

AUDITED FINANCIAL STATEMENTS AND DISCLOSURES FOR THE PERIOD ENDED 31ST DECEMBER 2016

1. STATEMENT OF FINANCIAL POSITION		31.12.2015	31.12.2016
		Kshs.'000.	Kshs.'000.
		Audited	Audited
A. ASSETS			
1	Cash balances (both local and foreign)	137,318	233,405
2	Balances with Central Bank of Kenya	435,226	561,346
3	Kenya Government and other securities held for dealing purposes	-	-
4	Financial Assets at fair value through profit and loss	53,404	39,765
5	Investment Securities:		
a)	Held to Maturity:		
a.	Kenya Government Securities	1,420,370	1,485,402
b.	Other securities	-	-
b)	Available for sale:		
a.	Kenya Government Securities	-	-
b.	Other securities	-	-
6	Deposits and balances due from local banking institutions	593,355	350,629
7	Deposits and balances due from banking institutions abroad	96,460	95,102
8	Tax recoverable	-	-
9	Loans and advances to customers (net)	5,271,104	6,657,374
10	Balances due from banking institutions in the group	-	-
11	Investments in associates	-	-
12	Investments in subsidiary companies	-	-
13	Investment in joint ventures	-	-
14	Investment properties	-	-
15	Property, plant and equipment	92,881	81,580
16	Prepaid lease rentals	-	-
17	Intangible assets	2,726	3,589
18	Deferred tax asset	325,491	323,672
19	Retirement benefit assets	-	-
20	Other assets	68,015	88,383
21	TOTAL ASSETS	8,496,350	9,920,247
B. LIABILITIES			
22	Balances due to Central Bank of Kenya	-	-
23	Customer deposits	6,217,683	6,936,717
24	Deposits and balances due to local banking institutions	-	-
25	Deposits and balances due to banking institutions abroad	-	-
26	Other money market deposits	-	-
27	Borrowed funds	-	-
28	Balances due to banking institutions in the group	-	-
29	Tax payable	-	-
30	Dividends payable	-	-
31	Deferred tax liability	-	-
32	Retirement benefit liability	-	-
33	Other liabilities	38,582	52,042
34	TOTAL LIABILITIES	6,256,265	6,988,759
C. SHAREHOLDERS' FUNDS			
35	Paid up/ Assigned capital	2,052,673	2,490,811
	Scheme Conversions & Contributions pending allotments	8,849	9,189
36	Share premium (discount)	193,580	412,819
37	Revaluation reserve	-	-
38	Retained earnings/ (Accumulated losses)	(223,795)	(214,709)
39	Statutory loan loss reserve	208,778	233,378
40	Other Reserves	-	-
41	Proposed dividends	-	-
42	Capital grants	-	-
43	TOTAL SHAREHOLDERS' FUNDS	2,240,085	2,931,488
44	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	8,496,350	9,920,247
2. STATEMENT OF COMPREHENSIVE INCOME			
1.0	INTEREST INCOME		
1.1	Loans and advances	795,785	1,005,170
1.2	Government securities	170,793	101,694
1.3	Deposits and placements with banking institutions	59,609	64,583
1.4	Other interest income	2,551	2,219
1.5	Total interest income	1,028,738	1,173,666
2.0	INTEREST EXPENSES		
2.1	Customer deposits	672,256	590,611
2.2	Deposits and placements from banking institutions	1,046	1,377
2.3	Other interest expenses	-	-
2.4	Total Interest Expenses	673,302	591,988
3.0	NET INTEREST INCOME(LOSS)	355,436	581,678
4.0	OTHER OPERATING INCOME		
4.1	Fees and commissions on loans & advances	99,288	137,941
4.2	Other fees and commissions	19,666	19,906
4.3	Foreign exchange trading income (loss)	24,429	8,816
4.4	Dividend income	2,726	2,111
4.5	Other income	1,493	(3,252)
4.6	Total other operating income	147,602	165,522
5.0	TOTAL OPERATING INCOME	503,038	747,200
6.0	OPERATING EXPENSES		
6.1	Loan loss provision	87,754	260,963
6.2	Staff costs	154,211	187,740
6.3	Directors' emoluments	12,872	7,635
6.4	Rental charges	41,641	44,493
6.5	Depreciation charge on property and equipment	30,260	33,510
6.6	Amortisation charges	1,190	1,723
6.7	Other operating expenses	133,457	174,631
6.8	Total Operating Expenses	461,385	711,695
7.0	Profit/(loss) before tax and exceptional items	41,653	35,505
8.0	Exceptional items	-	-
9.0	Profit/(loss) after exceptional items	41,653	35,505
10.0	Current tax	-	-
10.1	Deferred tax	(1,249)	1,819
12.0	Profit/(loss) after tax and exceptional items	42,902	33,686
13.0	Other Comprehensive Income:		
13.1	Gains/(Losses) from translating the financial statement of foreign operations	-	-
13.2	Fair value changes in available-for-sale financial assets	-	-
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	-	-
14.0	Other Comprehensive income for the year net of tax	-	-
15.0	Total Comprehensive income for the year net of tax	42,902	33,686
3. OTHER DISCLOSURES			
1.0	NON-PERFORMING LOANS AND ADVANCES		
a)	Gross non-performing loans and advances	831,374	855,709
b)	Less interest in suspense	97,780	86,552
c)	Total Non-Performing Loans and Advances (a-b)	733,594	769,157
d)	Less loan loss provisions	212,793	364,781
e)	Net non-performing loans and advances (c-d)	520,801	404,376
f)	Discounted value of securities	520,801	404,376
g)	Net NPLs exposure (e-f)	-	-
2.0	INSIDER LOANS AND ADVANCES		
a)	Directors, shareholders and associates	464,240	730,144
b)	Employees	16,151	47,537
c)	Total Insider Loans, Advances & Other Facilities	480,391	777,681
3.0	OFF-BALANCE SHEET ITEMS		
a)	Letters of credit, guarantees and acceptances	663,190	516,408
b)	Forwards, swaps and options	-	-
c)	Other contingent liabilities	477,847	520,985
c)	Total Contingent Liabilities	1,141,037	1,037,393
4.0	CAPITAL STRENGTH		
a)	Core capital	2,031,307	2,698,110
b)	Minimum statutory capital	1,000,000	1,000,000
c)	Excess (deficiency) (a-b)	1,031,307	1,698,110
d)	Supplementary capital	77,156	90,082
e)	Total capital (a+d)	2,108,463	2,788,201
f)	Total risk weighted assets	6,172,462	7,207,329
g)	Core capital/ total deposit liabilities	32.67%	38.90%
h)	Minimum statutory ratio	8.00%	8.00%
i)	Excess (deficiency) (g-h)	24.67%	30.90%
j)	Core capital/ total risk weighted assets	32.91%	37.44%
k)	Minimum statutory ratio	10.50%	10.50%
l)	Excess (deficiency) (j-k)	22.41%	26.94%
m)	Total capital/ total risk weighted assets	34.16%	38.69%
n)	Minimum statutory ratio	14.50%	14.50%
o)	Excess (deficiency) (m-n)	19.66%	24.19%
5.0	LIQUIDITY		
a)	Liquidity Ratio	43.15%	39.30%
b)	Minimum statutory ratio	20.00%	20.00%
c)	Excess or deficiency (a-b)	23.15%	19.30%

These financial statements are extracts from the books of the institution as audited by RSM Eastern Africa and received unqualified opinion. The complete set of audited financial statements, statutory and qualitative disclosures can be accessed on the Institution's website: www.orientalbank.co.ke. They may also be accessed at our Head Office located at Finance House, Koinange Street, Nairobi or our branches at:-

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Regulated by Central Bank of Kenya

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