

Date : 30<sup>th</sup> Aug 2018  
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**I&M BANK (RWANDA) PLC**

KN 03AV/9  
P.O. Box 354, Kigali, Rwanda  
Tel: +250 252 595 200  
+250 788 162 006  
Fax: +250 252 573 395  
website: [www.imbank.com/rwanda](http://www.imbank.com/rwanda)  
TIN N°: 100054122

The Rwanda Stock Exchange  
Kigali- Rwanda

Attention: Celestin Rwabukumba

Dear Sir,

Subject : I&M Bank (Rwanda) Plc half year 2018 Financials

Enclosed please find the i&M Bank (Rwanda) Plc financials for the period ended 30<sup>th</sup> June 2018 to be availed to the public.

We look forward to a continued good working relationship and co-operation.

Yours faithfully,



JOHN GATASHYA  
Chief Finance Officer



**i&M Bank**  
PLC  
Head Office

Robin Bairstow  
Managing Director

**STATEMENT OF FINANCIAL POSITION AS AT  
30<sup>th</sup> JUNE 2018**

REVIEWED BY EXTERNAL AUDITORS  
(FIGURES IN FRW '000)

| ASSETS   | 30/06/18           | 31/12/17           |
|--|--------------------|--------------------|
| Cash in hand   | 2,550,361          | 3,021,548          |
| Due from the National Bank of Rwanda                 | 16,284,006         | 22,675,583         |
| Due from other banking institutions                  | 33,001,380         | 30,804,171         |
| Non-current assets held for sale                     | -                  | 2,120,000          |
| Investment securities - at fair value through OCI    | 8,244,951          | 17,920,975         |
| Investment securities - at amortized cost            | 50,070,799         | 19,813,406         |
| Derivative financial instruments                     | 73,598             | 68,510             |
| Loans and advances to customers                      | 157,739,442        | 146,513,373        |
| Other assets   | 2,992,060          | 2,973,118          |
| Property and equipment                               | 14,985,929         | 12,252,110         |
| Intangible assets                                    | 3,422,613          | 2,011,418          |
| <b>TOTAL ASSETS</b>                                  | <b>289,365,139</b> | <b>260,174,192</b> |
| LIABILITIES  | 30/06/18           | 31/12/17           |
| Deposits from customers                              | 188,358,292        | 177,422,108        |
| Deposits from banks and other financial Institutions | 42,699,684         | 31,708,600         |
| Current income tax                                   | 1,100,712          | 1,098,315          |
| Other payables                                       | 9,449,339          | 6,341,588          |
| Provisions   | 453,908            | 455,331            |
| Corporate bond                                       | -                  | 104,638            |
| Borrowed funds                                       | 10,368,194         | 6,617,003          |
| Deferred income tax                                  | 1,323,291          | 1,362,083          |
| <b>TOTAL LIABILITIES</b>                             | <b>253,753,420</b> | <b>225,109,666</b> |
| EQUITY   | 30/06/18           | 31/12/17           |
| Share capital  | 5,050,000          | 5,050,000          |
| Share premium  | 400,000            | 400,000            |
| Retained earnings                                    | 27,392,800         | 24,056,367         |
| Available for sale reserve                           | 452,728            | 693                |
| Revaluation reserve                                  | 2,049,886          | 2,140,401          |
| Other reserves                                       | 266,305            | 812,065            |
| Proposed dividend                                    | -                  | 2,605,000          |
| <b>TOTAL EQUITY</b>                                  | <b>35,611,719</b>  | <b>35,064,526</b>  |
| <b>TOTAL LIABILITIES AND EQUITY</b>                  | <b>289,365,139</b> | <b>260,174,192</b> |
| OFF STATEMENT OF FINANCIAL POSITION<br>ITEMS         | 30/06/18           | 31/12/17           |
| Acceptances and Letters of Credit Issued             | 10,047,128         | 2,397,437          |
| Acceptances and Letters of Credit Received           | -                  | -                  |
| Guarantees commitments given                         | 25,128,207         | 21,715,443         |
| Guarantees commitments received                      | -                  | -                  |
| Other Off Statement of Financial position items      | 696,761            | 566,801            |

**STATEMENT OF COMPREHENSIVE INCOME FOR  
THE PERIOD ENDED 30<sup>th</sup> JUNE 2018**

REVIEWED BY EXTERNAL AUDITORS  
(FIGURES IN FRW '000)

|   | 30/06/18           | 30/06/17           |
|---|--------------------|--------------------|
| Interest and similar income   | 14,860,442         | 11,390,701         |
| Interest and similar expense  | (4,755,875)        | (3,256,210)        |
| <b>Net interest income</b>  | <b>10,104,567</b>  | <b>8,134,491</b>   |
| Fees and commission income  | 1,872,677          | 1,402,578          |
| Fees and commission expense   | (287,118)          | (232,907)          |
| <b>Net fees and commission income</b>   | <b>1,585,559</b>   | <b>1,169,671</b>   |
| Net foreign exchange income   | 1,706,563          | 1,460,631          |
| Net fair value (loss) /gain on financial assets and liabilities designated at fair value through profit or loss | (322,930)          | (342,259)          |
| Other operating income  | 804,036            | 137,165            |
| <b>Operating income before impairment</b>   | <b>13,877,795</b>  | <b>10,559,699</b>  |
| Impairment losses on loans and advances to customers  | (1,314,920)        | (47,725)           |
| <b>Operating income after impairment losses</b>   | <b>12,562,875</b>  | <b>10,511,974</b>  |
| Employee benefits   | (3,972,317)        | (3,312,832)        |
| Depreciation and amortization expense   | (591,431)          | (497,694)          |
| Operating expenses  | (2,741,967)        | (1,969,827)        |
| <b>Total operating expenses</b>   | <b>(7,305,715)</b> | <b>(5,780,453)</b> |
| <b>Profit before income tax</b>   | <b>5,257,160</b>   | <b>4,731,521</b>   |
| Income tax expense  | (1,840,006)        | (1,646,548)        |
| <b>Profit for the period</b>  | <b>3,417,154</b>   | <b>3,084,973</b>   |

Chairman of the Board of Directors:  
Date: 30<sup>th</sup> August 2018

Managing Director:  
Date: 30<sup>th</sup> August 2018



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**OTHER DISCLOSURES**

REVIEWED BY EXTERNAL AUDITORS  
(FIGURES IN FRW '000)

| FOR THE PERIOD ENDED 30 <sup>th</sup> JUNE 2018      |                   |
|--|-------------------|
| <b>1. Off Balance sheet items</b>                    | <b>35,872,096</b> |
| <b>2. Non performing Loans</b>                       |                   |
| a. Non performing Loans                              | 4,382,821         |
| b. Non performing Loans Ratio                        | 2.24%             |
| <b>3. Capital Strength</b>                           |                   |
| a. Core Capital (Tier 1)                             | 31,337,751        |
| b. Supplementary Capital (Tier 2)                    | 5,077,598         |
| c. Total Capital                                     | 36,415,349        |
| d. Total Risk weighted assets                        | 206,924,589       |
| e. Core Capital/Total risk weighted assets ratio     | 15.14%            |
| f. Tier 1 ratio                                      | 15.14%            |
| g. Total Capital/Total risk weighted assets ratio    | 17.60%            |
| h. Tier 2 Ratio                                      | 17.60%            |
| <b>4. Liquidity</b>                                  |                   |
| a. Liquidity ratio                                   | 40.0%             |
| <b>5. Insider Lending</b>                            |                   |
| a. Loans to Directors, shareholders and subsidiaries | 36,196            |
| b. Loans to Employees                                | 3,336,812         |
| <b>6. Management and Board Composition</b>           |                   |
| a. Number of Board members                           | 9                 |
| b. Number of executive directors                     | 2                 |
| c. Number of Non- executive directors                | 7                 |
| d. Number of female directors                        | 2                 |
| e. Number of male directors                          | 7                 |
| f. Number of Executive committee                     | 12                |
| g. Number of female in the Executive committee       | 3                 |
| h. Number of male in the Executive committee         | 9                 |

**EXPLANATORY NOTES TO THE FINANCIALS**

- Interest and similar income: 30% increment**  
The increase is mainly attributable to the Loan book portfolio and the Investment made in money markets (Government securities and interbank placements) that increased by 27% and 91% respectively.
- Interest and similar expense: 46% increment**  
The increase is mainly due to deposits from Banks and other financial institutions as well as facilities received from DFIs which increased by 76%.
- Other Operating Income: 486% increment**  
The increment relates to sale of non current assets that were held for sale.

- Increase in Impairment losses on loans and advances**  
The increase is mainly attributable to additional provisions on some loans and advances.
- Investment securities - at fair value through OCI: Decrease of 54%**  
The decrease is due to some financial instruments which were reclassified as held to maturity.
- Investment securities - at amortised cost: 153% increment**  
The increment is mainly attributable to excess funds which were invested in Government securities : Treasury Bills and Treasury Bonds.
- Intangible Asset : 70% increment**  
In order to enhance its services to customers, the Bank has invested into a new core banking system.
- Borrowed funds: Increased by 57%**  
The increment is due to new facility from IFC that the Bank acquired in the current year in line with the Bank's strategy to grow its loan book portfolio.

Chairman of the Board of Directors:  
Date: 30<sup>th</sup> August 2018

Managing Director:  
Date: 30<sup>th</sup> August 2018

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