



UN-AUDITED FINANCIAL STATEMENTS

FOR THE 1ST HALF ENDED JUNE 30, 2014



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড Mutual Trust Bank Ltd.

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Consolidated Balance Sheet (Un-Audited) As at June 30, 2014

Particulars	Jun'2014	Dec' 2013
	BDT	BDT
Property and Assets		
Cash	7,947,836,641	7,169,407,855
In Hand (Including Foreign Currency)	1,471,080,089	1,715,994,704
With Bangladesh Bank and its agent Bank (including Foreign Currency)	6,476,756,552	5,453,413,151
Balance with Other Banks & Financial Institutions	5,739,836,980	1,633,866,234
In Bangladesh	5,594,706,944	1,320,657,340
Outside Bangladesh	145,130,036	313,208,894
Money at Call and Short Notice	1,190,000,000	460,000,000
Investments	24,035,697,046	25,824,406,855
Government	21,887,598,879	23,806,295,142
Others	2,148,098,167	2,018,111,713
Loans and Advances	65,853,072,440	59,548,362,590
Loans, Cash Credit, Overdrafts, etc.	64,170,605,859	57,954,404,092
Bills Purchased and Discounted	1,682,466,581	1,593,958,498
Fixed Asset including Premises, Furniture & Fixture	2,470,738,694	2,458,193,366
Other Assets	4,892,262,750	4,369,303,561
Non-Banking Asset	-	-
Total Property and Asset	112,129,444,551	101,463,540,461
Liabilities and Capital		
Borrowing from other Banks, Financial Institutions & Agents	2,088,455,987	2,637,966,323
Deposit and Other Accounts	94,293,197,361	84,372,740,788
Current Deposit & Other Accounts	17,721,770,201	11,509,180,644
Bills Payable	970,766,145	779,790,179
Savings Deposit	12,839,921,218	11,097,954,735
Fixed Deposit	49,774,259,954	48,281,499,552
Deposit-Products	12,986,479,843	12,704,315,678
Other Liabilities	7,252,916,194	6,503,676,337
Subordinated Debt	2,500,000,000	2,500,000,000
Total Liabilities	106,134,569,542	96,014,383,448
Capital/Shareholders' Equity		
Paid-up Capital	3,077,633,064	2,797,848,240
Statutory Reserve	2,089,359,435	1,917,204,582
Revaluation Reserve on Investment in Securities	332,323,560	161,739,327
Foreign Currency Translation gain	6,697,250	1,070,995
General Reserve	276,777,324	276,777,324
Retained Earnings	211,976,767	294,423,377
Total Shareholders' Equity	5,994,767,400	5,449,063,846
Minority Interest	107,609	93,167
Total Liabilities and Shareholders' Equity	112,129,444,551	101,463,540,461
Net Asset Value (NAV) per share	19.48	17.71
Off-Balance Sheet Items		
Contingent Liabilities		
Letter of Guarantee	6,570,031,372	6,048,664,710
Irrevocable Letter of Credit	9,324,360,637	6,440,568,870
Bills for Collection	2,685,746,334	1,713,053,536
Other Contingent Liabilities	11,011,960,317	9,694,390,988
Total Off Balance Sheet Items	29,592,098,660	23,896,678,104
SD/- Group Chief Financial Officer	SD/- Deputy Managing Director	SD/- Managing Director & CEO

Consolidated Profit and Loss Account (Un-Audited) For the Period ended June 30, 2014

Particulars	Half Yearly 2014 BDT	Half Yearly 2013 BDT	April to June 2014 BDT	April to June 2013 BDT
Interest Income	4,632,592,010	4,317,221,755	2,363,391,577	2,188,271,537
Less: Interest Paid on Deposit and Borrowing, etc.	4,040,031,826	4,023,520,072	1,985,108,471	2,040,182,602
Net Interest Income	592,560,185	293,701,682	378,283,107	148,088,934
Income from Investments	1,358,348,673	1,178,517,851	658,415,236	647,559,091
Commission, Exchange and Brokerage	452,273,477	334,165,780	246,365,513	174,608,392
Other Operating Income	215,424,962	159,472,504	125,308,320	99,258,680
Total Operating Income	2,026,047,112	1,672,155,936	1,030,089,069	921,426,164
Less: Operating Expenditure:	2,618,607,297	1,965,857,618	1,408,372,176	1,069,515,098
Salary and Allowances	521,191,151	534,779,758	277,891,549	308,780,423
Rent, Tax, Insurance and Electricity	256,916,774	234,666,468	145,298,811	124,200,662
Legal Expense	2,139,904	728,455	1,526,326	135,637
Postage, Stamps and Telephone	33,467,932	35,046,788	17,154,540	20,230,904
Printing, Stationery and Advertisement	52,961,976	53,144,575	32,480,356	28,294,185
Managing Director's Remuneration	5,329,333	5,140,333	2,734,333	2,719,333
Directors' Fee	612,500	310,000	339,250	225,000
Audit Fee	-	-	-	-
Depreciation on and Repair to Bank's Property	141,419,312	128,913,952	74,044,059	67,001,654
Other Expenditure	298,351,042	221,904,397	157,267,730	122,762,571
Total Operating Expenses	1,312,389,925	1,214,643,726	708,736,955	674,350,369
Profit Before Provision	1,306,217,372	751,213,892	699,635,221	395,164,729
Less: Provision against Loans & Advances including Off Balance Sheet Items	343,209,828	417,317,344	210,578,767	179,817,344
Less: Provision against Investment in Quoted Shares	102,233,278	23,761,221	62,000,000	10,000,000
Total Provision	445,443,106	441,078,565	272,578,767	189,817,344
Profit Before Tax	860,774,266	310,135,327	427,056,454	205,347,385
Less: Provision for Tax	491,266,757	273,905,187	242,966,838	170,320,088
Current Tax	491,266,757	273,905,187	242,966,838	170,320,088
Net Profit After Tax	369,507,509	36,230,140	184,089,616	35,027,297
Attributable to:				
Shareholders of the Bank	369,493,067	36,224,041	184,082,515	35,023,559
Minority Interest	14,442	6,938	7,101	3,736
Earnings Per Share	1.20	0.12	0.69	0.11
SD/- Group Chief Financial Officer	SD/- Deputy Managing Director	SD/- Managing Director & CEO		

Consolidated Statement of Cash Flow (Un-Audited) For the Period ended June 30, 2014

Particulars	January to June 2014 BDT	January to June 2013 BDT
A) Cash Flow From Operating Activities:		
Interest Received	5,985,687,800	5,470,226,308
Interest Paid on Deposits, Borrowings, etc.	(4,250,814,563)	(4,270,001,786)
Dividend Income	5,252,884	25,513,098
Fees & Commission Income	452,273,477	265,573,153
Cash Paid to Employees as Salaries and Allowances	(526,520,484)	(519,929,091)
Advance Income Tax Paid	(34,745,560)	(425,768,505)
Cash Received From Other Operational Income	215,424,962	228,102,020
Cash Paid for Other Operational Expenses	(667,135,202)	(559,410,885)
Cash Flow From Operating Activities Before Changes in Net Current Asset	1,179,423,314	214,304,312
Changes in Net Current Asset :		
Investment in Treasury Bond	(2,713,390,339)	(37,417,461)
Loans & Advances	(6,304,709,850)	(784,784,288)
Other Asset	(520,285,416)	59,129,696
Customers' Deposit	10,131,239,310	1,363,425,446
Borrowing from Other Banks, Financial Institutions & Agents	(549,517,616)	2,382,590,760
Other Liabilities	14,115,018	172,145,792
Net Cash Flow From Operating Activities	57,458,388	3,155,089,946
B) Cash Flow From Investing Activities:		
Investments in Shares & Bonds	(129,986,454)	57,389,904
Purchase of Premises & Fixed Asset (net)	(131,279,566)	(162,101,722)
Net Cash Flow From Investing Activities	(261,266,020)	(104,711,818)
C) Cash Flow From Financing Activities:		
Net Cash Flow From Financing Activities	-	-
D) Net Increase in Cash and Cash Equivalents	975,615,681	3,264,682,440
E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents	6,697,250	-
F) Opening Cash and Cash Equivalents	14,321,182,383	10,316,543,073
Closing Cash and Cash Equivalents (D+E+F)	15,303,495,314	13,581,225,513
The above closing Cash and Cash Equivalents include:		
Cash in Hand	1,471,080,089	1,160,732,664
Balance with Bangladesh Bank and its Agent Bank	6,476,756,552	5,596,786,771
Balance with Other Banks & Financial Institutions	5,739,836,980	1,621,472,255
Money at Call and Short Notice	1,190,000,000	820,000,000
Treasury Bill	422,579,393	4,378,804,824
Prize Bond	3,242,300	3,429,000
Net Operating Cash Flow Per Share	4.02	10.95
SD/- Group Chief Financial Officer	SD/- Deputy Managing Director	SD/- Managing Director & CEO

Consolidated Statement of Changes in Equity (Un-Audited) For the Period ended June 30, 2014

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Revaluation Surplus on Investments	Foreign Currency Translation Gain	Profit & Loss Account	Total	Minority Interest	Total
	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Balance as at January 01, 2014	2,797,848,240	1,917,204,582	276,777,324	161,739,327	1,070,995	294,423,377	5,449,063,846	93,167	5,449,157,013
Bonus Share Issued during the year	279,784,824	-	-	-	-	(279,784,824)	-	-	-
Currency Translation differences	-	-	-	-	5,626,255	-	5,626,255	-	5,626,255
Revaluation Reserve transferred during the year	-	-	-	170,584,233	-	-	170,584,233	-	170,584,233
Net Profit for the year After Tax	-	-	-	-	-	369,493,067	369,493,067	14,442	369,507,509
Appropriation made during the year	-	172,154,853	-	-	-	(172,154,853)	-	-	-
Balance as at June 30, 2014	3,077,633,064	2,089,359,435	276,777,324	332,323,560	6,697,250	211,976,767	5,994,767,400	107,609	5,994,875,009
Balance as at June 30, 2013	2,797,848,240	1,673,566,027	276,777,324	109,288,296	-	887,221	4,858,367,108	78,593	4,858,445,701
SD/- Group Chief Financial Officer	SD/- Deputy Managing Director	SD/- Managing Director & CEO							

Mutual Trust Bank Limited Notes to the Financial Statements For the period ended June 30, 2014

1.0 Legal status and nature of the Bank

Mutual Trust Bank Limited (MTB) was incorporated in Bangladesh in the year 1999 as a Banking Company under the Companies Act, 1994. All types of commercial banking services are provided by the Bank within the stipulations laid down by the Bank Companies Act, 1991 and directive as received from the Bangladesh Bank from time to time. The Bank started its commercial business from October 24, 1999. The shares of the Bank are listed with the Dhaka and Chittagong Stock Exchanges, as a publicly quoted company. Authorized capital of the Bank is BDT 10 billion. The Bank has 80 (eighty) branches, 14 (fourteen) SME/Agri Branches and 01 (one) Booth all over Bangladesh. The Bank has no overseas branch as at June 30, 2014. The booth is located at Hazrat Shahjalal International Airport, Dhaka.

The registered office of the Bank is located at MTB Centre, 26 Gulshan Avenue, Gulshan 1, Dhaka 1212.

1.1 Principal Activities

The principal activities of the bank are to provide all kinds of commercial banking services to its customers through its branches in Bangladesh such as accepting deposits, corporate, SME and retail banking, personal financial services, project finance, etc.

1.2 Off-Shore Banking Unit (OBU)

The Bank obtained the Off-shore Banking Unit Permission vide Letter No. BRPD (P-3)/744(105)/2009-4470 dated December 3, 2009. The Bank commenced operation of this unit from December 07, 2009. The Off-shore Banking Unit is governed under the rules and guidelines of Bangladesh Bank. The principal activities of the Unit are to provide all kinds of commercial banking services to its customers in foreign currencies approved by the Bangladesh Bank.

1.3 Subsidiary Companies

1.3.1 MTB Securities Limited (MTBSL)

MTBSL is engaged in buying and selling of securities for its customers and margin loan is extended to the customers against their margin for investment in the listed companies. The required margin level is monitored daily and margin loan is provided as per established guidelines. It also undertakes investment of the bank's fund in the capital market.

1.3.2 MTB Exchange (UK) Limited (MTB UK)

Bangladesh Bank vide their letter No. BRPD(M)204/25/2010-289 dated 19/08/2010 has accorded approval to the bank for opening a fully owned subsidiary company in the name of MTB Exchange (UK) Limited. The Company was incorporated on September 14, 2010 under the Companies Act 2006 of UK with the registration number 7282262 as a private company limited by shares. The registered office is located at 25 White Chapel Road, London.

1.3.3 MTB Capital Limited (MTBCL)

The Bank obtained permission to embark upon Merchant Banking from the Securities and Exchange Commission (SEC) vide its certificate No. MB-55/2010 dated December 06, 2010 under the Securities and Exchange Commission Act, 1993. The operation has started as on April 17, 2011.

2.0 Significant Accounting Policies

2.1 Basis of Accounting

The financial statements of the Bank as at and for the period ended June 30, 2014 have been prepared under the historical cost convention, on a going concern basis and in accordance with the "first schedule (Sec- 38)" of the Bank Companies Act, 1991 as amended by the Bangladesh Bank vide BRPD circular No. 14 dated September 25, 2003 and other Bangladesh Bank Circulars, International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Financial Reporting Standards (BFRS), The Companies Act 1994, The Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchanges Listing Regulations, The Income Tax Ordinance 1984 and other laws and rules applicable in Bangladesh. All inter-branch account balances and transactions among the Corporate Head Office and the branches have been taken into account.

2.2 Basis of Consolidation

The consolidated financial statements include the financial statements of Mutual Trust Bank Limited, Off-shore Banking Units and its subsidiaries, MTB Securities Limited, MTB Capital Limited and MTB Exchange (UK) Limited, made up to the end of the first half 2014. The consolidated financial statements are prepared to a common financial period ending June 30, 2014.

2.3 Cash Flow Statement

Cash flow statement has been prepared in accordance with the Bangladesh Accounting Standard-7 "Cash Flow Statement" under direct method as recommended in the BRPD Circular No.14, dated September 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

2.4 Provisions

2.4.1 Loans and Advance

Provision for Loans and Advance have been made as per directives of Bangladesh Bank issued from time to time.

2.4.2 Investment

Provisions for diminution in value of investment is made for loss arising on diminution value of investment in quoted shares and is given effect in the accounts on yearly basis based on diminution in value of investment of quoted shares.

2.4.3 Off - Balance Sheet Exposures

Off-balance sheet items have been disclosed under contingent liabilities and other commitments according to Bangladesh Bank guidelines. As per BRPD Circular 14, dated September 23, 2012, the Bank maintained provision @ 1% against off-balance sheet exposures.

2.5 Earnings per Share

The Bank presents Basic and Diluted Earnings per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period. The Bank calculates EPS in accordance with Bangladesh Accounting Standard (BAS) 33 "Earning per Share" which has been shown in the profit and loss account.

2.6 Reporting Period

These financial statements cover the period from January 1 to June 30, 2014.