

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



BALANCE SHEET AS AT 31ST DECEMBER, 2015 (Amounts in million shillings)

	Current Quarter 31.12.15	Previous Quarter 30.09.15
A. ASSETS		
1 Cash	267,219	191,952
2 Balances with Bank of Tanzania	704,887	550,152
3 Investments in Government securities	624,613	661,830
4 Balances with other banks and financial institutions	193,012	121,730
5 Cheques and items for clearing	-246	2,149
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)	2,487,533	2,230,933
12 Other assets	122,257	150,132
13 Equity investments	41,378	20,600
14 Underwriting accounts	-	-
15 Property, Plant and equipment	152,368	136,888
16 TOTAL ASSETS	4,593,021	4,066,366
B. LIABILITIES		
17 Deposits from other banks and financial institutions	1,439	2,509
18 Customer deposits	3,542,311	3,111,007
19 Cash letters of credit	-	-
20 Special Deposits	14,330	14,805
21 Payment orders/transfers payable	-	-
22 Bankers' cheques and drafts issued	3,302	3,316
23 Accrued taxes and expenses payable	42,497	53,549
24 Acceptances outstanding	-	-
25 Inter branch float items	668	1,790
26 Unearned income and other deferred charges	21,644	20,007
27 Other liabilities	36,699	34,211
28 Borrowings	264,225	197,779
29 TOTAL LIABILITIES	3,927,115	3,438,973
30 NET ASSETS/(LIABILITIES)	665,906	627,393
C. SHAREHOLDERS' FUNDS		
31 Paid up share capital	20,000	20,000
32 Capital reserves	-	-
33 Retained earnings	464,837	472,623
34 Profit(Loss) account	150,616	112,103
35 Others capital accounts	30,453	22,667
36 Minority interest	-	-
37 TOTAL SHAREHOLDERS' FUNDS	665,906	627,393
38 Contingent liabilities	237,638	374,961
39 Non performing loans & advances	61,123	59,525
40 Allowances for probable losses	30,447	36,926
41 Other non performing assets	1,493	1,398
D. SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders Funds to total assets	14.5%	15.4%
(ii) Non performing loans to total gross loans	2.4%	2.6%
(iii) Gross loans and advances to total deposits	70.8%	72.6%
(iv) Loans and advances to total assets	54.2%	54.9%
(v) Earnings assets to total Assets	72.0%	74.1%
(vi) Deposits growth	13.7%	0.3%
(vii) Assets growth	13.0%	1.4%

CASH FLOW STATEMENT FOR THE QUARTER ENDED 31ST DECEMBER, 2015 (Amounts in million shillings)

	Current Quarter 31.12.2015	Previous Quarter 30.09.2015
I: Cash flow from Operating activities:		
Net income(loss)	55,019	50,114
Adjustment for:		
- Impairment/amortization	-1,329	1,154
- Net change in loans and advances	-256,600	-164,213
- Gain/loss on sale of assets	-	3
- Net change in deposits	429,759	8,005
- Net change in short term negotiable securities	-	-
- Net change in other liabilities	-8,063	13,706
- Net change in other assets	27,893	-17,327
- Tax paid	-12,473	-12,473
- Others (Net change in SMR deposits)	-27,861	11,268
Net cash provided (used) by operating activities	206,345	-109,763
II: Cash flow from Investing activities:		
Dividends received	-	-
Purchase of fixed assets	-18,184	-16,631
Proceeds from sale of fixed assets	-	-
Purchase of non-dealing securities	-	-
Proceeds from sale of non-dealing securities	-	-
Others-(Treasury Bonds/Bills /Equity investment)	16,439	84,123
Net cash provided (used) by investing activities	-1,745	67,492
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	-	-
Net change in other borrowings	66,446	487
Others (specify)	-	-
Net cash provided(used) by financing activities	66,446	487
IV: Cash and Cash equivalents:		
Net increase/(decrease) in cash and cash equivalents	271,046	-41,784
Cash and cash equivalents at the beginning of the quarter	513,673	555,457
Cash and cash equivalents at the end of the quarter	784,719	513,673

INCOME STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER, 2015 (Amounts in million shillings)

	Current Quarter '31.12.2015	Comparative Quarter 31.12.2014	Current Year Cumulative 31.12.2015	Comparative Year Cumulative 31.12.2014
1 Interest income	117,444	109,255	438,856	417,603
2 Interest expense	-18,517	-13,718	-68,527	-39,264
3 Net interest income (1minus2)	98,927	95,537	370,329	378,339
4 Bad debts written off	-	-	-	-
5 Impairment Losses on Loans and Advances	2,657	-1,328	-7,231	-16,589
6 Non interest income:	40,193	33,771	162,827	144,213
6.1 Foreign currency dealings and translation gain/ (loss)	5,527	5,559	26,430	17,622
6.2 Fee and commissions	33,995	25,647	124,615	117,341
6.3 Dividend income	-	-	-	-
6.4 Others operating income	671	2,565	11,782	9,250
7 Non interest expense:	-86,758	-75,902	-310,759	-281,304
7.1 Salaries and benefits	-35,015	-30,753	-140,719	-125,729
7.2 Fees and commissions	-4,486	-3,714	-15,741	-15,962
7.3 Other operating expenses	-47,257	-41,435	-154,299	-139,613
8 Operating income/(loss)	55,019	52,078	215,166	224,659
9 Income tax provision	-16,506	-16,501	-64,550	-69,036
10 Net income(loss)after income tax	38,513	35,577	150,616	155,623
11 Number of employees	3,163	3,009	3,163	3,009
12 Basic earnings per share	77	71	301	311
13 Diluted earnings per share	77	71	301	311
14 Number of branches	175	163	175	163
SELECTED PERFORMANCE INDICATORS				
(i) Return on average total assets	3.5%	4.2%	3.6%	4.0%
(ii) Return on average shareholders funds	23.6%	25.7%	24.4%	27.0%
(iii) Non interest expense to gross income	55.0%	53.1%	51.6%	50.1%
(iv) Net interest income to average earning assets	12.1%	14.6%	12.0%	14.0%

Signed by

Ineke Bussemaker
Managing Director

Waziri Barnabas
Chief Financial Officer

Augustino Mbogella
Chief Internal Auditor

Date

January 19, 2016

January 19, 2016

January 19, 2016

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

Prof. Joseph Semboja Board Chairman

Protase Tehingisa Director

Date

January 19, 2016

January 19, 2016



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