

# NMB BANK PLC UNAUDITED FINANCIAL STATEMENTS

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

**4.1 Trillion**  
Loans & Advances

**7.1 Trillion**  
Total Assets

**5.2 Trillion**  
Customer Deposits

**Profit Before Tax**  
**295.4 Billion**  
**40% YoY**

**Profit After Tax**  
**205.5 Billion**  
**45% YoY**

**Return on Average Shareholders Funds**  
**20%**

**Non Performing Loans to Gross Loans**  
**5%**

**Non Interest Expenses to Gross Income**  
**51%**

## CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER, 2020

(Amounts in million shillings)

	GROUP		BANK	
	Current Quarter 31.12.2020	Previous Quarter 30.09.2020	Current Quarter 31.12.2020	Previous Quarter 30.09.2020
<b>A. ASSETS</b>				
1 Cash	661,689	457,008	661,689	457,008
2 Balances with Bank of Tanzania	385,799	536,825	385,799	536,825
3 Investments in Government securities	1,304,252	1,182,463	1,304,252	1,182,463
4 Balances with other banks and financial institutions	129,354	335,417	129,354	335,417
5 Cheques and items for clearing	238	3,836	238	3,836
6 Inter branch float items	298	-	298	-
7 Bills negotiated	-	-	-	-
8 Customers' liabilities for acceptances	-	-	-	-
9 Interbank loans receivables	41,474	32,218	41,474	32,218
10 Investments in other securities	-	-	-	-
11 Loans, advances and overdrafts (net of allowances for probable losses)	4,109,260	3,926,473	4,109,260	3,928,199
12 Other assets	206,480	197,810	278,406	355,391
13 Equity investments	2,920	2,920	2,920	2,920
14 Underwriting accounts	-	-	-	-
15 Property, Plant and equipment	215,713	217,749	181,560	183,103
<b>16 TOTAL ASSETS</b>	<b>7,057,477</b>	<b>6,892,719</b>	<b>7,095,250</b>	<b>7,017,380</b>
<b>B. LIABILITIES</b>				
17 Deposits from other banks and financial institutions	55,604	40,030	55,604	40,030
18 Customer deposits	5,211,056	5,203,114	5,211,061	5,204,607
19 Cash letters of credit	36,645	40,792	36,645	40,792
20 Special Deposits	4,188	12,985	4,188	12,985
21 Payment orders/transfers payable	-	-	-	-
22 Bankers' cheques and drafts issued	2,118	2,119	2,118	2,119
23 Accrued taxes and expenses payable	62,122	69,601	60,907	69,134
24 Acceptances outstanding	-	-	-	-
25 Inter branch float items	-	295	-	295
26 Unearned income and other deferred charges	36,831	35,428	36,831	35,428
27 Other liabilities	73,995	72,901	111,049	196,755
28 Borrowings	447,478	345,965	447,478	345,965
<b>29 TOTAL LIABILITIES</b>	<b>5,930,037</b>	<b>5,823,230</b>	<b>5,965,881</b>	<b>5,948,110</b>
<b>30 NET ASSETS/(LIABILITIES)</b>	<b>1,127,440</b>	<b>1,069,489</b>	<b>1,129,369</b>	<b>1,069,270</b>
<b>C. SHAREHOLDERS' FUNDS</b>				
31 Paid up share capital	20,000	20,000	20,000	20,000
32 Capital reserves	-	-	-	-
33 Retained earnings	896,473	896,473	903,341	903,341
34 Profit(Loss) account	206,862	148,519	205,504	145,013
35 Other capital accounts	524	916	524	916
36 Minority interest	3,581	3,581	-	-
<b>37 TOTAL SHAREHOLDERS' FUNDS</b>	<b>1,127,440</b>	<b>1,069,489</b>	<b>1,129,369</b>	<b>1,069,270</b>
38 Contingent liabilities	624,882	507,684	624,882	507,684
39 Non performing loans & advances	231,287	274,736	231,287	274,736
40 Allowances for probable losses	204,809	228,308	204,809	228,308
41 Other non performing assets	10,055	8,674	10,055	8,674
<b>D. SELECTED FINANCIAL CONDITION INDICATORS</b>				
(i) Shareholders Funds to total assets	16%	16%	16%	15%
(ii) Non performing loans to total gross loans	5%	7%	5%	7%
(iii) Gross loans and advances to total deposits	81%	78%	81%	78%
(iv) Loans and advances to total assets	58%	57%	58%	56%
(v) Earnings assets to total Assets	79%	79%	78%	78%
(vi) Deposits growth	0%	-4%	0%	-5%
(vii) Assets growth	2%	-3%	1%	-3%

## CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME PERIOD ENDED 31 DECEMBER, 2020

(Amounts in million shillings)

	GROUP		BANK		GROUP		BANK	
	Current Quarter 31.12.2020	Comperative Quarter 31.12.2019	Current Quarter 31.12.2020	Comperative Quarter 31.12.2019	Current Year Cumulative 31.12.2020	Comparative Year Cumulative 31.12.2019	Current Year Cumulative 31.12.2020	Comparative year Cumulative 31.12.2019
1 Interest income	197,565	163,031	197,596	163,265	712,647	653,195	712,976	653,974
2 Interest expense	(34,461)	(31,229)	(34,461)	(32,607)	(139,201)	(130,820)	(139,201)	(136,333)
<b>3 Net interest income (1minus2)</b>	<b>163,104</b>	<b>131,803</b>	<b>163,135</b>	<b>130,658</b>	<b>573,446</b>	<b>522,375</b>	<b>573,775</b>	<b>517,641</b>
4 Bad debts written off	-	-	-	-	-	(1,621)	-	(1,621)
5 Impairment Losses on Loans and Advances	(38,313)	3,052	(38,313)	3,052	(119,312)	(98,789)	(119,312)	(98,789)
<b>6 Non interest income:</b>	<b>76,263</b>	<b>64,508</b>	<b>76,263</b>	<b>64,508</b>	<b>266,241</b>	<b>204,409</b>	<b>266,242</b>	<b>204,409</b>
6.1 Foreign currency dealings and translation gain/(loss)	10,002	5,174	10,002	5,174	28,638	24,453	28,638	24,453
6.2 Fee and commissions	63,598	55,456	63,598	55,456	225,988	169,134	225,989	169,134
6.3 Dividend income	-	-	-	-	17	31	17	31
6.4 Other operating income	2,663	3,878	2,663	3,878	11,598	10,791	11,598	10,791
<b>7 Non interest expense:</b>	<b>(115,663)</b>	<b>(102,127)</b>	<b>(113,549)</b>	<b>(102,826)</b>	<b>(423,572)</b>	<b>(410,513)</b>	<b>(425,260)</b>	<b>(410,552)</b>
7.1 Salaries and benefits	(56,207)	(49,388)	(56,207)	(49,388)	(210,175)	(198,713)	(210,175)	(198,713)
7.2 Fees and commissions	(3,591)	(152)	(3,591)	(152)	(10,603)	(10,793)	(10,603)	(10,793)
7.3 Other operating expenses	(55,865)	(52,587)	(53,751)	(53,286)	(202,794)	(201,007)	(204,482)	(201,046)
<b>8 Operating income/(loss)</b>	<b>85,390</b>	<b>97,236</b>	<b>87,536</b>	<b>95,392</b>	<b>296,803</b>	<b>215,861</b>	<b>295,445</b>	<b>211,088</b>
9 Income tax expense	(27,045)	(28,424)	(27,045)	(28,424)	(89,941)	(71,122)	(89,941)	(68,921)
<b>10 Net income/(loss)after income tax</b>	<b>58,345</b>	<b>68,812</b>	<b>60,491</b>	<b>66,968</b>	<b>206,862</b>	<b>144,739</b>	<b>205,504</b>	<b>142,167</b>
<b>11 Other comprehensive income, net of tax</b>								
Fair value gain/(loss) on FVOCI - net of tax	(391)	10	(391)	10	(525)	168	(525)	168
<b>Total comprehensive income for the year</b>	<b>57,954</b>	<b>68,822</b>	<b>60,100</b>	<b>66,978</b>	<b>206,337</b>	<b>144,907</b>	<b>204,979</b>	<b>142,335</b>
12 Number of employees	3,465	3,450	3,465	3,450	3,465	3,450	3,465	3,450
13 Basic earnings per share	117	138	121	134	414	289	411	284
14 Diluted earnings per share	117	138	121	134	414	289	411	284
15 Number of branches	226	224	226	224	226	224	226	224
<b>SELECTED PERFORMANCE INDICATORS</b>								
(i) Return on average total assets	3%	4%	3%	4%	3%	2%	3%	2%
(ii) Return on average share-holders funds	21%	28%	23%	28%	18%	15%	20%	15%
(iii) Non interest expense to gross income	48%	52%	47%	53%	50%	56%	51%	57%
(iv) Net interest income to average earning assets	12%	11%	12%	11%	10%	11%	11%	11%

### SELECTED EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 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 Chief Executive Officer		January 25, 2021
Benedicto Baragomwa Ag. Chief Financial Officer		January 25, 2021
Juma Kimori Chief Internal Auditor		January 25, 2021
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		January 25, 2021
Leonard Mususa Director		January 25, 2021

## CONDENSED STATEMENT OF CASH FLOW STATEMENT FOR THE QUARTER ENDED 31 DECEMBER, 2020

(Amounts in million shillings)

	GROUP		BANK		GROUP		BANK	
	Current Quarter 31.12.2020	Previous Quarter 30.09.2020	Current Quarter 31.12.2020	Previous Quarter 30.09.2020	Current Year Cumulative 31.12.2020	Previous Year Cumulative 31.12.2019	Current Year Cumulative 31.12.2020	Previous Year Cumulative 31.12.2019
<b>I: Cash flow from Operating activities:</b>								
Net income(loss)	85,390	75,471	87,536	74,241	296,803	215,861	295,445	211,088
Adjustment for:								
- Impairment/amortization	10,309	9,665	9,816	9,172	43,993	73,367	42,022	73,609
- Net change in loans and advances	(192,043)	(136,096)	(190,317)	(134,779)	(560,728)	(348,605)	(555,046)	(343,894)
- Gain/loss on sale of assets	-	-	-	-	-	(131)	-	(131)
- Net change in deposits	10,572	(249,191)	9,084	(250,575)	379,104	614,007	373,382	607,347
- Net change in short term negotiable securities	-	-	-	-	-	(2,717)	-	(2,717)
- Net change in other liabilities	(5,280)	(6,905)	(9,826)	(9,811)	2,573	36,843	(91,160)	54,422
- Net change in other assets	2,591	95,587	88,246	100,283	45,302	(21,716)	142,404	(36,876)
- Tax paid	(35,006)	(24,971)	(35,006)	(24,971)	(122,088)	(60,418)	(122,088)	(56,357)
- Others	10,472	(30,545)	10,472	(30,545)	11,964	10,063	11,964	10,063
<b>Net cash provided (used) by operating activities</b>	<b>(112,995)</b>	<b>(266,985)</b>	<b>(112,995)</b>	<b>(266,985)</b>	<b>96,923</b>	<b>516,554</b>	<b>96,923</b>	<b>516,554</b>
<b>II: Cash flow from Investing activities:</b>								
Dividends received	-	-	-	-	-	-	-	-
Purchase of fixed assets	(8,272)	(5,114)	(8,272)	(5,114)	(22,397)	(12,649)	(22,397)	(12,649)
Proceeds from sale of fixed assets	-	-	-	-	-	292	-	292
Purchase of non-dealing securities	-	-	-	-	-	(659,892)	-	(659,892)
Proceeds from sale of non-dealing securities	-	-	-	-	-	641,480	-	641,480
Others-(Equity investment and Securities)	(122,182)	(214,054)	(122,182)	(214,054)	(543,222)	(10,967)	(543,222)	(10,967)
<b>Net cash provided (used) by investing activities</b>	<b>(130,454)</b>	<b>(219,168)</b>	<b>(130,454)</b>	<b>(219,168)</b>	<b>(565,619)</b>	<b>(41,736)</b>	<b>(565,619)</b>	<b>(41,736)</b>
<b>III: Cash Flow from Financing activities:</b>								
Repayment of long-term debt	-	-	-	-	-	-	-	-
Proceeds from issuance of long term debt	-	-	-	-	-	-	-	-
Proceeds from issuance of share capital	-	-	-	-	-	-	-	-
Payment of cash dividends	-	-	-	-	(48,000)	(33,000)	(48,000)	(33,000)
Net change in other borrowings	101,513	(29,475)	101,513	(29,475)	100,035	(71,102)	100,035	(71,102)
Others (Specify)	-	-	-	-	-	(60)	-	(60)
<b>Net cash provided (used) by financing activities</b>	<b>101,513</b>	<b>(29,475)</b>	<b>101,513</b>	<b>(29,475)</b>	<b>52,035</b>	<b>(104,162)</b>	<b>52,035</b>	<b>(104,162)</b>
<b>IV: Cash and Cash equivalents:</b>								
Net increase/(decrease) in cash and cash equivalents	(41,936)	(219,548)	(41,936)	(219,548)	(206,661)	(145,213)	(206,661)	(145,213)
Cash and cash equivalents at the beginning of the year	938,645	1,454,273	938,645	1,454,273	1,213,370	842,714	1,213,370	842,714
<b>Cash and cash equivalents at the end of the year</b>	<b>796,709</b>	<b>938,645</b>	<b>796,709</b>	<b>938,645</b>	<b>796,709</b>	<b>1,213,370</b>	<b>796,709</b>	<b>1,213,370</b>

## CONDENSED GROUP STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2020

(Amounts in million shillings)

	Share Capital	Share Premium	Retained Earnings	Regulatory Reserve	General Provision Reserve	Others (Fair Valuation)	Total
<b>Current Year</b>							
Balance as at the beginning of the year	20,000	-	944,473	-	-	4,630	969,103
Profit for the year	-	-	206,862	-	-	-	206,862
Other Comprehensive Income	-	-	-	-	-		