

Issued pursuant to regulations 7 and 8 of the Banking and Financial Institutions (Disclosures) Regulations, 2014



NAME OF BANK NMB BANK PLC AUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER, 2017 (Amounts in million shillings)

	GROUP Current Year 31.12.17	GROUP Previous Year 31.12.16	BANK Current Year 31.12.17	BANK Previous Year 31.12.16
A. ASSETS				
1 Cash	358,322	248,191	358,322	248,191
2 Balances with Bank of Tanzania	798,000	701,990	798,000	701,990
3 Investments in Government securities	919,969	724,916	919,969	724,916
4 Balances with other banks and financial institutions	242,731	137,241	242,731	137,241
5 Cheques and items for clearing	-	-	-	-
6 Inter branch float items	-	-	-	-
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)	2,771,732	2,774,464	2,787,048	2,794,467
12 Other assets	129,877	93,058	161,459	127,887
13 Equity investments	1,740	1,740	1,740	1,740
14 Underwriting accounts	-	-	-	-
15 Property, Plant and equipment	277,156	256,680	237,090	214,643
16 TOTAL ASSETS	5,499,527	4,938,280	5,506,359	4,951,075
B. LIABILITIES				
17 Deposits from other banks and financial institutions	149	11,176	149	11,176
18 Customer deposits	4,231,663	3,704,774	4,231,754	3,704,967
19 Cash letters of credit	23,796	9,235	23,796	9,235
20 Special Deposits	16,599	23,202	16,599	23,202
21 Payment orders/transfers payable	-	-	-	-
22 Bankers' cheques and drafts issued	-	-	-	-
23 Accrued taxes and expenses payable	30,939	31,510	30,939	31,510
24 Acceptances outstanding	-	-	-	-
25 Inter branch float items	-	-	-	-
26 Unearned income and other deferred charges	-	-	-	-
27 Other liabilities	59,839	49,644	57,423	50,974
28 Borrowings	336,930	352,803	336,930	352,803
29 TOTAL LIABILITIES	4,699,915	4,182,344	4,697,590	4,183,867
30 NET ASSETS/(LIABILITIES)	799,612	755,936	808,769	767,208
C. SHAREHOLDERS' FUNDS				
31 Paid up share capital	20,000	20,000	20,000	20,000
32 Capital reserves	-	-	-	-
33 Retained earnings	654,271	551,181	668,553	554,220
34 Profit(Loss) account	95,609	156,153	93,494	153,825
35 Others capital accounts	26,722	25,881	26,722	39,163
36 Minority interest	3,010	2,721	-	-
37 TOTAL SHAREHOLDERS' FUNDS	799,612	755,936	808,769	767,208
38 Contingent liabilities	496,646	375,044	496,646	375,044
39 Non performing loans & advances	185,941	136,558	185,941	136,558
40 Allowances for probable losses	104,949	52,747	104,949	52,747
41 Other non performing assets	582	408	582	408
D SELECTED FINANCIAL CONDITION INDICATORS				
(i) Shareholders Funds to total assets	14.5%	15.3%	14.7%	15.5%
(ii) Non performing loans to total gross loans	6.4%	4.9%	6.4%	4.8%
(iii) Gross loans and advances to total deposits	67.3%	75.7%	67.7%	76.2%
(iv) Loans and advances to total assets	50.4%	56.2%	50.6%	56.4%
(v) Earnings assets to total Assets	71.6%	73.7%	71.8%	73.9%
(vi) Deposits growth	14.3%	4.8%	14.3%	4.8%
(vii) Assets growth	11.4%	8.2%	11.2%	8.1%

AUDITED STATEMENT OF PROFIT AND LOSS OR OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31ST DECEMBER, 2017 (Amounts in million shillings)

	GROUP Current Year 31.12.2017	GROUP Previous Year 31.12.2016	BANK Current Year 31.12.2017	BANK Previous Year 31.12.2016
1 Interest income	585,512	548,993	586,992	551,034
2 Interest expense	(120,291)	(102,194)	(120,291)	(102,194)
3 Net interest income (1minus2)	465,221	446,799	466,701	448,840
4 Bad debts written off	-	-	-	-
5 Impairment Losses on Loans and Advances	(130,996)	(30,240)	(130,996)	(30,240)
6 Non interest income:	176,424	165,098	176,794	165,098
6.1 Foreign currency dealings and translation gain/(loss)	17,389	15,419	17,759	15,419
6.2 Fee and commissions	154,880	143,622	154,880	143,622
6.3 Dividend income	-	-	-	-
6.4 Others operating income	4,155	6,057	4,155	6,057
7 Non interest expense:	(370,835)	(357,905)	(374,596)	(362,274)
7.1 Salaries and benefits	(154,686)	(148,691)	(154,686)	(148,691)
7.2 Fees and commissions	(17,549)	(13,758)	(17,549)	(13,758)
7.3 Other operating expenses	(198,600)	(195,456)	(202,361)	(199,825)
8 Operating income/(loss)	139,814	223,752	137,903	221,424
9 Income tax provision	(44,205)	(67,599)	(44,409)	(67,599)
10 Net income/(loss)after income tax	95,609	156,153	93,494	153,825
11 Other comprehensive income, net of tax				
Fair value gain/(loss) on available for sale financial assets – net of tax	67	(46)	67	(46)
Total comprehensive income for the year	95,676	156,107	93,561	153,779
12 Number of employees	3,371	3,432	3,371	3,432
13 Basic earnings per share	191	312	187	308
14 Diluted earnings per share	191	312	187	308
15 Number of branches	212	187	212	187
SELECTED PERFORMANCE INDICATORS				
(i) Return on average total assets	1.7%	3.2%	1.7%	3.1%
(ii) Return on average shareholders funds	12.0%	20.7%	11.6%	20.0%
(iii) Non interest expense to gross income	57.8%	58.5%	58.2%	59.0%
(iv) Net interest income to average earning assets	11.8%	12.3%	11.8%	12.3%

AUDITED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED 31ST DECEMBER, 2017 (Amounts in million shillings)

	GROUP Current Year 31.12.2017	GROUP Previous Year 31.12.2016	BANK Current Year 31.12.2017	BANK Previous Year 31.12.2016
I: Cash flow from Operating activities:				
Net income(loss)	139,814	223,752	137,903	221,424
Adjustment for:				
- Impairment/amortization	31,228	24,855	29,257	23,870
- Net change in loans and advances	2,732	(317,182)	7,419	(312,714)
- Gain/loss on sale of assets	(204)	(390)	(204)	(390)
- Net change in deposits	534,847	172,441	534,745	169,533
- Net change in short term negotiable securities	(37)	46	(37)	46
- Net change in other liabilities	9,382	2,004	5,636	3,627
- Net change in other assets	(15,877)	(12,578)	(12,834)	(14,423)
- Tax paid	(61,072)	(70,880)	(61,072)	(70,880)
- Others (Net change in SMR deposits)	(6,817)	(10,230)	(6,817)	(10,226)
Net cash provided (used) by operating activities	633,996	11,838	633,996	9,867
II: Cash flow from Investing activities:				
Dividends received	-	-	-	-
Purchase of fixed assets	(45,295)	(82,720)	(45,295)	(80,749)
Proceeds from sale of fixed assets	223	390	223	390
Purchase of non-dealing securities	(886,571)	(570,864)	(886,571)	(570,864)
Proceeds from sale of non-dealing securities	691,669	519,207	691,669	519,207
Others-(Treasury Bonds/Bills/Equity investment)	(10,550)	(9,862)	(10,550)	(9,862)
Net cash provided (used) by investing activities	(250,524)	(143,849)	(250,524)	(141,878)
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	(52,000)	(52,000)	(52,000)	(52,000)
Net change in other borrowings	(15,873)	87,050	(15,873)	87,050
Others (specify)	(10,891)	9,576	(10,891)	9,576
Net cash provided(used) by financing activities	(78,764)	44,626	(78,764)	44,626
IV: Cash and Cash equivalents:				
Net increase/(decrease) in cash and cash equivalents	304,708	(87,385)	304,708	(87,385)
Cash and cash equivalents at the beginning of the Quarter/Year	697,580	784,965	697,580	784,965
Cash and cash equivalents at the end of the Quarter/Year	1,002,288	697,580	1,002,288	697,580

AUDITED BANK'S STATEMENT OF CHANGES IN EQUITY AS AT 31ST DECEMBER 2017

	Share Capital	Share Premium	Retained Earnings	Regulatory Reserve	General Provision Reserve	Others (Fair Valuation)	Total
Current Year							
Balance as at the beginning of the year	20,000	-	708,045	12,972	26,385	(194)	767,208
Profit for the year	-	-	93,494	-	-	-	93,494
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	(52,000)	-	-	-	(52,000)
Regulatory Reserve	-	-	12,972	(12,972)	-	-	-
General Provision Reserve	-	-	(464)	-	464	-	-
Others	-	-	-	-	-	67	67
Balance as at the end of the current period	20,000	-	762,047	-	26,849	(127)	808,769
Previous Year							
Balance as at the beginning of the year	20,000	-	620,901	3,800	20,876	(148)	665,429
Profit for the year	-	-	153,825	-	-	-	153,825
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	(52,000)	-	-	-	(52,000)
Regulatory Reserve	-	-	(9,172)	9,172	-	-	-
General Provision Reserve	-	-	(5,509)	-	5,509	-	-
Others	-	-	-	-	-	(46)	(46)
Balance as at the end of the Previous period	20,000	-	708,045	12,972	26,385	(194)	767,208

AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31ST DECEMBER 2017

	Share Capital	Share Premium	Retained Earnings	Regulatory Reserve	General Provision Reserve	Others (Fair Valuation)	Total
Current Year							
Balance as at the beginning of the year	20,000	-	707,334	12,972	26,385	(10,755)	755,936
Profit for the year	-	-	95,320	-	-	289	95,609
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	(52,000)	-	-	-	(52,000)
Regulatory Reserve	-	-	(9,172)	9,172	-	-	-
General Provision Reserve	-	-	(13,746)	-	464	13,282	-
Others	-	-	-	-	-	67	67
Balance as at the end of the current period	20,000	-	749,880	-	26,849	2,883	799,612
Previous Year							
Balance as at the beginning of the year	20,000	-	618,165	3,800	20,876	(11,012)	651,829
Profit for the year	-	-	155,850	-	-	303	156,153
Other Comprehensive Income	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	(52,000)	-	-	-	(52,000)
Regulatory Reserve	-	-	(9,172)	9,172	-	-	-
General Provision Reserve	-	-	(5,509)	-	5,509	-	-
Others	-	-	-	-	-	(46)	(46)
Balance as at the end of the Previous period	20,000	-	707,334	12,972	26,385	(10,755)	755,936

Issued pursuant to regulations 7 and 8 of the Banking and Financial Institutions (Disclosures) Regulations, 2014



Name and Title	Signature	Date
Ineke Bussemaker Managing Director		March 21,, 2018
Veronica Pascal Ag. Chief Financial Officer		March 21,, 2018
Benedicto Baragomwa Ag. Chief Internal Auditor		March 21,, 2018

The above extracts are from the Financial Statements of the Bank for the year ended December 31 2017, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and Companies Act, CAP 212 Act No.12 of 2002. The Financial Statements were audited by PricewaterhouseCoopers, Certified Public Accountants(T), and received an unqualified audit report.

The Financial Statements were approved by the Board of Directors and signed on their behalf by:

Name and Title	Signature	Date
Prof. Joseph Semboja Board Chairman		March 21,, 2018
Protase Tehingisa Director		March 21,, 2018



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