



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 31st March 2017	Previous Quarter 31st December 2016
A. ASSETS		
1 Cash	3,964	4,294
2 Balances with Bank of Tanzania	10,909	13,611
3 Investments in Government securities	64,273	58,450
4 Balances with other banks and financial institutions	8,307	4,141
5 Cheques and items for clearing	176	(30)
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)	93,689	97,070
12 Other Assets	4,729	4,367
13 Equity Investments	500	500
14 Underwriting Accounts	0	0
15 Property and Equipment	1,739	1,984
16 TOTAL ASSETS	188,285	184,387
B. LIABILITIES		
17 Deposits from other banks and financial institutions	20,520	14,756
18 Customer deposits	111,920	116,950
19 Cash letters of Credit	0	0
20 Special Deposits	324	141
21 Payment orders/transfers payable	0	0
22 Bankers' cheques and drafts issued	320	331
23 Accrued taxes and expenses payable	1,696	1,710
24 Acceptances outstanding	0	0
25 Interbranch float items	0	0
26 Unearned income and other deferred charges	5,632	5,366
27 Other Liabilities	2,993	646
28 Borrowings	12,806	12,603
29 TOTAL LIABILITIES	156,210	152,502
30 NET ASSETS/(LIABILITIES) (16 minus 29)	32,075	31,885
C. SHAREHOLDERS' FUNDS		
31 Paid up Share Capital	22,627	22,627
32 Share Premium	7,076	7,076
33 Retained Earnings	-689	-3,267
34 Profit (Loss) Account	190	1,856
35 Regulatory Reserve	2,871	3,592
36 Minority Interest	0	0
37 TOTAL SHAREHOLDERS' FUNDS	32,075	31,885
38 Contingent Liabilities	3,238	8,529
39 Non performing Loans & Advances	9,897	11,544
40 Allowances for Probable Losses	4,493	5,597
41 Other non Performing Assets	0	0
D. SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders Funds to Total Assets	17%	17%
(ii) Non performing Loans to Total Gross Loans	10%	11%
(iii) Gross Loans and Advances to Total Deposits	74%	78%
(iv) Loans and Advances to Total Assets	50%	53%
(v) Earning Assets to Total Assets	88%	87%
(vi) Deposits Growth	-4%	4%
(vii) Assets Growth	2%	-3%

INCOME STATEMENT FOR THE QUARTER ENDED MARCH 31, 2017

(AMOUNTS IN MILLIONS OF TANZANIAN SHILLINGS)		Current Quarter 31st March 2017	Comparative Quarter 31st March 2016	Current Year Cumulative 31st March 2017	Comparative Year Cumulative 31st March 2016
1	Interest Income	4,621	4,810	4,621	4,810
2	Interest Expense	(2,175)	(2,002)	(2,175)	(2,002)
3	Net Interest Income (1 + 2)	2,446	2,807	2,446	2,807
4	Bad Debts Written-Off	91	398	91	398
5	Impairment Losses on Loans and Advances	(221)	(213)	(221)	(213)
		2,316	2,993	2,316	2,993
6	Non Interest Income:				
6.1	Foreign Currency Dealings and translation Gain/(Loss)	180	253	180	253
6.2	Fees and Commissions	614	579	614	579
6.3	Dividend Income	0	0	0	0
6.4	Other Operating Income	35	41	35	41
		3,145	3,866	3,145	3,866
7	Non Interest Expenses:				
7.1	Salaries and Benefits	(1,304)	(1,403)	(1,304)	(1,403)
7.2	Fees and Commission	0	0	0	0
7.3	Other Operating Expenses	(1,550)	(1,519)	(1,550)	(1,519)
		(2,855)	(2,921)	(2,855)	(2,921)
8	Operating Profit/(Loss) Before Taxation	291	945	291	945
9	Income Tax Provision	(87)	(283)	(87)	(283)
10	Profit/(Loss) After Income Tax	203	661	203	661
11	Number of Employees	94	103	94	103
12	Basic Earnings per Share	9.26	30.09	9.26	30.09
13	Diluted Earnings per Share	8.99	29.22	8.99	29.22
14	Number of Branches	5	5	5	5
	<u>SELECTED PERFORMANCE INDICATORS</u>				
	(i) Return on Average Total Assets	0.6%	2.0%	0.6%	2.0%
	(ii) Return on Average Shareholder Funds	3.6%	12.4%	3.6%	12.4%
	(iii) Non Interest Expenses to Gross Income	87.2%	79.4%	87.2%	79.4%
	(iv) Net Interest Income to Average Earnings Assets	6.0%	7.0%	6.0%	7.0%



CASH FLOW STATEMENT FOR THE QUARTER ENDED MARCH 31, 2017

I. Cash flow from operating activities	Current Quarter 31st March 2017	Previous Quarter 31st December 2016
(AMOUNTS IN MILLIONS OF TANZANIAN SHILLINGS)		
Operating Profit /(Loss) Before Taxation	291	1,169
Adjustments for:		
-Impairment/Amortization	284	119
-Net change in Loans and Advances	3,381	(7,015)
-Gain/loss on Sale of Assets	0	(24)
-Net change in Deposits	(4,848)	(308)
- Due from and to other Banks	4,679	9,919
-Net change in Short Term Negotiable Securities	(10,419)	(19,595)
-Net change in Other Liabilities	1,789	(1,214)
-Net change in Other Assets	(154)	575
- Tax Paid	95	89
-Others (specify) SMR- Movement	0	0
Net cash provided (Used) by operating activities	(4,901)	(16,286)
II. Cash flow from investing activities:		
Dividend Received	0	0
Purchase of Fixed Assets	(38)	(107)
Proceeds from Sale of Fixed Assets	0	24
Others (specify) - Purchase of Intangible Assets	0	0
Net cash (Used in) /generated from investing activities	(38)	(83)
III. Cash flow from financing activities:		
Repayment of Long-term Debt	0	(1,699)
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	(1,699)
IV. Cash and Cash Equivalents:		
Net Increase/ (Decrease) in Cash and Cash Equivalents	(4,939)	(18,068)
Cash and Cash Equivalents at the beginning of the Quarter	28,846	46,914
Cash and Cash Equivalents at the end of the Year	23,907	28,846

Pankaj Kansara
Managing Director & Chief Executive Officer
 24th April 2017

Msafiri Kibebeti
Head of Finance
 24th April 2017

Christopher Kazalla
Head of Internal Audit
 24th April 2017

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 April 2017

2. Sharmapal Aggarwal (Chairman)

24th April 2017