



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 -TARITA CENTRE
RONALD NGALA STREET
TEL-254-053-2030917/13/23/35

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 30.06.2017

I BALANCE SHEET		30 th Jun 2016 UNAUDITED Shs.'000'	31 st Dec 2016 AUDITED Shs.'000'	31 st Mar 2017 UNAUDITED Shs.'000'	30 th Jun 2017 UNAUDITED Shs.'000'
A ASSETS					
1	Cash (both local and foreign)	119,534	95,791	87,132	102,588
2	Balances due from Central Bank of Kenya	253,147	205,235	211,528	164,088
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	773,223	680,999	730,435	725,751
	(ii) Other securities	-	-	-	-
	b) Available for sale:				
	(i) Kenya Government securities	-	-	-	-
	(ii) Other securities	-	-	-	-
6	Deposits and balances due from local banking institutions	75,308	80,402	35,373	347
7	Deposits and balances due from banking institutions abroad	104,446	176,313	82,130	156,311
8	Tax recoverable	19,115	1,638	-	97
9	Loans and advances to customers (net)	3,750,554	3,616,626	3,681,520	3,623,742
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	178,602	174,079	171,356	176,340
16	Prepaid Lease rentals	75,857	75,374	75,133	74,891
17	Intangible assets - (computer software)	295	10,422	10,942	22,568
18	Deferred tax asset	31,221	75,932	75,932	75,932
19	Retirement benefit asset	-	-	-	-
20	Other assets	62,691	40,711	119,212	126,984
	TOTAL ASSETS	5,443,993	5,233,522	5,280,693	5,249,639
B LIABILITIES					
21	Balances due to Central Bank of Kenya	200,610	-	-	119,867
22	Customer deposits	3,948,033	3,996,055	3,956,571	3,825,945
23	Deposits and balances due to local banking institutions	-	-	-	15,576
24	Deposits and balances due to foreign banking institutions	-	-	-	-
25	Other money market deposits	-	-	-	-
26	Borrowed funds	-	-	-	-
27	Balances due to group companies	-	-	-	-
28	Tax payable	-	-	7,781	-
29	Dividends payable	5,068	-	-	-
30	Deferred tax liability	-	-	-	-
31	Retirement benefit liability	-	-	-	-
32	Other liabilities	52,431	45,358	102,410	109,887
	TOTAL LIABILITIES	4,206,142	4,041,413	4,066,762	4,071,275
C SHAREHOLDERS' FUNDS					
33	Paid up/Assigned capital	506,831	506,831	506,831	506,831
34	Share premium/(discount)	-	-	-	-
35	Revaluation reserves	-	-	-	-
36	Retained earnings /Accumulated losses	720,826	667,072	688,894	653,327
37	Statutory Loan Loss Reserve	10,194	13,138	13,138	13,138
38	Other Reserves	-	-	-	-
39	Proposed dividends	-	5,068	5,068	5,068
40	Capital Grants	-	-	-	-
	TOTAL SHAREHOLDERS' FUNDS	1,237,851	1,192,109	1,213,931	1,178,364
	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	5,443,993	5,233,522	5,280,693	5,249,639
II STATEMENT OF COMPREHENSIVE INCOME					
INTEREST INCOME					
1	Loans and advances	253,500	532,782	139,661	242,920
2	Government securities	24,450	52,067	14,073	28,412
3	Deposits and placements with banking institutions	549	1,770	1,890	2,218
4	Other Interest Income	-	-	-	-
	Total Interest Income	278,499	586,619	155,624	273,550
INTEREST EXPENSE					
5	Customer deposits	188,980	348,391	67,986	129,900
6	Deposits and placements from banking institutions	3,353	3,529	224	1,263
7	Other Interest expense	16,063	17,886	-	100
	Total Interest Expense	208,396	369,806	68,210	131,263
	NET INTEREST INCOME/(LOSS)	70,103	216,813	87,414	142,287
OTHER OPERATING INCOME					
8	Fees and commissions on loans and advances	14,218	25,689	7,363	13,368
9	Other fees and commission	5,028	13,026	2,925	5,196
10	Foreign exchange trading income/(loss)	22,718	33,497	8,898	13,455
11	Dividend income	-	-	-	-
12	Other income	20,884	44,572	9,972	18,119
	Total Non-Interest Income	62,848	116,784	29,158	50,138
	TOTAL OPERATING INCOME	132,951	333,597	116,572	192,425
OPERATING EXPENSES					
13	Loan Loss Provision	2,527	64,911	1,615	34,301
14	Staff costs	90,195	169,680	46,319	92,110
15	Directors' emoluments	11,070	22,225	5,550	11,115
16	Rentals Charges	5,955	13,537	3,069	6,240
17	Depreciation charge on property and equipment	5,803	11,488	2,863	6,024
18	Amortization Charge	601	1,201	334	1,718
19	Other operating expenses	46,138	151,144	25,654	49,314
	Total Operating Expenses	162,289	434,586	85,404	200,822
	Profit/(Loss) before exceptional items	(29,338)	(100,989)	31,168	(8,397)
	Exceptional items	-	-	-	-
	Profit/(Loss) after exceptional items	(29,338)	(100,989)	31,168	(8,397)
21	Current tax	(8,791)	10,008	9,350	5,351
22	Deferred tax	-	(44,712)	-	-
	Profit/(loss) after tax and exceptional items	(20,547)	(66,285)	21,818	(13,748)
	Other Comprehensive Income	-	-	-	-
23	Gains/ (Losses) from translating the financial statements of foreign operations	-	-	-	-
24	Fair value changes in available for sale financial assets	-	-	-	-
25	Revaluation surplus on Property, plant and equipment	-	-	-	-
26	Share of other comprehensive income of associates	-	-	-	-
27	Income tax relating to components of other comprehensive income	-	-	-	-
	Other Comprehensive Income for the year net of tax	-	-	-	-
	Total Comprehensive Income for the year	(20,547)	(66,285)	21,818	(13,748)
	Earnings Per Share - Basic & Diluted	(0.81)	(2.62)	0.86	(0.54)
	Dividend Per Share - Declared	-	0.20	-	-
III OTHER DISCLOSURES					
1.0 Non-Performing Loans and Advances					
1.1	a) Gross non-performing loans and advances	1,206,977	1,193,400	1,217,357	1,264,419
1.2	b) Less: interest in suspense	212,016	266,886	268,705	301,635
1.3	c) Total Non-Performing Loans and Advances (a-b)	994,961	926,514	948,652	962,784
1.4	d) Less: loan loss provision	177,940	131,241	134,941	165,716
1.5	e) Net Non-Performing Loans and Advances (c-d)	817,021	795,273	813,711	797,068
1.6	f) Discounted value of Securities	817,021	795,273	813,711	797,068
1.7	g) Net NPLs Exposure (e-f)	-	-	-	-
2.0 Insider Loans and Advances					
2.1	a) Directors, shareholders and associates	217,065	1,090	1,090	2,719
2.2	b) Employees	86,088	88,754	87,249	87,201
2.3	c) Total Insider Loans and Advances and Other Facilities	303,153	89,844	88,339	89,920
3.0 Off-Balance Sheet Items					
3.1	a) Letters of credit, guarantees, acceptances	208,464	341,974	258,440	309,876
3.2	b) Forward, swaps and options	1,023,557	633,328	565,522	453,549
3.3	c) Other contingent liabilities	-	-	-	-
3.4	d) Total Contingent Liabilities	1,232,021	975,302	823,962	763,425
4.0 Capital Strength					
4.1	a) Core capital	1,226,548	1,173,011	1,183,924	1,159,267
4.2	b) Minimum Statutory Capital	1,000,000	1,000,000	1,000,000	1,000,000
4.3	c) Excess/(Deficiency)	226,548	173,011	183,924	159,267
4.4	d) Supplementary capital	10,194	13,138	13,138	13,138
4.5	e) Total capital (a+d)	1,236,742	1,186,149	1,197,062	1,172,405
4.6	f) Total risk weighted assets	3,870,120	3,748,650	3,747,436	3,756,606
4.7	g) Core capital/total deposit liabilities	31.07%	29.35%	29.92%	30.90%
4.8	h) Minimum Statutory Ratio	8.00%	8.00%	8.00%	8.00%
4.9	i) Excess/(Deficiency)	23.07%	21.35%	21.92%	22.90%
4.10	j) Core capital/total risk weighted assets	31.69%	31.29%	31.59%	30.86%
4.11	k) Minimum Statutory Ratio	10.50%	10.50%	10.50%	10.50%
4.12	l) Excess/(Deficiency)	21.19%	20.79%	21.09%	20.36%
4.13	m) Total capital/total risk weighted assets	31.96%	31.64%	31.94%	31.21%
4.14	n) Minimum Statutory Ratio	14.50%	14.50%	14.50%	14.50%
4.15	o) Excess/(Deficiency)	17.46%	17.14%	17.44%	16.71%
5.0 Liquidity					
5.1	a) liquidity Ratio	28.64%	31.05%	29.12%	26.50%
5.2	b) minimum statutory ratio	20.00%	20.00%	20.00%	20.00%
5.3	c) Excess/(Deficiency)	8.64%	11.05%	9.12%	6.50%

Message from the Directors

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.

Dhirendra Rana
Managing Director

AAK Esmail
Chairman