



UN-AUDITED FINANCIAL STATEMENTS

**REPORT OF CONDITION OF BANK PURSUANT TO SECTION 32(3) OF THE BANKING AND
FINANCIAL INSTITUTIONS ACT, 2006**

**STATEMENT OF FINANCIAL POSITION
AS AT 31st March 2015**

(Amounts in million shillings)		
	Current Quarter 31st March 2015	Previous Quarter 31st Dec 2014
A. ASSETS		
1. Cash	7,725	7,884
2. Balances with Bank of Tanzania	21,619	28,702
3. Investment in government securities	-	-
4. Balances with other banks and financial institutions	19,754	20,358
5. Cheques and Items for clearing	598	129
6. Inter branch float items	-	-
7. Bills negotiated	-	-
8. Customers' liabilities for acceptances	-	-
9. Interbank loans receivable	-	-
10. Investment in other securities	-	-
11. Loans, advances and overdrafts (Net of allowances for probable losses)	127,754	121,146
12. Other assets	4,574	4,219
13. Equity investments	-	-
14. Underwriting accounts	-	-
15. Property, plant and equipment (net)	8,877	9,028
16. TOTAL ASSETS	190,900	191,466
B. LIABILITIES		
17. Deposits from other banks and financial institutions	8,390	14,574
18. Customer deposits	146,156	145,584
19. Cash letters of credit	-	-
20. Special deposits	-	-
21. Payment orders/transfers payable	-	-
22. Bankers' cheques and drafts issued	-	-
23. Accrued taxes and expenses payable	1,380	-
24. Acceptances outstanding	-	-
25. Inter branch float items	-	-
26. Unearned income and other deferred charges	-	-
27. Other liabilities	7,991	4,243
28. Borrowings	2,427	2,769
29. TOTAL LIABILITIES	166,344	167,170
30. NET ASSETS / (LIABILITIES)	24,555	24,295
C. SHAREHOLDERS' FUNDS		
31. Paid up share capital	25,000	23,906
32. Capital reserves	-	-
33. Retained Earnings	(2,265)	(2,386)
34. Profit/(Loss) account	(834)	686
35. Others capital accounts	2,655	2,089
36. Minority interest	-	-
37. TOTAL SHAREHOLDERS' FUNDS	24,555	24,295
38. Contingent liabilities	11,004	10,320
39. Non performing loans & advances	6,312	4,907
40. Allowances for probable losses	6,828	5,201
41. Other non performing assets	-	-
D. SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders' funds to total assets	12.9%	12.7%
(ii) Non performing loans to total gross loans	4.9%	4.0%
(iii) Gross loans and advances to total deposits	85.4%	77.6%
(iv) Loans and advances to total assets	67.5%	63.3%
(v) Earning assets to total assets	76.5%	73.2%
(vi) Deposits growth	-3.5%	31.1%
(vii) Assets growth	-0.3%	31.4%

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED ON 31st March 2015
(Amounts in million shillings)

	Current Quarter 31st Mar 2015	Comparative Quarter 31st Mar 2014	Current Year Cumulative 31st Mar 2015	Comparative Year Cumulative 31st Mar 2014
1. Interest income	13,325	10,349	13,324.85	10,349
2. Interest expense	(5,210)	(3,928)	(5,210)	(3,928)
3. Net interest income	8,115	6,421	8,115	6,421
4. Bad debts written-off	20	(517)	20	(517)
5. Impairment losses on loans and advances	(1,060)	(36)	(1,060)	(36)
		-	-	-
6. Non- interest income:	(8)	94	(8)	94
6.1 Foreign currency dealings and translation gains/(losses)	(443)	(327)	(443)	(327)
6.2 Fees and commissions	400	421	400	421
6.3 Dividend income	-	-	-	-
6.4 Other operating income	35	-	35	-
7. Non interest expenses	(7,900)	(5,681)	(7,900)	(5,681)
7.1 Salaries and benefits	(3,983)	(2,887)	(3,983)	(2,887)
7.2 Fees and commission	-	-	-	-
7.3 Other operating expense	(3,918)	(2,794)	(3,918)	(2,794)
8. Operating income/(loss)	(834)	281	(834)	281
9. Income tax provision	-	-	-	-
10. Net profit/(loss) after income tax	(834)	281	(834)	281
11. Number of employees	873	576	873	576
12. Basic Earnings Per Share	(33.5)	14.00	(0.03)	14.00
13. Diluted Earnings Per Share	(33.5)	14.00	(0.03)	14.00
14. Number of branches	12	10	12	10
SELECTED PERFORMANCE INDICATORS				
(i) Return on average total assets	-1.7%	0.71%	-1.7%	0.71%
(ii) Return on average ordinary shareholders' funds	-13.5%	5.60%	-13.5%	5.60%
(iii) Non interest expense to gross income	111.8%	95.30%	111.8%	95.30%
(iv) Net Interest income to average earning assets	22.1%	22.24%	22.1%	22.24%

**STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED ON 31ST MAR 2015**

(Amounts in million shillings)

	Current Quarter 31st March 2015	Previous Quarter 31st December 2014
I: Cash flow from operating activities:		
Net Income/(loss)	(834)	(179)
Adjustment for non-cash items:		
- provisions/amortisation/depreciation	577	603
- net change in loans and advances	(6,608)	(9,014)
- gain/loss on sale of assets	-	-
- net change in deposits	(5,612)	11,895
- net change in short term negotiable securities	-	-
- net change in other liabilities	5,129	781
- net change in other assets	(355)	(2,906)
- tax paid	-	(55)
- others	-	-
<i>Net cash provided (used) by operating activities</i>	(7,704)	1,126
II: Cash flow from investing activities:		
Dividend received	-	-
Purchase of fixed assets	(171)	(1,861)
Proceeds from sale of fixed assets	(254)	1
Purchase of non-dealing securities	-	-
Proceeds from sale of non-dealing securities	-	-
Others	-	-
<i>Net cash provided (used) by investing activities</i>	(425)	(1,860)
III: Cash from financing activities:		
Repayment of long term debt	-	-
Proceeds from issuance of long term debt	-	-
Proceeds from issuance of share capital	1,094	3,906
Payment of cash dividends	-	-
Net change in other borrowings	(126.57)	0
Others	-	-
<i>Net cash provided (used) by financing activities</i>	968	3,906
IV: Cash and cash equivalents:		
Net increase in cash and cash equivalents	(7,162)	3,172
Cash and cash equivalents at the beginning of the quarter	56,911	53,739
Cash and cash equivalents at the end of the quarter	49,749	56,911

Name	Position	Signature	Date
1. Roland Coulon	Chief Executive Officer	_____	12 th May 2015
2. Imani John	Chief Financial Officer	_____	12 th May 2015
3. Faustine Mwizarubi	Head of Internal Audit	_____	12 th May 2015

We, the undersigned 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 instructions and are true and correct.

Name	Signature	Date
1. Christoph Diehl	_____	12 th May 2015
2. Patrick Schoeneborn'	_____	12 th May 2015