



Absa Bank Kenya PLC

The Board of Directors of Absa Bank Kenya PLC is pleased to announce the unaudited group results for the period ended 31 March 2025

	Bank			Group		
	March 2024 Shs '000 Unaudited	December 2024 Shs '000 Audited	March 2025 Shs '000 Unaudited	March 2024 Shs '000 Unaudited	December 2024 Shs '000 Audited	March 2025 Shs '000 Unaudited
I Statement of financial position						
A Assets						
1 Cash balances (both local and foreign)	7,534,115	7,900,546	6,423,543	7,534,115	7,900,546	6,423,543
2 Balances due from Central Bank of Kenya	16,816,547	16,515,605	22,094,998	16,816,547	16,515,605	22,094,998
3 Kenya Government and other securities held for dealing purposes	17,123,550	33,469,771	38,161,312	17,123,550	33,469,771	38,161,312
4 Financial assets at fair value through profit and loss	-	-	-	-	-	-
5 Investment securities:	-	-	-	-	-	-
a) Held to maturity:	-	-	-	-	-	-
a. Kenya Government securities	1,018,705	1,048,921	1,005,557	1,018,705	1,048,921	1,005,557
b. Other securities	-	-	-	-	-	-
b) Fair value through other comprehensive income (FVOCI)	67,252,130	95,359,991	104,364,361	67,589,141	96,068,301	104,882,155
a. Kenya Government securities	67,252,130	95,359,991	104,364,361	67,589,141	96,068,301	104,882,155
b. Other securities	-	-	-	-	-	-
6 Deposits and balances due from local banking institutions	1,850,268	2,649,555	417,795	1,850,268	2,649,555	417,795
7 Deposits and balances due from banking institutions abroad	6,882,995	5,419,593	8,807,404	6,882,995	5,419,593	8,807,404
8 Tax recoverable	-	598,158	-	-	814,045	-
9 Loans and advances to customers(net)	326,839,332	309,097,555	308,376,107	326,839,332	309,097,555	308,376,107
10 Balances due from banking institutions in the group	24,512,836	7,215,882	8,128,278	24,512,836	7,215,882	8,128,278
11 Investment in associates	-	-	-	-	-	-
12 Investment in subsidiary companies	462,751	462,751	462,751	-	-	-
13 Investment in joint ventures	-	-	-	-	-	-
14 Investment properties	-	-	-	-	-	-
15 Property and equipment	3,206,475	2,927,933	2,795,037	3,209,003	2,931,012	2,797,914
16 Prepaid operating rental leases	30,792	29,993	29,746	30,792	29,993	29,746
17 Intangible assets	821,444	1,109,126	1,214,977	862,622	1,208,829	1,307,773
18 Deferred tax	8,481,661	7,521,127	7,182,088	8,574,238	7,603,892	7,257,860
19 Retirement benefit asset	-	-	-	-	-	-
20 Other assets	15,284,079	14,802,274	10,657,731	14,831,864	14,502,758	10,506,540
21 Total assets	498,117,680	506,128,781	520,121,685	497,676,008	506,476,258	520,196,982
B Liabilities						
22 Balances due to Central Bank of Kenya	2,500,000	-	-	2,500,000	-	-
23 Customers' deposits	359,455,862	371,874,155	376,634,095	354,961,690	367,114,721	371,187,528
24 Deposits and balances due to banking institutions (local)	8,009,159	6,781,160	10,235,754	8,009,159	6,781,160	10,235,754
25 Deposits and balances due to banking institutions (foreign)	539,610	263,992	817,373	539,610	263,992	817,373
26 Other money market deposits	-	-	-	-	-	-
27 Borrowed funds	3,921,904	3,505,293	3,372,512	3,921,904	3,505,293	3,372,512
28 Balances due to banking institutions in the group	28,101,529	22,279,389	19,159,736	28,101,529	22,279,389	19,159,736
29 Tax payable	2,962,408	-	1,936,661	2,854,837	-	1,882,585
30 Dividends payable	-	-	-	-	-	-
31 Deferred tax liability	-	-	-	-	-	-
32 Retirement benefit liability	7,536	88,000	96,978	7,536	88,000	96,978
33 Other liabilities	21,711,484	21,159,951	20,857,182	21,756,351	21,239,497	20,898,743
34 Total liabilities	427,209,492	425,951,940	433,110,291	422,652,616	421,272,052	427,651,209
C Shareholders' funds						
35 Paid up/assigned capital	2,715,768	2,715,768	2,715,768	2,715,768	2,715,768	2,715,768
36 Share premium/(discount)	-	-	-	-	-	-
37 Revaluation reserves	(4,878,151)	(1,163,609)	(54,380)	(4,926,949)	(1,181,240)	(69,117)
38 Retained earnings/(accumulated losses)	65,421,577	69,876,946	75,387,448	69,585,579	74,921,942	80,936,564
39 Statutory loan loss reserve	-	-	150,919	-	-	150,919
40 Other reserves	316,420	328,855	392,758	316,420	328,855	392,758
41 Proposed dividends	7,332,574	8,418,881	8,418,881	7,332,574	8,418,881	8,418,881
42 Capital grants	-	-	-	-	-	-
43 Total shareholders' funds	70,908,188	80,176,841	87,011,394	75,023,392	85,204,206	92,545,773
44 Minority interest	-	-	-	-	-	-
45 Total liabilities and total shareholders funds	498,117,680	506,128,781	520,121,685	497,676,008	506,476,258	520,196,982
II Statement of comprehensive income						
1.0 Interest income						
1.1 Loans and advances to customers	13,474,112	53,374,238	11,487,448	13,474,112	53,374,238	11,487,448
1.2 Government securities	2,188,535	9,327,534	3,180,076	2,199,708	9,400,552	3,196,152
1.3 Deposits and placements with banking institutions	574,220	1,951,781	369,328	574,220	1,951,781	369,328
1.4 Other interest income	-	-	-	-	-	-
1.5 Total interest income	16,236,867	64,653,553	15,036,852	16,248,040	64,726,571	15,052,928
2.0 Interest expenses						
2.1 Customer deposits	4,360,516	18,508,137	3,541,068	4,248,256	17,957,806	3,378,594
2.2 Deposits and placements with banking institutions	547,586	284,857	361,131	547,586	284,857	361,131
2.3 Other interest expenses	66,389	256,134	57,684	66,389	256,134	57,684
2.4 Total interest expenses	4,974,491	19,049,128	3,959,883	4,862,231	18,498,797	3,797,409
3.0 Net interest income	11,262,376	45,604,425	11,076,969	11,385,809	46,227,774	11,255,519
4.0 Non - interest income						
4.1 Fees and commissions income on loans & advances	408,463	1,406,782	288,590	408,463	1,406,782	288,590
4.2 Other fees and commissions	1,113,064	4,503,928	1,151,550	1,589,410	6,038,584	1,791,605
4.3 Foreign exchange trading income	2,149,245	6,044,789	1,540,612	2,149,313	6,044,864	1,540,610
4.4 Dividend income	-	-	-	-	-	-
4.5 Other income	935,895	2,623,284	907,302	931,403	2,605,305	894,125
4.6 Total non-interest income	4,606,667	14,578,783	3,888,054	5,078,589	16,095,535	4,514,930
5.0 Total operating income	15,869,043	60,183,208	14,965,023	16,464,398	62,323,309	15,770,449
6.0 Operating expenses						
6.1 Loan loss provision	2,404,122	9,091,445	1,467,007	2,404,111	9,096,610	1,467,003
6.2 Staff costs	2,933,738	12,786,673	2,853,735	2,988,254	13,018,139	2,909,548
6.3 Directors emoluments	45,940	244,658	50,480	48,245	255,543	54,108
6.4 Rental charge	19,911	68,557	15,598	20,026	68,737	15,741
6.5 Depreciation on property and equipment	227,714	924,775	228,670	227,879	925,612	228,871
6.6 Amortisation charges	41,717	210,207	72,253	44,506	222,245	74,064
6.7 Other operating expenses	2,222,246	8,882,351	2,213,133	2,251,916	9,016,754	2,239,971
6.8 Total operating expenses	7,895,388	32,208,666	6,900,876	7,984,937	32,603,640	6,989,306
7.0 Profit before tax and exceptional items	7,973,655	27,974,542	8,064,147	8,479,461	29,719,669	8,781,143
8.0 Exceptional items	-	-	-	-	-	-
9.0 Profit after exceptional items	7,973,655	27,974,542	8,064,147	8,479,461	29,719,669	8,781,143
10 Current tax	(2,168,341)	(8,719,745)	(2,535,804)	(2,312,547)	(9,223,607)	(2,742,929)
11 Deferred tax	(214,351)	383,447	133,080	(219,487)	379,639	127,330
12 Profit after tax and exceptional items	5,590,963	19,638,244	5,661,423	5,947,427	20,875,701	6,165,544
13 Other comprehensive income						
13.1 Gains/(losses) from translating the financial statements of foreign operations	-	-	-	-	-	-
13.2 Fair value changes in FVOCI financial assets	(213,616)	5,104,714	1,573,733	(230,901)	5,124,560	1,577,873
13.3 Revaluation surplus on property, plant and equipment	-	-	-	-	-	-
13.4 Share of other comprehensive income of associates	-	-	-	-	-	-
13.5 Income tax relating to components of other comprehensive income	64,085	(1,531,414)	(472,120)	69,270	(1,537,368)	(473,362)
14 Other comprehensive income for the year net of tax	(149,531)	3,573,300	1,101,613	(161,631)	3,587,192	1,104,511
15 Total comprehensive income for the year	5,441,432	23,211,544	6,763,036	5,785,796	24,462,893	7,270,055
Earnings per share (Shs)	1.03	3.62	1.04	1.09	3.84	1.14
Dividends per share (Shs)	-	1.75	-	-	1.75	-

	Bank		
	March 2024 Shs '000 Unaudited	December 2024 Shs '000 Audited	March 2025 Shs '000 Unaudited
III Other disclosures			
1) Non-performing loans and advances			
a) Gross non-performing loans and advances	38,822,046	42,470,812	44,032,626
b) Less: Interest in suspense	6,128,131	7,212,340	7,750,552
c) Total non performing loans and advances	32,693,915	35,258,472	36,282,074
d) Less: loan loss provisions	18,060,133	20,813,274	20,972,768
e) Net non performing loans(c-d)	14,633,782	14,445,198	15,309,306
f) Discounted value of securities	10,705,598	11,105,254	12,081,099
g) Net NPLs (excess)/exposure (e-f)	3,928,184	3,339,944	3,228,207
2) Insider loans and advances			
a) Directors, shareholders and associates	53,437	44,237	41,848
b) Employees	10,462,970	10,359,121	10,419,397
c) Total insider loans and advances	10,516,407	10,403,358	10,461,245
3) Off balance sheet items			
a) Letters of credit, guarantees, acceptances	61,647,537	48,309,536	39,712,867
b) Forwards, swaps and options	102,743,088	67,935,677	70,378,159
c) Other contingent liabilities	-	-	-
Total Contingent liabilities	164,390,625	116,245,213	110,091,026
4) Capital strength			
a) Core capital	63,394,389	72,330,858	75,272,506
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000
c) Excess/(deficiency)	62,394,389	71,330,858	74,272,506
d) Supplementary capital	16,523,153	15,578,833	13,414,308
e) Total capital	79,917,542	87,909,691	88,686,814
f) Total risk weighted assets	445,703,424	424,834,723	434,853,704
g) Core capital/total deposit liabilities	18.0%	19.9%	20.5%
h) Minimum statutory ratio	8.0%	8.0%	8.0%
i) Excess/(deficiency)	10.0%	11.9%	12.5%
j) Core capital/total risk weighted assets	14.2%	17.0%	17.3%
k) Minimum statutory ratio	10.5%	10.5%	10.5%
l) Excess/(deficiency)	3.7%	6.5%	6.8%
m) Total capital/total risk weighted assets	17.9%	20.7%	20.4%
n) Minimum statutory ratio	14.5%	14.5%	14.5%
o) Excess/(deficiency)	3.4%	6.2%	5.9%
5 Liquidity			
a) Liquidity ratio	33.5%	42.5%	46.9%
b) Minimum statutory ratio	20.0%	20.0%	20.0%
c) Excess/(deficiency)	13.5%	22.5%	26.9%

Message from the Directors:

The Absa Bank Kenya PLC Board of Directors presents the Bank's financial performance for the quarter ended 31 March 2025. We continue to implement our forward-looking five-year strategic plan, anchored on our core purpose: Empowering Africa's tomorrow, together, one story at a time.

While the operating environment remains complex, we reported a 4% growth in profit after tax to Kshs. 6.2 billion, supporting a return on equity of 27%. Revenue closed the quarter at Kshs. 15.8 billion, reflecting a 4% decline year-on-year. This was primarily due to lower interest rates, partially offset by an improved cost of funds. Net interest income declined marginally, while non-interest income dropped by 11%, mainly impacted by reduced foreign exchange revenue as rates stabilised.

We continued to diversify our revenue streams, with all our subsidiaries delivering double-digit growth in non-funded income.

The growth in profitability highlights the effectiveness of our strategy in navigating across business cycles and reinforces our commitment to providing tailored financial solutions that serve the evolving needs of individuals, enterprises, and communities.

Customer deposits rose by 5% to Kshs. 371 billion, while customer assets declined by 6% to Kshs. 308 billion, impacted by prevailing macroeconomic conditions. Total assets increased by 5% to Kshs. 520 billion. A key focus during the period was empowering small enterprises and women-led businesses by providing essential non-financial solutions to help them overcome ongoing challenges.

During the quarter, we provided members our Business Club with international exposure to best practices through a benchmarking trip to Estonia, Finland the USA. We also delivered specialised training for women entrepreneurs on export market strategies. Additionally, we revamped our Prestige proposition to strengthen our value to the affluent segment.

For the period under review, our customer-focused transformational investments, with prudent cost control, resulted in a 1% reduction in total costs to Kshs. 5.5 billion. Impairment charges improved by 39% to Kshs. 1.5 billion compared to the same period last year, reflecting our continued commitment to sound risk management. The Bank maintained strong portfolio quality, underpinned by a sufficient coverage ratio to manage and minimise potential future credit losses.

These results underscore our commitment to financial discipline and our broader ambition to foster growth and stability within the communities we serve.

A positive outlook