

The Board of Directors of Diamond Trust Bank Kenya Limited is pleased to announce the audited Group and Bank results for the year ended 31st December 2018

STATEMENT OF FINANCIAL POSITION	GROUP		BANK	
	Dec. 2018 Shs 000 Audited	Dec. 2017 Shs 000 Audited	Dec. 2018 Shs 000 Audited	Dec. 2017 Shs 000 Audited
ASSETS				
Cash (both local and foreign)	7,928,396	7,632,063	5,192,180	4,888,042
Balances due from Central Banks	29,788,551	17,376,788	22,171,419	10,162,149
Kenya Government and other securities held for dealing purposes	-	-	-	-
Investment Securities:				
(a) Held to Maturity:				
a. Kenya Government securities	85,806,712	84,895,740	85,806,712	84,895,740
b. Other securities	29,220,826	27,642,068	-	-
(b) At Fair Value:				
a. Kenya Government securities	505,173	15,474	505,173	15,474
b. Other securities	1,797,617	1,797,617	1,797,617	1,797,617
Deposits and balances due from local banking institutions	65,258	34,925	65,258	34,925
Deposits and balances due from banking institutions abroad	14,097,184	12,481,446	2,620,450	2,875,544
Income tax recoverable	1,470,570	829,434	922,872	652,699
Loans and advances to customers (net)	193,074,357	196,048,155	146,781,681	148,515,793
Balances due from group companies	-	-	-	-
Investments in associate	63,933	35,462	1	1
Investment in subsidiary companies	-	-	5,752,701	5,600,405
Investments in joint ventures	-	-	-	-
Investment properties	-	-	-	-
Property and equipment	6,410,674	6,716,249	4,759,643	5,020,237
Prepaid lease rentals	-	-	-	-
Intangible assets	1,230,071	1,327,057	982,437	1,072,640
Goodwill	173,372	173,372	-	-
Deferred tax asset	3,379,287	3,745,935	2,372,988	2,893,916
Retirement benefit asset	-	-	-	-
Other assets	2,707,333	2,551,615	1,784,571	1,656,356
Total Assets	377,719,314	363,303,400	281,515,703	270,081,538
LIABILITIES				
Balances due to Central Bank of Kenya	-	-	-	-
Customer deposits	282,860,003	266,246,854	206,059,510	190,468,570
Deposits and balances due to local banking institutions	10,675,300	11,792,569	10,675,300	11,792,569
Deposits and balances due to banking institutions abroad	6,467,907	8,711,424	4,049,030	6,993,117
Other money market deposits	-	-	-	-
Borrowed funds	14,693,994	17,174,934	10,441,306	13,562,268
Balances due to group companies	-	-	-	-
Tax payable	-	-	-	-
Dividends payable	-	-	-	-
Deferred income tax liability	-	-	-	-
Retirement benefit liability	-	-	-	-
Other liabilities	4,082,861	5,757,864	2,577,719	4,261,042
Total Liabilities	318,780,065	309,683,645	233,802,865	227,077,566
SHAREHOLDERS' EQUITY				
Paid up capital	1,118,409	1,118,409	1,118,409	1,118,409
Share premium	9,006,569	9,006,569	9,006,569	9,006,569
Revaluation and other reserve	(156,295)	226,088	1,328,408	1,357,296
Retained earnings	42,070,633	35,934,013	35,532,486	30,794,732
Statutory loan loss reserve	890,768	1,357,750	-	-
Proposed dividends	726,966	726,966	726,966	726,966
Capital grants	-	-	-	-
Total Shareholders' Equity	53,657,500	48,369,795	47,712,838	43,003,972
Non controlling interests	5,282,199	5,249,960	-	-
Total Equity	58,939,249	53,619,755	47,712,838	43,003,972
Total Liabilities and Shareholders' Equity	377,719,314	363,303,400	281,515,703	270,081,538

OTHER DISCLOSURES
(1) NON-PERFORMING LOANS AND ADVANCES

(a) Gross non-performing loans and advances	13,610,880	14,833,944	11,035,904	11,901,308
(b) Interest in suspense	1,465,556	1,783,544	1,325,259	1,303,560
(c) Total Non-Performing Loans and Advances (a-b)	12,145,324	13,050,400	9,710,645	10,597,748
(d) Loan loss provisions	5,421,312	8,233,546	4,179,635	7,023,575
(e) Net Non-Performing Loans (c-d)	6,724,012	4,816,854	5,531,010	3,574,173
(f) Discounted Value of Securities	6,724,012	4,816,854	5,531,010	3,574,173
(g) Net NPLs Exposure (e-f)	-	-	-	-

(2) INSIDER LOANS AND ADVANCES

(a) Directors, shareholders and associates	2,694,348	3,007,298	2,476,886	2,616,943
(b) Employees	1,584,175	1,574,884	1,290,860	1,273,982
(c) Total Insider Loans and Advances	4,278,523	4,582,182	3,767,746	3,890,925

(3) OFF-BALANCE SHEET ITEMS

(a) Letters of credit, guarantees, acceptances	41,305,237	32,196,173	36,363,238	27,478,167
(b) Forwards, swaps, and options	13,722,022	5,500,003	11,350,645	4,235,970
(c) Other contingent liabilities	-	-	-	-
(d) Total Contingent Liabilities	55,027,259	37,696,176	47,713,883	31,714,137

(4) CAPITAL STRENGTH

(a) Core Capital			39,935,899	35,343,676
(b) Minimum Statutory Capital			1,000,000	1,000,000
(c) Excess/(Deficiency)			38,935,899	34,343,676
(d) Supplementary capital			5,166,358	3,446,708
(e) Total capital (a+d)			45,102,257	38,790,384
(f) Total risk weighted assets			213,677,904	204,038,635
(g) Core capital/total deposit liabilities			19.4%	18.5%
(h) Minimum Statutory Ratio			8.0%	8.0%
(i) Excess/(Deficiency) (g-h)			11.4%	10.5%
(j) Core capital/total risk weighted assets			18.7%	17.3%
(k) Minimum Statutory Ratio			10.5%	10.5%
(l) Excess/(Deficiency) (j-k)			8.2%	6.8%
(m) Total capital/total risk weighted assets			21.1%	19.0%
(n) Minimum Statutory Ratio			14.5%	14.5%
(o) Excess/(Deficiency) (m-n)			6.6%	4.5%
(p) Adjusted Core capital/total deposit liabilities*			20.7%	-
(q) Adjusted Core capital/total risk weighted assets*			19.6%	-
(r) Adjusted Total capital/total risk weighted assets*			22.0%	-

(5) LIQUIDITY

(a) Liquidity Ratio			53.5%	49.9%
(b) Minimum Statutory Ratio			20.0%	20.0%
(c) Excess/(Deficiency) (a-b)			33.5%	29.9%

STATEMENT OF COMPREHENSIVE INCOME
INTEREST INCOME

Loans and advances	21,956,985	22,651,861	16,754,047	16,834,004
Government securities	13,010,069	11,744,676	10,188,136	8,694,690
Deposits and placements with banking institutions	301,449	232,253	99,802	101,556
Other interest income	-	-	-	3,143
Total interest income	35,268,503	34,628,790	27,041,985	25,633,393

INTEREST EXPENSES

Customer deposits	13,463,538	13,497,804	11,327,165	10,659,671
Deposits and placements from banking institutions	795,314	490,587	743,716	481,658
Other interest expenses	988,137	965,321	743,597	754,968
Total interest expenses	15,246,989	14,953,712	12,814,478	11,896,297
NET INTEREST INCOME	20,021,514	19,675,078	14,227,507	13,737,096

OTHER OPERATING INCOME

Fees and commissions on loans and advances	1,284,128	1,261,206	894,583	907,841
Other fees and commissions income	2,157,644	1,995,208	1,043,348	994,545
Foreign exchange trading income	1,570,669	1,596,970	1,005,450	1,039,379
Dividend income	-	-	65,475	68,704
Other income	422,194	422,025	25,568	155,876
Total Non-Interest Income	5,434,635	5,275,409	3,034,424	3,166,345
TOTAL OPERATING INCOME	25,456,149	24,950,487	17,261,931	16,903,441

OPERATING EXPENSES

Loan loss provision	2,982,261	4,300,777	1,556,629	2,680,290
Staff costs	4,192,871	3,976,009	2,484,515	2,386,223
Directors' emoluments	142,483	115,714	92,357	67,035
Rentals charges	882,888	798,382	451,988	385,090
Depreciation charge on property and equipment	975,655	982,200	552,147	570,146
Amortisation charges	267,422	354,847	190,224	222,187
Other operating expenses	5,041,780	4,332,713	2,669,297	2,364,912
Total operating expenses	14,485,360	14,860,642	7,997,157	8,675,883

PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS

Exceptional items	-	-	-	-
Profit after exceptional items	10,970,789	10,089,845	9,264,774	8,227,558
Share of associate profit after tax	29,483	8,390	-	-
Profit before tax	11,000,272	10,098,235	9,264,774	8,227,558
Current tax	(3,444,212)	(4,198,225)	(2,806,465)	(3,303,339)
Deferred tax credit	(473,945)	1,025,030	(671,393)	575,452

PROFIT AFTER TAX AND EXCEPTIONAL ITEMS

Non controlling interests	395,503	475,229	-	-
Profit for the year after tax and non controlling interests	6,686,612	6,449,811	5,786,916	5,499,671

OTHER COMPREHENSIVE INCOME

Loss)/(gain) from translating the financial statements of foreign operations	(579,625)	194,166	-	-
Loss on revaluation of land and buildings	-	(12,712)	-	-
Net loss from changes in fair value of Treasury bills	(19,314)	-	-	-
Income tax relating to these items	6,756	5,826	-	-
Other comprehensive income for the year net of tax	(592,183)	187,280	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	6,489,932	7,112,320	5,786,916	5,499,671

Earnings per Share (Shs per share) - basic and diluted	23.91	23.73	20.70	20.23
Dividend per Share (Shs per share)	2.60	2.60	2.60	2.60

ANNUAL GENERAL MEETING AND DECLARATION OF DIVIDEND

Based on the year-end results achieved, the Directors will recommend to the Shareholders at the Annual General Meeting to be held at Laico Regency Hotel, Crystal Ballroom, Nairobi, on 23 May 2019, payment of a first and final dividend of 65% (i.e. at the rate of Shs 2.60 per share) for the year 2018 on the issued and paid-up share capital of Shs 1,118,408,880, subject to withholding tax, where applicable.

For purposes of payment of the dividend, the Share Register of the Bank will be closed on 24 May 2019 and payment of dividend due to Shareholders on the Register as at the close of business on 24 May 2019, will be made from 26 June 2019.

By order of the Board

Stephen Kodumbe
Company Secretary

20 March 2019

MESSAGE FROM DIRECTORS

These financial statements are extracts from the books of the institution as audited by KPMG Kenya and received an unqualified opinion.

The complete set of these financial statements will be available at our registered office at DTB Centre Mombasa Road and online at www.dtbafrika.com for inspection after approval at the Annual General Meeting to be held on 23 May 2019.

Abdul Samji	Chairman
Nasim Devji	Managing Director
Ismail Mawji	Director
Stephen Kodumbe	Company Secretary