

OTHER DISCLOSURES	BANK		PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010	GROUP		BANK	
	2010	2009		2010	2009	2010	2009
AS AT 31 DECEMBER 2010	KShs '000	KShs '000		KShs '000	KShs '000	KShs '000	KShs '000
<b>1) NON-PERFORMING LOANS AND ADVANCES</b>			<b>INTEREST INCOME</b>				
a) Gross non-performing loans and advances	1,205,556	1,473,750	Loans and advances	5,995,619	5,789,506	5,995,619	5,789,506
Less			Government securities	3,660,676	3,139,456	3,660,676	3,139,456
b) Interest in suspense	413,889	464,688	Deposits and placements with banking institutions	128,915	595,089	128,915	595,089
c) Total Non-Performing Loans and Advances (a-b)	791,667	1,009,062	Other Interest Income	127,225	94,789	127,225	94,789
Less			<b>Total Interest Income</b>	<b>9,912,435</b>	<b>9,618,840</b>	<b>9,912,435</b>	<b>9,618,840</b>
d) Loan loss Provisions	481,214	431,716	<b>INTEREST EXPENSES</b>				
e) Net Non-Performing Loans (c-d)	310,453	577,346	Customer deposits	1,144,871	1,658,801	1,149,117	1,662,628
f) Discounted Value of Securities	185,844	384,565	Deposits and placements from banking institutions	362,433	235,723	362,433	235,723
g) Net NPLs Exposure (e-f)	124,609	192,781	Other Interest Expenses	21,821	-	21,821	-
<b>2) INSIDER LOANS AND ADVANCES</b>			<b>Total Interest Expenses</b>	<b>1,529,125</b>	<b>1,894,524</b>	<b>1,533,371</b>	<b>1,896,351</b>
a) Directors, shareholders and associates	32,384	19,914	<b>NET INTEREST INCOME</b>	<b>8,383,310</b>	<b>7,724,316</b>	<b>8,379,064</b>	<b>7,720,489</b>
b) Employees	2,404,954	1,881,409	<b>OTHER OPERATING INCOME</b>				
c) Total Insider Loans and Advances	2,437,248	1,901,323	Fees and commissions on loans and advances	690,819	639,567	690,819	639,567
<b>3) OFF-BALANCE SHEET ITEMS</b>			Other fees and commissions	1,939,937	1,742,647	1,925,089	1,738,376
a) Letters of credit/guarantees, acceptances	24,366,053	23,374,301	Foreign exchange trading income	1,622,154	1,752,797	1,622,154	1,752,797
b) Other contingent items	29,008,290	24,440,044	Dividend income	-	230	-	230
c) Total off balance sheet items	53,374,343	47,814,345	Other income	1,513,868	575,915	1,513,868	575,915
<b>4) CAPITAL STRENGTH</b>			<b>Total other operating income</b>	<b>5,766,778</b>	<b>4,711,156</b>	<b>5,751,930</b>	<b>4,706,885</b>
a) Core Capital	11,393,981	10,656,461	<b>TOTAL OPERATING INCOME</b>	<b>14,150,088</b>	<b>12,435,472</b>	<b>14,130,994</b>	<b>12,427,374</b>
b) Minimum Statutory Capital	500,000	350,000	<b>OPERATING EXPENSES</b>				
c) Excess/ (Deficiency) (a-b)	10,893,981	10,306,461	Loan loss provision	446,680	548,303	446,680	548,303
d) Supplementary Capital	335,246	258,230	Staff costs	3,314,797	2,740,485	3,310,733	2,735,529
e) Total capital (a+d)	11,729,227	10,914,691	Directors' emoluments	88,030	107,130	88,030	107,130
f) Total risk weighted assets	81,936,011	75,462,461	Rental Charges	261,132	240,886	261,132	240,886
g) Core capital/total deposit liabilities	11%	12%	Depreciation charge on property and equipment	205,596	289,665	205,596	289,665
h) Minimum Statutory Ratio	8%	8%	Amortisation charges	96,767	7,917	96,767	7,917
i) Excess/ (Deficiency) (g-h)	3%	4%	Other operating expenses	2,055,292	1,772,638	2,054,614	1,771,991
j) Core capital/total risk weighted assets	14%	14%	<b>Total Operating Expenses</b>	<b>6,468,204</b>	<b>5,707,025</b>	<b>6,463,462</b>	<b>5,701,422</b>
k) Minimum Statutory Ratio	8%	8%	<b>PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS</b>	<b>7,681,884</b>	<b>6,728,447</b>	<b>7,667,532</b>	<b>6,725,952</b>
l) Excess/ (Deficiency) (j-k)	6%	6%	Exceptional items	-	-	-	-
m) Total capital/total risk weighted assets	14%	14%	<b>PROFIT AFTER EXCEPTIONAL ITEMS</b>	<b>7,681,884</b>	<b>6,728,447</b>	<b>7,667,532</b>	<b>6,725,952</b>
n) Minimum Statutory Ratio	12%	12%	Current tax	2,333,020	2,066,961	2,329,846	2,066,959
o) Excess/ (Deficiency) (m-n)	2%	2%	Deferred tax	(27,327)	(71,268)	(28,502)	(72,117)
<b>5) LIQUIDITY</b>			<b>PROFIT AFTER TAX AND EXCEPTIONAL ITEMS</b>	<b>5,376,191</b>	<b>4,732,754</b>	<b>5,366,188</b>	<b>4,731,110</b>
a) Liquidity Ratio	55%	45%	<b>BASIC AND DILUTED EARNINGS PER SHARE (Restated - KShs)</b>	<b>18.58</b>	<b>16.45</b>	<b>18.55</b>	<b>16.44</b>
b) Minimum Statutory Ratio	20%	20%	<b>DIVIDENDS PER SHARE (KShs)</b>	<b>13.50</b>	<b>12.00</b>	<b>13.50</b>	<b>12.00</b>
c) Excess/ (Deficiency) (a-b)	35%	25%	<b>BALANCE SHEET AS AT 31 DECEMBER 2010</b>				
<b>DIVIDENDS</b>							
The Board has resolved to recommend to the shareholders at the forthcoming Annual General Meeting, the payment of a final dividend for the year of KShs 8.50 for every ordinary share of KShs 5.00. One interim dividend of KShs 5.00 each for every ordinary share of KShs 5.00 was paid in December 2010. The total dividend therefore, is KShs 13.50 (2009- KShs 12.00).			<b>ASSETS</b>				
The dividend will be payable to shareholders registered on the Company's Register at the close of business on 5 April 2011 and will be paid on or after 19 May 2011.			Cash (both local and foreign)	2,663,148	2,909,461	2,663,148	2,909,461
The Directors are also pleased to announce the payment of the final dividend on the non-cumulative, non-redeemable, non-participating, non-voting and non-convertible preference shares for the period 30 June to 30 December 2010 at the rate of 6% per annum on the issue price of each share.			Balances due from Central Bank of Kenya	5,547,674	4,819,411	5,547,674	4,819,411
The Register will remain closed on 6 April 2011 for the preparation of dividend warrants.			Kenya Government securities	51,353,787	41,159,849	51,353,787	41,159,849
<b>NOTICE OF THE ANNUAL GENERAL MEETING</b>			Foreign currency treasury bills and bonds	-	-	-	-
Notice is hereby given that the twenty fifth Annual General Meeting of the Shareholders of the Company will be held at the Kenyatta International Conference Centre, on 19 May 2011 at 11.30 a.m.			Deposits and balances due from local banking institutions	3,111,053	1,450,000	3,111,053	1,450,000
<b>MESSAGE FROM THE DIRECTORS</b>			Deposits and balances due from banking institutions abroad	132,815	42,177	132,815	42,177
The above Profit and Loss Account and Balance Sheet are extracts of financial statements audited by KPMG Kenya. To get a full picture of the Group's performance, the set of published financial statements will be available from the Company Secretary at our new offices, Standard Chartered @ Chiromo, Number 48 Westlands Road, after approval by members at the Annual General Meeting.			Kenya Government and other securities held for dealing purposes	4,079,800	4,640,330	4,079,800	4,640,330
The financial statements were approved by the Board of Directors on 7 March 2011 and signed on its behalf by:			Tax recoverable	-	-	-	-
W. Kiboro Chairman			Loans and advances to customers (net)	60,338,829	56,694,876	60,338,829	56,694,876
R.M. Etemesi Managing Director and Chief Executive Officer			Investment securities	-	-	-	-
7 March 2011			Balances due from group companies	5,208,201	7,384,694	5,208,201	7,384,694
The full Annual Report & Financial Statements will be available on www.standardchartered.com/ke/investor_relations/en/ after 15 April 2011			Investments in associates	-	-	-	-
			Investments in subsidiary companies	-	-	140,243	140,243
			Investment properties	-	-	-	-
			Property and equipment	3,676,107	2,343,765	3,676,107	2,343,765
			Prepaid lease rentals	110,513	204,449	110,513	204,449
			Intangible assets	4,739,681	3,302	4,739,681	3,302
			Deferred tax asset	-	80,516	-	74,333
			Retirement benefit asset	-	-	-	-
			Other assets	1,786,641	2,046,042	1,780,178	2,042,229
			<b>TOTAL ASSETS</b>	<b>142,746,249</b>	<b>123,778,972</b>	<b>142,880,029</b>	<b>123,909,119</b>
			<b>LIABILITIES</b>				
			Balances due to Central Bank of Kenya	-	5,512,752	-	5,512,752
			Customer deposits	100,504,065	86,773,652	100,504,065	86,773,652
			Deposits and balances due to local banking institutions	3,565,307	4,681,331	3,565,307	4,681,331
			Deposits and balances due to banking institutions abroad	647,373	338,214	647,373	338,214
			Other money market deposits	-	-	-	-
			Borrowed funds	-	-	-	-
			Balances due to group companies	10,397,957	7,846,663	10,660,000	8,094,648
			Tax payable	36,247	309,423	44,918	320,632
			Dividends payable	-	-	-	-
			Deferred tax liability	1,098,526	-	1,103,634	-
			Retirement benefit liability	165,076	121,413	165,076	121,413
			Other liabilities	6,000,576	4,203,369	5,979,169	4,184,954
			<b>TOTAL LIABILITIES</b>	<b>122,415,127</b>	<b>109,786,817</b>	<b>122,669,542</b>	<b>110,027,596</b>
			<b>SHAREHOLDERS' FUNDS</b>				
			Paid up/assigned capital	1,715,386	1,639,839	1,715,386	1,639,839
			Share premium/(discount)	4,836,258	2,520,000	4,836,258	2,520,000
			Revaluation reserves	1,232,254	982,937	1,232,254	982,937
			Retained earnings/(accumulated losses)	7,872,096	6,607,254	7,751,461	6,496,622
			Statutory reserve	259,155	179,070	259,155	179,070
			Proposed dividends	2,524,846	1,988,465	2,524,846	1,988,465
			Other reserves	1,891,127	74,590	1,891,127	74,590
			<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>20,331,122</b>	<b>13,992,155</b>	<b>20,210,487</b>	<b>13,881,523</b>
			<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>142,746,249</b>	<b>123,778,972</b>	<b>142,880,029</b>	<b>123,909,119</b>