

The Board of Directors of I&M Holdings PLC is pleased to announce unaudited consolidated results for the period ended 30 June 2018

STATEMENT OF FINANCIAL POSITION		COMPANY				GROUP			
		UNAUDITED JUN 2017 (KSHS'000)	AUDITED DEC 2017 (KSHS'000)	UNAUDITED MAR 2018 (KSHS'000)	UNAUDITED JUN 2018 (KSHS'000)	CONSOLIDATED UNAUDITED JUN 2017 (KSHS'000)	CONSOLIDATED AUDITED DEC 2017 (KSHS'000)	CONSOLIDATED UNAUDITED MAR 2018 (KSHS'000)	CONSOLIDATED UNAUDITED JUN 2018 (KSHS'000)
A ASSETS									
01. Cash (both local and foreign)	-	-	-	-	-	1,323,928	2,410,009	2,209,921	2,063,985
02. Balances due from Central Bank	-	-	-	-	-	8,946,979	9,469,806	10,354,199	10,817,739
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
05. Investment securities:	-	-	-	-	-	-	-	-	-
a) Held to maturity:	-	-	-	-	-	-	-	-	-
a. Kenya Government securities	-	-	-	-	-	19,729,261	20,747,773	18,980,690	17,083,774
b. Other securities	-	-	-	-	-	7,066,846	8,365,209	10,091,409	10,983,087
b) Available for sale:	-	-	-	-	-	-	-	-	-
a. Kenya Government securities	190,392	193,523	199,261	105,438	23,220,006	20,663,671	6,462,108	6,849,935	6,849,935
b. Other securities	-	-	-	-	355,437	1,069,615	8,429,449	1,214,491	1,214,491
06. Deposits and balances due from local banking institutions	-	-	-	-	-	256,999	10,551	693,966	1,223,166
07. Deposits and balances due from banking institutions abroad	-	-	-	-	-	6,400,471	6,369,422	10,468,901	38,556,538
08. Tax recoverable	-	5,799	5,086	5,206	-	621,433	606,193	45,438	929,455
09. Loans and advances to customers (net)	-	-	-	-	-	144,546,775	153,018,152	152,691,466	162,823,320
10. Balances due from banking institutions in the Group	-	-	-	-	-	-	-	-	-
11. Investment in associates	-	-	-	-	-	-	-	-	-
12. Investment in subsidiary companies	24,770,462	23,790,896	23,790,896	23,790,896	-	-	-	-	-
13. Investment in joint ventures	1,679,971	1,679,971	1,679,971	1,679,971	3,884,730	4,267,166	4,212,765	4,452,304	4,452,304
14. Investment properties	-	-	-	-	-	-	-	-	-
15. Property and equipment	58	11	-	-	-	4,905,986	5,335,853	5,707,967	5,948,982
16. Prepaid lease rentals	-	-	-	-	-	262,253	265,940	261,203	256,105
17. Intangible assets	-	-	-	-	-	4,022,334	3,500,520	3,588,370	4,146,180
18. Deferred tax asset	-	-	-	-	-	568,588	1,066,497	1,070,876	1,073,662
19. Retirement benefit asset	-	-	-	-	-	-	-	-	-
20. Other assets	138,794	154,451	1,184,106	328,731	3,111,729	2,944,364	3,748,909	4,413,770	4,413,770
21. TOTAL ASSETS		26,779,677	25,824,651	26,859,320	25,910,242	229,223,755	240,110,741	246,327,093	283,070,163
B LIABILITIES									
22. Balances due to Central Bank	-	-	-	-	-	-	-	-	-
23. Customer deposits	-	-	-	-	-	161,526,916	169,282,314	171,667,710	210,897,814
24. Deposits and balances due to local banking institutions	-	-	-	-	-	3,344,938	439,396	149,933	119,071
25. Deposits and balances due to foreign banking institutions	-	-	-	-	-	2,555,644	5,556,899	8,938,069	7,302,827
26. Other money market deposits	-	-	-	-	-	-	-	-	-
27. Borrowed funds	-	-	-	-	-	12,224,281	12,662,494	12,599,154	11,886,768
28. Balances due to banking institutions in the Group	-	-	-	-	-	-	-	-	-
29. Tax payable	5,400	-	-	-	-	226,302	290,630	332,603	225,649
30. Dividends payable	-	-	-	-	-	-	-	-	-
31. Deferred tax liability	-	-	-	-	-	223,424	-	-	-
32. Retirement benefit liability	-	-	-	-	-	-	-	-	-
33. Other liabilities	131,509	82,743	79,516	256,196	4,754,611	4,863,525	4,894,181	4,823,528	4,823,528
34. TOTAL LIABILITIES		136,909	82,743	79,516	256,196	184,856,136	193,095,258	198,581,210	235,255,657
C SHAREHOLDERS' EQUITY									
35. Paid up/Assigned share capital	413,405	413,405	413,405	413,405	413,405	413,405	413,405	413,405	413,405
36. Share premium/(discount)	19,784,926	18,805,359	18,805,359	18,805,359	19,784,926	18,805,359	18,805,359	18,805,359	18,805,359
37. Revaluation reserves - [Building]	-	-	-	-	723,004	805,901	799,980	800,051	800,051
38. Retained earnings/(Accumulated losses)	6,444,437	6,523,144	7,561,040	6,435,282	20,069,782	22,621,210	24,302,360	24,805,733	24,805,733
39. Statutory loan loss reserves	-	-	-	-	1,215,100	2,163,403	1,379,699	1,290,214	1,290,214
40. Other reserves	-	-	-	-	[116,980]	[211,397]	[309,222]	[261,271]	[261,271]
41. Proposed dividends	-	-	-	-	-	-	-	-	-
42. Translation reserve	-	-	-	-	[159,393]	[278,028]	[699,715]	[768,551]	[768,551]
43. TOTAL SHAREHOLDERS' EQUITY		26,642,768	25,741,908	26,779,804	25,654,046	41,929,844	44,319,853	44,891,864	45,084,940
44. Non-controlling interest	-	-	-	-	2,437,775	2,695,430	2,854,017	2,729,566	2,729,566
45. TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		26,779,677	25,824,651	26,859,320	25,910,242	229,223,755	240,110,741	246,327,093	283,070,163

OTHER DISCLOSURES		GROUP			
		CONSOLIDATED UNAUDITED JUN 2017 (KSHS'000)	CONSOLIDATED AUDITED DEC 2017 (KSHS'000)	CONSOLIDATED UNAUDITED MAR 2018 (KSHS'000)	CONSOLIDATED UNAUDITED JUN 2018 (KSHS'000)
01. NON-PERFORMING LOANS AND ADVANCES					
a) Gross Non-performing Loans and advances	10,251,660	19,484,638	22,370,117	22,356,930	
Less					
b) Interest in suspense	2,911,899	2,511,301	3,514,859	4,118,385	
c) Total Non-performing loans and advances (a-b)	7,339,761	16,973,337	18,855,258	18,238,545	
Less					
d) Loan loss provisions	3,400,875	5,280,228	5,316,860	5,581,516	
e) Net Non Performing Loans (c-d)	3,938,886	11,693,109	13,538,398	12,657,029	
f) Discounted value of securities	3,938,886	11,693,109	13,538,398	12,657,029	
g) Net NPLs exposure (e-f)	-	-	-	-	
02. INSIDER LOANS AND ADVANCES					
a) Directors, shareholders and associates	1,995,870	2,184,849	3,583,122	3,479,336	
b) Employees	1,616,335	1,847,950	1,873,011	1,751,164	
c) Total Insider Loans and Advances	3,612,205	4,032,799	5,456,133	5,230,500	
03. OFF-BALANCE SHEET ITEMS					
a) Letters of Credit, Guarantees, Acceptances	7,991,682	40,094,223	44,994,863	43,306,336	
b) Forwards, swaps and options	21,839,494	16,276,455	20,538,804	27,662,289	
c) Other contingent liabilities	10,113,421	4,634,904	4,014,136	4,208,213	
d) Total Contingent liabilities	39,944,597	61,005,582	69,547,803	75,176,838	
04. CAPITAL STRENGTH					
a) Core capital	37,745,464	39,698,915	42,849,122	42,845,190	
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000	1,000,000	
c) Excess/ (Deficiency)	36,745,464	38,698,915	41,849,122	41,845,190	
d) Supplementary capital	3,301,006	4,786,173	4,821,268	4,562,481	
e) Total capital (a+d)	41,046,470	44,485,088	47,670,390	47,407,671	
f) Total risk weighted assets	177,954,020	244,455,919	248,689,218	259,935,358	
g) Core capital/Total deposit liabilities	23.92%	19.19%	23.62%	20.32%	
h) Minimum statutory ratio	8.00%	8.00%	8.00%	8.00%	
i) Excess/(Deficiency) (g-h)	15.92%	11.19%	15.62%	12.32%	
j) Core capital/Total risk weighted assets	21.21%	16.24%	17.23%	16.48%	
k) Minimum statutory ratio	10.50%	10.50%	10.50%	10.50%	
l) Excess/(Deficiency) (j-k)	10.71%	5.74%	6.73%	5.98%	
m) Total capital/Total risk weighted assets	23.07%	18.20%	19.17%	18.24%	
n) Minimum statutory ratio	14.50%	14.50%	14.50%	14.50%	
o) Excess/(Deficiency) (m-n)	8.57%	3.70%	4.67%	3.74%	
[p] Adjusted Core Capital/Total Deposit Liabilities*	-	-	23.64%	20.38%	
[q] Adjusted Core Capital/Total Risk Weighted Assets*	-	-	17.26%	16.53%	
[r] Adjusted Total Capital/Total Risk Weighted Assets*	-	-	19.50%	18.63%	
05. LIQUIDITY					
a) Liquidity ratio	39.27%	35.67%	39.92%	45.47%	
b) Minimum statutory ratio	20.00%	20.00%	20.00%	20.00%	
c) Excess/(Deficiency) (a-b)	19.27%	15.67%	19.92%	25.47%	

STATEMENT OF COMPREHENSIVE INCOME		COMPANY				GROUP			
		UNAUDITED JUN 2017 (KSHS'000)	AUDITED DEC 2017 (KSHS'000)	UNAUDITED MAR 2018 (KSHS'000)	UNAUDITED JUN 2018 (KSHS'000)	CONSOLIDATED UNAUDITED JUN 2017 (KSHS'000)	CONSOLIDATED AUDITED DEC 2017 (KSHS'000)	CONSOLIDATED UNAUDITED MAR 2018 (KSHS'000)	CONSOLIDATED UNAUDITED JUN 2018 (KSHS'000)
01.	INTEREST INCOME								
	1.1 Loans and advances	-	-	-	-	8,359,006	18,879,611	4,241,572	8,965,178
	1.2 Government securities	6,764	18,019	7,954	13,071	2,624,997	5,360,089	1,351,655	2,623,253
	1.3 Deposits and placements with banking institutions	28,538	18,725	1,043	13,368	86,284	143,247	17,549	45,678
	1.4 Other interest income	-	-	-	-	20,240	40,815	10,065	20,240
	1.5 Total interest income	35,302	36,744	8,997	26,439	11,090,527	24,423,762	5,620,841	11,654,349
02.	INTEREST EXPENSE								
	2.1 Customer deposits	-	-	-	-	3,597,226	7,571,926	2,013,367	4,195,515
	2.2 Deposits and placements from banking institutions	-	-	-	-	161,586	371,272	97,767	112,524
	2.3 Other interest expenses	-	-	-	-	470,424	926,077	237,680	480,547
	2.4 Total interest expense	-	-	-	-	4,229,236	8,869,275	2,348,814	4,788,586
03.	NET INTEREST INCOME/ (LOSS)	35,302	36,744	8,997	26,439	6,861,291	15,554,487	3,272,027	6,865,763
04.	OTHER OPERATING INCOME								
	4.1 Fees and commissions on loans and advances	-	-	-	-	481,387	2,259,757	336,370	790,206
	4.2 Other fees and commissions	-	-	-	-	950,951	1,064,518	696,535	1,207,400
	4.3 Foreign exchange trading income (Loss)	-	-	-	-	990,375	1,828,903	593,748	1,242,898
	4.4 Dividend income	4,122,986	4,122,986	1,108,894	1,423,238	-	-	-	-
	4.5 Other income	548	74,200	-	238	344,528	609,648	254,328	479,951
	4.6 Total non-interest income	4,123,534	4,197,186	1,108,894	1,423,476	2,767,261	5,762,826	1,880,981	3,720,055
05.	TOTAL OPERATING INCOME	4,158,836	4,233,930	1,117,891	1,449,915	9,628,532	21,317,313	5,153,008	10,585,818
06.	OTHER OPERATING EXPENSES								
	6.1 Loan loss provisions	-	-	-	-	965,564	4,133,170	578,386	1,411,851
	6.2 Staff costs	-	-	-	-	1,859,525	3,694,803	1,033,345	2,048,983
	6.3 Directors' emoluments	-	-	-	-	50,786	57,406	16,351	30,150
	6.4 Rentals charges	-	-	-	-	327,269	693,479	185,313	364,501
	6.5 Depreciation charge on property and equipment	47	94	11	11	195,421	406,884	87,634	204,262
	6.6 Amortisation charges	-	-	-	-	66,442	154,730	52,451	87,732
	6.7 Other operating expenses	12,747	29,922	79,272	86,308	1,444,794	2,837,232	769,401	1,539,776
	6.8 Total other operating expenses	12,794	30,016	79,283	86,319	4,909,801	11,977,704	2,722,881	5,687,255
07.	PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS	4,146,042	4,203,914	1,038,608	1,363,596	4,718,731	9,339,609	2,430,127	4,898,563
08.	EXCEPTIONAL ITEMS - JOINT VENTURE	-	-	-	-	245,462	554,965	122,525	499,477
09.	PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS	4,146,042	4,203,914	1,038,608	1,363,596	4,964,193	9,894,574	2,552,652	5,398,040
10.	Current tax	(10,163)	(4,595)	(713)	(4,539)	(1,534,107)	(2,630,325)	(740,399)	(1,529,929)
11.	Deferred tax	-	-	-	-	-	-	-	-
12.	PROFIT/(LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	4,135,879	4,199,319	1,037,895	1,359,057	3,430,086	7,264,249	1,812,253	3,868,111
13.	Non controlling interest	-	-	-	-	179,817	497,993	110,091	238,271
14.	PROFIT/ (LOSS) AFTER TAX, EXCEPTIONAL ITEMS AND NON-CONTROLLING INTEREST	4,135,879	4,199,319	1,037,895	1,359,057	3,250,269	6,766,256	1,702,162	3,629,840
15.	OTHER COMPREHENSIVE INCOME								
	15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	-	29,319	(121,764)	82,472	(643,195)
	15.2 Fair value changes in available for sale financial assets	-	-	-	-	272,490	281,520	(112,753)	(43,257)
	15.3 Giro acquisition - Statutory loan loss reserve	-	-	-	-	123,249	-	-	-
	15.4 Statutory loan loss reserve	-	-	-	-	-	-	-	(897,059)
	15.5 Fair value changes on employee benefits	-	-	-	-	-	(39,361)	-	-
	15.6 Income tax relating to components of other comprehensive income	-	-	-	-	118,643	23,016	(10,716)	(10,352)
16.	OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX	-	-	-	-	543,701	143,411	(40,997)	(1,593,863)
17.	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	4,135,879	4,199,319	1,037,895	1,359,057	3,793,787	7,407,660	1,771,256	2,274,248
18.	EARNING PER SHARE - DILUTE & BASIC (KSHS)	10.00	10.16	2.51	3.29	7.86	16.37	4.12	8.78
19.	DIVIDEND PER SHARE - PROPOSED (KSHS)	-	3.50	-	-	-	3.50	-	-