

The Board of Directors of I&M Holdings PLC is pleased to announce the unaudited results of the Group for the period ended 31 March 2019

STATEMENT OF FINANCIAL POSITION	COMPANY			GROUP		
	UNAUDITED MAR 2018 (KSHS'000)	AUDITED DEC 2018 (KSHS'000)	UNAUDITED MAR 2019 (KSHS'000)	UNAUDITED MAR 2018 (KSHS'000)	AUDITED DEC 2018 (KSHS'000)	UNAUDITED MAR 2019 (KSHS'000)
A ASSETS						
01. Cash (both local and foreign)	-	-	-	2,209,921	2,409,004	2,251,722
02. Balances due from Central Banks	-	-	-	10,354,199	12,458,135	17,132,942
03. Kenya Government and other securities held for dealing purposes	-	-	-	-	-	-
04. Financial Assets at Fair Value Through Profit or Loss (FVTPL)	-	-	-	7,309,456	13,145,126	13,132,072
05. Investment Securities:	-	-	-	-	-	-
a) Held at amortised cost/Held to Maturity:	-	-	-	-	-	-
a. Kenya Government securities	-	-	-	18,980,690	18,306,701	21,471,173
b. Other securities	-	-	-	10,091,409	9,851,400	9,148,032
b) Fair Value through Other Comprehensive Income (FVOCI) / Available for sale:	-	-	-	-	-	-
a. Kenya Government securities	199,261	133,223	137,295	6,462,108	9,647,876	10,144,499
b. Other securities	-	-	-	8,429,449	1,205,495	1,606,401
06. Deposits and Balances due from local banking Institutions	-	-	-	693,966	1,892,921	1,142,853
07. Deposits and Balances due from banking Institutions abroad	-	-	-	10,468,901	31,782,272	31,794,231
08. Tax recoverable	5,086	6,347	6,291	45,438	126,609	57,411
09. Loans and advances to customers (net)	-	-	-	152,691,466	166,736,729	168,936,685
10. Balances due from banking institutions in the Group	-	-	-	-	-	-
11. Investment in associates	-	-	-	-	-	-
12. Investment in subsidiary companies	23,790,896	25,662,294	25,662,294	-	-	-
13. Investment in joint ventures	1,679,971	1,679,971	1,679,971	4,212,765	4,535,205	4,714,233
14. Investment properties	-	-	-	-	-	-
15. Property and equipment	-	-	-	5,707,967	6,724,561	7,783,791
16. Prepaid lease rentals	-	-	-	261,203	246,271	241,535
17. Intangible assets	-	-	-	3,588,370	4,872,194	4,995,471
18. Deferred tax asset	-	-	-	1,070,876	1,929,345	1,932,553
19. Retirement benefit asset	-	-	-	-	-	-
20. Other assets	1,184,106	1,649,014	1,643,730	3,748,909	2,652,205	3,138,590
21. TOTAL ASSETS	26,859,320	29,130,849	29,129,581	246,327,093	288,522,049	299,624,194
B LIABILITIES						
22. Balances due to central banks	-	-	-	-	-	-
23. Customer deposits	-	-	-	171,667,710	213,139,370	221,169,203
24. Deposits and balances due to local banking institutions	-	-	-	149,493	69,381	161,407
25. Deposits and balances due to foreign banking institutions	-	-	-	8,938,069	5,577,720	7,242,524
26. Other money market deposits	-	-	-	-	-	-
27. Borrowed funds	-	-	-	12,599,154	13,755,684	10,583,951
28. Balances due to banking institutions in the Group	-	-	-	-	-	-
29. Tax payable	-	-	-	332,603	130,130	833,098
30. Dividends payable	-	-	-	-	-	-
31. Deferred tax liability	-	-	-	-	-	-
32. Retirement benefit liability	-	-	-	-	-	-
33. Other liabilities	79,516	3,569,262	3,566,071	4,894,181	4,975,316	6,463,128
34. TOTAL LIABILITIES	79,516	3,569,262	3,566,071	198,581,210	237,647,601	246,453,311
C SHAREHOLDERS' EQUITY						
35. Paid up/ Assigned share capital	413,405	413,405	413,405	413,405	413,405	413,405
36. Share premium/ (discount)	18,805,359	18,805,359	18,805,359	18,805,359	18,805,359	18,805,359
37. Revaluation reserves - (Buildings)	-	-	-	799,980	820,277	820,277
38. Retained earnings/(Accumulated losses)	7,561,040	6,339,846	6,339,977	24,302,360	26,931,401	29,279,609
39. Statutory loan loss reserves	-	-	-	1,379,699	2,190,131	2,160,305
40. Other reserves	-	2,977	4,769	(309,222)	(525,186)	(309,668)
41. Proposed dividends	-	-	-	-	-	-
42. Translation reserve	-	-	-	(499,715)	(766,356)	(1,041,025)
43. TOTAL SHAREHOLDERS' EQUITY	26,779,804	25,561,587	25,563,510	44,891,866	47,869,031	50,128,262
44. Non controlling interest	-	-	-	2,854,017	3,005,417	3,042,621
45. TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	26,859,320	29,130,849	29,129,581	246,327,093	288,522,049	299,624,194

STATEMENT OF COMPREHENSIVE INCOME	COMPANY			GROUP		
	UNAUDITED MAR 2018 (KSHS'000)	AUDITED DEC 2018 (KSHS'000)	UNAUDITED MAR 2019 (KSHS'000)	UNAUDITED MAR 2018 (KSHS'000)	AUDITED DEC 2018 (KSHS'000)	UNAUDITED MAR 2019 (KSHS'000)
01. INTEREST INCOME						
1.1 Loans and advances	-	-	-	4,241,572	20,673,770	4,955,469
1.2 Government securities	7,954	18,339	3,906	1,351,655	4,964,391	1,030,816
1.3 Deposits and placements with banking institutions	1,043	16,102	-	17,549	319,888	122,422
1.4 Other interest income	-	-	-	10,065	40,819	10,064
1.5 Total interest income	8,997	34,441	3,906	5,620,841	25,998,868	6,118,771
02. INTEREST EXPENSE						
2.1 Customer deposits	-	-	-	2,013,367	8,800,765	2,408,277
2.2 Deposits and placements from banking institutions	-	-	-	97,767	584,664	107,525
2.3 Other interest expenses	-	-	-	237,680	1,019,257	261,076
2.4 Total interest expense	-	-	-	2,348,814	10,404,686	2,776,878
03. NET INTEREST INCOME/ (LOSS)	8,997	34,441	3,906	3,272,027	15,594,182	3,341,893
04. OTHER OPERATING INCOME						
4.1 Fees and commissions on loans and advances	-	-	-	336,370	1,777,524	388,926
4.2 Other fees and commissions	-	-	-	696,535	2,158,568	602,454
4.3 Foreign exchange trading income / (loss)	-	-	-	593,748	2,567,418	645,255
4.4 Dividend income	1,108,894	2,875,332	-	-	-	-
4.5 Other income	-	857	-	254,328	1,093,831	427,421
4.6 Total non-interest income	1,108,894	2,876,189	-	1,880,981	7,597,341	2,064,056
05. TOTAL OPERATING INCOME	1,117,891	2,910,630	3,906	5,153,008	23,191,523	5,405,949
06. OTHER OPERATING EXPENSES						
6.1 Loan loss provisions	-	-	-	578,386	3,807,345	199,417
6.2 Staff costs	-	-	-	1,033,346	4,051,835	1,124,908
6.3 Directors' emoluments	-	-	-	16,351	57,041	14,260
6.4 Rentals charges	-	-	-	185,313	748,058	150,578
6.5 Depreciation charge on property and equipment	11	11	-	87,634	387,570	150,899
6.6 Amortisation charges	-	-	-	52,451	209,279	85,819
6.7 Other operating expenses	79,272	29,039	3,718	769,401	3,027,925	700,448
6.8 Total other operating expenses	79,283	29,050	3,718	2,722,882	12,289,053	2,426,329
07. PROFIT / (LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS	1,038,608	2,881,580	188	2,430,126	10,902,470	2,979,620
08. EXCEPTIONAL ITEMS - SHARE OF PROFIT OF JOINT VENTURE	-	-	-	122,525	595,310	283,665
09. PROFIT/ (LOSS) AFTER EXCEPTIONAL ITEMS	1,038,608	2,881,580	188	2,552,651	11,497,780	3,263,285
10. CURRENT TAX	(713)	(5,679)	(56)	(740,399)	(3,503,626)	(898,397)
11. DEFERRED TAX	-	-	-	-	509,203	-
12. PROFIT/ (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS	1,037,895	2,875,901	132	1,812,252	8,503,357	2,364,888
Non controlling interest	-	-	-	110,091	552,538	93,886
14. PROFIT/ (LOSS) AFTER TAX, EXCEPTIONAL ITEMS AND NON CONTROLLING INTEREST	1,037,895	2,875,901	132	1,702,161	7,950,819	2,271,002
15. OTHER COMPREHENSIVE INCOME						
15.1 Gains/(Losses) from translating the financial statements of foreign operations	-	-	-	82,472	(690,980)	(252,411)
15.2 Fair value changes in financial assets at FVOCI / Available for sale financial assets	-	2,977	1,792	(112,753)	(246,517)	210,469
15.3 Statutory loan loss reserve	-	-	-	-	-	-
15.4 Fair value changes on employee benefits	-	-	-	-	15,744	-
15.6 Income tax relating to components of other comprehensive income	-	-	-	(10,716)	16,477	-
16. OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX	-	2,977	1,792	(40,997)	(905,276)	(41,942)
17. TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1,037,895	2,878,878	1,924	1,771,255	7,598,081	2,322,946
18. EARNING PER SHARE - DILUTE & BASIC (KSHS)	2.51	6.96	-	4.12	19.23	5.49
19. DIVIDEND PER SHARE - DECLARED / PAID (KSHS)	-	3.90	-	-	3.90	-

Key highlights March 2019 vs March 2018

Customer Deposits Growth
↑ 29%

Loans and Advances Growth
↑ 11%

Non-Funded Income Growth
↑ 10%

PAT
↑ 30%

Cost/Income Ratio
41%

OTHER DISCLOSURES	GROUP		
	UNAUDITED MAR 2018 (KSHS'000)	AUDITED DEC 2018 (KSHS'000)	UNAUDITED MAR 2019 (KSHS'000)
01. NON - PERFORMING LOANS AND ADVANCES			
a) Gross Non- performing loans and advances	22,370,117	23,831,914	23,736,772
Less			
b) Interest in suspense	3,514,859	5,437,953	6,572,701
c) Total Non- performing loans and advances (a-b)	18,855,258	18,393,961	17,164,071
Less			
d) Loan loss provisions	5,316,860	8,016,530	7,053,718
e) Net Non Performing Loans(c-d)	13,538,398	10,377,431	10,110,353
f) Discounted value of securities	13,538,398	10,377,431	10,110,353
g) Net NPLs Exposure (e-f)	-	-	-
02. INSIDER LOANS AND ADVANCES			
a) Directors, shareholders and associates	3,583,122	3,576,789	4,100,015
b) Employees	1,873,011	1,843,183	1,735,771
c) Total Insider Loans and Advances	5,456,133	5,419,972	5,835,786
03. OFF- BALANCE SHEET ITEMS			
a) Letters of Credit,Guarantees,Acceptances	44,994,863	43,320,098	46,949,160
b) Forwards, swaps and options	20,538,804	39,167,772	47,563,695
c) Other contingent liabilities	4,014,136	3,143,059	2,667,511
d) Total Contingent liabilities	69,547,803	85,630,929	97,180,366
04. CAPITAL STRENGTH			
a) Core capital	42,849,122	45,548,005	46,503,301
b) Minimum statutory capital	1,000,000	1,000,000	1,000,000
c) Excess/ (deficiency)	41,849,122	44,548,005	45,503,301
d) Supplementary capital	4,821,268	6,180,530	6,868,951
e) Total capital (a+d)	47,670,390	51,728,535	53,372,252
f) Total risk weighted assets	248,689,218	283,777,893	286,087,075
g) Core capital/Total deposit liabilities	23.62%	21.37%	21.03%
h) Minimum statutory ratio	8.00%	8.00%	8.00%
i) Excess / (Deficiency) (g-h)	15.62%	13.37%	13.03%
j) Core capital/Total risk weighted assets	17.23%	16.05%	16.25%
k) Minimum statutory ratio	10.50%	10.50%	10.50%
l) Excess / (Deficiency) (j-k)	6.73%	5.55%	5.75%
m) Total capital/Total risk weighted assets	19.17%	18.23%	18.66%
n) Minimum statutory ratio	14.50%	14.50%	14.50%
o) Excess / (Deficiency) (m-n)	4.67%	3.73%	4.16%
(p) Adjusted core capital/Total deposit liabilities*	23.64%	22.08%	20.60%
(q) Adjusted core capital/Total risk weighted assets*	17.26%	16.58%	16.46%
(r) Adjusted total capital/Total risk weighted assets*	19.50%	18.76%	18.86%
05. LIQUIDITY			
a) Liquidity ratio	39.92%	46.99%	46.54%
b) Minimum statutory ratio	20.00%	20.00%	20.00%
c) Excess / (Deficiency) (a-b)	19.92%	26.99%	26.99%

* The adjusted capital ratios include the expected credit loss provisions added back to capital in line with the CBK Guidance Note issued in April 2018 on implementation of IFRS 9.

MESSAGE FROM THE DIRECTORS

These financial statements are an extract from the unaudited financial statements of the Group for the period ended 31 March 2019 which have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements were approved by the Board of Directors on 28 May 2019 and were signed on its behalf by Messrs Daniel Ndonye, Sarit S.Raja Shah and Micheal Turner.

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.

BY ORDER OF THE BOARD } DANIEL NDONYE
CHAIRMAN
28 MAY 2019


