are extracts from the books of the institution. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the institutions website. They may also be accessed at the institutions head office.

Ayaz Merali, Chief Executive A.N. Padany, Chairman