

IMPERIAL BANK LIMITED

QUARTERLY FINANCIAL STATEMENTS AND OTHER DISCLOSURES

AS AT 30TH SEPTEMBER 2011



Looking after your interest!

I STATEMENT OF FINANCIAL POSITION					
	30th Sep 2010 Un-Audited	31st Dec 2010 Audited	31st Mar 2011 Un-Audited	30th Jun 2011 Un-Audited	30th Sep 2011 Un-Audited
	KSh, '000	KSh, '000	KSh, '000	KSh, '000	KSh, '000
ASSETS					
1.1 Cash (Both Local & Foreign)	397,913	581,573	476,116	503,198	260,331
1.2 Balances Due From Central Bank Of Kenya	880,699	833,805	768,322	1,012,655	890,142
1.3 Kenya Government Securities	473,800	--	2,609,000	3,959,000	5,025,000
1.4 Foreign Currency Treasury Bills & Bonds	--	--	--	--	--
1.5 Deposits & Balances Due From Local Banking Institutions	56,844	10,904	293,474	63,077	141,220
1.6 Deposits & Balances Due From Banking Institutions Abroad	2,094,150	446,897	161,806	153,290	680,180
1.7 Kenya Govt. & Other Securities Held For Dealing Purposes	3,926,300	4,979,855	4,432,100	1,807,100	1,121,400
1.8 Tax Recoverable	--	--	--	--	--
1.9 Loans And Advances To Customers (Net)	11,447,598	11,262,362	13,704,539	14,506,786	15,108,386
1.10 Investment Securities	--	--	--	--	--
1.11 Balances Due From Group Companies	--	--	--	--	--
1.12 Investments In Associates	--	--	--	--	--
1.13 Investments In Subsidiary Companies	--	448,109	448,109	448,109	448,109
1.14 Investments In Joint Ventures	--	--	--	--	--
1.15 Investment Properties	--	--	--	--	--
1.16 Property And Equipment	203,327	246,790	238,640	244,358	257,641
1.17 Prepaid Lease Rentals	--	--	--	--	--
1.18 Intangible Assets	87,906	87,456	84,380	81,663	78,697
1.19 Deferred Tax Asset	46,893	65,661	65,661	65,661	65,661
1.20 Retirement Benefit Asset	--	--	--	--	--
1.21 Other Assets	962,583	435,677	1,292,335	1,271,214	1,207,042
1.22 TOTAL ASSETS	20,578,013	19,399,089	24,574,482	24,116,111	25,283,809
LIABILITIES					
2.1 Balances Due To Central Bank Of Kenya	--	--	5,505	--	--
2.2 Customer Deposits	14,081,717	13,678,340	16,058,266	17,615,974	17,915,733
2.3 Deposits And Balances Due To Local Banking Institutions	3,155,128	2,136,974	4,173,857	1,852,867	2,425,500
2.4 Deposits And Balances Due To Foreign Banking Institutions	41,051	24,050	--	423,653	700,905
2.5 Other Money Market Deposits	--	--	--	--	--
2.6 Borrowed Funds	--	--	--	--	--
2.7 Balances Due To Group Companies	--	--	--	--	--
2.8 Tax Payable	76,833	91,123	262,157	100,861	90,813
2.9 Dividends Payable	--	--	150,000	--	--
2.10 Deferred Tax Liability	--	--	--	--	--
2.11 Retirement Benefit Liability	--	--	--	--	--
2.12 Other Liabilities	333,128	373,178	580,195	466,423	449,806
2.13 TOTAL LIABILITIES	17,687,857	16,303,665	21,229,980	20,459,778	21,582,757
SHAREHOLDERS' FUNDS					
3.1 Paid Up /Assigned Capital	1,085,000	1,248,400	1,248,400	1,248,400	1,248,400
3.2 Share Premium	--	--	--	--	--
3.3 Revaluation Reserves	63,599	121,124	121,124	121,124	(48,497)
3.4 Retained Earnings	1,402,417	1,429,239	1,790,393	2,087,658	2,283,847
3.5 Statutory Loan Reserves	139,140	146,661	184,585	199,151	217,302
3.6 Proposed Dividends	200,000	150,000	--	--	--
3.7 Capital Grants	--	--	--	--	--
3.8 TOTAL SHAREHOLDERS' FUNDS	2,890,156	3,095,424	3,344,502	3,656,333	3,701,052
3.9 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	20,578,013	19,399,089	24,574,482	24,116,111	25,283,809
II INCOME STATEMENT					
INTEREST INCOME					
4.1 Loans And Advances	1,732,700	2,474,966	715,646	1,505,243	2,351,142
4.2 Government Securities	426,021	546,592	227,719	370,006	505,936
4.3 Deposits And Placements With Banking Institutions	3,756	4,506	575	1,251	1,505
4.4 Other Interest Income	--	--	--	--	--
4.5 Total Interest Income	2,162,477	3,026,064	943,940	1,876,500	2,858,583
INTEREST EXPENSE					
5.1 Customer Deposits	604,542	818,654	229,753	485,903	816,597
5.2 Deposits And Placement From Banking Institutions	79,205	104,143	32,842	98,319	203,303
5.3 Other Interest Expenses	--	--	--	--	--
5.4 Total Interest expenses	683,747	922,797	262,595	584,222	1,019,900
5.5 NET INTEREST INCOME	1,478,730	2,103,267	681,345	1,292,278	1,838,683
6 OTHER OPERATING INCOME					
6.1 Fees And Commissions On Loans And Advances	90,425	111,330	66,908	90,650	117,158
6.2 Other Fees And Commissions	250,056	341,858	105,455	222,668	317,044
6.3 Foreign Exchange Trading Income	125,462	168,102	66,417	127,648	181,642
6.4 Dividend Income	--	--	--	--	--
6.5 Other Income	1,387	1,832	--	500	500
6.6 Total non-interest income	467,330	623,122	238,780	441,466	616,344
6.7 TOTAL OPERATING INCOME	1,946,060	2,726,389	920,125	1,733,744	2,455,027
7 OPERATING EXPENSES					
7.1 Loan Loss Provision	112,813	110,860	18,875	34,571	44,801
7.2 Staff Costs	384,692	592,967	145,457	309,351	487,008
7.3 Directors' Emoluments	69,563	88,039	29,402	44,285	60,342
7.4 Rental Charges	80,099	96,053	32,576	66,703	101,601
7.5 Depreciation Charge On Property And Equipment	57,965	90,436	21,851	45,173	76,661
7.6 Amortisation Charges	9,859	13,329	3,339	6,628	10,098
7.7 Other Operating Expenses	276,335	486,844	98,513	211,448	352,732
7.8 Total operating expenses	991,326	1,478,528	350,013	718,159	1,133,243
7.9 Profit before tax and exceptional items	954,734	1,247,861	570,112	1,015,585	1,321,784
7.10 Exceptional Items	--	--	--	--	--
7.11 Profit after exceptional items	954,734	1,247,861	570,112	1,015,585	1,321,784
7.12 Current Tax	286,420	370,573	171,034	304,676	396,535
7.13 Deferred Tax	(118,768)	--	--	--	--
7.14 Profit after tax and exceptional items	668,314	876,056	399,078	710,909	925,249
8 EARNINGS PER SHARE- BASIC & DILUTED	--	796	--	--	--
9 DIVIDEND PER SHARE- DECLARED	--	304	--	--	--

III OTHER DISCLOSURES					
	30th Sep 2010 Un-Audited	31st Dec 2010 Audited	31st Mar 2011 Un-Audited	30th Jun 2011 Un-Audited	30th Sep 2011 Un-Audited
	KSh, '000	KSh, '000	KSh, '000	KSh, '000	KSh, '000
10 NON-PERFORMING LOANS AND ADVANCES					
10.1 (a) Gross Non-Performing Loans And Advances	785,120	776,665	782,809	796,838	823,337
10.2 (b) Less Interest In Suspense	170,338	156,086	157,036	158,400	162,907
10.3 (c) Total Non-Performing Loans and Advances (a-b)	614,782	620,579	625,773	638,438	660,430
10.4 (d) Less Loan Loss Provision	337,269	311,557	329,482	342,606	349,537
10.5 (e) Net Non-Performing Loans and Advances(c-d)	277,513	309,022	296,291	295,832	310,893
10.6 (f) Discounted Value Of Securities	245,058	256,351	237,975	207,681	223,076
10.7 (g) Net NPLs Exposure (e-f)	32,455	52,671	58,316	88,151	87,817
11 INSIDER LOANS AND ADVANCES					
11.1 (a) Directors, Shareholders And Associates	764,463	874,799	619,405	692,177	892,652
11.2 (b) Employees	196,952	211,159	215,830	222,291	241,927
11.3 (c) Total Insider Loans and Advances and other facilities	961,415	1,085,958	835,235	914,468	1,134,579
12 OFF-BALANCE SHEET ITEMS					
12.1 (a) Letters Of Credit,Guarantees, Acceptances	1,861,427	2,750,628	3,938,053	3,994,834	3,311,056
12.2 (b) Other Contingent Liabilities	1,039,475	1,280,518	1,475,083	1,577,937	1,520,051
12.3 (c) Total Contingent Liabilities	2,900,902	4,031,146	5,413,136	5,572,771	4,831,107
13 CAPITAL STRENGTH					
13.1 (a) Core Capital	2,253,254	2,229,530	2,391,145	2,532,495	2,621,514
13.2 (b) Minimum Statutory Capital	350,000	500,000	500,000	500,000	500,000
13.3 (c) Excess (a-b)	1,903,254	1,729,530	1,891,145	2,032,495	2,121,514
13.4 (d) Supplementary Capital	1,391,140	146,661	184,585	193,189	202,244
13.5 (e) Total Capital (a-d)	2,392,394	2,376,191	2,575,730	2,725,684	2,823,758
13.6 (f) Total Risk Weighted Assets	11,815,677	11,191,899	14,869,867	15,455,124	16,009,906
13.7 (g) Core Capital/Total deposits Liabilities	13.0%	14.1%	11.8%	12.7%	12.5%
13.8 (h) Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%	8.0%
13.9 (i) Excess	5.0%	6.1%	3.8%	4.7%	4.5%
13.10 (j) Core Capital / total risk weighted assets	19.1%	19.9%	16.1%	16.4%	16.4%
13.11 (k) Minimum Statutory Ratio	8.0%	8.0%	8.0%	8.0%	8.0%
13.12 (l) Excess (j-k)	11.1%	11.9%	8.1%	8.4%	8.4%
13.13 (m) Total Capital/total risk weighted assets	20.2%	21.2%	17.3%	17.6%	17.6%
13.14 (n) Minimum Statutory Ratio	12.0%	12.0%	12.0%	12.0%	12.0%
13.15 (o) Excess (m-n)	8.2%	9.2%	5.3%	5.6%	5.6%
14 LIQUIDITY					
14.1 (a) Liquidity Ratio	29.6%	28.8%	27.7%	29.1%	27.6%
14.2 (b) Minimum Statutory Ratio	20.0%	20.0%	20.0%	20.0%	20.0%
14.3 (c) Excess (a-b)	9.6%	8.8%	7.7%	9.1%	7.6%

Our customers are the real stars, we only picked the glass one.

Imperial Bank leading the way in reducing child mortality

Imperial Bank is humbled to have received the 2011 MDG Achievement Award which takes cognizance of the bank's creativity and innovation in accelerating the achievement of MDG number 4. This has been through our collaboration with UNICEF in the 'Key in a donation - Save a child's life' ATM campaign.

We thank our customers for supporting us in contributing towards child survival and development.

Imperial Bank. The first Kenyan bank to use ATMs for fundraising.

MESSAGE FROM DIRECTORS
The financial statements are extracts from the books of the institution.

Alnashir Popat CHAIRMAN **Abdulmalek Janmohamed MANAGING DIRECTOR**

NAIROBI: Head Office - Upper Hill/Bunyala Road Junction: Tel. 287 4000

Industrial Area Branch - Bamburi Rd • Karen Branch - Cross Roads Mall • IPS Building Branch - Kimathi Street

Parklands Branch - Regal Plaza • Riverside Branch - Riverside Green Suite • Village Market Branch

MOMBASA: Main Branch - Kaunda Avenue • Changamwe Branch - Refinery Place • Likoni Branch - Nakumatt Likoni • Haile Selassie Rd Branch

MALINDI • WATAMU • KILIFI • DIANI • ELDORET • THIKA

info@imperialbankgroup.com • www.imperialbankgroup.com