

FINANCE BANK

QUARTERLY STATEMENTS

(Published in accordance with sections 6(3) of the Banking and Financial Services Act, 1994)

STATEMENT OF ASSETS AND LIABILITIES as at

31st Dec-08

	K' Millions	
Notes and Coins		35,605
Balances Held with Boz		443,405
Balances Held with Banks and other Financial Institutions in Zambia		5,060
Balances Held with Banks and other Financial Institutions abroad		18,466
Investments in Securities		241,978
Loans and Advances (net of capitalised interest on non-performing loans and allowances for losses)		649,508
Bills of Exchange		
InterBranch		9,097
Fixed Assets		76,647
Other Assets		74,787
Total Assets		1,554,553
LIABILITIES		
Deposits		1,214,773
Balances due to Bank of Zambia		57,395
Balances due to Banks and other Financial Institutions in Zambia		24,862
Balances due to Banks and other Financial Institutions abroad		22,708
Bills of Exchange		
InterBranch		-
Other Liabilities		61,273
Other Borrowed Funds		-
Shareholders equity		173,542
Total Liabilities and Shareholders equity		1,554,553
Off Balance sheet items:		
Contingent Liabilities		164,288
Assets pledged as Collateral		
Allowances for loan losses on acceptances and off balance sheet items including other liabilities		
Total Off Balance sheet items		164,288

STATEMENT OF INCOME AND EXPENSES

QUARTER 31st Dec-08 Year to Date

	K' Millions		K' Millions
Interest Income:			
Loans and Advances	25,781		94,926
Banks and Financial Institutions	10,314		19,523
Securities	9,535		29,089
Others	147		3,631
Total Interest Income	45,777		147,169
Interest Expense			
Deposits	6,868		22,303
Paid to Banks and Financial Institutions	2,021		6,664
Subordinate Debt	-		-
Other	266		1,283
Total Interest Expense	9,155		30,250
Net Interest Income	36,622		116,919
Provision for Loan Losses		750	3,040
Net Interest Income after Loan Loss provisions	35,872		113,879
Non-Interest Income			
Commission fees and service charges	6,446		34,230
Foreign Exchange:			
Fees from foreign exchange	7,587		27,102
Realised Trading gains (Losses)	10,904		35,737
Unrealised Trading gains (Losses)	-		-
Dividend Income	-		-
Other Income	2,571		9,128
Total non Interest Income	27,508		106,197
Net Interest and Other Income	63,380		220,076
Non-Interest Expense			
Depreciation	2,414		8,364
Other Expenses	32,646		101,013
Total non-Interest Expenses	35,060		109,377
Income(Losses) before taxes and extraordinary items	28,320		110,699
Taxation	7,369		39,366
Income(Losses) after taxes before extraordinary items	20,951		71,333
Extraordinary Items			
NET INCOME AFTER TAXATION	20,951		71,333

Abraham Geevarghese
Executive Director-Finance

David King
Managing Director

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STATEMENT OF CAPITAL POSITION as at

31st Dec-08

	K' Millions
I PRIMARY (TIER1) CAPITAL	
(a) Paid up Common Shares	3,630
(b) Eligible preference shares	-
(c) Contributed surplus	-
(d) Retained Earnings (note1)	148,577
(e) General Reserves	-
(f) Statutory Reserves	3,630
(g) Minority Interests (common shareholders' Equity)	-
(h) Sub - Total	155,837
LESS:	
(i) Goodwill & Other intangible assets	-
(j) Investments in Other Unconsolidated subsidiaries and associates	-
(k) Lending of a capital nature to subsidiaries and associates	-
(l) Holding of another Bank's or Financial Institutions' capital Instruments	-
(m) Assets pledged to secure liabilities	-
Sub - Total A (items i to m)	-
OTHER ADJUSTMENTS	
Provisions (note 2)	-
Assets of little or no reliable value (note 3) Specified	226
Other Adjustments specified	-
Sub-Total	226
(n) Sub-Total B (sub total A + Other adjustments)	226
(o) Total Primary Capital (h-n)	155,611
II SECONDARY (TIER2) CAPITAL	
(a) Eligible preferred shares (regulation 13 & 17)	-
(b) Eligible subordinated debt (regulation 17(b))	-
(c) Revaluation Reserves (regulation 17(a)) (Max. 40% revaluation reserves)	7,082
(d) Other (regulation 17(c)) - Specified	-
(e) Total Secondary Capital	7,082
III ELIGIBLE SECONDARY CAPITAL	
(Maximum Secondary Capital is limited to 100% of Primary Capital)	7,082
IV ELIGIBLE TOTAL CAPITAL (I(o)+III) (Regulatory Capital)	162,693
V MINIMUM TOTAL CAPITAL REQUIREMENT (Risk weighted)	
(10% of total on and off balance sheet risk-weighted assets or K12bn which ever is higher)	80,825
VI EXCESS (DEFICIENCY)	81,868
Risk Based Assets	808,253

STATEMENT OF LIQUIDITY POSITION as at

31st Dec-08

	K' Millions
(i) DEPOSIT LIABILITIES & BILLS PAYABLE	
1. Demand Deposits	758,083
2. Savings Deposits	169,227
3. Time Deposits	287,463
4. Bills Payable	3,007
Total Liabilities and Bills Payable	1,217,780
(ii) TOTAL DEPOSIT LIABILITIES & BILLS PAYABLE AT THE END OF THE PREVIOUS QUARTER	1,155,107
(iii) LIQUID ASSETS	
1. Gold coins and bullion	-
2. Notes and coins	35,605
3. Balances at Bank of Zambia	
(a) Current Account	98,984
(b) Statutory Deposits Account	66,702
(c) OMO Deposits	271,448
(d) Other Balances	181
4. Treasury Bills issued by Government of the Republic of Zambia (including those held as collateral for the Clearing House)	177,293
5. Money at call with any other Bank	-
6. Bills of exchange and promissory notes eligible for discount at the Bank of Zambia	-
7. Local registered securities which are issued or guaranteed by the Government of the Republic of Zambia and which have a final maturity date of not more than six years (at book value) and such other securities as the Minister may have approved	70,776
8. Items in transit between banks, between branches of banks and between branches and head office of bank	8,895
Total Liquid Assets	729,884
(iv) RATIOS	
1. Liquid assets (items 2, 3(a), 3(c) and 4 as a percentage of total deposit liabilities and bills payable	47.90%
2. Total liquid assets as a percentage of total deposit liabilities and bills payable	59.94%
3. Total liquid assets as a percentage of total deposit liabilities and bills payable at the end of the previous quarter	48.06%



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