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DIVIDEND

Two interim dividends totalling K3.4b were paid in September, 2013 and January 2014, respectively, in addition to a final dividend of K1.5b in respect of 2012 profits paid in June 2013. In total the dividend declared in 2013 amounted to K4.9b.

The Board has resolved to recommend to the shareholders payment of a final dividend amounting to K2.9b, representing K6.20 per share. The dividend will be payable after the Annual General Meeting, which will be held in June 2014.

OUTLOOK

Real GDP growth forecast for 2014 has been revised from the official 6.1% to 5% according to IMF estimates. This is mainly due to the suspension of donor disbursements for budgetary support and the resultant higher than budgeted deficit for the fiscal year. It is expected that growth prospects could further be revised downwards on account of the recently announced suspension of production of uranium cake at Kayerekera mine, as a result of the fall in world uranium prices. However, the agriculture sector is expected to register good performance due to favourable rains in most parts of the country, with tobacco expected to register a 25% volume growth.

In the immediate term we envisage a continuation of the declining trend in inflation and stability in the exchange rate, at least within the tobacco selling season. However, in the medium to long term, the growth of the economy will depend on the policies to be adopted after the May 2014 general elections and the speed and level at which budgetary support and confidence are restored.

The Bank has a 5-year strategic plan, now in its second year of implementation. It has the capital, resources and the agility necessary to continue on a growth path. The Board therefore expects that the Bank will continue to perform well in 2014.

BY ORDER OF THE BOARD

G. B. Partridge, Chief Executive Officer

M.M. Kawawa, Chief Financial Officer

Dr. M. A. P. Chikaonda, Chairman

Ms R. Mkandawire, Director

3rd April, 2014

Registered Office:
7 Henderson Street,

AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL BANK OF MALAWI

The accompanying summarised consolidated and separate financial statements, which comprise the summarised statements of financial position as at 31 December 2013 and the summarised statements of comprehensive income, the summarised statements of changes in equity and the summarised statements of cash flows for the year then ended, are derived from the audited financial statements of National Bank of Malawi for the year ended 31 December 2013. We expressed an unmodified opinion on those financial statements in our report dated 3 April 2014. Those financial statements, and the summarised financial statements, do not reflect the effect of events that occurred subsequent to the date of our report on those financial statements.

The summarised financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summarised financial statements, therefore, is not a substitute for reading the audited financial statements of National Bank of Malawi.

Directors' Responsibility for the summarised Financial Statements

The directors are responsible for the preparation of the summarised financial statements in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the Companies Act, 1984.

Auditors' Responsibility

Our responsibility is to express an opinion on the summarised financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summarised consolidated and separate financial statements derived from the audited financial statements of National Bank of Malawi for the year ended 31 December 2013 are consistent, in all material respects, with those financial statements, in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), and the Companies Act, 1984.

3 April 2014

Blantyre, Malawi