

NMB BANK PLC UNAUDITED FINANCIAL STATEMENTS



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

3.8
Trillion
Loan & Advances

Total Assets
7.3
Trillion

Customer Deposits
5.4
Trillion

Interest Income
9%
YoY

18%
YoY
Impairment

Profit After Tax
93.6
Billion
↑65%
YoY

Return on average shareholders funds
17.4%
YoY

Return on Asset
2.8%

*YoY - Year on Year

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2020 (Amounts in million shillings)

	GROUP		BANK	
	Current Quarter 30.06.2020	Previous Quarter 31.03.2020	Current Quarter 30.06.2020	Previous Quarter 31.03.2020
A. ASSETS				
1 Cash	464,626	530,215	464,626	530,215
2 Balances with Bank of Tanzania	1,251,616	599,051	1,251,616	599,051
3 Investments in Government securities	967,610	930,562	967,610	930,562
4 Balances with other banks and financial institutions	98,093	150,444	98,093	150,444
5 Cheques and items for clearing	10,794	4,159	10,794	4,159
6 Inter branch float items	-	170	-	170
7 Bills negotiated	-	-	-	-
8 Customers' liabilities for acceptances	-	-	-	-
9 Interbank loans receivables	21,983	3,807	21,983	3,807
10 Investments in other securities	-	-	-	-
11 Loans, advances and overdrafts (net of allowances for probable losses)	3,800,612	3,700,323	3,803,655	3,704,684
12 Other assets	284,264	188,032	446,541	350,285
13 Equity investments	2,920	2,920	2,920	2,920
14 Underwriting accounts	-	-	-	-
15 Property, Plant and equipment	222,300	231,001	187,161	195,369
16 TOTAL ASSETS	7,124,818	6,340,684	7,254,999	6,471,666
B. LIABILITIES				
17 Deposits from other banks and financial institutions	69,214	34,685	69,214	34,685
18 Customer deposits	5,428,658	4,753,898	5,431,535	4,758,193
19 Cash letters of credit	35,959	29,879	35,959	29,879
20 Special Deposits	12,281	12,677	12,281	12,677
21 Payment orders/transfers payable	-	-	-	-
22 Bankers' cheques and drafts issued	2,141	2,132	2,141	2,132
23 Accrued taxes and expenses payable	59,546	66,235	59,079	66,041
24 Acceptances outstanding	-	-	-	-
25 Inter branch float items	3,194	-	3,194	-
26 Unearned income and other deferred charges	33,460	32,275	33,460	32,275
27 Other liabilities	88,910	68,597	215,670	193,481
28 Borrowings	375,440	321,169	375,440	321,169
29 TOTAL LIABILITIES	6,108,803	5,321,547	6,237,973	5,450,532
30 NET ASSETS / (LIABILITIES)	1,016,015	1,019,137	1,017,026	1,021,134
C. SHAREHOLDERS' FUNDS				
31 Paid up share capital	20,000	20,000	20,000	20,000
32 Capital reserves	-	-	-	-
33 Retained earnings	896,473	944,473	903,341	951,341
34 Profit(Loss) account	95,844	50,012	93,568	48,721
35 Other capital accounts	117	1,072	117	1,072
36 Minority interest	3,581	3,581	3,581	3,581
37 TOTAL SHAREHOLDERS' FUNDS	1,016,015	1,019,137	1,017,026	1,021,134
38 Contingent liabilities	584,829	550,509	584,829	550,509
39 Non performing loans & advances	279,553	271,621	279,553	271,621
40 Allowances for probable losses	212,744	201,465	212,744	201,465
41 Other non performing assets	1,123	1,029	1,123	1,029
D. SELECTED FINANCIAL CONDITION INDICATORS				
(i) Shareholders Funds to total assets	14.3%	16.1%	14.0%	15.8%
(ii) Non performing loans to total gross loans	7.0%	7.0%	7.0%	7.0%
(iii) Gross loans and advances to total deposits	72.4%	80.8%	72.4%	80.8%
(iv) Loans and advances to total assets	53.3%	58.4%	52.4%	57.2%
(v) Earnings assets to total Assets	68.3%	75.5%	67.2%	74.0%
(vi) Deposits growth	14.8%	-2.0%	14.8%	-2.0%
(vii) Assets growth	12.4%	-1.2%	12.1%	-1.3%

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME PERIOD ENDED 30TH JUNE, 2020 (Amounts in million shillings)

	GROUP		BANK		GROUP		BANK	
	Current Quarter 30.06.2020	Comparative Quarter 30.06.2019	Current Quarter 30.06.2020	Comparative Quarter 30.06.2019	Current Year Cumulative 30.06.2020	Comparative Year Cumulative 30.06.2019	Current Year Cumulative 30.06.2020	Comparative Year Cumulative 30.06.2019
1 Interest income	168,635	153,867	168,735	154,049	334,657	306,896	334,888	307,286
2 Interest expense	(34,317)	(32,083)	(34,317)	(32,083)	(66,914)	(63,782)	(66,914)	(63,782)
3 Net interest income (1 minus 2)	134,318	121,784	134,418	121,966	267,743	243,114	267,974	243,504
4 Bad debts written off	-	-	-	(1,621)	-	(1,621)	-	(1,621)
5 Impairment Losses on Loans and Advances	(26,598)	(21,090)	(26,598)	(21,090)	(48,445)	(57,435)	(48,445)	(57,435)
6 Non interest income:	59,274	51,413	59,274	51,413	119,046	100,270	119,046	100,270
6.1 Foreign currency dealings and translation gain/(loss)	5,655	6,515	5,655	6,515	11,472	14,018	11,472	14,018
6.2 Fee and commissions	51,116	42,505	51,116	42,505	101,287	81,853	101,287	81,853
6.3 Dividend income	17	31	17	31	17	31	17	31
6.4 Other operating income	2,486	2,362	2,486	2,362	6,270	4,368	6,270	4,368
7 Non interest expense:	(101,944)	(99,007)	(103,028)	(100,103)	(202,400)	(201,464)	(204,907)	(203,668)
7.1 Salaries and benefits	(50,834)	(47,805)	(50,834)	(47,805)	(101,351)	(96,037)	(101,351)	(96,037)
7.2 Fees and commissions	(1,647)	(2,772)	(1,647)	(2,772)	(3,341)	(5,665)	(3,341)	(5,665)
7.3 Other operating expenses	(49,463)	(48,430)	(50,547)	(49,526)	(97,708)	(99,762)	(100,215)	(101,966)
8 Operating income/(loss)	65,050	53,101	64,066	52,187	135,944	82,864	133,668	81,050
9 Income tax expense	(19,220)	(15,656)	(19,220)	(15,656)	(40,100)	(24,315)	(40,100)	(24,315)
10 Net income/(loss) after income tax	45,830	37,445	44,846	36,531	95,844	58,549	93,568	56,735
11 Other comprehensive income, net of tax								
Fair value gain/ (loss) on FVOCI - net of tax	(955)	(4)	(955)	(4)	(932)	(210)	(932)	(210)
Total comprehensive income for the year	44,875	37,441	43,891	36,527	94,912	58,339	92,636	56,525
12 Number of employees	3,445	3,462	3,445	3,462	3,445	3,462	3,445	3,462
13 Basic earnings per share	90	73	90	73	187	113	187	113
14 Diluted earnings per share	90	73	90	73	187	113	187	113
15 Number of branches	226	223	226	223	226	223	226	223
SELECTED PERFORMANCE INDICATORS								
(i) Return on average total assets	2.6%	2.4%	2.6%	2.3%	2.7%	1.9%	2.8%	1.9%
(ii) Return on average shareholders funds	18.0%	16.9%	17.4%	16.5%	18.9%	13.2%	18.4%	12.9%
(iii) Non interest expense to gross income	52.7%	57.2%	53.2%	57.7%	52.3%	58.7%	52.9%	59.2%
(iv) Net interest income to average earning assets	11.0%	11.0%	11.0%	11.0%	11.0%	10.9%	11.1%	11.1%

SELECTED EXPLANATORY NOTES FOR THE QUARTER ENDED 30TH JUNE 2020

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. Chief Executive Officer		July 27, 2020
Benedicto Baragomwa Ag. Chief Financial Officer		July 27, 2020
Juma Kimori Chief Internal Auditor		July 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
Dr. Edwin P. Mhede Board Chairman		July 27, 2020
Leonard Mususa Board Director		July 27, 2020

CONDENSED STATEMENT OF CASH FLOW STATEMENT FOR THE QUARTER ENDED 30TH JUNE, 2020 (Amounts in million shillings)

	GROUP		BANK		GROUP		BANK	
	Current Quarter 30.06.2020	Previous Quarter 31.03.2020	Current Quarter 30.06.2020	Previous Quarter 31.03.2020	Current Year Cumulative 30.06.2020	Previous Year Cumulative 30.06.2019	Current Year Cumulative 30.06.2020	Previous Year Cumulative 30.06.2019
I. Cash flow from Operating activities:								
Net income/(loss)	65,050	70,892	64,066	69,601	135,942	82,864	133,667	81,051
Adjustment for:								
- Impairment/amortization	13,351	10,668	12,858	10,176	24,019	14,751	23,034	15,734
- Net change in loans and advances	(118,465)	(114,124)	(117,147)	(112,803)	(232,589)	(28,877)	(229,950)	(31,077)
- Gain/loss on sale of assets	-	-	-	-	-	-	-	-
- Net change in deposits	714,973	(97,250)	713,555	(98,682)	617,723	622,601	614,873	618,995
- Net change in short term negotiable securities	-	-	-	-	-	-	-	-
- Net change in other liabilities	18,012	(3,254)	19,615	(8,138)	14,758	6,734	11,477	144,558
- Net change in other assets	(78,827)	25,951	(78,853)	32,729	(52,876)	24,963	(46,124)	(106,226)
- Tax paid	(43,090)	(19,021)	(43,090)	(19,021)	(62,111)	(26,357)	(62,111)	(26,357)
- Others	19,407	12,630	19,407	12,630	32,037	(34,375)	32,037	(34,375)
Net cash provided (used) by operating activities	590,411	(113,508)	590,411	(113,508)	476,903	662,303	476,903	662,303
II. Cash flow from Investing activities:								
Dividends received	-	-	-	-	-	-	-	-
Purchase of fixed assets	(4,650)	(4,361)	(4,650)	(4,361)	(9,011)	(13,054)	(9,011)	(13,054)
Proceeds from sale of fixed assets	-	-	-	-	-	-	-	-
Purchase of non-dealing securities	-	-	-	-	-	-	-	-
Proceeds from sale of non-dealing securities	-	-	-	-	-	-	-	-
Others (Equity investment and Securities)	(38,003)	(168,983)	(38,003)	(168,983)	(206,986)	(183,887)	(206,986)	(183,887)
Net cash provided (used) by investing activities	(42,653)	(173,344)	(42,653)	(173,344)	(215,997)	(196,941)	(215,997)	(196,941)
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	(48,000)	-	(48,000)	-	(48,000)	(33,000)	(48,000)	(33,000)
Net change in other borrowings	54,271	(26,274)	54,271	(26,274)	27,997	(27,799)	27,997	(27,799)
Others (Specify)	-	-	-	-	-	-	-	-
Net cash provided (used) by financing activities	6,271	(26,274)	6,271	(26,274)	(20,003)	(60,799)	(20,003)	(60,799)
IV. Cash and Cash equivalents:								
Net increase/(decrease) in cash and cash equivalents	554,029	(313,126)	554,029	(313,126)	240,903	404,563	240,903	404,563
Cash and cash equivalents at the beginning of the year	900,244	1,213,370	900,244	1,213,370	1,213,370	856,178	1,213,370	856,178
Cash and cash equivalents at the end of the year	1,454,273	900,244	1,454,273	900,244	1,454,273	1,260,742	1,454,273	1,260,742

CONDENSED GROUP STATEMENT OF CHANGES IN EQUITY AS AT 30TH JUNE 2020 (Amounts in million shillings)

	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	-	944,472	-	-	4,630	96