



MARKET

National Microfinance Bank Plc (NMB) provides banking services to individuals, small to medium sized corporate clients, as well as large businesses.

It was established under the National Microfinance Bank Limited Incorporation Act of 1997, following the break-up of the old National Bank of Commerce, by an Act of Parliament. Three new entities were created at the time, namely: NBC Holdings Limited, National Bank of Commerce (1997) Limited and National Microfinance Bank Limited.

NMB is the largest bank in Tanzania, both when ranked by customer base and branch network. With over 150 branches NMB are located in more than 90% of Tanzania's districts. This broad branch network distinguishes NMB from other financial institutions in Tanzania. They are committed to sustaining and enhancing their branch network in order to provide access to capital to citizens in all areas of Tanzania, including the most remote.

NMB's customer base remains representative of Tanzania as a whole and includes government, civil servants, large corporates, SME's and MSME's, agriculture including small scale farmers, and microfinance institutions, as well as the Tanzanian public, both in rural and urban areas. NMB relies on its widespread distribution network to reach out to its customers and is one of the key players in improving financial inclusion in Tanzania.

NMB staff are also shareholders in NMB and, together with their families, have a direct interest and stake in the long term success of NMB.

ACHIEVEMENTS

NMB was created in 1997, by an Act of Parliament, from the breakup of the old National Bank of Commerce into NBC, CHC and NMB.

Privatized in 2005 with the sale of 49% of the shares to a consortium led by Rabobank Group, with the government retaining 51% and was listed in 2008 on the Dar es Salaam Stock Exchange with government divesting a further 21% of its shareholding to the public.

NMB has transformed itself within five years into a full-fledged retail bank, with a full product

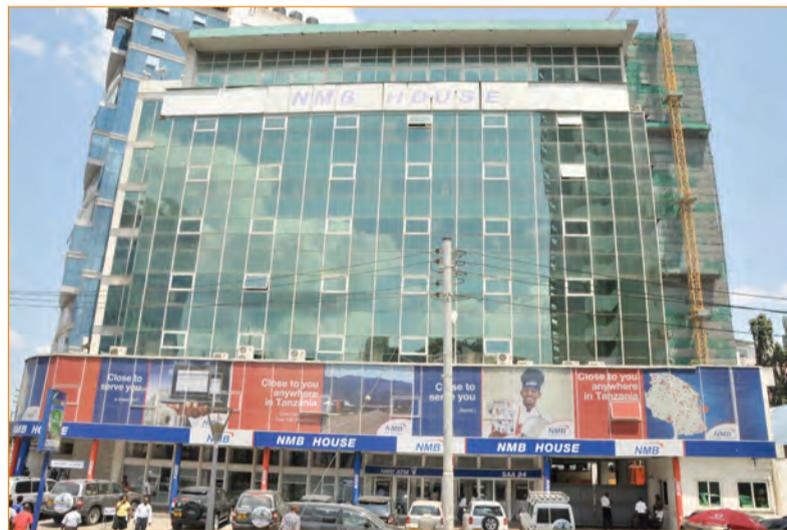
range targeted at many segments.

NMB is the leading retail bank in Tanzania and has pioneered major innovations in the Tanzanian market including mobile banking and Pesa Fasta, an ATM based remittance product targeted at the unbanked. NMB is also making inroads in corporate banking, treasury and transactional services such as corporate payments, collections and trade finance. NMB plays an important role in the agricultural value chain and pioneered warehouse receipt financing for the country's

introduce Student Accounts.

Recent development of the Bank from 2005 to 2013

| From: | To: |
|-----------------------|--------------------------------------|
| 600,000 customers | 1,800,000 customers |
| 1,500 staff | 2,700 staff |
| 0 ATMs | 500 ATMs |
| 0 cards | Over 1 million cards |
| No mobile banking | 900+ registered mobile banking users |
| Limited product range | Full product range |



PRODUCT

Retail: The retail side of the bank has three categories, Transactional accounts, Savings accounts and Credit facilities. The transactional accounts comprises of NMB Personal Account (which is targeted to the mass market for day to day use), NMB Student Account (targeted for students who are above eighteen) is an account which is a first point for students who are entering higher education level to come into contact with a bank thus building a long lasting relationship with the bank. NMB Wisdom (targeted for old age pensioners) is an account for pensioners who used to receive their

salaries through NMB Personal Account whilst at work and upon their retirement they move to NMB wisdom account so that they can get their pension channelled to the account.

NMB also has savings accounts for all sorts of savings needs; there are two accounts in this category:-

Junior and Bonus Accounts. Junior account is a savings account targeting children; a parent or guardian can open this account for their children savings. Upon them turning eighteen years old; the account automatically turns into Bonus Account which is a savings account with higher interest rate and a bonus interest earned upon a customer not withdrawing frequently. The interest for bonus account is paid quarterly.

Wholesale: NMB Wholesale Banking is a dedicated and trusted department with a solid track record in providing world class risk-managed wholesale banking services to large companies, Government and the public sector.

Through dedicated relationships and a deeper understanding of clients' needs and the complex environments in which they operate the team of experts has sound solutions and gives globally relevant advice to meet each client's unique needs.

Wholesale banking divisions include;

- Corporate department
- Institutional Banking
- Transactional Banking
- Agribusiness



- Government relations

NMB's customised, flexible banking solutions include:

- Cash Management
- Institution banking
- Transactional banking
- Trade Finance
- Letter of credit

Treasury: Over recent years, NMB has built a world class Treasury Department bringing the Global Markets to Tanzania through increased product offerings, cutting edge technology, larger financial networks and a team of qualified dealers in financial and risk management market products. With these new changes they are supporting the needs of businesses and individuals across and beyond Tanzania with customised financial products, competitive pricing, and rapid service though some of the following offerings:

- Forex Transfer
- Cash Forex
- Forward Foreign Exchange Contracts
- Term Deposits
- Government Securities
- Market Intelligence

NMB has a programme called Financial Fitness Programme which aims to improved financial literacy in Tanzania by targeting Primary School children. They believe targeting this group will increase market share and growth of the NMB Junior Account.

RECENT DEVELOPMENTS

The Bank is set to have integration with Mobile Network Operators in 2013 to make deposits and transfers through their agent networks. This year, the Bank has introduced this service with Vodacom M-Pesa to enable M-Pesa customers to deposit money into NMB accounts and for NMB customers to be able to send money to M-Pesa subscribers.

In the first quarter of 2013 the Bank opened three more branches i.e. NMB Kurasini in Dar es Salaam, NMB Kariakoo in Dar es Salaam and NMB Himo in Moshi - Kilimanjaro. Moreover, one more branch in Dar es Salaam, NMB Tegeta branch recently started operating on Sundays and public holidays. Initially it was only NMB



Mlimani City in Dar es Salaam which was offering service during these periods.

PROMOTION

The brand advertises in print media on a daily basis by using newspaper strips and occasionally newspaper full page adverts on promotional campaigns. The Bank also advertises itself on one of the most listened to breakfast shows in the country - Power Breakfast on Clouds FM.

NMB use radio, newspapers, billboards and mini billboards to advertise itself as well as below the line items like contravision stickers on its branches, posters, fliers, T-shirts and other premiums.

During the year the Bank conducts promotional activities which covers different segment of the product spectrum sphere. The Bank use the approach of branch based marketing where branches become actively involved in marketing the brand all over Tanzania.

The Bank participates in major exhibitions countrywide to promote its products. These major exhibitions include the Dar es Salaam Trade Fair taking place around June-July every year in Dar es Salaam, Nane Nane exhibition participates in eight zones countrywide and Small Industries Development Organisation exhibitions which are also celebrated in eight zones every year.

The brand advertises heavily on some renowned blogs in the country. Moreover, the bank sends monthly bulk SMS to all customers subscribed to

NMB mobile. The educational bulk SMS are meant to inform customers on key promotions, specific awareness programs and campaigns.

BRAND VALUES

What drives NMB: Eagerness and Ownership

What guides NMB: Compliance and Integrity

What binds NMB: Customer Focus and Teamwork

In 2012, NMB launched new initiatives aimed at improving their customer services. These new brand promise initiatives include:-

- Launch of a NMB Customer Service Centre
- NMB Service Commitment
- NMB Fast Track

Customer Service Centre enables NMB customers to get information about NMB services in a convenient way without visiting an NMB branch. Just through a phone call, a customer can enquire on account opening procedures, report complaints, get information on tariffs, exchange rates and other enquiries up to 10pm on weekdays.

NMB Service Commitment is the brand promise that they will conduct themselves both internally and externally to serve their customers best. This includes their attitude and eagerness to meet customer expectations.

NMB Fast Track is a tailor-made service to give selected customers fast and convenient banking experience in 73 branches countrywide so as to meet challenges on their busy work or business lives. Customers are issued with a special card that gives access to a designated teller cubicle branded NMB Fast Track. NMB Fast Track service has been added to branches that can facilitate a dedicated teller without hindering existing services.

The brand promises a great expectation to benefit customer experience so as to meet the vision of becoming the preferred financial partner in Tanzania.

www.nmb.com



Things you didn't know about NMB

NMB is the largest bank in Tanzania, both when ranked by customer base and branch network.

NMB staff are also shareholders in NMB and have a direct interest and stake in the long term success of NMB.

By end of 2012, a total of 55% of NMB branches were in districts where there are no other banks.

Superbrands