

# COMMERCIAL BANK OF AFRICA TANZANIA LIMITED FINANCIAL STATEMENTS EXTRACTS FROM THE AUDITED FINANCIAL STATEMENTS PURSUANT TO SECTION 32(3) OF THE BANKING AND FINANCIAL INSTITUTIONS ACT, 2006

## CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

(Amounts in millions of Tanzania shillings)	As at 31-Mar-19	As at 31-Dec-18
<b>A. ASSETS</b>		
1. Cash	21,444	12,967
2. Balances with Bank of Tanzania	20,032	32,321
3. Investments in Government securities	76,653	75,006
4. Balances with other banks and financial institutions	4,962	19,834
5. Cheques and items for clearing	-	-
6. Inter branch float items	-	-
7. Bills negotiated	161	-
8. Customers' liabilities for acceptances	-	-
9. Interbank Loans Receivables	6,705	16,894
10. Investments in other securities	-	-
11. Loans, advances and overdrafts (net of allowances for probable losses)	166,068	171,489
12. Other assets	33,880	32,327
13. Equity Investments	20	20
14. Underwriting accounts	-	-
15. Property, Plant and Equipment	4,106	4,955
<b>16. TOTAL ASSETS</b>	<b>334,031</b>	<b>365,813</b>
<b>B. LIABILITIES</b>		
17. Deposits from other banks and financial institutions	60,138	109,496
18. Customer deposits	186,824	180,855
19. Cash letters of credit	-	569
20. Special deposits	-	-
21. Payment orders/transfers payable	-	-
22. Bankers' cheques and drafts issued	348	502
23. Accrued taxes and expenses payable	1,669	-
24. Acceptances outstanding	-	-
25. Interbranch float items	-	-
26. Unearned income and other deferred charges	-	-
27. Other liabilities	15,886	6,548
28. Borrowings	-	-
<b>29. TOTAL LIABILITIES</b>	<b>264,865</b>	<b>297,970</b>
<b>30. NET ASSETS/(LIABILITIES)</b>	<b>69,166</b>	<b>67,843</b>
<b>C. CAPITAL AND RESERVES</b>		
31. Paid up share capital	112,297	112,297
32. Capital reserves	3,420	3,420
33. Retained earnings	(51,821)	(38,046)
34. Profit (Loss) account	2,332	(13,723)
35. Other capital accounts	2,937	3,895
36. Minority Interest	-	-
<b>37. TOTAL SHAREHOLDERS' FUNDS</b>	<b>69,166</b>	<b>67,843</b>
38. Contingent liabilities	41,894	40,917
39. Non-performing loans and advances	40,098	48,979
40. Allowance for probable losses	29,508	40,136
41. Other Non-performing assets	-	-
<b>D. SELECTED FINANCIAL CONDITION INDICATORS</b>		
(i) Shareholders funds to total assets	20.7%	18.5%
(ii) Non-performing loans to gross loans	20.5%	23.1%
(iii) Gross loans to total deposits	79.2%	72.7%
(iv) Loans and advances to total assets	49.7%	46.9%
(v) Earning assets to total assets	74.7%	72.0%
(vi) Deposits growth	(14.9%)	(34.1%)
(vii) Assets growth	(8.7%)	(16.3%)

## BRANCHES COUNTRY - WIDE

- SAMORA BRANCH - SAMORA/MOROGORO ROAD, DAR ES SALAAM
- NYERERE BRANCH - NYERERE ROAD, DAR ES SALAAM
- OHIO BRANCH - OHIO STREET, DAR ES SALAAM
- MWANZA BRANCH - KENYATTA ROAD, MWANZA
- ARUSHA BRANCH - FIRE ROAD, TFA BUILDING, ARUSHA
- KIJITONYAMA BRANCH, DAR ES SALAAM

## CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2019

	Share Capital	Share Premium	Retained Earnings	Regulatory Reserve	General Provision Reserve	Others	Total
<b>Current Year - 31 March 2019</b>							
<b>Balance as at the beginning of the year</b>	112,297	3,420	(51,769)	-	1,098	2,797	67,843
Profit / (loss) for the year	-	-	2,332	-	-	-	2,332
Other Comprehensive Income	-	-	-	-	-	(1,010)	(1,010)
Transactions with owners-Capital Injection	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-
Regulatory Reserve	-	-	-	-	-	-	-
General Provision Reserve	-	-	(52)	-	52	-	-
Others	-	-	-	-	-	-	-
<b>Balance as at the end of the current period</b>	<b>112,297</b>	<b>3,420</b>	<b>(49,489)</b>	<b>-</b>	<b>1,150</b>	<b>1,787</b>	<b>69,166</b>
<b>Previous Year - 31 December 2018</b>	101,984	3,420	(40,119)	9,486	1,276	2,248	78,295
Balance as at the beginning of the year	-	-	(7,591)	-	-	-	(7,591)
Profit for the year	-	-	(13,723)	-	-	-	(13,723)
Other Comprehensive Income	-	-	-	-	-	549	549
Transactions with owners - Capital injection	10,313	-	-	-	-	-	10,313
Dividends Paid	-	-	-	-	-	-	-
Regulatory Reserve	-	-	9,486	(9,486)	-	-	-
General Provision Reserve	-	-	178	-	(178)	-	-
Others	-	-	-	-	-	-	-
<b>Balance as at the end of the previous period</b>	<b>112,297</b>	<b>3,420</b>	<b>(51,769)</b>	<b>-</b>	<b>1,098</b>	<b>2,797</b>	<b>67,843</b>

## CONDENSED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED ON 31 MARCH 2019

(Amounts in millions of Tanzania shillings)	Current Qtr ended 31-Mar-19	Current Qtr ended 31-Mar-18	Current Year Cumulative 31-Mar-19	Current Year Cumulative 31-Mar-18
1. Interest income	8,903	10,701	8,903	10,701
2. Interest expense	(2,771)	(4,809)	(2,771)	(4,809)
<b>3. Net interest income</b>	<b>6,132</b>	<b>5,892</b>	<b>6,132</b>	<b>5,892</b>
<b>4. Bad debts written off</b>	<b>(361)</b>	<b>(12,609)</b>	<b>(361)</b>	<b>(12,609)</b>
<b>5. Impairment losses</b>	<b>1,736</b>	<b>(571)</b>	<b>1,736</b>	<b>(571)</b>
<b>6. Non-interest income</b>	<b>3,643</b>	<b>3,133</b>	<b>3,643</b>	<b>3,133</b>
6.1 Foreign Currency Dealings and Translation Gains/(Loss)	758	452	758	452
6.2 Fees and Commissions	1,986	2,209	1,986	2,209
6.3 Dividend income	-	-	-	-
6.4 Other Operating Income	898	472	898	472
<b>7 Non-interest expenses</b>	<b>(7,818)</b>	<b>(7,915)</b>	<b>(7,818)</b>	<b>(7,915)</b>
7.1 Salaries and benefits	(3,356)	(3,342)	(3,356)	(3,342)
7.2 Fees and Commissions	(381)	(249)	(381)	(249)
7.3 Other Operating Expenses	(4,081)	(4,324)	(4,081)	(4,324)
<b>8. Operating Income/(Loss)</b>	<b>3,332</b>	<b>(12,070)</b>	<b>3,332</b>	<b>(12,070)</b>
9. Income Tax provision/(Credit)	(1,000)	3,621	(1,000)	3,621
10. Profit / (loss) after income tax	2,332	(8,449)	2,332	(8,449)
11 Other Comprehensive Income	(1,010)	1,007	(1,010)	1,007
<b>12 Total comprehensive income/(loss) for the year</b>	<b>1,323</b>	<b>(7,442)</b>	<b>1,323</b>	<b>(7,442)</b>
<b>13. Number of employees</b>	<b>162</b>	<b>182</b>	<b>162</b>	<b>182</b>
<b>14. Basic Earning Per Share</b>	<b>164</b>	<b>(592)</b>	<b>164</b>	<b>(592)</b>
<b>15. Diluted Earning Per Share</b>	<b>164</b>	<b>(592)</b>	<b>164</b>	<b>(592)</b>
<b>16. Number of branches</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>SELECTED PERFORMANCE INDICATORS</b>				
(i) Return on average total assets	1%	-1%	1%	-1.0%
(ii) Return on average shareholders' funds	3%	-6%	3%	-6%
(iii) Non-interest expense to gross income	80%	88%	80%	88%
(iv) Net interest margin	7%	7%	7%	6.8%

## CONDENSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED ON 31 MARCH 2019

(Amounts in millions of Tanzania shillings)	Current Qtr Ended 31-Mar-19	Previous Qtr Ended 31-Mar-18	Current Year Cumulative 31-Mar-19	Comparative Year Cumulative 31-Mar-18
<b>I. Cash flows from operating activities</b>				
<b>Net income(loss)</b>	<b>2,332</b>	<b>(8,449)</b>	<b>2,332</b>	<b>(8,449)</b>
<b>Adjustments for:</b>				
-Impairment/amortisation	(594)	13,621	(594)	13,621
-Net change in Loans and Advances	5,420	(1,085)	5,420	(1,085)
-Net change in Statutory Minimum Reserve	(978)	4,001	(978)	4,001
-Net change in Deposits	(43,601)	(38,583)	(43,601)	(38,583)
-Net change in Short Term Negotiable Securities	-	-	-	-
-Net change in Other Liabilities	10,495	(988)	10,495	(988)
-Net change in Other Assets	(1,713)	3,861	(1,713)	3,861
-Tax paid	-	-	-	-
-Others (specify)	-	-	-	-
<b>Net cash flow from operating activities</b>	<b>(28,639)</b>	<b>(27,622)</b>	<b>(28,639)</b>	<b>(27,622)</b>
<b>II. Cash flows from investing activities:</b>				
Dividend received	-	-	-	-
Purchase of Fixed Assets	-	(625)	-	(625)
Proceeds from Sale of Fixed Assets	434	-	434	-
Purchase of Non- Dealing Securities	(1,646)	(8,439)	(1,646)	(8,439)
Proceeds from Sale of Non-Dealing Securities	-	-	-	-
Others	-	-	-	-
<b>Net cash provided (used) by investing activities</b>	<b>(1,212)</b>	<b>(9,064)</b>	<b>(1,212)</b>	<b>(9,064)</b>
<b>III. Cash flows from financing activities:</b>				
Repayment of Long-term Debt	-	-	-	-
Proceeds from Issuance of Long Term Debt	-	-	-	-
Proceeds from Issuance of Share Capital	-	-	-	-
Payment of Cash Dividends	-	-	-	-
Net Change in Other Borrowings	-	-	-	-
Others	-	-	-	-
<b>Net Cash Provided (used) by Financing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IV. Cash and Cash Equivalents:</b>				
Net Increase/(Decrease) in Cash and Cash Equivalents	(29,851)	(36,686)	(29,851)	(36,686)
Cash and Cash Equivalents at the Beginning of the Quarter	68,451	68,297	68,451	68,297
<b>Cash and Cash Equivalents at the end of the Quarter</b>	<b>38,600</b>	<b>31,611</b>	<b>38,600</b>	<b>31,611</b>

## DISCLOSURE ON PENALTY AND SANCTIONS

During the quarter, the bank was charged a penalty of TZS 123,000 for cash shortages.

## SELECTED EXPLANATORY NOTES FOR THE QUARTER ENDED 31 MARCH 2019

In preparation of the quarterly financial statements, consistent accounting policies have been used as those applicable to the previous year audited financial statements (if there were changes during the quarter, the changes be explained as per IAS 34 & IAS 8)

Gift Shoko  
Chief Executive Officer  
09 April 2019

Genes Kunda  
Head of Finance  
09 April 2019

Christopher Chuwa  
Head of Internal Audit  
09 April 2019

We, the under-named non-executive members of the board of directors of Commercial Bank of Africa (Tanzania) Limited, attest to the truth and fairness of the above unaudited financial statements. We declare that the statements have been examined by us and, to the best of our knowledge and belief, have been prepared in compliance with the instructions and present a true and fair view of the bank's financial position as at 31 March 2019 and of its results from operations for the period then ended.

N N Kitomari  
09 April 2019

I O Awuondo  
09 April 2019