

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 30-Sep-09
I. PRIMARY (Tier 1) CAPITAL	
(a) Paid-up common shares	2,964
(b) Eligible preferred shares	-
(c) Contribution surplus	2,528
(d) Retained earnings	31,438
(e) General reserves	4,548
(f) Statutory reserves	2,964
(g) Minority interests (common shareholder's equity)	-
(h) Sub Total	<u>44,442</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>44,442</u>
MINIMUM REQUIRED	
(Larger of K12 billion or 5% of risk based assets)	<u>15,202</u>
EXCESS (DEFICIENCY)	<u>29,240</u>
II. SECONDARY (Tier 2) CAPITAL	
(a) Eligible preferred shares	-
(b) Eligible subordinated term debt	8,522
(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>8,522</u>
IV ELIGIBLE TOTAL CAPITAL (I (O) + (III) (Regulatory capital)	<u>52,964</u>
V MINIMUM TOTAL CAPITAL REQUIREMENT (10% of total on and off balance sheet risk weighted assets or K12, billion whichever is higher)	30,403
VI EXCESS (DEFICIENCY) (IV minus V)	<u>22,561</u>
RISK WEIGHTED ASSETS (on and off balance sheet)	<u>304,033</u>

K'MILLIONS		
INCOME STATEMENT		
	QUARTER ENDED	YEAR TO DATE
	30 Sep, 2009	
Interest income		
Loans & overdrafts	14,962	43,845
Banks and financial institutions	308	745
Securities	2,154	6,909
Other	292	1,218
Total interest income	17,716	52,717
Interest expense		
Deposits	4,737	12,758
Banks and financial institutions	238	789
Subordinated debt	2,067	4,198
Other	272	728
Total interest expense	7,314	18,473
Net interest income	10,402	34,244
Provision for loan losses	2,899	6,670
Net interest income after provision for loan losses	7,503	27,574
Non-interest income		
Commission, fees and service charges	4,948	12,825
Foreign Exchange:	-	-
Fees from foreign exchange transactions	150	548
Realised trading gains(losses)	1,290	3,864
Unrealised trading gains (losses) from Foreign exchange holdings	904	2,426
Dividend income	-	-
Other	15	35
Total non-interest income	7,307	19,698
Non-interest expenses		
Depreciation	979	2,844
Other expenses	11,680	33,351
Total non-interest expense	12,659	36,195
Income before taxation and Extraordinary items	2,151	11,077
Taxation	643	4,153
Extraordinary items	-	-
Net income after taxation	1,508	6,924

K'MILLIONS	
STATEMENT OF LIQUIDITY POSITION	
as at 30-Sep-09	
(I) DEPOSIT LIABILITIES AND BILLS PAYABLE	
1. Demand deposits	167,952
2. Savings deposits	39,935
3. Time deposits	140,827
4. Bills payable	3,800
Total Deposit Liabilities and bills payable	<u>352,514</u>
(ii) LIABILITIES TO THE PUBLIC AT THE END OF THE PREVIOUS QUARTER	
<u>335,895</u>	
(iii) LIQUID ASSETS	
1. Gold coins & bullion	-
2. Notes & coins which are legal tender in Zambia	11,505
3. Balances at BOZ	-
(a) Current Account	8
(b) Statutory deposits account (statutory reserves)	25,372
(c) OMO deposits	23,352
(d) Other balances	-
4. Treasury bills issued by GRZ (including those held as collateral for the clearing house)	32,470
5. Money at call with any other banks	-
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	17,451
8. Items in transit between banks, between branches of banks and head office of banks	4,930
Total Liquid Assets	<u>115,088</u>
(iv) RATIOS	
1. Liquid assets (items 2, 3(a), 3(c) and 4) as a percentage of total liabilities and bills payable	19.10%
2. Total liquid assets as a percentage of total deposit liabilities and bills payable	32.65%
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		
	30-Sep-09	30-Jun-09
ASSETS		
Notes and coins	11,505	16,836
Balances held with Bank of Zambia	53,492	35,060
Balances held with banks and other financial institutions in Zambia	11,000	4,000
Balances held with banks and other financial institutions abroad	24,616	11,835
Investments in Securities	45,161	58,593
Loans and advances (net of capitalised interest on non performing loans and allowances for loan losses)	272,465	278,705
Inter-branch	4,930	1,884
Fixed Assets	20,228	19,910
Other Assets	21,681	24,340
Total Assets	<u>465,078</u>	<u>451,163</u>
LIABILITIES		
Deposits	348,714	333,266
Balances due to Bank of Zambia-refinancing credit	964	1,495
Balances due to banks and other financial institutions in Zambia	2,326	4,000
Balances due to banks and other financial institutions abroad	3,428	-
Other liabilities	16,019	21,504
Other borrowed funds	49,185	44,578
Shareholders' equity	44,442	46,320
Total Liabilities	<u>465,078</u>	<u>451,163</u>
Off Balance sheet items		
Contingent liabilities	38,317	35,552
Commitments	-	-
Allowances for losses on acceptances and off balance sheet items included in other liabilities	-	-



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