

## The Board of Directors of I&M Holdings Limited is pleased to announce unaudited Group results for the period ended 30 June 2017

SUMMARY OF STATEMENT OF FINANCIAL POSITION	COMPANY			GROUP CONSOLIDATED		
	UNAUDITED 30-Jun-2016 KShs ('000)	AUDITED 31-Dec-2016 KShs ('000)	UNAUDITED 30-Jun-2017 KShs ('000)	UNAUDITED 30-Jun-2016 KShs ('000)	AUDITED 31-Dec-2016 KShs ('000)	UNAUDITED 30-Jun-2017 KShs ('000)
<b>ASSETS</b>						
Cash and balances with central banks	-	-	-	9,839,216	11,083,876	10,270,907
Items in the course of collection	-	-	-	1,183,886	487,791	1,426,928
Placements with financial institutions	-	-	-	8,144,979	6,948,707	6,657,470
Loans and advances to customers	-	-	-	132,463,686	134,675,332	144,546,775
Investment securities	-	111,896	190,392	48,605,745	45,834,460	50,371,550
Investment in Joint Venture	1,679,971	1,679,971	1,679,971	3,309,148	3,508,182	3,884,730
Investment in subsidiaries	19,609,785	19,675,872	24,770,462	-	-	-
Property and equipment	199	105	58	2,915,365	3,906,899	4,905,986
Intangible assets - Goodwill	-	-	-	1,174,601	1,207,048	3,781,971
Intangible assets - Software	-	-	-	260,560	233,405	240,363
Prepaid operating lease rentals	-	-	-	281,751	253,864	262,253
Tax recoverable	4,493	3,954	-	20,769	12,541	621,433
Deferred tax asset	-	-	-	512,325	421,121	568,588
Due from group companies	157,891	71,375	131,614	-	-	-
Other assets	151,583	29,456	7,180	1,625,873	1,969,167	1,684,801
<b>TOTAL ASSETS</b>	<b>21,603,922</b>	<b>21,572,629</b>	<b>26,779,677</b>	<b>210,337,904</b>	<b>210,542,393</b>	<b>229,223,755</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<b>Liabilities</b>						
Deposits from banks	-	-	-	9,649,335	7,795,856	5,900,602
Items in the course of collection	-	-	-	-	7,517	-
Deposits from customers	-	-	-	146,416,925	146,514,406	161,526,916
Deferred tax liability	-	-	-	64,042	-	223,424
Tax payable	-	-	5,400	247,737	139,813	226,302
Due to group companies	16,671	11,337	10,929	-	-	-
Other liabilities	75,355	66,677	120,580	3,475,307	3,272,187	4,754,611
Long term borrowings	-	-	-	9,537,646	8,759,516	7,860,588
Subordinated debt	-	-	-	4,415,620	4,546,681	4,363,693
<b>TOTAL LIABILITIES</b>	<b>92,026</b>	<b>78,014</b>	<b>136,909</b>	<b>173,806,612</b>	<b>171,035,976</b>	<b>184,856,136</b>
<b>Shareholders' equity</b>						
Share capital	392,362	392,362	413,405	392,362	392,362	413,405
Share premium	17,331,510	17,331,510	19,784,926	17,331,510	17,331,510	19,784,926
Retained earnings	3,788,024	3,770,743	6,444,437	15,448,231	18,217,056	20,069,782
Revaluation reserve	-	-	-	446,744	718,074	723,004
Available-for-sale reserve	-	-	-	(121,302)	(353,536)	(70,236)
Translation reserve	-	-	-	(216,737)	(287,996)	(159,393)
Statutory credit risk reserve	-	-	-	968,479	1,059,022	1,215,100
Defined benefit reserve	-	-	-	(39,725)	(46,744)	(46,744)
<b>Equity attributable to owners of the Company</b>	<b>21,511,896</b>	<b>21,494,615</b>	<b>26,642,768</b>	<b>34,209,562</b>	<b>37,029,748</b>	<b>41,929,844</b>
Non-controlling interest	-	-	-	2,321,730	2,476,669	2,437,775
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>21,511,896</b>	<b>21,494,615</b>	<b>26,642,768</b>	<b>36,531,292</b>	<b>39,506,417</b>	<b>44,367,619</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>21,603,922</b>	<b>21,572,629</b>	<b>26,779,677</b>	<b>210,337,904</b>	<b>210,542,393</b>	<b>229,223,755</b>

SUMMARY OF STATEMENT OF COMPREHENSIVE INCOME	COMPANY			GROUP CONSOLIDATED		
	UNAUDITED 30-Jun-2016 KShs ('000)	AUDITED 31-Dec-2016 KShs ('000)	UNAUDITED 30-Jun-2017 KShs ('000)	UNAUDITED 30-Jun-2016 KShs ('000)	AUDITED 31-Dec-2016 KShs ('000)	UNAUDITED 30-Jun-2017 KShs ('000)
Net interest income	14,357	16,940	35,302	7,178,782	15,521,676	6,861,291
Net fee and commission income	-	-	-	1,174,418	2,552,150	1,370,010
Other operating income	1,495,739	1,495,904	4,123,534	1,233,454	2,238,169	1,334,903
<b>Operating income</b>	<b>1,510,096</b>	<b>1,512,844</b>	<b>4,158,836</b>	<b>9,586,654</b>	<b>20,311,995</b>	<b>9,566,204</b>
Operating expenses	(12,001)	(32,884)	(12,794)	(3,281,678)	(7,195,796)	(3,881,909)
Net impairment losses on loans and advances	-	-	-	(719,743)	(2,956,979)	(965,564)
	<b>1,498,095</b>	<b>1,479,960</b>	<b>4,146,042</b>	<b>5,585,233</b>	<b>10,159,220</b>	<b>4,718,731</b>
Share of Profit of Joint venture	-	-	-	240,061	443,968	245,462
<b>Profit before income tax</b>	<b>1,498,095</b>	<b>1,479,960</b>	<b>4,146,042</b>	<b>5,825,294</b>	<b>10,603,188</b>	<b>4,964,193</b>
Income tax expense	(4,307)	(3,453)	(10,163)	(1,648,487)	(2,843,026)	(1,534,107)
<b>Profit for the year/period</b>	<b>1,493,788</b>	<b>1,476,507</b>	<b>4,135,879</b>	<b>4,176,807</b>	<b>7,760,162</b>	<b>3,430,086</b>
Other comprehensive income	-	-	-	110,263	189,258	543,701
<b>Total comprehensive income for the period</b>	<b>1,493,788</b>	<b>1,476,507</b>	<b>4,135,879</b>	<b>4,287,070</b>	<b>7,949,420</b>	<b>3,973,787</b>
<b>Basic and diluted Earnings Per share - (KShs)</b>	<b>3.61</b>	<b>3.57</b>	<b>10.00</b>	<b>9.45</b>	<b>17.62</b>	<b>7.86</b>
<b>Dividends Per share - (KShs) - Final</b>	<b>-</b>	<b>3.50</b>	<b>-</b>	<b>-</b>	<b>3.50</b>	<b>-</b>

SUMMARY OF CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	COMPANY			GROUP CONSOLIDATED		
	SHARE CAPITAL KShs ('000)	SHARE PREMIUM KShs ('000)	RETAINED EARNINGS KShs ('000)	OTHER RESERVES KShs ('000)	NON-CONTROLLING INTEREST KShs ('000)	TOTAL KShs ('000)
<b>At 1 January 2016</b>	<b>392,362</b>	<b>17,331,510</b>	<b>12,971,933</b>	<b>752,328</b>	<b>2,273,166</b>	<b>33,721,299</b>
Total comprehensive income for the period	-	-	3,905,427	229,269	152,374	4,287,070
Transactions with owners	-	-	(1,373,267)	-	(103,810)	(1,477,077)
<b>Unaudited balance at 30 June 2016</b>	<b>392,362</b>	<b>17,331,510</b>	<b>15,504,093</b>	<b>981,597</b>	<b>2,321,730</b>	<b>36,531,292</b>
<b>At 1 January 2016</b>	<b>392,362</b>	<b>17,331,510</b>	<b>12,971,933</b>	<b>752,328</b>	<b>2,273,166</b>	<b>33,721,299</b>
Total comprehensive income for the year	-	-	7,137,220	336,492	475,708	7,949,420
Transactions with owners	-	-	(1,892,097)	-	(272,205)	(2,164,302)
<b>Audited balance at 31 December 2016</b>	<b>392,362</b>	<b>17,331,510</b>	<b>18,217,056</b>	<b>1,088,820</b>	<b>2,476,669</b>	<b>39,506,417</b>
<b>At 1 January 2017</b>	<b>392,362</b>	<b>17,331,510</b>	<b>18,217,056</b>	<b>1,088,820</b>	<b>2,476,669</b>	<b>39,506,417</b>
Total comprehensive income for the period	-	-	3,314,913	572,911	85,963	3,973,787
Transactions with owners	21,043	2,453,416	(1,462,187)	-	(124,857)	887,415
<b>Unaudited balance at 30 June 2017</b>	<b>413,405</b>	<b>19,784,926</b>	<b>20,069,782</b>	<b>1,661,731</b>	<b>2,437,775</b>	<b>44,367,619</b>

SUMMARY OF CONSOLIDATED STATEMENT OF CASH FLOWS	COMPANY			GROUP CONSOLIDATED		
	UNAUDITED 30-Jun-2016 KShs ('000)	AUDITED 31-Dec-2016 KShs ('000)	UNAUDITED 30-Jun-2017 KShs ('000)	UNAUDITED 30-Jun-2016 KShs ('000)	AUDITED 31-Dec-2016 KShs ('000)	UNAUDITED 30-Jun-2017 KShs ('000)
<b>Net cash generated from operating activities</b>	<b>9,618,390</b>	<b>10,610,555</b>	<b>6,005,106</b>	<b>9,618,390</b>	<b>10,610,555</b>	<b>6,005,106</b>
Net cash used in investing activities	(222,694)	(1,808,329)	(363,078)	(222,694)	(1,808,329)	(363,078)
Net cash used in financing activities	(1,556,540)	(1,311,531)	(1,767,765)	(1,556,540)	(1,311,531)	(1,767,765)
<b>Net increase in cash and cash equivalents</b>	<b>7,839,156</b>	<b>7,490,695</b>	<b>3,874,263</b>	<b>7,839,156</b>	<b>7,490,695</b>	<b>3,874,263</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>4,378,074</b>	<b>4,378,074</b>	<b>11,868,769</b>	<b>4,378,074</b>	<b>4,378,074</b>	<b>11,868,769</b>
<b>Cash and cash equivalents at end of period</b>	<b>12,217,230</b>	<b>11,868,769</b>	<b>15,743,032</b>	<b>12,217,230</b>	<b>11,868,769</b>	<b>15,743,032</b>

### Message from the Directors

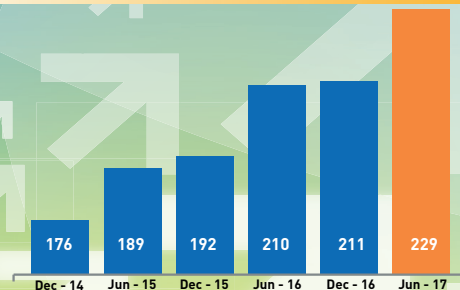
The Directors do not recommend payment of an interim dividend for the period ended 30 June 2017.

These condensed financial statements are an extract from the unaudited financial statements of the Group for the period ended 30 June 2017. The financial statements were approved by the Board of Directors on 25 August 2017 and were signed on its behalf by Daniel Ndonge, Sarit S. Raja Shah and Michael Turner. The complete set of financials statements can be accessed from the institution's website <http://www.imbanc.com>

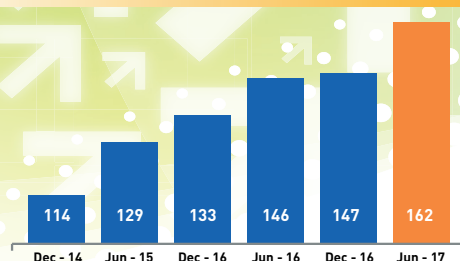
BY ORDER OF THE BOARD } DANIEL NDONGE  
CHAIRMAN  
25 AUGUST 2017



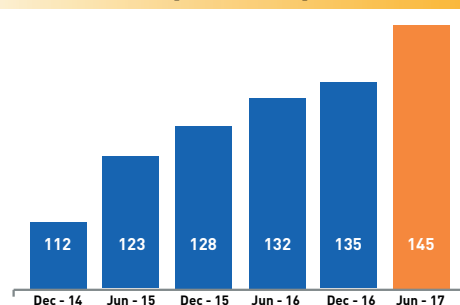
### Growth in Total Assets [KShs - Billions]



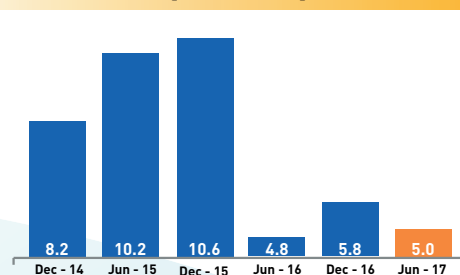
### Growth in Deposits from Customers [KShs - Billions]



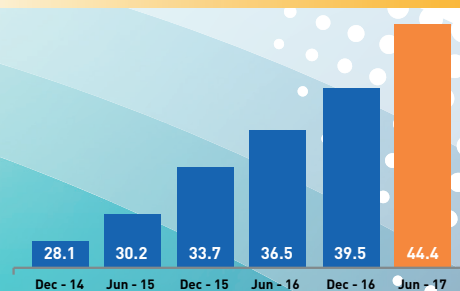
### Growth in Loans and Advances to Customers [KShs - Billions]



### Profit Before Tax [KShs - Billions]



### Shareholders Funds [KShs - Billions]



### Earnings Per Share [KShs]

