



ANNOUNCEMENT

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I&M HOLDINGS AGREES TO PURCHASE ENTIRE ISSUED SHARE CAPITAL OF GIRO COMMERCIAL BANK LIMITED

I&M Holdings Limited (“**IMHL**”) is pleased to announce that it has signed an agreement to acquire all of the issued share capital in Giro Commercial Bank Limited (“**Giro**”). The proposed acquisition, upon completion, envisages the immediate merger of Giro’s banking business into I&M Bank Limited (“**I&M Bank**”), IMHL’s flagship subsidiary. The proposed acquisition is subject to a number of conditions precedent including approvals under the Banking Act, from the Capital Markets Authority, from the Competition Authority of Kenya as well as from IMHL’s shareholders in general meeting.

The I&M Group – comprising IMHL, its banking entities in Kenya, Tanzania, Rwanda and Mauritius as well as GA Insurance Company Limited amongst others – is a leader in the financial services industry in East Africa with a significant presence in the banking, insurance, manufacturing and real estate sectors.

IMHL owns the Group’s regional banking entities in Kenya, Rwanda, and Mauritius and in Tanzania through I&M Bank. Listed on the NSE with a market capitalization of KES 45 billion, it is regulated by the Capital Markets Authority as well as by the Central Bank of Kenya as a non-operating holding company. Giro was established in 1997 following the merger of Commerce Bank Limited and Giro Bank Limited. Giro has more than 100 employees and seven branches in Nairobi, Kisumu and Mombasa.

Sarit Shah, Executive Director of I&M Bank, commented:

“The I&M Group has undertaken a series of strategic acquisitions in the banking sector in East Africa and Mauritius since 2008. Continuing on this path, the proposed acquisition of Giro represents an opportunity to acquire a strong banking entity for the I&M Group to not only expand, and diversify its customer base but also to simultaneously give an instant boost to its human resources capacity.”

Sanjay Gidoomal, Managing Director of Giro, commented:

“In I&M Holdings Limited and I&M Bank we have found the right partner to deliver significant value for our customers, our employees and all our stakeholders . Giro’s view is that the strategic sale of its business to I&M Holdings and the merger of its operations into I&M Bank represents tremendous value for its stakeholders, and will enhance the offering to customers and employees and builds on Giro’s legacy of steady growth and competitive product offerings. We expect that customers will benefit from additional services and product lines and will embrace I&M Bank as a strong banking partner with a regional footprint. Giro’s employees will benefit from increased career opportunities and a chance to join a rapidly growing dynamic local player in Kenya’s banking market.”

Notes to Editors:

I&M Holdings has Total Assets of just under KES 190 billion as at 30th June 2015, a customer base of over 150,000 and employs over 1500 people across the region. The Banking group offers the full range of personal, business and alternative banking products through its extensive range of debit, credit and prepaid cards, Email Banking, Internet Banking, Mobile banking, E-Commerce, and Social Media banking.

I&M Bank is I&M Holdings’ flagship subsidiary and has 32 branches and 48 ATMs spread across Kenya. Additionally through the tie up with Kenswitch, the Bank’s customers have access to a further 5,000 or so ATMs across the country. Similarly through its agency banking model where it has tied up with Mobicash, the Bank’s customers also benefit from additional access to services through 12,000 agents located in different centers in the country.

Further details about I&M Holdings and I&M Bank can be found at: www.imbank.co.ke

Giro Commercial Bank was established following the merger of Giro Bank Limited and Commerce Bank Limited in 1998. The Bank has seven branches, five in Nairobi and one each in Mombasa and Kisumu, with the head office at Eldama Park, Westlands. With Total Assets of more than KES 19 billion and over 9,000 customers Giro provides a wide range of tailor made banking products to satisfy customer needs in all sectors of Kenya’s rapidly growing economy, including real estate, education, transport, manufacturing and agriculture. As at 30th June 2015, Giro recorded strong results, with post tax profits of KES 237 million for the prior six months and deposits of KES 13.5 billion. Giro also reported KES 8.6 billion in advances and total shareholder funds of KES 2.6 billion.

Further details on Giro Commercial Bank Limited can be found at: www.girobankltd.com

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