



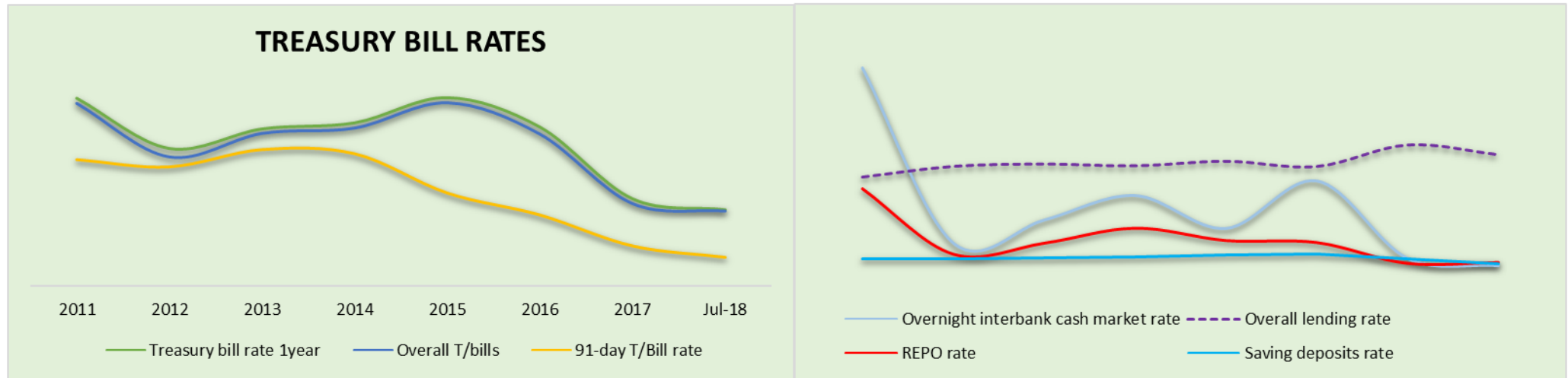
A Clear Vision for the future

- Largest Network
- Leadership in Innovation
- Digital Transformed
- Experienced Management

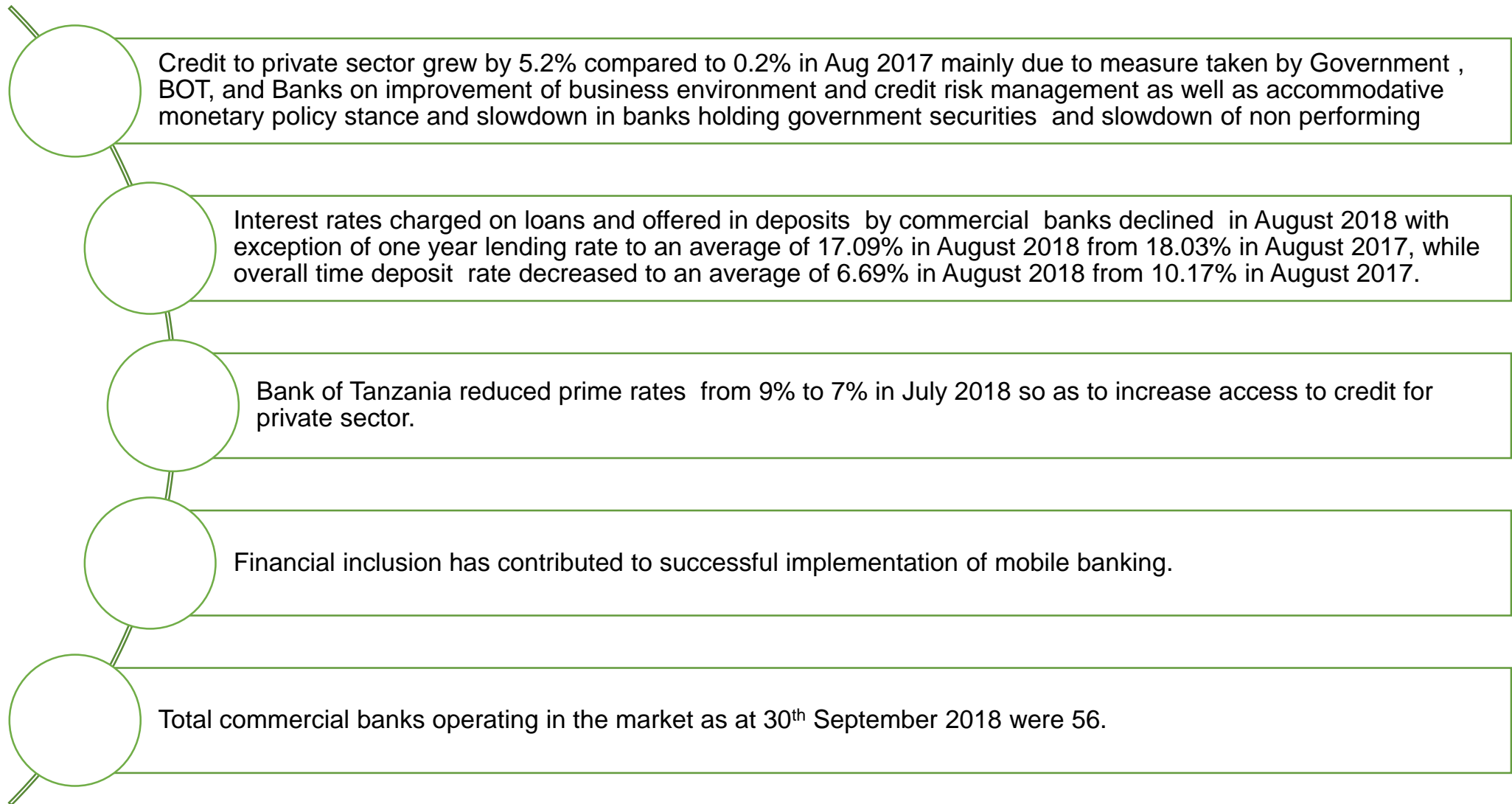
CRDB BANK PLC
Q3 Investors Briefing
30th Sept 2018

Tanzania Economic Outlook

- Tanzania's economic growth outlook is robust due to strong infrastructure investment, and will outperform the Sub-Saharan average in the coming years.
- GDP is expected to expand 6.8% in 2018
- Headline Inflation remained below the medium target of 5.0%, in September 2018 annual headline inflation was 3.4%.
- Extended broad money supply (M3) growth reached 6.6% in September 2018 compared to 4.4% in September 2017, owing largely to a recovery in private sector credit growth.
- NFA(Net Foreign Assets in the banking system recorded a year on year growth of 13.3% in August 2018 compared to 30.6% in August 2017, the improvement was supported by increase in deposits abroad and decrease in Foreign Borrowing

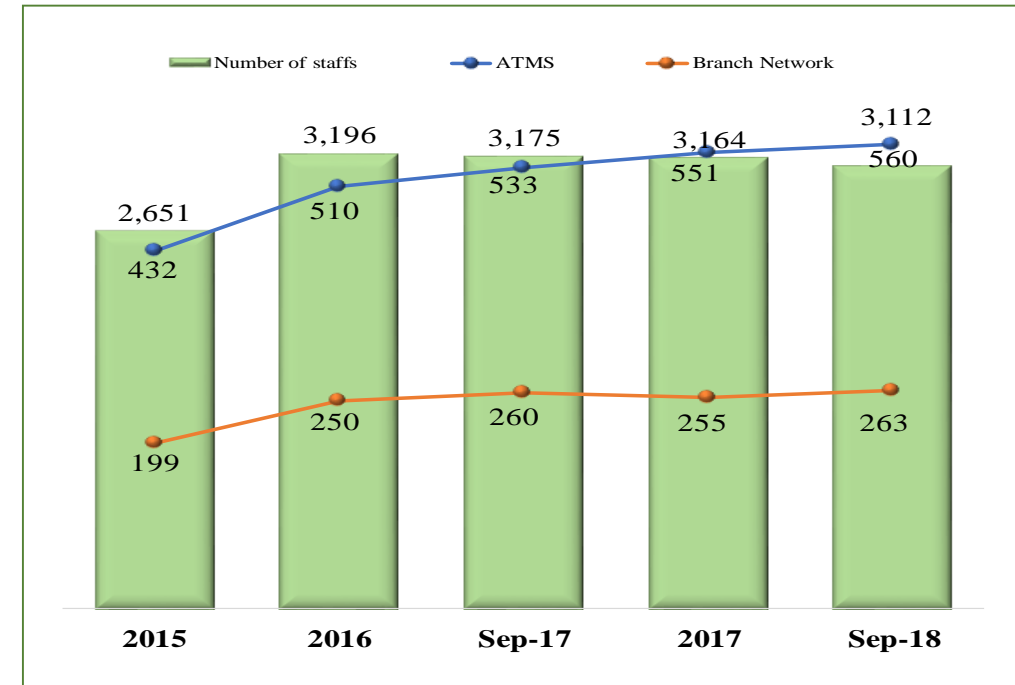


Banking Sector Overview



CRDB BANK : A strong and dependable bank;

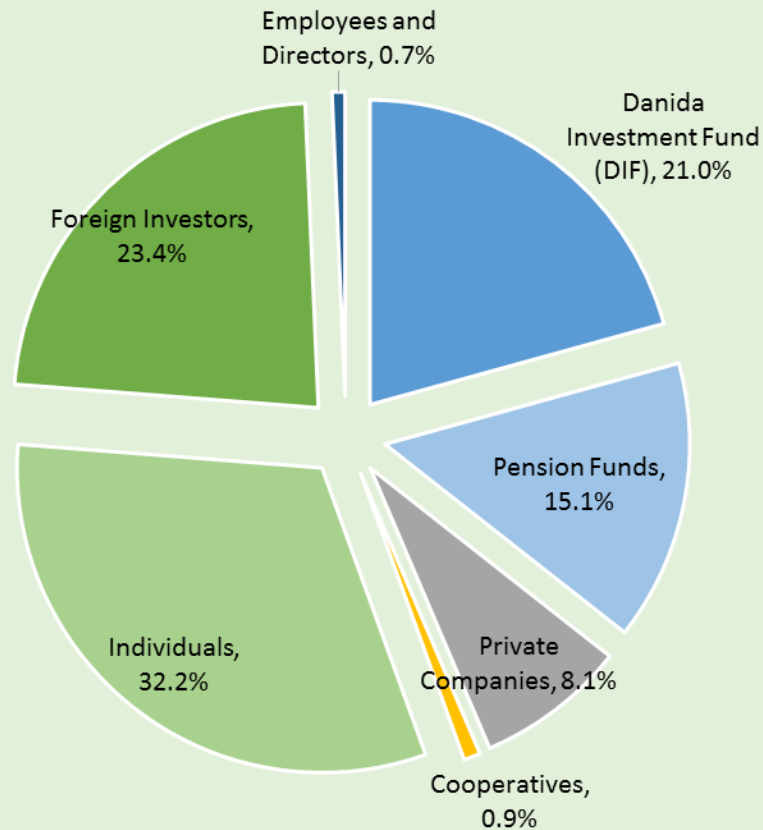
- A leading Bank in the region with over
 - 250 Branch network
 - 560 ATMs
 - 4,536 Agents (Fahari Huduma)
 - China Desk
 - India Desk
 - 1 Call Centre
- 3 Subsidiaries:
 - CRDB Bank Burundi S.A
 - CRDB Insurance Broker Company
 - CRDB Microfinance Services Company



- Provides full range of Products and services in Retail, Corporate and Digital Banking.
- Committed to building lasting relationships with customers and positively impacting communities through supporting social enterprises and engagement in Corporate Social responsibility.
- With extensive network of operations in the region on engaging and empowering its staff, CRDB Bank provides exciting career opportunities. The Bank acknowledges the passion, commitment and can do spirit in all our 3,112 staff representing 5 nationalities

Shareholding Structure and Corporate Governance

Shareholding Structure as at 30th September, 2018



Corporate Governance

- The Board has twelve non executive directors including one independent director.
- Eight out of twelve Board Members, are elected by shareholders during the Annual General Meeting (AGM). Four of them are entitled to sit for Board Membership as their right on holding 5%-10% of fully and paid up shares. All elected and appointed directors are vetted and approved by the Central Bank.
- The Board meets on quarterly basis or more frequent as the business demand (extra ordinary meetings).
- The Board has four committees, Governance and Human Resource, Credit, Audit and Risk.
- Board receives detailed financial information and regular presentations from the management on the Bank's business performance; this enables directors to make informed decisions on governance, strategic, financial and operational issues.

Q3 PERFORMANCE

Income Statement	Sept 2018	Sept 2017	Change %
Net Interest Income	319.6	300.7	6.0%
Fees and Commission	130.4	119.5	9.1%
Profit before Tax	76.3	77.4	-1.6%
Balance Sheet	Sept 2018	Sept 2017	Change %
Net Loans and Advances	3,086.4	2,669.9	15.6%
Customer Deposits	4,511.6	3,732.6	20.9%
Shareholder's Equity	787.8	765.6	2.9%
Share Performance (Per share Data)	Sept 2018	Sept 2017	Change %
Market Price Closing	160.0	175.0	-8.6%
Earning Per Share (EPS)	20.0	20.9	-4.3%
Price Earning Ratio(P/E)	8.0	8.4	-4.5%
Book Value (BV)	301.6	293.1	2.9%
Price Book Value ratio (P/B)	0.5	0.6	-16.7%
Market Capitalisation USD 187.5m. (TZS billions)	417.9	457.1	-8.6%
Foreign Holding (%)	23.4	23.0	1.7%

Highlights

Continued Strong growth Amidst stiff competition and liquidity challenges on the market

Dynamic Business development through digital transformation

Improvement in Loan quality

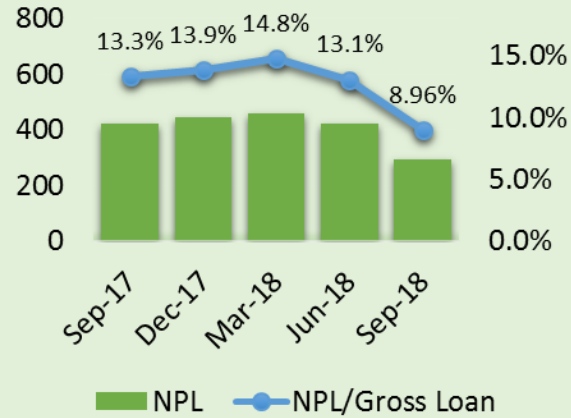
Return on Equity(ROE) closed at 8.9% increase from 4.9% in the first quarter of 2018

Financial Ratios

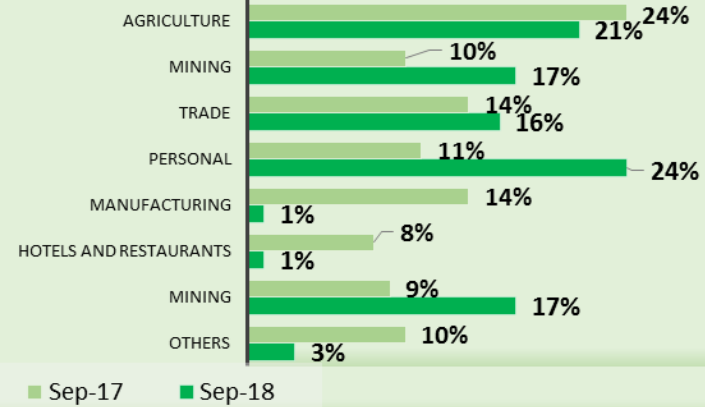
	Sept. 2018	June 2018	Dec. 2017	Sept. 2017
Return on Equity	8.9%	7.4%	4.9%	9.7%
Cost to Income	67.2%	66.4%	66.7%	65.7%
Gross NPL to Gross Loans	8.9%	13.1%	12.5%	14.4%
NPL Coverage Ratio	71.0%	69.0%	59.0%	47.0%
Debt to Equity	37.3%	45.0%	92.1%	49.5%
Non funded income to total income	34.1%	36.5%	38.0%	34.0%
Cost of Funds	3.0%	3.1%	3.0%	3.4%
Net Interest Margin	9.5%	9.2%	10.2%	9.6%
Loans to Deposit Ratio	68.4%	74.5%	73.3%	79.6%
Growth of Net Loans and Advances	3.9%	(1.3%)	(10.9%)	(10.5)%
Growth of Customer Deposits	20.9%	10.1%	5.3%	(6.2)%
Yield on Investments	12.8%	12.2%	14.0%	13.2%
Return on Asset	1.2%	1.4%	0.9%	1.9%
Growth in Total Assets	9.4%	7.8%	9.2%	1.5%
Tier 1 Capital	13.6%	14.7%	14.0%	16.7%
Total Capital	15.1%	18.2%	17.0%	19.9%

ASSET QUALITY

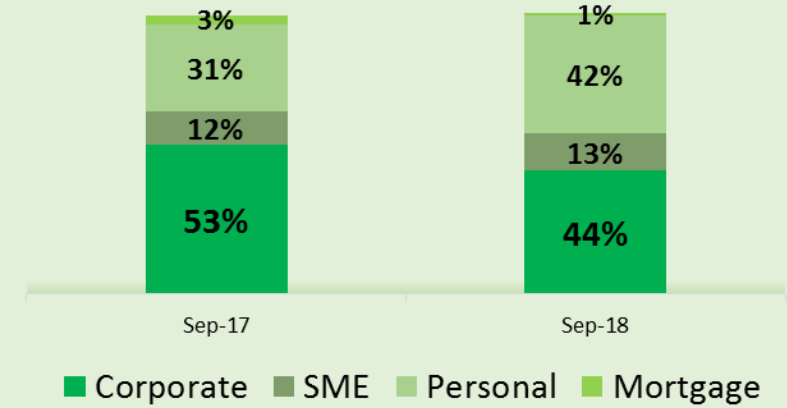
NPL



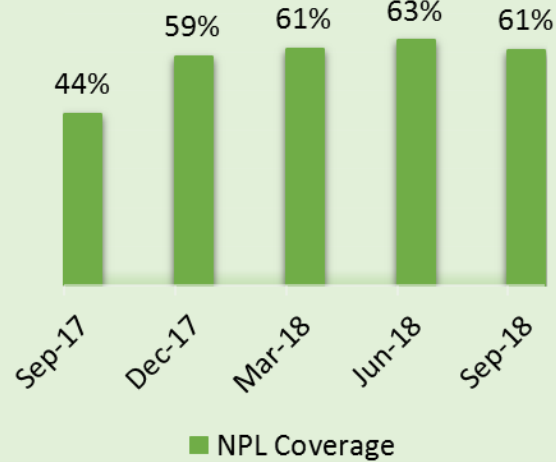
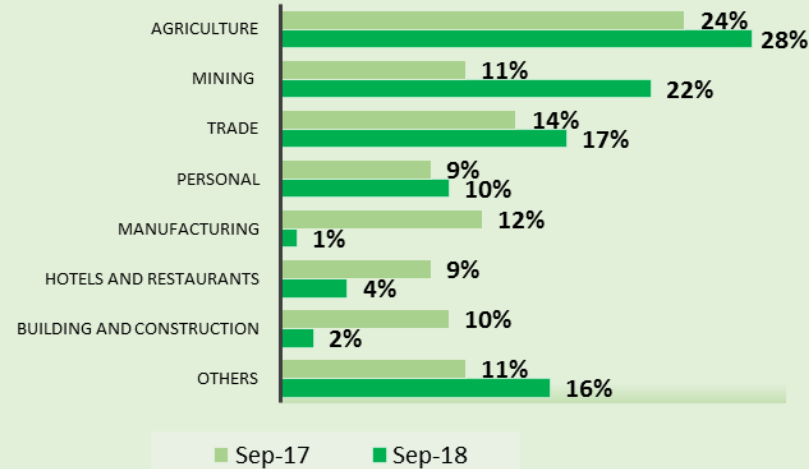
Provision by Sector



Loan Portfolio per segment



NPL by Sector



- Bank NPL was TZS 294.6 Bn. in Sept 2018 compared to TZS 461.8 in Sept 2017.
- NPL has improved to 8.9% as at Sept 2018 compared to Sept 2017 mainly due to NPLs containment strategies supported by the collection software, call centre, and having well coordinated process in speeding up recoveries and cures from delinquent portfolio.
- Provision coverage closed at 60.6% in Sept 2018, taking collateral into account.

The Bank that listens

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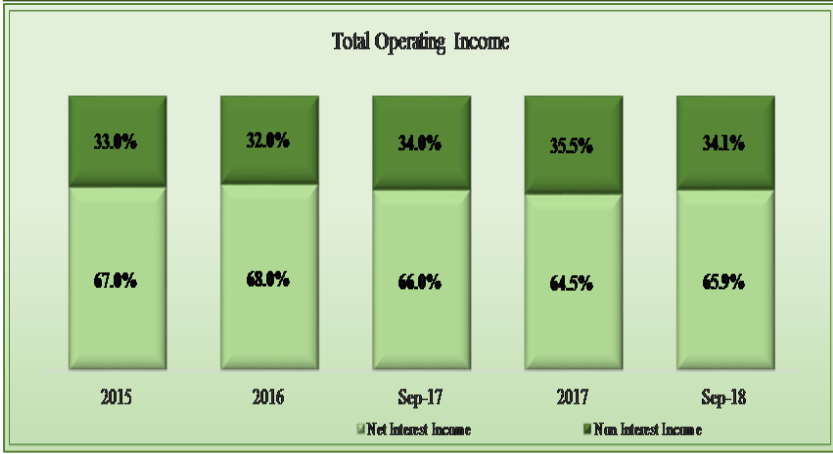
The Bank that listens

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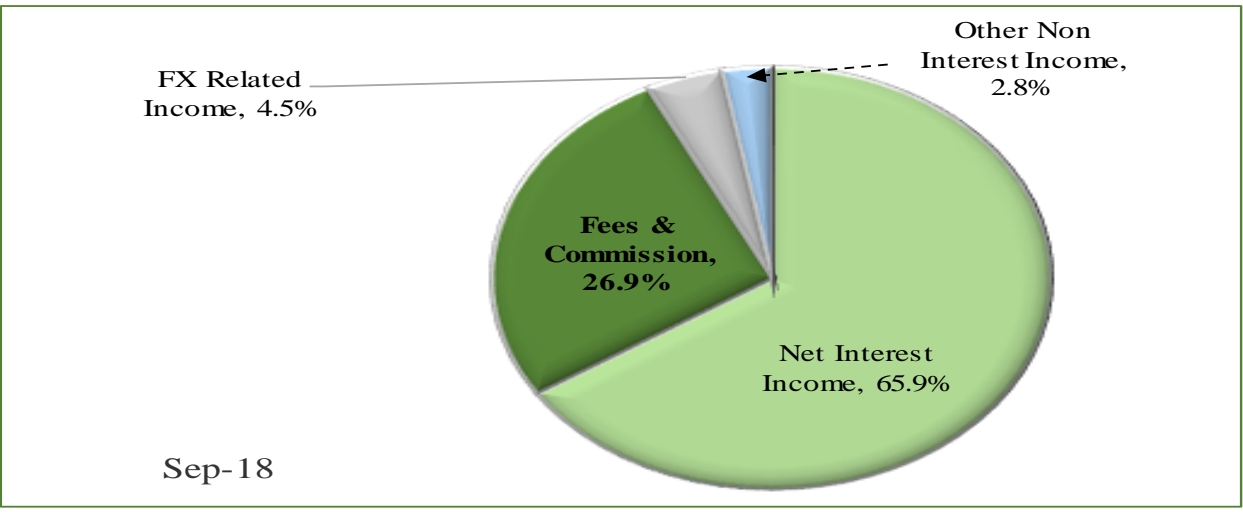
The Bank that listens

Income

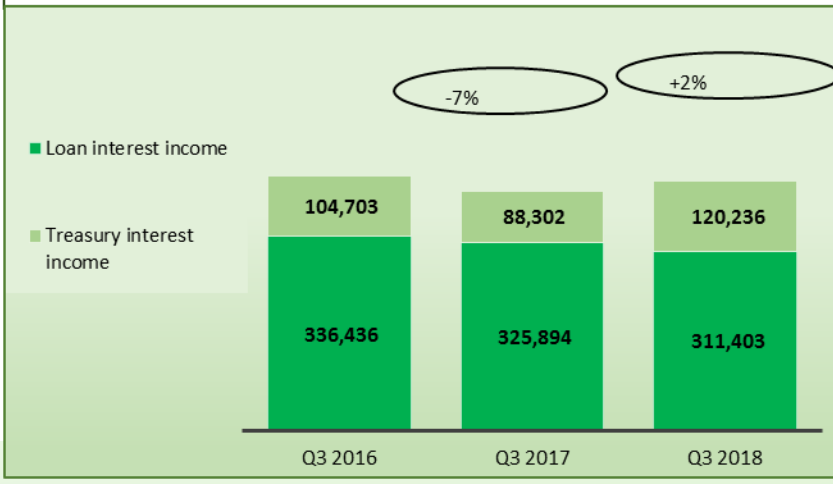
Total Income



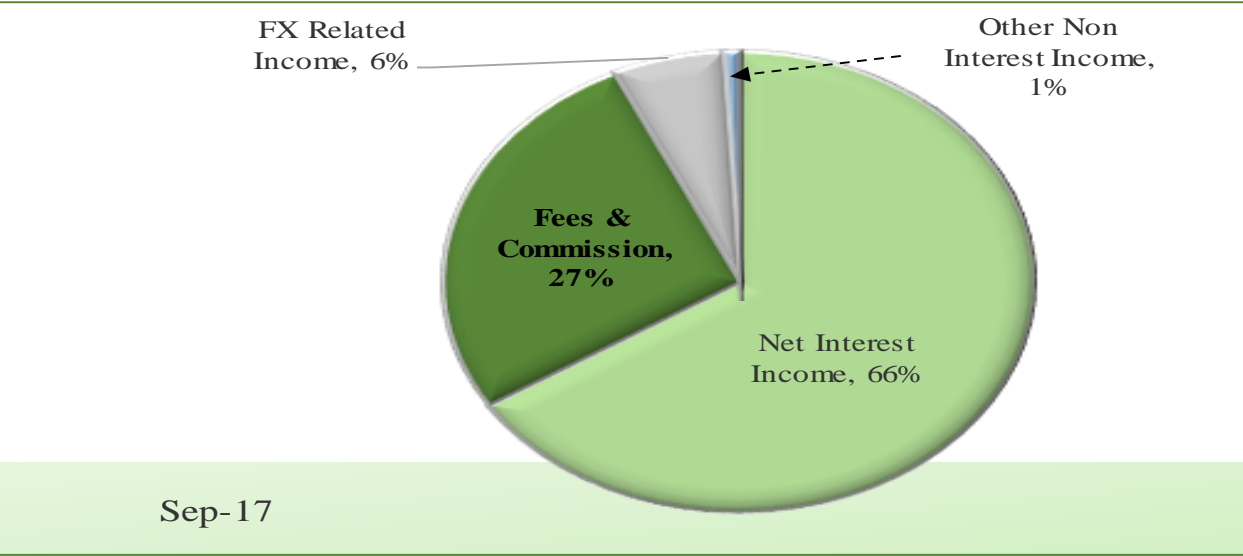
Non Interest Income



Interest Income

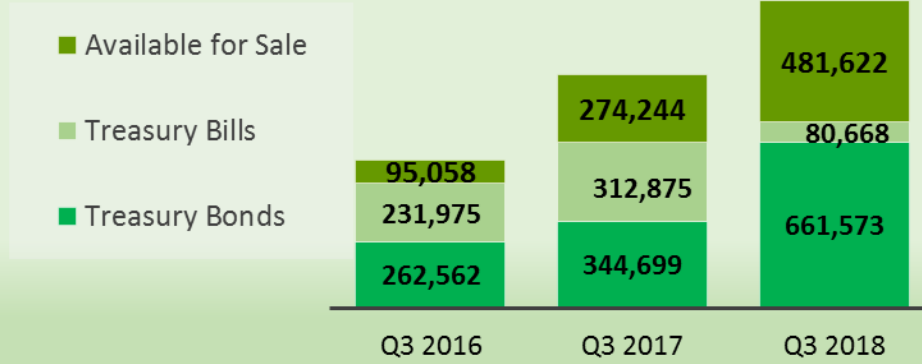


Non Interest Income

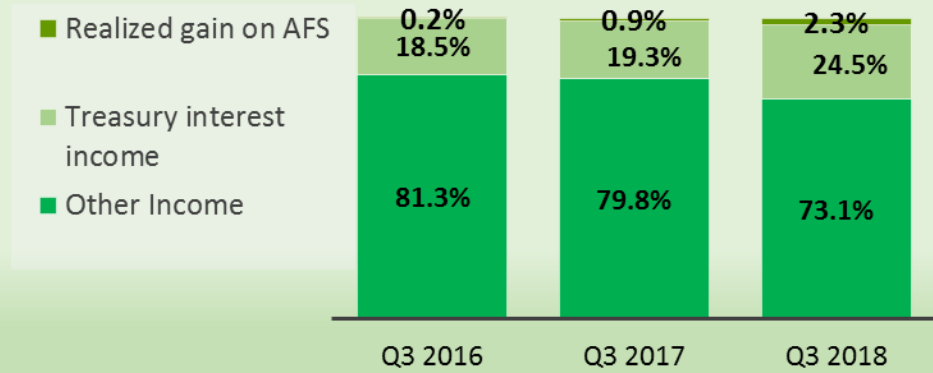


Treasury

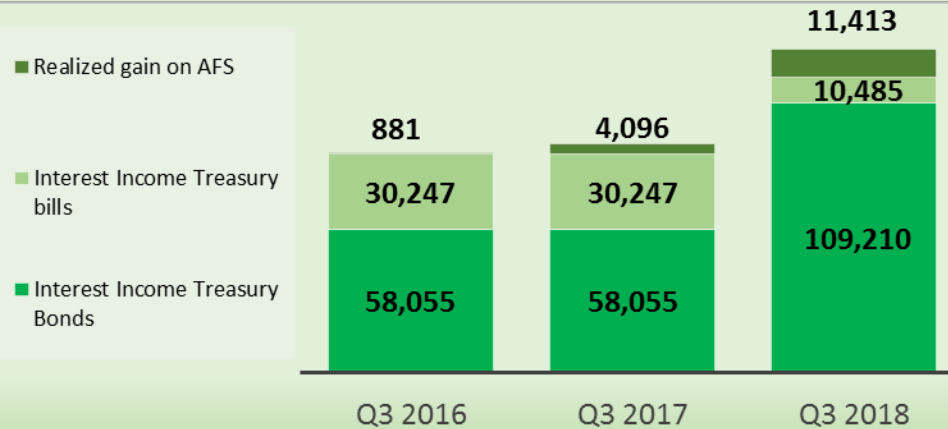
Government Securities Portfolio



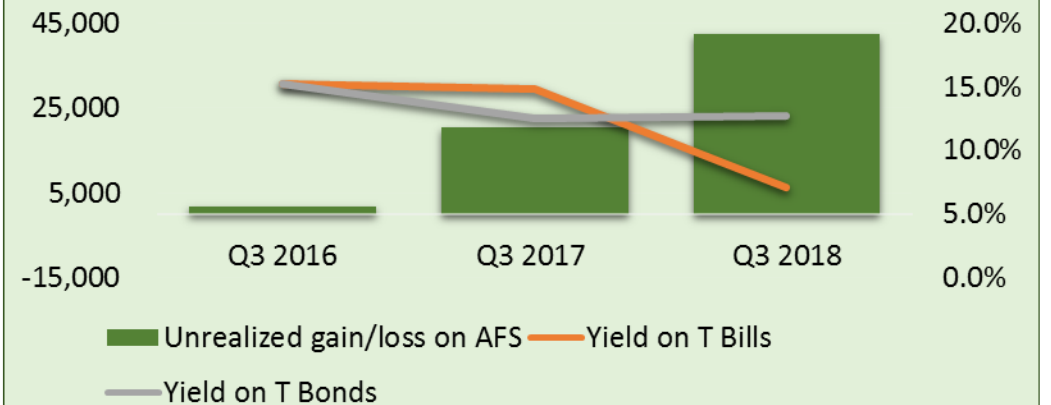
Treasury Gross Income Contribution



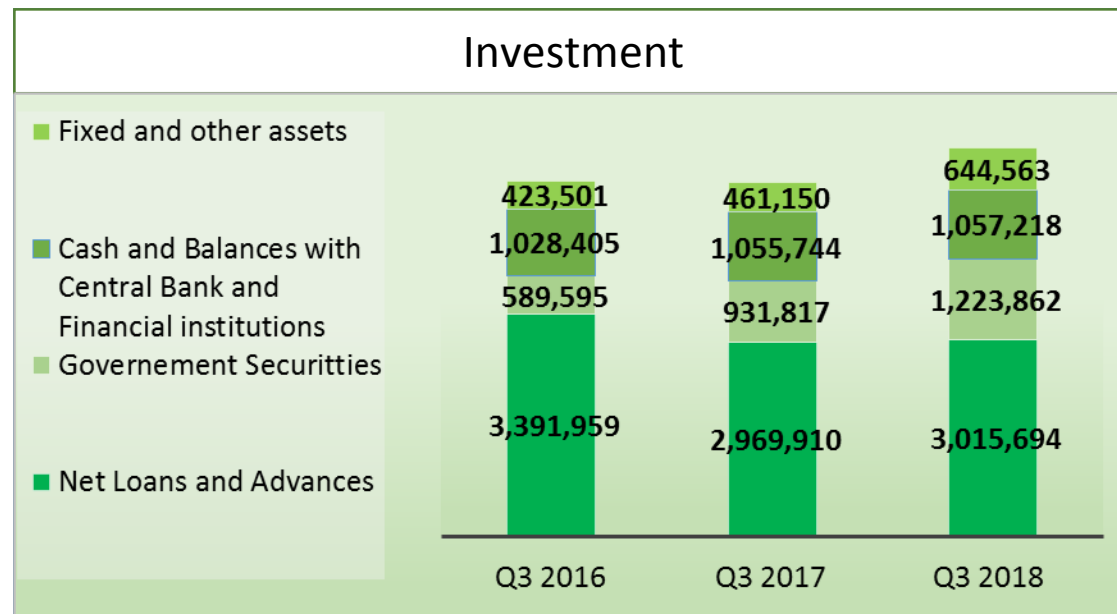
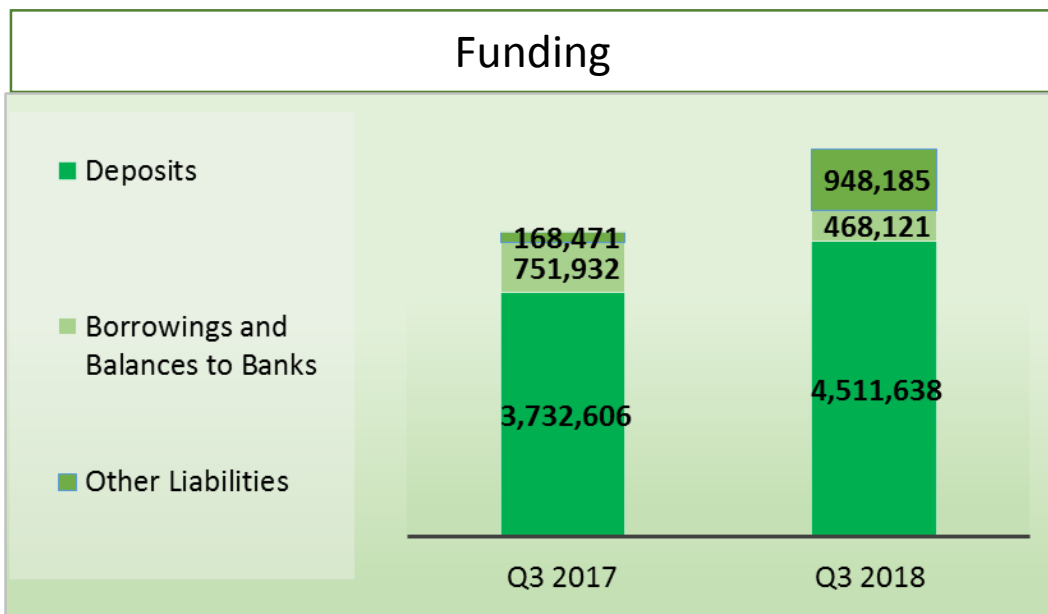
Treasury Income Mix



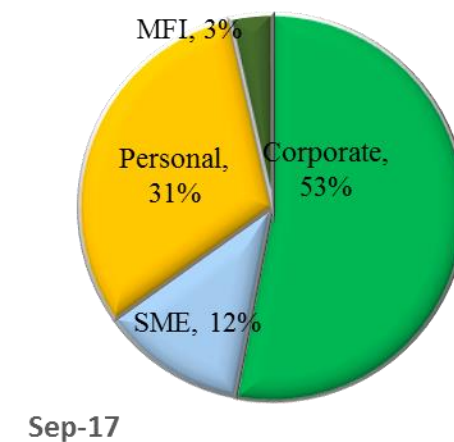
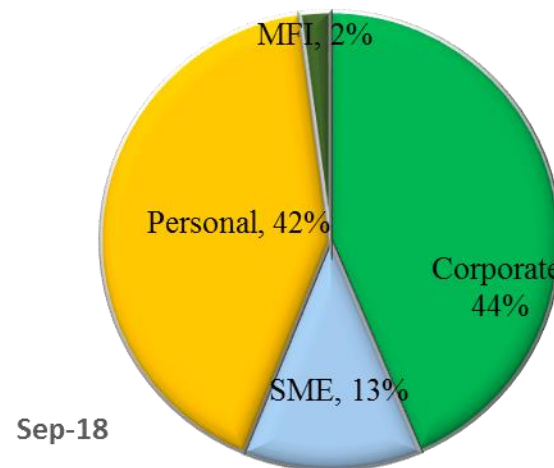
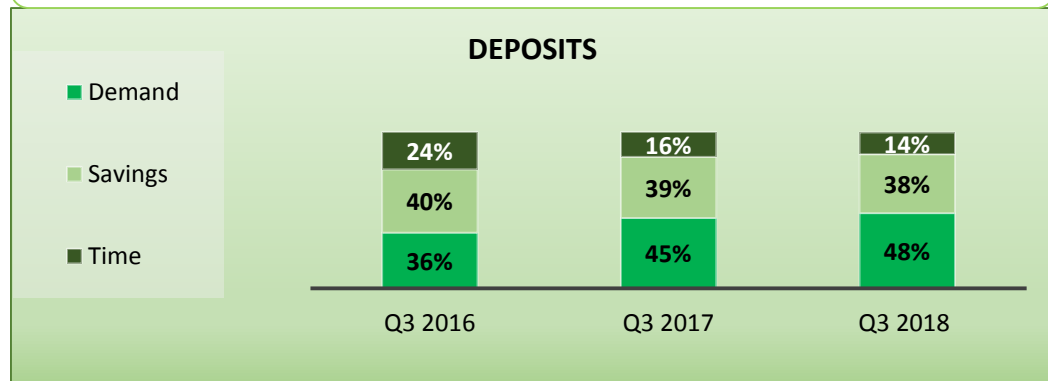
Yield on Government Securities and Capital Gains



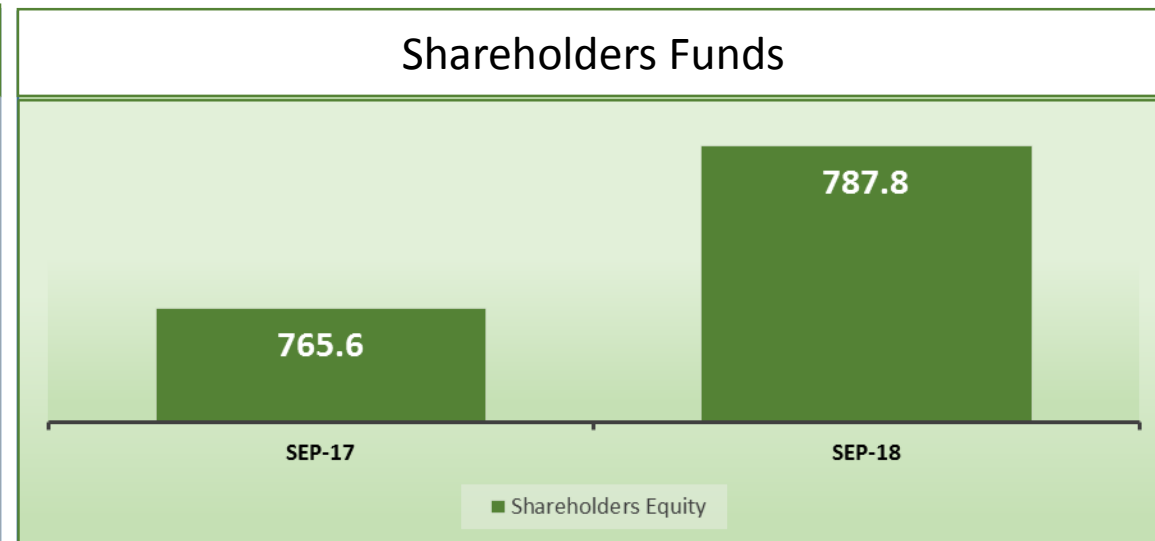
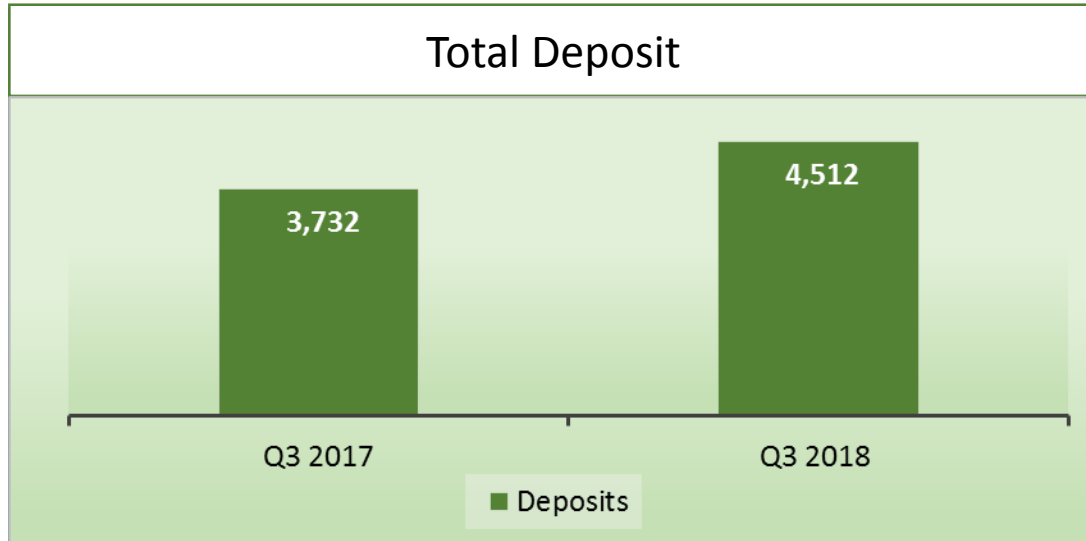
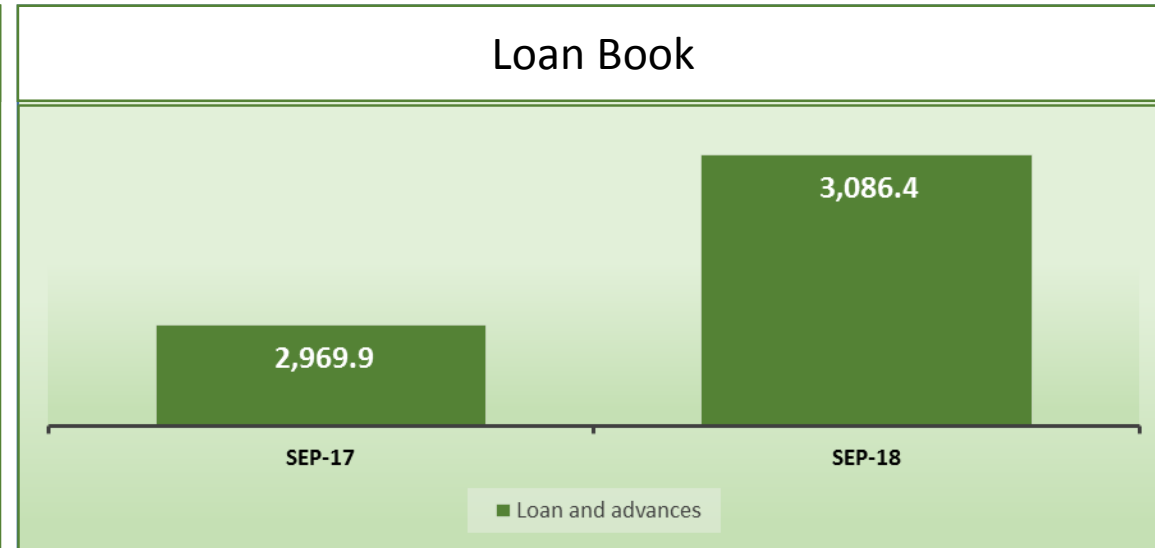
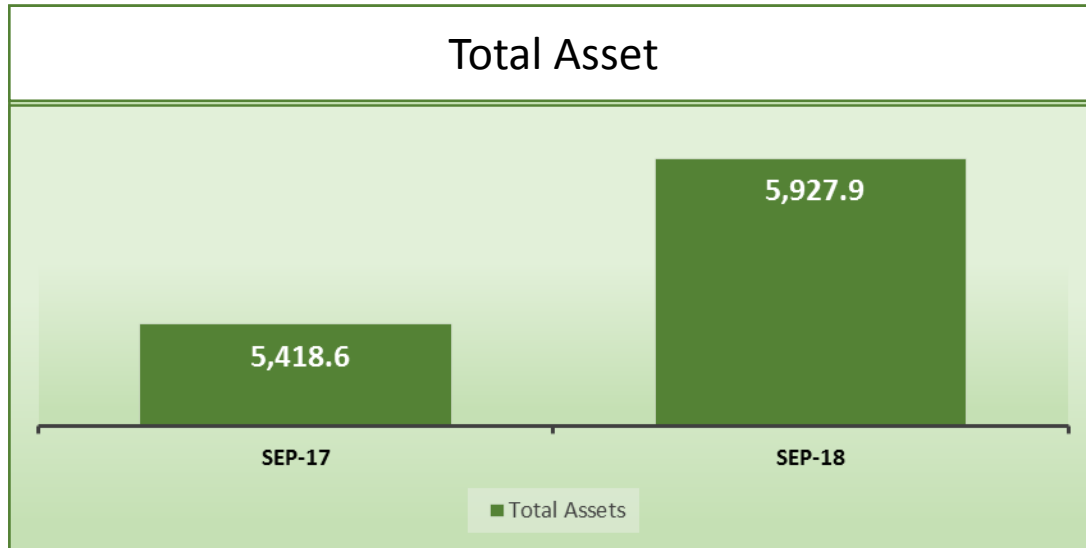
BALANCED FUNDING



CASA base was at 86% in Sept 2018 (Sept 2017:84) of total deposits with YoY increase of 20.9%.



STRONG BALANCE SHEET GROWTH



SUBSIDIARIES PERFORMANCE

CRDB Bank Burundi S.A.

- The subsidiary recorded a profit of TZS 1.9 billion as at 30th September 2018 compared to TZS 1.57 billion profit recorded as at 30th September 2017. The growth in profit is mainly contributed by Loan application fees, drafts and transfers and service charges.

FINANCIAL POSITION SUMMARY (millions)	30.09.18	30.09.17	% Change
Loans and Advances	80,769	40,147	101%
Total Assets	209,126	113,493	44%
Total Deposits	95,684	55,852	34%
Total Shareholders' funds	23,056	15,344	18%

Total subsidiary contribution to group PBT was **-1.4%**

CRDB Insurance Broker Company

During the period January to September 2018, the company made a profit after tax of TZS 1.07 billion.

FINANCIAL POSITION SUMMARY (millions)	Sept. 2018
<i>Commission Income</i>	4,682
<i>Premium Sales</i>	28,927

Microfinance Services Company Limited

The subsidiary made a loss of TZS 5.1 billion as at 30th September 2018

FINANCIAL POSITION SUMMARY (millions)	Sept 2018
<i>Total Loans</i>	70,843
<i>Total Deposits</i>	74,518

Awards 2018

For over 20 years of Banking Operations in the market, being the leading Bank; we were pleased to be named:

- Best SME Bank of East Africa by Banker Africa East Africa Awards- 2018
- Best Regional Bank In East Africa by AfDB (*African Development Bank*)

Analysts Coverage

- **Exotic Partners- Equity Investment Bank;** “Loan Book quality margins have improved markedly” and upgraded the Bank’s stock from SELL to HOLD Recommendation, with target price of 155 per share.
- **Hartland-Peel Africa Equity Research;** “Given the current economic performance in Tanzania and CRDB Bank being in almost all sectors of the economy, the Bank is performing well above expectation” the Bank’s shares are undervalued. Target price (2019F) TZS 360