



KCB GROUP PLC INVESTOR PRESENTATION.

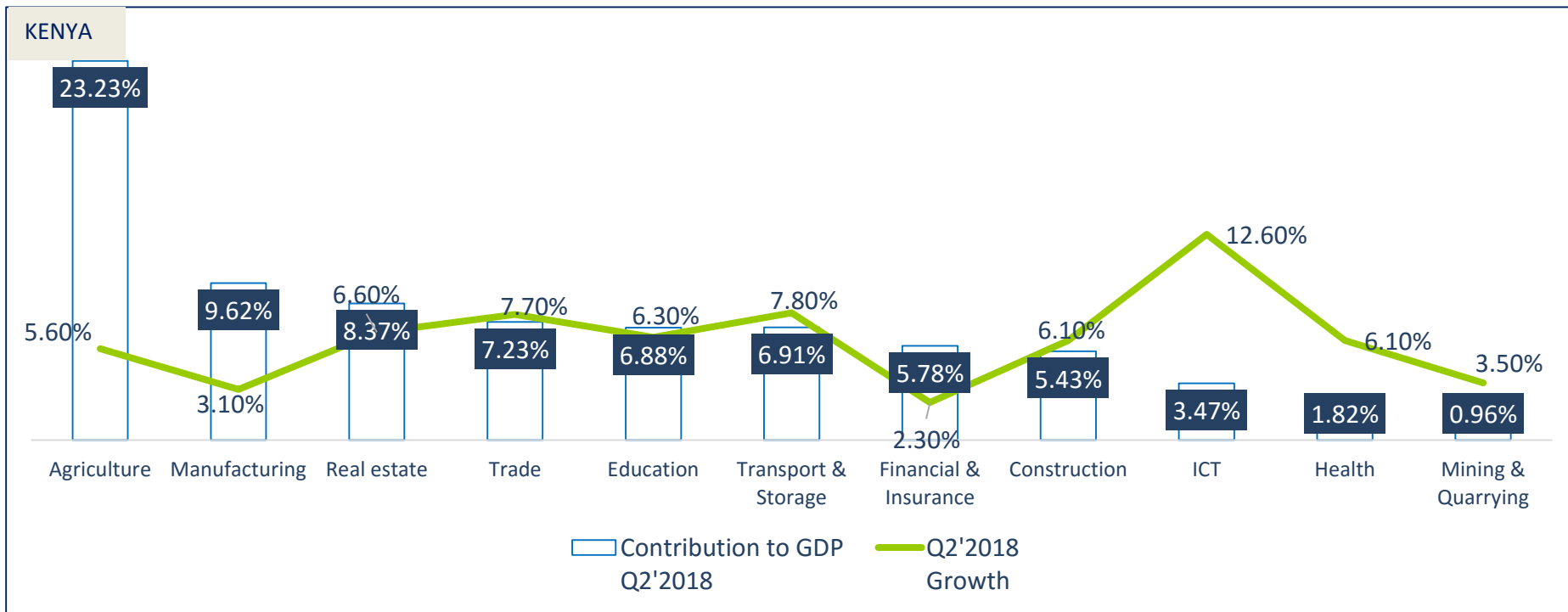
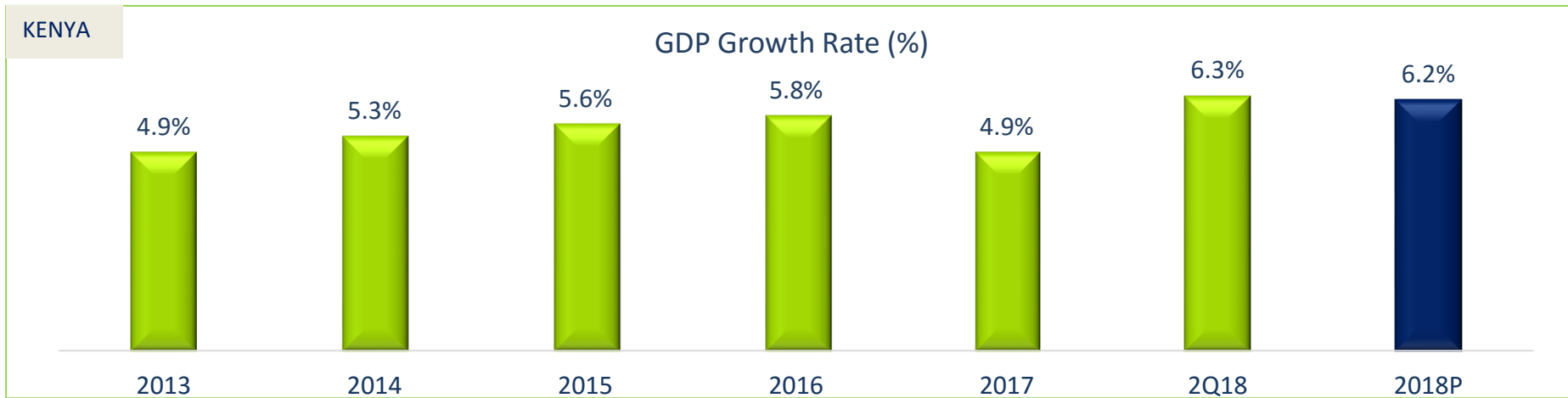
Q3 2018 FINANCIAL RESULTS



KCB

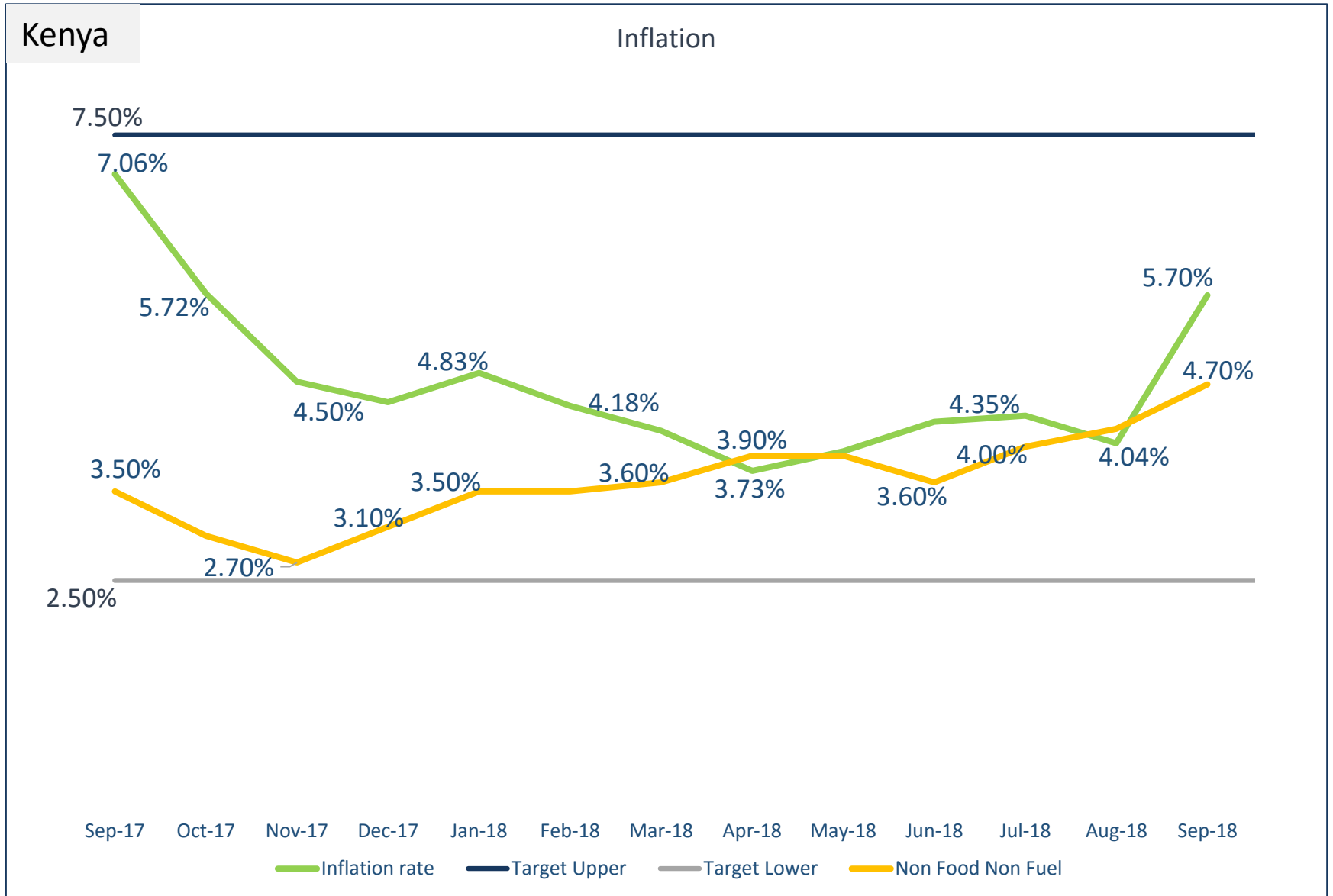
MACRO-ECONOMIC HIGHLIGHTS

Macro-Economic Highlights: Kenya

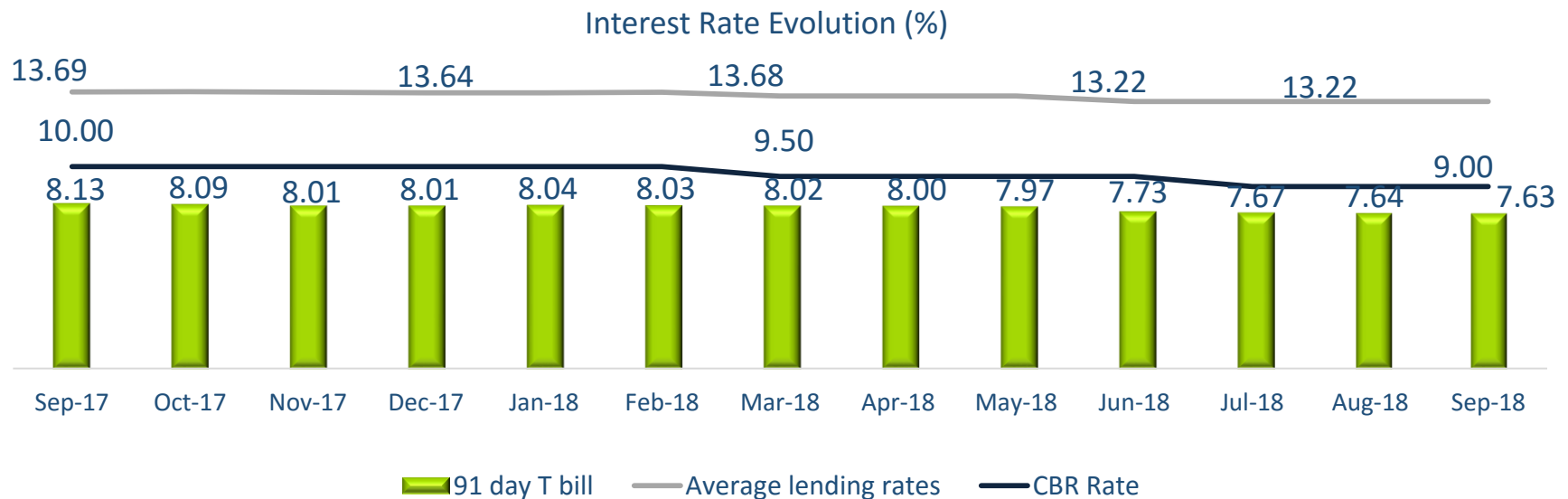
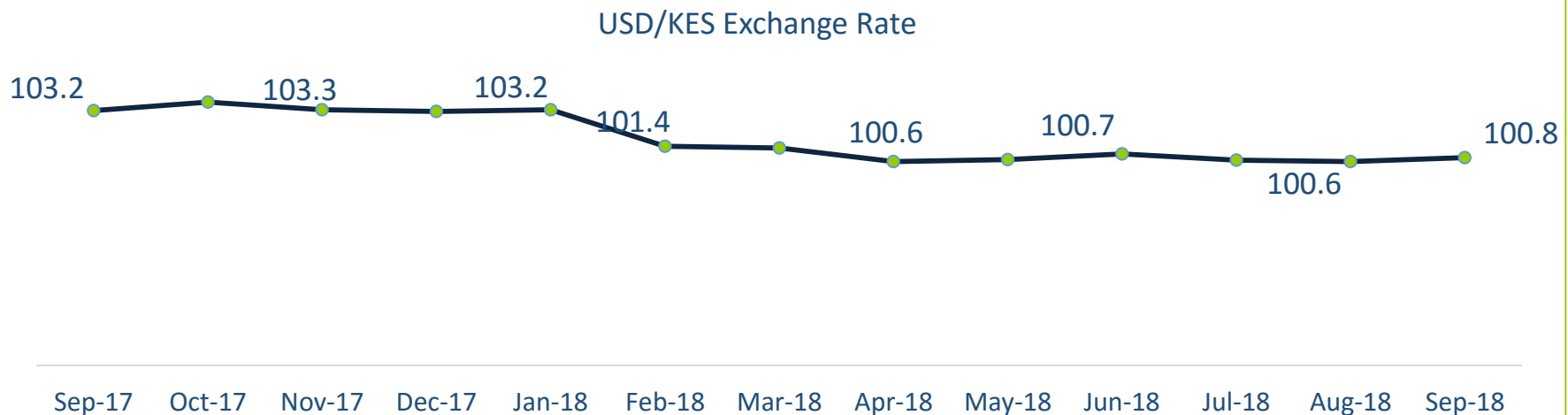


Source: CBK, WB

Macro-Economic Highlights: Kenya



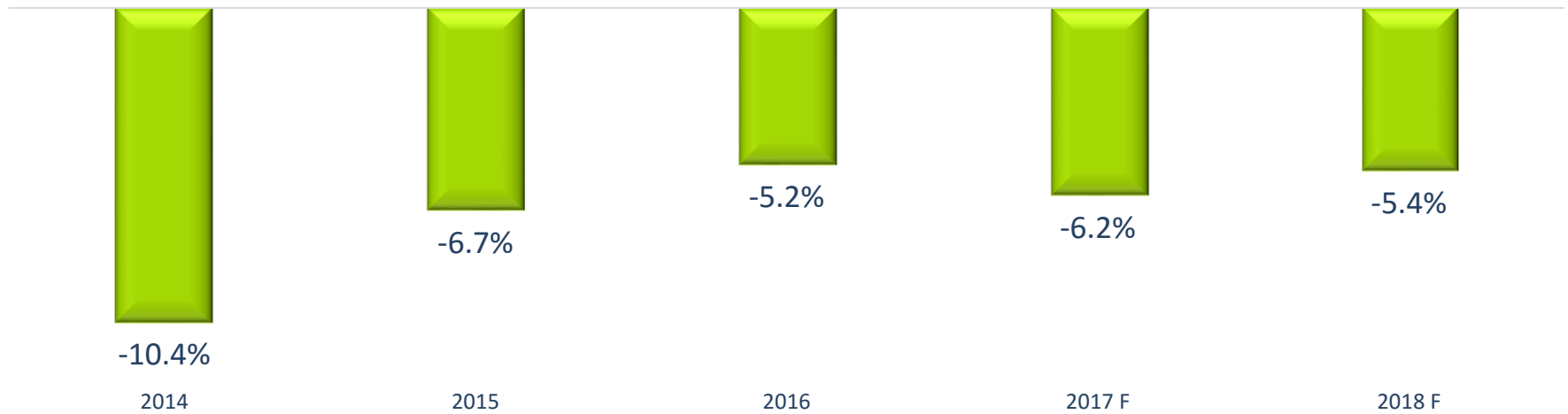
Macro-Economic Highlights: Kenya



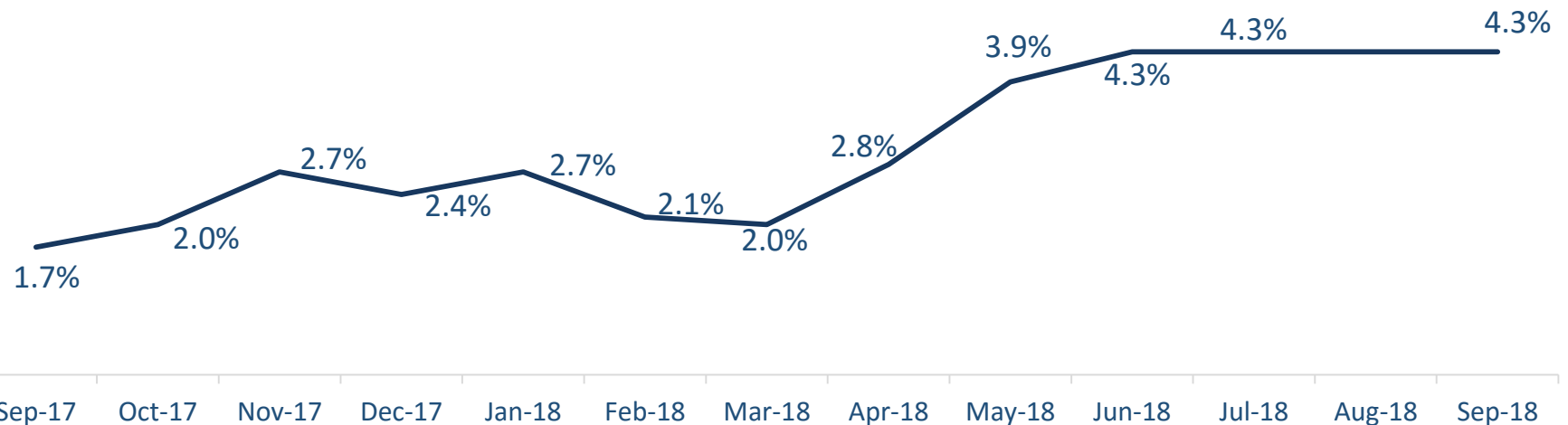
Sources: CBK, KNBS

Macro-Economic Highlights: Kenya

Current Account Balance (% of GDP)

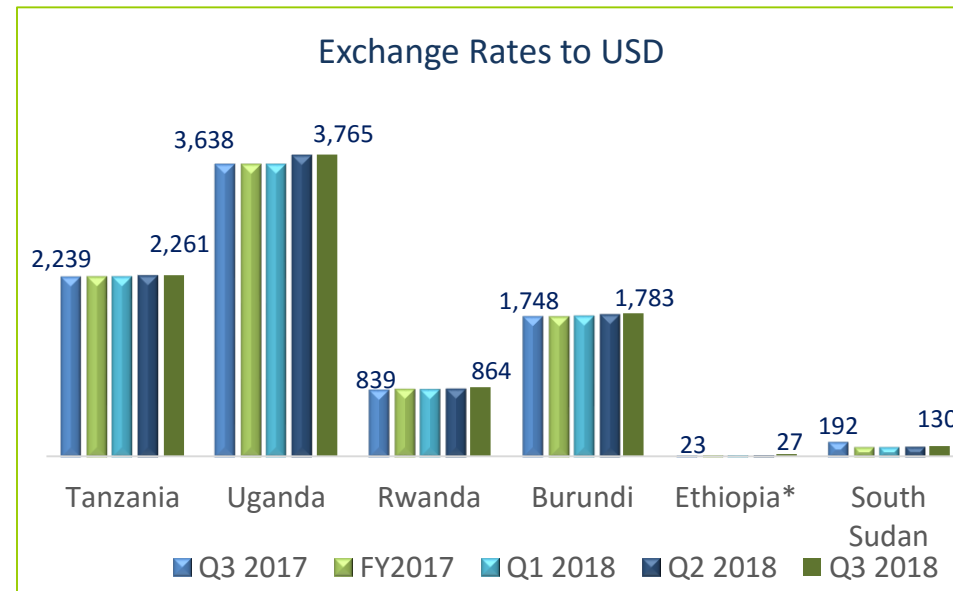
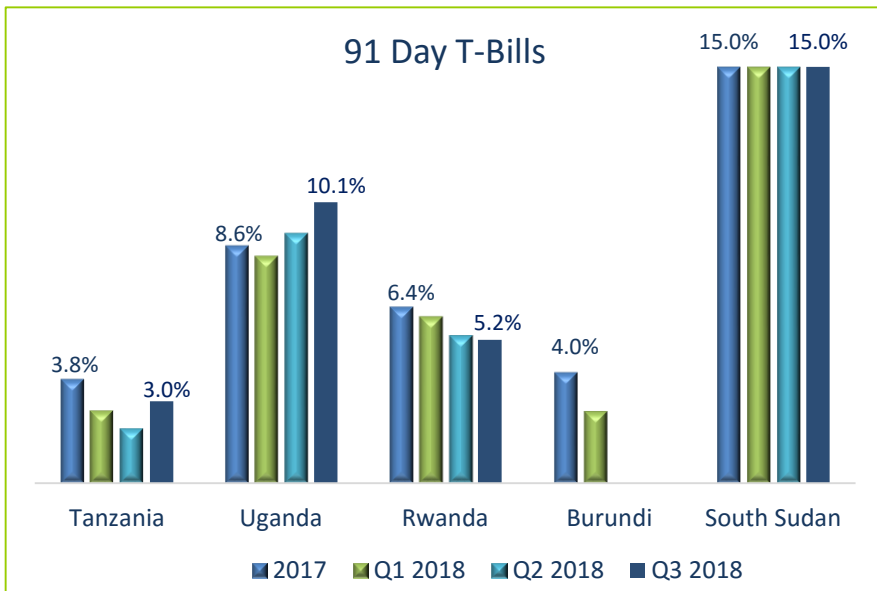
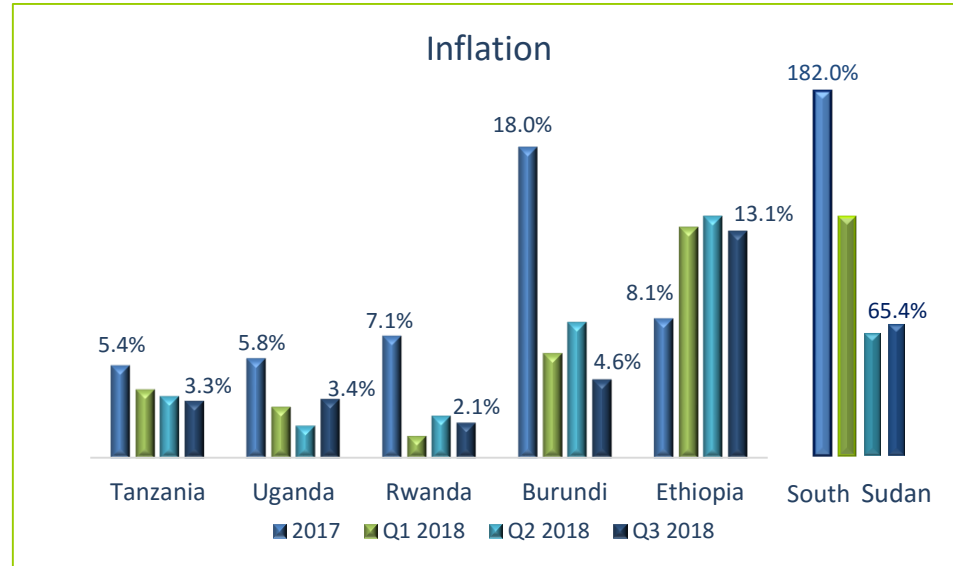
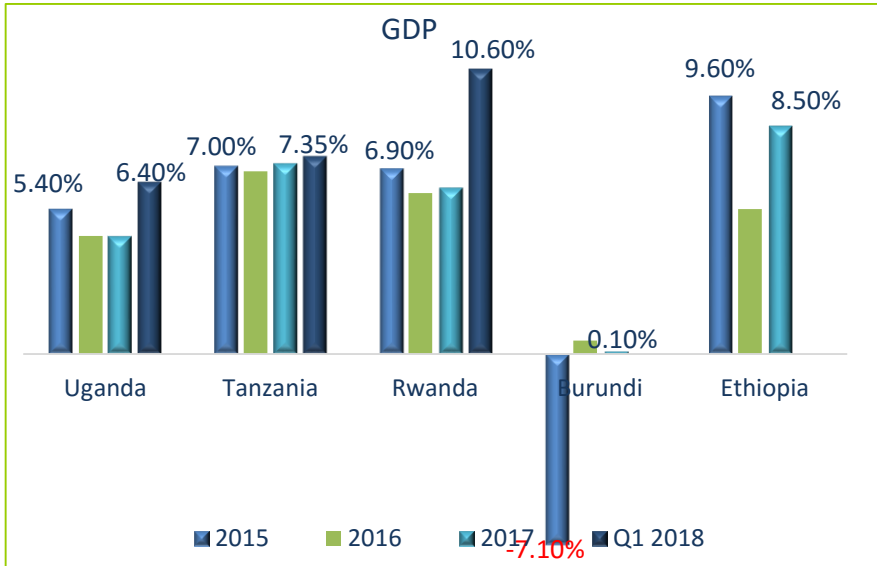


12 Month Private Sector Credit Growth



Source: CBK

Macro-Economic Highlights: Regional





KCB

THE GROUP

Our Philosophy

Our
Purpose

Simplifying your world to enable
your progress

Our
Promise

Go Ahead

Strategic Enablers



Excellence
in Customer
Experience
NPS > 60%



Digital
Financial
Services
NFI > 40%



Strong
Shareholder
Value
ROE > 21%



Growth in
Youth and
Women
Enterprises



Outstanding
Employee
Engagement
CIR > 45%



Excellent
Operations
Performance
**85%
Satisfaction**

KCB Group – An Overview

Access to East
African Banking
Network,
Presence in

7

Countries

Assets:

Kshs 684 Bn



14 15 16 17 18

Deposits:

Kshs 527 Bn

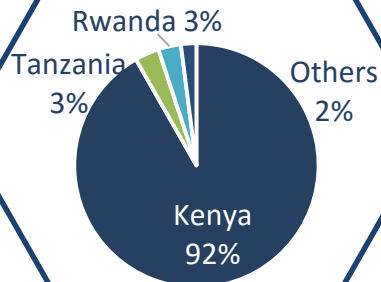


14 15 16 17 18

Market
Capitalization
(Sept 18):

1,214.3 USD m

Advances:



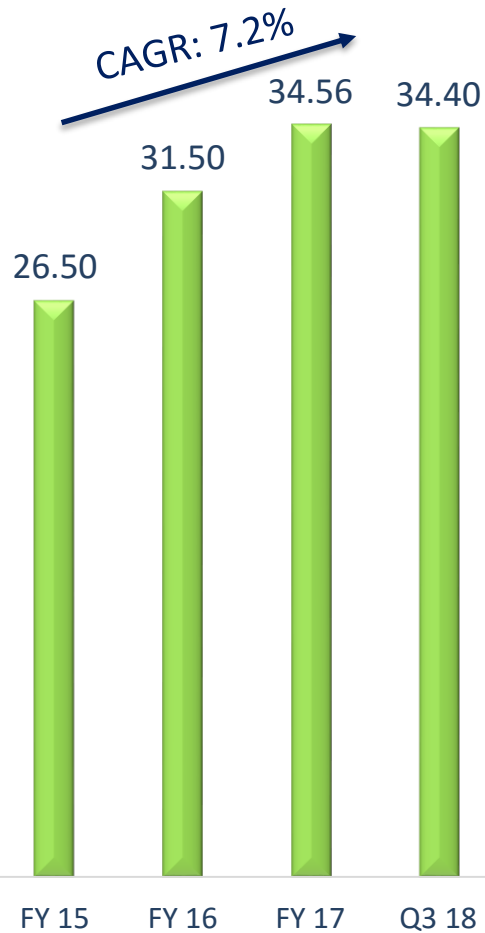
Customers: **17M**
Total ATMs: **970**
Total Branches: **257**
Agents: **16,678**
Staff: **6,189**

Listed in:

**NSE, DSE, USE
and RSE**

Delivering Value to our Shareholders

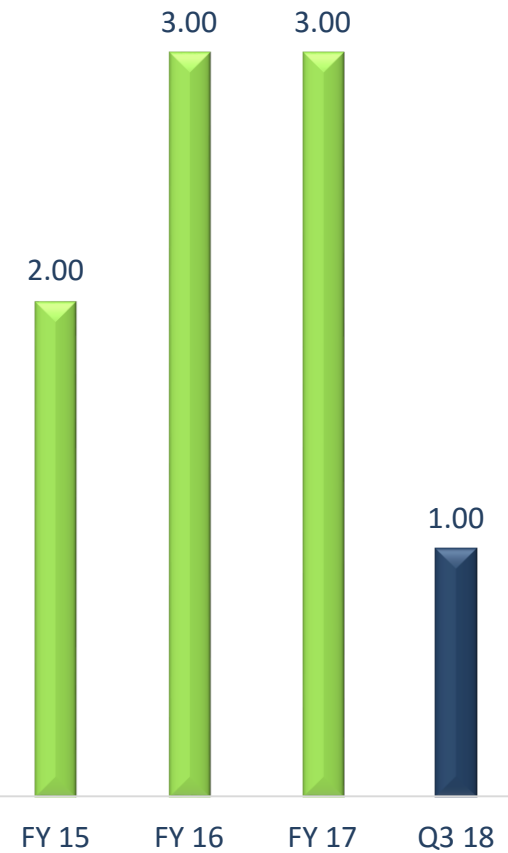
NAV (KShs)



ROE > COE



DIVIDEND/SHARE

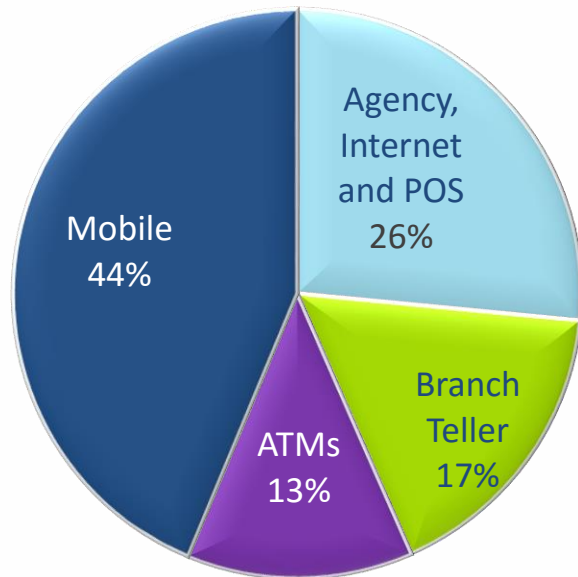




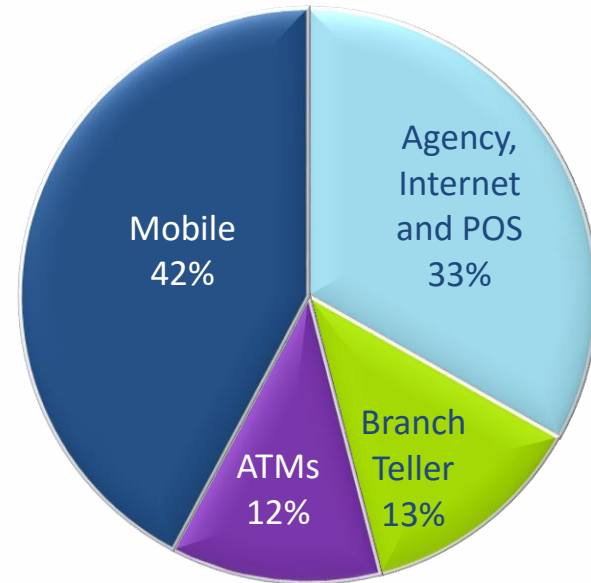
OUR CHANNEL CONTRIBUTION

87% of transactions performed outside the branch

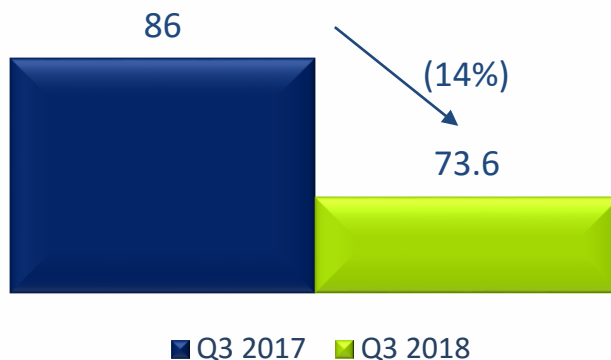
SEPTEMBER 2017



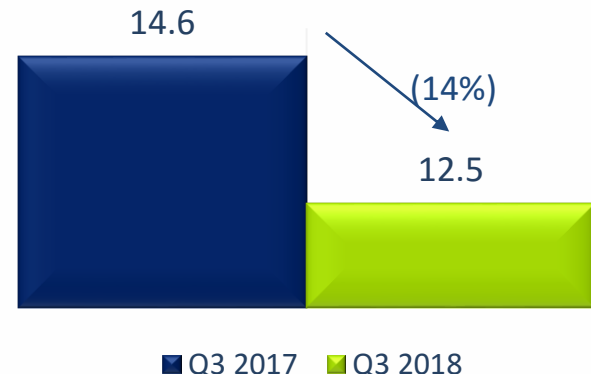
SEPTEMBER 2018



Avg. Transactions / Teller per day



Number of Branch Transactions (M)



Agency banking: 74% growth in volumes

Volume of Transactions
(KSHs. B)



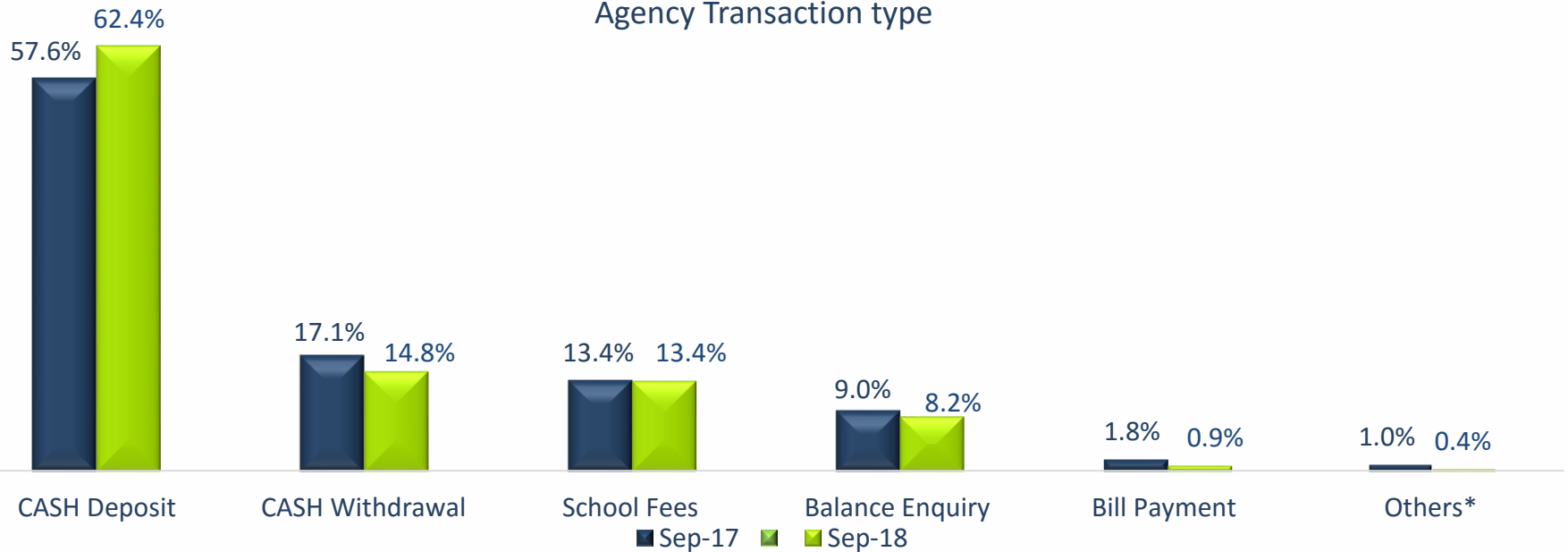
No. of Transactions (M)



Ave.Trns' /Agent (p.d)



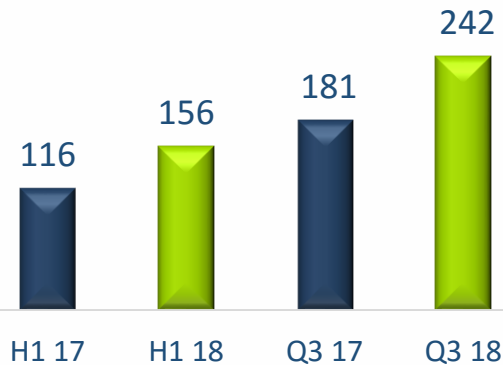
Agency Transaction type



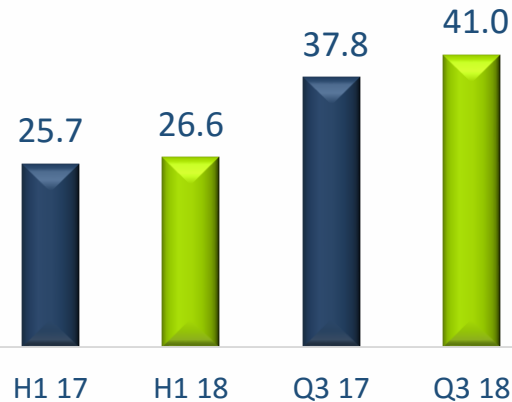
*Others: Account opening, mini statement, load cards and Funds transfer

Mobile banking: 34% growth in volumes

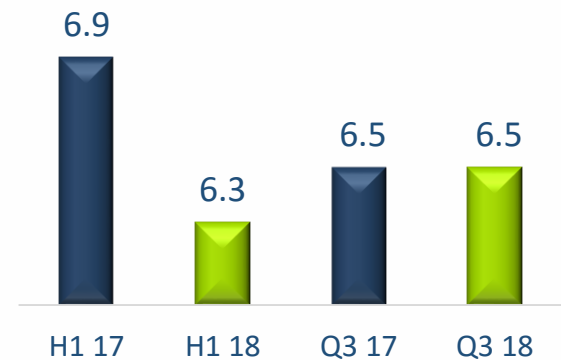
Volume of Transactions
(KShs. B)



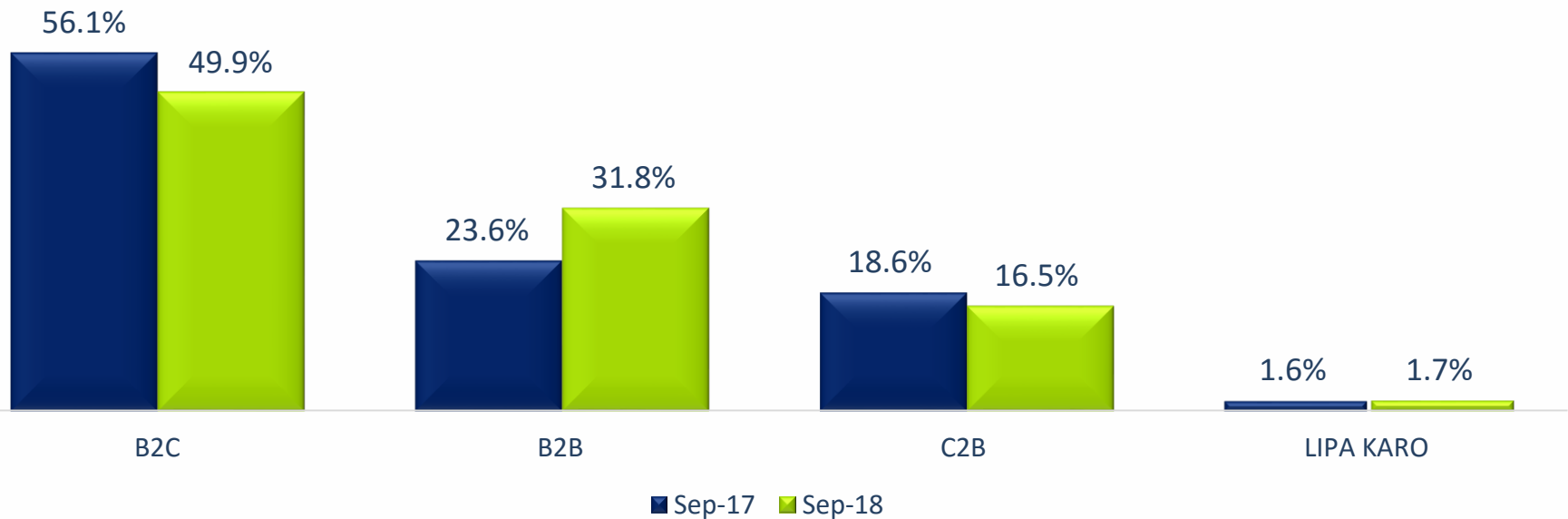
Number of Transactions (M)



Av. Transaction/ active customer/per month

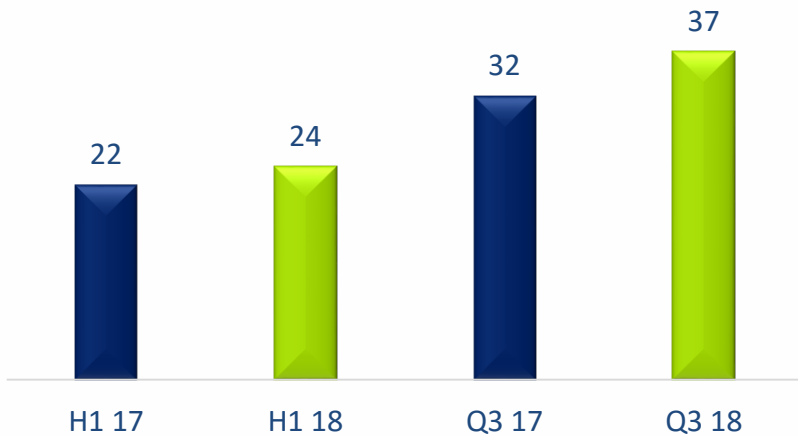


Mobile Transaction Types

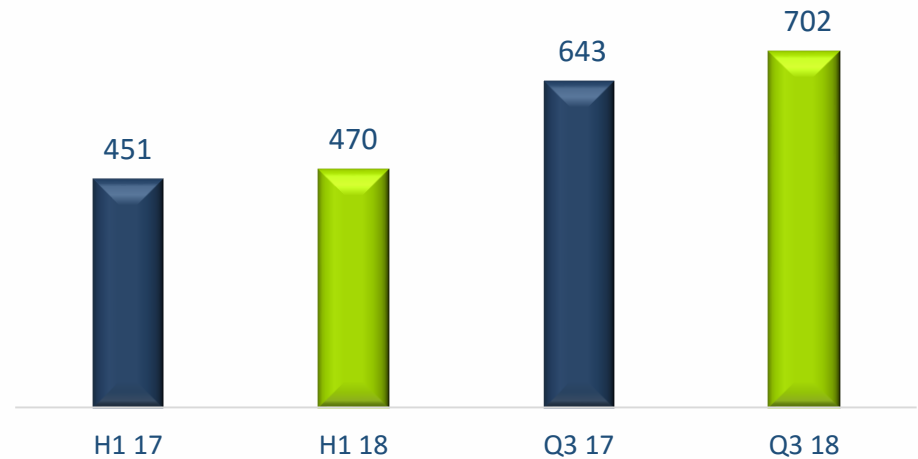


16% growth in the average value per POS transaction

Volume of Transactions
(Kshs B)

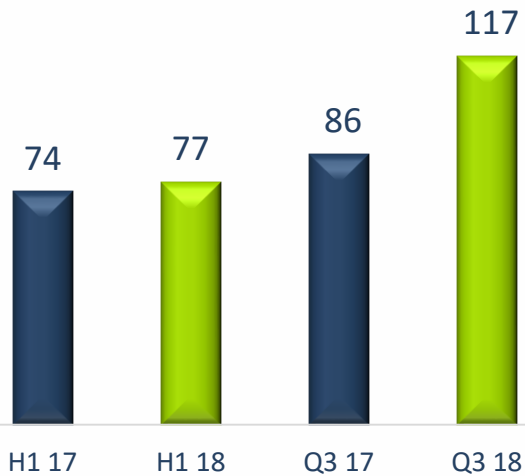


POS Revenue



36% growth in ATM volumes

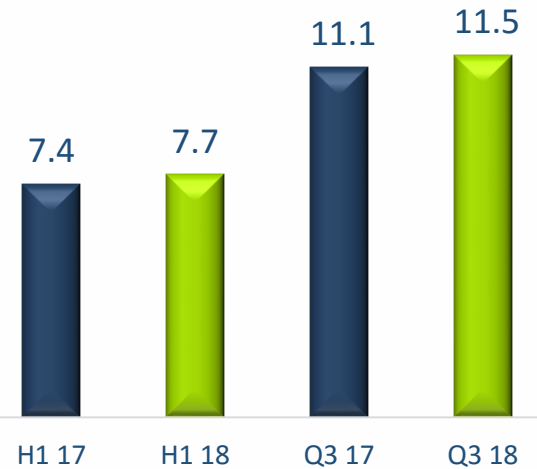
Volume of Transactions
(KShs. B)



Ave.Trns'/ATM p.m

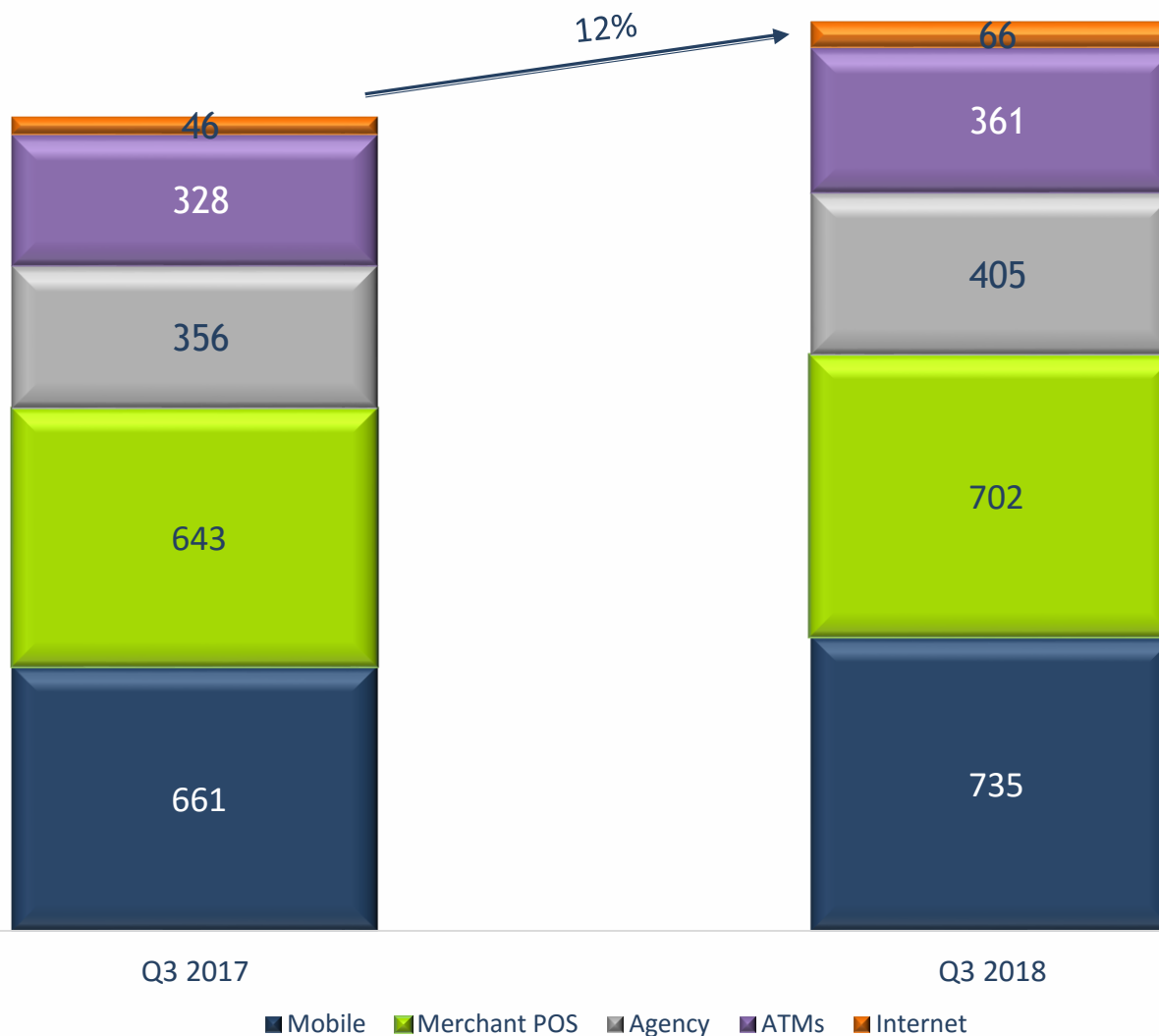


Number of Transactions (M)



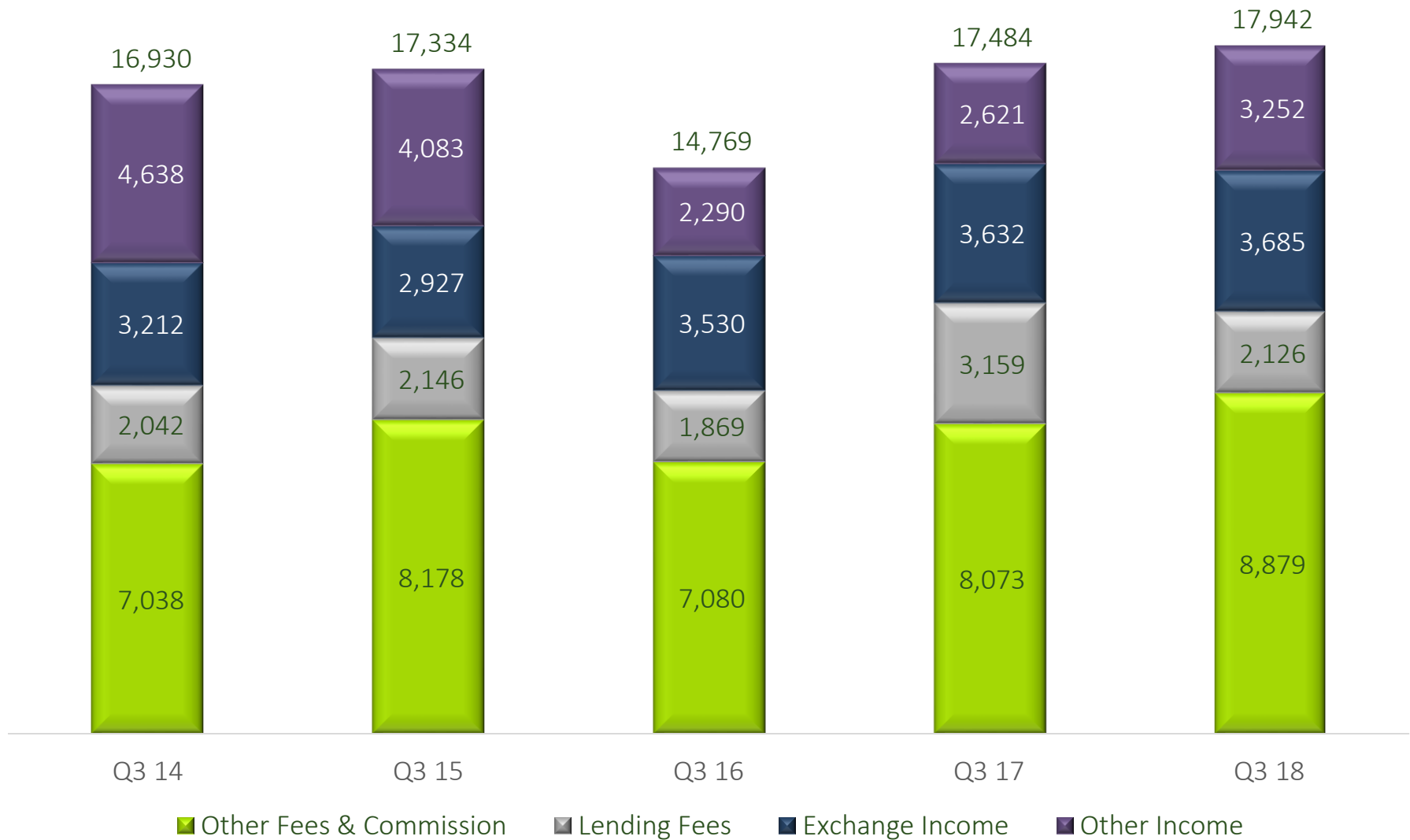
Over KShs 2.2B in revenue from non-branch channels

KShs: M



Non-Funded Income Mix

KShs: M





OUR FINANCIALS

Stable strategy delivers 6% balance sheet growth

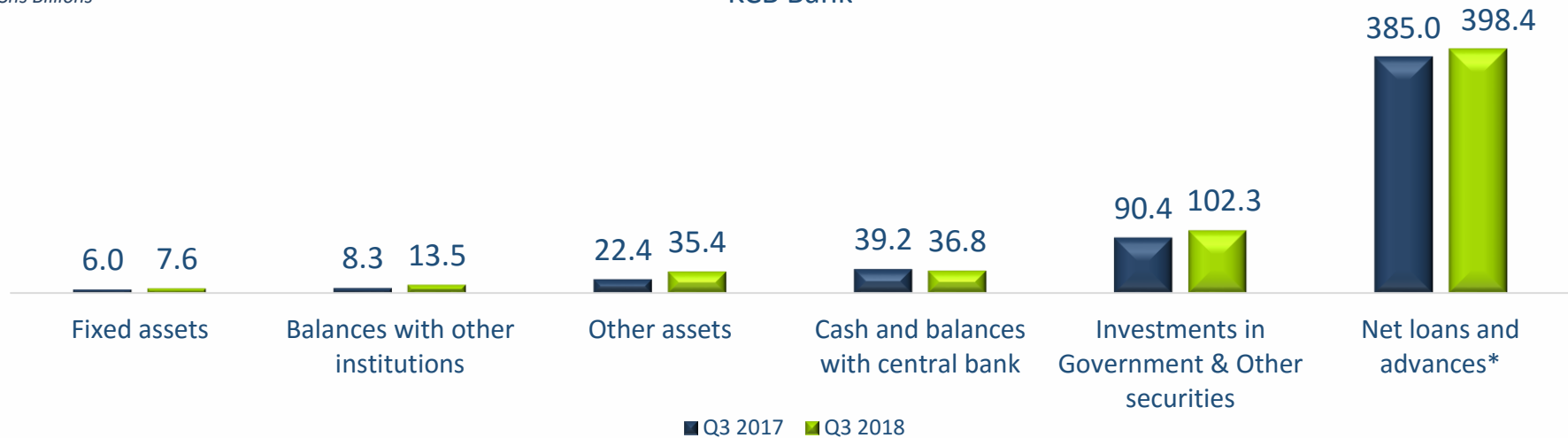
KShs Billions

KCB Group



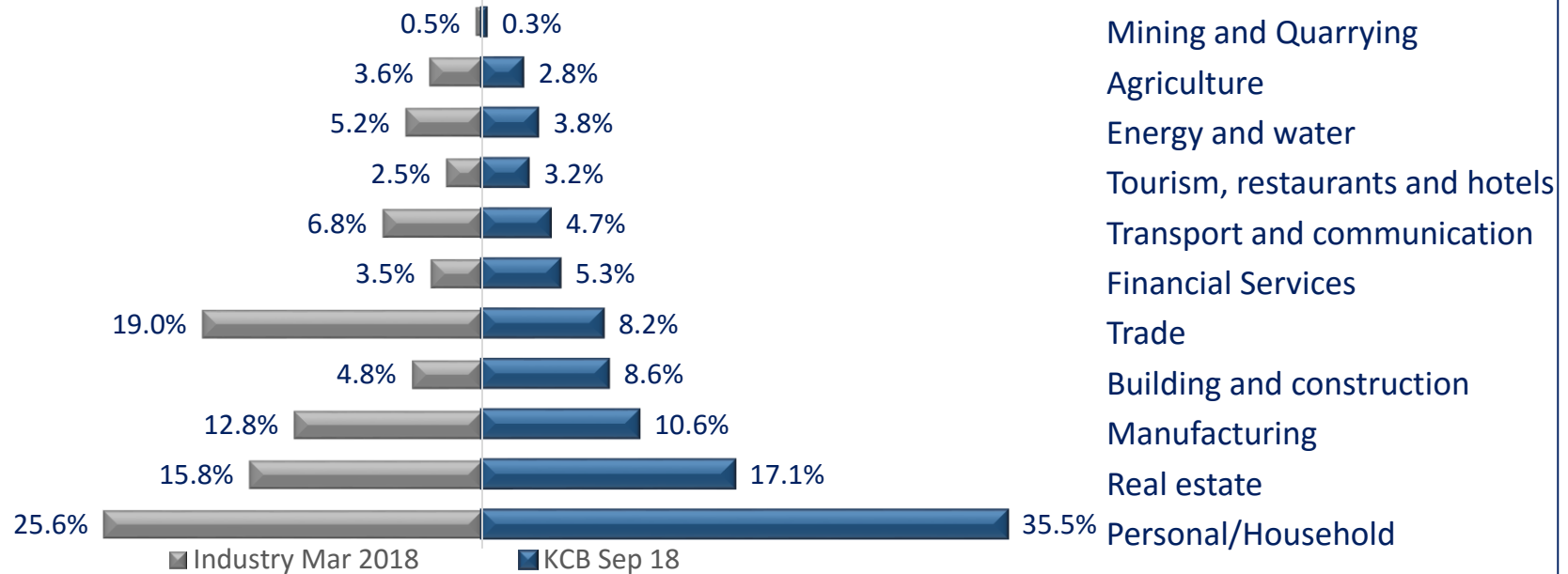
KShs Billions

KCB Bank

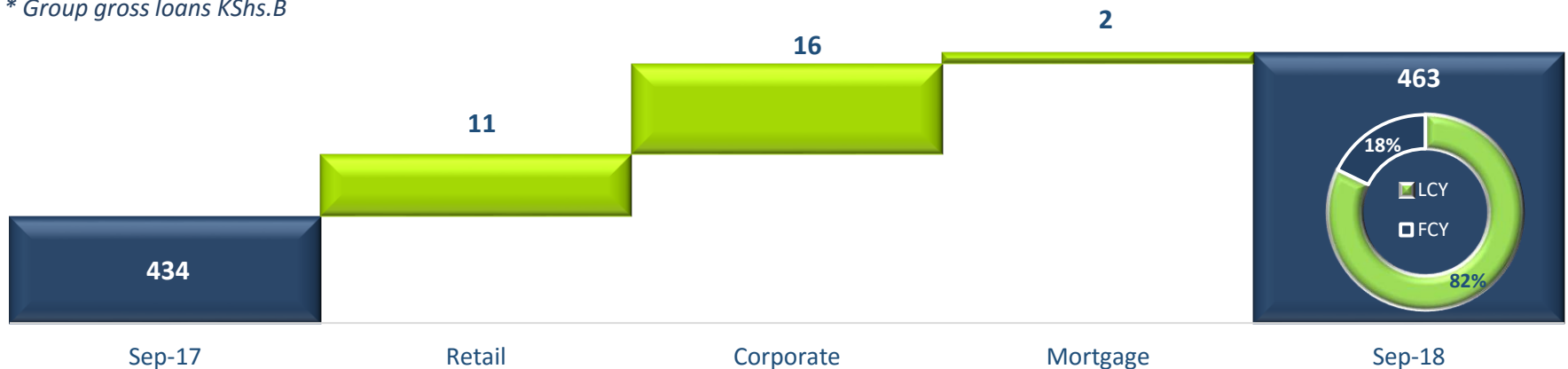


Diversified loan portfolio

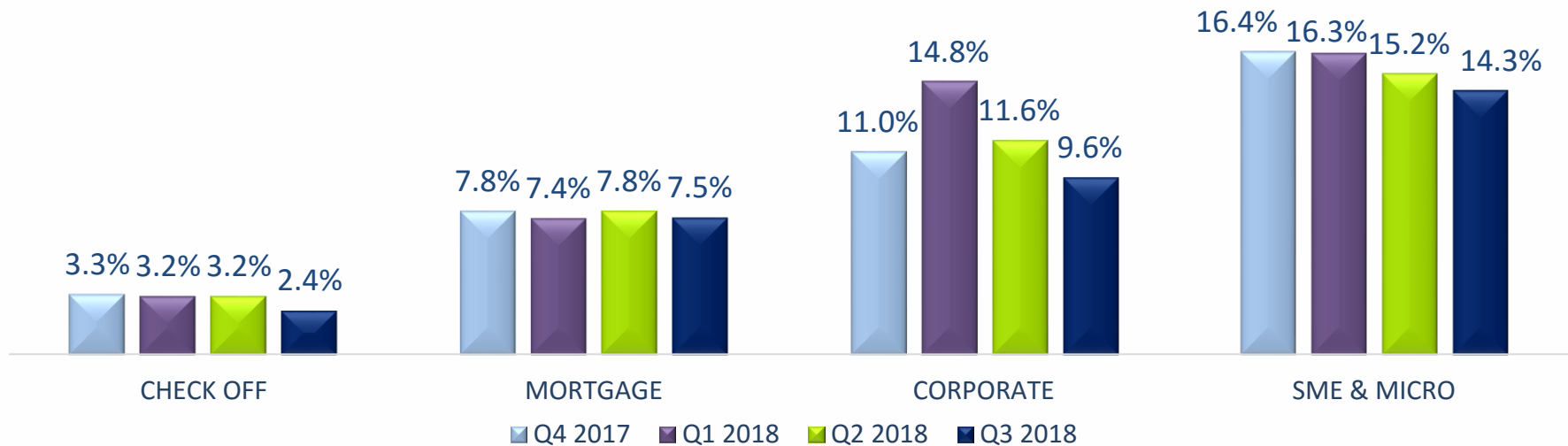
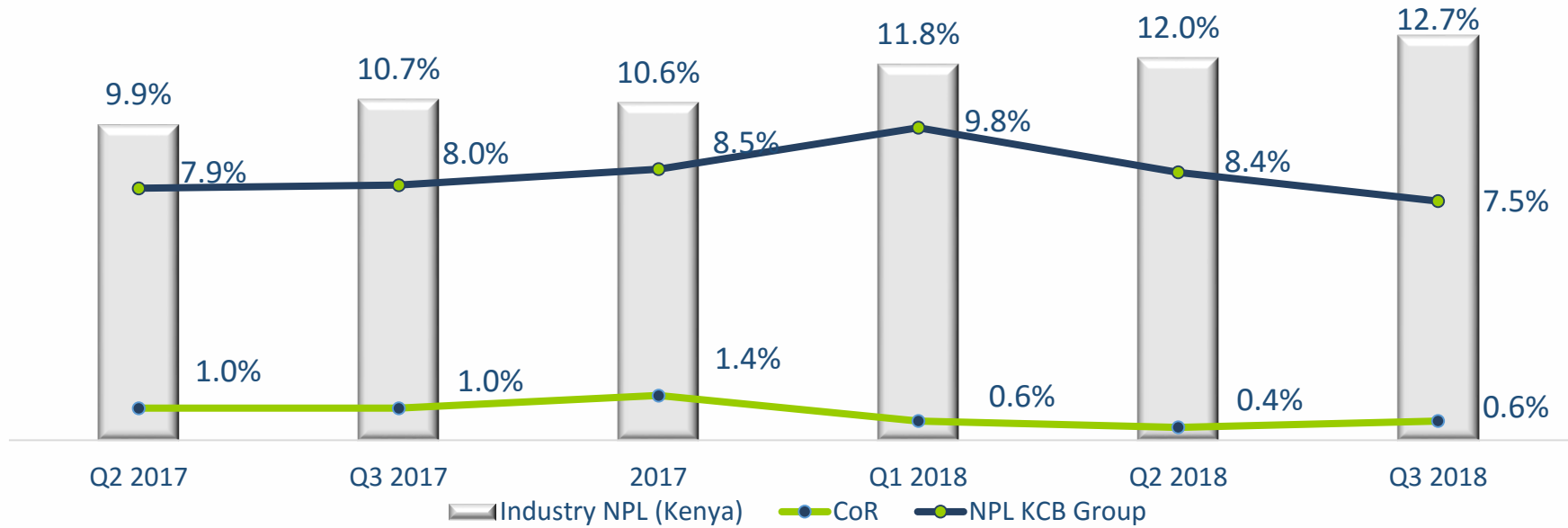
Sectoral loan book comparison



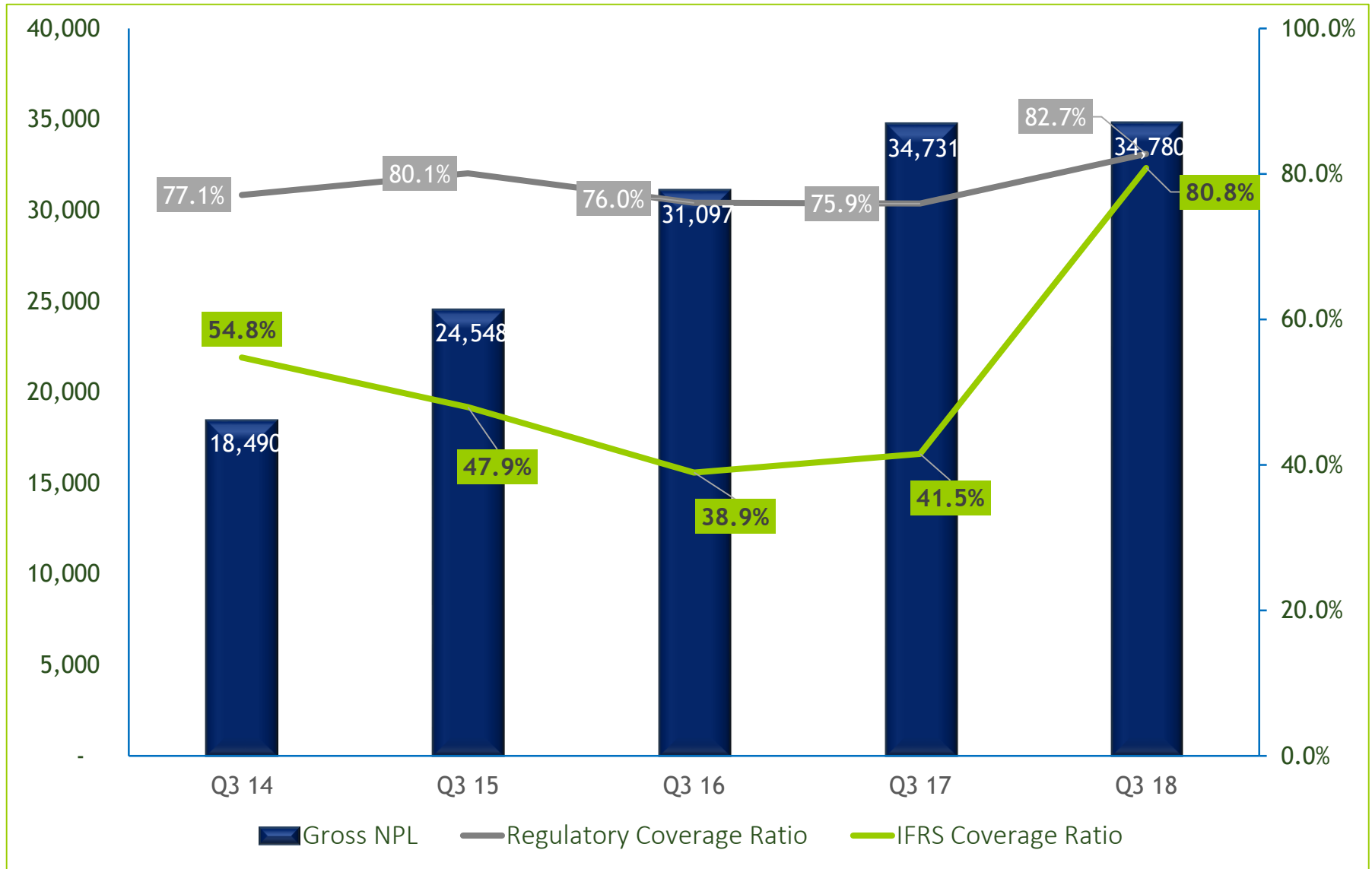
* Group gross loans KShs.B



NPL Migration



Sustained Improvement in coverage



Deposit growth driven by KCB Bank Kenya

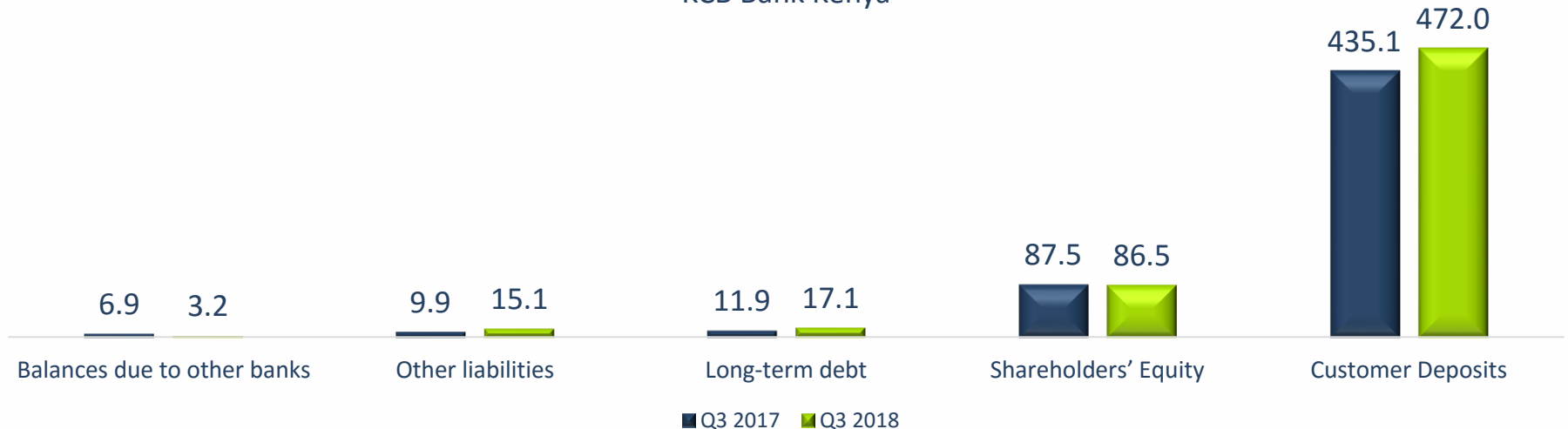
KShs Billions

KCB Group Plc

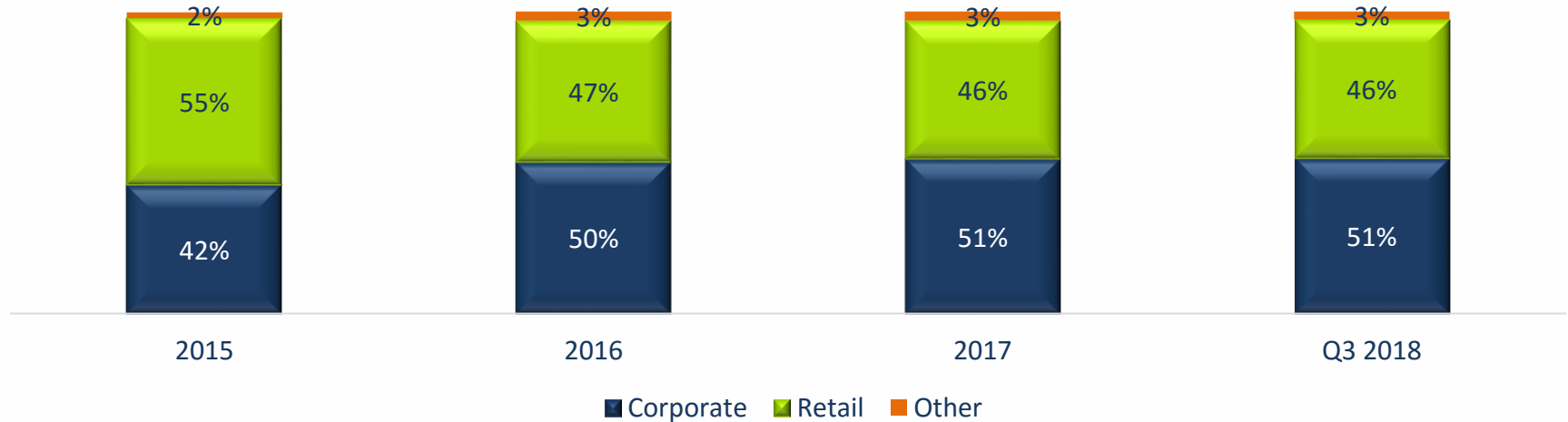


KShs Billions

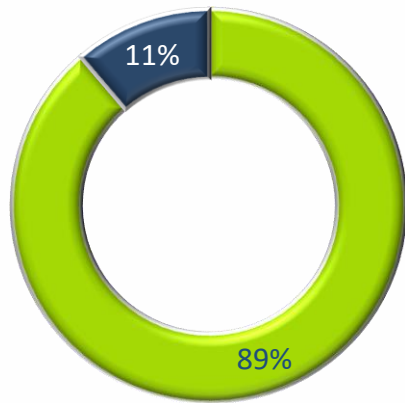
KCB Bank Kenya



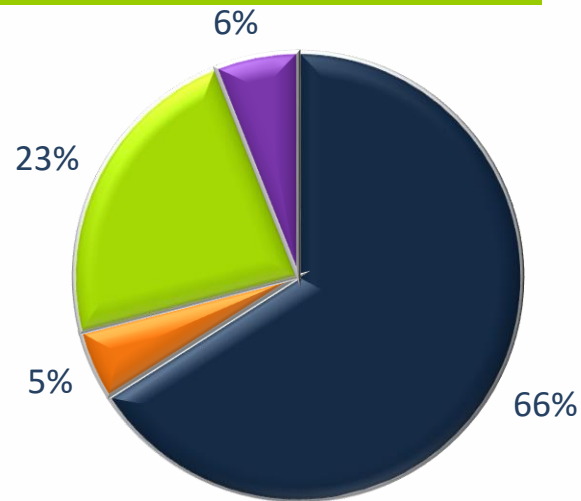
Balanced deposit mix



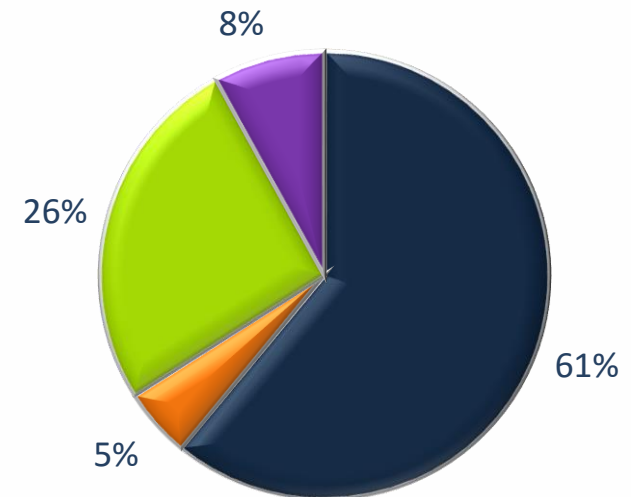
Currency Mix



Deposits by Type Q3 2017



Deposits by Type Q3 2018



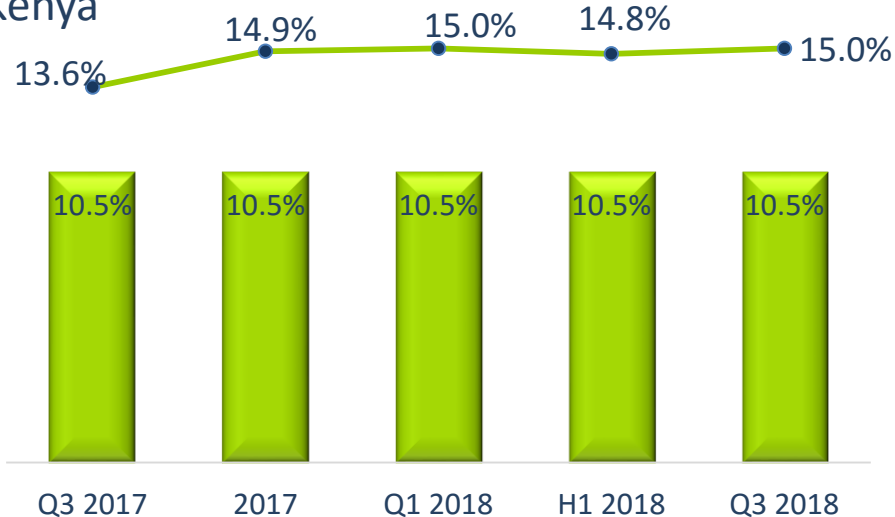
Strong capital position

Core Capital to RWA

Group

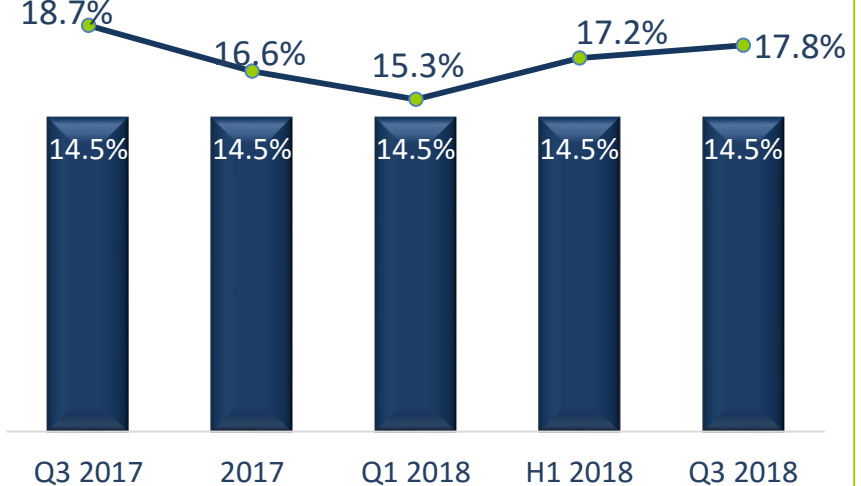


Kenya

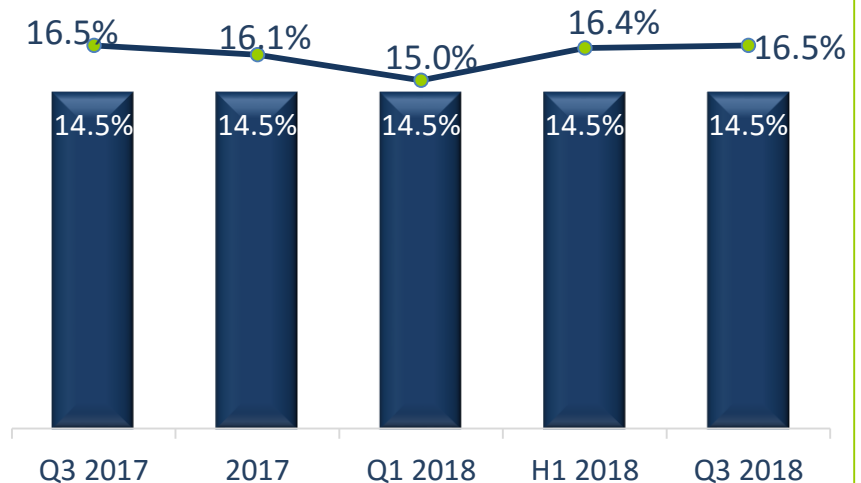


Total Capital to RWA

Group



Kenya



Stable strategy delivers 6% balance sheet growth

KShs Billions	KCB Group			KCB Bank Kenya		
	Actual Q3 2017	Actual Q3 2018	Y-O-Y Change	Actual Q3 2017	Actual Q3 2018	Y-O-Y Change
Cash and balances with central bank	42.5	39.7	(7%)	39.2	36.8	(6%)
Balances with other institutions	42.5	39.5	(7%)	8.3	13.5	63%
Investments in Government & Other securities	103.6	119.7	15%	90.4	102.3	13%
Net loans and advances	419.5	435.3	4%	385.0	398.4	3%
Fixed assets	9.4	10.6	12%	6.0	7.6	27%
Other assets	26.2	39.4	51%	22.4	35.4	58%
Total Assets	643.8	684.2	6%	551.3	594.0	8%
Customer Deposits	496.3	526.8	6%	435.1	472.0	8%
Balances due to other banks	15.5	12.6	(18%)	6.9	3.2	(53%)
Other liabilities	14.4	18.5	28%	9.9	15.1	52%
Long-term debt	14.4	20.7	44%	11.9	17.1	44%
Total Liabilities	540.6	578.7	7%	463.8	507.5	9%
Shareholders' Equity	91.2	104.8	15%	76.7	86.5	13%
Statutory loan loss reserve	12.0	0.7	(94%)	10.9	0.0	(100%)
Total Liabilities and Equity	643.8	684.2	6%	551.3	594.0	8%

20% Growth in Earnings

KShs Billions	KCB Group			KCB Bank Kenya		
	Actual Q3 2017	Actual Q3 2018	Y-O-Y Change	Actual Q3 2017	Actual Q3 2018	Y-O-Y Change
Interest Income	46.8	49.2	5%	41.8	44.1	5%
Interest Expense	(11.1)	(12.9)	16%	(9.1)	(11.1)	22%
Net interest income	35.7	36.3	2%	32.7	32.9	1%
Foreign exchange income	3.6	3.7	1%	2.2	2.1	(7%)
Net fees and commissions	11.2	11.0	(2%)	8.1	8.5	5%
Other income	2.6	3.3	24%	1.9	3.0	60%
Total other operating income	17.5	17.9	3%	12.2	13.6	11%
Total other operating expenses	(27.6)	(26.8)	(3%)	(21.2)	(21.0)	(1%)
Provisions for bad debts	(3.1)	(1.8)	(43%)	(2.7)	(1.7)	(36%)
Profit before tax	22.4	25.6	14%	21.0	23.9	13%
Tax	(7.3)	(7.6)	3%	(6.5)	(6.9)	6%
Profit after tax	15.1	18.0	20%	14.5	16.9	17%

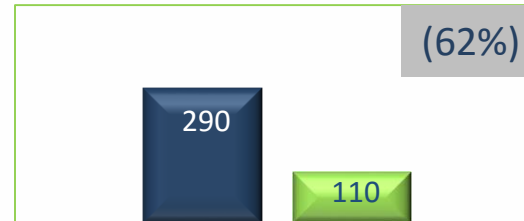
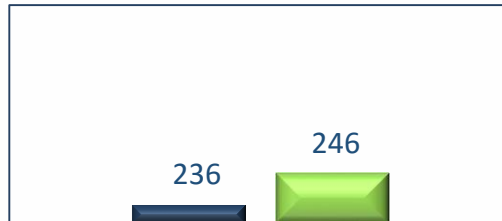
33% growth in International Business PBT

KShs. M

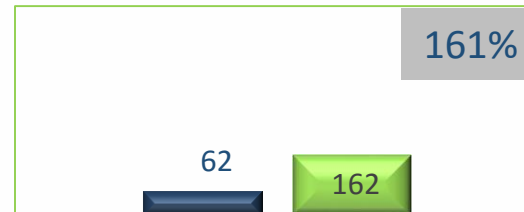
Net loans & Advances

PBT

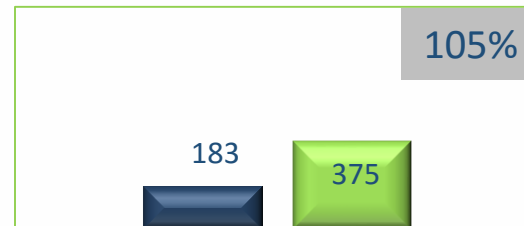
KCB Bank
South
Sudan



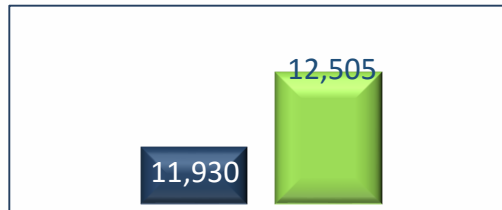
KCB Bank
Burundi



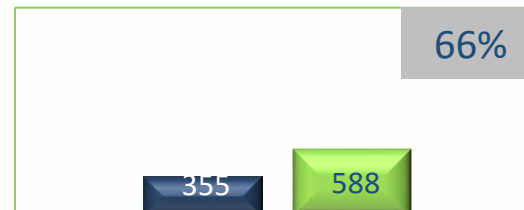
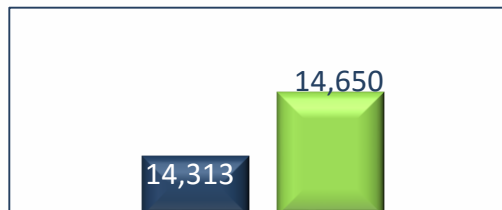
KCB Bank
Uganda



KCB Bank
Rwanda



KCB Bank
Tanzania



61% growth in
PBT for
International
Businesses,
excluding KCB
South Sudan

Q3 2017

Q3 2018

Overview of Key Financial Ratios

Q3 17	FY17	H1 18		KENYA	GROUP
20.1%	19.5%	23.5%	Return on Average Equity	25.8%	22.8%
51.9%	46.2%	48.2%	Cost to Income	45.1%	49.7%
8.0%	8.5%	8.4%	Gross NPL to Gross Loans	7.5%	7.5%
75.9%	75.4%	75.0%	NPL Coverage	69.7%	82.7%
14.0%	14.0%	20.9%	Debt to Equity	19.8%	19.7%
32.9%	32.2%	32.3%	Non funded income to total income	29.2%	33.3%
2.9%	3.0%	3.0%	Cost of funds	3.2%	3.2%
8.6%	8.9%	8.3%	Net Interest Margin	8.1%	8.0%
1.0%	1.5%	0.4%	Cost of risk	0.6%	0.5%
87.4%	85.1%	85.5%	Loan to Deposit Ratio	89.9%	88.0%
15%	10%	4%	Growth of Net Loans and Advances	3%	4%
16%	11%	9%	Growth of Customer Deposits	8%	6%

Thank you.

Investor Relations
Email: investorrelations@kcbgroup.com
www.kcbgroup.com

