

STATEMENT OF FINANCIAL POSITION	BANK UNAUDITED JUN 2017 (KSHS'000)	BANK AUDITED DEC 2017 (KSHS'000)	BANK UNAUDITED MAR 2018 (KSHS'000)	BANK UNAUDITED JUN 2018 (KSHS'000)	GROUP UNAUDITED JUN 2017 (KSHS'000)	GROUP AUDITED DEC 2017 (KSHS'000)	GROUP UNAUDITED MAR 2018 (KSHS'000)	GROUP UNAUDITED JUN 2018 (KSHS'000)
<b>A. ASSETS</b>								
01. Cash (both local and foreign)	1,276,332	1,785,443	1,641,715	1,429,614	1,515,660	2,034,166	1,919,248	1,765,297
02. Balances due from Central banks	5,979,426	5,251,820	6,999,864	7,509,143	7,050,935	6,696,404	8,279,179	8,943,922
03. Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-	-	-
04. Financial Assets at fair value through profit and loss	-	-	7,309,456	10,233,670	-	-	7,309,456	10,233,670
05. Investment Securities:								
a) Held to Maturity:								
i) Kenya Government securities	19,729,261	20,747,773	18,980,690	17,083,774	19,729,261	20,747,773	18,980,690	17,083,774
ii) Other securities	-	-	-	-	3,316,376	3,750,093	4,046,826	4,272,635
b) Available for sale:								
i) Kenya Government securities	23,029,614	20,470,148	13,847,303	7,077,744	23,029,614	20,470,148	13,572,303	7,077,744
ii) Other securities	3,832,041	4,532,006	4,583,632	4,582,876	3,855,336	4,569,514	4,619,895	4,343,801
06. Deposits and Balances due from Local banking Institutions	256,999	10,551	693,966	1,223,166	550	10,551	693,966	1,223,166
07. Deposits and Balances due from banking Institutions abroad	1,809,397	2,533,974	4,622,101	34,888,280	2,670,006	2,601,826	5,246,999	35,352,048
08. Tax recoverable	615,644	545,305	-	860,814	618,903	548,383	-	876,168
09. Loans and advances to customers (net)	114,994,775	120,656,819	121,557,437	129,516,118	129,244,036	135,098,394	135,246,341	144,672,085
10. Balances due from banking institutions in the group	29,648	22,277	22,521	1,101,610	-	549	420	450,247
11. Investment in associates	-	-	-	-	-	-	-	-
12. Investment in subsidiary companies	2,324,126	2,324,126	2,750,752	2,750,753	-	-	-	-
13. Investment in joint ventures	-	-	-	-	-	-	-	-
14. Investment properties	-	-	-	-	-	-	-	-
15. Property and equipment	676,321	627,695	609,881	611,250	906,582	856,764	876,356	907,016
16. Prepaid lease rentals	-	-	-	-	-	-	-	-
17. Intangible assets	190,634	250,558	371,957	585,739	840,793	788,734	885,988	1,320,042
18. Deferred tax asset	677,926	1,338,451	1,338,451	1,338,451	780,409	1,504,199	1,498,749	1,497,272
19. Retirement benefit asset	-	-	-	-	-	-	-	-
20. Other assets	1,907,441	2,855,571	3,758,213	4,350,539	2,097,704	2,967,515	3,890,963	4,141,458
<b>21. TOTAL ASSETS</b>	<b>177,329,585</b>	<b>183,952,517</b>	<b>189,087,939</b>	<b>225,143,541</b>	<b>195,656,165</b>	<b>202,645,013</b>	<b>207,067,379</b>	<b>244,160,345</b>
<b>B. LIABILITIES</b>								
22. Balances due to central banks	-	-	-	-	-	-	-	-
23. Customer deposits	126,893,666	132,800,892	135,083,997	174,772,318	140,779,079	147,582,171	149,514,299	189,140,419
24. Deposits and balances due to local banking institutions	3,344,938	439,396	149,493	119,071	3,344,938	439,396	149,493	119,071
25. Deposits and balances due to foreign banking institutions	619,705	1,006,882	2,943,157	1,050,286	1,679,620	1,678,683	3,651,427	2,389,638
26. Other money market deposits	-	-	-	-	-	-	-	-
27. Borrowed funds	9,129,474	9,645,894	9,704,072	8,726,997	11,499,973	11,827,014	11,785,848	10,681,111
28. Balances due to banking institutions in the group	49,452	17,362	34,939	184,353	3,464,339	671,281	507,614	601,480
29. Tax payable	-	-	39,089	-	96,615	5,635	95,826	-
30. Dividends Payable	-	-	-	-	-	-	-	-
31. Deferred tax liability	-	-	-	-	-	-	-	-
32. Retirement benefit liability	-	-	-	-	-	-	-	-
33. Other liabilities	6,817,406	5,018,580	5,537,701	4,403,628	3,541,900	4,571,985	4,791,582	4,295,580
<b>34. TOTAL LIABILITIES</b>	<b>146,854,641</b>	<b>148,929,006</b>	<b>153,492,448</b>	<b>189,256,653</b>	<b>164,406,464</b>	<b>166,776,165</b>	<b>170,496,089</b>	<b>207,227,299</b>
<b>C. SHAREHOLDERS' EQUITY</b>								
35. Paid up/ Assigned share capital	2,880,245	4,751,643	2,980,000	2,980,000	2,880,245	4,751,643	2,980,000	2,980,000
36. Share premium/ (discount)	3,773,237	3,759,624	5,531,267	5,531,267	3,773,237	3,759,624	5,531,267	5,531,267
37. Revaluation reserves - (Building)	-	-	-	-	-	-	-	-
38. Retained earnings/(Accumulated losses)	23,145,406	24,004,831	26,480,568	26,765,709	23,322,691	24,320,473	26,844,643	27,236,296
39. Statutory loan loss reserves	753,639	1,556,786	810,588	810,588	817,242	1,619,262	869,506	842,961
40. Other Reserves - (AFS Portfolio)	(77,583)	(158,267)	(206,932)	(200,676)	(77,583)	(151,215)	(199,880)	(193,624)
41. Proposed dividends	-	1,108,894	-	-	-	-	1,108,894	-
42. Translation reserve	-	-	-	-	(197,724)	(314,716)	(397,597)	(424,067)
<b>43. TOTAL SHAREHOLDERS' EQUITY</b>	<b>30,474,944</b>	<b>35,023,511</b>	<b>35,595,491</b>	<b>35,886,888</b>	<b>30,518,108</b>	<b>35,093,965</b>	<b>35,627,939</b>	<b>35,972,833</b>
44. Non controlling interest	-	-	-	-	731,593	774,883	943,351	960,213
<b>45. TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>177,329,585</b>	<b>183,952,517</b>	<b>189,087,939</b>	<b>225,143,541</b>	<b>195,656,165</b>	<b>202,645,013</b>	<b>207,067,379</b>	<b>244,160,345</b>

OTHER DISCLOSURES	BANK UNAUDITED JUN 2017 (KSHS'000)	BANK AUDITED DEC 2017 (KSHS'000)	BANK UNAUDITED MAR 2018 (KSHS'000)	BANK UNAUDITED JUN 2018 (KSHS'000)
<b>01. NON-PERFORMING LOANS AND ADVANCES</b>				
a) Gross Non-performing Loans and advances	8,869,176	17,668,513	20,266,495	20,284,353
Less				
b) Interest in suspense	2,655,330	2,223,192	3,097,456	3,751,689
<b>c) Total Non-performing loans and advances (a-b)</b>	<b>6,213,846</b>	<b>15,445,321</b>	<b>17,169,039</b>	<b>16,532,664</b>
Less				
d) Loan loss provisions	2,979,716	4,103,198	4,599,315	4,953,832
<b>e) Net Non Performing Loans (c-d)</b>	<b>3,234,130</b>	<b>11,342,123</b>	<b>12,569,724</b>	<b>11,578,832</b>
f) Discounted value of securities	3,234,130	11,342,123	12,569,724	11,578,832
<b>g) Net NPLs exposure (e-f)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>02. INSIDER LOANS AND ADVANCES</b>				
a) Directors, shareholders and associates	1,926,666	2,139,497	3,542,166	3,436,185
b) Employees	1,256,978	1,326,950	1,365,624	1,345,352
<b>c) Total Insider Loans and Advances</b>	<b>3,183,644</b>	<b>3,466,447</b>	<b>4,907,790</b>	<b>4,781,537</b>
<b>03. OFF-BALANCE SHEET ITEMS</b>				
a) Letters of Credit, Guarantees, Acceptances	36,553,806	37,298,075	39,563,382	37,333,560
b) Forwards, swaps and options	35,172,574	16,276,454	20,538,804	27,662,289
c) Other contingent liabilities	3,549,826	4,634,904	4,014,136	3,071,316
<b>d) Total Contingent liabilities</b>	<b>75,276,206</b>	<b>58,209,433</b>	<b>64,116,322</b>	<b>68,067,165</b>
<b>04. CAPITAL STRENGTH</b>				
a) Core capital	26,106,103	29,790,221	30,438,121	31,135,138
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000
<b>c) Excess/ (Deficiency)</b>	<b>25,106,103</b>	<b>28,790,221</b>	<b>29,438,121</b>	<b>30,135,138</b>
d) Supplementary capital	2,006,377	2,437,143	1,508,802	1,324,636
<b>e) Total capital (a+d)</b>	<b>28,112,480</b>	<b>32,227,364</b>	<b>31,946,923</b>	<b>32,459,774</b>
<b>f) Total risk weighted assets</b>	<b>162,501,459</b>	<b>173,455,079</b>	<b>175,301,908</b>	<b>190,798,986</b>
g) Core capital/Total deposit liabilities	20.20%	21.88%	21.73%	17.64%
h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%
<b>i) Excess/(Deficiency) (g-h)</b>	<b>12.20%</b>	<b>13.88%</b>	<b>13.73%</b>	<b>9.64%</b>
j) Core capital/Total risk weighted assets	16.07%	17.17%	17.36%	16.32%
k) Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%
<b>l) Excess/(Deficiency) (j-k)</b>	<b>5.57%</b>	<b>6.67%</b>	<b>6.86%</b>	<b>5.82%</b>
m) Total capital/Total risk weighted assets	17.30%	18.58%	18.22%	17.01%
n) Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%
<b>o) Excess/(Deficiency) (m-n)</b>	<b>2.80%</b>	<b>4.08%</b>	<b>3.72%</b>	<b>2.51%</b>
(p) Adjusted Core Capital/Total Deposit Liabilities*	-	-	21.78%	17.72%
(q) Adjusted Core Capital/Total Risk Weighted Assets*	-	-	17.40%	16.38%
(r) Adjusted Total Capital/Total Risk Weighted Assets*	-	-	18.69%	17.54%
<b>05. LIQUIDITY</b>				
a) Liquidity ratio	35.87%	34.62%	35.66%	44.12%
b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%
<b>c) Excess/(Deficiency) (a-b)</b>	<b>15.87%</b>	<b>14.62%</b>	<b>15.66%</b>	<b>24.12%</b>

**MESSAGE FROM THE DIRECTORS**

The above are extracts from the Bank's financial statements. The Group's financial statements as at 30<sup>th</sup> June 2018 include I&M Bank (T) Limited, I&M Insurance Agency and Youjays Insurance Brokers Limited.

These statements can be accessed on the institution's website [www.imbank.com](http://www.imbank.com) as well as at the registered office at I&M Bank House, 2<sup>nd</sup> Ngong Avenue, Nairobi.

**S B R Shah** Chairman  
**Kihara Maina** Chief Executive Officer

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