

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



BALANCE SHEET AS AT 30TH SEPTEMBER, 2014 (Amounts in million shillings)

	Current Quarter 30.09.14	Previous Quarter 30.06.14
A. ASSETS		
1 Cash	173,016	190,255
2 Balances with Bank of Tanzania	524,462	349,358
3 Investments in Government securities	773,683	801,101
4 Balances with other banks and financial institutions	142,508	28,089
5 Cheques and items for clearing	4,954	5,117
6 Inter branch float items	219	-
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)	1,949,361	1,897,916
12 Other assets	121,587	119,838
13 Equity investments	20,600	20,600
14 Underwriting accounts	-	-
15 Property, Plant and equipment	75,952	65,917
16 TOTAL ASSETS	3,786,342	3,478,191
B. LIABILITIES		
17 Deposits from other banks and financial institutions	2,493	2,925
18 Customer deposits	2,861,985	2,616,226
19 Cash letters of credit	-	-
20 Special Deposits	44,723	13,846
21 Payment orders/transfers payable	-	-
22 Bankers' cheques and drafts issued	3,465	4,544
23 Accrued taxes and expenses payable	48,716	35,771
24 Acceptances outstanding	-	-
25 Inter branch float items	-	4,081
26 Unearned income and other deferred charges	16,270	16,253
27 Other liabilities	65,281	38,449
28 Borrowings	211,697	251,911
29 TOTAL LIABILITIES	3,254,630	2,984,006
30 NET ASSETS /(LIABILITIES)	531,712	494,185
C. SHAREHOLDERS' FUNDS		
31 Paid up share capital	20,000	20,000
32 Capital reserves	-	-
33 Retained earnings	391,666	391,666
34 Profit(Loss) account	120,046	82,519
35 Others capital accounts	-	-
36 Minority interest	-	-
37 TOTAL SHAREHOLDERS' FUNDS	531,712	494,185
38 Contingent liabilities	237,277	204,706
39 Non performing loans & advances	55,448	52,534
40 Allowances for probable losses	41,447	38,338
41 Other non performing assets	257	364
D. SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders Funds to total assets	14.0%	14.2%
(ii) Non performing loans to total gross loans	2.8%	2.7%
(iii) Gross loans and advances to total deposits	68.5%	73.6%
(iv) Loans and advances to total assets	51.5%	54.6%
(v) Earnings assets to total Assets	75.7%	78.4%
(vi) Deposits growth	10.5%	0.1%
(vii) Assets growth	8.9%	0.0%

INCOME STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER, 2014 (Amounts in million shillings)

	Current Quarter 30.09.2014	Comparative Quarter 30.09.2013	Current Year Cumulative 30.09.2014	Comparative Year Cumulative 30.09.2013
1 Interest income	105,551	89,728	308,349	256,350
2 Interest expense	(10,751)	(6,815)	(25,546)	(19,150)
3 Net interest income (1 minus 2)	94,800	82,913	282,803	237,200
4 Bad debts written off	-	-	-	-
5 Impairment Losses on Loans and Advances	(5,939)	(2,540)	(15,262)	(8,773)
6 Non interest income:	38,473	28,455	110,442	82,652
6.1 Foreign currency dealings and translation gain/(loss)	4,658	2,736	12,063	6,192
6.2 Fee and commissions	30,921	24,612	91,693	71,852
6.3 Dividend income	-	-	-	-
6.4 Others operating income	2,894	1,107	6,686	4,608
7 Non interest expense:	(72,637)	(57,508)	(205,402)	(168,409)
7.1 Salaries and benefits	(32,460)	(26,789)	(94,976)	(73,957)
7.2 Fees and commissions	(6,645)	(2,539)	(12,248)	(7,186)
7.3 Other operating expenses	(33,532)	(28,180)	(98,178)	(87,266)
8 Operating income/(loss)	54,697	51,320	172,581	142,670
9 Income tax provision	(17,169)	(18,313)	(52,535)	(46,690)
10 Net income(loss)after income tax	37,528	33,007	120,046	95,980
11 Number of employees	2,993	2,871	2,993	2,871
12 Basic earnings per share	75	66	240	192
13 Diluted earnings per share	75	66	240	192
14 Number of branches	163	152	163	152
SELECTED PERFORMANCE INDICATORS				
(i) Return on average total assets	4.4%	4.5%	4.5%	4.1%
(ii) Return on average shareholders funds	28.8%	31.4%	31.5%	31.5%
(iii) Non interest expense to gross income	50.4%	48.7%	49.0%	49.7%
(iv) Net interest income to average earning assets	14.5%	15.5%	14.0%	13.8%

Signed by

Mark Wiessing
Managing Director

Waziri Barnabas
Chief Financial Officer

Augustino Mbogella
Chief Internal Auditor

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

Prof. Joseph Semboja Board Chairman

Protase Tehingisa Director

CASH FLOW STATEMENT FOR THE QUARTER ENDED 30TH SEPTEMBER, 2014 (Amounts in million shillings)

	Current Quarter 30.09.2014	Previous Quarter 30.06.2014
I: Cash flow from Operating activities:		
Net income(loss)	54,697	63,340
Adjustment for:		
- Impairment/amortization	4,403	2,524
- Net change in loans and advances	(51,445)	(167,943)
- Gain/loss on sale of assets	-	-
- Net change in deposits	276,204	(49,872)
- Net change in short term negotiable securities	-	-
- Net change in other liabilities	34,633	16,371
- Net change in other assets	(1,969)	(27,769)
- Tax paid	(17,155)	(17,155)
- Others (Net change in SMR deposits)	(10,026)	4,990
Net cash provided (used) by operating activities	289,342	(175,514)
II: Cash flow from Investing activities:		
Dividends received	-	-
Purchase of fixed assets	(14,451)	(8,577)
Proceeds from sale of fixed assets	-	-
Purchase of non-dealing securities	-	-
Proceeds from sale of non-dealing securities	-	-
Others-(Treasury Bonds/Bills /Equity investment)	59,917	(225)
Net cash provided (used) by investing activities	45,466	(8,802)
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	-	(45,000)
Net change in other borrowings	(40,214)	76,953
Others (specify)	-	-
Net cash provided(used) by financing activities	(40,214)	31,953
IV: Cash and Cash equivalents:		
Net increase/(decrease) in cash and cash equivalents	294,594	(152,363)
Cash and cash equivalents at the beginning of the quarter	397,650	550,013
Cash and cash equivalents at the end of the quarter	692,244	397,650



Honoured to be the Best Bank in Tanzania 2014

For the second time running, NMB Bank has been recognized as the "Best Bank in Tanzania 2014" by Euromoney.

Every year the prestigious Euromoney Institute globally compares banks in their respective markets on financial indicators reflecting performance and strengths. The Institute also analyzes how innovative and trustworthy a bank is. NMB is honoured and humbled to win this award.

We would like to thank all our staff, customers 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% districts in Tanzania, we believe we can and will do even more to stay true to being closer to you.



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