



# Report of Condition of the Bank Published Pursuant to Section 32(3) of the Banking and Financial Institutions Act, 2006

## BALANCE SHEET AS AT 31<sup>st</sup> DECEMBER, 2012 (Amounts in million shillings)

	Current Quarter 31.12.12	Previous Quarter 30.09.12
<b>A. ASSETS</b>		
1 Cash	185,545	172,807
2 Balances with Bank of Tanzania	336,113	352,923
3 Investments in Government securities	589,348	532,515
4 Balances with other banks and financial institutions	190,127	171,949
5 Cheques and items for clearing	11,944	13,982
6 Inter branch float items	88	-
7 Bills negotiated	18	2,005
8 Customers' liabilities for acceptances	-	-
9 Interbank loans receivables	-	-
10 Investments in other securities	-	-
11 Loans, advances and overdrafts	-	-
(net of allowances for probable losses)	1,354,770	1,244,471
12 Other assets	58,696	58,757
13 Equity investments	14,612	8,556
14 Underwriting accounts	-	-
15 Property, Plant and equipment	55,085	58,949
<b>16 TOTAL ASSETS</b>	<b>2,796,346</b>	<b>2,616,914</b>
<b>B. LIABILITIES</b>		
17 Deposits from other banks and financial institutions	2,011	1,167
18 Customer deposits	2,270,818	2,165,079
19 Cash letters of credit	-	-
20 Special Deposits	17,445	4,917
21 Payment orders/transfers payable	-	-
22 Bankers' cheques and drafts issued	3,433	2,863
23 Accrued taxes and expenses payable	25,046	31,736
24 Acceptances outstanding	-	-
25 Inter branch float items	-	85
26 Unearned income and other deferred charges	12,427	11,274
27 Other liabilities	37,951	25,034
28 Borrowings	70,262	35,161
<b>29 TOTAL LIABILITIES</b>	<b>2,439,393</b>	<b>2,277,316</b>
<b>30 NET ASSETS / (LIABILITIES)</b>	<b>356,953</b>	<b>339,598</b>
<b>C. SHAREHOLDERS' FUNDS</b>		
31 Paid up share capital	20,000	20,000
32 Capital reserves	-	-
33 Retained earnings	237,633	237,633
34 Profit(Loss) account	97,594	80,239
35 Others capital accounts	1,726	1,726
36 Minority interest	-	-
<b>37 TOTAL SHAREHOLDERS' FUNDS</b>	<b>356,953</b>	<b>339,598</b>
38 Contingent liabilities	106,756	105,152
39 Non performing loans & advances	32,705	43,774
40 Allowances for probable losses	30,055	31,340
41 Other non performing assets	467	675
<b>D. SELECTED FINANCIAL CONDITION INDICATORS</b>		
(i) Shareholders Funds to total assets	12.76%	12.98%
(ii) Non performing loans to total gross loans	2.36%	3.43%
(iii) Gross loans and advances to total deposits	60.52%	58.79%
(iv) Loans and advances to total assets	48.45%	47.58%
(v) Earnings assets to total Assets	76.32%	74.51%
(vi) Deposits growth	5.54%	7.43%
(vii) Assets growth	6.86%	8.67%

## CASH FLOW STATEMENT FOR THE QUARTER ENDED 31<sup>st</sup> DECEMBER, 2012 (Amounts in million shillings)

	Current Quarter 31.12.2012	Previous Quarter 30.09.2012
<b>I: Cash flow from Operating activities:</b>		
Net income(loss)	26,059	45,021
Adjustment for:		
- Impairment/amortization	11,858	223
- Net change in loans and advances	(110,299)	(33,156)
- Gain/loss on sale of assets	-	-
- Net change in deposits	119,111	151,313
- Net change in short term negotiable securities	1,987	(2,005)
- Net change in other liabilities	7,865	(2,644)
- Net change in other assets	(27)	(5,237)
- Tax paid	(13,311)	(13,330)
- Others (Net change in SMR deposits)	(11,006)	(5,037)
<b>Net cash provided (used) by operating activities</b>	<b>32,237</b>	<b>135,148</b>
<b>II: Cash flow from Investing activities:</b>		
Dividends received	-	-
Purchase of fixed assets	(3,385)	(5,851)
Proceeds from sale of fixed assets	-	-
Purchase of non-dealing securities	-	-
Proceeds from sale of non-dealing securities	-	-
Others-(Treasury Bonds/Bills /Equity investment)	(7,974)	(27,958)
<b>Net cash provided (used) by investing activities</b>	<b>(11,359)</b>	<b>(33,809)</b>
<b>III: Cash Flow 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	35,101	32,925
Others (specify)	-	-
<b>Net cash provided(used) by financing activities</b>	<b>35,101</b>	<b>32,925</b>
<b>IV: Cash and Cash equivalents:</b>		
Net increase/(decrease) in cash and cash equivalents	55,979	134,264
Cash and cash equivalents at the beginning of the quarter	575,068	440,804
<b>Cash and cash equivalents at the end of the quarter</b>	<b>631,047</b>	<b>575,068</b>

Signed by

Date

Mark Wiessing  
Chief Executive Officer

February 11, 2013

Waziri Barnabas  
Chief Financial Officer

February 11, 2013

Augustino Mbogella  
Chief Internal Auditor

February 11, 2013

We, the under-named, non-executive members of the board of directors, attest to the correctness of the above statements. We declare that the statements have been examined by us, and to the best of our knowledge and belief have been prepared in conformance with the instructions and are true and correct.

Signed by

Date

Prof. Joseph Semboja

Board Chairman

February 11, 2013

Protase Tehingisa

Director

February 11, 2013

## Update your account information and WIN

### Dear Customer

Central Bank of Tanzania (BOT) has directed Banks to enhance customers information. The objective of this exercise is to enable the bank to have correct and updated customers information.

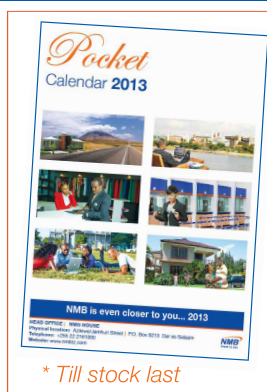
This exercise will involve all existing and new customers. In order to continue accessing your account, kindly submit your documents before **15th March 2013**.

Please call at any NMB Branch Customer Service Desk for collection of the form to fill. After filling the form, please submit it together with all the required documents to your nearest NMB branch Customer Service desk.

### Please take note:

**This is a compulsory exercise, customers who will not comply will not be able to operate their accounts after the deadline.**

Thank you for your usual co-operation



## INCOME STATEMENT FOR THE PERIOD ENDED 31<sup>st</sup> DECEMBER, 2012 (Amounts in million shillings)

	Current Quarter 31.12.2012	Comparative Quarter 31.12.2011	Current Year Cumulative 31.12.2012	Comparative Year Cumulative 31.12.2011
1 Interest income	78,801	54,997	287,795	193,005
2 Interest expense	(4,300)	(1,457)	(9,348)	(7,832)
<b>3 Net interest income (1minus2)</b>	<b>74,501</b>	<b>53,540</b>	<b>278,447</b>	<b>185,173</b>
4 Bad debts written off	-	-	-	-
5 Impairment Losses on Loans and Advances	(10,428)	(2,863)	(25,851)	(11,752)
<b>6 Non interest income:</b>	<b>20,811</b>	<b>16,073</b>	<b>94,591</b>	<b>82,277</b>
6.1 Foreign currency dealings and translation gain/(loss)	2,199	3,245	9,091	7,437
6.2 Fee and commissions	18,143	12,985	84,195	67,995
6.3 Dividend income	-	-	-	-
6.4 Others operating income	469	(157)	1,305	6,845
<b>7 Non interest expense:</b>	<b>(58,825)</b>	<b>(43,928)</b>	<b>(201,982)</b>	<b>(152,912)</b>
7.1 Salaries and benefits	(22,839)	(20,169)	(85,317)	(65,200)
7.2 Fees and commissions	(3,300)	(734)	(12,770)	(8,525)
7.3 Other operation expenses	(32,686)	(23,025)	(103,895)	(79,186)
<b>8 Operating income/(loss)</b>	<b>26,059</b>	<b>22,822</b>	<b>145,205</b>	<b>102,786</b>
9 Income tax provision	(8,702)	(6,485)	(47,611)	(30,947)
<b>10 Net income(loss)after income tax</b>	<b>17,357</b>	<b>16,337</b>	<b>97,594</b>	<b>71,839</b>
11 Number of employees	2,783	2,650	2,783	2,650
12 Basic earnings per share	35	33	195	144
13 Diluted earnings per share	35	33	195	144
14 Number of branches	147	140	147	140
<b>SELECTED PERFORMANCE INDICATORS</b>				
(i) Return on average total assets	2.70%	3.02%	3.89%	3.29%
(ii) Return on average shareholders funds	20.86%	23.38%	29.77%	27.59%
(iii) Non interest expense to gross income	59.05%	61.81%	52.82%	55.55%
(iv) Net interest income to average earning assets	16.23%	13.07%	15.30%	11.18%