

**The Board of Directors of Diamond Trust Bank Kenya Limited is pleased to announce the unaudited Group and Bank results for the period ended 30 June 2019.**

STATEMENT OF FINANCIAL POSITION	GROUP				BANK				STATEMENT OF COMPREHENSIVE INCOME	GROUP				BANK			
	Jun. 2019 Shs 000 Unaudited	Mar. 2019 Shs 000 Unaudited	Dec. 2018 Shs 000 Audited	Jun. 2018 Shs 000 Unaudited	Jun. 2019 Shs 000 Unaudited	Mar. 2019 Shs 000 Unaudited	Dec. 2018 Shs 000 Audited	Jun. 2018 Shs 000 Unaudited		Jun. 2019 Shs 000 Unaudited	Mar. 2019 Shs 000 Unaudited	Dec. 2018 Shs 000 Audited	Jun. 2018 Shs 000 Unaudited	Jun. 2019 Shs 000 Unaudited	Mar. 2019 Shs 000 Unaudited	Dec. 2018 Shs 000 Audited	Jun. 2018 Shs 000 Unaudited
<b>ASSETS</b>									<b>INTEREST INCOME</b>								
Cash (both local and foreign)	7,170,328	6,933,420	7,928,396	6,667,543	4,749,326	4,548,935	5,192,180	3,701,307	Loans and advances	9,903,523	4,909,294	21,956,985	11,057,494	7,431,367	3,709,857	16,754,047	8,486,886
Balances due from Central Banks	26,198,495	18,303,962	29,788,551	15,488,792	19,057,012	11,670,752	22,171,419	7,832,939	Government securities	6,273,859	3,144,683	13,010,069	6,312,011	4,805,691	2,424,535	10,188,136	4,919,370
Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-	Deposits and placements with banking institutions	166,422	94,356	301,449	133,994	49,137	35,272	99,802	30,135
Investment Securities:									Other interest income	-	-	-	-	-	-	-	-
(a) Held to Maturity:									<b>Total interest income</b>	<b>16,343,804</b>	<b>8,148,333</b>	<b>35,268,503</b>	<b>17,503,499</b>	<b>12,286,195</b>	<b>6,169,664</b>	<b>27,041,985</b>	<b>13,436,391</b>
a. Kenya Government securities	88,968,521	95,276,994	85,806,712	99,726,123	88,968,521	95,276,994	85,806,712	99,726,123	<b>INTEREST EXPENSES</b>								
b. Other securities	19,474,071	19,095,143	22,469,625	27,021,580	-	-	-	-	Customer deposits	6,071,562	3,026,313	13,463,538	6,766,442	5,084,140	2,537,719	11,327,165	5,651,669
(b) At Fair Value:									Deposits and placements from banking institutions	394,576	225,598	795,314	371,943	291,951	151,483	743,716	328,632
a. Kenya Government securities	500,000	117,220	505,173	626,828	500,000	117,220	505,173	626,828	Other interest expenses	689,965	353,494	988,137	436,621	543,392	273,496	743,597	362,941
b. Other securities	11,782,007	11,242,761	8,548,818	1,797,617	1,797,617	1,797,617	1,797,617	1,797,617	<b>Total interest expenses</b>	<b>7,156,103</b>	<b>3,605,405</b>	<b>15,246,989</b>	<b>7,575,006</b>	<b>5,919,483</b>	<b>2,962,698</b>	<b>12,814,478</b>	<b>6,343,242</b>
Deposits and balances due from local banking institutions	54,354	50,101	65,258	47,275	54,354	50,101	65,258	47,275	<b>NET INTEREST INCOME</b>	<b>9,187,701</b>	<b>4,542,928</b>	<b>20,021,514</b>	<b>9,928,493</b>	<b>6,366,712</b>	<b>3,206,966</b>	<b>14,227,507</b>	<b>7,093,149</b>
Deposits and balances due from banking institutions abroad	11,261,456	11,004,318	14,097,184	11,177,328	1,397,584	1,113,429	2,620,450	2,205,782	<b>OTHER OPERATING INCOME</b>								
Income tax recoverable	1,904,758	815,902	1,470,570	937,006	999,652	103,007	922,872	582,535	Fees and commissions on loans and advances	597,300	272,931	1,284,128	707,916	439,633	189,785	894,583	503,281
Loans and advances to customers (net)	190,777,859	188,562,444	193,074,357	198,233,933	144,797,740	144,128,859	146,781,681	153,055,987	Other fees and commissions income	1,053,910	536,908	2,157,644	1,032,328	485,169	247,947	1,043,348	515,070
Balances due from group companies	-	-	-	-	-	-	-	-	Foreign exchange trading income	996,933	642,967	1,570,669	795,912	581,386	385,507	1,005,540	517,041
Investments in associate	124,814	121,258	63,933	41,317	1	1	1	1	Dividend income	-	-	-	-	65,806	-	65,475	65,475
Investment in subsidiary companies	-	-	-	-	5,802,700	5,802,700	5,752,701	5,752,700	Other income	328,799	86,397	422,194	206,711	70,221	14,147	25,568	42,640
Investments in joint ventures	-	-	-	-	-	-	-	-	<b>Total Non-Interest Income</b>	<b>2,976,942</b>	<b>1,539,203</b>	<b>5,434,635</b>	<b>2,742,867</b>	<b>1,642,215</b>	<b>837,386</b>	<b>3,034,424</b>	<b>1,643,507</b>
Investment properties	-	-	-	-	-	-	-	-	<b>TOTAL OPERATING INCOME</b>	<b>12,164,643</b>	<b>6,082,131</b>	<b>25,456,149</b>	<b>12,671,360</b>	<b>8,008,927</b>	<b>4,044,352</b>	<b>17,261,931</b>	<b>8,736,656</b>
Property and equipment	6,311,971	6,557,564	6,410,674	6,867,039	4,600,177	4,882,590	4,759,643	4,974,680	<b>OPERATING EXPENSES</b>								
Right of use asset	4,500,700	4,599,298	-	-	2,730,707	2,805,424	-	-	Loan loss provision	534,192	268,403	2,982,261	1,677,189	(101,105)	100,769	1,556,629	1,169,141
Intangible assets	1,137,776	931,952	1,230,071	1,155,975	922,139	699,358	982,437	1,013,751	Staff costs	2,219,767	1,083,457	4,192,871	2,090,965	1,342,247	648,116	2,484,515	1,286,853
Goodwill	173,372	173,372	173,372	173,372	-	-	-	-	Directors' emoluments	109,179	44,813	142,483	60,670	66,739	32,093	92,357	36,756
Deferred tax asset	3,301,296	3,389,012	3,379,287	3,686,655	2,372,988	2,372,988	2,372,988	2,893,916	Rentals charges	80,735	17,921	882,888	445,449	40,784	9,843	451,988	215,783
Retirement benefit asset	-	-	-	-	-	-	-	-	Depreciation charge on property and equipment	811,268	404,791	975,655	484,929	402,274	202,223	552,147	278,982
Other assets	2,287,904	2,916,460	2,707,333	2,429,368	1,365,236	1,783,826	1,784,571	1,523,712	Amortisation charges	146,440	72,038	720,422	130,642	96,844	47,550	190,224	96,708
<b>Total Assets</b>	<b>375,929,682</b>	<b>370,091,181</b>	<b>377,719,314</b>	<b>376,077,751</b>	<b>280,115,753</b>	<b>277,153,801</b>	<b>281,515,703</b>	<b>285,735,153</b>	Other operating expenses	2,323,889	1,259,873	5,041,780	2,387,058	1,215,942	658,982	2,669,297	1,348,837
									<b>Total operating expenses</b>	<b>6,225,470</b>	<b>3,151,296</b>	<b>14,485,360</b>	<b>7,276,902</b>	<b>3,063,725</b>	<b>1,699,576</b>	<b>7,997,157</b>	<b>4,433,060</b>
<b>LIABILITIES</b>									Profit before tax and exceptional items	5,939,173	2,930,835	10,970,789	5,394,458	4,945,202	2,344,776	9,264,774	4,303,596
Balances due to Central Bank of Kenya	-	-	-	-	-	-	-	-	Exceptional items	-	-	-	-	-	-	-	-
Customer deposits	283,065,287	275,331,216	282,860,003	281,745,588	205,023,293	199,828,276	206,059,510	206,927,924	<b>Profit after exceptional items</b>	<b>5,939,173</b>	<b>2,930,835</b>	<b>10,970,789</b>	<b>5,394,458</b>	<b>4,945,202</b>	<b>2,344,776</b>	<b>9,264,774</b>	<b>4,303,596</b>
Deposits and balances due to local banking institutions	4,378,729	7,103,024	10,675,300	14,704,406	4,378,729	7,103,024	10,675,300	14,704,406	Share of associate profit after tax	12,174	8,372	29,483	6,553	-	-	-	-
Deposits and balances due to banking institutions abroad	4,318,506	5,682,173	6,467,907	4,024,977	4,032,961	5,893,476	4,049,030	3,366,428	<b>PROFIT BEFORE TAX</b>	<b>5,951,347</b>	<b>2,939,207</b>	<b>11,000,272</b>	<b>5,401,011</b>	<b>4,945,202</b>	<b>2,344,776</b>	<b>9,264,774</b>	<b>4,303,596</b>
Other money market deposits	-	-	-	-	-	-	-	-	Current tax	(1,707,194)	(969,572)	(3,444,212)	(1,644,851)	(1,581,565)	(820,672)	(2,806,465)	(1,312,596)
Borrowed funds	13,203,644	12,524,349	14,693,994	16,936,274	11,072,505	9,588,702	10,441,306	13,509,970	Deferred tax charge	(111,785)	-	(473,945)	(837)	-	-	(671,393)	-
Lease liability	4,569,623	4,693,469	-	-	2,859,586	2,870,967	-	-	<b>Profit after tax and exceptional items</b>	<b>4,132,368</b>	<b>1,969,635</b>	<b>7,082,115</b>	<b>3,755,323</b>	<b>3,363,637</b>	<b>1,524,104</b>	<b>5,786,916</b>	<b>2,991,000</b>
Current income tax payable	3,419	38,193	-	23,332	-	-	-	-	Non controlling interests	248,338	137,518	395,503	257,689	-	-	-	-
Dividends payable	-	-	-	-	-	-	-	-	<b>Profit for the period after tax and non controlling interests</b>	<b>3,884,030</b>	<b>1,832,117</b>	<b>6,686,612</b>	<b>3,497,634</b>	<b>3,363,637</b>	<b>1,524,104</b>	<b>5,786,916</b>	<b>2,991,000</b>
Deferred income tax liability	15,558	15,585	-	11,915	-	-	-	-	<b>OTHER COMPREHENSIVE INCOME</b>								
Retirement benefit liability	-	-	-	-	-	-	-	-	Gain/(loss) from translating the financial statements of foreign operations	129,337	(173,738)	(579,625)	(897,293)	-	-	-	-
Other liabilities	3,869,828	3,919,166	4,082,861	3,640,991	2,399,171	2,632,415	2,577,719	2,456,704	Net gain/(loss) from changes in fair value of government securities	52,870	69,806	(19,314)	-	-	-	-	-
<b>Total Liabilities</b>	<b>313,424,594</b>	<b>309,307,175</b>	<b>318,780,065</b>	<b>321,087,483</b>	<b>229,766,245</b>	<b>227,916,860</b>	<b>233,802,865</b>	<b>240,965,432</b>	Income tax relating to these items	(15,861)	(20,942)	6,756	-	-	-	-	-
<b>SHAREHOLDERS' EQUITY</b>									<b>Other comprehensive income for the period net of tax</b>	<b>166,346</b>	<b>(124,874)</b>	<b>(592,183)</b>	<b>(897,293)</b>	-	-	-	-
Paid up capital	1,118,409	1,118,409	1,118,409	1,118,409	1,118,409	1,118,409	1,118,409	1,118,409	<b>Total comprehensive income for the period</b>	<b>4,298,714</b>	<b>1,844,761</b>	<b>6,489,932</b>	<b>2,858,030</b>	<b>3,363,637</b>	<b>1,524,104</b>	<b>5,786,916</b>	<b>2,991,000</b>
Share premium	9,006,569	9,006,569	9,006,569	9,006,569	9,006,569	9,006,569	9,006,569	9,006,569	Earnings per Share (Shs per share)	13.89	6.55	23.91	12.51	12.03	5.45	20.70	10.70
Revaluation reserve	(638)	(161,735)	(156,295)	(291,215)	1,328,408	1,328,408	1,328,408	1,357,296	- basic and diluted	-	-	2.60	-	-	-	2.60	-
Retained earnings	45,930,211	43,894,418	42,070,633	39,180,454	38,896,122	37,056,589	35,532,486	33,287,447	Dividend per Share (Shs per share)	-	-	-	-	-	-	-	-
Statutory loan loss reserve	886,495	863,530	890,768	997,743	-	-	-	-									
Proposed dividends	-	726,966	726,966	-	-	726,966	726,966	-									
Capital grants	-	-	-	-	-	-	-	-									
<b>Total Shareholders' Equity</b>	<b>56,941,046</b>	<b>55,448,157</b>	<b>53,657,050</b>	<b>50,011,960</b>	<b>50,349,508</b>	<b>49,236,941</b>	<b>47,712,838</b>	<b>44,769,721</b>									
Non controlling interests	5,564,042	5,335,849	5,282,199	4,978,308	-	-	-	-									
<b>Total Equity</b>	<b>62,505,088</b>	<b>60,784,006</b>	<b>58,939,249</b>	<b>54,990,268</b>	<b>50,349,508</b>	<b>49,236,941</b>	<b>47,712,838</b>	<b>44,769,721</b>									
<b>Total Liabilities and Shareholders' Equity</b>	<b>375,929,682</b>	<b>370,091,181</b>	<b>377,719,314</b>	<b>376,077,751</b>	<b>280,115,753</b>	<b>277,153,801</b>	<b>281,515,703</b>	<b>285,735,153</b>									

**MESSAGE FROM DIRECTORS**

These financial statements are extracts from the books of the institution. These quarterly financial statements, statutory and qualitative disclosures can be accessed on the institution's website [www.dtbfrica.com](http://www.dtbfrica.com). They may also be accessed at the institution's head office located at DTB Centre, Mombasa Road, Nairobi, Kenya.

**INTERIM DIVIDENDS**

In line with the practice adopted in recent years, the directors do not propose the payment of an interim dividend.

Linus Gitahi  
CHAIRMAN

Nasim Devji  
MANAGING DIRECTOR

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## NAIROBI SECURITIES EXCHANGE RELEASE

## DIAMOND TRUST BANK KENYA LIMITED

Group unaudited results for the six months period ended 30th June 2019

## Consolidated statement of profit or loss

	Notes	30 June 2019 Shs '000	30 June 2018 Shs '000
Interest income		16,343,804	17,503,499
Interest expense		(6,466,138)	(7,138,385)
<b>Net interest income</b>		<b>9,877,666</b>	<b>10,365,114</b>
Net fee and commission income		1,651,210	1,740,244
Foreign exchange income		996,933	795,912
Other operating income		328,799	206,711
<b>Operating income</b>		<b>12,854,608</b>	<b>13,107,981</b>
Operating expenses		(5,691,278)	(5,599,713)
Impairment loss on loans and advances		(534,192)	(1,677,189)
<b>Profit from operations</b>		<b>6,629,138</b>	<b>5,831,079</b>
Share of results of associate after tax		12,174	6,553
Finance cost		(689,965)	(436,621)
<b>Profit before income tax</b>		<b>5,951,347</b>	<b>5,401,011</b>
Income tax expense		(1,818,979)	(1,645,688)
<b>Profit for the period</b>		<b>4,132,368</b>	<b>3,755,323</b>
<b>Profit attributable to:</b>			
Owners of the Bank		3,884,030	3,497,634
Non controlling interests		248,338	257,689
		<b>4,132,368</b>	<b>3,755,323</b>
<b>Earnings per share</b> (Shs per share)			
– basic and diluted	2	13.89	12.51

In line with the practice adopted in recent years, the directors do not propose the payment of an interim dividend.

By order of the Board



Stephen Kodumbe  
Company Secretary  
August 2019

**DIAMOND TRUST BANK KENYA LIMITED**

**Consolidated statement of comprehensive income for the six months period ended 30th June 2019**

	<b>30 June 2019</b>	<b>30 June 2018</b>
	<b>Shs '000</b>	<b>Shs '000</b>
<b>Profit for the period</b>	<b>4,132,368</b>	<b>3,755,323</b>
<b>Other comprehensive income</b>		
Exchange differences on translating foreign operations	129,337	(897,293)
Net gain from changes in fair value of government securities	52,870	-
Income tax relating to these items	(15,861)	-
<b>Total comprehensive income for the year</b>	<b>4 298,714</b>	<b>2,858,030</b>
Total comprehensive income attributable to:		
Owners of the Bank	4,010,962	2,963,154
Non controlling interests	287,752	(105,124)
	<b>4,298,714</b>	<b>2,858,030</b>

**DIAMOND TRUST BANK KENYA LIMITED**

**Consolidated statement of financial position  
As at 30 June 2019**

	<b>30 June 2019 Shs '000</b>	<b>30 June 2018 Shs '000</b>	<b>31 December 2018 Shs '000</b>
<b>Assets</b>			
Cash and balances with Central Banks	33,368,823	22,156,335	37,716,947
Government securities	118,926,982	127,374,531	115,532,711
Deposits and balances due from banking institutions	11,315,810	11,224,603	14,162,442
Loans and advances to customers	190,777,859	198,233,933	193,074,357
Other assets	2,287,904	2,429,368	2,707,333
Intangible assets – software costs	1,137,776	1,155,975	1,230,071
Property and equipment	6,311,971	6,867,039	6,410,674
Intangible assets - goodwill	173,372	173,372	173,372
Current income tax receivable	1,904,758	937,006	1,470,570
Deferred income tax	3,301,296	3,686,655	3,379,287
Investment in associate	74,814	41,317	63,933
Equity investments at fair value through OCI	1,847,617	1,797,617	1,797,617
Right of use asset	4,500,700	-	-
<b>Total assets</b>	<b><u>375,929,682</u></b>	<b><u>376,077,751</u></b>	<b><u>377,719,314</u></b>
<b>Liabilities</b>			
Customer deposits	283,065,287	281,745,588	282,860,003
Deposits and balances due to banking institutions	8,697,235	18,729,383	17,143,207
Other liabilities	3,869,828	3,640,991	4,082,861
Long-term borrowings	13,203,644	16,936,274	14,693,994
Deferred income tax liability	15,558	11,915	-
Current income tax payable	3,419	23,332	-
Lease liability	4,569,623	-	-
<b>Total liabilities</b>	<b><u>313,424,594</u></b>	<b><u>321,087,483</u></b>	<b><u>318,780,065</u></b>
<b>Shareholders' equity</b>			
Share capital	1,118,409	1,118,409	1,118,409
Share premium	9,006,569	9,006,569	9,006,569
Retained earnings	45,930,211	39,180,454	42,070,633
Other reserves	885,857	706,528	734,473
Proposed dividend	-	-	726,966
Equity attributable to owners of the bank	<b><u>56,941,046</u></b>	<b><u>50,011,960</u></b>	<b><u>53,657,050</u></b>
Non controlling interests	5,564,042	4,978,308	5,282,199
<b>Total equity</b>	<b><u>62,505,088</u></b>	<b><u>54,990,268</u></b>	<b><u>58,939,249</u></b>
<b>Total liabilities and shareholders' equity</b>	<b><u>375,929,682</u></b>	<b><u>376,077,751</u></b>	<b><u>377,719,314</u></b>

**DIAMOND TRUST BANK KENYA LIMITED**

**Consolidated statement of changes in equity  
for the six months period ended 30 June 2019**

Notes	Share capital Shs '000	Share premium Shs '000	Other reserves Shs '000	Retained earnings Shs '000	Statutory loan loss reserve Shs '000	Proposed dividends Shs '000	Attributable to equity holders of the bank Shs '000	Non controlling interests Shs '000	Total Shs '000
<b>Balance at 1 January 2019</b>	1,118,409	9,006,569	(156,295)	42,070,633	890,768	726,966	53,657,050	5,282,199	58,939,249
<b>Comprehensive income</b>									
Profit for the period	-	-	-	3,884,030	-	-	3,884,030	248,338	4,132,368
<b>Other comprehensive income</b>									
Net gain from changes in fair value of government securities	-	-	24,863	-	-	-	24,863	12,146	37,009
Exchange differences on translating foreign operations	(i)	-	102,069	-	-	-	102,069	27,268	129,337
Statutory loan loss reserve/legal reserve	-	-	28,725	(24,452)	(4,273)	-	-	-	-
	-	-	<b>155,657</b>	<b>3,859,578</b>	<b>(4,273)</b>	-	<b>4,010,962</b>	<b>287,752</b>	<b>4,298,714</b>
<b>Dividends:</b>									
- Final for 2018 paid	-	-	-	-	-	(726,966)	(726,966)	(5,909)	(732,875)
<b>Balance at 30 June 2019</b>	<b>1,118,209</b>	<b>9,006,569</b>	<b>(638)</b>	<b>45,930,211</b>	<b>886,495</b>	<b>-</b>	<b>56,941,046</b>	<b>5,564,042</b>	<b>62,505,088</b>

- (i) The differences arise on translation of the net assets of the Group's foreign operations in Tanzania, Uganda and Burundi from their functional currency to the Group's presentation currency (Kenya shillings)

**DIAMOND TRUST BANK KENYA LIMITED**

**Consolidated statement of changes in equity  
for the six months period ended 30 June 2018**

	Notes	Share	Share	Other	Retained	Statutory	Proposed	Attributable	Non	Total
		capital	premium	reserves	earnings	loan loss	dividends	to equity	controlling	
		Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	holders of the bank Shs '000	interests Shs '000	Shs '000
<b>Balance at 31 December 2017</b>		<b>1,118,409</b>	<b>9,006,569</b>	<b>226,088</b>	<b>35,934,013</b>	<b>1,357,750</b>	<b>726,966</b>	<b>48,369,795</b>	<b>5,249,960</b>	<b>53,619,755</b>
<b>Impact of adopting IFRS 9</b>		-	-	-	(608,255)	-	-	(608,255)	-	(608,255)
<b>Balance as at 1 January 2018</b>		<b>1,118,409</b>	<b>9,006,569</b>	<b>226,088</b>	<b>35,325,758</b>	<b>1,357,750</b>	<b>726,966</b>	<b>47,761,540</b>	<b>5,249,960</b>	<b>53,011,500</b>
<b>Comprehensive income</b>										
Profit for the period		-	-	-	3,497,634	-	-	3,497,634	257,689	3,755,323
<b>Other comprehensive income</b>										
Exchange differences on translating foreign operations	(i)	-	-	(534,480)	-	-	-	(534,480)	(362,813)	(897,293)
Statutory loan loss reserve/legal reserve		-	-	2,945	357,062	(360,007)	-	-	-	-
		-	-	<b>(531,535)</b>	<b>3,854,696</b>	<b>(360,007)</b>	-	<b>2,963,154</b>	<b>(105,124)</b>	<b>2,858,030</b>
Acquisition of interest from non-controlling interests in DTB Burundi		-	-	14,232	-	-	-	14,232	(166,528)	(152,296)
Dividends:										
- Final for 2017 paid		-	-	-	-	-	(726,966)	(726,966)	-	(726,966)
<b>Balance at 30 June 2018</b>		<b>1,118,409</b>	<b>9,006,569</b>	<b>(291,215)</b>	<b>39,180,454</b>	<b>997,743</b>	-	<b>50,011,960</b>	<b>4,978,308</b>	<b>54,990,268</b>

- (i) The differences arise on translation of the net assets of the Group's foreign operations in Tanzania, Uganda and Burundi from their functional currency to the Group's presentation currency (Kenya shillings)

**DIAMOND TRUST BANK KENYA LIMITED****Consolidated Statement of Cash Flows  
for the six months period ended 30 June 2019**

	<b>Six months ended 30 June</b>	
	<b>2019</b>	<b>2018</b>
	<b>Shs '000</b>	<b>Shs '000</b>
<b>Net cash generated/ (used in) from operating activities</b>	<u>2,649,427</u>	<u>(313,885)</u>
<b>Cash flows used in investing activities</b>		
Purchase of property, equipment and intangible assets	(1,596,867)	(697,932)
Proceeds on sale of property and equipment	1,744	2,992
Net proceeds from sale of government securities	26,728	88,495
Equity investment	(50,000)	-
<b>Net cash used in investing activities</b>	<u>(1,618,395)</u>	<u>(606,445)</u>
<b>Cash flows used in financing activities</b>		
Proceeds from long-term borrowing	2,033,300	-
Repayment of long-term borrowing	(3,509,105)	(95,948)
Finance costs	(541,458)	(325,188)
Dividends paid to equity holders of the bank	(726,966)	(726,966)
Dividends paid to non controlling interests	(38,417)	(38,644)
<b>Net cash used in financing activities</b>	<u>(2,782,646)</u>	<u>(1,186,746)</u>
<b>Net decrease in cash and cash equivalents</b>	(1,751,614)	(2,107,076)
Cash and cash equivalents at start of the period	21,375,217	2,789,926
Translation difference	<u>117,604</u>	<u>485,415</u>
<b>Cash and cash equivalents at the end of period</b>	<u><b>19,741,207</b></u>	<u><b>1,168,265</b></u>



# DIAMOND TRUST BANK KENYA LIMITED

## Notes to the consolidated interim financial statements

### 1 Accounting policies

These consolidated interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2018.

These interim financial statements should be read in conjunction with the 2018 annual financial statements.

### 2 Earnings per share

Basic and diluted earnings per share is calculated by dividing the net profit attributable to shareholders of Shs 3,884,030 (2018: Shs 3,497,634) with the weighted number of ordinary shares issued as at 30 June 2019 of 279,602,220 (2018 - 279,602,220)

### 3 Long-term Borrowings

Long-term borrowings comprise of;

#### **Diamond Trust Bank Kenya Limited**

- Subordinated debt facilities of US\$ 28 million raised from International Finance Corporation (IFC) and US\$ 25 million raised from African Development Bank (AfDB).
- Senior loan facilities of US\$ 16.6 million, US\$ 22.8 million, US\$ 5.0 million and US\$ 10 million raised from Proparco, Deutsche Investitions- und Entwicklungsgesellschaft (DEG), Agence Française de Development (AFD) and African Development Bank respectively (AfDB).

#### **Diamond Trust Bank Uganda Limited**

- Subordinated debt facilities raised from International Finance Corporation (IFC) with outstanding balance of US\$ 4 million.
- Administered funds from Bank of Uganda with outstanding balance of Ushs 455 million.
- Senior loan facility of US\$ 5 million from AFD.

#### **Diamond Trust Bank Tanzania Limited**

- Subordinated debt facilities raised from DEG and IFC with outstanding balance of US\$ 7.5 million and US\$ 4 million, respectively.

These notes bear interest at rates referenced to the six months Libor.

### 4 IFRS 16 - Leases

The Group adopted IFRS 16 on 1 January 2019. IFRS 16 changed how the Group accounts for leases previously classified as operating leases under IAS 17, which were previously off-balance sheet. As a result, the Group has;

- a) Recognised right-of-use assets and lease liabilities in the consolidated statement of financial position, initially measured at the present value of the future lease payments;
- b) Recognised depreciation of right-of-use assets and interest on lease liabilities in the consolidated statement of profit or loss.



## 5 Contingent liabilities

Movement in contingent liabilities since 31 December 2018:

	31 December 2018 Shs '000	Net (decrease)/increase Shs '000	30 June 2019 Shs '000
Acceptances and letters of credit	22,611,416	(1,028,687)	21,582,729
Guarantee and performance bonds	19,032,251	3,501,489	22,533,740
	<b>41,643,667</b>	<b>2,472,802</b>	<b>44,116,469</b>