

Date: 26th November 2019
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I&M BANK (RWANDA) PLC

KN 03AV/9

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TIN N°: 100054122

**The Rwanda Stock Exchange
Po Box 3882
Kigali – Rwanda**

Attention: Celestin Rwabukumba

Dear Sir,

Subject: I&M Bank (Rwanda) Plc Quarter 3 2019 Financials

Enclosed please find the I&M Bank (Rwanda) Plc financials for the period ended 30th September 2019 to be availed to the public.

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

Yours sincerely,

FOR AND ON BEHALF OF I&M BANK (RWANDA) PLC

A handwritten signature in blue ink, appearing to be "Anita".

Anita UMULISA
Chief Financial Officer

The logo for i&M Bank, featuring the letters "i&M" in a stylized blue font, with "Bank" in a smaller font below it.

i&M Bank
Head Office

A handwritten signature in blue ink, appearing to be "Iddy RUGAMBA".

Iddy RUGAMBA
Ag. Company Secretary

STATEMENT OF FINANCIAL POSITION AS AT 30th SEPTEMBER 2019

REVIEWED BY EXTERNAL AUDITORS
(FIGURES IN FRW '000)

ASSETS	30/09/19	31/12/18
Cash in hand	3,410,440	3,502,480
Due from the National Bank of Rwanda	13,120,830	20,337,671
Due from other banking institutions	18,699,717	23,183,308
Derivative financial instruments	193,255	6,617
Investment securities - at amortized cost	47,337,943	47,703,866
Investment securities - at fair value through other comprehensive income	18,153,082	5,832,253
Loans and advances to customers	180,984,225	169,032,838
Other assets	7,401,515	2,704,999
Intangible assets	5,871,704	4,785,353
Property and equipment	21,317,562	17,076,248
Right to use asset	2,178,392	-
TOTAL ASSETS	318,668,665	294,165,633
LIABILITIES	30/09/19	31/12/18
Deposits from customers	198,976,729	192,840,285
Deposits from banks and other financial institutions	43,046,925	38,097,584
Current income tax	773,737	872,369
Other payables	7,924,519	6,480,351
Subordinated Debt	9,347,244	8,819,273
Borrowed funds	14,165,775	5,543,644
Provisions for legal	155,460	442,412
Deferred income tax	1,329,044	1,502,217
Lease liability	2,077,750	-
TOTAL LIABILITIES	277,797,183	254,596,135
EQUITY	30/09/19	31/12/18
Share capital	5,050,000	5,050,000
Share premium	400,000	400,000
Retained earnings	32,955,873	28,763,104
Available for sale reserve	146,629	213,148
Revaluation reserve	2,011,095	2,011,095
Statutory Credit Risk	307,885	145,151
Proposed dividend	-	2,985,000
TOTAL EQUITY	40,871,482	39,567,498
TOTAL LIABILITIES AND EQUITY	318,668,665	294,165,633
OFF STATEMENT OF FINANCIAL POSITION ITEMS	30/09/19	31/12/18
Acceptances and Letters of Credit Issued	14,612,551	6,893,910
Guarantees commitments given	26,801,929	27,979,302

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30th SEPTEMBER 2019

REVIEWED BY EXTERNAL AUDITORS
(FIGURES IN FRW '000)

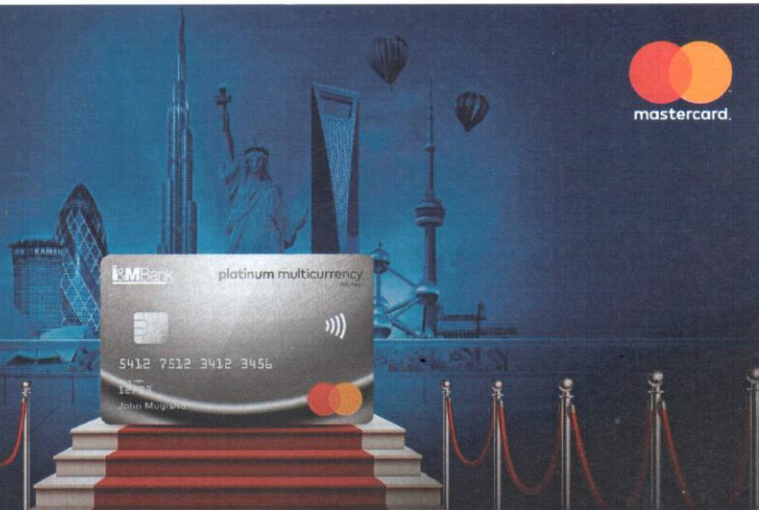
	30/09/19	30/09/18
Interest and similar income	25,937,851	22,832,338
Interest and similar expense	(9,659,691)	(8,100,656)
Net interest income	16,278,160	14,731,682
Fees and commission income	2,404,247	1,810,962
Fees and commission expense	(691,712)	(480,031)
Net fees and commission income	1,712,535	1,330,931
Net foreign exchange income	2,325,924	2,400,105
Other operating income	574,996	1,150,751
Operating income before impairment	20,891,615	19,613,469
Impairment losses on loans and advances to customers	(552,690)	(1,120,332)
Operating income after impairment losses	20,338,925	18,493,137
Employee benefits	(7,676,507)	(5,966,521)
Operating expenses	(4,077,699)	(4,055,960)
Depreciation and amortization expense	(1,585,632)	(879,589)
Lease interest expense	(106,466)	-
Lease depreciation charge	(348,980)	-
Total operating expenses	(13,795,284)	(10,902,070)
Profit before income tax	6,543,641	7,591,067
Income tax expense	(2,290,274)	(2,656,874)
Profit for the period	4,253,367	4,934,193



Director:
Date: 26th November 2019



Managing Director:
Date: 26th November 2019



I&M BANK (RWANDA) PLC FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30th SEPTEMBER 2019

OTHER DISCLOSURES

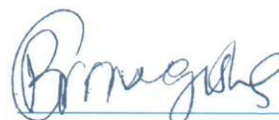
REVIEWED BY EXTERNAL AUDITORS
(FIGURES IN FRW '000)

FOR THE PERIOD ENDED 30 th SEPTEMBER 2019	
I. Capital Strength	
a. Core Capital (Tier 1)	31,635,291
b. Supplementary Capital (Tier 2)	9,175,990
c. Total Capital	40,811,281
d. Total Risk weighted assets	242,528,574
e. Core Capital/Total risk weighted assets ratio	13.04%
f. Tier 2 ratio	3.78%
g. Total Capital/Total risk weighted assets ratio	16.83 %
h. Leverage Ratio	9%
II. Credit Risk	
1. Total gross credit risk exposures: after accounting offsets and without taking into account credit risk mitigation	228,804,963
2. Average gross credit exposures, broken down by major types of credit exposure:	
a) loans, commitments and other non-derivative off-balance sheet exposures :	228,804,963
b) debt securities:	65,491,025
c) OTC derivatives:	193,255
3. Regional or geographic distribution of exposures, broken down in significant areas by major types of credit exposure:	
Northern	3,440,585
Southern	2,005,413
Eastern	1,386,840
Western	4,790,099
Kigali City	217,182,026
4. Sector distribution of exposures, broken down by major types of credit exposure and aggregated in the following areas:	
a) Government;	589,720
b) financial;	164,715
c) manufacturing;	40,379,133
d) infrastructure and construction;	63,402,840
e) services and commerce.	63,329,781
f) others	60,938,774
5. Off Balance sheet items	41,414,479
6. Non-Performing Loans	
(a) Non performing Loans	6,022,869
(b) NPL Ratio	2.65 %
7. Related Parties	
a. Loans to Directors, shareholders and subsidiaries	576,526
b. Loans to Employees	3,892,838
III. Liquidity	
a. Liquidity Coverage ratio (LCR)	285 %
b. Net Stable Funding ratio (NSFR)	163 %
IV. Market Risk	
1. Interest rate risk	498,147
2. Equity position risk	-
3. Foreign exchange risk	395,124
V. Country Risk	
1. Credit exposures abroad	19,259,653
2. Other assets held abroad	-
3. Liabilities to abroad	22,599,787

VI. Management and Board Composition	
a. Number of Board members	12
b. Number of Independent directors	8
c. Number of non-Independent directors	2
d. Number of managing directors	1
e. Number of executive directors	1
f. Number of female directors	3
g. Number of male directors	9
h. Number of Senior Managers	12
i. Number of female senior managers	5
j. Number of male senior managers	7

EXPLANATORY NOTES TO THE FINANCIALS

- Interest and similar income: 14% increment**
The increase is mainly attributable to the Loan book portfolio which increased by 17% YOY
- Interest and similar expense: 19% increment**
An increase in the level of the funding sources was noted mainly in the DFIs (125%).
- Impairment losses on loans and advances to customers: 51% Decrease**
Last year, provision booked was higher on account of some Non performing customers.
- Employee benefits: 29% Increase**
The increment in staff costs relates to a Voluntary Severance Scheme that the Bank has provided as a benefit to its long serving employees.
- Depreciation and amortisation charges: 80% increment**
Depreciation charges is higher in the current year on the account of the Core Banking Software which went live last year in September 2018.
- Borrowed funds: 156% increment**
The increment of borrowed funds relates to funds received from various DFIs in line with the Bank's strategy to grow its loan book portfolio.
- Right to use Asset and Lease Liability**
The above 2 line items relate to the new accounting standards IFRS 16-Leases whose adoption was effective from 1st January 2019.



Director:
Date: 26th November 2019



Managing Director:
Date: 26th November 2019