

# 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-Dec-09
<b>I. PRIMARY (Tier 1) CAPITAL</b>	
(a) Paid-up common shares	2,964
(b) Eligible preferred shares	-
(c) Contribution surplus	2,528
(d) Retained earnings	35,863
(e) General reserves	4,548
(f) Statutory reserves	2,964
(g) Minority interests (common shareholder's equity)	-
(h) Sub Total	<u>48,867</u>
<b>LESS:</b>	
(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)	-
<b>OTHER ADJUSTMENTS</b>	-
Provisions for loan losses	-
Assets of little or no realisable value	-
Other	-
(n) Sub-total (B)	-
(Sub-total A above + other adjustments)	-
<b>(o) Total primary capital (h-n)</b>	<u><b>48,867</b></u>
<b>MINIMUM REQUIRED</b>	
(Larger of K12 billion or 5% of risk based assets)	<u>12,405</u>
<b>EXCESS (DEFICIENCY)</b>	<u>36,462</u>
<b>II. SECONDARY (Tier 2) CAPITAL</b>	
(a) Eligible preferred shares	-
(b) Eligible subordinated term debt	8,503
(c) Eligible loan stock/capital	-
(d) Revaluation reserves (Max is 40% of Revaluation Reserves)	-
(e)	-
<b>III ELIGIBLE SECONDARY CAPITAL</b> (is limited to 100% of primary capital)	<u>8,503</u>
<b>IV ELIGIBLE TOTAL CAPITAL (I (O) + (III)</b> (Regulatory capital)	<u>57,370</u>
<b>V MINIMUM TOTAL CAPITAL REQUIREMENT</b> (10% of total on and off balance sheet risk weighted assets or K12, billion whichever is higher)	24,811
<b>VI EXCESS (DEFICIENCY)</b> (IV minus V)	<u>32,559</u>
<b>RISK WEIGHTED ASSETS (on and off balance sheet)</b>	<u>248,107</u>

K'MILLIONS		
INCOME STATEMENT		
	QUARTER ENDED 31 Dec, 2009	YEAR TO DATE
<b>Interest income</b>		
Loans & overdrafts	17,434	61,279
Banks and financial institutions	1,026	1,772
Securities	2,339	9,248
Other	316	1,534
Total interest income	21,115	73,833
<b>Interest expense</b>		
Deposits	5,162	17,919
Banks and financial institutions	2	791
Subordinated debt	1,606	5,805
Other	486	1,215
Total interest expense	7,256	25,730
<b>Net interest income</b>	<b>13,859</b>	<b>48,103</b>
Provision for loan losses	2,896	9,566
<b>Net interest income after provision for loan losses</b>	<b>10,963</b>	<b>38,537</b>
<b>Non-interest income</b>		
Commission, fees and service charges	5,093	17,918
Foreign Exchange:	-	-
Fees from foreign exchange transactions	192	740
Realised trading gains(losses)	2,051	5,915
Unrealised trading gains (losses) from Foreign exchange holdings	402	2,828
Dividend income	-	-
Other	52	87
Total non-interest income	7,790	27,488
<b>Non-interest expenses</b>		
Depreciation	892	3,736
Other expenses	11,783	45,134
Total non-interest expense	12,675	48,870
<b>Income before taxation and Extraordinary items</b>	<b>6,078</b>	<b>17,155</b>
<b>Taxation</b>	<b>1,660</b>	<b>5,813</b>
Extraordinary items	-	-
<b>Net income after taxation</b>	<b>4,418</b>	<b>11,342</b>

K'MILLIONS	
STATEMENT OF LIQUIDITY POSITION	as at 31-Dec-09
<b>(I) DEPOSIT LIABILITIES AND BILLS PAYABLE</b>	
1. Demand deposits	158,184
2. Savings deposits	41,978
3. Time deposits	145,786
4. Bills payable	2,845
Total Deposit Liabilities and bills payable	<u>348,783</u>
<b>(ii) LIABILITIES TO THE PUBLIC AT THE END OF THE PREVIOUS QUARTER</b>	
	<u>352,514</u>
<b>(iii) LIQUID ASSETS</b>	
1. Gold coins & bullion	-
2. Notes & coins which are legal tender in Zambia	14,490
3. Balances at BOZ	
(a) Current Account	20,771
(b) Statutory deposits account (statutory reserves)	27,162
(c) OMO deposits	-
(d) Other balances	-
4. Treasury bills issued by GRZ (including those held as collateral for the clearing house)	51,573
5. Money at call with any other banks	15,441
6. Bills of exchange and promissory notes eligible for discount at BOZ	-
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	16,865
8. Items in transit between banks, between branches of banks and head office of banks	528
Total Liquid Assets	<u>146,830</u>
<b>(iv) RATIOS</b>	
1. Liquid assets (items 2, 3(a), 3(c) and 4) as a percentage of total liabilities and bills payable	24.90%
2. Total liquid assets as a percentage of total deposit liabilities and bills payable	42.10%
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-Dec-09	30-Sep-09
<b>ASSETS</b>		
Notes and coins	14,490	11,505
Balances held with Bank of Zambia	51,633	53,492
Balances held with banks and other financial institutions in Zambia	-	11,000
Balances held with banks and other financial institutions abroad	15,441	24,616
Investments in Securities	64,738	45,161
Loans and advances (net of capitalised interest on non performing loans and allowances for loan losses)	269,539	272,465
Inter-branch	528	4,930
Fixed Assets	24,357	20,228
Other Assets	29,958	21,681
<b>Total Assets</b>	<b>470,684</b>	<b>465,078</b>
<b>LIABILITIES</b>		
Deposits	345,948	348,714
Balances due to Bank of Zambia-refinancing credit	775	964
Balances due to banks and other financial institutions in Zambia	4,500	2,326
Balances due to banks and other financial institutions abroad	-	3,428
Other liabilities	18,929	16,019
Other borrowed funds	51,665	49,185
Shareholders' equity	48,867	44,442
<b>Total Liabilities</b>	<b>470,684</b>	<b>465,078</b>
<b>Off Balance sheet items</b>		
Contingent liabilities	36,762	38,317
Commitments	-	-
Allowances for losses on acceptances and off balance sheet items included in other liabilities	-	-



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