

NATIONAL BANK OF COMMERCE LTD

REPORT OF THE CONDITION OF BANK PURSUANT TO SECTION 32(3) OF THE BANKING AND FINANCIAL INSTITUTION ACT 2006.

BALANCE SHEET AS AT 31 MARCH 2010		AMOUNT IN MILLION SHILLINGS	
		Position as at 31 Mar 10	Position as at 31 Dec 09
A ASSETS			
1	Cash	68,681	85,165
2	Balances with Bank of Tanzania	134,908	120,722
3	Investment in Government securities	180,734	190,157
4	Balances with other banks and financial institutions	178,129	123,474
5	Cheques in the course of collection	13,775	9,505
6	Interbranch Float Items	945	456
7	Bills negotiated	157	121
8	Customer liabilities on acceptances	-	-
9	Interbank Loans Receivables	-	-
10	Investment in other securities	-	-
11	Loans, Advances & Overdrafts (Net of allowances for Probable Losses)	714,278	677,127
12	Other assets	21,930	22,475
13	Equity Investments	-	-
14	Underwriting accounts	-	-
15	Property, Plant and Equipment	73,456	72,337
16	TOTAL ASSETS	1,386,995	1,301,539
B LIABILITIES			
17	Deposits from Other Banks and Financial Institutions	2,703	3,400
18	Customer deposits	1,078,976	1,045,978
19	Cash Letters of Credit and Guarantees	959	2,015
20	Special Deposits	-	-
21	Payment orders/transfers payables	2,020	3,021
22	Bankers' Cheques & Drafts Issued	9,370	4,183
23	Accrued Taxes and expenses payable	33,048	29,697
24	Acceptances Outstanding	-	-
25	Interbranch float items	9,694	3,216
26	Unearned income and other deferred charges	-	-
27	Other Liabilities	80,648	45,584
28	Borrowings	-	-
29	TOTAL LIABILITIES	1,217,418	1,137,093
30	NET ASSETS/(LIABILITIES)(16 minus 29)	169,576	164,446
C CAPITAL AND RESERVES			
31	Paid-Up Share Capital	12,000	12,000
32	Capital Reserves	-	-
33	Retained Earnings	152,446	111,561
34	Profit/(Loss) accounts	5,131	40,885
35	Others (Statutory Reserve)	-	-
36	Minority Interest	-	-
37	TOTAL SHAREHOLDERS' FUNDS	169,576	164,446
38	TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	1,386,995	1,301,539
39	Contingent Liabilities	201,943	152,979
40	Non Performing Loans & Advances	51,381	50,547
41	Allowance For Probable Losses	37,282	35,027
42	Other Non Performing Assets	-	-
D SELECTED FINANCIAL CONDITION INDICATORS			
(i)	Shareholders Funds to Total Assets	12%	13%
(ii)	Non Performing Loans to Total Gross Loans	7%	7%
(iii)	Gross Loans and Advances to Total Deposits	69%	68%
(iv)	Loans and Advances to Total Assets	54%	55%
(v)	Earnings Assets to Total Assets	77%	76%
(vi)	Deposits Growth	3%	0%
(vii)	Assets Growth	7%	2%

Christo De Vries
Managing Director

04 May 2010

Riaan van Jaarsveld
Director of Finance

28 April 2010

Jonathan Ngoma

Head of Internal Audit(Acting) 04 May 2010

We, the undersigned 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.

Dr. Musa Assad
Chairman

12 May 2010

Ambassador Ami Ramadhani Mpungwe
Director

12 May 2010

INCOME STATEMENT FOR THE QUARTER ENDED 31 MARCH 2010		AMOUNT IN MILLION SHILLINGS			
		Current quarter ending 31 Mar 10	Previous quarter ending 31 Dec 09	Current year Cumulative ending 31 Mar 10	Previous year Cumulative ending 31 Mar 09
1	Interest Income	24,707	35,743	24,707	24,760
2	Interest Expense	(4,851)	(5,403)	(4,851)	(3,075)
3	Net Interest Income (1 minus 2)	19,856	30,340	19,856	21,685
4	Bad Debts Written Off	(67)	-	(67)	(26)
5	Impairment Losses on Loans and Advances	(1,966)	(7,681)	(1,966)	(2,854)
6	Non Interest Income:	11,830	13,013	11,830	14,159
6.1	Foreign Currency Dealings and Translations Gains/(Loss)	4,998	5,213	4,998	7,626
6.2	Fees and Commissions	6,631	7,602	6,631	6,286
6.3	Dividend Income	-	-	-	-
6.4	Other Operating Income	200	197	200	247
7	Non Interest Expense	(22,390)	(19,613)	(22,390)	(19,510)
7.1	Salaries and Benefits	(8,010)	(7,378)	(8,010)	(6,980)
7.2	Fees and Commissions	(714)	(195)	(8,010)	(622)
7.3	Other Operating Expenses	(13,667)	(12,039)	(714)	(11,909)
8	Losses/(Recoveries) on behalf of the Government of Tanzania	105	(259)	105	175
9	Operating Income/(Loss) Before Tax	7,368	15,800	7,368	13,629
11	Income Tax Provisions	(2,238)	(4,072)	(2,238)	(4,778)
12	Net Income/(Loss) After Income Tax	5,131	11,728	5,131	8,851
13	Number Of Employees	1,394	1,389	1,394	1,317
14	Basic Earnings Per Share	5,131	11,728	5,131	8,851
15	Diluted Earnings Per Share	5,131	11,728	5,131	8,851
16	Number of Branches	56	56	56	56
PERFORMANCE INDICATORS					
(i)	Return on Average Total Assets	2%	4%	2%	3%
(ii)	Return on Average Shareholders' Funds	12%	29%	12%	25%
(iii)	Non interest Expense to Gross Income	61%	40%	61%	50%
(iv)	Interest Income to Average Earning Assets	8%	12%	8%	9%

CASH FLOW STATEMENT FOR THE QUARTER ENDED 31 MARCH 2010		AMOUNT IN MILLION SHILLINGS	
		Current quarter 31 Mar 10	Previous quarter 31 Dec 09
I Cash flow from operating activities:			
	Net Income/(Loss)	7,368	15,800
	Adjustment for :		
	Depreciation	1,851	1,651
	Impairment/Amortization	2,032	7,681
	Net change in Loans and Advances	(39,134)	(1,502)
	Gains/Loss on Sale of Assets	3	(4)
	Net change in deposits	31,942	5,005
	Net change in short term negotiable securities	-	-
	Net change in other liabilities	50,118	11,325
	Net change in other assets	1,294	(4,558)
	Net change in SMR deposits	(1,500)	(12,091)
	Net change in Treasury Bills	12,739	(4,318)
	Tax Paid	(4,550)	(4,902)
	Allocation to Government	(105)	259
	Net cash provided (used) by operating activities	62,058	14,346
II Cash flow from investing activities:			
	Dividends received	-	-
	Purchase of fixed assets	(2,974)	(11,537)
	Proceeds on sale of fixed assets	1	7
	Purchase of Non-Dealing Securities	(3,430)	(21,520)
	Proceeds from sale of Non-Dealing Securities	1,190	2,000
	Others	-	-
	Net cash provided (used) by investing	(5,213)	(31,051)
III Cash flow from financing activities:			
	Repayment of long-term debt	-	-
	Proceeds from issuance of long-term debt	-	-
	Proceeds from Issuance of Shares Capital	-	-
	Payment of Cash Dividends	-	-
	Net change in other borrowings	-	-
	Others	-	-
	Net cash provided (used) by financing activities	-	-
IV Cash and cash equivalents			
	Net increase (decrease) in cash and cash equivalents	56,845	(16,705)
	Cash and cash equivalent at the beginning of the quarter	308,261	324,965
	Cash and cash equivalent at the end of the quarter	365,106	308,261



National Bank of Commerce
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