

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



NAME OF BANK NMB BANK PLC CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2019 (Amounts in million shillings)

	Current Quarter 30.06.19	Previous Quarter 31.03.19
A. ASSETS		
1 Cash	352,040	420,482
2 Balances with Bank of Tanzania	1,093,595	722,026
3 Investments in Government securities	924,067	820,104
4 Balances with other banks and financial institutions	244,439	310,733
5 Cheques and items for clearing	7,142	3,572
6 Inter branch float items	363	127
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)	3,282,871	3,229,951
12 Other assets	317,998	314,551
13 Equity investments	2,920	2,920
14 Underwriting accounts	-	-
15 Property, Plant and equipment	216,663	223,662
16 TOTAL ASSETS	6,442,098	6,048,128
B. LIABILITIES		
17 Deposits from other banks and financial institutions	7,177	4,490
18 Customer deposits	4,925,490	4,555,613
19 Cash letters of credit	17,309	21,503
20 Special Deposits	17,396	14,173
21 Payment orders/transfers payable	-	-
22 Bankers' cheques and drafts issued	2,161	2,157
23 Accrued taxes and expenses payable	60,632	49,631
24 Acceptances outstanding	-	-
25 Inter branch float items	-	-
26 Unearned income and other deferred charges	27,987	27,183
27 Other liabilities	155,902	151,312
28 Borrowings	344,561	342,109
29 TOTAL LIABILITIES	5,558,615	5,168,171
30 NET ASSETS /(LIABILITIES)	883,483	879,957
C. SHAREHOLDERS' FUNDS		
31 Paid up share capital	20,000	20,000
32 Capital reserves	-	-
33 Retained earnings	771,037	804,358
34 Profit(Loss) account	56,736	20,205
35 Other capital accounts	35,710	35,394
36 Minority interest	-	-
37 TOTAL SHAREHOLDERS' FUNDS	883,483	879,957
38 Contingent liabilities	588,807	541,814
39 Non performing loans & advances	248,950	205,331
40 Allowances for probable losses	176,489	157,939
41 Other non performing assets	1,577	1,579
D. SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders Funds to total assets	13.7%	14.5%
(ii) Non performing loans to total gross loans	7.2%	6.1%
(iii) Gross loans and advances to total deposits	69.6%	73.7%
(iv) Loans and advances to total assets	51.0%	53.4%
(v) Earnings assets to total Assets	69.1%	72.1%
(vi) Deposits growth	8.1%	5.7%
(vii) Assets growth	6.5%	6.5%

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME PERIOD ENDED 30TH JUNE, 2019 (Amounts in million shillings)

	Current Quarter 30.06.2019	Comparative Quarter 30.06.2018	Current Year Cumulative 30.06.2019	Comparative Year Cumulative 30.06.2018
1 Interest income	154,049	148,834	307,286	294,987
2 Interest expense	(32,083)	(26,285)	(63,782)	(53,078)
3 Net interest income (1minus2)	121,966	122,549	243,504	241,909
4 Bad debts written off	-	-	(1,621)	-
5 Impairment Losses on Loans and Advances	(21,090)	(22,587)	(57,435)	(40,715)
6 Non interest income:	51,414	48,092	100,270	90,902
6.1 Foreign currency dealings and translation gain/(loss)	6,515	5,561	14,018	11,150
6.2 Fee and commissions	42,505	40,444	81,853	75,518
6.3 Dividend income	-	-	-	-
6.4 Other operating income	2,394	2,087	4,399	4,234
7 Non interest expense:	(100,103)	(98,247)	(203,668)	(196,287)
7.1 Salaries and benefits	(47,805)	(45,300)	(96,037)	(89,584)
7.2 Fees and commissions	(1,987)	(4,149)	(4,096)	(7,974)
7.3 Other operating expenses	(50,311)	(48,798)	(103,535)	(98,729)
8 Operating income/(loss)	52,187	49,807	81,051	95,809
9 Income tax provision	(15,656)	(15,457)	(24,315)	(29,772)
10 Net income(loss)after income tax	36,531	34,350	56,736	66,037
11 Other Comprehensive Income - net (loss)/gain on valuation of available for sale financial assets	(4)	612	(210)	970
12 Total comprehensive income/(loss) for the year	36,527	34,962	56,526	67,007
13 Number of employees	3,462	3,463	3,462	3,463
14 Basic earnings per share	73	69	113	132
15 Number of branches	223	222	223	222
SELECTED PERFORMANCE INDICATORS				
(i) Return on average total assets	2.3%	2.5%	1.9%	2.4%
(ii) Return on average shareholders funds	16.5%	16.2%	12.9%	16.0%
(iii) Non interest expense to gross income	57.7%	59.8%	59.2%	60.9%
(iv) Net interest income to average earning assets	11.0%	12.0%	11.1%	12.3%

During the period, the bank was penalised TZS 160m for non-compliance with Regulation 6(4) of Banking and Financial Institutions (Licensing) Regulations, 2014

CONDENSED STATEMENT OF CASH FLOW STATEMENT FOR THE QUARTER ENDED 30TH JUNE, 2019 (Amounts in million shillings)

	Current Quarter 30.06.2019	Previous Quarter 31.03.2019	Current Year Cumulative 30.06.2019	Comparative Year Cumulative 30.06.2018
I: Cash flow from Operating activities:				
Net income(loss)	52,187	28,864	81,051	95,809
Adjustment for:				
- Impairment/amortization	11,790	3,944	15,734	12,630
- Net change in loans and advances	(52,920)	21,843	(31,077)	(289,134)
- Gain/loss on sale of assets	-	-	-	-
- Net change in deposits	371,593	247,402	618,995	(49,152)
- Net change in short term negotiable securities	-	-	-	-
- Net change in other liabilities	16,399	128,159	144,558	49,771
- Net change in other assets	(7,339)	(98,887)	(106,226)	(48,200)
- Tax paid	(12,000)	(14,357)	(26,357)	(32,443)
- Others (Net change in SMR deposits)	(6,815)	(27,560)	(34,375)	(13,161)
Net cash provided (used) by operating activities	372,895	289,408	662,303	(273,880)
II: Cash flow from Investing activities:				
Dividends received	-	-	-	-
Purchase of fixed assets	(4,791)	(8,263)	(13,054)	(15,123)
Proceeds from sale of fixed assets	-	-	-	-
Purchase of non-dealing securities	-	-	-	-
Proceeds from sale of non-dealing securities	-	-	-	-
Others-(Treasury Bonds/Bills /Equity investment)	(103,968)	(79,919)	(183,887)	30,388
Net cash provided (used) by investing activities	(108,759)	(88,182)	(196,941)	15,265
III: Cash Flow from Financing activities:				
Repayment of long-term debt	-	-	-	-
Proceeds from issuance of long term debt	-	-	-	68,190
Proceeds from issuance of share capital	-	-	-	-
Payment of cash dividends	(33,000)	-	(33,000)	(32,000)
Net change in other borrowings	2,452	(30,251)	(27,799)	56,811
Others (specify)	-	-	-	-
Net cash provided(used) by financing activities	(30,548)	(30,251)	(60,799)	93,001
IV: Cash and Cash equivalents:				
Net increase/(decrease) in cash and cash equivalents	233,588	170,975	404,563	(165,614)
Cash and cash equivalents at the beginning of the Quarter/Year	1,027,154	856,178	856,178	1,002,288
Cash and cash equivalents at the end of the Quarter/Year	1,260,742	1,027,154	1,260,742	836,675

CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 30TH JUNE 2019

	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	-	808,448	-	33,725	881	863,054
Profit for the year	-	-	56,736	-	-	-	56,736
Other Comprehensive Income	-	-	-	-	-	(210)	(210)
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	(33,000)	-	-	-	(33,000)
Regulatory Reserve	-	-	-	-	-	-	-
General Provision Reserve	-	-	(1,314)	-	1,314	-	-
Others	-	-	(3,097)	-	-	-	(3,097)
Balance as at the end of the current period	20,000	-	827,773	-	35,039	671	883,483
Previous Year							
Balance as at the beginning of the year	20,000	-	762,047	-	26,849	(127)	808,769
Profit for the year	-	-	66,037	-	-	-	66,037
Other Comprehensive Income	-	-	-	-	-	970	970
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	(32,000)	-	-	-	(32,000)
Regulatory Reserve	-	-	-	-	-	-	-
General Provision Reserve	-	-	(1,782)	-	1,782	-	-
Others	-	-	(5,658)	-	-	-	(5,658)
Balance as at the end of the Previous period	20,000	-	788,644	-	28,631	843	838,118

SELECTED EXPLANATORY NOTES FOR THE QUARTER ENDED 30TH JUNE 2019

In preparation of the quarterly financial statements, consistent accounting policies have been used as those applicable to the previous year audited financial statements.

Name and Title	Signature	Date
Albert Jonkergouw Ag. Managing Director		July 25, 2019
Ruth Zaipuna Chief Finance Officer		July 25, 2019
Juma Kimori Chief Internal Auditor		July 25, 2019

We, the undersigned directors, attest to the faithful representation 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 International Financial Reporting Standards and the requirements of the Banking and Financial Institutions Act, 2006 and they present a true and fair view.

Name	Signature	Date
Prof. Joseph Semboja Board Chairman		July 25, 2019
Leonard Mususa Board Director		July 25, 2019