

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 MARCH, 2017 (Amounts in million shillings)

	Current Quarter 31.03.2017	Previous Quarter 31.12.2016
A. ASSETS		
1 Cash	268,620	248,191
2 Balances with Bank of Tanzania	635,214	701,990
3 Investments in Government securities	774,107	724,916
4 Balances with other banks and financial institutions	212,243	137,241
5 Cheques and items for clearing	14,511	-
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)	2,760,841	2,794,467
12 Other assets	195,928	127,887
13 Equity investments	1,740	1,740
14 Underwriting accounts	-	-
15 Property, Plant and equipment	231,135	214,643
16 TOTAL ASSETS	5,094,339	4,951,075
B. LIABILITIES		
17 Deposits from other banks and financial institutions	1,427	11,176
18 Customer deposits	3,747,596	3,714,202
19 Cash letters of credit	7,990	11,026
20 Special Deposits	30,463	12,176
21 Payment orders/transfers payable	-	-
22 Bankers' cheques and drafts issued	2,759	4,340
23 Accrued taxes and expenses payable	62,389	31,510
24 Acceptances outstanding	-	-
25 Inter branch float items	8,071	4,803
26 Unearned income and other deferred charges	24,926	25,208
27 Other liabilities	25,365	16,623
28 Borrowings	375,221	352,803
29 TOTAL LIABILITIES	4,286,207	4,183,867
30 NET ASSETS/(LIABILITIES)	808,132	767,208
C. SHAREHOLDERS' FUNDS		
31 Paid up share capital	20,000	20,000
32 Capital reserves	-	-
33 Retained earnings	715,695	554,220
34 Profit(Loss) account	40,913	153,825
35 Others capital accounts	31,524	39,163
36 Minority interest	-	-
37 TOTAL SHAREHOLDERS' FUNDS	808,132	767,208
38 Contingent liabilities	286,854	375,044
39 Non performing loans & advances	128,967	136,558
40 Allowances for probable losses	56,731	52,747
41 Other non performing assets	311	408
D. SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders Funds to total assets	15.9%	15.5%
(ii) Non performing loans to total gross loans	4.6%	4.8%
(iii) Gross loans and advances to total deposits	74.6%	76.2%
(iv) Loans and advances to total assets	54.2%	56.4%
(v) Earnings assets to total Assets	73.6%	73.9%
(vi) Deposits growth	1.0%	4.8%
(vii) Assets growth	2.9%	8.1%

CASH FLOW STATEMENT FOR THE QUARTER ENDED 31ST MARCH, 2016 (Amounts in million shillings)

	Current Quarter 31.03.2017	Previous Quarter 31.12.2016
I: Cash flow from Operating activities:		
Net income(loss)	58,707	46,511
Adjustment for:		
- Impairment/amortization	1,953	5,058
- Net change in loans and advances	33,626	61,966
- Gain/loss on sale of assets	-	-
- Net change in deposits	38,896	267,229
- Net change in short term negotiable securities	-	-
- Net change in other liabilities	41,026	(12,795)
- Net change in other assets	(68,010)	(1,535)
- Tax paid	(15,000)	(16,991)
- Others (Net change in SMR deposits)	(2,343)	(7,737)
Net cash provided (used) by operating activities	88,855	341,706
II: Cash flow from Investing activities:		
Dividends received	-	-
Purchase of fixed assets	(12,475)	(27,147)
Proceeds from sale of fixed assets	-	-
Purchase of non-dealing securities	-	-
Proceeds from sale of non-dealing securities	-	-
Others-(Treasury Bonds/Bills /Equity investment)	(57,880)	(51,555)
Net cash provided (used) by investing activities	(70,355)	(78,702)
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	22,418	(49,869)
Others (specify)	-	-
Net cash provided(used) by financing activities	22,418	(49,869)
IV: Cash and Cash equivalents:		
Net increase/(decrease) in cash and cash equivalents	40,918	213,135
Cash and cash equivalents at the beginning of the quarter	697,580	484,445
Cash and cash equivalents at the end of the quarter	738,498	697,580

INCOME STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2017 (Amounts in million shillings)

	Current Quarter 31.03.2017	Comparative Quarter 31.03.2016	Current Year Cumulative 31.03.2017	Comparative Year Cumulative 31.03.2016
1 Interest income	145,212	126,393	145,212	126,393
2 Interest expense	(29,266)	(20,375)	(29,266)	(20,375)
3 Net interest income (1minus2)	115,946	106,018	115,946	106,018
4 Bad debts written off	-	-	-	-
5 Impairment Losses on Loans and Advances	(8,392)	(5,498)	(8,392)	(5,498)
6 Non interest income:	41,481	39,413	41,481	39,413
6.1 Foreign currency dealings and translation gain/(loss)	4,900	3,474	4,900	3,474
6.2 Fee and commissions	35,847	33,633	35,847	33,633
6.3 Dividend income	-	-	-	-
6.4 Others operating income	734	2,307	734	2,307
7 Non interest expense:	(90,328)	(83,819)	(90,328)	(83,819)
7.1 Salaries and benefits	(41,936)	(40,623)	(41,936)	(40,623)
7.2 Fees and commissions	(2,797)	(1,856)	(2,797)	(1,856)
7.3 Other operating expenses	(45,595)	(41,340)	(45,595)	(41,340)
8 Operating income/(loss)	58,707	56,114	58,707	56,114
9 Income tax provision	(17,794)	(16,834)	(17,794)	(16,834)
10 Net income(loss)after income tax	40,913	39,280	40,913	39,280
11 Number of employees	3,423	3,159	3,423	3,159
12 Basic earnings per share	82	79	82	79
13 Diluted earnings per share	82	79	82	79
14 Number of branches	192	177	192	177
SELECTED PERFORMANCE INDICATORS				
(i) Return on average total assets	3.3%	3.4%	3.3%	3.4%
(ii) Return on average shareholders funds	20.6%	22.7%	20.6%	22.7%
(iii) Non interest expense to gross income	48.4%	50.6%	48.4%	50.6%
(iv) Net interest income to average earning assets	12.5%	12.6%	12.5%	12.6%

Signed by

Ineke Bussemaker
Managing Director

Date

April 24, 2017

Waziri Barnabas
Chief Financial Officer

April 24, 2017

Augustino Mbogella
Chief Internal Auditor

April 24, 2017

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

Date

April 24, 2017

Protase Tehingisa Director

April 24, 2017

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