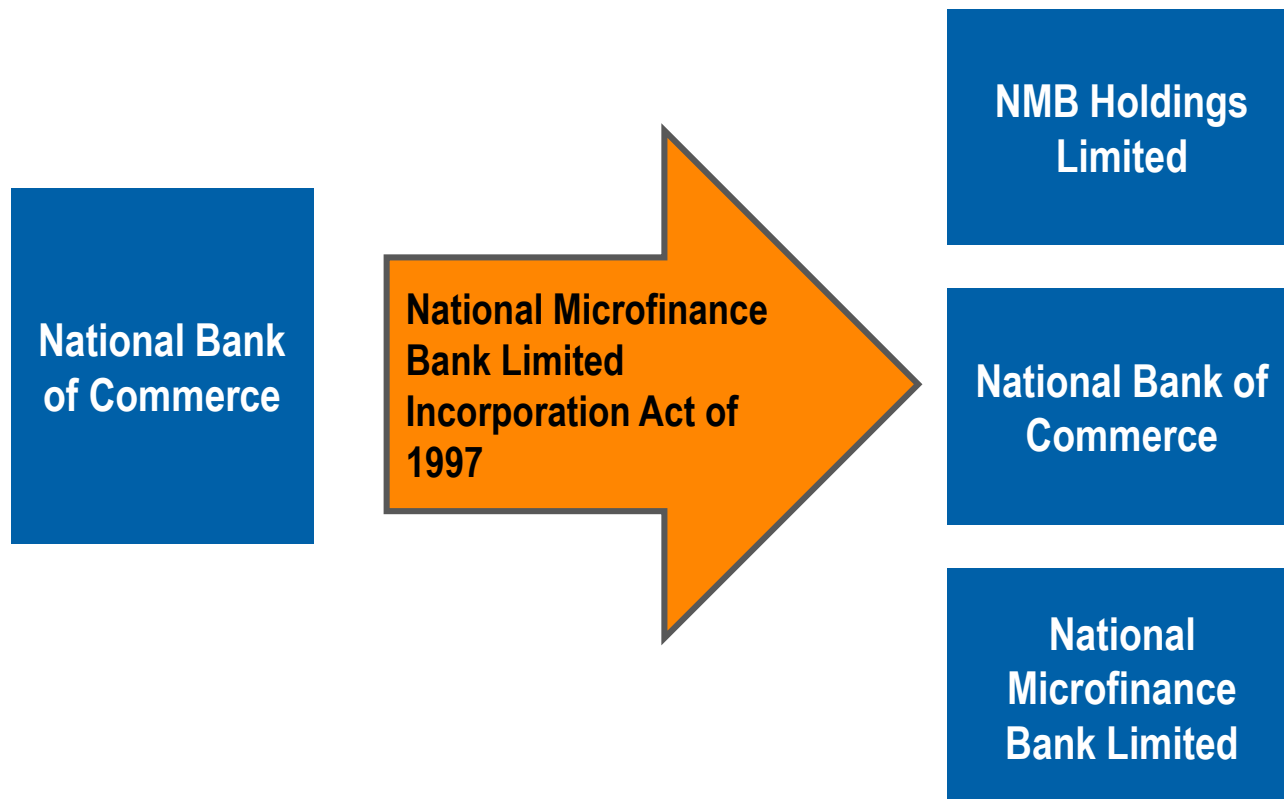




BRICKS TO DIGITAL

MANZI RWE GASIRA
HEAD, STRATEGY & INVESTOR RELATIONS

IT ALL BEGAN TWENTY YEARS AGO..





WITH 97 BRANCHES, NMB WAS THE “PAYMENT FACTORY”

- **Limited product offering : savings accounts + payments**
- **Bank for civil servants**
- **No ATMs**
- **No Cards**
- **Yes, you guessed it – No Mobile Banking**
- **Limited technology**
- **600,000 Customers**

AND THEN CAME THE PRIVATIZATION..

- In 2005 the Government of Tanzania sold 49% to a consortium led by the Rabobank Group
- The consortium consisted of:
 - Exim Bank (Tanzania) Limited
 - National Investments Company Limited (NICOL) and,
 - TCCIA Investment Company Limited



Rabobank



WE COMMITTED TO USING INNOVATION TO PROVIDE HIGH QUALITY FINANCIAL ACCESS



Our Vision

To be the preferred financial services
partner in Tanzania.



Our Mission

Through innovative distribution, and
its extensive branch network, NMB
offers affordable, customer focused,
financial services to the Tanzanian
community, in order to realize
sustainable benefits for all its
stakeholders.



IN 2007, WE CHANGED THE BANKING EXPERIENCE FOR OUR CUSTOMERS

- Rolled out 100 ATMS
- Over 300,000 proprietary cards were issued
- ATMs provided 24/7 access to funds
- Less congestion in the branches – basic transactions could be performed at the ATM





TWO YEARS LATER, WE MADE BANKING FROM YOUR CELLPHONE POSSIBLE



Celebrates 100,000 Customers

To join NMB mobile dial *155*66*123#

- Transfer money
- Balance Inquiry
- Purchase LUKU
- Purchase Vodacom or Zain Airtime
- Mini-Statement

Works on every phone
This service is available for Zain and Vodacom subscribers

www.nmbtz.com



- 1st Bank in the country to offer mobile banking
- With NMB Mobile Services, customers could access their accounts from the comforts of their homes

AMIDST INCREASING COMPETITION FROM MNOs WE LAUNCHED PESA FASTA IN 2011

- NMB customers could remit funds to non account holders
- Funds could be withdrawn from any of the 450 NMB ATMs across the country



The launch of **NMB Pesa Fasta** in the presence of the Technical Director of FSDT Mr. Kewe, NMB CEO Mr. Wiessing and NMB Senior Manager, Personal Banking, Mr. Nsekele.




SMART PHONE + POS MACHINE = CHAP CHAP ACCOUNT



- **Instant Account Opening**
- **No opening balance or maintenance fees**
- **Use of biometrics – even the illiterate could open a bank account**
- **Account opened within 10 minutes**
- **Immediate access to mobile banking + ATMs**



TO GET CLOSER TO OUR CUSTOMERS, WE PARTNERED WITH MNOs




Deposit money anywhere!

Now you can deposit money into your NMB account via M-Pesa and transfer money to M-Pesa

NMB Personal Account | NMB Student Account | NMB Business Account | NMB Bonus Account | NMB Junior Account

Head Office - NMB House | Aziziye/Jomhavi Street | P.O. Box 9013, City of Soccery, Tanzania | Tel: 4355 (T) 20 215 1100





WE ARE AT THE FOREFRONT IN PROVIDING MODERN SOLUTIONS TO ALL OUR CUSTOMERS



eKilimo

- Digital platform for farmers.
- Efficiency, security and transparency in the agriculture supply chain
- Partnership with MasterCard

Wajibika

- Youth savings proposition
- Embedded financial literacy element that is offered online





WE ARE AT THE FOREFRONT IN PROVIDING MODERN SOLUTIONS TO ALL OUR CUSTOMERS



Revenue Collection in Local Government Authorities

- Integrated with the Local Government Revenue Collection Information System
- Efficient collection and timely reconciliation

“We have chosen to use NMB in electronic revenue collection because they are capable and above all, it is the government’s bank. Whatever we put in NMB, we know that we get something in return through dividends,” said Hon. Majaliwa.



ADOPTING THE AGENCY MODEL HAS ENABLED US TO ACHIEVE MORE REACH

NMB Head of Alternative Channels – George Kivaria said “we are happy to register this milestone and definitely doubling the number of agents from 1000 to over 2000, with these number of agents, we are optimistic that we will bring services even more closely to our customers while creating simplicity and convenience to them.”





WE ARE COMMITTED TO BEING THE INNOVATIVE LEADER IN THE INDUSTRY



Today..

- Listed on the DSE
- Fully fledged commercial bank
- 192 branches
- 662 ATMs
- >2000 Agents
- > 2 million customers
- > 1 million mobile customers

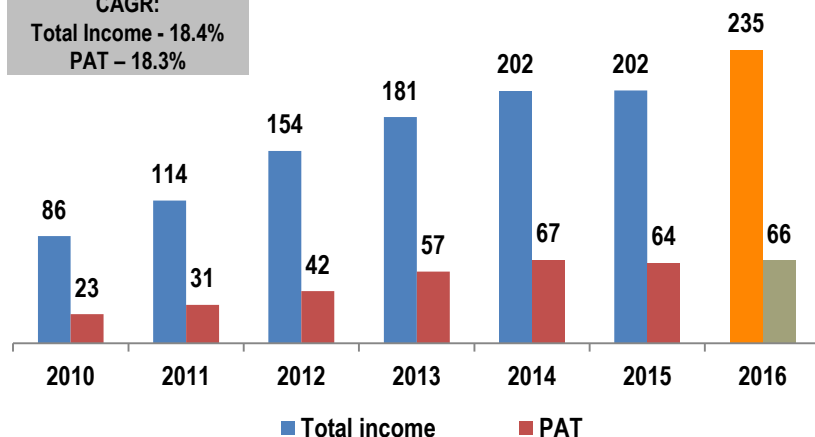
2016 HIGHLIGHTS

- **Macroeconomic Environment**
 - Implementation of the Treasury Single Account
 - Recent efforts by the Central Bank to boost liquidity
 - Reduction in discount rate from 16% to 12%
 - Reduction in Statutory Minimum Reserve (SMR) from 10% to 8%
- **Bank Highlights**
 - NMB Bond oversubscribed by 107%
 - Bank assigned B1 Stable Credit Rating by Moody's

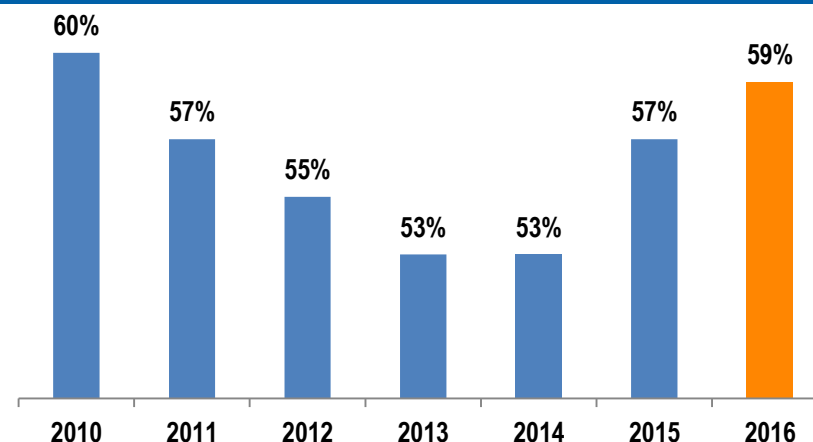
KEY PERFORMANCE MEASURES

Total income & Profit after Tax (in USD m)

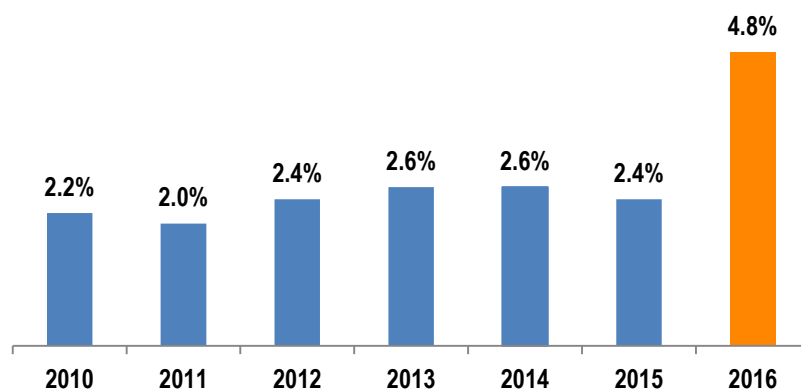
CAGR:
Total Income - 18.4%
PAT - 18.3%



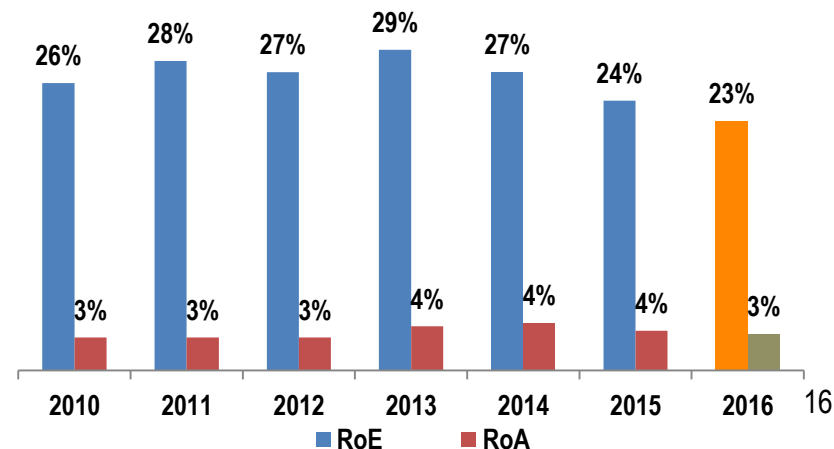
Cost-Income Ratio (CIR)



Non-Performing Loan (NPL) ratio



Returns



FINANCIAL HIGHLIGHTS

	2016	2015	Y-o-Y change %
PAT	153.8	150.6	2.1%
ROE	22.60%	24.40%	-1.8%
Non performing loans	136,558	51,701	164%
Impairment provision	52,747	36,224	46%
NPL Coverage	38.63%	70.06%	-31.44%
Cost to Income	59.0%	57.3%	1.70%

ANTICIPATED REGULATORY CHANGES

- **Change in capital requirements – eff. Aug 2017**
 - Capital charge for operational risk
 - Capital conservation buffer of 2.5% of RWA & off-balance sheet exposures
- **IFRS 9 preparations – eff. 1st January 2018**
 - The bank is currently assessing the likely impact on our provision figures and capital position



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