

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

1. STATEMENT OF FINANCIAL POSITION

	30.09.2018 Kshs:'000 Un- Audited	31.12.2018 Kshs:'000 Audited	31.03.2019 Kshs:'000 Un- Audited	30.06.2019 Kshs:'000 Un- Audited	30.09.2019 Kshs:'000 Un-Audited
A. ASSETS					
1 Cash balances (both local and foreign)	166,923	191,660	170,717	187,964	204,894
2 Balances with Central Bank of Kenya	475,840	969,384	808,055	594,039	947,233
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	28,027	29,804	24,754	26,471	29,179
5 Investment Securities:					
a) Held to Maturity:					
a. Kenya Government Securities	756,048	538,131	1,304,970	1,574,161	1,804,386
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	214,018	380,404	51,627	669,459	838,925
7 Deposits and balances due from banking institutions abroad	380,904	215,683	180,574	1,161,951	870,380
8 Tax recoverable	-	-	-	-	-
9 Loans and advances to customers (net)	7,374,949	7,502,022	7,423,389	7,152,372	7,171,065
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	101,047	92,453	83,560	75,138	67,472
16 Prepaid lease rentals	-	-	-	-	-
17 Intangible assets	9,192	8,041	7,792	6,750	5,710
18 Deferred tax asset	285,849	300,725	300,042	296,028	294,286
19 Retirement benefit assets	-	-	-	-	-
20 Other assets	106,052	86,571	115,441	97,393	95,600
21 TOTAL ASSETS	9,898,849	10,515,015	10,470,921	11,841,726	12,329,132
B. LIABILITIES					
22 Balances due to Central Bank of Kenya	-	-	-	-	-
23 Customer deposits	6,804,241	7,404,674	7,316,666	8,676,263	9,141,579
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	77,850	45,222	80,583	72,695	78,572
34 TOTAL LIABILITIES	6,882,091	7,449,896	7,397,249	8,748,958	9,220,151
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	9,189	8,849	8,849
36 Share premium (discount)	412,819	412,819	412,819	412,819	412,819
37 Revaluation reserve	-	-	-	-	-
38 Retained earnings/ (Accumulated losses)	(77,957)	(37,073)	(28,575)	(25,775)	(21,529)
39 Statutory loan loss reserve	181,896	189,373	189,428	205,725	217,691
40 Other Reserves	-	-	-	-	-
41 Proposed dividends	-	-	-	-	-
42 Capital grants	-	-	-	-	-
-43 TOTAL SHAREHOLDERS' FUNDS	3,016,758	3,065,119	3,073,672	3,092,768	3,108,981
-44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	9,898,849	10,515,015	10,470,921	11,841,726	12,329,132

2. STATEMENT OF COMPREHENSIVE INCOME

1.0 INTEREST INCOME					
1.1 Loans and advances	664,641	961,496	194,920	378,195	561,211
1.2 Government securities	88,662	104,739	19,887	51,911	92,477
1.3 Deposits and placements with banking institutions	17,677	22,940	4,059	8,533	20,989
1.4 Other interest income	599	237	151	127	5
1.5 Total interest income	771,579	1,089,412	219,017	438,765	674,682
2.0 INTEREST EXPENSES					
2.1 Customer deposits	431,334	567,855	134,413	273,448	436,238
2.2 Deposits and placements from banking institutions	5,284	6,299	3	5	5
2.3 Other interest expenses	-	-	-	-	-
2.4 Total Interest Expenses	436,618	574,154	134,416	273,453	436,244
3.0 NET INTEREST INCOME(LOSS)	334,961	515,258	84,601	165,313	238,438
4.0 OTHER OPERATING INCOME					
4.1 Fees and commissions on loans & advances	102,932	159,262	49,120	108,464	169,336
4.2 Other fees and commissions	14,642	19,916	4,050	8,437	12,076
4.3 Foreign exchange trading income (loss)	9,204	11,993	2,079	4,292	6,196
4.4 Dividend income	406	640	1,066	1,066	1,343
4.5 Other income	(10,417)	(5,398)	(4,139)	(932)	3,634
4.6 Total other operating income	116,767	185,913	52,156	121,326	192,584
5.0 TOTAL OPERATING INCOME	451,728	701,171	136,757	286,638	431,022
6.0 OPERATING EXPENSES					
6.1 Loan loss provision	44,866	148,618	14,945	29,666	44,308
6.2 Staff costs	166,242	221,104	53,541	106,280	160,569
6.3 Directors' emoluments	4,496	5,775	1,919	2,626	4,592
6.4 Rental charges	29,911	40,706	11,037	25,135	37,548
6.5 Depreciation charge on property and equipment	28,660	37,997	9,192	18,164	27,045
6.6 Amortisation charges	2,971	4,122	1,134	2,176	3,215
6.7 Other operating expenses	100,556	137,536	35,752	69,943	103,443
6.8 Total Operating Expenses	377,702	595,858	127,520	253,991	380,720
7.0 Profit/(loss) before tax and exceptional items	74,026	105,313	9,237	32,648	50,302
8.0 Exceptional items	-	-	-	-	-
9.0 Profit/(loss) after exceptional items	74,026	105,313	9,237	32,648	50,302
10.0 Current tax	-	-	-	-	-
11.0 Deferred tax	18,318	22,867	683	4,697	6,439
12.0 Profit/(loss) after tax and exceptional items	55,708	82,446	8,554	27,951	43,863
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	55,708	82,446	8,554	27,951	43,863

3. OTHER DISCLOSURES

1.0 NON-PERFORMING LOANS AND ADVANCES					
a) Gross non-performing loans and advances	785,977	773,122	1,248,085	1,245,963	1,232,160
b) Less interest in suspense	67,681	68,017	94,807	94,846	94,876
c) Total Non-Performing Loans and Advances (a-b)	718,296	705,105	1,153,278	1,151,117	1,137,284
d) Less loan loss provisions	422,426	448,355	468,351	499,415	525,724
e) Net non-performing loans and advances (c-d)	295,870	256,750	684,927	651,702	611,560
f) Discounted value of securities	295,870	256,750	684,927	651,702	611,560
2.0 Net NPLs exposure (e-f)	-	-	-	-	-
3.0 INSIDER LOANS AND ADVANCES					
a) Directors, shareholders and associates	917,946	1,099,027	1,328,861	1,234,501	1,241,464
b) Employees	41,088	40,227	37,919	39,651	38,910
c) Total Insider Loans, Advances & Other Facilities	959,034	1,139,254	1,366,780	1,274,152	1,280,374
4.0 OFF-BALANCE SHEET ITEMS					
a) Letters of credit, guarantees and acceptances	560,806	457,673	443,755	429,788	477,057
b) Forwards, swaps and options	-	-	-	-	-
c) Other contingent liabilities	712,934	890,060	680,733	729,187	792,468
c) Total Contingent Liabilities	1,273,740	1,347,733	1,124,488	1,158,975	1,269,525
5.0 CAPITAL STRENGTH					
a) Core capital	2,521,159	2,575,020	2,579,925	2,577,190	2,575,072
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess (deficiency) (a-b)	1,521,159	1,575,020	1,579,925	1,577,190	1,575,072
d) Supplementary capital	104,698	108,436	103,970	104,920	105,833
e) Total capital (a-d)	2,625,857	2,683,456	2,683,895	2,682,110	2,680,905
f) Total risk weighted assets	8,375,871	8,674,913	8,317,612	8,393,593	8,466,613
g) Core capital/ total deposit liabilities	37.05%	34.78%	35.26%	29.70%	28.17%
h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%	8.00%
i) Excess (deficiency) (g-h)	29.05%	26.78%	27.26%	21.70%	20.17%
j) Core capital/ total risk weighted assets	30.10%	29.68%	31.02%	30.70%	30.41%
k) Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%	10.50%
l) Excess (deficiency) (j-k)	19.60%	19.18%	20.52%	20.20%	19.91%
m) Total capital/ total risk weighted assets	31.35%	30.93%	32.27%	31.95%	31.66%
n) Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%	14.50%
o) Excess (deficiency) (m-n)	16.85%	16.43%	17.77%	17.45%	17.16%
(p) Adjusted Core Capital/Total Deposit Liabilities*	37.52%	36.03%	36.42%	30.68%	28.94%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	30.47%	30.75%	32.04%	31.71%	31.24%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	31.72%	32.00%	33.29%	32.96%	32.49%
5.0 LIQUIDITY					
a) Liquidity Ratio	29.30%	33.70%	34.37%	48.26%	51.04%
b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%	20.00%
c) Excess or deficiency (a-b)	9.30%	13.70%	14.37%	28.26%	31.04%

*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 IFRS9.

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.

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