

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



BALANCE SHEET AS AT 30TH JUNE, 2015 (Amounts in million shillings)

	Current Quarter 30.06.15	Previous Quarter 31.03.15
A. ASSETS		
1 Cash	231,182	185,189
2 Balances with Bank of Tanzania	452,122	493,521
3 Investments in Government securities	745,958	812,779
4 Balances with other banks and financial institutions	136,088	182,338
5 Cheques and items for clearing	(448)	9,946
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)	2,166,720	2,073,847
12 Other assets	132,947	142,339
13 Equity investments	20,600	20,600
14 Underwriting accounts	-	-
15 Property, Plant and equipment	123,973	106,033
16 TOTAL ASSETS	4,009,142	4,026,592
B. LIABILITIES		
17 Deposits from other banks and financial institutions	2,345	2,520
18 Customer deposits	3,093,281	3,102,106
19 Cash letters of credit	-	-
20 Special Deposits	24,690	21,635
21 Payment orders/transfers payable	-	-
22 Bankers' cheques and drafts issued	2,816	3,077
23 Accrued taxes and expenses payable	44,743	44,019
24 Acceptances outstanding	-	-
25 Inter branch float items	649	126
26 Unearned income and other deferred charges	18,668	17,835
27 Other liabilities	32,343	30,931
28 Borrowings	197,292	198,687
29 TOTAL LIABILITIES	3,416,827	3,420,936
30 NET ASSETS/(LIABILITIES)	592,315	605,656
C. SHAREHOLDERS' FUNDS		
31 Paid up share capital	20,000	20,000
32 Capital reserves	-	-
33 Retained earnings	478,709	547,290
34 Profit(Loss) account	77,025	38,366
35 Others capital accounts	16,581	-
36 Minority interest	-	-
37 TOTAL SHAREHOLDERS' FUNDS	592,315	605,656
38 Contingent liabilities	324,069	226,684
39 Non performing loans & advances	61,155	55,772
40 Allowances for probable losses	40,813	40,821
41 Other non performing assets	1,426	241
D SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders Funds to total assets	14.8%	15.0%
(ii) Non performing loans to total gross loans	2.8%	2.6%
(iii) Gross loans and advances to total deposits	70.8%	67.7%
(iv) Loans and advances to total assets	54.0%	51.5%
(v) Earnings assets to total Assets	76.0%	76.2%
(vi) Deposits growth	-0.2%	3.6%
(vii) Assets growth	-0.4%	3.6%

CASH FLOW STATEMENT FOR THE QUARTER ENDED 30TH JUNE, 2015 (Amounts in million shillings)

	Current Quarter 30.06.2015	Previous Quarter 31.03.2015
I: Cash flow from Operating activities:		
Net income(loss)	55,227	54,808
Adjustment for:		
- Impairment/amortization	2,809	5,625
- Net change in loans and advances	(92,873)	(65,610)
- Gain/loss on sale of assets	-	-
- Net change in deposits	(5,945)	109,629
- Net change in short term negotiable securities	-	-
- Net change in other liabilities	3,231	1,239
- Net change in other assets	9,473	(8,122)
- Tax paid	(16,125)	(19,125)
- Others (Net change in SMR deposits)	(66,409)	29,121
Net cash provided (used) by operating activities	(110,612)	107,565
II: Cash flow from Investing activities:		
Dividends received	-	-
Purchase of fixed assets	(21,191)	(23,128)
Proceeds from sale of fixed assets	-	-
Purchase of non-dealing securities	-	-
Proceeds from sale of non-dealing securities	-	-
Others-(Treasury Bonds/Bills /Equity investment)	66,820	(125,012)
Net cash provided (used) by investing activities	45,629	(148,140)
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)	-
Net change in other borrowings	(1,395)	(7,587)
Others (specify)	-	-
Net cash provided(used) by financing activities	(53,395)	(7,587)
IV: Cash and Cash equivalents:		
Net increase/(decrease) in cash and cash equivalents	(118,378)	(48,162)
Cash and cash equivalents at the beginning of the quarter	573,836	621,998
Cash and cash equivalents at the end of the quarter	455,457	573,836

INCOME STATEMENT FOR THE PERIOD ENDED 30TH JUNE, 2015 (Amounts in million shillings)

	Current Quarter 30.06.2015	Comparative Quarter 30.06.2014	Current Year Cumulative 30.06.2015	Comparative Year Cumulative 30.06.2014
1 Interest income	107,477	105,654	212,620	202,798
2 Interest expense	(17,361)	(7,655)	(32,651)	(14,795)
3 Net interest income (1minus2)	90,116	97,999	179,969	188,003
4 Bad debts written off	-	-	-	-
5 Impairment Losses on Loans and Advances	(3,922)	(4,669)	(8,955)	(9,322)
6 Non interest income:	44,778	39,240	80,481	71,970
6.1 Foreign currency dealings and translation gain/(loss)	7,658	4,104	12,783	7,405
6.2 Fee and commissions	29,465	33,635	57,497	60,773
6.3 Dividend income	-	-	-	-
6.4 Others operating income	7,655	1,501	10,201	3,792
7 Non interest expense:	(75,745)	(69,230)	(141,460)	(132,767)
7.1 Salaries and benefits	(35,335)	(32,520)	(69,776)	(62,516)
7.2 Fees and commissions	(3,658)	(3,460)	(6,488)	(5,603)
7.3 Other operating expenses	(36,752)	(33,250)	(65,196)	(64,648)
8 Operating income/(loss)	55,227	63,340	110,035	117,884
9 Income tax provision	(16,568)	(19,002)	(33,010)	(35,365)
10 Net income(loss)after income tax	38,659	44,338	77,025	82,519
11 Number of employees	3,028	2,929	3,028	2,929
12 Basic earnings per share	77	89	154	165
13 Diluted earnings per share	77	89	154	165
14 Number of branches	167	154	167	154
SELECTED PERFORMANCE INDICATORS				
(i) Return on average total assets	3.9%	5.2%	3.8%	4.8%
(ii) Return on average shareholders funds	26.1%	36.1%	26.0%	33.0%
(iii) Non interest expense to gross income	49.7%	47.8%	48.3%	48.3%
(iv) Net interest income to average earning assets	12.1%	15.0%	11.9%	14.1%

During the quarter a penalty of 9,972,558.00 related to misinterpretation of the SMR regulation was imposed by Bank of Tanzania.

Signed by	Date
Ineke Bussemaker Managing Director	August 1, 2015
Waziri Barnabas Chief Financial Officer	August 1, 2015
Augustino Mbogella Chief Internal Auditor	August 1, 2015

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	August 1, 2015
Protase Tehingisa Director	August 1, 2015

EUROMONEY AWARDS FOR EXCELLENCE 2015

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Best Bank in Tanzania
three times in a row

For the third time running, we are proud to announce that NMB has once again been recognized as the **Best Bank in Tanzania 2015** by Euromoney Awards for excellence. Every year the prestigious Euromoney Institute globally compares banks in their respective markets on financial indicators reflecting performance and strengths. The institute also analyzes how innovative and trustworthy a bank is. NMB is honored and humbled to once again win this award.

We like to thank all our customers, staff and investors for helping us achieve this impressive accolade. With our wide coverage of over 170 branches, more than 600 ATMs and presence in 95% districts in Tanzania, we believe we can and will do even more to stay true to being closer to you.

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MINIMUM DISCLOSURE OF BANK CHARGES AND FEES



1	SAVINGS ACCOUNTS	CHARGE/FEE
	Required minimum opening balance	TZS 50,000, USD 100, EUR 100 & GBP 100
	TRANSACTION FEE	
	Monthly service fee (break down per customer type)	TZS 1,500
	Statement	TZS 1,200
	Interim statement	TZS 1,200
	Withdrawal Charges	TZS 3,000
	Withdrawal bulky without notice	TZS 3,000
	Cash Deposit Charge	Free
	Passbook/Card Replacement	TZS 5,600
	Closing Account	TZS 8,000, USD 10, EUR 10 & GBP 10
2	CURRENT ACCOUNT	CHARGE/FEE
	Required minimum opening balance	TZS 100,000, USD 100, EUR 100 & GBP 100
	Monthly service fee (break down per customer type)	TZS 12,000, USD 10, EUR 8 & GBP 6
	TRANSACTION FEE	
	Statement	TZS 1,200
	Interim statement	TZS 1,200
	Periodic Schedule Statement	TZS 12,000, TZS 30,000, TZS 45,000, TZS 120,000 & TZS180,000
	Withdrawal Charges	TZS 3,000
	Cash Deposit Charge	Free
	Closing Account	TZS 8,000, USD 10, EUR 10 & GBP 10
	Deposit fee	Free
	Bank Drafts cancellation charge	USD 100
	Cheque book	TZS 35,000, USD 30, EUR 20 & GBP 15
	Cash Withdrawal at Counter	TZS 3,000
	Special Clearance	TZS 45,000, USD 45, EUR 39 & GBP 33
	Cheque withdraw over the counter	TZS 3000
	Dishonoured cheque	1.5% of the amount Min 55,000 Max TZS 100,000
	Cash Payment to 3rd party	Free
	Cash Deposit Charge	Free
	Overdrawn account interest charge	5% of the amount overdrawn
	Bulk cash Deposit	Free
	Bulk cash Withdrawal	Free
	Stop Payment orders	TZS 30,000, USD 20, EUR 15 & GBP 15
	Standing Orders (within the same bank)	TZS 1,200
	Standing Orders (to other bank)	TZS 16,700
	Certificate of Balance	TZS 60,000, USD 45, EUR 35 & GBP 30
	Letter of introduction	Free
	Salary handling	TZS 3,000
	School fees deposits	Free
	TRA collection	Free
3 (a)	EFT	CHARGE/FEE
	Within the same bank (On Us)	Free
	To other Banks (On Others)	0.25% of the amount Min TZS 6,000, Max TZS 10,000
(b)	Outward Transfers	0.25% of the amount Min TZS 6,000, Max TZS 10,000
	Inward Transfers	Free
4(a)	TISS	CHARGE/FEE
	Within the same bank (On Us)	Free
	To other Banks (On Others)	TZS 10,000
(b)	Outward Transfers	TZS 10,000
	Inward Transfers	Free

5	FOREIGN EXCHANGE ACCOUNT	Savings Acc	Current Acc
	Transaction fee		
	Statement	USD 1, EUR 1 & GBP 1	USD 1, EUR 1 & GBP 1
	Interim statement	USD 10, EUR 10 & GBP 10	USD 10, EUR 10 & GBP 10
	Withdrawal Charges ⁴	0.25% of the amount	0.25% of the amount
	Cash Deposit Charge	Free	Free
	Purchase/Sale of TC transactions over the counter	Free	Free
	Telex/SWIFT	USD 45	USD 45
	Transfer from foreign currency denominated account to local account	Free	Free
	Outward foreign transfers	USD 45	USD 45
	Inward foreign transfers - Customers	Free	Free
	LC Opening/ Advising commission (cash covered)	USD 56	USD 56
	LC Opening/ Advising commission (No cash covered)	USD 56	USD 56
	LC Acceptance commission	0.28% per Quarter or part thereof Min \$100	0.28% per Quarter or part thereof Min \$100
	LC Payment/settlement commission	0.56% per Quarter or part thereof Min USD 250	0.56% per Quarter or part thereof Min USD 250
	LC Amendments	USD 100	USD 100
6	ATM TRANSACTIONS	Savings Acc	Current Acc
6(a)	Local Cards		
	Issue of ATM card		TZS 7,500
	Replacement ATM Card (Faulty)		TZS 10,000
	Replacement ATM Card (Lost)		TZS 10,000
(b)	International Cards		
	Issue of ATM card		TZS 10,000
	Replacement ATM Card (Faulty)		TZS 10,000
	Replacement ATM Card (Lost)		TZS 10,000
(c)	ATM Withdrawals:		
	Within the same bank (On Us)		TZS 800
	To other banks ATM (On others)		TZS 2,500
	ATM mini statement		TZS 350
(d)	POS		
	Within the same bank (On Us)		TZS 1,500
	To other banks ATM (On others)		Free
7	MOBILE (SMS) BANKING	Savings Acc	Current Acc
	Balance Inquiry		TZS 300
	Payments		Free
	Transfers		TZS 700
8	INTERNET BANKING	Savings Acc	Current Acc
8(a)	Domestic:		
	Balance Inquiry	Free	Free
	Payments	TZS 600	TZS 600
(b)	International		
	Balance Inquiry	Free	Free
	Payments	USD45	USD45
	Transfers	USD45	USD45

9	BANKING SECTOR - DEPOSITS & LENDING RATES		
A	TYPES OF LENDING RATES	LENDING RATES - PA (%)	
		TZS	USD
(a)	Flat		
(b)	Declining	19%	7%
(c)	Negotiable		

B	FIXED DEPOSITS						
	PERIOD	TZS		USD	GBP	EUR	ZAR
		500K > < 5 Mil	> 5Mil	All Amounts			
	1 Month	3.0%	3.25%	0.45%	0.25%	0.25%	
	2 Months	3.5%	3.75%	0.55%	0.30%	0.30%	
	3 Months	3.75%	4.00%	0.70%	0.40%	0.40%	
	6 Months	4.50%	5.00%	0.80%	0.50%	0.50%	
	9 Months						
	12 Months	5.00%	5.50%	1.00%	0.60%	0.60%	
	13-24 Months						
	25-36 Months						