



Report of Condition of Bank Published Pursuant to Section 32(3) of the Banking and Financial Institutions Act, 2006

**PUBLICATION OF FINANCIAL STATEMENTS
(Regulation 5)**

BALANCE SHEET (AMOUNTS IN MILLIONS OF TANZANIAN SHILLINGS)		Current Quarter 30th September 2015	Previous Quarter 30th June 2015
A. ASSETS			
1	Cash	7,579	5,232
2	Balances with Bank of Tanzania	1,221	14,311
3	Investments in Government securities	46,366	33,469
4	Balances with other banks and financial institutions	26,004	22,718
5	Cheques and items for clearing	327	(642)
6	Inter branch float items	0	0
7	Bills negotiated	0	0
8	Customers liabilities for acceptances	0	0
9	Interbank loans receivable	0	0
10	Investments in other Securities	0	0
11	Loans, Advances and Overdrafts (net of allowances for probable losses)	91,873	95,363
12	Other Assets	6,344	6,200
13	Equity Investments	500	500
14	Underwriting Accounts	0	0
15	Property and Equipment	2,533	2,484
16	TOTAL ASSETS	182,746	179,636
B. LIABILITIES			
17	Deposits from other banks and financial institutions	9,716	11,948
18	Customer deposits	122,532	120,221
19	Cash letters of Credit	0	0
20	Special Deposits	283	263
21	Payment orders/transfers payable	0	0
22	Bankers' cheques and drafts issued	275	269
23	Accrued taxes and expenses payable	1,374	1,063
24	Acceptances outstanding	0	0
25	Interbranch float items	0	0
26	Unearned income and other deferred charges	2,133	1,175
27	Other Liabilities	1,911	1,274
28	Borrowings	15,134	13,930
29	TOTAL LIABILITIES	153,358	150,143
30	NET ASSETS/(LIABILITIES) (16 minus 29)	29,387	29,493
C.SHAREHOLDERS' FUNDS			
31	Paid up Share Capital	22,627	22,627
32	Share Premium	7,076	7,076
33	Retained Earnings	(3,004)	(3,321)
34	Profit (Loss) Account	1,065	1,171
35	Regulatory Reserve	1,622	1,939
36	Minority Interest	0	0
37	TOTAL SHAREHOLDERS' FUNDS	29,387	29,493
38	Contingent Liabilities	5,403	6,290
39	Non performing Loans & Advances	14,298	18,018
40	Allowances for Probable Losses	6,835	8,090
41	Other non Performing Assets	0	0
D.SELECTED FINANCIAL CONDITION INDICATORS			
(i)	Shareholders Funds to Total Assets	16%	16%
(ii)	Non performing Loans to Total Gross Loans	14%	17%
(iii)	Gross Loans and Advances to Total Deposits	75%	80%
(iv)	Loans and Advances to Total Assets	50%	53%
(v)	Earning Assets to Total Assets	90%	84%
(vi)	Deposits Growth	2%	5%
(vii)	Assets Growth	2%	0%

INCOME STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2015

(AMOUNTS IN MILLIONS OF TANZANIAN SHILLINGS)		Current Quarter 30th September 2015	Comparative Quarter 30th September 2014	Current Year Cumulative 30th September 2015	Comparative Year Cumulative 30th September 2014
1	Interest Income	4,619	4,612	14,308	14,339
2	Interest Expense	(2,152)	2,290	(6,458)	7,873
3	Net Interest Income (1 + 2)	2,467	2,322	7,850	6,466
4	Bad Debts Written-Off	175	120	218	127
5	Impairment Losses on Loans and Advances	(883)	570	(2,226)	1,715
		1,759	3,012	5,841	8,309
6	Non Interest Income:				
6.1	Foreign Currency Dealings and translation Gain/(Loss)	507	388	2,578	1,199
6.2	Fees and Commissions	652	596	1,874	1,852
6.3	Dividend Income	0	0	0	0
6.4	Other Operating Income	45	85	112	411
		2,963	4,081	10,405	11,771
7	Non Interest Expenses:				
7.1	Salaries and Benefits	(1,377)	(1,189)	(3,883)	(3,613)
7.2	Fees and Commission	-	-	-	-
7.3	Other Operating Expenses	(1,719)	(1,740)	(4,945)	(4,831)
		(3,096)	2,929	(8,827)	(8,443)
8	Operating Profit /(Loss) Before Taxation	(132)	1,152	1,578	3,328
9	Income Tax Provision	40	(346)	(473)	(998)
10	Profit/(Loss) After Income Tax	(93)	806	1,104	2,330
11	Number of Employees	108	107	108	107
12	Basic Earnings per Share	(4.22)	36.70	50.25	106.01
13	Diluted Earnings per Share	(4.10)	35.64	48.81	102.96
14	Number of Branches	6	6	6	6
	<u>SELECTED PERFORMANCE INDICATORS</u>				
	(i) Return on Average Total Assets	-0.3%	2.6%	1.2%	2.5%
	(ii) Return on Average Shareholder Funds	-1.8%	15.0%	7.1%	14.4%
	(iii) Non Interest Expenses to Gross Income	84.3%	86.4%	71.1%	85.0%
	(iv) Net Interest Income to Average Earnings Assets	6.2%	6.6%	6.6%	6.1%



CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2015

I. Cash flow from operating activities	Current Quarter	Previous Quarter
(AMOUNTS IN MILLIONS OF TANZANIAN SHILLINGS)	30th September 2015	30th June 2015
Operating Profit /(Loss) Before Taxation	(132)	496
Adjustments for:		
-Impairment/Amortization	304	394
-Net change in Loans and Advances	3,490	3,042
-Gain/loss on Sale of Assets	0	0
-Net change in Deposits	2,594	5,682
- Due from and to other Banks	(1,625)	(2,588)
-Net change in Short Term Negotiable Securities	7,860	(3,764)
-Net change in Other Liabilities	3,841	12,605
-Net change in Other Assets	82	(388)
- Tax Paid	(229)	(229)
-Others (specify) SMR- Movement	0	(3,240)
Net cash provided (Used) by operating activities	16,185	12,009
II. Cash flow from investing activities:		
Dividend Received	0	0
Purchase of Fixed Assets	(97)	(19)
Proceeds from Sale of Fixed Assets	0	0
Others (specify) - Purchase of Intangible Assets	(122)	0
Net cash (Used in) /generated from investing activities	(220)	(19)
III. Cash flow from financing activities:		
Repayment of Long-term Debt	0	0
Proceeds from Issuance of Long Term Debt	0	0
Proceeds from Issuance of Share Capital	0	0
Payment of Preference Dividends	0	0
Net Change in other Borrowings	0	0
Others (specify) - WHT paid on Bonus Shares	0	0
Net Cash generated from Financing Activities	0	0
IV. Cash and Cash Equivalents:		
Net Increase/ (Decrease) in Cash and Cash Equivalents	15,966	11,990
Cash and Cash Equivalents at the beginning of the Quarter	19,565	7,575
Cash and Cash Equivalents at the end of the Quarter	35,531	19,565

Pankaj Kansara
Managing Director & Chief Executive Officer
 24th October 2015

Julius Ruwaichi
Head of Finance
 24th October 2015

Christopher Kazalla
Head of Internal Audit
 24th October 2015

We, the under-named, non-executive members of the Board of Directors, attest to the correctness of the above Statements. We declare that the Statements have been examined by us, and to the best of our knowledge and belief have been prepared in conformance with the instructions and are true and correct.

Name

Date

1. Shiraz Pira (Director)

24th October 2015