

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 30 SEPTEMBER 2009	AMOUNT IN MILLION SHILLINGS	
	Position as at 30 Sept 09	Position as at 30 Jun 09
	ASSETS	
Cash	83,586	61,696
Balances with Bank of Tanzania	139,066	138,333
Investment in Government securities	170,967	125,210
Balances with other banks and financial institutions	122,586	78,486
Cheques in the course of collection	3,417	5,407
Interbranch Float Items	228	129
Bills negotiated	474	408
Customer liabilities on acceptances	-	-
Interbank Loans Receivables	-	-
Investment in other securities	-	-
Loans, Advances & Overdraft (Net of allowances for Probable Losses)	672,525	716,255
Other assets	15,569	10,513
Equity Investments	-	-
Underwriting accounts	-	-
Property, Plant and Equipment	62,454	60,111
TOTAL ASSETS	1,270,871	1,196,546
LIABILITIES		
Deposits From Other Banks and Financial Institutions	4,920	2,966
Customer deposits	1,034,949	972,072
Cash Letters of Credit and Guarantees	8,038	1,537
Special Deposits	-	-
Payment orders/transfers payables	3,572	1,775
Bankers' Cheques & Drafts Issued	6,872	9,025
Accrued Taxes and expenses payable	23,106	21,282
Acceptances Outstanding	-	-
Interbranch float items	(766)	8,811
Unearned income and other deferred charges	-	-
Other Liabilities	37,462	35,020
Borrowings	-	-
TOTAL LIABILITIES	1,118,154	1,052,488
NET ASSETS/(LIABILITIES)	152,717	144,058
CAPITAL AND RESERVES		
Paid-Up Share Capital	12,000	12,000
Capital Reserves	-	-
Retained Earnings	111,561	111,561
Profit/(Loss) accounts	29,157	20,498
Others (Statutory Reserve)	-	-
Minority Interest	-	-
TOTAL SHAREHOLDERS' FUNDS	152,717	144,058
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS	1,270,871	1,196,546
Contingent Liabilities	156,497	68,499
Non Performing Loans & Advances	42,048	35,099
Allowance For Probable Losses	39,389	36,582
Other Non Performing Assets	-	-
SELECTED FINANCIAL CONDITION INDICATORS		
Shareholders Funds to Total Assets	12%	12%
Non Performing Loans to Total Gross Loans	6%	5%
Gross Loans and Advances to Total Deposits	68%	77%
Loans and Advances to Total Assets	56%	63%
Earnings Assets to Total Assets	76%	77%
Deposits Growth	7%	3%
Assets Growth	6%	3%

Christo De Vries
Managing Director

05 November 2009

Riaan van Jaarsveld
Director of Finance

03 November 2009

Severin Ndaskoi

Head of Internal Audit 05 November 2009

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
Director

05 November 2009

Ambassador Ami Ramadhani Mpungwe
Director

05 November 2009

INCOME STATEMENT FOR THE QUARTER ENDED 30 SEPTEMBER 2009	AMOUNT IN MILLION SHILLINGS			
	Current quarter ending 30 Sept 09	Previous quarter ending 30 June 09	Current year Cumulative ending 30 Sept 09	Previous year Cumulative ending 30 Sept 08
	Interest Income	25,905	26,488	77,154
Interest Expense	(5,304)	(3,855)	(12,235)	(6,236)
Net Interest Income	20,601	22,633	64,919	56,689
Bad Debts Written Off	-	-	(67)	(54)
Impairment Losses on Loans and Advances	(935)	(2,340)	(6,088)	(1,080)
Non Interest Income:	12,170	12,144	38,473	32,979
Foreign Currency Dealings and Translations Gains/(Loss)	5,170	5,463	18,506	14,978
Fees and Commissions	6,907	6,597	19,731	17,814
Dividend Income	-	-	-	-
Other Operating Income	93	85	237	187
Non Interest Expense:	(19,205)	(16,196)	(54,912)	(50,009)
Salaries and Benefits	(6,074)	(7,127)	(20,508)	(18,618)
Fees and Commissions	(539)	(593)	(1,859)	(1,597)
Other Operating Expenses	(12,593)	(8,476)	(32,546)	(29,794)
Losses/(Recoveries) on behalf of the Government of Tanzania	(288)	29	(84)	(679)
Operating Income/(Loss) Before Tax	12,342	16,271	42,242	37,846
Income Tax Provisions	(3,683)	(4,625)	(13,085)	(10,583)
Net Income/(Loss) After Income Tax	8,659	11,646	29,157	27,263
Number Of Employees	1,325	1,311	1,325	1,251
Basic Earnings Per Share	8,659	11,646	29,157	27,263
Diluted Earnings Per Share	8,659	11,646	29,157	27,263
Number of Branches	59	59	59	58
PERFORMANCE INDICATORS				
(i) Return on Average Total Assets	3%	4%	3%	3%
(ii) Return on Average Shareholders' Funds	23%	34%	27%	32%
(iii) Non interest Expense to Gross Income	50%	42%	47%	52%
(iv) Interest Income to Average Earning Assets	9%	10%	9%	9%

CASH FLOW STATEMENT FOR THE QUARTER ENDED 30 SEPTEMBER 2009	AMOUNT IN MILLION SHILLINGS	
	Current quarter 30 Sept 09	Previous quarter 30 Jun 09
	Cash flow from operating activities:	
Net Income/(Loss)	12,342	16,271
Adjustment for:		
Depreciation	1,405	1,358
Impairment/Amortization	935	2,340
Net change in Loans and Advances	41,263	(37,707)
Gains/Loss on Sale of Assets	-	-
Net change in deposits	69,378	26,627
Net change in short term negotiable securities	-	-
Net change in other liabilities	(3,028)	7,640
Net change in other assets	(3,862)	(56)
Net change in SMR deposits	(6,500)	(7,200)
Net change in Treasury Bills	3,697	15,306
Tax Paid	(3,656)	(3,656)
Allocation to Government	288	(29)
Net cash provided (used) by operating activities	112,264	20,894
Cash flow from investing activities:		
Dividends received	-	-
Purchase of fixed assets	(3,748)	(3,534)
Proceeds on sale of fixed assets	-	-
Purchase of Non-Dealing Securities	(1,836)	(10,912)
Proceeds from Sale of Non-Dealing Securities	6,662	3,132
Others	-	-
Net cash provided (used) by investing	1,078	(11,313)
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	-	(13,250)
Net change in other borrowings	-	-
Others	-	-
Net cash provided (used) by financing activities	-	(13,250)
Cash and cash equivalents		
Net increase (decrease) in cash and cash equivalents	113,341	(3,669)
Cash and cash equivalent at the beginning of the quarter	211,624	215,293
Cash and cash equivalent at the end of the quarter	324,965	211,624



National Bank of Commerce
Conveniently Everywhere.