

CRDB BANK PLC

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

STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER, 2016	(Amounts in Million Shillings)			
	BANK Current Quarter 30/09/2016	GROUP Current Quarter 30/09/2016	BANK Previous Quarter 30/06/2016	GROUP Previous Quarter 30/06/2016
A. ASSETS				
1. Cash	209,209	212,493	193,904	197,282
2. Balances with Bank of Tanzania	543,163	544,831	528,887	529,497
3. Investment in Government Securities	556,387	601,278	802,865	846,281
4. Balances with Other Banks and financial institutions	308,004	301,806	167,878	166,599
5. Cheques and items for clearing	10,887	10,887	28,806	28,955
6. Interbranch float items	-	-	-	-
7. Bills negotiated	46	46	46	46
8. Customers Liabilities on acceptances	-	-	-	-
9. Interbank Loans Receivables	-	-	-	-
10. Investment in other securities	-	-	-	-
11. Loans, Advances and Overdrafts (Net of Allowances for Probable Losses)	3,318,062	3,361,236	3,461,699	3,500,002
12. Other Assets	181,903	191,490	158,231	162,324
13. Equity Investments	24,691	2,280	24,691	2,280
14. Underwriting accounts	-	-	-	-
15. Property, Plant and Equipment	187,858	207,115	162,428	180,857
16 TOTAL ASSETS	5,340,209	5,433,460	5,529,436	5,614,124
B. LIABILITIES				
17. Deposits from other banks and financial institutions	24,024	24,024	19,442	19,442
18. Customer deposits	3,980,662	4,051,591	3,973,481	4,038,616
19. Cash letters of credit	-	-	-	-
20. Special deposits	46,961	46,961	32,689	32,689
21. Payment orders / transfers payable	1,999	1,999	2,851	2,851
22. Bankers' cheques and drafts issued	2,295	2,541	2,326	2,489
23. Accrued taxes and expenses payable	18,962	21,732	15,666	17,084
24. Acceptances outstanding	-	-	-	-
25. Interbranch float items	-	-	-	-
26. Unearned income and other deferred charges	26,774	33,772	30,126	32,152
27. Other Liabilities	64,452	49,630	104,626	93,885
28. Borrowings	483,518	487,468	655,192	663,306
29 TOTAL LIABILITIES	4,649,648	4,719,719	4,836,397	4,902,514
30 NET ASSETS / (LIABILITIES)	690,561	713,741	693,038	711,611
C. SHAREHOLDERS' FUNDS				
31. Paid up share capital	65,296	65,296	65,296	65,296
32. Share Premium	158,314	158,314	158,314	158,314
33. Retained earnings	341,894	353,100	302,112	313,318
34. Profit / (Loss) account	59,756	68,863	61,755	65,978
35. Others capital accounts (Regulatory + Revaluation reserve+Translation)	65,301	68,168	105,562	108,704
36. Minority Interest	-	-	-	-
37 TOTAL SHAREHOLDERS' FUNDS	690,561	713,741	693,038	711,611
38. Contingent Liabilities	649,030	650,343	755,918	757,162
39. Non performing loans & advances	375,927	378,362	403,506	405,965
40. Allowances for probable losses	95,723	96,740	122,960	123,641
41. Other non performing assets	-	-	-	-
D. SELECTED FINANCIAL CONDITION INDICATORS				
(i) Shareholders Funds to Total assets	13%	13%	13%	13%
(ii) Non performing loans to Total gross loans	11%	11%	11.2%	11.1%
(iii) Gross Loans and advances to Total deposits	85%	84%	90%	89%
(iv) Loans and Advances to Total assets	62%	62%	63%	62%
(v) Earnings assets to Total assets	78%	78%	80%	80%
(vi) Deposits growth	1%	1%	0%	0%
(vii) Assets growth	-3%	-3%	1%	0%

STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30TH SEPTEMBER, 2016	(Amounts in Million Shillings)			
	BANK Current Quarter 30/09/2016	GROUP Current Quarter 30/09/2016	BANK Previous Quarter 30/06/2016	GROUP Previous Quarter 30/06/2016
I: Cash flow from operating activities:				
Net income (Loss)	2,145	8,999	44,247	45,655
Adjustment for :				
- Impairment / Amortization	48,567	49,874	28,562	30,175
- net change in loans and advances	143,637	138,765	(24,546)	12,690
- gain / loss on sale of assets	-	-	-	-
- net change in deposits	26,037	31,830	(10,093)	(4,323)
- net change in short term negotiable securities	-	-	-	-
- net change in other liabilities	(212,786)	(214,625)	51,710	15,045
- net change in other assets	(5,751)	(11,097)	(23,050)	(18,310)
- tax paid	(17,022)	(17,711)	(33,052)	(33,833)
- others (specify)	-	-	-	-
Net cash provided (used) by operating activities	(15,173)	(13,963)	33,778	47,099
II: Cash flow from investing activities:				
Dividend received	-	-	-	-
Purchase of fixed assets	(10,784)	(16,121)	(14,297)	(18,917)
Proceeds from sale of fixed assets	-	-	-	-
Purchase of non - dealing securities	246,478	245,003	(49,974)	(46,656)
Proceeds from sale non - dealing securities	-	-	-	-
Others	-	-	-	-
Net cash provided (used) by investing activities	235,694	228,882	(64,270)	(65,574)
III: Cash flow from financing activities:				
Repayment of long term debt	-	-	-	-
Proceeds from issuance of long term debt	-	-	-	-
Proceeds from issuance of share capital	-	-	-	-
Payment of cash dividends	(12,039)	(12,039)	(30,691)	(30,691)
Net change in other borrowings	-	-	-	-
Others	-	-	-	-
Net cash provided (used) by financing activities	(12,039)	(12,039)	(30,691)	(30,691)
IV: Cash and cash equivalents:				
Net increase (decrease) in cash and cash equivalent	208,483	202,880	(61,183)	(49,165)
Cash and cash equivalents at the beginning of the quarter / year	1,274,895	1,380,470	1,336,078	1,429,635
Cash and cash equivalent at the end of the Quarter / year	1,483,377	1,583,350	1,274,895	1,380,470

Signed by:

Dr. Charles S. Kimei
Mr. Frederick B. Nshakanabo
Mr. Elgard Daniel

Managing Director
Director of Finance
Ag. Director of Internal Audit

We the undersigned 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.

Signed by:

Mr. Ally H. Laay
Mrs. Devotha N. Minzi

Board Chairman
Board Member

Date:

26/10/2016

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30TH SEPTEMBER, 2016	(Amounts in Million Shillings)							
	BANK Current Quarter 30/09/2016	GROUP Current Quarter 30/09/2016	BANK Current Quarter 30/09/2015	GROUP Current Quarter 30/09/2015	BANK Cumulative current year 30/09/2016	GROUP Cumulative current year 30/09/2016	BANK Comparative year 30/09/2015	GROUP Comparative year 30/09/2015
1. Interest Income	145,337	149,008	123,621	127,204	430,514	441,139	342,574	351,443
2. Interest expense	(35,411)	(36,897)	(23,213)	(24,852)	(100,251)	(104,703)	(71,750)	(75,859)
3. Net interest income	109,926	112,111	100,408	102,352	330,263	336,435	270,824	275,584
4. Bad debts written off	-	-	-	-	-	-	-	-
5. Impairment Losses on Loans and Advances	(38,687)	(39,063)	(13,093)	(13,102)	(77,152)	(78,095)	(35,023)	(35,216)
6. Non-Interest Income	38,556	41,380	44,036	46,961	127,023	135,039	124,213	131,931
6.1 Foreign Currency Dealings and Translation Gain / (Loss)	7,036	7,145	8,310	8,976	20,965	21,832	22,884	24,594
6.2 Fees and Commissions	28,192	30,554	35,588	37,682	102,392	108,928	100,860	106,428
6.3 Dividend Income	-	-	-	-	-	-	-	-
6.3 Other Operating Income	3,328	3,680	138	304	3,666	4,279	470	909
7. Non-Interest Expense	(107,651)	(105,428)	(77,605)	(80,800)	(279,769)	(280,373)	(219,776)	(224,387)
7.1 Salaries and Benefits	(48,911)	(53,806)	(33,792)	(37,253)	(123,503)	(137,100)	(100,165)	(109,471)
7.2 Fees and Commissions	(14,184)	(2,552)	(5,618)	(2,119)	(31,473)	(7,259)	(18,570)	(5,416)
7.3 Other Operating Expenses	(44,557)	(49,069)	(38,195)	(41,428)	(124,793)	(136,014)	(101,042)	(109,500)
8. Operating Income/(Loss)	2,145	8,999	53,747	55,411	100,366	113,006	140,238	147,913
9. Income tax provision	(4,143)	(6,115)	(16,124)	(16,837)	(40,610)	(44,143)	(42,072)	(44,218)
10. Net income (Loss) after income Tax	(1,999)	2,885	37,623	38,574	59,756	68,863	98,167	103,695
11. Number of Employees	2,449	2,809	2,420	2,661	2,449	2,809	2,420	2,661
12. Basic Earnings Per Share	(0.77)	1.10	14	15	23	26	38	40
13. Diluted Earnings Per Share	(0.77)	1.10	14	15	23	26	38	40
14. Number of Branches	180	248	162	166	180	248	162	166
SELECTED PERFORMANCE INDICATORS								
(i) Return on Average Total Assets	0.2%	0.7%	4.6%	4.7%	2.6%	2.8%	4.0%	4.2%
(ii) Return on Average Shareholders' Funds	-1.2%	1.7%	28%	28%	12%	13%	25%	25%
(iii) Non interest Expense to Gross Income	73%	69%	54%	54%	61%	59%	56%	55%
(iv) Net Interest Income to Average Earning Assets	4%	4%	10%	10%	11%	11%	9%	9%

OTHER DISCLOSURES:

The Bank got a penalty of TZS 17.6 million for non-compliance of guidelines and NIL sanction during the quarter ended 30th September 2016.

MINIMUM DISCLOSURE OF BANK CHARGES AND FEES (2016)

TRANSACTION

AMOUNT (TZS)

	SAVINGS ACCOUNT	CURRENT ACCOUNT
Required minimum opening balance	20,000	100,000
Transaction fees	FREE	FREE
Monthly service fee	1,500	12,500
Electronic statement	FREE	FREE
Interim statement - up to 12 past months	10,000	10,000
- Above 12 past months	25,000	25,000
Withdrawal charges	2,200	3,000
Bulk cash withdrawal without notice (Amount above TZS 5 Million)	0.1% max 150,000	
Cash deposit charge	FREE	FREE
Issuance of TemboCard	FREE	
Closing account	5,000	20,000
Periodic schedule statement	FREE	FREE
Bank draft		30,000
Bank draft cancellation charge		20,000
Cheque book (per leaf)		350
Dishonoured cheque		1% min 150,000 max 300,000
Cash payment to 3rd party (if there is no cheque list)		2,000
Bulk cash deposit (for small denomination)		0.2% min 2,000
Bulk cash withdraw (Amount above TZS 20 Million)		0.1% Max 150,000
Stop payment order (for already issued cheque)		1% min 50,000, max 300,000
Standing orders (within the same bank)		4,000
Standing orders (to other bank)		15,000
Certificate of balance		50,000
Salary handling		3,000
School fees deposits (only for schools without arrangement with the Bank)	1,000	
TRA collection		FREE

EFT AMOUNT (TZS)

Outward transfers	0.25% min 15,000 max 50,000
Inward transfers	4,000

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Outward transfers	10,000
Inward transfers	FREE

ATM TRANSACTION

(a) International cards	
Issue of TemboCard	FREE
Replacement of TemboCard (faulty)	20,000
Replacement of TemboCard (lost)	20,000
(b) ATM Withdrawals	
Within the same bank (on us)	800
To other banks ATM (on others)	3,000
ATM ministatement	300
Bills payment through ATM	200

SIMBANKING

Balance inquiry	250
Transfer to own account	250
Transfer to third party	600
Cardless	1,000
Mini statement	250

INTERNET BANKING

Balance inquiry	FREE
Payments	FREE
Fund transfer to own and third party	750

RATES

Deposits up to TZS 1 Billion	
3 Months	2% - 4.5%
6 Months	3% - 5.5%
9 Months	3.5% - 6.5%
12 Months	4% - 7.5%
24 Months	6% - 8.0%
Deposits above TZS 1 Billion	Contact CRDB Bank Branches
Prime lending rate (declining)	TZS 19% USD 8%

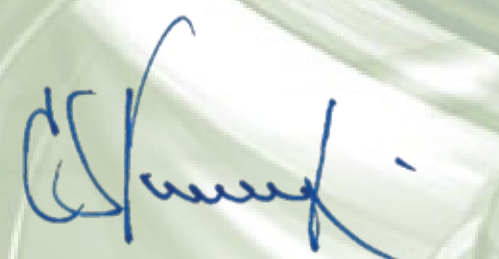
Highlight from the Statement

During the 3rd quarter 2016 CRDB Bank together with its subsidiaries (Group) recorded a top line – net interest income growth of 22%, with strong investment in its infrastructure and network. The Group added 82 branches in the year to reach 248 outlets, Agent Banking (FahariHuduma) reached 2,321, ATM reached 478, with a strong digital value proposition in SimBanking and Internet banking. In line with this network expansion, the Group employment reached 2,809 staff as at September 2016.

The Group made a cumulative profit after tax of TZS 69 billion compared to TZS 104 billion recorded in similar period in 2015. The Group's cumulative Profit was impacted by strong provisions from NPL to align with changing regulatory requirements and anticipated implementation of IFRS in 2018. The Group has also provided for past tax expenses in relation to 2011-2013 tax claims. These factors translated into quarterly Group profit being TZS 2.9 billion.

The Bank continues to maintain a strong balance sheet with total assets of TZS 5.4 trillion and total deposits of TZS 4.1 trillion as at end of the quarter. We are confident the Bank performance will remain positive going forward.

Charles Kimei (Dr.)
MANAGING DIRECTOR



CRDB
BANK

The bank that listens