

## QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES FOR THE PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2020

1. STATEMENT OF FINANCIAL POSITION					
	30.09.2019	31.12.2019	31.03.2020	30.06.2020	30.09.2020
	Kshs./'000.	Kshs./'000.	Kshs./'000.	Kshs./'000.	Kshs./'000.
	Un- Audited	Audited	Un- Audited	Un- Audited	Un- Audited
<b>A. ASSETS</b>					
1 Cash balances (both local and foreign)	204,894	222,569	175,348	166,568	165,294
2 Balances with Central Bank of Kenya	947,233	837,118	569,969	896,022	406,772
3 Kenya Government and other securities held for dealing purposes	-	-	-	-	-
4 Financial Assets at fair value through profit and loss	29,179	24,625	22,910	21,764	22,080
5 Investment Securities:					
a) Held to Maturity:					
a. Kenya Government Securities	1,804,386	2,145,839	2,199,882	2,311,046	3,069,718
b. Other securities	-	-	-	-	-
b) Available for sale:					
a. Kenya Government Securities	-	-	-	-	-
b. Other securities	-	-	-	-	-
6 Deposits and balances due from local banking institutions	838,925	669,504	840,362	696,812	476,287
7 Deposits and balances due from banking institutions abroad	870,380	1,203,873	804,819	964,492	1,156,059
8 Tax recoverable	-	-	-	-	-
9 Loans and advances to customers (net)	7,171,065	6,811,799	6,945,048	6,767,749	7,246,078
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	67,472	64,535	57,254	52,302	47,531
16 Prepaid lease rentals	-	-	-	-	-
17 Intangible assets	5,710	5,348	4,361	8,125	6,773
18 Deferred tax asset	294,286	214,324	213,382	212,136	214,324
19 Retirement benefit assets	-	-	-	-	-
20 Other assets	95,600	194,242	232,003	241,607	252,247
<b>21 TOTAL ASSETS</b>	<b>12,329,132</b>	<b>12,393,776</b>	<b>12,065,338</b>	<b>12,338,623</b>	<b>13,063,163</b>
<b>B. LIABILITIES</b>					
22 Balances due to Central Bank of Kenya	-	-	-	-	-
23 Customer deposits	9,141,579	9,187,522	8,821,240	9,059,777	9,743,328
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	78,572	163,083	194,904	221,058	231,835
<b>34 TOTAL LIABILITIES</b>	<b>9,220,151</b>	<b>9,350,605</b>	<b>9,016,144</b>	<b>9,280,835</b>	<b>9,975,163</b>
<b>C. SHAREHOLDERS' FUNDS</b>					
35 Paid up/ Assigned capital	2,491,151	2,490,811	2,490,811	2,490,811	2,490,811
36 Scheme Conversions & Contributions pending allotments	8,849	9,189	9,189	9,189	9,189
37 Share premium (discount)	412,819	412,819	412,819	412,819	412,819
38 Revaluation reserve	-	-	-	-	-
39 Retained earnings/ (Accumulated losses)	(21,529)	(91,652)	(92,832)	(102,995)	(84,613)
40 Statutory loan loss reserve	217,691	222,004	229,207	247,964	259,794
41 Other Reserves	-	-	-	-	-
42 Proposed dividends	-	-	-	-	-
43 Capital grants	-	-	-	-	-
<b>43 TOTAL SHAREHOLDERS' FUNDS</b>	<b>3,108,981</b>	<b>3,043,171</b>	<b>3,049,194</b>	<b>3,057,788</b>	<b>3,088,000</b>
<b>44 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>	<b>12,329,132</b>	<b>12,393,776</b>	<b>12,065,338</b>	<b>12,338,623</b>	<b>13,063,163</b>
<b>2. STATEMENT OF COMPREHENSIVE INCOME</b>					
<b>1.0 INTEREST INCOME</b>					
1.1 Loans and advances	561,211	811,399	169,835	332,671	491,873
1.2 Government securities	92,477	147,851	46,208	92,733	147,020
1.3 Deposits and placements with banking institutions	20,989	31,733	7,779	13,724	21,410
1.4 Other interest income	5	35	-	-	-
<b>1.5 Total interest income</b>	<b>674,682</b>	<b>991,336</b>	<b>223,822</b>	<b>439,128</b>	<b>660,303</b>
<b>2.0 INTEREST EXPENSES</b>					
2.1 Customer deposits	436,238	599,967	153,973	299,894	453,727
2.2 Deposits and placements from banking institutions	5	3	-	82	82
2.3 Other interest expenses	-	10,182	-	-	-
<b>2.4 Total interest expenses</b>	<b>436,244</b>	<b>610,152</b>	<b>153,973</b>	<b>299,976</b>	<b>453,809</b>
<b>3.0 NET INTEREST INCOME/(LOSS)</b>	<b>238,438</b>	<b>381,185</b>	<b>69,849</b>	<b>139,152</b>	<b>206,494</b>
<b>4.0 OTHER OPERATING INCOME</b>					
4.1 Fees and commissions on loans & advances	169,336	227,359	57,537	115,810	190,547
4.2 Other fees and commissions	12,076	16,024	3,676	7,648	11,469
4.3 Foreign exchange trading income (loss)	6,196	9,634	3,971	7,101	19,444
4.4 Dividend income	1,343	1,577	129	129	129
4.5 Other income	3,634	(332)	(1,495)	(1,446)	(722)
<b>4.6 Total other operating income</b>	<b>192,586</b>	<b>254,265</b>	<b>63,819</b>	<b>129,242</b>	<b>220,867</b>
<b>5.0 TOTAL OPERATING INCOME</b>	<b>431,022</b>	<b>635,447</b>	<b>133,668</b>	<b>268,394</b>	<b>427,361</b>
<b>6.0 OPERATING EXPENSES</b>					
6.1 Loan loss provision	44,308	131,941	14,431	29,871	51,203
6.2 Staff costs	160,569	216,398	56,990	111,552	165,337
6.3 Directors' emoluments	4,592	5,146	1,569	2,619	3,669
6.4 Rental charges	37,548	34,381	11,873	23,580	34,901
6.5 Depreciation charge on property and equipment	27,045	35,312	7,281	14,204	20,986
6.6 Amortisation charges	3,215	4,274	987	1,083	3,436
6.7 Other operating expenses	103,443	143,542	33,897	68,132	103,452
<b>6.8 Total Operating Expenses</b>	<b>380,720</b>	<b>570,994</b>	<b>127,029</b>	<b>252,041</b>	<b>382,984</b>
<b>7.0 Profit/(loss) before tax and exceptional items</b>	<b>50,302</b>	<b>64,453</b>	<b>6,638</b>	<b>16,353</b>	<b>44,377</b>
8.0 Exceptional items	-	-	-	-	-
<b>9.0 Profit/(loss) after exceptional items</b>	<b>50,302</b>	<b>64,453</b>	<b>6,638</b>	<b>16,353</b>	<b>44,377</b>
10.0 Current tax	-	-	-	-	-
10.1 Deferred tax	6,439	86,401	942	2,188	9,605
<b>12.0 Profit/(loss) after tax and exceptional items</b>	<b>43,863</b>	<b>(21,948)</b>	<b>5,697</b>	<b>14,165</b>	<b>34,772</b>
<b>13.0 Other Comprehensive Income:</b>					
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	-	-	-	-	-
<b>14.0 Other Comprehensive Income for the year net of tax</b>	<b>43,863</b>	<b>(21,948)</b>	<b>5,697</b>	<b>14,165</b>	<b>34,772</b>
<b>15.0 Total Comprehensive Income for the year net of tax</b>	<b>87,726</b>	<b>42,505</b>	<b>11,394</b>	<b>28,329</b>	<b>69,544</b>
<b>3. OTHER DISCLOSURES</b>					
<b>1.0 NON-PERFORMING LOANS AND ADVANCES</b>					
a) Gross non-performing loans and advances	1,232,160	1,410,502	1,418,040	1,418,715	1,588,211
b) Less interest in suspense	94,876	94,901	94,923	95,597	95,865
<b>c) Total Non-Performing Loans and Advances (a-b)</b>	<b>1,137,284</b>	<b>1,315,601</b>	<b>1,323,117</b>	<b>1,323,118</b>	<b>1,492,346</b>
d) Less loan loss provisions	525,724	548,640	570,253	604,471	637,633
<b>e) Net non-performing loans and advances (c-d)</b>	<b>611,560</b>	<b>766,961</b>	<b>752,864</b>	<b>718,647</b>	<b>854,713</b>
f) Discounted value of securities	611,560	766,961	782,477	718,647	854,713
<b>g) Net NPLs exposure (e-f)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2.0 INSIDER LOANS AND ADVANCES</b>					
a) Directors, shareholders and associates	1,241,464	1,303,987	1,312,336	1,266,803	1,293,547
b) Employees	38,910	36,099	34,850	33,155	31,115
<b>c) Total Insider Loans, Advances &amp; Other Facilities</b>	<b>1,280,374</b>	<b>1,340,086</b>	<b>1,347,186</b>	<b>1,299,958</b>	<b>1,324,662</b>
<b>3.0 OFF-BALANCE SHEET ITEMS</b>					
a) Letters of credit, guarantees and acceptances	477,057	355,209	436,925	512,068	554,666
b) Forwards, swaps and options	-	-	-	-	-
c) Other contingent liabilities	792,468	744,988	608,421	480,905	432,059
<b>c) Total Contingent Liabilities</b>	<b>1,269,525</b>	<b>1,100,197</b>	<b>1,045,346</b>	<b>992,973</b>	<b>986,725</b>
<b>4.0 CAPITAL STRENGTH</b>					
a) Core capital	2,575,072	2,606,842	2,603,756	2,590,606	2,591,693
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
<b>c) Excess (deficiency) (a-b)</b>	<b>1,575,072</b>	<b>1,606,842</b>	<b>1,603,756</b>	<b>1,590,606</b>	<b>1,591,693</b>
d) Supplementary capital	105,833	98,233	99,837	97,721	113,938
<b>e) Total capital (a+d)</b>	<b>2,680,905</b>	<b>2,705,075</b>	<b>2,703,593</b>	<b>2,688,327</b>	<b>2,705,631</b>
f) Total risk weighted assets	8,466,613	7,858,628	7,986,997	7,817,643	9,115,013
<b>g) Core capital/ total deposit liabilities</b>	<b>28.17%</b>	<b>28.37%</b>	<b>29.25%</b>	<b>28.59%</b>	<b>26.60%</b>
h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%	8.00%
i) Excess (deficiency) (g-h)	20.17%	20.37%	21.25%	20.59%	18.60%
<b>j) Core capital/ total risk weighted assets</b>	<b>30.41%</b>	<b>33.17%</b>	<b>32.60%</b>	<b>33.14%</b>	<b>28.43%</b>
k) Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%	10.50%
l) Excess (deficiency) (j-k)	19.91%	22.67%	22.10%	22.64%	17.93%
<b>m) Total capital/ total risk weighted assets</b>	<b>31.66%</b>	<b>34.42%</b>	<b>33.85%</b>	<b>34.39%</b>	<b>29.68%</b>
n) Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%	14.50%
o) Excess (deficiency) (m-n)	17.16%	19.92%	19.35%	19.89%	15.18%
(p) Adjusted Core Capital/Total Deposit Liabilities*	28.94%	28.90%	29.97%	29.00%	26.69%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	31.24%	33.78%	33.10%	33.61%	28.53%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	32.49%	35.03%	34.35%	34.86%	29.78%
<b>5.0 LIQUIDITY</b>					
a) Liquidity Ratio	51.04%	55.28%	52.00%	55.70%	54.10%
b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%	20.00%
c) Excess or deficiency (a-b)	31.04%	35.28%	32.00%	35.70%	34.10%

\*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 financial statements, statutory and qualitative disclosures can be accessed on the institution's website: [www.oriental.co.ke](http://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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