



MIDDLE EAST BANK KENYA LIMITED

HEAD OFFICE AND NAIROBI BRANCH
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INDUSTRIAL AREA - Butere Road
Tel: 020-650158

Eldoret Branch - Tarita Centre
Ronald Ngala Street
Tel: 254-053-2030917/13/23/35
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QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES AS AT 31.03.2020

I BALANCE SHEET		31st March 2019	31st Dec 2019	31st March 2020
		UNAUDITED Shs.'000'	AUDITED Shs.'000'	UNAUDITED Shs.'000'
A ASSETS				
1	Cash (both local and foreign)	76,363	58,569	66,639
2	Balances due from Central Bank of Kenya	457,737	462,528	571,636
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	1,532,813	1,172,971	1,107,962
(ii)	Other securities	-	-	-
b)	Available for sale:			
(i)	Kenya Government securities	-	-	-
(ii)	Other securities	-	-	-
6	Deposits and balances due from local banking institutions	99,437	51	223,313
7	Deposits and balances due from banking institutions abroad	194,583	286,243	165,720
8	Tax recoverable	-	-	-
9	Loans and advances to customers (net)	2,754,795	5,964,756	6,257,959
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	179,437	200,739	211,758
16	Prepaid Lease rentals	73,202	72,478	72,237
17	Intangible assets - (computer software)	39,336	36,010	35,603
18	Deferred tax asset	113,060	75,306	75,306
19	Retirement benefit asset	-	-	-
20	Other assets	99,761	136,633	175,706
21	TOTAL ASSETS	5,620,524	8,466,284	8,963,839
B LIABILITIES				
22	Balances due to Central Bank of Kenya	-	-	-
23	Customer deposits	4,336,332	6,837,845	7,644,111
24	Deposits and balances due to local banking institutions	-	300,000	-
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	16,502	7,084	18,986
30	Dividends payable	-	-	-
31	Deferred tax liability	-	-	-
32	Retirement benefit liability	-	-	-
33	Other liabilities	75,199	165,571	117,178
34	TOTAL LIABILITIES	4,428,033	7,310,500	7,780,275
C SHAREHOLDERS' FUNDS				
35	Paid up/Assigned capital	506,831	506,831	506,831
36	Share premium/(discount)	-	-	-
37	Revaluation reserves	-	-	-
38	Retained earnings /Accumulated losses	589,097	636,428	664,329
39	Statutory Loan Loss Reserve	91,495	7,457	7,336
40	Other Reserves	-	-	-
41	Proposed dividends	5,068	5,068	5,068
42	Capital Grants	-	-	-
43	TOTAL SHAREHOLDERS' FUNDS	1,192,491	1,155,784	1,183,564
44	Minority Interest	-	-	-
45	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	5,620,524	8,466,284	8,963,839
II STATEMENT OF COMPREHENSIVE INCOME				
1.0	INTEREST INCOME			
1.1	Loans and advances	128,158	521,010	153,773
1.2	Government securities	33,671	121,110	25,374
1.3	Deposits and placements with banking institutions	2,342	10,572	387
1.4	Other Interest Income	-	-	-
1.5	Total Interest income	164,171	652,692	179,534
2.0	INTEREST EXPENSE			
2.1	Customer deposits	60,464	317,037	110,908
2.2	Deposits and placements from banking institutions	6	1,052	3,816
2.3	Other interest expense	452	3,591	1,244
2.4	Total Interest Expense	60,922	321,680	115,968
3.0	NET INTEREST INCOME/(LOSS)	103,249	331,012	63,566
4.0	OTHER OPERATING INCOME			
4.1	Fees and commissions on loans and advances	15,416	115,720	60,597
4.2	Other fees and commission	3,481	15,582	3,898
4.3	Foreign exchange trading income/(loss)	1,426	12,700	4,921
4.4	Dividend income	-	-	-
4.5	Other income	10,941	51,652	21,866
4.6	Total Non-Interest Income	31,264	195,654	91,282
5.0	TOTAL OPERATING INCOME	134,513	526,666	154,848
6.0	OPERATING EXPENSES			
6.1	Loan Loss Provision	669	104,409	11,446
6.2	Staff costs	41,881	182,693	45,927
6.3	Directors' emoluments	2,550	32,653	9,175
6.4	Rentals Charges	1,514	8,584	1,562
6.5	Depreciation charge on property and equipment	3,882	21,375	1,718
6.6	Amortization Charge	2,680	11,730	2,787
6.7	Other operating expenses	28,740	105,593	37,081
6.8	Total Operating Expenses	81,916	467,037	115,516
7.0	Profit / (Loss) before Tax and Exceptional Items	52,597	59,629	39,692
8.0	Exceptional items	-	-	-
9.0	Profit / (Loss) after Exceptional Items	52,597	59,629	39,692
10.0	Current tax	15,800	17,986	11,915
11.0	Deferred tax	-	38,029	-
12.0	Profit / (loss) after Tax and Exceptional Items	36,797	3,614	27,777
13.0	Minority Interest	-	-	-
14.0	Profit / (loss) after tax, exceptional items and Minority Interest	36,797	3,614	27,777
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	36,797	3,614	27,777
18.0	Earnings Per Share - Basic & Diluted	1.45	0.14	1.10
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	1,216,886	869,702	804,902
b)	Less: Interest in suspense	244,101	50,307	52,733
c)	Total Non-Performing Loans and Advances (a-b)	972,785	819,395	752,169
d)	Less: loan loss provision	255,109	137,555	148,916
e)	Net Non-Performing Loans and Advances (c-d)	717,676	681,840	603,253
f)	Discounted value of Securities	717,676	681,840	603,253
g)	Net NPLs Exposure (e-f)	-	-	-
2.0	Insider Loans and Advances			
a)	Directors, shareholders and associates	33,729	324,471	329,049
b)	Employees	87,217	93,260	81,191
c)	Total Insider Loans and Advances and Other Facilities	120,946	417,731	410,240
3.0	Off-Balance Sheet Items			
a)	Letters of credit, guarantees, acceptances	271,736	724,590	485,235
b)	Forward, swaps and options	22,136	376,078	31,197
c)	Other contingent liabilities	-	-	-
d)	Total Contingent Liabilities	293,872	1,100,668	516,432
4.0	Capital Strength			
a)	Core capital	1,004,197	1,086,257	1,102,193
b)	Minimum Statutory Capital	1,000,000	1,000,000	1,000,000
c)	Excess/(Deficiency)	4,197	86,257	102,193
d)	Supplementary capital	91,495	4,457	7,336
e)	Total capital (a-d)	1,095,692	1,095,714	1,109,529
f)	Total risk weighted assets	2,418,601	3,506,605	3,881,530
g)	Core capital/total deposit liabilities	23.16%	15.89%	14.42%
h)	Minimum Statutory Ratio	8.00%	8.00%	8.00%
i)	Excess/(Deficiency)	15.16%	7.89%	6.42%
j)	Core capital/total risk weighted assets	41.52%	30.98%	28.40%
k)	Minimum Statutory Ratio	10.50%	10.50%	10.50%
l)	Excess/(Deficiency)	31.02%	20.48%	17.90%
m)	Total capital/total risk weighted assets	45.30%	31.19%	28.58%
n)	Minimum Statutory Ratio	14.50%	14.50%	14.50%
o)	Excess/(Deficiency)	30.80%	16.69%	14.08%
p)	Adjusted core capital/ total deposit liabilities*	23.24%	15.90%	14.40%
q)	Adjusted core capital/ total risk weighted assets*	41.67%	31.00%	28.40%
r)	Adjusted total capital/total risk weighted assets*	45.46%	31.20%	28.60%
5.0	Liquidity			
a)	Liquidity Ratio	54.51%	24.21%	27.60%
b)	minimum statutory ratio	20.00%	20.00%	20.00%
c)	Excess / (Deficiency)	34.51%	4.21%	7.60%

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, Millimani Road, Nairobi.

Isaac Mwiye
Managing Director

AAK Esmail
Chairman