

QUARTERLY FINANCIAL STATEMENTS

(Published in accordance with section 61(3) of the Banking and Financial Services Act, 1994)

Take note that the financial statements on a month-on-month basis are available on request at every branch of our bank

K'MILLIONS	
STATEMENT OF CAPITAL POSITION as at 31-Mar-10	
I. PRIMARY (Tier 1) CAPITAL	
(a) Paid-up common shares	2,964
(b) Eligible preferred shares	-
(c) Contribution surplus	2,528
(d) Retained earnings	38,050
(e) General reserves	4,548
(f) Statutory reserves	2,964
(g) Minority interests (common shareholder's equity)	-
(h) Sub Total	<u>51,054</u>
LESS:	
(i) Goodwill and intangible assets	-
(j) Investments in unconsolidated subsidiaries and Associates	-
(k) Lending of a capital nature to subsidiaries and Associates	-
(l) Holding of other banks' or financial Institutions capital instruments	-
(m) Assets pledged to secure liabilities	-
Sub-total (A) (items i to m)	-
OTHER ADJUSTMENTS	-
Provisions for loan losses	-
Assets of little or no realisable value	-
Other	-
(n) Sub-total (B) (Sub-total A above + other adjustments)	-
(o) Total primary capital (h-n)	<u>51,054</u>
MINIMUM REQUIRED (Larger of K12 billion or 5% of risk based assets)	
	<u>16,877</u>
EXCESS (DEFICIENCY)	
	<u>34,177</u>
II. SECONDARY (Tier 2) CAPITAL	
(a) Eligible preferred shares	-
(b) Eligible subordinated term debt	8,520
(c) Eligible loan stock/capital	-
(d) Revaluation reserves (Max is 40% of Revaluation Reserves)	-
(e)	-
III ELIGIBLE SECONDARY CAPITAL (is limited to 100% of primary capital)	<u>8,520</u>
IV ELIGIBLE TOTAL CAPITAL (I (O) + (III) (Regulatory capital)	<u>59,574</u>
V MINIMUM TOTAL CAPITAL REQUIREMENT (10% of total on and off balance sheet risk weighted assets or K12, billion whichever is higher)	33,755
VI EXCESS (DEFICIENCY) (IV minus V)	<u>25,819</u>
RISK WEIGHTED ASSETS (on and off balance sheet)	<u>337,548</u>

K'MILLIONS			
INCOME STATEMENT			
	QUARTER ENDED 31 Mar, 2010	YEAR TO DATE	
Interest income			
Loans & overdrafts	15,565	15,565	
Banks and financial institutions	104	104	
Securities	3,194	3,194	
Other	<u>280</u>	<u>280</u>	
Total interest income	19,143	19,143	
Interest expense			
Deposits	4,333	4,333	
Banks and financial institutions	426	426	
Subordinated debt	1,222	1,222	
Other	<u>331</u>	<u>331</u>	
Total interest expense	6,312	6,312	
Net interest income	12,831	12,831	
Provision for loan losses	<u>2,756</u>	<u>2,756</u>	
Net interest income after provision for loan losses	10,075	10,075	
Non-interest income			
Commission, fees and service charges	4,680	4,680	
Foreign Exchange:	-	-	
Fees from foreign exchange transactions	126	126	
Realised trading gains(losses)	2,992	2,992	
Unrealised trading gains (losses) from Foreign exchange holdings	(702)	(702)	
Dividend income	-	-	
Other	<u>197</u>	<u>197</u>	
Total non-interest income	7,293	7,293	
Non-interest expenses			
Depreciation	740	740	
Other expenses	<u>14,455</u>	<u>14,455</u>	
Total non-interest expense	15,195	15,195	
Income before taxation and Extraordinary items	2,173	2,173	
Taxation	-	-	
Extraordinary items	-	-	
Net income after taxation	<u>2,173</u>	<u>2,173</u>	

K'MILLIONS	
STATEMENT OF LIQUIDITY POSITION as at 31-Mar-10	
(I) DEPOSIT LIABILITIES AND BILLS PAYABLE	
1. Demand deposits	205,882
2. Savings deposits	47,223
3. Time deposits	144,829
4. Bills payable	<u>2,194</u>
Total Deposit Liabilities and bills payable	400,128
(ii) LIABILITIES TO THE PUBLIC AT THE END OF THE PREVIOUS QUARTER	
	348,793
(iii) LIQUID ASSETS	
1. Gold coins & bullion	-
2. Notes & coins which are legal tender in Zambia	14,226
3. Balances at BOZ	
(a) Current Account	10,057
(b) Statutory deposits account (statutory reserves)	26,133
(c) OMO deposits	
(d) Other balances	
4. Treasury bills issued by GRZ (including those held as collateral for the clearing house)	116,232
5. Money at call with any other banks	29,360
6. Bills of exchange and promissory notes eligible for discount at BOZ	4,544
7. Local registered securities which are issued or guaranteed by GRZ and which have a final maturity date of not more than six years (at book value) and such any other securities as the Minister may have approved	15,016
8. Items in transit between banks, between branches of banks and head office of banks	523
Total Liquid Assets	216,091
(iv) RATIOS	
1. Liquid assets (items 2, 3(a), 3(c) and 4) as a percentage of total liabilities and bills payable	35.12%
2. Total liquid assets as a percentage of total deposit liabilities and bills payable	54.01%
3. Total liquid assets as a percentage of total deposit liabilities and bills payable at the end of the previous quarter	36.88%

K'MILLIONS			
BALANCE SHEET AT			
	31-Mar-10	31-Dec-09	
ASSETS			
Notes and coins	14,226	14,490	
Balances held with Bank of Zambia	36,190	51,633	
Balances held with banks and other financial institutions in Zambia	5,000	-	
Balances held with banks and other financial institutions abroad	24,360	15,441	
Investments in Securities	135,792	64,738	
Loans and advances (net of capitalised interest on non performing loans and allowances for loan losses)	270,037	269,539	
Inter-branch	523	528	
Fixed Assets	28,440	24,357	
Other Assets	37,169	29,958	
Total Assets	551,737	470,684	
LIABILITIES			
Deposits	397,934	345,948	
Balances due to Bank of Zambia-refinancing credit	470	775	
Balances due to banks and other financial institutions in Zambia	2,358	4,500	
Balances due to banks and other financial institutions abroad	282	-	
Other liabilities	17,944	18,929	
Other borrowed funds	81,695	51,665	
Shareholders' equity	51,054	48,867	
Total Liabilities	551,737	470,684	
Off Balance sheet items			
Contingent liabilities	34,395	36,762	
Commitments	-	-	
Allowances for losses on acceptances and off balance sheet items included in other liabilities	-	-	



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