

# NMB BANK PLC UNAUDITED FINANCIAL STATEMENTS

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

**15%**  
YoY  
**Deposits**

**12%**  
YoY  
**Loan & Advances**

**15%**  
YoY  
**Total Assets**

**14%**  
YoY  
**Non Interest Income**

**17%**  
YoY  
**Foreign Exchange Income**

**52%**  
YoY  
**Profit After Tax**

**0%**  
YoY  
**Growth in Cost**

**27%**  
YoY  
**Impairment**

## CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2019

(Amounts in million shillings)

	Current Quarter 31.12.19	Previous Quarter 30.09.19
<b>A. ASSETS</b>		
1 Cash	498,231	448,137
2 Balances with Bank of Tanzania	842,909	694,248
3 Investments in Government securities	761,554	867,953
4 Balances with other banks and financial institutions	264,325	196,766
5 Cheques and items for clearing	5,330	243
6 Inter branch float items	364	-
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)	3,619,024	3,393,662
12 Other assets	349,944	309,999
13 Equity investments	2,920	2,920
14 Underwriting accounts	-	-
15 Property, Plant and equipment	203,043	209,889
<b>16 TOTAL ASSETS</b>	<b>6,547,644</b>	<b>6,123,817</b>
<b>B. LIABILITIES</b>		
17 Deposits from other banks and financial institutions	33,404	17,795
18 Customer deposits	4,870,814	4,540,537
19 Cash letters of credit	19,833	31,778
20 Special Deposits	14,595	17,887
21 Payment orders/transfers payable	-	-
22 Bankers' cheques and drafts issued	2,133	2,125
23 Accrued taxes and expenses payable	52,224	69,065
24 Acceptances outstanding	-	-
25 Inter branch float items	-	1,229
26 Unearned income and other deferred charges	31,872	30,093
27 Other liabilities	203,755	158,168
28 Borrowings	340,093	346,291
<b>29 TOTAL LIABILITIES</b>	<b>5,568,723</b>	<b>5,214,968</b>
<b>30 NET ASSETS /(LIABILITIES)</b>	<b>978,921</b>	<b>908,849</b>
<b>C. SHAREHOLDERS' FUNDS</b>		
31 Paid up share capital	20,000	20,000
32 Capital reserves	-	-
33 Retained earnings	809,169	806,075
34 Profit(Loss) account	148,631	81,663
35 Other capital accounts	1,121	1,111
36 Minority interest	-	-
<b>37 TOTAL SHAREHOLDERS' FUNDS</b>	<b>978,921</b>	<b>908,849</b>
38 Contingent liabilities	657,724	581,452
39 Non performing loans & advances	260,573	300,973
40 Allowances for probable losses	179,477	220,717
41 Other non performing assets	328	1,671

D SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders Funds to total assets	15.0%	14.8%
(ii) Non performing loans to total gross loans	6.9%	8.3%
(iii) Gross loans and advances to total deposits	76.9%	78.4%
(iv) Loans and advances to total assets	55.3%	55.4%
(v) Earnings assets to total Assets	71.0%	72.9%
(vi) Deposits growth	7.2%	-7.2%
(vii) Assets growth	6.9%	-4.9%

## CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME PERIOD ENDED 31TH DECEMBER, 2019

(Amounts in million shillings)

	Current Quarter 31.12.2019	Comparative Quarter 31.12.2018	Current Year Cumulative 31.12.2019	Comparative Year Cumulative 31.12.2018
1 Interest income	163,265	152,081	626,314	601,638
2 Interest expense	(32,607)	(28,784)	(127,786)	(109,615)
<b>3 Net interest income (1minus2)</b>	<b>130,658</b>	<b>123,297</b>	<b>498,528</b>	<b>492,023</b>
4 Bad debts written off	-	-	(1,621)	-
5 Impairment Losses on Loans and Advances	3,052	(54,698)	(98,789)	(137,305)
<b>6 Non interest income:</b>	<b>64,508</b>	<b>25,345</b>	<b>224,031</b>	<b>195,876</b>
6.1 Foreign currency dealings and translation gain/(loss)	5,174	5,885	24,453	20,914
6.2 Fee and commissions	55,456	17,557	188,759	167,315
6.3 Dividend income	-	-	84	32
6.4 Other operating income	3,878	1,903	10,735	7,615
<b>7 Non interest expense:</b>	<b>(102,826)</b>	<b>(82,793)</b>	<b>(408,926)</b>	<b>(408,953)</b>
7.1 Salaries and benefits	(49,388)	(45,815)	(192,690)	(180,738)
7.2 Fees and commissions	(152)	(3,331)	(10,793)	(18,340)
7.3 Other operating expenses	(53,286)	(33,647)	(205,443)	(209,875)
<b>8 Operating income/(loss)</b>	<b>95,392</b>	<b>11,151</b>	<b>213,223</b>	<b>141,641</b>
9 Income tax provision	(28,424)	(3,860)	(64,592)	(43,978)
<b>10 Net income(loss)after income tax</b>	<b>66,968</b>	<b>7,291</b>	<b>148,631</b>	<b>97,663</b>
11 Other Comprehensive Income - net (loss)/gain on valuation of available for sale financial assets	10	(356)	240	182
<b>12 Total comprehensive income/(loss) for the year</b>	<b>66,978</b>	<b>6,935</b>	<b>148,871</b>	<b>97,845</b>
13 Number of employees	3,450	3,450	3,450	3,450
14 Basic earnings per share	134	58	297	195
15 Number of branches	224	223	224	223

SELECTED PERFORMANCE INDICATORS			
(i) Return on average total assets	4.2%	0.5%	2.4%
(ii) Return on average shareholders funds	28.4%	3.4%	16.5%
(iii) Non interest expense to gross income	52.7%	55.7%	56.6%
(iv) Net interest income to average earning assets	11.3%	12.1%	11.2%

## CONDENSED STATEMENT OF CASH FLOW STATEMENT FOR THE QUARTER ENDED 31TH DECEMBER, 2019

(Amounts in million shillings)

	Current Quarter 31.12.2019	Previous Quarter 30.09.2019	Current Year Cumulative 31.12.2019	Comparative Year Cumulative 31.12.2018
<b>I: Cash flow from Operating activities:</b>				
Net income(loss)	95,392	36,780	213,223	141,641
Adjustment for:				
- Impairment/amortization	14,362	11,555	41,651	53,933
- Net change in loans and advances	(225,362)	(110,791)	(367,230)	(479,487)
- Gain/loss on sale of assets	-	-	-	(143)
- Net change in deposits	330,649	(359,375)	590,269	76,973
- Net change in short term negotiable securities	-	-	-	(2,630)
- Net change in other liabilities	29,304	13,998	187,860	38,344
- Net change in other assets	(50,733)	8,509	(134,985)	(30,040)
- Tax paid	(18,000)	(12,000)	(56,357)	(68,480)
- Others (Net change in SMR deposits)	1,195	46,276	13,096	(12,301)
<b>Net cash provided (used) by operating activities</b>	<b>176,807</b>	<b>(365,048)</b>	<b>487,527</b>	<b>(282,190)</b>
<b>II: Cash flow from Investing activities:</b>				
Dividends received	-	-	-	-
Purchase of fixed assets	(7,516)	(4,781)	(25,351)	(25,530)
Proceeds from sale of fixed assets	-	-	-	365
Purchase of non-dealing securities	-	-	-	-
Proceeds from sale of non-dealing securities	-	-	-	-
Others-(Treasury Bonds/Bills /Equity investment)	106,409	56,554	(20,924)	170,744
<b>Net cash provided (used) by investing activities</b>	<b>98,893</b>	<b>51,773</b>	<b>(46,275)</b>	<b>145,579</b>
<b>III: Cash Flow from Financing activities:</b>				
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)	(32,000)
Net change in other borrowings	(6,198)	1,730	(32,267)	(66,120)
Others (specify)	-	-	-	-
<b>Net cash provided(used) by financing activities</b>	<b>(6,198)</b>	<b>1,730</b>	<b>(65,267)</b>	<b>(29,930)</b>
<b>IV: Cash and Cash equivalents:</b>				
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>269,502</b>	<b>(311,545)</b>	<b>375,985</b>	<b>(166,541)</b>
Cash and cash equivalents at the beginning of the Quarter/Year	949,197	1,260,742	842,714	1,009,255
<b>Cash and cash equivalents at the end of the Quarter/Year</b>	<b>1,218,699</b>	<b>949,197</b>	<b>1,218,699</b>	<b>842,714</b>

## CONDENSED STATEMENT OF CHANGES IN EQUITY AS AT 31TH DECEMBER 2019

(Amounts in million shillings)

	Share Capital	Share Premium	Retained Earnings	Regulatory Reserve	General Provision Reserve	Others (Fair Valuation)	Total
<b>Current Year</b>							
<b>Balance as at the beginning of the year</b>	<b>20,000</b>	<b>-</b>	<b>808,448</b>	<b>-</b>	<b>33,725</b>	<b>881</b>	<b>863,054</b>
Profit for the year	-	-	148,631	-	-	-	148,631
Other Comprehensive Income	-	-	-	-	-	240	240
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	(33,000)	-	-	-	(33,000)
Regulatory Reserve	-	-	-	-	-	-	-
General Provision Reserve	-	-	33,725	-	(33,725)	-	-
Others	-	-	(4)	-	-	-	(4)
<b>Balance as at the end of the current period</b>	<b>20,000</b>	<b>-</b>	<b>957,800</b>	<b>-</b>	<b>-</b>	<b>1,121</b>	<b>978,921</b>
<b>Previous Year</b>							
<b>Balance as at the beginning of the year</b>	<b>20,000</b>	<b>-</b>	<b>749,661</b>	<b>-</b>	<b>26,849</b>	<b>699</b>	<b>797,209</b>
Profit for the year	-	-	97,663	-	-	-	97,663
Other Comprehensive Income	-	-	-	-	-	182	182
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	(32,000)	-	-	-	(32,000)
Regulatory Reserve	-	-	-	-	-	-	-
General Provision Reserve	-	-	(6,876)	-	6,876	-	-
Others	-	-	-	-	-	-	-
<b>Balance as at the end of the Previous period</b>	<b>20,000</b>	<b>-</b>	<b>808,448</b>	<b>-</b>	<b>33,725</b>	<b>881</b>	<b>863,054</b>

## SELECTED EXPLANATORY NOTES FOR THE QUARTER ENDED 31TH DECEMBER 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
Ruth Zaipuna Ag. Managing Director		January 27, 2020
Benedicto Baragomwa Ag. Chief Financial Officer		January 27, 2020
Juma Kimori Chief Internal Auditor		January 27, 2020

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		January 27, 2020
Leonard Mususa Board Director		January 27, 2020