

FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30TH JUNE 2019

1. STATEMENT OF FINANCIAL POSITION

	30.06.2018 Kshs.'000. Un-Audited	31.12.2018 Kshs.'000. Audited	31.03.2019 Kshs.'000. Un-Audited	30.06.2019 Kshs.'000. Un-Audited
A. ASSETS				
1 Cash balances (both local and foreign)	178,285	191,660	170,717	187,964
2 Balances with Central Bank of Kenya	458,805	969,384	808,055	594,039
3 Kenya Government and other securities held for dealing purposes	-	-	-	-
4 Financial Assets at fair value through profit and loss	36,270	29,804	24,754	26,471
5 Investment Securities:				
a) Held to Maturity:				
a. Kenya Government Securities	1,302,058	538,131	1,304,970	1,574,161
b. Other securities	-	-	-	-
b) Available for sale:				
a. Kenya Government Securities	-	200,137	-	-
b. Other securities	-	-	-	-
6 Deposits and balances due from local banking institutions	624,704	380,404	51,627	669,459
7 Deposits and balances due from banking institutions abroad	384,609	215,683	180,574	1,161,951
8 Tax recoverable	-	-	-	-
9 Loans and advances to customers (net)	7,593,365	7,502,022	7,423,389	7,152,372
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	103,891	92,453	83,560	75,138
16 Prepaid lease rentals	-	-	-	-
17 Intangible assets	9,293	8,041	7,792	6,750
18 Deferred tax asset	294,503	300,725	300,042	296,028
19 Retirement benefit assets	-	-	-	-
20 Other assets	95,919	86,571	115,441	97,393
21 TOTAL ASSETS	11,081,701	10,515,015	10,470,921	11,841,726
B. LIABILITIES				
22 Balances due to Central Bank of Kenya	-	-	-	-
23 Customer deposits	8,012,139	7,404,674	7,316,666	8,676,263
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	76,345	45,222	80,583	72,695
34 TOTAL LIABILITIES	8,088,484	7,449,896	7,397,249	8,748,958
C. SHAREHOLDERS' FUNDS				
35 Paid up/ Assigned capital	2,491,151	2,490,811	2,490,811	2,491,151
Scheme Conversions & Contributions pending allotments	8,849	9,189	9,189	8,849
36 Share premium (discount)	412,819	412,819	412,819	412,819
37 Revaluation reserve	-	-	-	-
38 Retained earnings/ (Accumulated losses)	(100,599)	(37,073)	(28,575)	(25,775)
39 Statutory loan loss reserve	180,998	189,373	189,428	205,725
40 Other Reserves	-	-	-	-
41 Proposed dividends	-	-	-	-
42 Capital grants	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	2,993,217	3,065,119	3,073,672	3,092,768
44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	11,081,701	10,515,015	10,470,921	11,841,726

2. STATEMENT OF COMPREHENSIVE INCOME

1.0 INTEREST INCOME				
1.1 Loans and advances	447,719	961,496	194,920	378,195
1.2 Government securities	63,520	104,739	19,887	51,911
1.3 Deposits and placements with banking institutions	11,943	22,940	4,059	8,533
1.4 Other interest income	535	237	151	127
1.5 Total interest income	523,717	1,089,412	219,017	438,765
2.0 INTEREST EXPENSES				
2.1 Customer deposits	301,922	567,855	134,413	273,448
2.2 Deposits and placements from banking institutions	36	6,299	3	5
2.3 Other interest expenses	-	-	-	-
2.4 Total Interest Expenses	301,958	574,154	134,416	273,453
3.0 NET INTEREST INCOME (LOSS)	221,759	515,258	84,601	165,313
4.0 OTHER OPERATING INCOME				
4.1 Fees and commissions on loans & advances	58,934	159,262	49,120	108,464
4.2 Other fees and commissions	9,649	19,916	4,030	8,437
4.3 Foreign exchange trading income (loss)	6,121	11,493	2,079	4,292
4.4 Dividend income	406	640	1,066	1,066
4.5 Other income	(5,158)	(5,398)	(4,139)	(932)
4.6 Total other operating income	69,952	185,913	52,156	121,326
5.0 TOTAL OPERATING INCOME	291,711	701,171	136,757	286,638
6.0 OPERATING EXPENSES				
6.1 Loan loss provision	30,764	148,618	14,945	29,666
6.2 Staff costs	110,756	221,104	53,541	106,280
6.3 Directors' emoluments	2,577	5,775	1,919	2,626
6.4 Rental charges	19,556	40,706	11,037	25,135
6.5 Depreciation charge on property and equipment	18,978	37,997	9,192	18,164
6.6 Amortisation charges	1,760	4,122	1,134	2,176
6.7 Other operating expenses	65,490	137,536	35,752	69,943
6.8 Total Operating Expenses	249,880	595,858	127,520	253,991
7.0 Profit/(loss) before tax and exceptional items	41,831	105,313	9,237	32,648
8.0 Exceptional items	-	-	-	-
9.0 Profit/(loss) after exceptional items	41,831	105,313	9,237	32,648
10.0 Current tax	-	-	-	-
11.0 Deferred tax	9,664	22,867	683	4,697
12.0 Profit/(loss) after tax and exceptional items	32,167	82,446	8,554	27,951
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	32,167	82,446	8,554	27,951

3. OTHER DISCLOSURES

1.0 NON-PERFORMING LOANS AND ADVANCES				
a) Gross non-performing loans and advances	796,883	773,122	1,248,085	1,245,963
b) Less interest in suspense	67,637	68,017	94,807	94,846
c) Total Non-Performing Loans and Advances (a-b)	729,246	705,105	1,153,278	1,151,117
d) Less loan loss provisions	408,355	448,355	468,351	499,415
e) Net non-performing loans and advances (c-d)	320,891	256,750	684,927	651,702
f) Discounted value of securities	320,891	256,750	684,927	651,702
g) Net NPLs exposure (e-f)	-	-	-	-
2.0 INSIDER LOANS AND ADVANCES				
a) Directors, shareholders and associates	1,014,551	1,099,027	1,328,861	1,234,501
b) Employees	38,590	40,227	37,919	39,651
c) Total Insider Loans, Advances & Other Facilities	1,053,141	1,139,254	1,366,780	1,274,152
3.0 OFF-BALANCE SHEET ITEMS				
a) Letters of credit, guarantees and acceptances	474,235	457,673	443,755	429,788
b) Forwards, swaps and options	-	-	-	-
c) Other contingent liabilities	450,004	890,060	680,733	729,187
c) Total Contingent Liabilities	924,239	1,347,733	1,124,488	1,158,975
4.0 CAPITAL STRENGTH				
a) Core capital	2,501,632	2,575,020	2,579,925	2,577,190
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess (deficiency) (a-b)	1,501,632	1,575,020	1,579,925	1,577,190
d) Supplementary capital	105,776	108,436	103,970	104,920
e) Total capital (a-d)	2,607,408	2,683,456	2,683,895	2,682,110
f) Total risk weighted assets	8,462,099	8,674,913	8,317,612	8,393,593
g) Core capital/ total deposit liabilities	31.22%	34.78%	35.26%	29.70%
h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%
i) Excess (deficiency) (g-h)	23.22%	26.78%	27.26%	21.70%
j) Core capital/ total risk weighted assets	29.56%	29.68%	31.02%	30.70%
k) Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%
l) Excess (deficiency) (j-k)	19.06%	19.18%	20.52%	20.20%
m) Total capital/ total risk weighted assets	30.81%	30.93%	32.27%	31.95%
n) Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%
o) Excess (deficiency) (m-n)	16.31%	16.43%	17.77%	17.45%
(p) Adjusted Core Capital/Total Deposit Liabilities*	31.49%	36.03%	36.42%	30.68%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	29.81%	30.75%	32.04%	31.71%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	31.06%	32.00%	33.29%	32.96%
5.0 LIQUIDITY				
a) Liquidity Ratio	36.80%	33.70%	34.37%	48.26%
b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%
c) Excess or deficiency (a-b)	16.80%	13.70%	14.37%	28.26%

*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 Koinange Street, or our branches at:

Nairobi - Finance House, Koinange Street

P.O. Box 44080-00100 Nairobi

Tel: 020 2228461/2

Westlands - Apollo Centre, Ring Road

P.O. Box 14357-00800

Tel: 020 3743429/3743412/5

Sameer Business Park, Mombasa Road

P.O. Box 62080-00200 Nairobi,

Tel: 020 6551668/9

or contact us at info@oriental.co.ke

Mombasa - Hassanali Building, Nkrumah Road

P.O. Box 2846-80100 Mombasa

Tel: 041 2220723/4

Nakuru - AFC Building, Kijabe Road

P.O. Box 1955-20100 Nairobi

Tel: 051 2211638/9

Eldoret - Muya House, Kenyatta Street

P.O. Box 3631-30100 Eldoret

Tel: 053 2062871/2

Kitale, Robert Ouko Street

P.O.Box 1521-407 Kitale

Tel: 054 31984/6

Regulated by the Central Bank of Kenya

ALAKH KOHLI
CHIEF EXECUTIVE OFFICER

SHANTI V. SHAH
CHAIRMAN