



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)**

<b>BALANCE SHEET (AMOUNTS IN MILLIONS OF TANZANIAN SHILLINGS)</b>	<b>Current Quarter 31st March 2016</b>	<b>Previous Quarter 31st December 2015</b>
<b>A. ASSETS</b>		
1 Cash	5,150	6,092
2 Balances with Bank of Tanzania	12,539	15,791
3 Investments in Government securities	54,375	52,802
4 Balances with other banks and financial institutions	13,810	15,899
5 Cheques and items for clearing	75	383
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)	91,501	90,875
12 Other Assets	5,924	4,937
13 Equity Investments	500	500
14 Underwriting Accounts	0	0
15 Property and Equipment	2,428	2,774
<b>16 TOTAL ASSETS</b>	<b>186,302</b>	<b>190,053</b>
<b>B. LIABILITIES</b>		
17 Deposits from other banks and financial institutions	20,324	24,457
18 Customer deposits	112,329	112,144
19 Cash letters of Credit	0	0
20 Special Deposits	79	280
21 Payment orders/transfers payable	0	0
22 Bankers' cheques and drafts issued	218	299
23 Accrued taxes and expenses payable	1,132	935
24 Acceptances outstanding	0	0
25 Interbranch float items	0	0
26 Unearned income and other deferred charges	4,930	5,504
27 Other Liabilities	1,251	1,131
28 Borrowings	15,309	15,221
<b>29 TOTAL LIABILITIES</b>	<b>155,573</b>	<b>159,973</b>
<b>30 NET ASSETS/(LIABILITIES) (16 minus 29)</b>	<b>30,729</b>	<b>30,080</b>
<b>C.SHAREHOLDERS' FUNDS</b>		
31 Paid up Share Capital	22,627	22,627
32 Share Premium	7,076	7,076
33 Retained Earnings	-2,957	-4,721
34 Profit (Loss) Account	648	1,759
35 Regulatory Reserve	3,334	3,340
36 Minority Interest	0	0
<b>37 TOTAL SHAREHOLDERS' FUNDS</b>	<b>30,729</b>	<b>30,080</b>
38 Contingent Liabilities	3,355	7,534
39 Non performing Loans & Advances	16,147	16,162
40 Allowances for Probable Losses	7,002	6,790
41 Other non Performing Assets	0	0
<b>D.SELECTED FINANCIAL CONDITION INDICATORS</b>		
(i) Shareholders Funds to Total Assets	16%	16%
(ii) Non performing Loans to Total Gross Loans	16%	16%
(iii) Gross Loans and Advances to Total Deposits	74%	73%
(iv) Loans and Advances to Total Assets	49%	48%
(v) Earning Assets to Total Assets	86%	84%
(vi) Deposits Growth	0%	-8%
(vii) Assets Growth	-2%	8%

**INCOME STATEMENT FOR THE QUARTER ENDED MARCH 31, 2016**

<b>(AMOUNTS IN MILLIONS OF TANZANIAN SHILLINGS)</b>		<b>Current Quarter 31st March 2016</b>	<b>Comparative Quarter 31st March 2015</b>	<b>Current Year Cumulative 31st March 2016</b>	<b>Comparative Year Cumulative 31st March 2015</b>
1	Interest Income	4,810	4,959	4,810	4,959
2	Interest Expense	(2,002)	(2,118)	(2,002)	(2,118)
3	<b>Net Interest Income (1 + 2)</b>	<b>2,807</b>	<b>2,841</b>	<b>2,807</b>	<b>2,841</b>
4	Bad Debts Written-Off	398	20	398	20
5	Impairment Losses on Loans and Advances	(213)	(620)	(213)	(620)
		<b>2,993</b>	<b>2,241</b>	<b>2,993</b>	<b>2,241</b>
6	<b>Non Interest Income:</b>				
6.1	Foreign Currency Dealings and translation Gain/(Loss)	253	1,107	253	1,107
6.2	Fees and Commissions	579	610	579	610
6.3	Dividend Income	0	0	0	0
6.4	Other Operating Income	41	39	41	39
		<b>3,866</b>	<b>3,996</b>	<b>3,866</b>	<b>3,996</b>
7	<b>Non Interest Expenses:</b>				
7.1	Salaries and Benefits	(1,403)	(1,178)	(1,403)	(1,178)
7.2	Fees and Commission	0	0	0	0
7.3	Other Operating Expenses	(1,519)	(1,604)	(1,519)	(1,604)
		<b>(2,921)</b>	<b>(2,782)</b>	<b>(2,921)</b>	<b>(2,782)</b>
8	<b>Operating Profit/(Loss) Before Taxation</b>	<b>945</b>	<b>1,215</b>	<b>945</b>	<b>1,215</b>
9	Income Tax Provision	(283)	(364)	(283)	(364)
10	<b>Profit/(Loss) After Income Tax</b>	<b>661</b>	<b>850</b>	<b>661</b>	<b>850</b>
11	Number of Employees	103	106	103	106
12	Basic Earnings per Share	30.09	38.69	30.09	38.69
13	Diluted Earnings per Share	29.22	37.57	29.22	37.57
14	Number of Branches	5	6	5	6
	<b><u>SELECTED PERFORMANCE INDICATORS</u></b>				
	(i) Return on Average Total Assets	2.0%	1.9%	2.0%	1.9%
	(ii) Return on Average Shareholder Funds	12.4%	16.9%	12.4%	16.9%
	(iii) Non Interest Expenses to Gross Income	79.4%	60.5%	79.4%	60.5%
	(iv) Net Interest Income to Average Earnings Assets	7.0%	7.6%	7.0%	7.6%



**CASH FLOW STATEMENT FOR THE QUARTER ENDED MARCH 31, 2016**

<b>I. Cash flow from operating activities</b>	<b>Current Quarter 31st March 2016</b>	<b>Previous Quarter 31st December 2015</b>
<b>(AMOUNTS IN MILLIONS OF TANZANIAN SHILLINGS)</b>		
<b>Operating Profit /(Loss) Before Taxation</b>	<b>945</b>	<b>630</b>
Adjustments for:		
-Impairment/Amortization	357	361
-Net change in Loans and Advances	(626)	998
-Gain/loss on Sale of Assets	0	(21)
-Net change in Deposits	(16)	(10,286)
- Due from and to other Banks	10,548	2,151
-Net change in Short Term Negotiable Securities	(7,464)	(25,588)
-Net change in Other Liabilities	(6,147)	6,822
-Net change in Other Assets	(729)	534
- Tax Paid	232	0
-Others (specify) SMR- Movement	(760)	1,796
<b>Net cash provided (Used) by operating activities</b>	<b>(3,659)</b>	<b>(22,604)</b>
<b>II. Cash flow from investing activities:</b>		
Dividend Received	0	0
Purchase of Fixed Assets	(11)	(2)
Proceeds from Sale of Fixed Assets	0	0
Others (specify) - Purchase of Intangible Assets	0	(21)
<b>Net cash (Used in) /generated from investing activities</b>	<b>(11)</b>	<b>(23)</b>
<b>III. Cash flow from financing activities:</b>		
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	(52)	0
Net Change in other Borrowings	0	0
Others (specify) - WHT paid on Bonus Shares	0	0
<b>Net Cash generated from Financing Activities</b>	<b>(52)</b>	<b>0</b>
<b>IV. Cash and Cash Equivalents:</b>		
Net Increase/ (Decrease) in Cash and Cash Equivalents	(3,722)	(22,627)
Cash and Cash Equivalents at the beginning of the Quarter	12,904	35,531
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>9,182</b>	<b>12,904</b>

Pankaj Kansara  
**Managing Director & Chief Executive Officer**  
 23rd April 2016

Guydon Chihwalo  
**Ag. Head of Finance**  
 23rd April 2016

Christopher Kazalla  
**Head of Internal Audit**  
 23rd April 2016

**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)**

23rd April 2016

**2. Sharmapal Aggarwal (Chairman)**

23rd April 2016