



Summary consolidated statement of financial position

	31 December 2018 Shs'000	31 December 2017 Shs'000
<b>Assets</b>		
Cash and balances with Central Bank of Kenya	22,061,875	8,044,783
Financial investments	72,260,408	76,244,870
Derivative assets	1,515,466	2,391,101
Loans and advances to banks and customers	174,984,710	143,279,444
Other assets and prepayments	3,727,559	3,220,570
Other investments	17,500	17,500
Property and equipment	2,186,370	2,256,275
Prepaid operating lease	47,994	50,947
Other intangible assets	1,250,731	1,356,050
Current income tax	-	83,026
Deferred income tax	3,167,882	2,444,394
Intangible assets - goodwill	9,349,759	9,349,759
<b>Total assets</b>	<b>290,570,254</b>	<b>248,738,719</b>
<b>Equity and liabilities</b>		
<b>Liabilities</b>		
Derivative liabilities	1,881,658	2,427,563
Financial liabilities	10,040,568	362,630
Deposits from banks and customers	219,493,914	193,367,907
Borrowings	7,064,013	3,989,243
Other liabilities and accrued expenses	5,426,698	5,596,830
Current income tax	1,039,983	-
Deferred income tax	-	38,859
<b>Total liabilities</b>	<b>245,946,834</b>	<b>205,783,032</b>
<b>Equity</b>		
Ordinary share capital	1,976,608	1,976,608
Ordinary share premium	16,897,389	16,897,389
Revenue and other reserves	25,749,423	24,081,590
<b>Total equity</b>	<b>44,623,420</b>	<b>42,955,687</b>
<b>Total equity and liabilities</b>	<b>290,570,254</b>	<b>248,738,719</b>

Summary consolidated income statement

	31 December 2018 Shs'000	31 December 2017 Shs'000
Net interest income	12,129,645	10,644,281
Non-interest revenue	9,964,720	8,420,108
<b>Total income</b>	<b>22,094,365</b>	<b>19,064,389</b>
Credit impairment losses	(2,064,462)	(2,761,325)
<b>Income after credit impairment losses</b>	<b>20,029,903</b>	<b>16,303,064</b>
Total operating expenses	(11,082,146)	(10,901,816)
<b>Profit before taxation</b>	<b>8,947,757</b>	<b>5,401,248</b>
Income tax expense	(2,670,591)	(1,091,754)
<b>Profit for the year</b>	<b>6,277,166</b>	<b>4,309,494</b>

Summary consolidated statement of other comprehensive income

	31 December 2018 Shs'000	31 December 2017 Shs'000
<b>Profit for the year</b>	<b>6,277,166</b>	<b>4,309,494</b>
<b>Other comprehensive income</b>		
Foreign currency translation differences for foreign operations	(270,472)	74,400
Fair value changes on FVOCI/AFS financial assets, net of tax	(320,469)	298,645
Net gain on financial assets measured at FVOCI	(891)	-
<b>Other comprehensive income net of tax</b>	<b>(591,832)</b>	<b>373,045</b>
<b>Total comprehensive income</b>	<b>5,685,334</b>	<b>4,682,539</b>

Earnings per share basic and diluted (in Shs):	15.88	10.90
Dividend per share (in Shs):	5.80	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 2018	1,976,608	16,897,389	22,500,404	1,581,286	42,955,687
IFRS 9 transition adjustment	-	-	(1,565,641)	-	(1,565,641)
At 1 January 2018 - restated	1,976,608	16,897,389	20,934,763	1,581,286	41,390,046
Profit for the year	-	-	6,277,166	-	6,277,166
Other comprehensive income	-	-	(591,832)	-	(591,832)
Dividend paid in the year	-	-	(889,475)	(1,581,286)	(2,470,761)
Dividend proposed	-	-	(1,403,392)	1,403,392	-
Share based payment reserve	-	-	18,801	-	18,801
At 31 December 2018	1,976,608	16,897,389	24,346,031	1,403,392	44,623,420

Summary consolidated statement of cash flows

	31 December 2018 Shs'000	31 December 2017 Shs'000
<b>Cash flows generated from operating activities</b>	<b>9,959,878</b>	<b>5,461,758</b>
Income tax paid	(1,577,646)	(3,483,127)
<b>Net cash generated from operating activities before changes in operating assets</b>	<b>8,382,232</b>	<b>1,978,631</b>
Changes in operating assets and liabilities	44,738,195	1,558,786
<b>Net cash generated from operating activities</b>	<b>53,120,427</b>	<b>3,537,417</b>
Cash flows used in investing activities	(18,257,543)	(926,107)
Cash flows generated from/ (used in) financing activities	604,009	(1,866,767)
<b>Net increase in cash and cash equivalents</b>	<b>35,466,893</b>	<b>744,543</b>
Currency translation differences	(282,950)	125,906
Cash and cash equivalents at 1 January	25,856,454	24,986,005
<b>Cash and cash equivalents at 31 December</b>	<b>61,040,397</b>	<b>25,856,454</b>

Summary of Directors' remuneration report

During the year, the Group paid Kshs 44,754,056 (2017: Kshs 41,239,875) as Directors emoluments.

MESSAGE FROM THE DIRECTORS

Proposed Dividend

The Directors of Stanbic Holdings Plc (the "Company") have recommended a final dividend of Kenya Shillings three and fifty five cents (Kshs 3.55) having paid an interim dividend of Kenya Shillings two and twenty five cents (Kshs 2.25) for each ordinary share of Kshs 5 on the issued and paid up share capital of the Company. Subject to Shareholders' approval, the final dividend will be payable to the members of the Company registered on the share register of the Company (the "Share Register") on the closure date, 10 May 2019, if approved the full dividend per share for the year ended 31 December 2018 will be Kenya Shillings five and eighty cents (Kshs 5.80) for each ordinary share of Kshs 5.

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 2018 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 2018. The Group's financial statements are prepared in accordance with International Financial Reporting Standards and the Kenyan Companies Act, 2015.

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 2018.

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 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 1 March 2019 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.



Certified Public Accountants, Nairobi

01 March 2019

CPA Kang's Saiti, Practising certificate No. 1652

Signing partner responsible for the independent audit

The above financial statements are extracts from the records of the Group. They were approved by the Board of Directors on 28 February 2019 and signed on its behalf by:-

Chairman

Chief Executive

Director

Company Secretary



**Extract of the Minutes of the meeting of the Board of Directors of Stanbic Holdings Plc  
Held on 28<sup>th</sup> February, 2019**

**7/19 CONSOLIDATED FINANCIAL STATEMENTS & AUDIT REPORTS**

**2. Audited Financial Statements for the year ended 31<sup>st</sup> December, 2018**

The Audited Financial Statements for the year ended 31<sup>st</sup> December, 2018 were presented in detail, reviewed and considered. The Board UNANIMOUSLY APPROVED the Audited Financial Statements for the year ended 31st December 2018.

**3. Publication – Audited Financial Statements for the year ended 31<sup>st</sup> December, 2018**

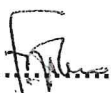
The Board received and considered the Publication of the Audited Financial Statements for the year ended 31<sup>st</sup> December, 2018. The Board UNANIMOUSLY APPROVED the Publication of the Annual Audited Financial Statements and authorized the Chairman, the Chief Executive, the Board Audit Chairman or any other director, and the Company Secretary to sign all the accounts on behalf of the Company.

**4. Payment of Final Dividend**

The Board received and considered the Final Dividend proposal tabled by Management including the considerations taken by Management in making its recommendation, notably the Company's dividend policy and the dividends declared by the Company's subsidiaries.

The Board considered and UNANIMOUSLY ENDORSED the payment of a final dividend for the year ended 31 December, 2018 of Kes 1,403,392,000 which is equivalent to Kes 3.55 per share. Accordingly the Board made a recommendation to the Company's shareholders to approve the payment of a final dividend as stated above, at the 2019 Annual General Meeting. Having already paid an interim dividend of Kes. 2.25 per share, the total final dividend in 2018 is in the amount of Kes 5.80 per share.

**Certified true extract**

  
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**Director**

  
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**Company Secretary**

Stanbic Holdings Plc, 2<sup>nd</sup> Floor, Purshottam Building, Westlands Road, Chiromo / P.O. Box 30550 – 00100, Nairobi, Kenya  
Tel: +254 (20) 326 8041 Fax +254 (20) 3755369 / [www.stanbicbank.co.ke](http://www.stanbicbank.co.ke)

Stanbic Holdings Plc is regulated by the Capital Markets Authority and the Central Bank of Kenya. Reg. No. C. 12/58. A member of Standard Bank Group  
Directors: F. N. Ojiambo, MBS, SC (Chairman), G. R. Brackennidge\* (Chief Executive), R. W. Kimotho, K. Mbatia, R. T. Ngobi, E. W. Njeroge, P. N. Gethi, R.B. Osoro, D.F. Kombo, C. J. Blandford-Newson\*\*\*  
Company Secretary: Lillian Mbinoye  
\* South African \*\*\*South African & British