



SOLOMON Stockbrokers

NMB Bank EARNINGS HIGHLIGHTS Sept 2025

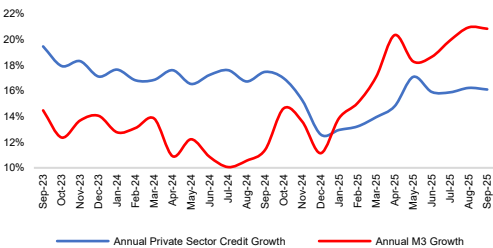


research@solomon.co.tz

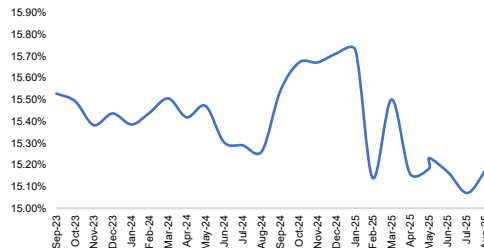
NMB BANK PLC FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDING SEPT 2025

INDUSTRIAL OVERVIEW

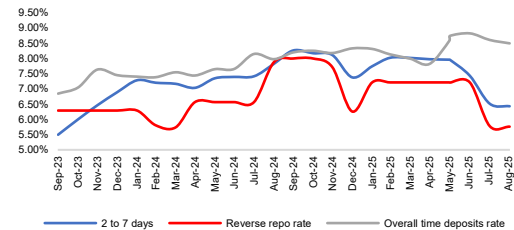
Annual M3 and Private Sector Credit Growth



Overall Lending Rate Trend

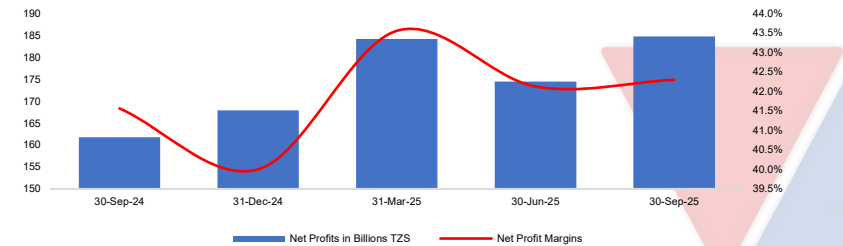


Interbank Cash Market, Reverse Repo & Overall Time Deposit Rates

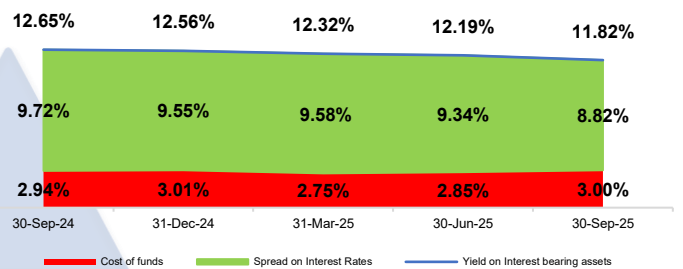


INCOME STATEMENT ANALYSIS

NMB Profitability Trend



NMB Indicative Interest Rates



Net Profits increased by 5.92% QoQ from TZS 174.43 billion as of June 2025.to TZS 184.75 billion as of Sept 2025.

Reasons:

Net Interest Income grew 9.35% QoQ from TZS 285.35 billion in Q3'25 to TZS 312.03 billion in Q4'25 as a result of a positive jaws between interest income growth and interest expense growth where interest income registered a 7.31% QoQ growth amounting to TZS 398.36 billion due to a 2.19% growth in earning assets amounting to TZS 12.84 billion and a 0.55% QoQ growth in interest expenses amounting to TZS 86.33 billion possibly due to growth in cheap deposits, the repayment of expensive debt and the broad based decline in interbank cash market borrowing rates since the onset of Q3'25.

Operating Expenses (OpEx) growth remained sustained with total OpEx growing at 4.78% QoQ amounting to TZS 172.95 billion largely driven by general and administrative expenses from the other operating expense item which posted a 9.02% QoQ growth amounting to TZS 74.26 billion. In comparison, net operating income grew 5.49% QoQ amounting to TZS 436.80 billion largely accounted by the gains from the net interest income side maintaining a positive jaws between the bank's income growth and its expenses.

Improvements in the income statement:

Other operating income dropped 35% QoQ amounting to TZS 7.76 billion possibly due to a slowdown in bad debt recoveries which resulted in a slow-down in non-interest income which dropped by 0.49% QoQ amounting to TZS 147.97 billion.

Income Statement Analysis Amounts in Billions TZS	Sept-24	Dec-24	Mar-25	Jun-25	Sept-25
Net Operating Income	389.15	419.77	422.81	414.08	436.80
Growth Rate	5.88%	7.87%	0.72%	-2.06%	5.49%
Operating Expenses	153.05	175.14	159.75	165.06	165.06
Growth Rate	4.89%	14.43%	-8.79%	3.33%	4.78%

NMB BANK PLC FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDING SEPT 2025

BALANCE SHEET STATEMENT ANALYSIS

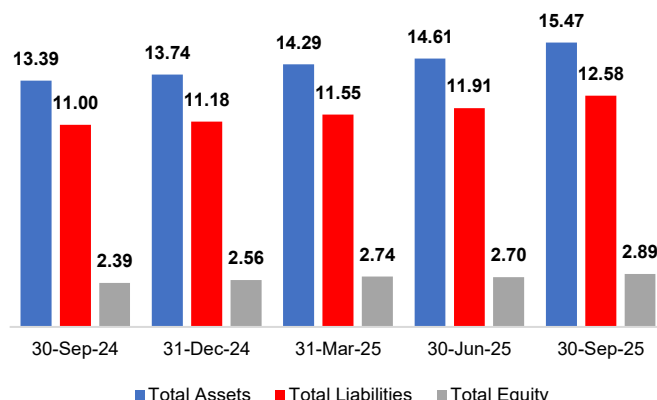
Total assets grew by 5.88% QoQ, amounting to TZS 15.47 trillion in Q3'24 compared to TZS 14.61 trillion in the quarter prior

Balance Sheet Highlights in Trillions TZS

Key Drivers:

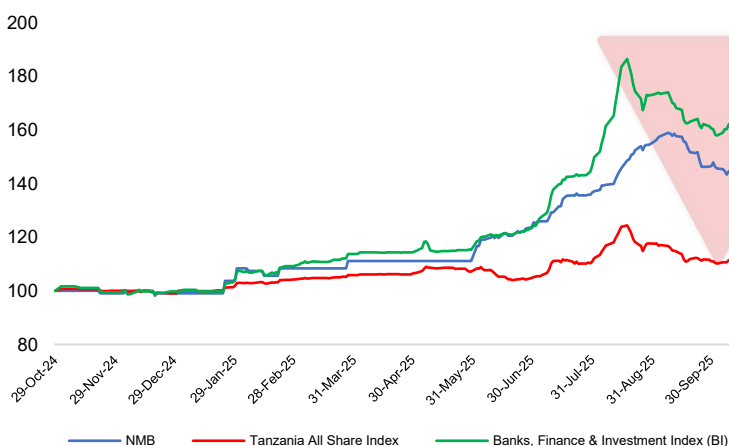
Customer loans surged by 3.07% QoQ amounting to TZS 9.54 trillion in Q2'25 perhaps due to increased lending towards Agriculture, MSMEs Wholesale and Personal loan segments. Cash and Balances with the central bank grew 31.20% YoY amounting to TZS 1.67 trillion and Investments in Government Securities grew 10.05% amounting to TZS 2.38 trillion indicating the bank's preference for liquid and fixed-income assets.

Balance sheet growth was funded by a 7.80% QoQ growth in deposits amounting to TZS 10.98 trillion due to penetration of rural markets via agency banking, promotion of sticky deposits via tailored savings products and a direct attention towards CASA deposits and upward salary revisions for government workers



INVESTORS' CORNER

NMB Bank VS TSI & BI 52-Weeks Returns rebased at 100



Supporting Fundamentals

Ticker	NMB
Closing Price as of 28 th October 2025	TZS 7,840
Book Value per Share	TZS 5,779.13
P/B Ratio	1.36x
Trailing EPS	TZS 1,422.49
P/E Ratio	5.51x
ROE	24.61%
ROA	4.60%

* The word trailing indicates the sum of the company's earnings per share from the latest four quarters

OUTLOOK

NMB's profits for the nine months ending September 2025 grew 14.16% YoY amounting to TZS 543.33 billion compared to TZS 475.92 billion for the nine months ending September 2024. Key enablers to this growth include a 12.90% YoY growth in net interest income following a positive jaws between interest income and interest expense growth with interest income registering an 11.92% YoY growth amounting to TZS 1.13 trillion compared to interest expenses that grew 8.59% YoY amounting to TZS 251.47 billion.

On the other hand, non-interest income registered a 6.96% YoY growth amounting to TZS 459.57 billion brought about by a 10.72% YoY growth in fees and commission income amounting to TZS 351.47 billion possibly spearheaded by its agency banking fees as a result of the bank's strategy to expand in presence in rural areas as well as credit related fees and commissions as well as MNO collaboration fees. All while the bank's other operating income grew 65.44% YoY amounting to TZS 30.65 billion due to increased bad debt recoveries from the first half of the year. Operating Expense growth was contained with growth standing at 11.65% YoY amounting to TZS 497.77 billion as of Q3'25.

Looking ahead we anticipate NMB to finish the year with strong earnings growth articulated by relaxed monetary policy objectives across the country that coincide with relatively lower borrowing costs in the Interbank Cash Market, and an acceleration in money supply and demand for credit coupled with increased disposable income particularly from Salaried Worker Employees from the government resulting in the mobilization of cheaper deposits.

NMB BANK PLC FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDING SEPT 2025

RATIO ANALYSIS

NMB Bank Ratios	31-Dec-23	31-Mar-24	30-Jun-24	30-Sep-24	31-Dec-24	31-Mar-25	30-Jun-25	30-Sep-25
Capital Structure:								
Borrowings to Equity	66.00%	60.67%	62.77%	62.16%	53.19%	48.76%	47.02%	40.39%
Equity Multiplier	5.82	5.53	5.83	5.61	5.37	5.21	5.41	5.35
Equity to Assets Ratio	17.18%	18.08%	17.16%	17.84%	18.63%	19.19%	18.49%	18.68%
Asset Quality:								
NPL Ratio	3.16%	2.85%	2.80%	3.02%	2.95%	3.08%	2.88%	2.72%
NPL Coverage Ratio	96.49%	103.69%	102.18%	101.25%	93.27%	94.18%	94.67%	101.51%
Cost of Risk	0.28%	0.30%	0.32%	0.30%	0.10%	0.25%	0.21%	0.24%
Management Quality:								
Loan Growth	10.05%	1.95%	3.39%	2.96%	1.60%	3.70%	5.00%	3.07%
Deposit Growth	2.52%	1.91%	5.98%	1.38%	3.25%	3.85%	3.96%	7.80%
Earning to Total Assets	83.00%	83.00%	82.00%	82.00%	84.00%	83.00%	86.00%	83.00%
Earnings Quality:								
Net Profit Growth	5.67%	11.32%	-4.08%	5.16%	3.81%	9.67%	-5.27%	5.92%
Net Profit Margin	40.51%	42.65%	41.85%	41.56%	40.00%	43.55%	42.13%	42.30%
Cost to Income Ratio	39.70%	36.71%	37.01%	36.94%	40.84%	35.90%	38.03%	37.60%
Liquidity:								
Loan to Deposit Ratio	95.00%	95.00%	93.00%	94.00%	91.00%	92.00%	93.00%	89.00%
Liquid to Total Assets	28.43%	27.58%	27.40%	28.99%	29.69%	29.04%	28.13%	28.92%
Loan to Deposits & Borrowings	79.33%	79.71%	78.14%	78.84%	78.82%	79.24%	80.87%	78.61%

ANALYST'S NAMES & CONTACTS

Emmanuel Matunda
emmanuel@solomon.co.tz

www.solomon.co.tz

For further information please contact Us : 2124495 /2112874 /0764269090 /0714 269090

[All care has been taken in the preparation of this commercial document and the information contained therein has been derived from sources believed to be accurate and reliable. If you are in any doubt about the contents of this document do not hesitate to contact the above mentioned. SOLOMON Stockbrokers Ltd does not assume responsibility for any error, omission or opinion expressed. Anyone acting on the information or opinion does so at his own risk. This information has been sent to you for your information and may not be reproduced. Unauthorised use or disclosure of this document is strictly prohibited. © Copyright 2025



SOLOMON Stockbrokers

A Member of Dar es Salaam Stock Exchange & Authorized Dealer of Government Securities

STOCKBROKERS / DEALERS

INVESTMENT ADVISERS

FUND MANAGERS

PROFILE



The Company is licensed as Stockbrokers / Dealers, Investment Advisers and Fund Managers by the Capital Markets and Securities Authority (CMSA). SOLOMON is also licensed as a Primary Dealer of Government Securities by the Bank of Tanzania (BoT).

PSSSF House, Ground Floor
Samora Avenue / Morogoro Road
P.O. Box 77049
Dar es Salaam

+255 764 269090
+255 714 269090



research@solomon.co.tz

www.solomon.co.tz

[@sstockbrokers](https://www.instagram.com/sstockbrokers)

[#elimuYaUwekezajiHisa](https://www.instagram.com/elimuYaUwekezajiHisa)