

Mutual Trust Bank Limited
Consolidated Balance Sheet (Un-Audited)
As at March 31, 2014

<u>Property and Assets</u>	March' 2014 BDT	December' 2013 BDT
Cash	7,524,386,586	7,169,407,855
In Hand (Including Foreign Currency)	1,646,777,873	1,715,994,704
With Bangladesh Bank and its agent Bank (including Foreign Currency)	5,877,608,713	5,453,413,151
Balance with Other Banks & Financial Institutions	3,384,544,681	1,633,866,234
In Bangladesh	3,003,899,485	1,320,657,340
Outside Bangladesh	380,645,196	313,208,894
Money at Call and Short Notice	660,829,167	460,000,000
Investments	29,078,840,472	25,824,406,855
Government	27,014,252,175	23,806,295,142
Others	2,064,588,297	2,018,111,713
Loans and Advances	61,232,209,295	59,548,362,590
Loans, Cash Credit, Overdrafts, etc.	59,663,962,737	57,954,404,092
Bills Purchased and Discounted	1,568,246,558	1,593,958,498
Fixed Asset including Premises, Furniture & Fixture	2,451,389,313	2,458,193,366
Other Assets	4,603,570,137	4,369,303,561
Non-Banking Asset	-	-
Total Property and Asset	108,935,769,651	101,463,540,461
<u>Liabilities and Capital</u>		
Borrowing from other Banks, Financial Institutions & Agents	5,062,032,288	2,637,966,323
Deposit and Other Accounts	88,884,020,562	84,372,740,788
Current Deposit & Other Accounts	13,166,800,001	11,509,180,644
Bills Payable	876,143,179	779,790,179
Savings Deposit	12,095,465,604	11,097,954,735
Fixed Deposit	50,371,271,996	48,281,499,552
Deposit-Products	12,374,339,782	12,704,315,678
Other Liabilities	6,745,404,623	6,503,676,337
Subordinated Debt	2,500,000,000	2,500,000,000
Total Liabilities	103,191,457,473	96,014,383,448
Capital/Shareholders' Equity		
Paid up Capital	2,797,848,240	2,797,848,240
Statutory Reserve	2,003,948,144	1,917,204,582
Revaluation Reserve on Investment in Securities	269,234,967	161,739,328
Foreign Currency Translation gain	3,312,627	1,070,995
General Reserve	276,777,324	276,777,324
Retained Earnings	393,090,367	294,423,377
Total Shareholders' Equity	5,744,211,669	5,449,063,846
Minority Interest	100,508	93,167
Total Liabilities and Shareholders' Equity	108,935,769,651	101,463,540,461
Net Asset Value (NAV) per share	20.53	19.48
<u>Off-Balance Sheet Items</u>		
Contingent Liabilities		
Letter of Guarantee	6,592,934,562	6,048,664,710
Irrevocable Letter of Credit	7,941,159,967	6,440,568,870
Bills for Collection	3,032,302,240	1,713,053,536
Other Contingent Liabilities	10,633,156,582	9,694,390,988
Total Off Balance Sheet Items	28,199,553,351	23,896,678,104

SD/-
Group Chief Financial Officer

SD/-
Deputy Managing Director

SD/-
Managing Director & CEO

Mutual Trust Bank Limited
Consolidated Profit and Loss Account (Un-Audited)
For the Period ended March 31, 2014

<u>Particulars</u>	January to March 2014 BDT	January to March 2013 BDT
Interest Income	2,269,200,433	2,128,950,218
Less: Interest Paid on Deposit and Borrowing, etc.	2,054,923,355	1,983,337,470
Net Interest Income	214,277,078	145,612,748
Income from Investments	699,933,437	530,958,560
Commission, Exchange and Brokerage	205,907,964	159,557,388
Other Operating Income	90,116,643	60,213,824
	995,958,043	750,729,773
Total Operating Income	1,210,235,121	896,342,521
Less: Operating Expenditure:		
Salary and Allowances	243,299,602	225,999,335
Rent, Tax, Insurance and Electricity	111,617,963	110,465,806
Legal Expense	613,578	592,818
Postage, Stamps and Telephone	16,313,392	14,815,884
Printing, Stationery and Advertisement	20,481,620	24,850,390
Managing Director's Remuneration	2,595,000	2,430,000
Directors' Fee	273,250	85,000
Audit Fee	-	-
Depreciation on and Repair to Bank's Property	67,375,253	61,912,298
Other Expenditure	141,083,312	99,141,826
Total Operating Expenses	603,652,970	540,293,358
Operating Profit	606,582,151	356,049,163
Less: Provision against Loans & Advances including Off Balance Sheet Items	132,631,061	237,500,000
Less: Provision against Investment in Quoted Shares	40,233,278	13,761,221
Less: Provision against Other Asset	-	-
Total Provision	172,864,339	251,261,221
Profit Before Tax	433,717,812	104,787,942
Less: Provision for Tax	248,299,920	103,585,099
Current Tax	248,299,920	103,585,099
Net Profit After Tax	185,417,893	1,202,843
Attributable to:		
Shareholders of the Bank	185,410,552	1,200,642
Minority Interest	7,341	2,202
	185,417,893	1,202,843
Retained Surplus Brought Forward	294,423,377	255,237,061
	479,833,929	256,437,703
Appropriation:		
Transferred to Statutory Reserve	86,743,562	20,957,588
	86,743,562	20,957,588
Retained Surplus, Carried Forward	393,090,367	235,480,115
Earnings Per Share	0.66	0.0043

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Mutual Trust Bank Limited
Consolidated Statement of Cash Flow (Un-Audited)
For the Period ended March 31, 2014

	January to March 2014 BDT	January to March 2013 BDT
A) Cash Flow From Operating Activities:		
Interest Received	2,966,843,943	2,654,187,686
Interest Paid on Deposits, Borrowings, etc.	(1,868,692,261)	(1,983,337,470)
Dividend Income	2,289,926	5,721,093
Fees & Commission Income	162,825,772	122,931,246
Cash Paid to Employees as Salaries and Allowances	(240,894,602)	(228,429,335)
Advance Income Tax Paid	(62,326,847)	(49,136,273)
Cash Received From Other Operational Income	133,219,046	96,839,966
Cash Paid for Other Operational Expenses	(300,278,184)	(255,719,792)
Cash Flow From Operating Activities Before Changes in Net Current Asset	792,986,794	363,057,121
Changes in Net Current Asset :		
Investment in Treasury Bond	(3,219,099,059)	(1,162,321,917)
Loans & Advances	(1,683,846,705)	921,677,286
Other Asset	(170,320,142)	27,604,764
Customers' Deposit	4,325,048,680	2,065,855,958
Borrowing from Other Banks, Financial Institutions & Agents	2,424,065,965	2,451,757,330
Other Liabilities	(185,889,807)	332,693,267
	1,489,958,932	4,637,266,688
Net Cash Flow From Operating Activities	2,282,945,725	5,000,323,809
B) Cash Flow From Investing Activities:		
Investments in Shares & Bonds	(46,476,583)	(32,283,801)
Purchase of Premises & Fixed Asset (net)	(51,090,788)	(108,517,599)
Net Cash Flow From Investing Activities	(97,567,371)	(140,801,400)
C) Cash Flow From Financing Activities:		
Net Cash Flow From Financing Activities	-	-
D) Net Increase in Cash and Cash Equivalents	2,185,378,354	4,859,522,409
E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents	3,312,627	-
F) Opening Cash and Cash Equivalents	14,321,182,383	10,316,543,073
Closing Cash and Cash Equivalents (D+E+F)	16,509,873,364	15,176,065,482
The above closing Cash and Cash Equivalents include:		
Cash in Hand	1,646,777,873	1,283,847,371
Balance with Bangladesh Bank and its Agent Bank	5,877,608,713	5,538,002,943
Balance with Other Banks & Financial Institutions	3,384,544,681	1,844,540,404
Money at Call and Short Notice	660,829,167	380,000,000
Treasury Bill	4,936,497,231	6,126,587,914
Prize Bond	3,615,700	3,086,850
	16,509,873,364	15,176,065,482
Net Operating Cash Flow Per Share	8.16	17.87

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Group Chief Financial Officer

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Deputy Managing Director

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Managing Director & CEO

Mutual Trust Bank Limited
Consolidated Statement of Changes in Equity (Un-Audited)
For the Period ended March 31, 2014

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Revaluation Surplus on Investments	Foreign Currency Translation Gain	Retained Earnings	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
Revaluation Reserve transferred during the year	-	-	-	107,495,640	2,241,632	-	109,737,272	-	109,737,272
Net Profit for the year After Tax	-	-	-	-	-	185,410,552	185,410,552	7,341	185,417,893
Appropriation made during the year	-	86,743,562	-	-	-	(86,743,562)	-	-	-
Balance as at March 31, 2014	2,797,848,240	2,003,948,144	276,777,324	269,234,967	3,312,627	393,090,367	5,744,211,669	100,508	5,744,312,177
Balance as at March 31, 2013	2,543,498,400	1,658,299,413	276,777,324	105,613,558	-	235,480,115	4,819,668,810	74,857	4,819,743,666

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Mutual Trust Bank Limited
Notes to the Financial Statements
For the period ended March 31, 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 on March 31, 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 7282261 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) vides 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 March 31, 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 quarter 2014. The consolidated financial statements are prepared to a common financial period ending March 31, 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 as per last year.

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 March 31, 2014.