the Government of Zimbabwe’s continuation with the IMF Staff Monitored Program, and its attainment of the program benchmarks, remains a source of encouragement and a key component for attainment of the country’s 2016 growth projections.

Growing internal & external economic headwinds were reflected in the downward revision of the 2015 growth projection from 3.1% to 1.5%, but…
NAVIGATING THE OPERATING ENVIRONMENT

SPECIFIC CONSTRAINTS

- Liquidity shortages
- High credit risk
- Growing informalisation of the economy.

OUR RESPONSE

- Market creation to take advantage of transitional opportunities in the SMEs sector.
- Aggressive collections of Bad Debts.
- Strict credit granting and closer monitoring of borrower performance.
- Innovation to support customer retention and acquisition as well as creation of new business and income lines.
## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th></th>
<th>31 March 2016 $m</th>
<th>31 Dec 2015 $m</th>
<th>31 March 2015 $m</th>
<th>Y.T.D Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total assets</strong></td>
<td>2 076.9</td>
<td>1 974.4</td>
<td>1 684.5</td>
<td>5.2</td>
</tr>
<tr>
<td><strong>Total deposits</strong></td>
<td>1 776.8</td>
<td>1 684.3</td>
<td>1 415.3</td>
<td>5.5</td>
</tr>
<tr>
<td><strong>Total advances</strong></td>
<td>1 041.6</td>
<td>1 021.0</td>
<td>1 139.8</td>
<td>2.0</td>
</tr>
<tr>
<td><strong>Funds Under Management</strong></td>
<td>121.8</td>
<td>131.3</td>
<td>136.0</td>
<td>(7.2)</td>
</tr>
<tr>
<td><strong>Insurance assets</strong></td>
<td>8.4</td>
<td>5.2</td>
<td>4.2</td>
<td>61.5</td>
</tr>
</tbody>
</table>

- **Create a balance between retail and term deposits mix to manage interest expense.**
- **Continues to exercise caution on lending.**
- **Portfolio diversification to mitigate negative returns on the equities markets.**
- **Balancing risk and rewards; being responsive to obligation.**
### CONSOLIDATED STATEMENT OF INCOME

<table>
<thead>
<tr>
<th></th>
<th>31 March 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income</td>
<td>$35.1m</td>
</tr>
<tr>
<td>Underwriting income (net)</td>
<td>$2.1m</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>$25.2m</td>
</tr>
<tr>
<td>Profit After Tax</td>
<td>$4.9m</td>
</tr>
</tbody>
</table>

New products launch e.g. Mobile App, Money Gram, Agency Banking; and aggressive marketing of insurance products is earmarked to enhance total revenue.

Notwithstanding the pressure on interest income as a result of regulatory persuasions, the key deliverables remain within our internal benchmarks.
How are we going to create value?

UNPACKING OUR VALUE CREATION MODEL
OUR VALUE CREATION MODEL – STRATEGIC OBJECTIVES

- To Increase Income Diversification
- To Promote Innovation & Strengthen Synergies
- To Increase Strategic Alliances
- To Drive Strong Investor Relations
- To Expand Local & Regional Market Presence
- To Improve Operational Expertise & Reduce Costs
Q1 INTERIM PERFORMANCE - NUMBER OF ACCOUNTS & TRANSACTIONS

Number of Accounts

- **2015 Q1**: 218,035.00
- **2016 Q1**: 250,850.00

15% growth between Q1 2015 and Q1 2016

Number of Transactions

- **2015 Q1**: 3,480,365
- **2016 Q1**: 4,215,499

21% growth between Q1 2015 and Q1 2016
Q1 INTERIM PERFORMANCE – POLICY COUNT

- Q1 2015: 78,487.00
- Q1 2016: 112,522.00

43% growth between Q1 2015 and Q1 2016