

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



STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER, 2013 (Amounts in million shillings)

	Current Quarter 30.09.13	Previous Quarter 30.06.13
A. ASSETS		
1 Cash	186,720	178,152
2 Balances with Bank of Tanzania	408,299	472,452
3 Investments in Government securities	819,094	793,074
4 Balances with other banks and financial institutions	79,027	170,941
5 Cheques and items for clearing	4,930	11,356
6 Inter branch float items	-	5,633
7 Bills negotiated	-	-
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)	1,507,048	1,425,533
12 Other assets	79,436	100,221
13 Equity investments	19,677	19,137
14 Underwriting accounts	-	-
15 Property, Plant and equipment	58,935	58,808
16 TOTAL ASSETS	3,163,166	3,235,307
B. LIABILITIES		
17 Deposits from other banks and financial institutions	2,275	3,252
18 Customer deposits	2,582,056	2,614,549
19 Cash letters of credit	-	-
20 Special Deposits	20,295	37,191
21 Payment orders/transfers payable	-	-
22 Bankers' cheques and drafts issued	4,215	3,294
23 Accrued taxes and expenses payable	47,756	39,091
24 Acceptances outstanding	-	-
25 Inter branch float items	97	-
26 Unearned income and other deferred charges	14,115	13,051
27 Other liabilities	37,992	38,520
28 Borrowings	23,289	86,121
29 TOTAL LIABILITIES	2,732,090	2,835,069
30 NET ASSETS/(LIABILITIES)	431,076	400,238
C. SHAREHOLDERS' FUNDS		
31 Paid up share capital	20,000	20,000
32 Capital reserves	-	-
33 Retained earnings	302,760	302,760
34 Profit(Loss) account	95,980	62,973
35 Others capital accounts	12,336	14,505
36 Minority interest	-	-
37 TOTAL SHAREHOLDERS' FUNDS	431,076	400,238
38 Contingent liabilities	169,414	107,543
39 Non performing loans & advances	29,713	27,930
40 Allowances for probable losses	29,197	30,498
41 Other non performing assets	319	355
D. SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders Funds to total assets	13.63%	12.37%
(ii) Non performing loans to total gross loans	1.93%	1.92%
(iii) Gross loans and advances to total deposits	59.03%	54.91%
(iv) Loans and advances to total assets	47.64%	44.06%
(v) Earnings assets to total Assets	76.04%	73.86%
(vi) Deposits growth	-1.78%	6.42%
(vii) Assets growth	-2.23%	5.70%

STATEMENT OF COMPREHENSIVE INCOME THE PERIOD ENDED 30TH SEPTEMBER, 2013 (Amounts in million shillings)

	Current Quarter 30.09.2013	Comparative Quarter 30.09.2012	Current Year Cumulative 30.09.2013	Comparative Year Cumulative 30.09.2012
1 Interest income	89,728	75,396	256,350	208,994
2 Interest expense	(6,815)	(1,588)	(19,150)	(5,048)
3 Net interest income (1minus2)	82,913	73,808	237,200	203,946
4 Bad debts written off	-	-	-	-
5 Impairment Losses on Loans and Advances	(2,540)	(4,302)	(8,773)	(15,422)
6 Non interest income:	28,455	23,186	82,652	73,780
6.1 Foreign currency dealings and translation gain/(loss)	2,736	2,268	6,192	6,893
6.2 Fee and commissions	24,612	20,551	71,852	66,052
6.3 Dividend income	-	-	-	-
6.4 Others operating income	1,107	367	4,608	835
7 Non interest expense:	(57,508)	(47,671)	(168,409)	(143,155)
7.1 Salaries and benefits	(26,789)	(19,935)	(79,862)	(56,879)
7.2 Fees and commissions	(3,176)	(3,061)	(9,097)	(9,470)
7.3 Other operation expenses	(27,543)	(24,675)	(79,450)	(76,806)
8 Operating income/(loss)	51,320	45,021	142,670	119,149
9 Income tax provision	(18,313)	(16,671)	(46,690)	(38,909)
10 Net income(loss)after income tax	33,007	28,350	95,980	80,240
11 Number of employees	2,871	2,726	2,871	2,726
12 Basic earnings per share	66	57	192	160
13 Diluted earnings per share	66	57	192	160
14 Number of branches	152	143	152	143
SELECTED PERFORMANCE INDICATORS				
(i) Return on average total assets	4.45%	4.40%	4.09%	4.41%
(ii) Return on average shareholders funds	34.20%	34.07%	31.49%	33.58%
(iii) Non interest expense to gross income	48.66%	48.36%	49.68%	50.63%
(iv) Net interest income to average earning assets	15.49%	16.08%	13.81%	15.36%

STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30TH SEPTEMBER, 2013 (Amounts in million shillings)

	Current Quarter 30.09.2013	Previous Quarter 30.06.2013
I: Cash flow from Operating activities:		
Net income(loss)	51,320	48,740
Adjustment for:		
- Impairment/amortization	(4,221)	(1,726)
- Net change in loans and advances	(81,515)	(39,542)
- Gain/loss on sale of assets	-	-
- Net change in deposits	(50,366)	158,311
- Net change in short term negotiable securities	-	-
- Net change in other liabilities	10,218	11,788
- Net change in other assets	26,418	(49,171)
- Tax paid	(12,438)	(12,438)
- Others (Net change in SMR deposits)	12,805	(23,350)
Net cash provided (used) by operating activities	(47,779)	92,612
II: Cash flow from Investing activities:		
Dividends received	-	-
Purchase of fixed assets	(3,949)	(2,358)
Proceeds from sale of fixed assets	2	50
Purchase of non-dealing securities	-	-
Proceeds from sale of non-dealing securities	-	-
Others-(Treasury Bonds/Bills /Equity investment)	15,080	(65,175)
Net cash provided (used) by investing activities	11,133	(67,483)
III: Cash Flow from Financing activities:		
Repayment of long-term debt	-	-
Proceeds from issuance of long term debt	-	-
Proceeds from issuance of share capital	-	-
Payment of cash dividends	-	(34,000)
Net change in other borrowings	(62,832)	6,152
Others (specify)	-	-
Net cash provided(used) by financing activities	(62,832)	(27,848)
IV: Cash and Cash equivalents:		
Net increase/(decrease) in cash and cash equivalents	(99,478)	(2,719)
Cash and cash equivalents at the beginning of the quarter	677,425	680,144
Cash and cash equivalents at the end of the quarter	577,947	677,425

TRY US

NMB Foreign Exchange Banking

For your financial outreach

Get all major foreign currencies accounts at competitive rates for your personal or business needs.

- NMB Bonus Account - Forex
- NMB Business Account - Forex
- NMB Personal Account - Forex
- NMB Fixed Deposit Account - Forex

For more information, walk in any of our branches or call +255 22 2161888

EUROMONEY 2013 Experience the BEST BANK IN TANZANIA Try us today!

www.nmbtz.com

Signed by

Date

Mark Wiessing
Chief Executive Officer

November 1, 2013

Waziri Barnabas
Chief Financial Officer

November 1, 2013

Augustino Mbogella
Chief Internal Auditor

November 1, 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

November 1, 2013

Protase Tehingisa

Director

November 1, 2013