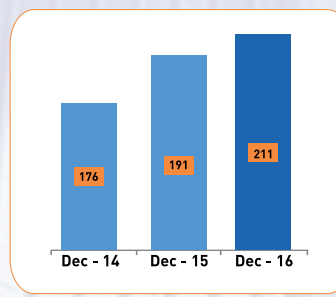


The Board of Directors of I&M Holdings Limited is pleased to announce the audited consolidated results for the year ended 31 December 2016

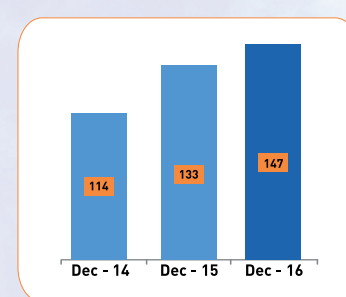
SUMMARY OF STATEMENT OF FINANCIAL POSITION		COMPANY		GROUP	
		AUDITED 31 Dec 2016 (KSHS'000)	AUDITED 31 Dec 2015 (KSHS'000)	AUDITED 31 Dec 2016 (KSHS'000)	AUDITED 31 Dec 2015 (KSHS'000)
A. ASSETS					
01. Cash (both local and foreign)	-	-	2,089,675	1,913,814	
02. Balances due from central banks	-	-	8,994,201	8,034,314	
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	-	-	16,848,441	15,336,539	
b. Other securities	-	-	6,927,101	6,730,128	
b) Available for sale:					
a. Kenya Government securities	111,896	-	21,592,575	15,670,421	
b. Other securities	-	-	466,343	1,398,719	
06. Deposits and balances due from local banking institutions	-	-	1,083,504	933,173	
07. Deposits and balances due from banking institutions abroad	-	-	5,865,203	4,048,604	
08. Tax recoverable	3,954	-	12,541	4,456	
09. Loans and advances to customers (net)	-	-	134,675,332	127,823,778	
10. Balances due from group companies	71,375	142,660	-	-	
11. Investment in associates	-	-	-	-	
12. Investment in subsidiary companies	19,675,872	19,604,666	-	-	
13. Investment in joint ventures	1,679,971	1,679,971	3,508,182	3,062,350	
14. Investment properties	-	-	-	-	
15. Property and equipment	105	199	3,906,899	2,935,233	
16. Prepaid lease rentals	-	-	253,864	284,606	
17. Intangible assets	-	-	1,440,453	1,420,035	
18. Deferred tax asset	-	-	421,121	449,292	
19. Retirement benefit asset	-	-	-	-	
20. Other assets	29,456	23,825	2,456,958	1,611,375	
21. TOTAL ASSETS	21,572,629	21,451,321	210,542,393	191,656,837	
B. LIABILITIES					
22. Balances due to central banks	-	-	-	-	
23. Customer deposits	-	-	146,514,406	132,980,678	
24. Deposits and balances due to local banking institutions	-	-	390,654	337,422	
25. Deposits and balances due to foreign banking institutions	-	-	7,405,202	7,634,053	
26. Other money market deposits	-	-	-	-	
27. Borrowed funds	-	-	13,306,197	14,070,539	
28. Balances due to group companies	11,337	11,715	-	-	
29. Tax payable	-	772	139,813	145,434	
30. Dividends payable	-	-	-	-	
31. Deferred tax liability	-	-	-	1,039	
32. Retirement benefit liability	-	-	-	-	
33. Other liabilities	66,677	47,457	3,279,704	2,766,373	
34. TOTAL LIABILITIES	78,014	59,944	171,035,976	157,935,538	
C. SHAREHOLDERS' EQUITY					
35. Paid up/Assigned share capital	392,362	392,362	392,362	392,362	
36. Share premium/(discount)	17,331,510	17,331,510	17,331,510	17,331,510	
37. Retained earnings/(Accumulated losses)	3,770,743	3,667,505	18,217,056	12,971,933	
38. Revaluation reserve - (Building)	-	-	718,074	446,744	
39. Statutory loan loss reserve	-	-	1,059,022	912,617	
40. Other reserve - (AFS portfolio)	-	-	(353,536)	(502,206)	
41. Defined benefit reserve	-	-	(46,744)	(39,725)	
42. Translation reserve	-	-	(287,996)	(65,102)	
43. TOTAL SHAREHOLDERS' EQUITY	21,494,615	21,391,377	37,029,748	31,448,133	
44. Non controlling interest	-	-	2,476,669	2,273,166	
45. TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	21,572,629	21,451,321	210,542,393	191,656,837	

SUMMARY OF CONSOLIDATED STATEMENT OF CASH FLOWS	GROUP	
	AUDITED 31 Dec 2016 (KSHS'000)	AUDITED 31 Dec 2015 (KSHS'000)
Net cash generated from operating activities	10,610,555	10,845,303
Cash flows from investing activities	(1,808,329)	(824,318)
Net cash used in financing activities	(1,311,531)	(736,867)
Net increase in cash and cash equivalents	7,490,695	9,284,118
Cash and cash equivalents at beginning of period	4,378,074	(4,906,044)
Cash and cash equivalents at end of period	11,868,769	4,378,074

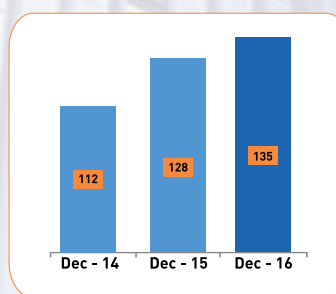
Growth in Total Assets
[KShs. - Billions]



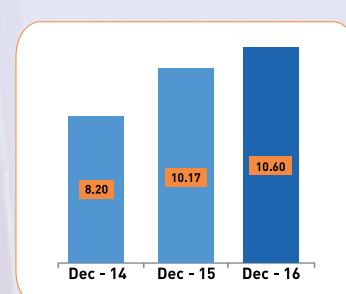
Growth in Deposits from Customers
[KShs. - Billions]



Growth in Loans and Advances to Customers
[KShs. - Billions]



Growth in Profit Before Tax
[KShs. - Billions]



SUMMARY OF STATEMENT OF COMPREHENSIVE INCOME		GROUP	
		AUDITED 31 Dec 2016 (KSHS'000)	AUDITED 31 Dec 2015 (KSHS'000)
01. INTEREST INCOME			
1.1 Loans and advances	19,217,129	17,742,321	
1.2 Government securities	5,055,282	3,848,592	
1.3 Deposits and placements with banking institutions	138,060	229,791	
1.4 Other interest income	40,927	48,633	
1.5 Total interest income	24,451,398	21,869,337	
02. INTEREST EXPENSE			
2.1 Customer deposits	7,712,342	8,017,621	
2.2 Deposits and placements from banking institutions	279,934	274,829	
2.3 Other interest expenses	937,446	929,722	
2.4 Total interest expense	8,929,722	9,222,172	
03. NET INTEREST INCOME/(LOSS)	15,521,676	12,647,165	
04. OTHER OPERATING INCOME			
4.1 Fees and commissions on loans and advances	1,669,783	1,646,458	
4.2 Other fees and commissions	882,367	718,473	
4.3 Foreign exchange trading income (Loss)	1,797,461	1,852,429	
4.4 Dividend income	-	-	
4.5 Other income	884,676	697,879	
4.6 Total non-interest income	5,234,287	4,915,239	
05. TOTAL OPERATING INCOME	20,755,963	17,562,404	
06. OTHER OPERATING EXPENSES			
6.1 Loan loss provisions	2,956,979	982,495	
6.2 Staff costs	3,595,375	3,266,810	
6.3 Directors' emoluments	46,837	43,141	
6.4 Rentals charges	571,381	522,590	
6.5 Depreciation charge on property and equipment	373,489	344,320	
6.6 Amortisation charges	115,486	156,699	
6.7 Other operating expenses	2,493,228	2,078,688	
6.8 Total other operating expenses	10,152,775	7,394,743	
07. PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS	10,603,188	10,167,661	
08. EXCEPTIONAL ITEMS	-	-	
09. PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS	10,603,188	10,167,661	
10. Current tax	(3,010,734)	(2,909,122)	
11. Deferred tax	167,708	(114,128)	
12. PROFIT/(LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	7,760,162	7,144,411	
13. Non controlling interest	476,537	426,959	
14. PROFIT/(LOSS) AFTER TAX, EXCEPTIONAL ITEMS AND NON CONTROLLING INTEREST	7,283,625	6,717,452	
15. OTHER COMPREHENSIVE INCOME			
15.1 Gains/(Losses) from translating the financial statements of foreign operations	(344,316)	(102,826)	
15.2 Fair value changes in available for sale financial assets	148,041	(173,028)	
15.3 Revaluation surplus on property and equipment	392,552	-	
15.4 Other comprehensive income	(7,019)	2,341	
15.5 Income tax relating to components of other comprehensive income	-	-	
16. OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX	189,258	(273,513)	
17. TOTAL COMPREHENSIVE INCOME FOR THE YEAR	7,949,420	6,870,898	
Basic and diluted earnings per share- [KShs]	18.56	17.12	
Dividends per share- [KShs]- Final	3.50	3.50	

Message from the Directors.

Basis of preparation

These condensed financial statements are an extract from its audited financial statements for the year ended 31 December 2016 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements were audited by KPMG Kenya and received an unqualified opinion. The financial statements were approved by the Board of Directors on 27 March 2017 and were signed on its behalf by Messrs Daniel Ndonge, Sarit S.Raja Shah and Michael Turner.

The directors recommend a dividend of KShs 3.50 per share amounting to KShs. 1,446,918,792 for the year ended 31 December 2016. A dividend of KShs 3.50 per share amounting to KShs 1,373,267,137 in respect of the year ended 31 December 2015 was paid on the 23 May 2016.

The dividend will be payable to shareholders registered on the Company's Register at the close of business on Friday 5 May, 2017 and will be paid on or around 25 May 2017. The Register of Members will be closed from Monday 8 May, 2017 to Friday 12 May, 2017 (both days inclusive) for the purpose of processing the dividend.

The complete set of audited financial 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.

BY ORDER OF THE BOARD
DANIEL NDONGE
CHAIRMAN
27 MARCH 2017