



**PUBLICATION OF FINANCIAL STATEMENTS  
( Regulation 7)**

<b>CONDENSED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2017 (Amounts in million shillings)</b>		<b>Current Quarter 30th June 2017</b>	<b>Previous Quarter 31st March 2017</b>
<b>A. ASSETS</b>			
1	Cash	4,741	3,964
2	Balances with Bank of Tanzania	10,575	10,909
3	Investments in Government securities	59,881	64,273
4	Balances with other banks and financial institutions	2,207	8,307
5	Cheques and items for clearing	301	176
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)	95,017	93,689
12	Other Assets	5,031	4,729
13	Equity Investments	500	500
14	Underwriting Accounts	0	0
15	Property and Equipment	1,540	1,739
16	<b>TOTAL ASSETS</b>	<b>179,795</b>	<b>188,285</b>
<b>B. LIABILITIES</b>			
17	Deposits from other banks and financial institutions	16,687	20,520
18	Customer deposits	112,043	111,920
19	Cash letters of Credit	0	0
20	Special Deposits	279	324
21	Payment orders/transfers payable	0	0
22	Bankers' cheques and drafts issued	414	320
23	Accrued taxes and expenses payable	1,648	1,696
24	Acceptances outstanding	0	0
25	Interbranch float items	0	0
26	Unearned income and other deferred charges	3,756	5,632
27	Other Liabilities	1,093	2,993
28	Borrowings	11,409	12,806
29	<b>TOTAL LIABILITIES</b>	<b>147,328</b>	<b>156,210</b>
30	<b>NET ASSETS/(LIABILITIES) (16 minus 29)</b>	<b>32,466</b>	<b>32,075</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	-2,939	-689
34	Profit (Loss) Account	582	190
35	Regulatory Reserve	5,121	2,871
36	Minority Interest	0	0
37	<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>32,466</b>	<b>32,075</b>
38	Contingent Liabilities	4,310	3,238
39	Non performing Loans & Advances	10,434	9,897
40	Allowances for Probable Losses	4,026	4,493
41	Other non Performing Assets	0	0
<b>D.SELECTED FINANCIAL CONDITION INDICATORS</b>			
(i)	Shareholders Funds to Total Assets	18%	17%
(ii)	Non performing Loans to Total Gross Loans	11%	10%
(iii)	Gross Loans and Advances to Total Deposits	77%	74%
(iv)	Loans and Advances to Total Assets	53%	50%
(v)	Earning Assets to Total Assets	87%	88%
(vi)	Deposits Growth	0.1%	-4%
(vii)	Assets Growth	-5%	2%

**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED JUNE 30, 2017**

(Amounts in million shillings)	Current Quarter 30th June 2017	Comparative Quarter 30th June 2016	Current Year Cumulative 30th June 2017	Comparative Year Cumulative 30th June 2016
1 Interest Income	5,017	5,194	9,638	10,004
2 Interest Expense	(2,242)	(1,985)	(4,417)	(3,988)
<b>3 Net Interest Income (1 + 2)</b>	<b>2,775</b>	<b>3,208</b>	<b>5,221</b>	<b>6,016</b>
4 Bad Debts Written-Off	60	144	151	541
5 Impairment Losses on Loans and Advances	158	(218)	(63)	(430)
	<b>2,994</b>	<b>3,134</b>	<b>5,309</b>	<b>6,127</b>
<b>6 Non Interest Income:</b>				
6.1 Foreign Currency Dealings and translation Gain/(Loss )	154	263	334	516
6.2 Fees and Commissions	558	571	1,173	1,150
6.3 Dividend Income	0	0	0	0
6.4 Other Operating Income	89	29	124	70
	<b>3,794</b>	<b>3,997</b>	<b>6,940</b>	<b>7,863</b>
<b>7 Non Interest Expenses:</b>				
7.1 Salaries and Benefits	(1,520)	(1,540)	(2,824)	(2,943)
7.2 Fees and Commission	0	0	0	0
7.3 Other Operating Expenses	(1,697)	(1,538)	(3,247)	(3,056)
	<b>(3,217)</b>	<b>(3,078)</b>	<b>(6,072)</b>	<b>(5,999)</b>
<b>8 Operating Income/(Loss)</b>	<b>577</b>	<b>920</b>	<b>868</b>	<b>1,864</b>
9 Income Tax Provision	(173)	(276)	(260)	(559)
	<b>404</b>	<b>644</b>	<b>608</b>	<b>1,305</b>
<b>10 Net Income/ (Loss) After Income Tax</b>				
<b>11 Other Comprehensive Income (itemize)</b>	0	0	0	0
	<b>404</b>	<b>644</b>	<b>608</b>	<b>1,305</b>
<b>12 Total comprehensive income/(loss) for the year</b>				
13 Number of Employees	93	100	93	100
14 Basic Earnings per Share	18.38	29.29	27.64	59.38
15 Number of Branches	5	5	5	5
<b>SELECTED PERFORMANCE INDICATORS</b>				
(i) Return on Average Total Assets	1.3%	1.9%	0.9%	2.0%
(ii) Return on Average Shareholder Funds	7.2%	11.8%	5.4%	12.0%
(iii) Non Interest Expenses to Gross Income	90.0%	75.6%	88.6%	77.4%
(iv) Net Interest Income to Average Earnings Assets	6.9%	8.0%	6.6%	7.0%



**CONDENSED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED JUNE 30, 2017**

<b>I. Cash flow from operating activities</b>	<b>Current Quarter 30th June 2017</b>	<b>Previous Quarter 31st March 2017</b>	<b>Current Year Cumulative 30th June 2017</b>	<b>Comparative Year Cumulative 30th June 2016</b>
<b>(Amounts in million shillings)</b>				
<b>Operating Income/(Loss)</b>	<b>577</b>	<b>291</b>	<b>868</b>	<b>1,864</b>
Adjustments for:				
-Impairment/Amortization	295	284	579	681
-Net change in Loans and Advances	(1,328)	3,381	2,053	(432)
-Gain/loss on Sale of Assets	0	0	0	0
-Net change in Deposits	79	(4,848)	(4,769)	6,962
-Net change in Short Term Negotiable Securities	4,392	(10,419)	(6,027)	(5,449)
-Net change in Other Liabilities	(4,995)	1,789	(3,206)	(8,034)
-Net change in Other Assets	(244)	4,525	4,281	8,630
-Tax Paid	95	95	190	464
-Others (specify) SMR- Movement	0	0	0	(960)
<b>Net cash provided (Used) by operating activities</b>	<b>(1,129)</b>	<b>(4,901)</b>	<b>(6,031)</b>	<b>3,727</b>
<b>II. Cash flow from investing activities:</b>				
Dividend Received	7	0	7	0
Purchase of Fixed Assets	(96)	(38)	(134)	(86)
Proceeds from Sale of Fixed Assets	0	0	0	0
Purchase of Non- Dealing Securities	0	0	0	0
Proceeds from Sale of Non-Dealing Securities	0	0	0	0
Others (specify) - Purchase of Intangible Assets	0	0	0	0
<b>Net cash provided (used) by investing activities</b>	<b>(89)</b>	<b>(38)</b>	<b>(127)</b>	<b>(86)</b>
<b>III. Cash flow from financing activities:</b>				
Repayment of Long-term Debt	(1,748)	0	(1,748)	(1,669)
Proceeds from Issuance of Long Term Debt	0	0	0	0
Proceeds from Issuance of Share Capital	0	0	0	0
Payment of Preference Dividends	0	0	0	(52)
Net Change in other Borrowings	0	0	0	0
Others (specify) - WHT paid on Bonus Shares	0	0	0	0
<b>Net Cash Provided (used) by Financing Activities</b>	<b>(1,748)</b>	<b>0</b>	<b>(1,748)</b>	<b>(1,721)</b>
<b>IV. Cash and Cash Equivalents:</b>				
Net Increase/ (Decrease) in Cash and Cash Equivalents	(2,966)	(4,939)	(7,906)	1,920
Cash and Cash Equivalents at the beginning of the Quarter	23,907	28,846	28,846	12,904
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>20,940</b>	<b>23,907</b>	<b>20,940</b>	<b>14,824</b>





CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT JUNE 30, 2017

	Share capital	Share Premium	Retained Earning	Regulatory reserve	General provision Reserve	Others	Total
<b>Current Year</b>							
Balance as at the beginning of the year	22,626.99	7,076.37	(1,410.42)	2,720.13	871.88	-	31,884.96
Profit for the year	-	-	607.51	-	-	-	607.51
Other Comprehensive Income	-	-	-	-	-	-	-
Transaction with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-
Regulatory reserve	-	-	(1,517.00)	1,517.00	-	-	-
General Provision Reserve	-	-	(12.06)	-	12.06	-	-
Others	-	-	-	-	-	-	-
<b>Balance as at the end of the current period</b>	<b>22,626.99</b>	<b>7,076.37</b>	<b>(2,331.96)</b>	<b>4,237.13</b>	<b>883.94</b>	<b>-</b>	<b>32,492.47</b>
<b>Previous Year</b>							
Balance as at the beginning of the year	22,626.99	7,076.37	(2,962.49)	2,575.07	764.56	-	30,080.50
Profit for the year	-	-	1,856.46	-	-	-	1,856.46
Other Comprehensive Income	-	-	-	-	-	-	-
Transaction with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	(52.00)	-	-	-	(52.00)
Regulatory reserve	-	-	(145.06)	145.06	-	-	-
General Provision Reserve	-	-	(107.33)	-	107.33	-	-
Others	-	-	-	-	-	-	-
<b>Balance as at the end of the previous period</b>	<b>22,626.99</b>	<b>7,076.37</b>	<b>(1,410.42)</b>	<b>2,720.13</b>	<b>871.88</b>	<b>-</b>	<b>31,884.96</b>

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

Msafiri Kibebeti  
Head of Finance  
24th July 2017

Lewis Mugizi

Ag. Head of Internal Audit  
24th July 2017

We, the undersigned directors, attest to the faithful representation 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 International Financial Reporting Standards and the requirement of the Banking and Financial Institutions Act, 2006 and they present true and fair view.

Name

Date

1. Shiraz Pira (Director)

24th July 2017

2. Sharnapal Aggarwal (Chairman)

24th July 2017