



MIDDLE EAST BANK KENYA LIMITED

HEAD OFFICE AND NAIROBI BRANCH
Mebank Tower, Milimani Road
P.O. Box 47387, Nairobi, Kenya
Tel: 2723120 / 22

MOMBASA BRANCH - Nyerere Avenue
Tel: 041-2319069
INDUSTRIAL AREA - Butere Road
Tel: 020-650158

Eldoret Branch - Tarifa Centre
Ronald Ngala Street
Tel: 254-053-2030917/13/23/35
MWEEMBE TAYARI MALL BRANCH - Jomo
Kenyatta Avenue – Tel. 041-2244415

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30.06.2019

I BALANCE SHEET	30th June	31st Dec	31st March	30th June
	2018	2018	2019	2019
	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED
	Shs.'000'	Shs.'000'	Shs.'000'	Shs.'000'
A ASSETS				
1 Cash (both local and foreign)	83,552	99,401	76,363	79,501
2 Balances due from Central Bank of Kenya	214,169	254,502	457,737	383,076
3 Kenya Government and other securities held for dealing purposes	-	-	-	-
4 Financial Assets at fair value through profit and loss	-	-	-	-
5 Investment Securities:				
a) Held to Maturity:				
(i) Kenya Government securities	1,458,117	1,467,979	1,532,813	1,180,682
(ii) Other securities	-	-	-	-
b) Available for sale:				
(i) Kenya Government securities	-	-	-	-
(ii) Other securities	-	-	-	-
6 Deposits and balances due from local banking institutions	142,032	52,800	99,437	2,940
7 Deposits and balances due from banking institutions abroad	289,383	448,254	194,583	226,099
8 Tax recoverable	22,074	-	-	-
9 Loans and advances to customers (net)	2,446,597	2,560,398	2,754,795	4,171,142
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 and equipment	169,152	165,150	179,437	205,188
16 Prepaid Lease rentals	73,926	73,444	73,202	72,961
17 Intangible assets - (computer software)	46,654	41,775	39,336	40,879
18 Deferred tax asset	100,446	113,060	113,060	113,060
19 Retirement benefit asset	-	-	-	-
20 Other assets	119,382	84,101	99,761	131,481
21 TOTAL ASSETS	5,165,484	5,360,864	5,620,524	6,607,009
B LIABILITIES				
22 Balances due to Central Bank of Kenya	-	-	-	-
23 Customer deposits	4,001,367	4,146,661	4,336,332	5,258,747
24 Deposits and balances due to local banking institutions	-	-	-	-
25 Deposits and balances due to foreign banking institutions	-	-	-	-
26 Other money market deposits	-	-	-	-
27 Borrowed funds	-	-	-	-
28 Balances due to group companies	-	-	-	-
29 Tax payable	-	714	16,502	18,600
30 Dividends payable	5,068	-	-	-
31 Deferred tax liability	-	-	-	-
32 Retirement benefit liability	-	-	-	-
33 Other liabilities	75,655	55,611	75,199	111,340
34 TOTAL LIABILITIES	4,082,090	4,202,986	4,428,033	5,388,687
C SHAREHOLDERS' FUNDS				
35 Paid up/Assigned capital	506,831	506,831	506,831	506,831
36 Share premium/(discount)	-	-	-	-
37 Revaluation reserves	-	-	-	-
38 Retained earnings /Accumulated losses	576,563	557,258	589,097	610,222
39 Statutory Loan Loss Reserve	-	88,721	91,495	101,269
40 Other Reserves	-	-	-	-
41 Proposed dividends	-	5,068	5,068	-
42 Capital Grants	-	-	-	-
43 TOTAL SHAREHOLDERS' FUNDS	1,083,394	1,157,878	1,192,491	1,218,322
44 Minority Interest	-	-	-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	5,165,484	5,360,864	5,620,524	6,607,009
II STATEMENT OF COMPREHENSIVE INCOME				
1.0 INTEREST INCOME				
1.1 Loans and advances	145,389	355,865	128,158	210,791
1.2 Government securities	54,519	136,928	33,671	68,767
1.3 Deposits and placements with banking institutions	5,844	7,988	2,342	3,768
1.4 Other Interest Income	-	-	-	-
1.5 Total Interest Income	205,752	500,781	164,171	283,326
2.0 INTEREST EXPENSE				
2.1 Customer deposits	128,824	256,408	60,464	135,681
2.2 Deposits and placements from banking institutions	123	302	6	92
2.3 Other Interest expense	-	175	452	1,963
2.4 Total Interest Expense	128,947	256,885	60,922	137,736
3.0 NET INTEREST INCOME/(LOSS)	76,805	243,896	103,249	145,590
4.0 OTHER OPERATING INCOME				
4.1 Fees and commissions on loans and advances	8,808	16,137	15,416	59,929
4.2 Other fees and commission	6,367	17,567	3,481	7,950
4.3 Foreign exchange trading income/(loss)	3,940	7,238	1,426	3,985
4.4 Dividend income	-	-	-	-
4.5 Other income	20,636	43,836	10,941	22,754
4.6 Total Non-Interest Income	39,751	84,778	31,264	94,618
5.0 TOTAL OPERATING INCOME	116,556	328,674	134,513	240,208
6.0 OPERATING EXPENSES				
6.1 Loan Loss Provision	23,038	(5,822)	669	4,074
6.2 Staff costs	83,353	166,733	41,881	85,371
6.3 Directors' emoluments	11,250	22,500	2,550	3,460
6.4 Dentals Char	6,684	13,437	1,614	3,170
6.5 Depreciation charge on property and equipment	6,528	13,022	3,882	10,644
6.6 Amortization Charge	4,458	9,819	2,680	5,595
6.7 Other operating expenses	47,605	108,473	28,740	36,094
6.8 Total Operating Expenses	182,916	328,162	81,916	148,408
7.0 Profit/(Loss) before Tax and Exceptional Items	(66,360)	512	52,597	91,800
7.1 Exceptional Items	-	512	-	-
9.0 Profit/(Loss) after Exceptional Items	(66,360)	512	52,597	91,800
10.0 Current tax	(17,500)	9,864	15,800	24,050
11.0 Deferred tax	-	(11,963)	-	-
12.0 Profit/(loss) after Tax and Exceptional Items	(48,860)	2,611	36,797	67,750
13.0 Minority Interest	-	-	-	-
14.0 Profit/(loss) after tax, exceptional items and Minority Interest	(48,860)	2,611	36,797	67,750
15.0 Other Comprehensive Income				
15.1 Gains/ (Losses) from translating the financial statements of foreign operations	-	-	-	-
15.2 Fair value changes in available for sale financial assets	-	-	-	-
15.3 Revaluation surplus on Property, plant and equipment	-	-	-	-
15.4 Share of other comprehensive income of associates	-	-	-	-
15.5 Income tax relating to components of other comprehensive income	-	-	-	-
16.0 Other Comprehensive Income for the year net of tax	-	-	-	-
17.0 Total Comprehensive Income for the year	(48,860)	2,611	36,797	67,750
18.0 Earnings Per Share - Basic & Diluted	(1.93)	0.10	1.45	2.67
19.0 Dividend Per Share - Declared	-	0.20	-	-
III OTHER DISCLOSURES				
1.0 Non-Performing Loans and Advances				
a) Gross non-performing loans and advances	1,306,509	1,227,094	1,216,886	1,331,012
b) Less: interest in suspense	229,991	247,821	244,101	245,778
c) Total Non-Performing Loans and Advances (a-b)	1,076,518	979,273	972,785	1,085,309
d) Less: loan loss provision	238,389	255,924	255,109	257,306
e) Net Non-Performing Loans and Advances (c-d)	838,129	723,349	717,676	828,003
f) Discounted value of Securities	838,129	723,349	717,676	828,003
g) Net NPLs Exposure (e-f)	-	-	-	-
2.0 Insider Loans and Advances				
a) Directors, shareholders and associates	43,078	14,407	33,729	990
b) Employees	88,260	86,029	87,217	84,322
c) Total Insider Loans and Advances and Other Facilities	131,338	100,436	120,946	85,312
3.0 Off-Balance Sheet Items				
a) Letters of credit, guarantees, acceptances	354,100	269,517	271,736	277,076
b) Forward, swaps and options	45,677	-	22,136	20,828
c) Other contingent liabilities	-	-	-	-
d) Total Contingent Liabilities	399,777	269,517	293,872	297,904
4.0 Capital Strength				
a) Core capital	1,059,621	1,023,539	1,004,197	1,018,431
b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess/(Deficiency)	59,621	23,539	4,197	18,431
d) Supplementary capital	-	88,721	91,495	101,269
e) Total capital (a+d)	1,059,621	1,112,260	1,095,692	1,119,700
f) Total risk weighted assets	2,497,545	2,475,148	2,418,601	2,762,974
g) Core capital/total deposit liabilities	26.48%	24.68%	23.16%	19.37%
h) Minimum Statutory Ratio	8.00%	8.00%	8.00%	8.00%
i) Excess/(Deficiency)	18.48%	16.68%	15.16%	11.37%
j) Core capital/total risk weighted assets	42.43%	41.35%	41.52%	36.86%
k) Minimum Statutory Ratio	10.50%	10.50%	10.50%	10.50%
l) Excess/(Deficiency)	31.93%	30.85%	31.02%	26.36%
m) Total capital/total risk weighted assets	42.43%	44.94%	45.30%	40.53%
n) Minimum Statutory Ratio	14.50%	14.50%	14.50%	14.50%
o) Excess/(Deficiency)	27.93%	30.44%	30.80%	26.03%
p) Adjusted core capital/ total deposit liabilities*	27.00%	24.70%	23.24%	19.42%
q) Adjusted core capital/ total risk weighted assets*	43.30%	41.40%	41.67%	36.96%
r) Adjusted total capital/total risk weighted assets*	43.30%	44.90%	45.46%	40.63%
5.0 Liquidity				
a) Liquidity Ratio	54.66%	56.08%	54.51%	35.65%
b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%
c) Excess / (Deficiency)	34.66%	36.08%	34.51%	15.65%

Notes

* 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 financial statements are extracts from the books of the Bank.

The complete set of quarterly financial statements, statutory and qualitative disclosures can be accessed on our website: www.mebkenya.com

They may also be accessed at the Bank's Head Office located at Mebank Tower, Milimani Road, Nairobi.

Isaac Mwigie
Managing Director

AAK Esmail
Chairman