



Summary consolidated statement of financial position

	31 December 2017 Shs'000	31 December 2016 Shs'000
Assets		
Cash and balances with Central Bank of Kenya	8,044,783	8,621,228
Financial investments	71,329,763	50,032,732
Pledged assets	4,915,107	2,894,456
Derivative assets	2,391,101	2,472,191
Loans and advances to banks and customers	143,279,444	132,576,604
Other assets and prepayments	3,220,570	3,817,487
Other investments	17,500	-
Property and equipment	2,256,275	2,207,965
Prepaid operating lease	50,947	53,901
Other intangible assets	1,356,050	1,135,496
Current income tax	83,026	113,547
Deferred income tax	2,444,394	1,407,363
Intangible assets - goodwill	9,349,759	9,349,759
Total assets	248,738,719	214,682,729
Equity and liabilities		
Liabilities		
Derivative liabilities	2,427,563	3,061,063
Trading liabilities	362,630	3,867,718
Deposits from banks and customers	193,367,907	155,835,043
Borrowings	3,989,243	3,986,138
Other liabilities and accrued expenses	5,596,830	6,389,083
Current income tax	-	1,402,810
Deferred income tax	38,859	-
Total liabilities	205,783,032	174,541,855
Equity		
Ordinary share capital	1,976,608	1,976,608
Ordinary share premium	16,897,389	16,897,389
Revenue and other reserves	24,081,690	21,266,877
Total equity	42,955,687	40,140,874
Total equity and liabilities	248,738,719	214,682,729

Summary consolidated statement of cash flows

	31 December 2017 Shs'000	31 December 2016 Shs'000
Cash flows generated from operating activities	5,461,758	8,256,564
Income tax paid	(3,483,127)	(990,384)
Net cash generated from operating activities before changes in operating assets and operating liabilities	1,978,631	7,266,180
Changes in operating assets and operating liabilities	1,558,786	(15,752,551)
Net cash generated from/(used in) operating activities	3,537,417	(8,486,371)
Cash flows used in investing activities	(908,607)	(917,439)
Cash flows used in financing activities	(1,884,267)	(5,330,383)
Net increase/(decrease) in cash and cash equivalents	744,543	(14,734,193)
Foreign currency translation differences	125,906	131,276
Cash and cash equivalents at 1 January	24,986,005	39,588,922
Cash and cash equivalents at 31 December	25,856,454	24,986,005

Summary of Directors' remuneration report

During the year the Group paid Kshs 41,239,875 (2016: Kshs 91,390,198) as Directors emoluments.

Independent Auditor's Report on the Summary Financial Statements to the Shareholders of Stanbic Holdings Plc

Opinion

The summary financial statements, which comprise the summary consolidated statement of financial position at 31 December 2017 and the summary consolidated income statement, summary consolidated statements of other comprehensive income, changes in equity and cash flows for the year then ended which are derived from the audited financial statements of Stanbic Holdings Plc and its subsidiaries (together, the "Group") for the year ended 31 December 2017.

In our opinion the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements of the Group.

The summary directors' remuneration report is derived from the directors' remuneration report for the year ended 31 December 2017.

Summary financial statements and directors' remuneration report

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards and in the manner required by the Kenyan Companies Act, 2015. In addition, the summary directors' remuneration report does not contain all the disclosures required by the Kenyan Companies Act, 2015 (General) (Amendment) Regulation 2017.

Reading the summary financial statements, the summary directors' remuneration report and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements, the directors' remuneration report and the auditor's report thereon. The summary financial statements, the summary directors' remuneration report and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our audit report dated 2 March 2018 and also confirmed that the auditable part of the directors' remuneration report was prepared in accordance with the Kenyan Companies Act, 2015. That audit report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Directors' responsibility for the summary financial statements

The directors are responsible for the preparation of the summary financial statements and the summary directors' remuneration report in accordance with the International Financial Reporting Standards and Kenyan Companies Act, 2015.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements and the summary directors' remuneration report are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to report on summary financial statements*.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Kang'e Saiti-Practicing Certificate Number 1652.


Certified Public Accountants, Nairobi
10 May 2018

Summary consolidated income statement

	31 December 2017 Shs'000	31 December 2016 Shs'000
Net interest income	10,644,281	10,860,047
Non-interest revenue	8,420,108	7,657,311
Total income	19,064,389	18,517,358
Credit impairment charges	(2,761,325)	(1,751,812)
Income after impairment charges	16,303,064	16,765,546
Total operating expenses	(10,901,816)	(10,716,460)
Profit before taxation	5,401,248	6,049,086
Income tax expense	(1,091,754)	(1,630,497)
Profit for the year	4,309,494	4,418,589

Summary consolidated statement of other comprehensive income

	31 December 2017 Shs'000	31 December 2016 Shs'000
Profit for the year	4,309,494	4,418,589
Other comprehensive income		
Foreign currency translation differences for foreign operations	74,400	220,306
Fair value changes on available for sale financial assets, net of tax	298,645	(29,490)
Other comprehensive income net of tax	373,045	190,816
Total comprehensive income	4,682,539	4,609,405

Earnings per share basic and diluted (in Shs):	10.90	11.18
Dividend per share (in Shs):	5.25	5.25

Summary consolidated statement of changes in equity

	Share capital Shs'000	Share premium Shs'000	Revenue and other reserves Shs'000	Proposed dividend Shs'000	Total Shs'000
At 1 January 2017	1,976,608	16,897,389	19,891,158	1,375,719	40,140,874
Profit for the year	-	-	4,309,494	-	4,309,494
Other comprehensive income	-	-	373,045	-	373,045
Dividend paid in the year	-	-	(494,153)	(1,375,719)	(1,869,872)
Dividend proposed	-	-	(1,581,286)	1,581,286	-
Share based payment reserve	-	-	2,146	-	2,146
At 31 December 2017	1,976,608	16,897,389	22,500,404	1,581,286	42,955,687

Message from the Directors

The summary financial statements and summary Directors' remuneration report are extracts from the audited financial statements and Directors' remuneration report of the company for the year ended 31 December 2017, which were audited by PricewaterhouseCoopers and received unmodified opinion. The auditor's report on the financial statements included the following key audit matters:

- Credit risk and provision for impairment loss on loans and advances to customers
- Goodwill impairment assessment

The Group's full set of financial statements were approved by the Board of Directors on 2 March 2018 and signed on its behalf by:

F N Ojiambo, MBS, SC
Chairman

G Brackenridge
Chief Executive

P N Gethi
Director

L Mbindyo
Company Secretary