

ISSUED PURSUANT TO REGULATIONS 7 AND 8 OF THE BANKING AND FINANCIAL INSTITUTIONS (DISCLOSURES) REGULATIONS, 2014

**DIAMOND TRUST BANK TANZANIA LIMITED**

Extracts from the Audited Financial Statements as at 31st of December 2017

BALANCE SHEET		Dec, 2017	Dec, 2016
		Tshs in Million Audited	Tshs in Million Audited
<b>A. ASSETS</b>			
1	Cash and balances with Bank of Tanzania	127,277	110,854
2	Government securities at amortised cost	236,026	201,337
3	Corporate bond at amortised cost	1,551	2,128
4	Deposits and balances due from banking institutions	119,178	72,365
5	Loans and advances to customers	613,747	564,835
6	Property and equipment	17,436	15,765
7	Intangible assets - software	2,080	2,023
8	Current income tax recoverable	1,151	607
9	Deferred income tax asset	10,548	6,955
10	Other assets	8,038	7,190
	<b>TOTAL ASSETS</b>	<b>1,137,032</b>	<b>984,059</b>
<b>B. LIABILITIES</b>			
11	Customer deposits	908,297	774,992
12	Deposits and balances due to banking institutions	26,723	25,166
13	Long term borrowing	28,581	29,038
14	Other liabilities	10,010	8,845
	<b>TOTAL LIABILITIES</b>	<b>973,611</b>	<b>838,041</b>
<b>C. SHAREHOLDERS EQUITY</b>			
15	Share capital	2,520	2,520
16	Share premium	45,935	45,935
17	Revaluation surplus	1,273	1,512
18	General reserve	6,220	5,576
19	Retained earnings	104,953	87,955
20	Proposed dividends	2,520	2,520
	<b>TOTAL SHAREHOLDERS EQUITY</b>	<b>163,421</b>	<b>146,018</b>
	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,137,032</b>	<b>984,059</b>
<b>D. PERFORMANCE INDICATORS</b>			
(i)	Total capital to total assets	15.8%	16.7%
(ii)	Non performing loans and advances to total advances	4.3%	2.6%
(iii)	Gross loans and advances to total deposits	69.2%	73.5%
(iv)	Loans and advances to total assets	54.0%	57.4%

INCOME STATEMENT		
	Dec, 2017	Dec, 2016
	Tshs in Million Audited	Tshs in Million Audited
Interest Income	102,336	91,636
Interest Expense	(31,620)	(28,908)
<b>Net Interest Income</b>	<b>70,716</b>	<b>62,728</b>
<b>Non-Interest Income:</b>		
Fee and commission income	15,427	15,105
Fee and commission expense	(45)	(190)
Foreign exchange income	6,955	5,068
Other income	27	153
<b>Operating Income</b>	<b>93,082</b>	<b>82,865</b>
Operating expenses	(48,605)	(41,936)
Impairment losses on loans and advances	(13,648)	(8,216)
<b>Profit before tax and finance cost</b>	<b>30,829</b>	<b>32,713</b>
Finance cost	(1,746)	(1,662)
<b>Profit before tax</b>	<b>29,083</b>	<b>31,051</b>
Income tax expense	(8,987)	(9,499)
<b>Profit for the year</b>	<b>20,096</b>	<b>21,552</b>
<b>Items that will not be reclassified to profit or loss</b>		
(Loss)/Gain on revaluation of land and buildings	(276)	1,796
Deferred tax on revaluation	83	(562)
Other comprehensive income for the year	<b>(193)</b>	<b>1,233</b>
<b>Profit and comprehensive income for the year</b>	<b>19,903</b>	<b>22,786</b>
Number of employees	511	474
<b>PERFORMANCE INDICATORS</b>		
(i) Return on average assets	1.9%	2.3%
(ii) Return on ordinary shareholders' funds	13.0%	15.9%
(iii) Non interest expense to operating income	53.2%	51.6%
(iv) Interest margin to average earning assets	7.4%	8.1%

CASH FLOWS STATEMENT		
	Dec, 2017	Dec, 2016
	Tshs in Million Audited	Tshs in Million Audited
<b>Cash flows from operating activities:</b>		
Interest receipts	99,485	86,167
Interest payments	(32,025)	(28,949)
Net fee and commission receipts	15,383	14,916
Other income received	7,103	5,215
Recovery from loans previously written off	45	447
Payment to employees and suppliers	(43,011)	(37,912)
Income tax paid	(13,022)	(12,616)
<b>Cash flows from operating activities before changes in operating assets and liabilities</b>	<b>33,959</b>	<b>27,267</b>
<b>Changes in operating assets and liabilities</b>		
Statutory reserve requirement	5,893	(4,267)
Loans and advances	(60,632)	(39,539)
Net change in Government security	(33,195)	(35,558)
Net change in Placement over 90 days	2,134	(4,134)
Customer Deposits	134,183	40,949
Other assets	(762)	553
Other liabilities	608	466
<b>Net cash from/(used in) operating activities</b>	<b>82,187</b>	<b>(14,263)</b>
<b>Cash flows used in investing activities</b>		
Purchase of property and equipments	(6,491)	(4,629)
Purchase of intangible assets	(786)	(396)
Proceeds from Corporate bond (net)	577	569
Proceeds from sale of property and equipments	23	20
<b>Net cash used in investing activities</b>	<b>(6,676)</b>	<b>(4,436)</b>
<b>Number of employees</b>		
Repayment to long term loan	(1,215)	(2,758)
Dividend paid	(2,520)	(2,142)
<b>Net cash flow (used in) financing activities</b>	<b>(3,735)</b>	<b>(4,900)</b>
Net increase/(decrease) in cash and cash equivalents	71,776	(23,599)
Cash and cash equivalents at the beginning of the year	78,193	101,792
Cash and cash equivalents at the end of the year	<b>149,969</b>	<b>78,193</b>

STATEMENT OF CHANGES IN EQUITY							
	Share Capital Tshs in Million	Share Premium Tshs in Million	Revaluation Surplus Tshs in Million	Retained Earnings Tshs in Million	Proposed Dividends Tshs in Million	General Reserve Tshs in Million	Total Tshs in Million
<b>At 1 January 2017</b>	<b>2,520</b>	<b>45,935</b>	<b>1,512</b>	<b>87,955</b>	<b>2,520</b>	<b>5,576</b>	<b>146,018</b>
Profit for the year	0	0	0	20,096	0	0	20,096
Other Comprehensive Income Transfer	0	0	0	(644)	0	644	0
Loss on revaluation of properties	0	0	(276)	0	0	0	(276)
Deferred income tax on revaluation	0	0	83	0	0	0	83
Transfer of excess depreciation	0	0	(66)	66	0	0	0
Deferred income tax on excess depreciation transfer	0	0	20	0	0	0	20
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>(239)</b>	<b>19,518</b>	<b>0</b>	<b>644</b>	<b>19,923</b>
Transactions with owners:							
Dividends:							
- Final for 2016 paid	0	0	0	0	(2,520)	0	(2,520)
- Proposed for 2017	0	0	0	(2,520)	2,520	0	0
Total transactions with owners, recognised directly in equity	0	0	0	(2,520)	0	0	(2,520)
<b>At 31 December 2017</b>	<b>2,520</b>	<b>45,935</b>	<b>1,273</b>	<b>104,953</b>	<b>2,520</b>	<b>6,220</b>	<b>163,421</b>
<b>At 1 January 2016</b>	<b>2,520</b>	<b>45,935</b>	<b>310</b>	<b>74,421</b>	<b>2,142</b>	<b>0</b>	<b>125,328</b>
Profit for the year	0	0	0	21,552	0	0	21,552
Other Comprehensive Income Transfer	0	0	0	(5,576)	0	5,576	0
Surplus on revaluation of properties	0	0	1,796	0	0	0	1,796
Deferred income tax on revaluation	0	0	(539)	0	0	0	(539)
Transfer of excess depreciation	0	0	(78)	78	0	0	0
Deferred income tax on excess depreciation transfer	0	0	23	0	0	0	23
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>1,202</b>	<b>16,054</b>	<b>0</b>	<b>5,576</b>	<b>22,832</b>
Transactions with owners:							
Dividends:							
- Final for 2015 paid	0	0	0	0	(2,142)	0	(2,142)
- Proposed for 2016	0	0	0	(2,520)	2,520	0	0
Total transactions with owners, recognised directly in equity	0	0	0	(2,520)	378	0	(2,142)
<b>At 31 December 2016</b>	<b>2,520</b>	<b>45,935</b>	<b>1,512</b>	<b>87,955</b>	<b>2,520</b>	<b>5,576</b>	<b>146,018</b>

The above extracts are from the audited financial statements of the Bank for the year ended 31 December 2017 which have been prepared in accordance to the International Financial Reporting Standards (IFRS). The financial statements were audited by PricewaterhouseCoopers (PWC) and received a clean audit report. These financial statements were approved by the Board of Directors on 8 March 2018 and signed on its behalf by:

 Abdul Samji  
Chairman

 Mehboob Champsi  
Director

 Karim Wissanji  
Director

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