



STERLING INVESTMENT BANK

Member of the Nairobi Stock Exchange

UNAUDITED HALF YEAR RESULTS FOR THE PERIOD ENDING 30TH JUNE 2009

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDING 30TH JUNE 2009

	Six months ended 30 th June 2009 Kshs '000	Six months ended 30 th June 2008 Kshs '000
Income		
Brokerage Commission	11,522	37,169
Interest Income	2,133	5,760
Total Income	13,655	42,929
Expenses		
Direct Expenses	1,072	2,078
Employee Costs	4,403	4,061
Operational & Administrative Expenses	3,923	3,638
Provisions for Trading Losses	345	1,718
Depreciation Expense	1,025	920
Amortization Expense	462	453
Total Expenses	11,230	12,868
Operating Profit	2,425	30,061
Finance Costs	147	466
Profit before Tax	2,278	29,595
Tax	684	8,878
Profit after Tax	1,594	20,717

BALANCE SHEET AS AT 30TH JUNE 2009

Share Capital and Reserves		
Paid Up Ordinary Share Capital	30,000	30,000
Revenue Reserves	44,058	38,571
Total Shareholders Funds	74,058	68,571
Current Liabilities		
Net Client Creditors	21,766	337,718
Amounts due to Related Parties	29	4,938
Other Payables	1,870	5,630
Tax Payable	3,752	4,156
Total Current Liabilities	27,417	352,442
TOTAL EQUITY AND LIABILITIES	101,475	421,013
Non Current Assets		
Property, Plant and Equipment	3,640	4,660
Motor Vehicles	37	62
Deferred Tax Asset	259	86
Investment in CDSC/NSE	2,520	2,520
Investment in Government Securities	0	9,612
Intangible Assets	871	1,701
Total Non Current Assets	7,327	18,641
Current Assets		
Net Amount due from Brokers	12,944	314,113
Other Receivables	2,489	62
Prepayments	458	458
Short Term Investments	27,677	747
Total Clients' Cash & Bank Balances	8,230	59,241
Office Cash & Bank Balances	42,350	27,751
Total Current Assets	94,148	402,372
TOTAL ASSETS	101,475	421,013

OTHER DISCLOSURES

Liquidity	
Working capital	67,324
Minimum working capital required	6,000
Excess working capital	61,324

Note: The balance sheet excludes the market valuation of the Nairobi Stock Exchange Seat valued at **Kshs 251 Million**

Signed:

Stanley Ngaine
Chairman

John Kiriimi
Executive Director