

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30TH SEPTEMBER 2018
1. STATEMENT OF FINANCIAL POSITION

	30.09.2017 Kshs.'000. Un- Audited	31.12.2017 Kshs.'000. Audited	31.03.2018 Kshs.'000. Un- Audited	30.06.2018 Kshs.'000. Un- Audited	30.09.2018 Kshs.'000. Un- Audited
A. ASSETS					
1 Cash balances (both local and foreign)	148,557	151,804	170,660	178,285	166,923
2 Balances with Central Bank of Kenya	495,508	822,778	551,934	458,805	475,840
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	45,513	45,698	43,257	36,270	28,027
5 Investment Securities:					
a) Held to Maturity:					
a. Kenya Government Securities	1,196,715	1,207,628	1,283,151	1,302,058	756,048
b. Other securities	-	-	-	-	-
b) Available for sale:					
a. Kenya Government Securities	-	-	-	-	-
b. Other securities	-	-	-	-	-
6 Deposits and balances due from local banking institutions	300,228	327,158	502,725	624,704	214,018
7 Deposits and balances due from banking institutions abroad	62,894	234,764	100,607	384,609	380,904
8 Tax recoverable	-	-	-	-	-
9 Loans and advances to customers (net)	7,701,136	7,288,835	7,509,619	7,593,365	7,374,949
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	118,692	119,289	110,267	103,891	101,047
16 Prepaid lease rentals	-	-	-	-	-
17 Intangible assets	4,179	4,854	7,627	9,293	9,192
18 Deferred tax asset	302,299	304,167	298,589	294,503	285,849
19 Retirement benefit assets	-	-	-	-	-
20 Other assets	116,434	69,550	96,622	95,919	106,052
21 TOTAL ASSETS	10,492,155	10,576,525	10,675,058	11,081,701	9,989,849
B. LIABILITIES					
22 Balances due to Central Bank of Kenya	-	-	-	-	-
23 Customer deposits	7,388,425	7,463,416	7,600,700	8,012,139	6,804,241
24 Deposits and balances due to local banking institutions	4,019	-	-	-	-
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	79,148	85,111	92,367	76,345	77,850
34 TOTAL LIABILITIES	7,471,592	7,548,527	7,693,067	8,088,484	6,882,091
C. SHAREHOLDERS' FUNDS					
35 Paid up/ Assigned capital	2,491,151	2,490,811	2,491,151	2,491,151	2,491,151
Scheme Conversions & Contributions pending allotments	8,849	9,189	8,849	8,849	8,849
Share premium (discount)	412,819	412,819	412,819	412,819	412,819
Revaluation reserve	-	-	-	-	-
Retained earnings/ (Accumulated losses)	(134,134)	(132,528)	(113,046)	(100,599)	(77,957)
Statutory loan loss reserve	241,878	247,707	182,218	180,998	181,896
Other Reserves	-	-	-	-	-
Proposed dividends	-	-	-	-	-
Capital grants	-	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	3,020,563	3,027,998	2,981,991	2,993,217	3,016,758
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	10,492,155	10,576,525	10,675,058	11,081,701	9,989,849

2. STATEMENT OF COMPREHENSIVE INCOME

1.0 INTEREST INCOME					
1.1 Loans and advances	647,142	974,278	228,044	447,719	664,641
1.2 Government securities	96,113	120,173	31,466	63,520	88,662
1.3 Deposits and placements with banking institutions	40,328	49,418	8,003	11,943	17,677
1.4 Other interest income	1,565	1,947	1,01	535	599
1.5 Total interest income	785,148	1,145,816	267,614	523,717	771,579
2.0 INTEREST EXPENSES					
2.1 Customer deposits	424,217	575,334	153,753	301,922	431,334
2.2 Deposits and placements from banking institutions	1,304	1,368	36	36	5,284
2.3 Other interest expenses	-	-	-	-	-
2.4 Total Interest Expenses	425,521	576,702	153,789	301,958	436,618
3.0 NET INTEREST INCOME (LOSS)	359,627	569,114	113,825	221,759	334,961
4.0 OTHER OPERATING INCOME					
4.1 Fees and commissions on loans & advances	125,496	178,526	24,931	58,934	102,932
4.2 Other fees and commissions	14,937	17,586	4,858	9,649	14,642
4.3 Foreign exchange trading income (loss)	12,388	13,452	3,327	6,121	9,204
4.4 Dividend income	1,115	1,698	215	406	406
4.5 Other income	28,267	28,832	(1,853)	(5,158)	(10,417)
4.6 Total other operating income	182,203	240,095	31,478	69,952	116,767
5.0 TOTAL OPERATING INCOME	541,830	809,209	145,303	291,711	451,728
6.0 OPERATING EXPENSES					
6.1 Loan loss provision	56,500	177,294	14,468	30,764	44,866
6.2 Staff costs	179,104	235,485	55,236	110,756	166,242
6.3 Directors' emoluments	7,676	6,556	658	2,577	4,496
6.4 Rental charges	31,123	40,698	10,176	19,556	29,911
6.5 Depreciation charge on property and equipment	22,511	34,161	9,484	18,978	28,660
6.6 Amortisation charges	1,357	1,852	740	1,760	2,971
6.7 Other operating expenses	133,111	197,148	28,946	65,490	100,556
6.8 Total Operating Expenses	431,382	693,194	119,708	249,880	377,702
7.0 Profit/(loss) before tax and exceptional items	110,448	116,015	25,595	41,831	74,026
8.0 Exceptional items	-	-	-	-	-
9.0 Profit/(loss) after exceptional items	110,448	116,015	25,595	41,831	74,026
10.0 Current tax	-	-	-	-	-
11.0 Deferred tax	21,373	19,505	5,577	9,664	18,318
12.0 Profit/(loss) after tax and exceptional items	89,075	96,510	20,018	32,167	55,708
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	89,075	96,510	20,018	32,167	55,708

3. OTHER DISCLOSURES

1.0 NON-PERFORMING LOANS AND ADVANCES					
a) Gross non-performing loans and advances	824,255	808,524	790,634	796,883	785,977
b) Less interest in suspense	86,552	67,882	68,098	67,637	67,681
c) Total Non-Performing Loans and Advances (a-b)	737,703	740,642	722,536	729,246	718,296
d) Less loan loss provisions	421,485	384,662	396,195	408,355	422,426
e) Net non-performing loans and advances (c-d)	316,218	355,980	326,341	320,891	295,870
f) Discounted value of securities	316,218	355,980	326,341	320,891	295,870
g) Net NPLs exposure (e-f)	-	-	-	-	-
2.0 INSIDER LOANS AND ADVANCES					
a) Directors, shareholders and associates	791,579	765,083	715,035	1,014,551	917,946
b) Employees	30,040	36,846	36,848	38,590	41,088
c) Total Insider Loans, Advances & Other Facilities	821,619	801,929	751,883	1,053,141	959,034
3.0 OFF-BALANCE SHEET ITEMS					
a) Letters of credit, guarantees and acceptances	503,982	441,320	509,070	474,235	560,806
b) Forwards, swaps and options	-	-	-	-	-
c) Other contingent liabilities	535,579	664,135	507,422	450,004	712,934
c) Total Contingent Liabilities	1,039,561	1,105,455	1,016,492	924,239	1,273,740
4.0 CAPITAL STRENGTH					
a) Core capital	2,734,148	2,780,291	2,491,176	2,501,632	2,521,159
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess (deficiency) (a-b)	1,734,148	1,780,291	1,491,176	1,501,632	1,521,159
d) Supplementary capital	102,597	106,323	106,056	105,776	104,698
e) Total capital (a+d)	2,836,745	2,886,614	2,597,232	2,607,408	2,625,857
f) Total risk weighted assets	8,207,763	8,505,879	8,484,510	8,462,099	8,375,871
g) Core capital / total deposit liabilities	37.01%	37.25%	32.78%	31.22%	37.05%
h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%	8.00%
i) Excess (deficiency) (g-h)	29.01%	29.25%	24.78%	23.22%	29.05%
j) Core capital / total risk weighted assets	33.31%	33.69%	29.36%	29.56%	30.10%
k) Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%	10.50%
l) Excess (deficiency) (j-k)	22.81%	22.19%	18.86%	19.06%	19.60%
m) Total capital / total risk weighted assets	34.56%	33.94%	30.61%	30.81%	31.35%
n) Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%	14.50%
o) Excess (deficiency) (m-n)	20.06%	19.44%	16.11%	16.31%	16.85%
(p) Adjusted Core Capital/Total Deposit Liabilities*	37.01%	37.25%	32.86%	31.49%	37.50%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	33.31%	33.69%	29.43%	29.81%	30.47%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	34.56%	33.94%	30.68%	31.06%	31.72%
5.0 LIQUIDITY					
a) Liquidity Ratio	29.77%	36.77%	34.30%	36.80%	29.30%
b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%	20.00%
c) Excess or deficiency (a-b)	9.77%	16.77%	14.30%	16.80%	9.30%

*The adjusted capital ratios include the expected credit loss provisions added back to capital in line with the CBK guidance note issued in April 2018 on implementation of IFRS 9

The above financial statements are extracts from the books of the institution. The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on the institution's website: www.oriental.co.ke. They can also be accessed at the institution's Head Office at Finance House Koinage Street, or our branches at:-

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