

STATEMENT OF FINANCIAL POSITION	BANK UNAUDITED JUN 2015 (KSHS'000)	BANK AUDITED DEC 2015 (KSHS'000)	BANK UNAUDITED MAR 2016 (KSHS'000)	BANK UNAUDITED JUN 2016 (KSHS'000)	GROUP UNAUDITED JUN 2015 (KSHS'000)	GROUP AUDITED DEC 2015 (KSHS'000)	GROUP UNAUDITED MAR 2016 (KSHS'000)	GROUP UNAUDITED JUN 2016 (KSHS'000)
A. ASSETS								
01. Cash (both local and foreign)	1,127,681	1,026,976	947,396	1,043,313	1,425,716	1,410,068	1,205,470	1,282,774
02. Balances due from central banks	6,530,634	4,850,610	9,146,359	4,361,090	8,990,077	6,929,635	10,902,851	5,614,721
03. Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-
04. Financial Assets at fair value through profit and loss	-	-	-	-	-	-	-	-
05. Investment Securities:	-	-	-	-	-	-	-	-
a) Held to Maturity:	-	-	-	-	-	-	-	-
a. Kenya Government securities	14,731,099	15,336,539	17,555,738	19,694,096	14,731,098	15,336,539	17,555,738	19,694,096
b. Other securities	-	-	-	-	2,037,469	1,819,720	1,905,409	1,938,092
b) Available for sale:	-	-	-	-	-	-	-	-
a. Kenya Government securities	16,251,894	15,670,421	16,670,030	21,474,851	16,251,894	15,670,421	16,670,030	21,474,851
b. Other securities	431,746	330,770	320,593	330,768	456,718	354,480	343,951	353,839
06. Deposits and Balances due from local banking institutions	66,059	643,404	125,117	660,163	652,848	933,173	448,234	1,920,428
07. Deposits and Balances due from banking institutions abroad	309,227	1,539,396	1,543,082	4,172,326	491,257	1,865,720	2,138,955	4,401,031
08. Tax recoverable	-	2,144	-	-	-	4,354	-	-
09. Loans and advances to customers (net)	98,378,032	102,188,164	104,300,776	104,475,131	110,785,488	114,927,247	117,416,562	117,748,561
10. Balances due from banking institutions in the group	2,053	54,669	37,212	22,503	-	-	-	-
11. Investment in associates	-	-	-	-	-	-	-	-
12. Investment in subsidiary companies	1,123,111	1,123,111	1,123,111	1,123,011	-	-	-	-
13. Investment in joint ventures	-	-	-	-	-	-	-	-
14. Investment properties	-	-	-	-	-	-	-	-
15. Property and equipment	620,918	724,691	718,330	700,622	2,300,747	2,388,852	2,420,405	947,118
16. Prepaid lease rentals	-	-	-	-	358,627	284,606	283,178	-
17. Intangible assets	237,781	172,810	181,582	183,992	895,022	844,271	856,218	855,280
18. Deferred tax asset	712,469	596,334	596,334	596,334	734,951	675,581	674,297	673,446
19. Retirement benefit asset	-	-	-	-	-	-	-	-
20. Other assets	4,804,685	3,586,300	4,510,121	5,587,733	2,766,882	1,377,942	2,462,692	5,847,166
21. TOTAL ASSETS	145,327,389	147,846,339	157,775,781	164,425,933	162,878,794	164,822,609	175,283,990	182,751,403
B. LIABILITIES								
22. Balances due to central banks	-	-	-	-	-	-	-	-
23. Customer deposits	100,141,174	103,740,626	110,098,482	116,183,658	112,312,598	116,791,317	122,119,761	130,139,014
24. Deposits and balances due to local banking institutions	1,824,401	182,265	457,082	119,969	1,824,401	337,422	689,863	119,969
25. Deposits and balances due to foreign banking institutions	4,228,968	3,653,266	5,872,970	6,162,412	7,208,571	5,381,342	7,366,207	6,342,006
26. Other money market deposits	-	-	-	-	-	-	-	-
27. Borrowed funds	13,101,909	12,281,869	12,241,570	11,062,343	14,465,925	13,636,819	14,805,016	13,554,795
28. Balances due to banking institutions in the group	66,496	97,932	82,237	231,210	-	-	-	-
29. Tax payable	16,154	-	627,856	111,723	24,008	64,504	713,836	125,441
30. Dividends Payable	-	-	-	-	-	-	-	-
31. Deferred tax liability	-	-	-	-	-	75	75	-
32. Retirement benefit liability	-	-	-	-	-	-	-	-
33. Other Liabilities	2,651,391	1,703,703	1,913,149	1,977,846	3,113,156	1,794,877	2,295,837	2,418,461
34. TOTAL LIABILITIES	122,030,493	121,659,661	131,293,346	135,849,161	138,948,659	138,006,356	147,990,595	152,699,686
C. SHAREHOLDERS' EQUITY								
35. Paid up/Assigned share capital	2,880,245	2,880,245	2,880,245	2,880,245	2,880,245	2,880,245	2,880,245	2,880,245
36. Share premium/(discount)	3,773,237	3,773,237	3,773,237	3,773,237	3,773,237	3,773,237	3,773,237	3,773,237
37. Revaluation reserves - (Building)	-	-	-	-	629,739	629,739	629,739	-
38. Retained earnings/(Accumulated losses)	16,393,337	18,039,316	19,655,317	21,432,064	15,736,174	17,379,759	19,082,332	22,131,961
39. Statutory loan loss reserves	625,189	625,190	625,190	625,190	625,189	644,928	690,813	699,937
40. Other Reserves - (AFS portfolio)	[375,112]	[505,187]	[451,554]	[133,964]	[375,112]	[505,187]	[451,554]	[133,964]
41. Proposed dividends	-	1,373,877	-	-	-	1,373,877	-	-
42. Translation reserve	-	-	-	-	[107,705]	[157,650]	[172,812]	[185,836]
43. TOTAL SHAREHOLDERS' EQUITY	23,296,896	26,186,678	26,482,435	28,576,772	23,161,767	26,018,948	26,432,000	29,165,580
44. Non controlling interest	-	-	-	-	768,368	797,305	861,395	886,137
45. TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	145,327,389	147,846,339	157,775,781	164,425,933	162,878,794	164,822,609	175,283,990	182,751,403

OTHER DISCLOSURES	BANK UNAUDITED JUN 2015 (KSHS'000)	BANK AUDITED DEC 2015 (KSHS'000)	BANK UNAUDITED MAR 2016 (KSHS'000)	BANK UNAUDITED JUN 2016 (KSHS'000)
01. NON-PERFORMING LOANS AND ADVANCES				
a) Gross Non-performing loans and advances	2,466,365	5,072,214	5,773,421	5,902,319
Less				
b) Interest in suspense	679,934	986,864	1,290,125	1,531,821
c) Total Non-performing loans and advances (a-b)	1,786,431	4,085,350	4,483,296	4,370,498
Less				
d) Loan loss provisions	823,015	1,127,127	1,246,272	1,471,888
e) Net Non Performing Loans (c-d)	963,416	2,958,223	3,237,024	2,898,610
f) Discounted value of securities	963,416	2,873,733	3,017,584	2,898,610
g) Net NPLs exposure (e-f)	-	84,490	219,440	-
02. INSIDER LOANS AND ADVANCES				
a) Directors, shareholders and associates	2,500,038	879,950	4,756,609	3,042,167
b) Employees	744,942	868,624	872,810	919,907
c) Total Insider Loans and Advances	3,244,980	1,748,574	5,629,419	3,962,074
03. OFF-BALANCE SHEET ITEMS				
a) Letters of Credit, Guarantees, Acceptances	26,440,888	30,067,563	28,009,488	30,164,381
b) Forwards, swaps and options	39,315,747	18,812,112	26,357,261	28,440,763
c) Other contingent liabilities	4,056,173	4,190,719	3,476,559	2,878,687
d) Total Contingent liabilities	69,812,808	53,070,394	57,843,308	61,483,831
04. CAPITAL STRENGTH				
a) Core capital	20,517,525	23,559,141	24,366,941	25,255,515
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000
c) Excess/(Deficiency)	19,517,525	22,559,141	23,366,941	24,255,515
d) Supplementary capital	3,357,332	2,984,952	2,800,785	2,616,619
e) Total capital (a+d)	23,874,857	26,544,093	27,167,726	27,872,134
f) Total risk weighted assets	133,086,530	138,178,796	145,055,589	148,285,772
g) Core capital/Total deposit liabilities	20.36%	22.55%	21.98%	21.57%
h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%
i) Excess/(Deficiency) (g-h)	12.36%	14.55%	13.98%	13.57%
j) Core capital/Total risk weighted assets	15.42%	17.05%	16.80%	17.03%
k) Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%
l) Excess/(Deficiency) (j-k)	4.92%	6.55%	6.30%	6.53%
m) Total capital/Total risk weighted assets	17.94%	19.21%	18.73%	18.80%
n) Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%
o) Excess/(Deficiency) (m-n)	3.44%	4.71%	4.23%	4.30%
05. LIQUIDITY				
a) Liquidity ratio	32.37%	33.50%	35.10%	38.18%
b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%
c) Excess/(Deficiency) (a-b)	12.37%	13.50%	15.10%	18.18%

MESSAGE FROM THE DIRECTORS

The above are extracts from the Bank’s financial statements. The Group’s financial statements as at 30th June 2016 include I&M Bank (T) Limited and I&M Insurance Agency Ltd.

These statements can be accessed on the Institution’s website www.imbank.com as well as at the registered office at I&M Bank House, 2nd Ngong Avenue, Nairobi.

S B R Shah
Chairman

Kihara Maina
Chief Executive Officer

STATEMENT OF COMPREHENSIVE INCOME	BANK UNAUDITED JUN 2015 (KSHS'000)	BANK AUDITED DEC 2015 (KSHS'000)	BANK UNAUDITED MAR 2016 (KSHS'000)	BANK UNAUDITED JUN 2016 (KSHS'000)	GROUP UNAUDITED JUN 2015 (KSHS'000)	GROUP AUDITED DEC 2015 (KSHS'000)	GROUP UNAUDITED MAR 2016 (KSHS'000)	GROUP UNAUDITED JUN 2016 (KSHS'000)
01. INTEREST INCOME								
1.1 Loans and advances	6,568,221	14,460,653	3,752,773	7,657,310	7,248,233	15,859,075	4,077,970	8,307,109
1.2 Government securities	1,638,120	3,321,682	937,141	2,027,865	1,794,078	3,586,880	1,009,190	2,174,370
1.3 Deposits and placements with banking institutions	22,007	140,161	8,817	17,799	38,384	168,445	15,440	46,055
1.4 Other interest income	24,341	48,633	10,176	20,352	24,341	48,634	10,176	20,352
1.5 Total interest income	8,252,689	17,971,129	4,708,907	9,723,326	9,105,036	19,663,034	5,112,776	10,547,886
02. INTEREST EXPENSE								
2.1 Customer deposits	2,990,359	6,872,779	1,772,852	3,469,339	3,294,293	7,493,015	1,903,958	3,737,612
2.2 Deposits and placements from banking institutions	146,510	228,416	43,493	92,475	196,345	256,700	58,573	112,071
2.3 Other interest expenses	403,799	808,660	194,586	383,385	440,357	895,800	219,241	442,913
2.4 Total interest expense	3,540,668	7,909,855	2,010,931	3,945,199	3,930,995	8,645,515	2,181,772	4,292,596
03. NET INTEREST INCOME/ (LOSS)	4,712,021	10,061,274	2,697,976	5,778,127	5,174,041	11,017,519	2,931,004	6,255,290
04. OTHER OPERATING INCOME								
4.1 Fees and commissions on loans and advances	300,539	641,792	117,716	287,616	346,762	848,154	142,713	338,978
4.2 Other fees and commissions	548,486	1,156,666	323,780	639,732	629,879	1,183,351	371,049	704,280
4.3 Foreign exchange trading income (Loss)	560,527	1,049,906	322,341	648,385	640,734	1,203,694	348,518	699,230
4.4 Dividend income	21,118	21,118	-	95,000	-	-	-	-
4.5 Other income	135,815	245,090	105,795	270,704	200,349	321,733	111,437	296,230
4.6 Total non-interest income	1,566,485	3,114,572	869,632	1,941,437	1,817,724	3,556,932	973,717	2,038,718
05. TOTAL OPERATING INCOME	6,278,506	13,175,846	3,567,608	7,719,564	6,991,765	14,574,451	3,904,721	8,294,008
06. OTHER OPERATING EXPENSES								
6.1 Loan loss provisions	338,409	553,130	302,148	733,404	454,425	695,089	219,894	652,310
6.2 Staff costs	1,019,146	2,044,428	440,834	1,052,759	1,201,029	2,399,502	531,516	1,238,024
6.3 Directors' emoluments	29,030	57,741	15,453	31,430	32,244	64,195	16,973	34,955
6.4 Rentals charges	155,911	454,834	112,933	237,674	200,462	449,045	139,960	290,552
6.5 Depreciation charge on property and equipment	80,942	192,280	53,590	108,711	106,120	250,984	71,259	137,342
6.6 Amortisation charges	35,275	114,045	15,200	33,401	44,008	143,960	21,880	45,287
6.7 Other operating expenses	631,722	1,392,499	381,451	744,438	780,952	1,823,924	402,875	854,157
6.8 Total other operating expenses	2,290,435	4,808,957	1,321,609	2,941,817	2,819,240	5,826,659	1,404,357	3,524,621
07. PROFIT / (LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS	3,988,071	8,366,889	2,245,999	4,777,747	4,172,525	8,747,752	2,500,364	5,041,381
08. EXCEPTIONAL ITEMS	-	-	-	-	-	-	-	-
09. PROFIT/ (LOSS) AFTER EXCEPTIONAL ITEMS	3,988,071	8,366,889	2,245,999	4,777,747	4,172,525	8,747,752	2,500,364	5,041,381
10. CURRENT TAX	(1,196,800)	(2,555,761)	(630,000)	(1,385,000)	(1,246,834)	(2,715,109)	(675,422)	(1,446,252)
11. DEFERRED TAX	-	-	-	-	-	-	-	-
12. PROFIT/ (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	2,791,271	5,811,128	1,615,999	3,392,747	2,925,691	6,032,643	1,824,942	3,595,129
13. Non controlling interest	-	-	-	-	(62,955)	(132,707)	(76,481)	(111,865)
14. PROFIT/ (LOSS) AFTER TAX, EXCEPTIONAL ITEMS AND NON CONTROLLING INTEREST	2,791,271	5,811,128	1,615,999	3,392,747	2,862,736	5,899,936	1,748,461	3,483,264
15. OTHER COMPREHENSIVE INCOME								
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	(94,858)	(203,404)	(27,554)	(51,221)
15.2 Fair value changes in available for sale financial assets	(12,308)	(142,383)	53,633	371,223	(12,308)	(185,617)	53,633	371,223
15.3 Revaluation surplus on Property, plant and equipment	-	-	-	-	-	-	-	-
15.4 Fair value changes on employee benefits	-	-	-	-	-	-	-	-
15.5 Income tax relating to components of other comprehensive income	-	-	-	-	-	61,021	-	-
16. OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX	(12,308)	(142,383)	53,633	371,223	(107,166)	(328,000)	26,079	320,002
17. TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2,778,963	5,668,745	1,669,632	3,763,970	2,755,570	5,704,643	1,774,540	3,803,266