

Barclays Bank Group

Audited results for year ended 31st December 2007

Hisanet Africa Investment Services



Arrow Hse, 5th Floor
Koinange Street

P.O. BOX 15453 00100
GPO Nairobi

Tel:
+254 020 240593
+254 722 303066

Email:
info@hisanetafrica.com

Web:
www.hisanetafrica.com

Year ended 31st Dec	2007	2006	% Variance
INTEREST INCOME	Kshs '000	Kshs '000	
Loans and Advances	9,970,309	7,691,574	29.63%
Government Securities	2,910,261	2,165,270	34.41%
Deposits and Placements	279,140	251,813	10.85%
Other Interest Income	474,615	319,827	48.40%
TOTAL INTEREST INCOME	13,634,325	10,428,484	30.74%
INTEREST EXPENSE			
Customer deposits	1,793,835	1,283,103	39.80%
Deposits and placements	310,624	91,393	239.88%
Other Interest Expenses	148,183	117,792	25.80%
TOTAL INTEREST EXPENSES	2,252,642	1,492,288	50.95%
NET INTEREST INCOME	11,381,683	8,936,196	27.37%
OTHER OPERATING INCOME			
Fees and commissions on loans	1,272,056	706,202	80.13%
Other fees and commissions	4,711,838	4,209,168	11.94%
Forex Trading income	1,478,432	1,195,072	23.71%
Dividend Income	-	-	-
Other income	16,426	76,256	(0.78)
Total Non-interest income	7,478,752	6,186,698	20.88%
TOTAL OPERATING INCOME	18,860,435	15,122,894	24.71%
OTHER OPERATING EXPENSES			
Loan Loss Provision	686,690	880,594	-22.02%
Staff Costs	4,562,178	3,081,324	48.06%
Directors Emoluments	5,735	6,508	-11.88%
Rental Charges	419,094	322,299	30.03%
Depreciation	399,341	240,080	66.34%
Amortization	-	-	-
Other operating Expenses	5,708,597	4,116,734	38.67%
TOTAL	11,781,635	8,647,539	36.24%
OPERATING PROFITS	7,078,800	6,475,355	9.32%
Exceptional Items	-	-	-
PROFIT BEFORE TAX	7,078,800	6,475,355	9.32%
Taxation	(2,132,731)	(1,960,219)	8.80%
Deferred Tax	(35,575)	(21,504)	65.43%
PROFIT AFTER TAX	4,910,494	4,493,632	9.28%
Earnings Per Share	3.6	3.3	9.09%
DPS	1.65	1.65	0.00%

The Bank recorded a 9% increase in pre tax profits from Kshs6.4bn to Kshs7bn. The loans and advances portfolio increased over the same period from Shs73bn to Shs105bn, a 43% increase. Customer deposits grew by 16% from Shs93.8bn in 2006 to Shs109bn in 2007. During the same period, the Bank increased its distribution network to 107 from 62. Huge investments over the period drove up operating expenses from Shs7.7bn to Shs11bn, a 43% growth.

Customer loan growth increased by 50%, with its Interest Income increasing from Shs8.9bn to Shs11.3bn. The ratio of non-performing loans to gross loans and advances declined from 12% to 5%. The Bank's provision for bad debts declined by 22% from Shs881mn to Shs687mn.

Profits after tax edged up by 9%, to stand at 4.9bn compared to 4.4bn realized in 2006. Earnings per share rose from Shs3.30 to Shs3.60

Dividend

The board of directors approved payment of a final dividend of Shs1.15 per share, bringing the total dividend payout to Shs1.65 per share for the year, same level as it was in 2006.

Outlook

The management has projected positive prospects for this year, saying that it will reap full benefits of the Investments it made in 2007.