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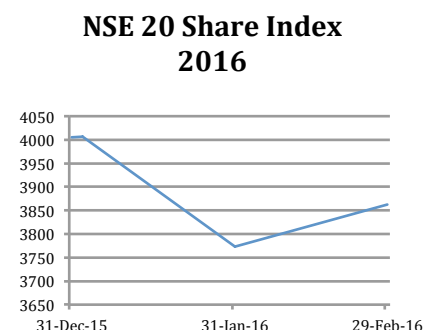
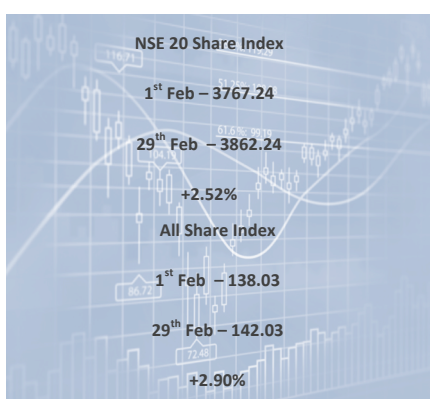
1. End of year (Dec 2015) corporate announcements
2. HR partners & Analytics
3. Leaving without a Will - Intestate

ABIS Limited, Working with you to ensure your business runs smoothly & your investments move in the right direction. Talk to Us Today

Market Review - February

Month's Biggest Price GAINS/ LOSSES

Company	Price	Change	Delta
Kengen	5.95xd	7.00	+18
Longhorn AIMS	4.85xd	5.65xd	+16
Bamburi Cement	173.00	195.00	+13
KenolKobil	9.15	10.25	+12
Unga Group	34.50	38.50	+12
National Bank	26.40	14.75	-44
Kapchorua Tea	148.00	95.00	-36
Trans-Century AIMS	7.20	5.70	-21
Uchumi Supermkt	7.90	6.30	-20
Umeme Ltd	20.75	17.00	-18



Equity Turnover (MN)	10,232	↓21%	No. Deals	25,658	↓3%	No. Shares (MN)	342	↓19%
Bonds Turnover (MN)	25,416	↑35%	Market Capitalisation (BN)	2000.21	↑3%			

Housing Finance Group Ltd

AUDITED FINANCIALS FOR THE PERIOD ENDED

GROUP ACCOUNTS	Dec-15	Dec-14	INC/DEC
	Kshs.000'	Kshs.000'	
Customer Deposits	42,000,000	36,000,000	17%
Loans and Advances to Customers	53,000,000	45,200,000	17%
Profit after Tax	1,200,000	975,000	23%
EPS	3.43	4.25	-19%

Housing Finance reported a 23% growth in its profitability despite the economic instability seen in 2015. The rise in profit was attributed to interest income from the banking and mortgage lending subsidiary HFC and profits from the sale of properties by HF Development and Investment during the year. The group's subsidiary saw the completion of 500 residential units, one retail commercial development and the launch of construction of 480 residential units.

NIC Bank Ltd

AUDITED FINANCIALS FOR THE PERIOD ENDED

GROUP ACCOUNTS	Dec-15	Dec-14	INC/DEC
	Kshs.000'	Kshs.000'	
Customer Deposits	112,364,637	100,434,954	12%
Loans and Advances to Customers	116,009,302	102,042,135	14%
Total Comprehensive Income	3,826,597	4,079,854	-6%
EPS (Basic)	7.00	7.07	-1%

Kenya Commercial Bank Ltd

AUDITED FINANCIALS FOR THE PERIOD ENDED

GROUP ACCOUNTS	Dec-15	Dec-14	INC/DEC
	Kshs.000'	Kshs.000'	
Customer Deposits	424,390,833	283,732,205	50%
Loans and Advances to Customers	345,968,686	377,271,886	-8%
Total Comprehensive Income	11,738,577	17,646,147	-33%
EPS (Basic & Dilute)	6.49	5.63	15%

KCB reported a 16% increase in profit after tax to Kes19.6Billion. A Kes6.1Billion foreign exchange loss however saw its total comprehensive income decline by 33%. This was mainly from its South Sudan operations where the national currency has been devalued by more than 100% since December. The currency hit saw KCB cut its cash dividend payout and to issue new shares as part of a cash-and-stock payout to shareholders.

NIC saw its bad debts more than double to Kes14.3Billion weighing down the lender's profit as provisions for loan losses increased. The loan loss provision saw its total operating expenses increase by 38% to kes7.3Billion. The mid-tier lender secured Kes5.6Billion loan from European Investment Bank in December, 2015 to fund its loan book expansion and lend to small-and-medium-sized enterprises. NIC's loan book is larger than its deposit base underlining its reliance on funding from international financiers to fund growth.

Corporate Announcements cont'd

Barclays Bank Ltd

AUDITED FINANCIALS FOR THE PERIOD ENDED

GROUP ACCOUNTS	Dec-15	Dec-14	INC/DEC
	Kshs.000'	Kshs.000'	
Customer Deposits	165,082,830	164,778,726	0.18%
Loans and Advances to Customers	145,378,553	125,423,371	16%
Total Comprehensive Income	7,746,073	8,480,326	-9%
EPS	1.55	1.54	1%

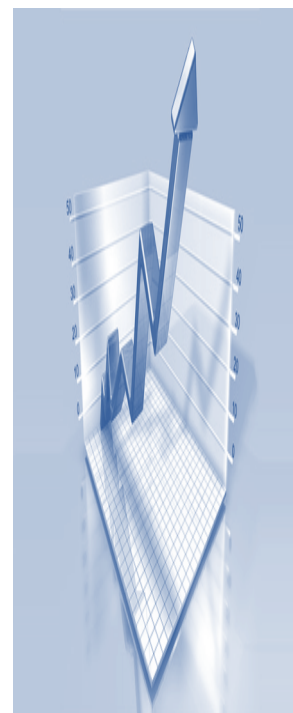
The bank announced its plans to exit the African market after a review of its African operations. With its African equity standing at €3.4 billion, the possibility of willing buyers appears to have been a key factor in its decision to give itself a two-three year time-frame to conclude its business as it plans to sell their 62% stake in Barclays Africa. The buyer is likely to be another large banking conglomerate. Qatar National Bank which recently agreed to buy SA's National Bank of Greece branch for \$3 billion and Chinese banks such as Commercial bank of China which has assets amounting to over \$3 trillion may be interested in buying into the bank. South Africa's finance minister however claims their decision to exit Africa is as a result of European banks past mistakes and not Africa. There was a 10% annual profit rise, according to Barclays Africa chief, which has made the bank recognise the growth it has had in Africa. The bank however has attributed its decision to the slowing down of South Africa's economy and the devaluing of the rand making its African operations increasingly expensive. However its stated main reason for the planned exit is to refocus & concentrate efforts on their UK and US markets.

Equity Group Holdings Ltd

AUDITED FINANCIALS FOR THE PERIOD ENDED

GROUP ACCOUNTS	Dec-15	Dec-14	INC/DEC
	Kshs.000'	Kshs.000'	
Customer Deposits	302,168,588	245,383,135	23%
Loans and Advances to Customers	269,892,942	214,170,424	26%
Total Comprehensive Income	10,443,050	17,775,065	-41%
EPS (Basic & Dilute)	4.65	4.63	0.43%

Equity saw its comprehensive income decline by 41% to Kes10.4Billion as a result of Kes5.7Billion forex losses recorded in translating financial statements of its subsidiaries into KES. The bank also taking a hit from its South Sudan operations. However, it noted continued success in other areas of regional expansion. The most recent being entry into DRC through an acquisition of ProCredit Bank. Overall its regional subsidiaries recorded a 43% growth in profits on the back of 73% growth in of their loan books.



UAP Holdings Ltd

AUDITED FINANCIALS FOR THE PERIOD ENDED

GROUP ACCOUNTS	Dec-15	Dec-14	INC/DEC
	Kshs.000'	Kshs.000'	
Net written premiums	12,069,426	11,263,533	7%
Net Claims & Policyholder benefits	7,986,649	8,074,794	-1%
Total Comprehensive Income	956,627	2,795,812	-66%
EPS (Basic & Dilute)	3.05	7.03	-57%

UAP also attributed its drop in performance to the volatile economic environment seen in 2015, characterized by unstable exchange rates and the significant strengthening on the dollar against regional currencies. The group is however optimistic about its performance in 2016 as it works towards completion of its integration of Old Mutual and UAP business Kenya following Old Mutual's acquisition of a controlling stake in the group.

Uchumi records negative shareholder Equity

Uchumi Supermarkets posted a negative equity shareholder balance with its debt totalling Kes.6.3 billion against its asset base of Kes.6.1 billion. It has now joined Kenya Airways in relying on the 'goodwill of creditors' in order to run their daily activities as they try to find a way to turn around the business. Whilst is net loss for the first six months to December 2015, were not released, net sales declined to Kes.4.2 billion, whilst its expenses increased by 11% to sh2 billion. With the company's increases in borrowing coupled with the losses, it now once again seems back to its position prior, where it was placed in receivership and shareholder bale out. Uchumi is this time however looking for an investor who is willing to give a sh5 billion injection in place of taking a controlling interest in the company.

Shareholders for both Kenya Airways & Uchumi have seen billions of shillings wiped of their respective values.

Treasury targets budget deficit of 6.9%

In a draft budget policy statement sent out by Treasury for public review, the FY 2016/17 budget targets higher revenue collection including Appropriation-in-Aid (AIA) of Kes1,511.1Bn (20.8% of GDP) from Kes1,311.1Bn (20.3% of GDP) in FY 2015/16. This performance will be underpinned by on-going reforms in tax policy and revenue administration which has seen an increase in excise duty, simplification of rental tax and better capturing of capital gains tax on non listed securities and VAT. Ordinary revenues is projected at Kes1,396.8Bn (19% of GDP) in FY 2016/17 up from the projected Kes1,202Bn (18.7% of GDP) in FY 2015/16. In the FY 2016/17, total expenditure and net lending are projected at Kes2,072Bn or 28.5% of GDP from the estimated Kes1,906.8Bn (29.6% of GDP) in the FY 2015/16 budget. Recurrent expenditures will amount to Kes1,092.4Bn (15.0% of GDP) compared with Kes989.7Bn (15.4% of GDP) in FY 2015/16. The ceiling for development expenditures including foreign financed projects (excluding net lending) in nominal terms amounts to Kes682.3Bn in the FY 2016/17. Most of the outlays are expected to support critical infrastructure. The fiscal deficit in FY 2016/17, will be financed by net external financing of Kes310.7Bn (4.3% of GDP) and Kes189.8Bn (2.6% of GDP) net domestic borrowing.

African Capital Alliance acquires stake in Continental Re

Capital Alliance Private Equity IV Limited, a private equity fund sponsored by African Capital Alliance (ACA), acquired a 49% stake in Continental Reinsurance Plc. The move, according to management, position Continental Reinsurance favourably to bolster strategic objectives and strengthen its pan-African foothold, expansionary plans and market positioning as the largest private pan-African reinsurer, outside of South Africa. Continental Re has operations in 44 African countries, with its main offices in Nigeria, Kenya, Cameroon, Côte d'Ivoire, Tunisia and Gaborone. The company, which has operated in Kenya since 2009, has a market share of 9.58% and 3.49% in non-life and life business respectively. In 2014, Kenya accounted for 14.5% of total gross premiums down from 16.2% in 2013 (due to transfer of Southern revenue to the Botswana subsidiary).

BPO HR/Admin

Outsourcing the HR/Admin process – What to look for in your partner

Selecting a partner when outsourcing is key for the success of your organisation. It is important to consider your partners ability and value over the price of the service they offer. There are key attributes of a partner that an organisation should consider when choosing one to work with:

1. Your partner needs to understand the HR needs of the entire organisation and not just the specific function you have outsourced. This will help the organisation meet its objectives fully.
2. Your partner should have the ability to support you and help you make the right choices when making important decisions that include transformation needs and implementation
3. It is important to choose a partner that knows the market that you are in and the specific HR requirements that your organisation needs to be successful.

Your partner needs to have the required expertise to help your organisation achieve its goals. Do not compromise on the success of your company based on loyalty. Choose a partner that will not come in the way of your objectives but one who will help you fulfil your objectives.



Outsourcing all or parts of the accounting Function

- Similarly to outsourcing the HR/Admin Function, outsourcing the accounting function **Saves time, money & brings in professional expertise**
- Most frequently outsourced accounting functions are: accounts payable; accounts receivable; payroll

Outsourcing time consuming accounting tasks such as invoice processing & other accounts payable activities can result in better supplier

HR Focus 2016

- **Analytics & Technology** – The relationship between employees & business results, creating a measurable output
- **HR Analytics** – Looks providing insights into how the organization can effectively manage employees. By looking at data that may already captured to assess & predict capabilities which can be more optimally applied with the aim of getting measurable Return on Investment (ROI).
- In order to harness existing data one needs to aggregate, evaluate & analyse. This enables the company to make more informed decisions about their employees.

- **These include:**

Talent decisions – optimisation, training & development; workforce utilisation & organising for better performance; attrition & leaving analysis; recruitment & selection; employee satisfaction; KPI setting

YOUR WILL

Its time to put your life in order



Famous people who died without a Will (Intestate)

- **Jimi Hendrix** – Died in 1970, and the battle for his estate has gone on for over 30 years. As a talented & international musician, his estate continues to generate income.
- **Bob Marley** – The legend Bob Marley died in 1981, from cancer. His estate is reported to be worth over US\$30Mn and continues to generate income. There have been numerous claimants during the time in addition to family members.
- **Salvatore Phillip 'Sonny' Bono** – Musician & former husband to Cher died in a skiing accident in 1998. His widow Mary Bono went to court to be appointed the administrator of the estate, which was also claimed by his ex-wife Cher as well as a previously unknown 'love child'
- **Michael Jackson** - Originally believing that there was no Will, Michael's mother filed suit claiming he had died intestate, however a will was subsequently discovered. His estate continues to generate significant income.
- **Howard Hughes** – The eccentric US billionaire died in 1976. A will discovered was found to be a forgery, and the estate was subsequently divided among 22 cousins.

Dying Intestate, potentially leaves those who matter to you with unnecessary legal and financial matters to deal with

Source:Legalzoom.com

ABIS Limited takes no responsibility for any decisions made on the basis of this information, as well as any inaccuracies. Sources: Sterling Capital Limited (Disclaimer: Whereas the information contained herein is deemed to be from a reliable source), BAAM; Business Daily – various published articles; internet – various articles; Central Bank of Kenya - publications.

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