

NATIONAL BANK OF COMMERCE LTD

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

	AMOUNT IN MILLION SHILLINGS	
	Position as at 30 June 10	Position as at 31 Mar 10
BALANCE SHEET		
AS AT 30 JUNE 2010		
A ASSETS		
1 Cash	90,510	68,681
2 Balances with Bank of Tanzania	140,895	134,908
3 Investment in Government securities	153,155	180,734
4 Balances with other banks and financial institutions	97,441	178,129
5 Cheques in the course of collection	13,684	13,775
6 Interbranch Float Items	1,088	945
7 Bills negotiated	238	157
8 Customer liabilities on acceptances	-	-
9 Interbank Loans Receivables	-	-
10 Investment in other securities	-	-
11 Loans, Advances & Overdrafts (Net of allowances for Probable Losses)	746,484	714,278
12 Other assets	25,767	21,930
13 Equity Investments	-	-
14 Underwriting accounts	-	-
15 Property, Plant and Equipment	73,415	73,456
16 TOTAL ASSETS	1,342,678	1,386,995
B LIABILITIES		
17 Deposits from Other Banks and Financial Institutions	4,721	2,703
18 Customer deposits	1,076,228	1,078,976
19 Cash Letters of Credit and Guarantees	5,203	959
20 Special Deposits	-	-
21 Payment orders/transfers payables	2,020	2,020
22 Bankers' Cheques & Drafts Issued	4,122	9,370
23 Accrued Taxes and expenses payable	31,927	33,048
24 Acceptances Outstanding	-	-
25 Interbranch float items	12,297	9,694
26 Unearned income and other deferred charges	-	-
27 Other Liabilities	42,978	80,648
28 Borrowings	-	-
29 TOTAL LIABILITIES	1,179,497	1,217,418
30 NET ASSETS/(LIABILITIES)(16 minus 29)	163,181	169,576
C CAPITAL AND RESERVES		
31 Paid-Up Share Capital	12,000	12,000
32 Capital Reserves	-	-
33 Retained Earnings	138,818	152,446
34 Profit/(Loss) accounts	12,363	5,131
35 Others (Statutory Reserve)	-	-
36 Minority Interest	-	-
37 TOTAL SHAREHOLDERS' FUNDS	163,181	169,576
38 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	1,342,678	1,386,995
39 Contingent Liabilities	168,743	201,943
40 Non Performing Loans & Advances	52,298	51,381
41 Allowance For Probable Losses	39,462	37,282
42 Other Non Performing Assets	-	-
D SELECTED FINANCIAL CONDITION INDICATORS		
(i) Shareholders Funds to Total Assets	12%	12%
Non Performing Loans to Total Gross Loans	7%	7%
Gross Loans and Advances to Total Deposits	72%	69%
Loans and Advances to Total Assets	58%	54%
Earnings Assets to Total Assets	74%	77%
Deposits Growth	0%	3%
Assets Growth	-3%	7%

Lawrence Mafuru
Managing Director

03 Aug 2010

Riaan van Jaarsveld
Director of Finance

27 July 2010

Jonathan Ngoma

Head of Internal Audit(Acting) 30 July 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

10 Aug 2010

Ambassador Ami Ramadhani Mpungwe
Director

04 Aug 2010

		AMOUNT IN MILLION SHILLINGS			
		Current quarter ending 30 June 10	Previous quarter ending 31 March 09	Current year Cumulative ending 30 June 10	Previous year Cumulative ending 30 June 09
INCOME STATEMENT					
FOR THE QUARTER ENDED 30 JUNE 2010					
1	Interest Income	31,455	24,707	56,161	51,248
2	Interest Expense	(5,060)	(4,851)	(9,911)	(6,930)
3	Net Interest Income (1 minus 2)	26,394	19,856	46,250	44,318
4	Bad Debts Written Off	-	(67)	(67)	(67)
5	Impairment Losses on Loans and Advances	(1,360)	(1,966)	(3,326)	(5,153)
6	Non Interest Income:	12,163	11,830	23,993	26,304
	6.1 Foreign Currency Dealings and Transactions Gains/(Loss)	6,414	4,998	11,412	13,336
	6.2 Fees and Commissions	5,729	6,631	12,360	12,824
	6.3 Dividend Income	-	-	-	-
	6.4 Other Operating Income	20	200	221	144
7	Non Interest Expense	(24,843)	(22,390)	(47,233)	(35,706)
	7.1 Salaries and Benefits	(8,335)	(8,010)	(16,345)	(14,434)
	7.2 Fees and Commissions	(694)	(714)	(1,407)	(1,320)
	7.3 Other Operating Expenses	(15,814)	(13,667)	(29,481)	(19,953)
8	Losses/(Recoveries) on behalf of the Government of Tanzania	(690)	105	(585)	204
9	Operating Income/(Loss) Before Tax	11,664	7,368	19,033	29,900
11	Income Tax Provisions	(4,432)	(2,238)	(6,669)	(9,402)
12	Net Income/(Loss) After Income Tax	7,232	5,131	12,363	20,498
13	Number Of Employees	1,433	1,394	1,433	1,311
14	Basic Earnings Per Share	7,232	5,131	12,363	20,498
15	Diluted Earnings Per Share	7,232	5,131	12,363	20,498
16	Number of Branches	53	53	53	53
PERFORMANCE INDICATORS					
(i)	Return on Average Total Assets	2%	2%	2%	4%
(ii)	Return on Average Shareholders' Funds	18%	12%	15%	29%
(iii)	Non interest Expense to Gross Income	57%	61%	59%	46%
(iv)	Interest Income to Average Earning Assets	10%	8%	9%	9%

	(AMOUNT IN MILLION SHILLINGS)		
	Current quarter 30 Jun 10	Previous quarter 31 Mar 10	
CASH FLOW STATEMENT			
FOR THE QUARTER ENDED 30 JUNE 2010			
I Cash flow from operating activities:			
	Net Income/(Loss)	11,664	7,368
	Adjustment for :		
	-Depreciation	1,893	1,851
	-Impairment/Amortization	1,360	2,032
	-Net change in Loans and Advances	(34,504)	(39,134)
	-Gains/Loss on Sale of Assets	-	3
	-Net change in deposits	1,496	31,942
	-Net change in short term negotiable securities	-	-
	-Net change in other liabilities	(37,207)	50,118
	-Net change in other assets	(3,729)	1,294
	-Net change in SMR deposits	(1,500)	(1,500)
	-Net change in Treasury Bills	(15,789)	12,739
	-Tax Paid	(6,772)	(4,550)
	-Allocation to Government	690	(105)
	Net cash provided (used) by operating activities	(82,397)	62,058
II Cash flow from investing activities:			
	Dividends received	-	-
	Purchase of fixed assets	(1,852)	(2,974)
	Proceeds on sale of fixed assets	-	1
	Purchase of Non-Dealing Securities	(1,441)	(3,430)
	Proceeds from Sale of Non-Dealing Securities	7,441	1,190
	Others	-	-
	Net cash provided (used) by investing	4,148	(5,213)
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	(13,628)	-
	Net change in other borrowings	-	-
	Others	-	-
	Net cash provided (used) by financing activities	(13,628)	-
IV Cash and cash equivalents			
	Net increase (decrease) in cash and cash equivalents	(91,877)	56,845
	Cash and cash equivalent at the beginning of the quarter	365,106	308,261
	Cash and cash equivalent at the end of the quarter	273,228	365,106



National Bank of Commerce
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