



Stanbic Bank Kenya Limited reported a 16% growth in profit before tax for the first nine months of 2016 driven by an increase in interest income from loans and advances and government securities. Profit before tax increased to Ksh4.9 billion in the period compared to Ksh4.2 billion over the same period last year. Profit after tax rose to Ksh3.4 billion from Ksh2.8 billion reported in the same period in 2015.

Income statement highlights

Net interest income posted a strong growth to KSh8.3 billion during the nine months compared to KSh6.8 billion over the same period in 2015 due to improved margins.

Increase in loan loss provision reflects a challenging operating environment faced by some of our clients which has necessitated a prudent provisioning approach.

Balance sheet highlights

The Bank continued to report growth in its balance sheet with customer deposits growing by 23% to Ksh139 billion compared to Ksh113 billion in September 2015. Increase in customer deposits as at September 2016 was attributed to short term deposits by some of our clients.

Customer loans and advances grew by 2% year on year due to new loans booked during the year partly offset by repayment of loans in Q3.

South Sudan operations

The challenging economic environment in South Sudan continues to impact the performance of the branch. The economy in South Sudan is now considered hyperinflationary. We recognise that this will have an impact on the reported results and there are professional body discussions to determine the appropriate application of hyperinflation accounting. The application of the hyperinflation accounting standard is dependent on these discussions and as such, our financial statements as at 30 September 2016 do not include this impact.

Rebranding

The Group successfully completed rebranding of both the Bank and the Holding Company. CfC Stanbic Bank was renamed Stanbic Bank while CfC Stanbic Holdings is now Stanbic Holdings Plc.