

s for the period ended 30 September 2019

| Th | e Board of Directors o | of I&M | Holdir | ngs PL | C is pl | eased t | to annoui | nce unau | idited co | nsolidat | ed resu | ılts |
|-------------------------------|--|-------------------------------------|-----------------------------------|--|-------------------------------------|-------------------------------------|---|---|--|---|--|-----------|
| | TATEMENT OF NANCIAL POSITION | UNAUDITED SEP 2018 (KSHS'000) | AUDITED DEC 2018 (KSHS'000) | COMPANY UNAUDITED MAR 2019 (KSHS'000) | UNAUDITED JUN 2019 (KSHS'000) | UNAUDITED SEP 2019 (KSHS'000) | UNAUDITED SEP 2018 (KSHS'000) | AUDITED DEC 2018 (KSHS'000) | GROUP UNAUDITED MAR 2019 (KSHS'000) | UNAUDITED JUN 2019 (KSHS'000) | UNAUDITED SEP 2019 (KSHS'000) | OT DI: |
| A 01. 02. 03. | ASSETS Cash [both local and foreign] Balances due from central banks Kenya Government and other securities held for dealing purposes | - | - | - | - | - | 2,269,117 13,506,394 | 2,409,004 12,458,135 | 2,251,722 17,132,942 | 3,143,220 16,999,221 | 2,313,162 15,778,289 | 01. |
| 04. 05. | Financial Assets at Fair Value Through Profit or Loss [FVTPL] Investment Securities: a) Held at amortised cost: | - | : | - | - | - | 10,471,248 | 13,145,126 | 13,132,072 | 9,098,293 - | 12,757,446 | |
| | a. Kenya Government securities b. Other securities b) Fair Value through Other Comprehensive | - | - | - | - | - | 20,552,748 11,388,259 | 18,306,701 9,851,400 | 21,471,173 9,148,032 | 22,228,552 10,484,834 | 17,908,239 6,534,966 | |
| 06. | Income [FVOCI]: a. Kenya Government securities b. Other securities Deposits and balances due from local banking | 137,425 | 133,223 | 137,295 | 337,279 - | 451,760 - | 10,465,403 983,004 | 9,647,876 1,205,495 | 10,144,499 1,606,401 | 11,215,300 2,486,706 | 10,763,696 5,492,538 | 02. |
| 07. 08. 09. | Institutions Deposits and balances due from banking Institutions abroad Tax recoverable Loans and advances to customers (net) | 4,843 | 6,347 | 6,291 | 3,488 | 3,299 | 975,863 33,135,360 884,497 163,327,426 | 1,892,921 31,782,272 126,609 166,736,729 | 1,142,853 31,794,231 57,411 168,936,685 | 1,039,819 42,927,804 524,676 172,163,870 | 9,009 51,980,458 535,494 174,111,284 | 03. |
| 10. 11. 12. | Balances due from banking institutions in the Group Investment in associates Investment in subsidiary companies | 23,790,896 | - - 25,662,294 | - - 25,662,294 | - - 25,662,294 | - - 25,662,294 | - | - | - | - - - | | 04. |
| 13. 14. | Investment in joint ventures Investment properties | 1,679,971 | 1,679,971 | 1,679,971 | 1,679,971 | 1,679,971 | 4,485,139 | 4,535,205 | 4,714,233 | 4,833,842 | 4,834,574 | |
| 15. 16. 17. 18. | Property and equipment Prepaid lease rentals Intangible assets Deferred tax asset | - | - | - | - - - | - | 6,288,782 251,187 4,378,297 1,075,491 | 6,724,561 246,271 4,872,194 1,929,345 | 7,783,791 241,535 4,995,471 1,932,553 | 8,428,171 235,618 4,888,511 1,952,072 | 8,583,933 230,291 5,021,624 1,954,603 | |
| 19. 20. 21. | Retirement benefit asset Other assets TOTAL ASSETS | 79,083 25,692,218 | 1,649,014 29,130,849 | 1,643,730 29,129,581 | 73,273 27,756,305 | 118,887 27,916,211 | 5,157,091 289,595,306 | 2,652,205 288,522,049 | 3,138,590 299,624,194 | 4,403,184 317,053,693 | 5,540,233 324,349,839 | |
| B 22. | LIABILITIES Balances due to central banks | - | - | - | - | - | - | - | - | - | - | |
| 23. 24. 25. | Customer deposits Deposits and balances due to local banking institutions Deposits and balances due to foreign banking | - | - | - | - | - | 209,040,852 6,444,682 | 213,139,370 69,381 | 221,169,203 161,407 | 237,242,298 113,093 | 236,229,016 4,513,989 | E |
| 26. 27. | institutions Other money market deposits Borrowed funds | - | - | - | - | - | 5,915,070 - 12,028,802 | 5,577,720 - 13,755,684 | 7,242,524 - 10,583,951 | 7,530,017 - 10,138,731 | 6,265,386 - 13,512,579 | |
| 28. 29. | Balances due to banking institutions in the Group Tax payable | - | - | - | - | - | - 259,286 | 130,130 | 833,098 | 135,513 | 96,508 | |
| 30. 31. 32. | Dividends Payable Deferred tax liability Retirement benefit liability | - | - | - | - | - | - - | - - | - | 1 | - | 05. |
| 33. 34. | Other liabilities TOTAL LIABILITIES | 92,516 92,516 | 3,569,262 3,569,262 | 3,566,071 3,566,071 | 1,988,403 1,988,403 | 1,972,163 1,972,163 | 6,126,366 239,815,058 | 4,975,316 237,647,601 | 6,463,128 246,453,311 | 6,459,562 261,619,214 | 6,113,890 266,731,368 | ** |
| C 35. | SHAREHOLDERS' EQUITY Paid up/ Assigned share capital | 413,405 | 413,405 | 413,405 | 413,405 | 413,405 | 413,405 | 413,405 | 413,405 | 413,405 | 413,405 | *T |
| 36. 37. 38. | Share premium/ (discount) Revaluation reserves - (Buildings) Retained earnings/ [Accumulated losses] | 18,805,359 - 6,380,938 | 18,805,359 - 6,339,846 | 18,805,359 - 6,339,977 | 18,805,359 - 6,539,417 | 18,803,912 - 6,712,839 | 18,805,359 801,637 26,560,886 | 18,805,359 820,277 26,931,401 | 18,805,359 820,277 29,279,609 | 18,805,359 820,277 30,525,741 | 18,803,912 820,277 31,652,494 | |
| 39. 40. | Statutory Loan Loss Reserves Other Reserves | - | 2,977 | 4,769 | - 9,721 | 13,892 | 1,430,624 (201,642) | 2,190,131 (525,186) | 2,160,305 (309,668) | 2,958,459 [176,972] | 3,841,201 [96,999] | |
| 41. 42. 43 . | Proposed dividends Translation reserve TOTAL SHAREHOLDERS' EQUITY | 25,599,702 | 25,561,587 | 25,563,510 | 25,767,902 | 25.944.048 | [801,147] 47,009,122 | [766,356] 47,869,031 | [1,041,025] 50,128,262 | [969,423] 52,376,846 | [915,511] 54,518,779 | |
| 44. | Non controlling interest TOTAL LIABILITIES & SHAREHOLDERS' | - | - | - | | · · · - | 2,771,126 | 3,005,417 | 3,042,621 | 3,057,633 | 3,099,692 | |
| | EQUITY | 25,692,218 | | 29,129,581 COMPANY | 27,756,305 | | 289,595,306 | 288,522,049 | 299,624,194 GROUP | 317,053,693 | 324,349,839 | |
| CC | ATEMENT OF OMPREHENSIVE INCOME | UNAUDITED SEP 2018 (KSHS'000) | AUDITED DEC 2018 (KSHS'000) | UNAUDITED MAR 2019 (KSHS'000) | UNAUDITED JUN 2019 (KSHS'000) | UNAUDITED SEP 2019 (KSHS'000) | UNAUDITED SEP 2018 (KSHS'000) | AUDITED DEC 2018 (KSHS'000) | UNAUDITED MAR 2019 (KSHS'000) | JUN 2019 (KSHS'000) | UNAUDITED SEP 2019 (KSHS'000) | |
| 01. | INTEREST INCOME 1.1 Loans and advances 1.2 Government securities 1.3 Deposits and placements with banking | 19,268 | - 18,339 | 3,906 | - 8,735 | 20,648 | 13,670,158 3,995,043 | 20,673,770 4,964,391 | 4,955,469 1,030,816 | 10,249,530 2,130,253 | 15,512,957 3,147,620 | |
| | institutions 1.4 Other interest income 1.5 Total interest income | 14,579 - 33,847 | 16,102 - 34,441 | 3,906 | 13,990 - 22,725 | 14,619 - 35,267 | 183,992 30,527 17,879,720 | 319,888 40,819 25,998,868 | 122,422 10,064 6,118,771 | 284,031 20,240 12,684,054 | 475,478 22,588 19,158,643 | |
| 02. | INTEREST EXPENSE 2.1 Customer deposits 2.2 Deposits and placements from banking institutions | - | - | - | - | - | 6,392,932 467,170 | 8,800,765 584,664 | 2,408,277 107,525 | 5,096,050 | 7,757,415 161,020 | |
| | 2.3 Other interest expenses 2.4 Total interest expense | - | - | - | - | | 735,011 7,595,113 | 1,019,257 | 261,076 2,776,878 | 461,471 5,666,396 | 654,781 8,573,216 | |
| 03. 04. | NET INTEREST INCOME/ (LOSS) OTHER OPERATING INCOME | 33,847 | 34,441 | 3,906 | 22,725 | 35,267 | 10,284,607 | 15,594,182 | 3,341,893 | 7,017,658 | 10,585,427 | |
| | 4.1 Fees and commissions on loans and advances 4.2 Other fees and commissions 4.3 Foreign exchange trading income/ [loss] | - | - | - | - | - | 1,241,509 1,835,781 1,924,188 | 1,777,524 2,158,568 2,567,418 | 388,926 602,454 645,255 | 890,874 1,226,872 1,290,496 | 1,379,132 1,856,325 1,920,199 | |
| | 4.4 Dividend income 4.5 Other income | 1,369,584 857 | 2,875,332 857 | - | 196,340 | 351,580 12,153 | - 558,829 | 1,093,831 | - 427,421 | 1,128,089 | - 1,183,456 | |
| 05. 06. | 4.6 Total non-interest income TOTAL OPERATING INCOME OTHER OPERATING EXPENSES | 1,370,441 1,404,288 | 2,876,189 2,910,630 | 3,906 | 196,340 219,065 | 363,733 399,000 | 5,560,307 15,844,914 | 7,597,341 23,191,523 | 2,064,056 5,405,949 | 4,536,331 11,553,989 | 6,339,112 16,924,539 | |
| | 6.1 Loan loss provisions 6.2 Staff costs | - | - - | - | = | - | 1,898,339 3,098,500 | 3,807,345 4,051,835 | 199,417 1,124,908 | 1,108,719 2,326,143 | 1,299,351 3,518,576 | |
| | 6.3 Directors' emoluments 6.4 Rentals charges 6.5 Depreciation charge on property and | - | - | - | - | - | 46,128 551,204 | 57,041 748,058 | 14,260 150,578 | 28,521 383,325 | 42,781 210,580 | |
| | equipment 6.6 Amortisation charges | 11 | 11 | - | - | - | 303,333 126,182 | 387,570 209,279 | 150,899 85,819 | 223,692 191,506 | 545,208 329,455 | |
| 07. | 6.7 Other operating expenses 6.8 Total other Operating Expenses PROFIT/ [LOSS] BEFORE TAX AND | 94,662 94,673 | 29,039 29,050 | 3,718 3,718 | 15,297 15,297 | 21,621 21,621 | 2,165,011 8,188,697 | 3,027,925 12,289,053 | 700,448 2,426,329 | 1,476,512 5,738,418 | 2,279,988 8,225,939 | ı |
| 08. | EXCEPTIONAL ITEMS EXCEPTIONAL ITEMS - SHARE OF PROFIT OF | 1,309,615 | 2,881,580 | 188 | 203,768 | 377,379 | 7,656,217 634,506 | 10,902,470 595,310 | 2,979,620 283,665 | 5,815,571 404,069 | 8,698,600 | |
| 09. 10. | JOINT VENTURE PROFIT/ (LOSS) AFTER EXCEPTIONAL ITEMS Current tax | 1,309,615 [4,903] | 2,881,580 [5,679] | 188 [56] | 203,768 [4,197] | 377,379 [4,386] | 8,290,723 [2,439,888] | 11,497,780 [3,503,626] | 3,263,285 [898,397] | 6,219,640 [1,693,773] | 9,302,728 (2,668,055) | |
| 11. 12. | Deferred tax PROFIT/ (LOSS) AFTER TAX AND EXCEPTIONAL ITEMS | 1,304,712 | 2,875,901 | 132 | 199,571 | 372,993 | 5,850,835 | 509,203 8,503,357 | 2,364,888 | 4,525,867 | 6,634,673 | |
| 13. 14. | Non controlling interest PROFIT/ (LOSS) AFTER TAX, EXCEPTIONAL ITEMS AND NON CONTROLLING INTEREST OTHER COMPREHENSIVE INCOME | 1,304,712 | 2,875,901 | 132 | 199,571 | 372,993 | [325,973] 5,524,862 | (552,538) 7,950,819 | [93,886] 2,271,002 | [233,715] 4,292,152 | (333,019) 6,301,654 | |
| 1.5. | 15.1 Gains/ [Losses] from translating the financial statements of foreign operations | - | | - | - | - | (709,658) | [690,980] | (252,411) | [142,986] | [77,229] | |
| | 15.2 Fair value changes in financial assets at FVOCI 15.3 Statutory loan loss reserve | - | 2,977 | 1,792 | 6,744 | 10,915 | 11,082 (896,804) | [246,517] | 210,469 | 354,965 | 436,640 | |
| | 15.4 Fair value changes on employee benefits 15.5 Income tax relating to components of other comprehensive income | - | - | - | - | - | (8,227) | 15,744 16,477 | - | - | - | |
| | OTHER COMPREHENSIVE INCOME FOR THE YEAR NET OF TAX TOTAL COMPREHENSIVE INCOME FOR THE | | 2,977 | 1,792 | 6,744 | 10,915 | (1,611,846) | (905,276) | (41,942) | 211,979 | 359,411 | |
| 18. | YEAR EARNING PER SHARE - DILUTE & BASIC (KSHS) | 1,304,712 3.16 | 2,878,878 6.96 | 1,924 | 206,315 0.48 | 383,908 0.90 | 4,238,989 13.36 | 7,598,081 19.23 | 2,322,946 5.49 | 4,737,846 10.38 | 6,994,084 15.24 | |
| 19. | DIVIDEND PER SHARE - PROPOSED (KSHS) | _ | 3.90 | - | | - | - | 3.90 | - | - | - | |

| | | | | GROUP | | | |
|----------------------|--|-------------------------------------|-----------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--|
| OTHER DISCLOSURES | | UNAUDITED SEP 2018 (KSHS'000) | AUDITED DEC 2018 (KSHS'000) | UNAUDITED MAR 2019 (KSHS'000) | UNAUDITED JUN 2019 (KSHS'000) | UNAUDITED SEP 2019 (KSHS'000) | |
| 01. | NON - PERFORMING LOANS AND | | | | | | |
| | ADVANCES | | | | | | |
| | a) Gross Non-performing Loans and | | | | | | |
| | advances | 22,083,737 | 23,831,914 | 23,736,772 | 24,398,524 | 24,058,74 | |
| | Less | | | | | | |
| | b) Interest in suspense | 4,988,308 | 5,437,953 | 6,572,701 | 6,910,275 | 6,791,38 | |
| | c) Total Non-performing loans and advances (a-b) | 17,095,429 | 18,393,961 | 17,164,071 | 17,488,249 | 17,267,35 | |
| | Less | 17,075,427 | 10,373,701 | 17,104,071 | 17,400,247 | 17,207,33 | |
| | d) Loan loss provisions | 5,882,132 | 8,016,530 | 7,053,718 | 8,323,320 | 8,250,99 | |
| | e) Net Non Performing Loans (c-d) | 11,213,297 | 10,377,431 | 10,110,353 | 9,164,929 | 9,016,35 | |
| | f) Discounted value of securities | 11,213,277 | 10,377,431 | 10,110,353 | 9,164,929 | 9,016,35 | |
| _ | g) Net NPLs exposure (e-f) | - 11,213,277 | 10,577,431 | - | 7,104,727 | 7,010,00 | |
| 2. | INSIDER LOANS AND ADVANCES | | | | | | |
| 02. | a) Directors, shareholders and associates | 3,251,551 | 3.576.789 | 4,100,015 | 3,765,140 | 3,819,95 | |
| | b) Employees | 1,827,779 | 1,843,183 | 1,735,771 | 1,716,265 | 1,792,31 | |
| | c) Total Insider Loans and Advances | 5,079,330 | 5,419,972 | 5,835,786 | 5,481,405 | 5,612,27 | |
| 3. | OFF- BALANCE SHEET ITEMS | 0,077,000 | 0,4.7,772 | 0,000,700 | 0,401,400 | 0,0 12,27 | |
| ٠. | a) Letters of Credit, Guarantees, Acceptances | 44,563,789 | 43,320,098 | 46,949,160 | 45,247,571 | 44,132,06 | |
| | b) Forwards, swaps and options | 30,893,903 | 39,167,772 | 47,563,695 | 54,657,101 | 56,008,80 | |
| | c) Other contingent liabilities | 4,870,616 | 3,143,059 | 2,667,511 | 5,271,559 | 6,649,75 | |
| | d) Total Contingent liabilities | 80,328,308 | 85,630,929 | 97,180,366 | 105,176,231 | 106,790,62 | |
| 04. | CAPITAL STRENGTH | ,, | ,, | ,, | ,, | , | |
| | a) Core capital | 42,277,988 | 45,548,005 | 46,503,301 | 47,076,054 | 47,316,02 | |
| | b) Minimum statutory capital | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,00 | |
| | c) Excess/ (deficiency) | 41,277,988 | 44,548,005 | 45,503,301 | 46,076,054 | 46,316,02 | |
| | d) Supplementary capital | 4,445,530 | 6,180,530 | 6,868,951 | 6,750,360 | 10,435,96 | |
| | e) Total capital (a+d) | 46,723,518 | 51,728,535 | 53,372,252 | 53,826,414 | 57,751,98 | |
| | f) Total risk weighted assets | 276,371,199 | 283,777,893 | 286,087,075 | 292,459,116 | 297,457,22 | |
| | g) Core capital/ Total deposit liabilities | 20.22% | 21.37% | 21.03% | 19.84% | 20.039 | |
| | h) Minimum statutory ratio | 8.00% | 8.00% | 8.00% | 8.00% | 8.009 | |
| | i) Excess / (Deficiency) (g-h) | 12.22% | 13.37% | 13.03% | 11.84% | 12.039 | |
| | j) Core capital/ Total risk weighted assets | 15.30% | 16.05% | 16.25% | 16.10% | 15.919 | |
| | k)Minimum statutory ratio | 10.50% | 10.50% | 10.50% | 10.50% | 10.509 | |
| | l) Excess / (Deficiency) (j-k) | 4.80% | 5.55% | 5.75% | 5.60% | 5.419 | |
| | m) Total capital/ Total risk weighted assets | 16.91% | 18.23% | 18.66% | 18.40% | 19.429 | |
| | n] Minimum statutory ratio | 14.50% | 14.50% | 14.50% | 14.50% | 14.509 | |
| | o) Excess / (Deficiency) (m-n) | 2.41% | 3.73% | 4.16% | 3.90% | 4.929 | |
| | (p) Adjusted Core Capital/ Total Deposit | 20.252 | 22.002 | 20.7627 | 20.1001 | 20.422 | |
| | Liabilities* [q] Adjusted Core Capital/ Total Risk | 20.25% | 22.08% | 20.60% | 20.10% | 20.189 | |
| | (q) Adjusted Core Capital/ Total Risk Weighted Assets* | 15.31% | 16.58% | 16.46% | 16.30% | 16.039 | |
| | (r) Adjusted Total Capital/ Total Risk | 19.9170 | 10.0070 | 10.40 /0 | 10.0070 | 10.037 | |
| | Weighted Assets* | 17.33% | 18.76% | 18.86% | 18.61% | 19.549 | |
| 05. | LIQUIDITY | 17.0070 | 10.7070 | 10.0070 | 10.0170 | 17.04) | |
| | a) Liquidity ratio | 47.78% | 46.99% | 46.54% | 48.77% | 48.699 | |
| | b) Minimum statutory ratio | 20.00% | 20.00% | 20.00% | 20.00% | 20.009 | |
| | c) Excess / (Deficiency) (a-b) | 27.78% | 26.99% | 26.54% | 28.77% | 28.699 | |

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

Key Highlights September 2019 vs September 2018

13% 🗲 **7% f** Non-Funded **Income Growth** 14% 🗲 14% 🗲

Customer

Deposits Growth

Cost/Income Ratio

41%

Loans &

Advances Growth

PAT

Growth

Message from the Directors

These condensed financial statements are an extract from the unaudited financial statements of the Group for the period ended 30 September 2019 which have been prepared in accordance with International Financial Reporting Standards (IFRS).

The financial statements were approved by the Board of Directors on 27 November 2019 and were signed on its behalf by Messrs Daniel Ndonye, Sarit S.Raja Shah and Micheal Turner. The complete set of financials statements can be accessed from the institution's website - https://www.imbank.com

BY ORDER OF THE BOARD

DANIEL NDONYE CHAIRMAN 27 NOVEMBER 2019

