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

NMB
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AUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER, 2018
(Amounts in million shillings)

		GROUP	GROUP	BANK	BANK
		Current Year	Previous Year	Current Year	Previous Year
		31.12.2018	31.12.2017	31.12.2018	31.12.2017
A.	**ASSETS**				
1	Cash	402,709	358,322	402,709	358,322
2	Balances with Bank of Tanzania	667,713	798,000	667,713	798,000
3	Investments in Government securities	740,185	919,969	740,185	919,969
4	Balances with other banks and financial institutions	174,391	242,731	174,391	242,731
5	Cheques and items for clearing	1,613	-	1,613	-
6	Inter branch float items	-	-	-	-
7	Bills negotiated	-	-	-	-
8	Customers' liabitities for acceptances	-	-	-	-
9	Interbank loans receivables	-	-	-	-
10	Investments in other securities	-	-	-	-
11	Loans, advances and overdrafts (net of allowances for probable losses)	3,241,401	2,771,732	3,251,794	2,787,048
12	Other assets	179,581	129,877	212,052	161,459
13	Equity investments	2,920	1,740	2,920	1,740
14	Underwriting accounts	-	-	-	-
15	Property, Plant and equipment	265,700	277,156	227,607	237,090
16	**TOTAL ASSETS**	**5,676,213**	**5,499,527**	**5,680,984**	**5,506,359**
B.	**LIABILITIES**				
17	Deposits from other banks and financial institutions	20,770	149	20,770	149
18	Customer deposits	4,274,732	4,231,663	4,287,119	4,231,754
19	Cash letters of credit	22,535	23,796	22,535	23,796
20	Special Deposits	17,953	16,599	17,953	16,599
21	Payment orders/transfers payable	-	-	-	-
22	Bankers' cheques and drafts issued	-	-	-	-
23	Accrued taxes and expenses payable	35,019	30,939	35,019	30,939
24	Acceptances outstanding	-	-	-	-
25	Inter branch float items	-	-	-	-
26	Unearned income and other deferred charges	-	-	-	-
27	Other liablities	75,649	59,839	62,174	57,423
28	Borrowings	372,360	336,930	372,360	336,930
29	**TOTAL LIABILITIES**	**4,819,018**	**4,699,915**	**4,817,930**	**4,697,590**
30	**NET ASSETS /(LIABILITIES)**	**857,195**	**799,612**	**863,054**	**808,769**
C.	**SHAREHOLDERS' FUNDS**				
31	Paid up share capital	20,000	20,000	20,000	20,000
32	Capital reserves	-	-	-	-
33	Retained earnings	698,167	654,271	710,785	668,553
34	Profit(Loss) account	100,961	95,609	97,663	93,494
35	Other capital accounts	34,606	26,722	34,606	26,722
36	Minority interest	3,461	3,010	-	-
37	**TOTAL SHAREHOLDERS' FUNDS**	**857,195**	**799,612**	**863,054**	**808,769**
38	Contingent liabilities	542,366	496,646	542,366	496,646
39	Non performing loans & advances	199,874	185,941	199,874	185,941
40	Allowances for probable losses	131,599	104,949	131,599	104,949
41	Other non performing assets	1,568	582	1,568	582
D	**SELECTED FINANCIAL CONDITION INDICATORS**				
(i)	Shareholders Funds to total assets	15.1%	14.5%	15.2%	14.7%
(ii)	Non performing loans to total gross loans	5.9%	6.4%	5.9%	6.4%
(iii)	Gross loans and advances to total deposits	78.2%	67.3%	78.2%	67.7%
(iv)	Loans and advances to total assets	57.1%	50.4%	57.2%	50.6%
(v)	Earnings assets to total Assets	73.3%	71.6%	73.4%	71.8%
(vi)	Deposits growth	1.0%	14.3%	1.3%	14.3%
(vii)	Assets growth	3.2%	11.4%	3.2%	11.2%

AUDITED STATEMENT OF PROFIT AND LOSS OR OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER, 2018
(Amounts in million shillings)

		GROUP	GROUP	BANK	BANK
		Current Year	Previous Year	Current Year	Previous Year
		31.12.2018	31.12.2017	31.12.2018	31.12.2017
1	Interest income	600,555	585,512	601,638	586,992
2	Interest expense	(109,615)	(120,291)	(109,615)	(120,291)
3	**Net interest income (1minus2)**	**490,940**	**465,221**	**492,023**	**466,701**
4	Bad debts written off	-	-	-	-
5	Impairment Losses on Loans and Advances	(137,305)	(130,996)	(137,305)	(130,996)
6	**Non interest income:**	**195,823**	**156,881**	**195,876**	**157,251**
	6.1 Foreign currency dealings and translation gain/(loss)	21,894	17,389	21,947	17,759
	6.2 Fee and commisions	166,282	135,337	166,282	135,337
	6.3 Dividend income	32	24	32	24
	6.4 Other operating income	7,615	4,131	7,615	4,131
7	**Non interest expense:**	**(405,096)**	**(351,292)**	**(408,953)**	**(355,053)**
	7.1 Salaries and benefits	(166,149)	(154,686)	(166,149)	(154,686)
	7.2 Fees and commissions	(18,340)	(17,427)	(18,340)	(17,427)
	7.3 Other operating expenses	(220,607)	(179,179)	(224,464)	(182,940)
8	**Operating income/(loss)**	**144,362**	**139,814**	**141,641**	**137,903**
9	Income tax expense	(43,401)	(44,205)	(43,978)	(44,409)
10	**Net income(loss)after income tax**	**100,961**	**95,609**	**97,663**	**93,494**
11	Other comprehensive income, net of tax				
	Fair value gain/ (loss) on FVOCI – net of tax	182	67	182	67
	Total comprehensive income for the year	**101,143**	**95,676**	**97,845**	**93,561**
12	Number of employees	3,450	3,371	3,450	3,371
13	Basic earnings per share	201	191	195	187
14	Diluted earnings per share	201	191	195	187
15	Number of branches	223	212	223	212
	SELECTED PERFORMANCE INDICATORS				
(i)	Return on average total assets	1.8%	1.7%	1.7%	1.7%
(ii)	Return on average shareholders funds	11.8%	12.0%	11.3%	11.6%
(iii)	Non interest expense to gross income	59.0%	57.8%	59.4%	58.2%
(iv)	Net interest income to average earning assets	11.8%	11.8%	11.8%	11.8%

CONDENSED BANK'S STATEMENT OF CHANGES IN EQUITY AS AT 31ST DECEMBER 2018

	Share Capital	Share Premium	Retained Earnings	Regulatory Reserve	General Provision Reserve	Others (Fair Valuation)	Total
Current Year 2018							
Balance as at the beginning of the year	**20,000**	**-**	**762,047**	**-**	**26,849**	**(127)**	**808,769**
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	-	-	(12,386)	-	-	826	(11,560)
Balance as at the end of the current period	**20,000**	**-**	**808,448**	**-**	**33,725**	**881**	**863,054**
Previous Year 2017							
Balance as at the beginning of the year	**20,000**	**-**	**708,045**	**12,972**	**26,385**	**(194)**	**767,208**
Profit for the year	-	-	93,494	-	-	-	93,494
Other Comprehensive Income	-	-	-	-	-	67	67
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	(52,000)	-	-	-	(52,000)
Regulatory Reserve	-	-	12,972	(12,972)	-	-	-
General Provision Reserve	-	-	(464)	-	464	-	-
Others	-	-	-	-	-	-	-
Balance as at the end of the Previous period	**20,000**	**-**	**762,047**	**-**	**26,849**	**(127)**	**808,769**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31ST DECEMBER 2018

	Share Capital	Share Premium	Retained Earnings	Regulatory reserve	General Provision Reserve	Others (Fair Valuation)	Total
Current Year 2018							
Balance as at the beginning of the year	**20,000**	**-**	**749,880**	**-**	**26,849**	**2,883**	**799,612**
Profit for the year	-	-	100,510	-	-	1,277	101,787
Other Comprehensive Income	-	-	-	-	-	182	182
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	(32,000)	-	-	-	(32,000)
Regulatory Reserve	-	-	-	-	-	-	-
General Provision Reserve	-	-	(6,876)	-	6,876	-	-
Others	-	-	(12,386)	-	-	-	(12,386)
Balance as at the end of the current period	**20,000**	**-**	**799,128**	**-**	**33,725**	**4,342**	**857,195**
Previous Year 2017							
Balance as at the beginning of the year	**20,000**	**-**	**707,334**	**-**	**26,385**	**(10,755)**	**742,964**
Profit for the year	-	-	95,320	-	-	289	95,609
Other Comprehensive Income	-	-	-	-	-	67	67
Transactions with owners	-	-	-	-	-	-	-
Dividends Paid	-	-	(52,000)	-	-	-	(52,000)
Regulatory Reserve	-	-	12,972	-	-	-	12,972
General Provision Reserve	-	-	(464)	-	464	-	-
Others	-	-	(13,282)	-	-	13,282	-
Balance as at the end of the Previous period	**20,000**	**-**	**749,880**	**-**	**26,849**	**2,883**	**799,612**

AUDITED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER, 2018
(Amounts in million shillings)

		GROUP	GROUP	BANK	BANK
		Current Year	Previous Year	Current Year	Previous Year
		31.12.2018	31.12.2017	31.12.2018	31.12.2017
I:	**Cash flow from Operating activities:**				
	Net income(loss)	144,362	139,814	141,641	137,903
	Adjustment for:				
	- Impairment/amortization	55,904	31,228	53,933	29,257
	- Net change in loans and advances	(484,410)	2,732	(479,487)	7,419
	- Gain/loss on sale of assets	(143)	(204)	(143)	(204)
	- Net change in deposits	64,677	523,820	76,973	523,718
	- Net change in short term negotiable securities	(2,630)	(56)	(2,630)	(56)
	- Net change in other liabilities	49,403	34,020	38,344	30,274
	- Net change in other assets	(28,572)	(15,858)	(30,040)	(12,815)
	- Tax paid	(68,480)	(61,072)	(68,480)	(61,072)
	- Others	(12,301)	(14,297)	(12,301)	(14,297)
	Net cash provided (used) by operating activities	**(282,190)**	**640,127**	**(282,190)**	**640,127**
II:	**Cash flow from Investing activities:**				
	Dividends received				
	Purchase of fixed assets	(25,530)	(45,295)	(25,530)	(45,295)
	Proceeds from sale of fixed assets	365	223	365	223
	Purchase of non-dealing securities	(608,848)	(886,571)	(608,848)	(886,571)
	Proceeds from sale of non-dealing securities	791,522	691,669	791,522	691,669
	Others-(Equity investment and Securities)	(11,930)	(10,550)	(11,930)	(10,550)
	Net cash provided (used) by investing activities	**145,579**	**(250,524)**	**145,579**	**(250,524)**
III:	**Cash Flow from Financing activities:**				
	Repayment of long-term debt	-	-	-	-
	Proceeds from issuance of long term debt	68,190	-	68,190	-
	Proceeds from issuance of share capital	-	-	-	-
	Payment of cash dividends	(32,000)	(52,000)	(32,000)	(52,000)
	Net change in other borrowings	(66,120)	(40,269)	(66,120)	(40,269)
	Others (Specify)	6,861	7,480	6,861	7,480
	Net cash provided(used) by financing activities	**(23,069)**	**(84,789)**	**(23,069)**	**(84,789)**
IV:	**Cash and Cash equivalents:**				
	Net increase/(decrease) in cash and cash equivalents	(159,680)	304,814	(159,680)	304,814
	Cash and cash equivalents at the beginning of the year	1,002,394	697,580	1,002,394	697,580
	Cash and cash equivalents at the end of the year	**842,714**	**1,002,394**	**842,714**	**1,002,394**