

Report of Condition of the Bank Published Pursuant to Section 32(3) of the Banking and Financial Institutions Act, 2006



STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH, 2014 (Amounts in million shillings)

	Current Quarter 31.03.14	Previous Quarter 31.12.13
A. ASSETS		
1 Cash	160,824	218,133
2 Balances with Bank of Tanzania	410,419	327,175
3 Investments in Government securities	816,570	820,744
4 Balances with other banks and financial institutions	105,572	153,377
5 Cheques and items for clearing	37,663	8,262
6 Inter branch float items	1,835	208
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)	1,729,973	1,614,292
12 Other assets	90,234	58,285
13 Equity investments	20,600	20,600
14 Underwriting accounts	-	-
15 Property, Plant and equipment	61,711	59,110
16 TOTAL ASSETS	3,435,401	3,280,186
B. LIABILITIES		
17 Deposits from other banks and financial institutions	2,247	6,080
18 Customer deposits	2,664,833	2,563,309
19 Cash letters of credit	-	-
20 Special Deposits	15,789	19,316
21 Payment orders/transfers payable	-	-
22 Bankers' cheques and drafts issued	3,402	3,054
23 Accrued taxes and expenses payable	25,692	26,926
24 Acceptances outstanding	-	-
25 Inter branch float items	-	-
26 Unearned income and other deferred charges	15,386	15,194
27 Other liabilities	38,247	28,830
28 Borrowings	174,958	160,811
29 TOTAL LIABILITIES	2,940,554	2,823,520
30 NET ASSETS /(LIABILITIES)	494,847	456,666
C. SHAREHOLDERS' FUNDS		
31 Paid up share capital	20,000	20,000
32 Capital reserves	-	-
33 Retained earnings	436,666	302,760
34 Profit/(Loss) account	38,181	133,906
35 Other capital accounts	-	-
36 Minority interest	-	-
37 TOTAL SHAREHOLDERS' FUNDS	494,847	456,666
38 Contingent liabilities	167,629	167,281
39 Non performing loans & advances	44,477	42,957
40 Allowances for probable losses	38,746	38,137
41 Other non performing assets	601	104
D. SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders Funds to total assets	14.4%	13.9%
(ii) Non performing loans to total gross loans	2.5%	2.6%
(iii) Gross loans and advances to total deposits	66.4%	64.5%
(iv) Loans and advances to total assets	50.4%	49.2%
(v) Earnings assets to total Assets	77.2%	78.9%
(vi) Deposits growth	4.0%	-0.8%
(vii) Assets growth	4.7%	3.7%

STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 31ST MARCH, 2014 (Amounts in million shillings)

	Current Quarter 31.03.2014	Previous Quarter 31.12.2013
I: Cash flow from Operating activities:		
Net income(loss)	54,544	45,459
Adjustment for:		
- Impairment/amortization	5,332	6,307
- Net change in loans and advances	-115,680	-107,243
- Gain/loss on sale of assets	-	-
- Net change in deposits	94,164	-23,857
- Net change in short term negotiable securities	-	-
- Net change in other liabilities	8,724	-27,066
- Net change in other assets	-33,577	-37,142
- Tax paid	-17,155	-23,311
- Others (Net change in SMR deposits)	-13,154	384
Net cash provided (used) by operating activities	-16,802	-166,469
II: Cash flow from Investing activities:		
Dividends received	-	-
Purchase of fixed assets	-7,141	-3,043
Proceeds from sale of fixed assets	-	-
Purchase of non-dealing securities	-	-
Proceeds from sale of non-dealing securities	-	-
Others-(Treasury Bonds/Bills /Equity investment)	6,245	2,775
Net cash provided (used) by investing activities	-896	-268
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	14,148	142,353
Others (specify)	-	-
Net cash provided(used) by financing activities	14,148	142,353
IV: Cash and Cash equivalents:		
Net increase/(decrease) in cash and cash equivalents	-3,550	-24,384
Cash and cash equivalents at the beginning of the quarter	553,563	577,947
Cash and cash equivalents at the end of the quarter	550,013	553,563

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31ST MARCH, 2014 (Amounts in million shillings)

	Current Quarter 31.03.2014	Comparative Quarter 31.03.2013	Current Year Cumulative 31.03.2014	Comparative Year Cumulative 31.03.2013
1 Interest income	97,143	81,008	97,143	81,008
2 Interest expense	-7,140	-5,813	-7,140	-5,813
3 Net interest income (minus2)	90,003	75,195	90,003	75,195
4 Bad debts written off	-	-	-	-
5 Impairment Losses on Loans and Advances	-4,653	-3,495	-4,653	-3,495
6 Non interest income:	32,729	23,510	32,729	23,510
6.1 Foreign currency dealings and translation gain/(loss)	3,301	1,621	3,301	1,621
6.2 Fee and commissions	27,138	21,622	27,138	21,622
6.3 Dividend income	-	-	-	-
6.4 Others operating income	2,290	267	2,290	267
7 Non interest expense:	-63,535	-52,599	-63,535	-52,599
7.1 Salaries and benefits	-29,996	-23,421	-29,996	-23,421
7.2 Fees and commissions	-2,893	-2,945	-2,893	-2,945
7.3 Other operation expenses	-30,646	-26,233	-30,646	-26,233
8 Operating income/(loss)	54,544	42,611	54,544	42,611
9 Income tax provision	-16,363	-12,783	-16,363	-12,783
10 Net income(loss)after income tax	38,181	29,828	38,181	29,828
11 Number of employees	2,869	2,798	2,869	2,798
12 Basic earnings per share	76	60	76	60
13 Diluted earnings per share	76	60	76	60
14 Number of branches	154	149	154	149
SELECTED PERFORMANCE INDICATORS				
(i) Return on average total assets	4.5%	4.0%	4.5%	4.0%
(ii) Return on average shareholders funds	31.1%	30.9%	31.1%	30.9%
(iii) Non interest expense to gross income	48.9%	50.3%	48.9%	50.3%
(iv) Net interest income to average earning assets	13.8%	14.0%	13.8%	14.0%

Signed by

Mark Wiessing
Chief Executive Officer

Date

May 10, 2014

Waziri Barnabas
Chief Financial Officer

May 10, 2014

Augustino Mbogella
Chief Internal Auditor

May 10, 2014

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

Margaret Ikongo

Director

Date

May 10, 2014

Protase Tehingisa

Director

May 10, 2014



Proud to be an East African award winning Bank

We are proud to announce that NMB has been awarded as the Best Commercial Bank in East Africa 2014 by The Banker Africa Magazine. The award aims to reward and promote industry wide excellence in the East African Banking Community. Receiving this award is an honor as it is a true testament to NMB's sound business model.

We would like to thank all our customers, our staff and investors for helping us achieve this impressive accolade. With our wide coverage of over 150 branches, more than 500 ATMs and presence in 95% of all districts in Tanzania. We believe we can and will do even more to stay true to being close to you.



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