



UN-AUDITED FINANCIAL STATEMENTS

FOR THE 1ST HALF ENDED JUNE 30, 2013



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড

Mutual Trust Bank Ltd.

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Consolidated Balance Sheet (Un-Audited) As at June 30, 2013

	Jun' 2013 BDT	Dec' 2012 BDT
Property and Assets		
Cash	6,757,519,434	6,531,179,980
In Hand (Including Foreign Currency)	1,160,732,664	1,103,787,921
With Bangladesh Bank and its agent Bank (including Foreign Currency)	5,596,786,771	5,427,392,059
Balance with Other Banks & Financial Institutions	1,621,472,255	1,112,418,865
In Bangladesh	1,404,366,770	380,497,610
Outside Bangladesh	217,105,484	731,921,255
Money at Call and Short Notice	820,000,000	-
Investments	24,944,614,786	23,251,059,259
Government	22,987,751,099	21,236,805,667
Others	1,956,863,687	2,014,253,592
Loans and Advances	57,295,861,511	56,511,077,223
Loans, Cash Credit, Overdrafts, etc.	55,147,542,532	54,093,323,785
Bills Purchased and Discounted	2,148,318,978	2,417,753,438
Fixed Asset including Premises, Furniture & Fixture	2,454,530,467	2,384,658,808
Other Assets	3,743,182,133	3,371,660,229
Non-Banking Asset	-	-
Total Property and Asset	97,637,180,586	93,162,054,362
Liabilities and Capital		
Borrowing from other Banks, Financial Institutions & Agents	8,344,810,760	5,962,220,000
Deposit and Other Accounts	76,257,088,238	75,140,144,506
Current Deposit & Other Accounts	11,548,465,382	9,051,374,336
Bills Payable	883,702,365	1,813,681,363
Savings Deposit	10,014,103,934	9,224,420,233
Fixed Deposit	41,719,651,221	45,300,855,194
Deposit Products	12,091,165,335	9,749,813,380
Other Liabilities	5,676,835,886	4,726,044,321
Subordinated Debt	2,500,000,000	2,500,000,000
Total Liabilities	92,778,734,884	88,328,408,827
Capital/Shareholders' Equity		
Paid-up Capital	2,797,848,240	2,543,498,400
Statutory Reserve	1,673,566,027	1,637,341,825
Revaluation Reserve on Investment in Securities	109,288,296	120,718,271
General Reserve	276,777,324	276,777,324
Retained Earnings	887,222	255,237,061
Total Shareholders' Equity	4,858,367,108	4,833,572,881
Minority Interest	78,593	72,655
Total Liabilities and Shareholders' Equity	97,637,180,586	93,162,054,362
Net Asset Value (NAV) per share	17.36	17.28
Off-Balance Sheet Items		
Contingent Liabilities		
Letter of Guarantees	5,154,758,102	4,966,662,479
Irrevocable Letter of Credits	6,523,818,862	6,409,873,550
Bills for Collection	2,242,634,905	1,347,416,727
Other Contingent Liabilities	10,850,655,397	4,952,569,092
Total Off Balance Sheet Items including Contingent Liabilities	24,771,867,266	17,676,521,847

Group Chief Financial Officer Deputy Managing Director Managing Director & CEO

Consolidated Profit and Loss Account (Un-Audited) For the Period ended June 30, 2013

Particulars	Half Yearly 2013 BDT	Half Yearly 2012 BDT	April to June 2013 BDT	April to June 2012 BDT
Interest Income	4,317,221,755	3,751,330,904	2,188,271,537	1,937,004,798
Less: Interest Paid on Deposit and Borrowing, etc.	4,023,520,072	3,205,660,694	2,040,182,602	1,633,272,349
Net Interest Income	293,701,682	545,670,210	148,088,934	303,732,449
Income from Investments	1,178,517,651	640,281,243	647,559,091	302,754,336
Commission, Exchange and Brokerage	334,165,780	344,090,906	174,608,392	207,163,777
Other Operating Income	159,472,504	147,187,385	99,258,680	107,800,303
Total Operating Income	1,672,155,936	1,131,559,533	921,426,164	617,718,415
Less: Operating Expenditure:				
Salary and Allowances	534,779,758	439,042,109	308,780,423	228,410,197
Rent, Tax, Insurance, Electricity	234,666,468	209,968,913	124,200,662	114,661,419
Legal Expense	728,455	975,038	135,637	344,578
Postage, Stamp and Telephone	35,046,788	31,130,640	20,230,904	15,343,712
Printing, Stationery, Advertisement	53,144,575	48,892,274	28,294,185	27,778,211
Managing Director's Remuneration	5,149,333	4,340,000	2,719,333	2,360,000
Directors' Fee	310,000	275,000	225,000	70,000
Audit Fee	-	192,750	-	192,750
Depreciation on and Repair to Bank's Property	128,913,952	104,920,058	67,001,654	54,334,160
Other Expenditure	221,904,397	176,606,308	122,762,571	87,161,968
Total Operating Expenses	1,214,843,726	1,016,343,099	674,350,369	530,656,995
Profit Before Provision	457,312,210	115,216,434	247,075,795	87,061,419
Less: Provision against Loans & Advances including Off Balance Sheet Items	417,317,344	(84,999,700)	179,817,344	(150,699,700)
Less: Provision against Investment in Quoted Shares	23,761,221	53,567,820	10,000,000	53,567,820
Total Provision	441,078,565	(31,431,880)	189,817,344	(97,131,880)
Profit Before Tax	310,135,327	146,648,314	58,258,451	138,203,300
Less: Provision for Tax	273,905,187	288,798,320	170,320,088	197,691,069
Current Tax	273,905,187	288,798,320	170,320,088	197,691,069
Net Profit After Tax	36,230,140	40,850,000	38,138,363	40,512,231
Attributable to:				
Shareholders of the Bank	36,224,201	40,500,745	35,023,559	290,218,301
Minority Interest	5,938	19,467	3,736	16,378
Total	36,230,140	40,520,212	35,027,295	290,234,679
Earnings Per Share	0.13	1.44	0.13	1.04

Group Chief Financial Officer Deputy Managing Director Managing Director & CEO

Consolidated Statement of Cash Flow (Un-Audited) For the Period ended June 30, 2013

	January to June 2013 BDT	January to June 2012 BDT
A) Cash Flow From Operating Activities:		
Interest Received	5,470,226,308	4,380,390,012
Interest Paid on Deposits, Borrowings, etc.	(4,270,001,786)	(3,205,660,694)
Dividend Income	25,513,098	11,222,135
Fees & Commission Income	265,573,153	252,042,137
Cash Paid to Employees as Salaries and Allowances	(519,929,091)	(431,959,208)
Advance Income Tax Paid	(425,768,505)	(295,617,773)
Cash Received From Other Operational Income	228,102,020	239,236,154
Cash Paid for Other Operational Expenses	(559,410,885)	(480,036,017)
Cash Flow From Operating Activities Before Changes in Net Current Asset	214,304,312	469,616,745
Changes in Net Current Asset :		
Investment in Treasury Bond	(37,417,461)	858,182,809
Loans & Advances	(784,784,288)	(3,191,074,220)
Other Asset	59,129,696	(1,361,348,378)
Bank Deposit	-	(950,000,000)
Customers' Deposit	1,363,425,446	6,097,690,038
Borrowing from Other Banks, Financial Institutions & Agents	2,382,590,760	2,941,917,103
Other Liabilities	426,495,632	99,893,974
Net Cash Flow From Operating Activities	3,623,744,098	4,964,878,071
B) Cash Flow From Investing Activities:		
Investments in Shares & Bonds	57,389,904	(44,163,711)
Purchase of Premises & Fixed Asset (net)	(162,101,722)	(242,028,437)
Net Cash Flow From Investing Activities	(104,711,818)	(286,192,148)
C) Cash Flow From Financing Activities:		
Dividend Paid	(254,349,840)	(305,219,808)
Net Cash Flow From Financing Activities	(254,349,840)	(305,219,808)
D) Net Increase in Cash and Cash Equivalents	3,264,682,440	4,373,466,116
E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents	-	-
F) Opening Cash and Cash Equivalents	10,316,543,073	7,896,276,994
Closing Cash and Cash Equivalents (D+E+F)	13,581,225,513	12,269,743,110
The above closing Cash and Cash Equivalents include:		
Cash in Hand	1,160,732,664	986,378,340
Balance with Bangladesh Bank and its Agent Bank	5,596,786,771	4,357,689,652
Balance with Other Banks & Financial Institutions	1,621,472,255	1,897,809,573
Money at Call and Short Notice	820,000,000	-
Treasury Bill	4,378,804,824	5,025,400,794
Prize Bond	3,429,000	2,464,750
Total	13,581,225,513	12,269,743,110
Net Operating Cash Flow Per Share	12.95	17.75

Group Chief Financial Officer Deputy Managing Director Managing Director & CEO

Consolidated Statement of Changes in Equity (Un-Audited) For the Period ended June 30, 2013

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, 2013	2,543,498,400	1,637,341,825	276,777,324	120,718,271	-	255,237,061	4,833,572,881	72,655	4,833,645,536
Bonus Share Issued during the year	254,349,840	-	-	-	-	(254,349,840)	-	-	-
Revaluation Reserve transferred during the year	-	-	-	(11,429,975)	-	-	(11,429,975)	-	(11,429,975)
Net Profit for the year After Tax	-	-	-	-	-	36,224,201	36,224,201	5,938	36,230,140
Appropriation made during the year	-	36,224,201	-	-	-	(36,224,201)	-	-	-
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
Balance as at June 30, 2012	2,543,498,400	1,612,040,327	361,777,324	115,995,986	1,482,000	271,268,698	4,906,062,734	60,477	4,906,123,211

Group Chief Financial Officer Deputy Managing Director Managing Director & CEO

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 72 (seventy two) branches, 14 (fourteen) SME/Agri Branches and 2 (two) Booths all over Bangladesh. The Bank has no overseas branch as on June 30, 2013. The booth is located at Hazrat Shahjalal International Airport, Dhaka and Shah Amanat Airport, Chittagong.

The registered office of the Bank is located at MTB Centre, 26 Gulshan Avenue, Gulshan 1, and 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 June 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) 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 are made up to June 30, 2013 and are 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 June 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 2013. The consolidated financial statements are prepared to a common financial period ending June 30, 2013.

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 June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank

2.4 Provisions

2.4.1 Loans and Advance

Provisions 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 June 30, 2013.