	BALANCE SHEET					
		AUDITED DECEMBER	AUDITED DECEMBER	1		
		2005 (KSHS'000)	2006 (KSHS'000)			
<b>A</b> 1	ASSETS Cash (both local and foreign)	116,705	204,693			
2 3	Balances due from Central Bank of Kenya	898,105	1,145,780	1		
4	Kenya Government securities Foreign Currency Treasury bills and Bonds	2,922,302	3,898,221			
5 6	Deposits and Balances due from Local banking Institutions Deposits and Balances due from banking Institutions abroad	153,976 1,328,563	312,267 565,792			
7 8	Government and other securities held for dealing purposes Tax recoverable	12/01	-			
9 10	Loans and advances to customers (net) Investment Securities	11,086,701	14,702,497	2		
11	Balances due from group companies		-	-		
12 13	Investment in associates Investment in subsidiary companies		-			
14 15	Investment in joint ventures Investment properties	- 965,000	-	3		
16 17	Property and equipment Prepaid lease rentals	167,138 -	1,005,906 110,696	4		
18 19	Intangible assets Deferred tax asset	10,747 56,976	10,747 72,918	4		
20 21	Other assets		-			
21 22	TOTAL ASSETS	340,065 18,046,278	318,728 22,348,245			
в	LIABILITIES					
23 24	Balances due to Central Bank of Kenya Customer deposits	- 14,798,796	- 18,220,103	5		
25 26	Deposits and balances due to local banking institutions Deposits and balances due to foreign banking institutions	412,999	143,436 37,745	6		
27	Other money market deposits	95,042	320,172			
28 29	Borrowed funds Balances due to Group Companies	463,697	364,611			
30 31	Tax payable Dividends Payable	30,970 1,538	116,595 -			
32 33	Deferred tax liability Retirement benefit liability		-			
34 35	Other Liabilities TOTAL LIABILITIES	186,985 <b>15,990,027</b>	<u>350,435</u> <b>19,553,097</b>			
		10,000,021	13,333,037	7		
<b>C</b> 36	SHAREHOLDERS' EQUITY Paid up/ Assigned share capital	1,500,000	1,740,000			
37 38	Share premium/ (discount) Revaluation reserves		-			
39 40	Retained earnings/(Accumulated losses) Statutory Loan Loss Reserves	403,651 2,600	697,130 8,018	9		
41 42	Proposed dividends Capital Grants	150,000	350,000	10 11		
43	TOTAL SHAREHOLDERS' EQUITY	2,056,251	2,795,148	11		
				12		
	OTHER DISCLOSURES	18,046,278	22,348,245	12		
		18,046,278 AUDITED DECEMBER	22,348,245 AUDITED DECEMBER	The		
		18,046,278 AUDITED	22,348,245 AUDITED	The		
1	OTHER DISCLOSURES	18,046,278 AUDITED DECEMBER 2005 (KSHS'000)	22,348,245 AUDITED DECEMBER 2006 (KSHS'000)	The		
	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918	The		
	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances	18,046,278 AUDITED DECEMBER 2005 (KSHS'000)	22,348,245 AUDITED DECEMBER 2006 (KSHS'000)	The state		
	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390	The state		
	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less d) Loan loss provisions e) Net Non Performing Loans(c-d)	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731	12 The state Sign S.B. Sari		
	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less d) Loan loss provisions	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797	The state Sign S.B.		
	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less d) Loan loss provisions e) Net Non Performing Loans(c-d) f) Discounted value of securities g) Net NPLs exposure (e-f) INSIDER LOANS AND ADVANCES	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 0	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 207,731 0	The state Sign S.B.		
1	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less d) Loan loss provisions e) Net Non Performing Loans(c-d) f) Discounted value of securities g) Net NPLs exposure (e-f) INSIDER LOANS AND ADVANCES a) Directors, shareholders and associates b) Employees	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 0 0	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 207,731 0 61,648 78,207	The state Sign S.B.		
1	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less d) Loan loss provisions e) Net Non Performing Loans(c-d) f) Discounted value of securities g) Net NPLs exposure (e-f) INSIDER LOANS AND ADVANCES a) Directors, shareholders and associates b) Employees c) Total Insider Loans and Advances	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 0 52,464	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 207,731 0 61,648	The state Sign S.B. Sari		
1	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less d) Loan loss provisions e) Net Non Performing Loans(c-d) f) Discounted value of securities g) Net NPLs exposure (e-f) INSIDER LOANS AND ADVANCES a) Directors, shareholders and associates b) Employees c) Total Insider Loans and Advances OFF- BALANCE SHEET ITEMS a) Letters of Credit,Guarantees,Acceptances	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 558,035 0 52,464 72,387 124,851 3,847,349	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 207,731 207,731 0 61,648 78,207 139,855 5,244,155	The state Sign S.B. Sari REC I&M		
1	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less d) Loan loss provisions e) Net Non Performing Loans(c-d) f) Discounted value of securities g) Net NPLs exposure (e-f) INSIDER LOANS AND ADVANCES a) Directors, shareholders and associates b) Employees c) Total Insider Loans and Advances OFF- BALANCE SHEET ITEMS	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 0 0 52,464 72,387 124,851	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 207,731 207,731 0 61,648 78,207 139,855	The state Sign S.B. Sari REC I&M 2nd		
1	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less d) Loan loss provisions e) Net Non Performing Loans(c-d) f) Discounted value of securities g) Net NPLs exposure (e-f) INSIDER LOANS AND ADVANCES a) Directors, shareholders and associates b) Employees c) Total Insider Loans and Advances OFF- BALANCE SHEET ITEMS a) Letters of Credit, Guarantees, Acceptances b) Other contingent items c) Total contingent liabilities	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 0 558,035 0 52,464 72,387 124,851 3,847,349 1,787,168	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 207,731 207,731 0 61,648 78,207 139,855 5,244,155 2,538,436	The state Sign S.B. Sari REC I&M		
1	OTHER DISCLOSURES         NON - PERFORMING LOANS AND ADVANCES         a) Gross Non- performing Loans and advances         Less         b) Interest in suspense         c) Total Non- performing loans and advances (a-b)         Less         d) Loan loss provisions         e) Net Non Performing Loans(c-d)         1 Discounted value of securities         g) Net NPLs exposure (e-f)         INSIDER LOANS AND ADVANCES         a) Directors, shareholders and associates         b) Employees         c) Total Insider Loans and Advances         OFF- BALANCE SHEET ITEMS         a) Letters of Credit, Guarantees, Acceptances         b) Other contingent liabilities         CAPITAL STRENGTH         a) Core capital	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 0 52,464 72,387 124,851 3,847,349 1,787,168 5,634,517 1,892,904	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 207,731 207,731 207,731 0 61,648 78,207 139,855 5,244,155 2,538,436 7,782,591 2,424,097	The state Sign S.B. Sari REC I&M 2nd P.O. 0010 Tel:		
1	OTHER DISCLOSURES         NON - PERFORMING LOANS AND ADVANCES         a) Gross Non- performing Loans and advances         Less         b) Interest in suspense         c) Total Non- performing loans and advances (a-b)         Less         d) Loan loss provisions         PNET Non Performing Loans(c-d)         1) Discounted value of securities         g) Net Non Performing Loans(c-d)         1) Discounted value of securities         g) Net NPLs exposure (e-f)         INSIDER LOANS AND ADVANCES         a) Directors, shareholders and associates         b) Employees         C) Total Insider Loans and Advances         OFF- BALANCE SHEET ITEMS         a) Letters of Credit, Guarantees, Acceptances         b) Other contingent liabilities         CAPITAL STRENGTH         a) Core capital         b) Minimum Statutory Capital         C) Total contingent Liabilities	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 50,000 124,851	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 207,732 20,000 20,74097 20,000 20,774,097	The state Sign S.B. Sari REC I&M 2nd P.O. 0010		
1	OTHER DISCLOSURES         NON - PERFORMING LOANS AND ADVANCES         a) Gross Non- performing Loans and advances         Less         b) Interest in suspense         c) Total Non- performing loans and advances (a-b)         Less         d) Loan loss provisions         e) Net Non Performing Loans(c-d)         1 Discounted value of securities         g) Net NPLs exposure (e-f)         INSIDER LOANS AND ADVANCES         a) Directors, shareholders and associates         b) Employees         c) Total Insider Loans and Advances         OFF- BALANCE SHEET ITEMS         a) Letters of Credit, Guarantees, Acceptances         b) Other contingent liabilities         CAPITAL STRENGTH         a) Core capital         b) Minimum Statutory Capital	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 0 52,464 72,387 124,851 3,847,349 1,787,168 5,634,517 1,892,904 250,000	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 207,731 207,731 0 61,648 78,207 139,855 5,244,155 2,538,436 7,782,591 2,424,097 250,000	The state Sign S.B. Sari REC I&M 2nd P.O. 0010 Tel:		
1	OTHER DISCLOSURES         NON - PERFORMING LOANS AND ADVANCES         a) Gross Non- performing Loans and advances         Less         b) Interest in suspense         c) Total Non- performing loans and advances (a-b)         Less         d) Loan loss provisions         e) Net Non Performing Loans(c-d)         f) Discounted value of securities         g) Net NPLs exposure (e-f)         INSIDER LOANS AND ADVANCES         a) Directors, shareholders and associates         b) Employees         c) Total Insider Loans and Advances         OFF- BALANCE SHEET ITEMS         a) Letters of Credit, Guarantees, Acceptances         b) Other contingent liabilities         CAPITAL STRENGTH         a) Core capital         b) Minimum Statutory Capital         Capital Stateory (deficiency)         d) Minimum Statutory Capital         Capital	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 558,035 0 0 52,464 72,387 124,851 3,847,349 1,787,168 5,634,517 1,892,904 250,000 1,642,904 2,600	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 207,731 207,731 207,731 207,731 0 0 61,648 78,207 139,855 5,244,155 2,538,436 7,782,591 2,424,097 250,000 2,174,097 8,018	The state Sign S.B. Sari REC I&M 2nd P.O. 0010 Tel: Fax: Jeth Bias		
1	OTHER DISCLOSURES         NON - PERFORMING LOANS AND ADVANCES         a) Gross Non- performing Loans and advances         Less         b) Interest in suspense         c) Total Non- performing loans and advances (a-b)         Less         d) Loan loss provisions         e) Net Non Performing Loans(c-d)         1 Discounted value of securities         g) Net NPLs exposure (e-f)         INSIDER LOANS AND ADVANCES         a) Directors, shareholders and associates         b) Employees         c) Total Insider Loans and Advances         OFF- BALANCE SHEET ITEMS         a) Letters of Credit, Guarantees, Acceptances         b) Other contingent liabilities         CAPITAL STRENGTH         a) Core capital         b) Minimum Statutory Capital         c) Supplementary capital         c) Supplementary capital         c) Total capital (a+d)	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 0 52,464 72,387 124,851 3,847,349 1,787,168 5,634,517 1,892,904 2,600 1,642,904 2,600 1,895,504	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 207,731 207,731 207,731 0 61,648 78,207 139,855 5,244,155 2,538,436 7,782,591 2,424,097 250,000 2,174,097 8,018 2,432,115	The state Sign S.B. Sari Sari REC I&M 2nd P.O. 0010 Tel: Fax Jeth Bias P.O.		
1	OTHER DISCLOSURES         NON - PERFORMING LOANS AND ADVANCES         a) Gross Non- performing Loans and advances         b) Interest in suspense         c) Total Non- performing loans and advances (a-b)         Less         d) Loan loss provisions         e) Net Non Performing Loans(c-d)         f) Discounted value of securities         g) Net NPLs exposure (e-f)         INSIDER LOANS AND ADVANCES         a) Directors, shareholders and associates         b) Employees         Cotal Insider Loans and Advances         Other contingent itemit         Binectors, shareholders and associates         b) Employees         Cotal Insider Loans and Advances         Other contingent itemit         Other contingent liabilities         CAPITAL STRENGTH         a) Ocre capital         b) Minimum Statutory Capital         c) Supplementary capital         c) Supplementary capital         c) Supplementary capital         c) Total capital (a+d)	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 558,035 0 0 52,464 72,387 124,851 3,847,349 1,787,168 5,634,517 1,892,904 2,600 1,642,904 2,600 1,895,504 15,120,864	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 20,732 20,000 20,740,97 8,018 20,432,115 18,991,412	The state Sign S.B. Sari Sari REC I&M 2nd P.O. 0010 Tel: Fax: Jeth Bias P.O. 0010		
1	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less d) Loan loss provisions e) Net Non Performing Loans(c-d) f) Discounted value of securities g) Net NPLs exposure (e-f) NSIDER LOANS AND ADVANCES a) Directors, shareholders and associates b) Employees c) Total Insider Loans and Advances DF- BALANCE SHEET ITEMS a) Letters of Credit, Guarantees, Acceptances b) Other contingent liabilities CAPITAL STRENGTH a) Core capital b) Minimum Statutory Capital c) Total risk weighted assets g) Core capital (a+d) f) Cotal risk weighted assets b) Core capital/total deposit liabilities b) Minimum statutory ratio c) Core say (Deficiency) (g-h)	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 558,035 0 52,464 72,387 124,851 3,847,349 1,787,168 5,634,517 1,892,904 2,600 1,642,904 2,600 1,642,904 2,600 1,642,904 2,600 1,895,504 15,120,864 12,44% 8,00% 4,44%	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 20,732 20,000 2,174,097 8,018 2,432,115 13,20% 8,00% 5,20%	The state Sign S.B. Sari Sari REC I&M 2nd P.O. 0010 Tel: Fax Jeth Bias P.O.		
1	OTHER DISCLOSURES         NON - PERFORMING LOANS AND ADVANCES         a) Gross Non- performing Loans and advances         b) Interest in suspense         C) Total Non- performing loans and advances (a-b)         Less         () Total Non- performing Loans(c-d)         f) Discounted value of securities         g) Net Non Performing Loans(c-d)         f) Discounted value of securities         g) Net NPLs exposure (e-f)         INSIDER LOANS AND ADVANCES         a) Directors, shareholders and associates         b) Employees         c) Total Insider Loans and Advances         OFF- BALANCE SHEET ITEMS         a) Letters of Credit, Guarantees, Acceptances         b) Offer contingent items         c) Total contingent liabilities         b) Other contingent items         c) Total contingent liabilities         b) Other contingent liabilities         b) Minimum Statutory Capital         c) Total capital (a+d)         f) Total risk weighted assets         g) Core capital/total deposit liabilities         h) Minimum statutory ratio         j) Excess /(Deficiency) (g-h)         l) Core capital/total risk weighted assets         k) Minimum statutory ratio	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 124,594 72,387 124,851 3,847,349 1,787,168 5,634,517 1,892,904 250,000 1,642,904 250,000 1,642,904 2600 1,895,504 15,120,864 12,44% 8,00% 4,44% 12,52% 8,00%	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 20,732 2,538,436 7,782,591 2,538,436 7,782,591 2,50,000 2,174,097 8,018 2,432,115 13,20% 8,00% 5,20% 12,82% 8,00%	The state st		
1	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less c) Loan loss provisions e) Net Non Performing Loans(c-d) f) Discounted value of securities g) Net NPLs exposure (e-f) NSIDER LOANS AND ADVANCES a) Directors, shareholders and associates b) Employees c) Total Insider Loans and Advances DFF- BALANCE SHEET ITEMS a) Letters of Credit, Guarantees, Acceptances b) Other contingent items c) Total contingent items c) Total contingent items c) Supplementary capital c) Excess/(deficiency) c) Total risk weighted assets c) Minimum statutory ratio c) Core capital/total deposit liabilities c) Core capital/total risk weighted assets b) Minimum statutory ratio c) Core capital/total risk weighted assets c) Minimum statutory ratio c) Core capital/total risk weighted assets c) Minimum statutory ratio c) Core capital/total risk weighted assets c) Minimum statutory ratio c) Core capital/total risk weighted assets c) Minimum statutory ratio c) Excess /(Deficiency) (j-k)	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 0 0 52,464 72,387 124,851 3,847,349 1,787,168 5,634,517 1,892,904 250,000 1,642,904 2,600 1,895,504 12,44% 8,00% 4,44% 12,52% 8,00% 4,52%	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 207,731 207,731 207,731 207,731 0 61,648 78,207 139,855 5,244,155 2,538,436 7,782,591 2,424,097 250,000 2,174,097 8,018 2,432,115 18,911,412 13,20% 8,00% 5,20% 12,82% 8,00% 4,82%	The state st		
1	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less c) Loan loss provisions e) Net Non Performing Loans(c-d) f) Discounted value of securities g) Net NPLs exposure (e-f) INSIDER LOANS AND ADVANCES a) Directors, shareholders and associates b) Employees c) Total Insider Loans and Advances OFF- BALANCE SHEET ITEMS a) Letters of Credit, Guarantees, Acceptances b) Other contingent liabilities CAPITAL STRENGTH a) Core capital b) Minimum Statutory Capital c) Total risk weighted assets b) Minimum statutory ratio c) Core capital/total risk weighted assets b) Minimum statutory ratio c) Excess /(Deficiency) (j-k) m) Total capital/total risk weighted assets b) Minimum statutory ratio c) Excess /(Deficiency) (j-k) c) Minimum statutory ratio c) Minimum statutory ratio c) Minimum statutory ratio c) Minimum statutory ratio c) Minimum sta	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 558,035 558,035 0 0 52,464 72,387 124,851 3,847,349 1,787,168 5,634,517 1,892,904 250,000 1,642,904 2,600 1,895,504 15,120,864 12,44% 8,00% 4,44% 12,52% 8,00% 4,52% 12,54% 12,00%	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 20,207 20,000 2,174,097 8,018 2,432,115 18,911,412 13,20% 8,00% 5,20% 12,82% 8,00% 4,82% 12,86% 12,00%	The state st		
1	OTHER DISCLOSURES NON - PERFORMING LOANS AND ADVANCES a) Gross Non- performing Loans and advances Less b) Interest in suspense c) Total Non- performing loans and advances (a-b) Less c) Loan loss provisions e) Net Non Performing Loans(c-d) f) Discounted value of securities g) Net NPLs exposure (e-f) NSIDER LOANS AND ADVANCES a) Directors, shareholders and associates b) Employees c) Total Insider Loans and Advances OFF-BALANCE SHEET ITEMS a) Letters of Credit, Guarantees, Acceptances b) Other contingent liabilities CAPTAL STRENGTH a) Core capital b) Minimum Statutory Capital c) Total capital (a+d) f) Total risk weighted assets b) Core capital/total risk weighted assets b) Encess /(Deficiency) (j-k) m) Total capital/total risk weighted assets b) Encess /(Deficiency) (j-k) m) Total capital/total risk weighted assets b) Encess /(Deficiency) (j-k) m) Total capital/total risk weighted assets	18,046,278 AUDITED DECEMBER 2005 (KSHS'000) 838,904 154,275 684,629 126,594 558,035 558,035 558,035 0 0 52,464 72,387 124,851 3,847,349 1,787,168 5,634,517 1,892,904 250,000 1,642,904 2,600 1,642,904 2,600 1,642,904 2,600 1,895,504 15,120,864 12,44% 8,00% 4,44% 12,52% 8,00% 4,52%	22,348,245 AUDITED DECEMBER 2006 (KSHS'000) 357,918 83,390 274,528 66,797 207,731 20,000 2,174,097 8,018 2,432,115 13,20% 8,00% 5,20% 12,82% 8,00% 4,82% 8,00%	The state st		
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			AUDITED DECEMBER	AUDITED DECEMBER				
			2005	2006				
			(KSHS'000)	(KSHS'000)				
1	INTEREST INCOME							
	1.1 Loans and advances		1,280,612	1,722,410				
	<ol> <li>1.2 Government securities</li> <li>1.3 Deposits and placements with</li> </ol>	hanking institutions	242,583 40,609	312,257 71,242				
	1.4 Other interest income		7,348					
	I.5 Total interest income		1,571,152	2,105,909				
2	INTEREST EXPENSE							
10	2.1 Customer deposits		634,888	816,465				
	2.2 Deposits and placements from 2.3 Other interest expenses	m banking institutions	29,898	16,157				
	2.4 Total interest expense		19,948 684,734	31,514 <b>864,136</b>				
3	NET INTEREST INCOME/ (LOS	5)	886,418	1,241,773				
4	NON - OPERATING INCOME							
	<ul><li>4.1 Fees and commissions on loa</li><li>4.2 Other fees and commissions</li></ul>	ans and advances	79,246 144,610	98,761 234 357				
	4.3 Foreign exchange trading inc	ome (Loss)	62,692	234,357 93,557				
	4.4 Dividend income		_	-				
	4.5 Other income 4.6 Total non-interest income		65,198 <b>351,746</b>	<u>56,266</u> <b>482,941</b>				
	4.0 Total non-interest income		331,740	402,341				
5	TOTAL OPERATING INCOME		1,238,164	1,724,714				
6	OTHER OPERATING EXPENSE	S						
	6.1 Loan loss provisions		133,515	77,133				
	6.2 Staff costs	A.	278,737	344,767				
	6.3 Directors' emoluments 6.4 Rentals charges		8,200 30,840	8,750 35,164				
	6.5 Depreciation charge on prope	erty and equipment	74,989	69,405				
	6.6 Amortisation charges		1,309	1,309				
	6.7 Other operating expenses 6.8 Total other Operating Expension	1000	221,216 748,806	251,780 788,308				
7	PROFIT / (LOSS) BEFORE TAX		489,358	936,406				
8	EXCEPTIONAL ITEMS		-	-				
9	PROFIT / (LOSS) BEFORE TAX AFTER EXCEPTIONAL ITEMS		489,358	936,406				
	CURRENT TAX		(169,869)	(303,450)				
11	DEFERRED TAX	×	26,031	15,942				
12	PROFIT/ (LOSS ) AFTER TAX A		345,520	648,898				
	MES	SAGE FROM THE DIRECT	ORS					
The above income statement and balance sheet are extracts of the audited financial statements which have been audited by KPMG Kenya and received an unqualified opinion.								
Signed:								
S.B.R Shah :			Chairman					
Sarit S Shah : Executive Director								
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2nd Ngong Avenue		Kenyatta Avenue						
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Tel: 2711994-8/310105-7 Tel: 246552-9/3221200 Tel: 4449675/3742875-6								
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