



# UN-AUDITED FINANCIAL STATEMENTS

FOR THE 1st HALF ENDED JUNE 30, 2015



## মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড Mutual Trust Bank Ltd.

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### Consolidated Balance Sheet (Un-Audited) As at June 30, 2015

Particulars	June 2015	December 2014
Property and Assets	BDT	BDT
<b>Cash</b>	<b>9,378,242,877</b>	<b>8,933,605,158</b>
In Hand (Including Foreign Currency)	1,664,941,829	1,592,524,446
With Bangladesh Bank and its agent Bank (including Foreign Currency)	7,713,301,049	7,341,080,712
<b>Balance with Other Banks &amp; Financial Institutions</b>	<b>3,174,878,416</b>	<b>2,173,783,801</b>
In Bangladesh	2,655,693,626	1,898,902,497
Outside Bangladesh	519,184,790	274,881,304
<b>Money at Call and Short Notice</b>	<b>1,540,000,000</b>	<b>-</b>
<b>Investments</b>	<b>22,139,466,434</b>	<b>20,767,846,269</b>
Government	19,777,759,716	18,479,093,705
Others	2,361,706,718	2,288,752,564
<b>Loans and Advances</b>	<b>83,827,703,849</b>	<b>77,140,918,049</b>
Loans, Cash Credit, Overdrafts, etc.	81,398,306,865	74,940,867,534
Bills Purchased and Discounted	2,429,396,985	2,200,050,515
<b>Fixed Asset including Premises, Furniture &amp; Fixture</b>	<b>2,433,941,801</b>	<b>2,488,892,429</b>
<b>Other Assets</b>	<b>5,495,043,426</b>	<b>4,795,916,269</b>
<b>Non-Banking Asset</b>	<b>-</b>	<b>-</b>
<b>Total Property and Asset</b>	<b>127,989,276,803</b>	<b>116,300,961,975</b>
<b>Liabilities and Capital</b>		
<b>Borrowing from other Banks, Financial Institutions &amp; Agents</b>	<b>2,922,240,395</b>	<b>3,744,412,388</b>
<b>Deposit and Other Accounts</b>	<b>106,824,309,004</b>	<b>96,064,737,073</b>
Current Deposit & Other Accounts	8,882,960,523	8,062,335,653
Bills Payable	1,347,506,679	1,284,280,568
Savings Deposit	15,518,672,614	14,384,269,440
Special Notice Deposit	8,485,193,845	8,158,247,118
Fixed Deposit	55,409,506,607	49,411,783,655
Deposit-Products	17,180,468,737	14,763,820,639
<b>Other Liabilities</b>	<b>8,420,807,659</b>	<b>7,221,285,354</b>
<b>Subordinated Debt</b>	<b>2,500,000,000</b>	<b>2,500,000,000</b>
<b>Total Liabilities</b>	<b>120,667,357,058</b>	<b>109,530,434,815</b>
<b>Capital/Shareholders' Equity</b>		
Paid up Capital	3,693,159,670	3,077,633,060
Statutory Reserve	2,483,659,898	2,276,079,020
Revaluation Reserve on Investment in Securities	567,562,237	520,276,266
Foreign Currency Translation gain	6,984,930	2,344,209
General Reserve	276,777,324	276,777,324
Retained Earnings	293,651,867	617,298,134
<b>Total Shareholders' Equity</b>	<b>7,321,795,925</b>	<b>6,770,408,013</b>
<b>Minority Interest</b>	<b>123,819</b>	<b>119,147</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>127,989,276,803</b>	<b>116,300,961,975</b>
<b>Net Asset Value (NAV) per share</b>	<b>19.83</b>	<b>22.00</b>
<b>Off-Balance Sheet Items</b>		
<b>Contingent Liabilities</b>		
Letter of Guarantee	8,018,222,953	7,021,192,518
Irrevocable Letter of Credit	8,181,892,450	8,207,237,141
Bills for Collection	2,805,842,844	3,191,555,490
Other Contingent Liabilities	15,154,015,546	12,381,817,631
<b>Total Off-Balance Sheet Items including Contingent Liabilities</b>	<b>34,159,973,793</b>	<b>30,801,802,780</b>

Md. Hedayetullah  
Director

Syed Manzur Elahi  
Director

Anis A. Khan  
Managing Director & CEO

Sayed Abul Hashem, FCA, FCMA  
Group Chief Financial Officer

Malik Muntasir Reza  
Group Company Secretary

### Consolidated Profit and Loss Account (Un-Audited) For the Period ended June 30, 2015

Particulars	Half Yearly 2015	Half Yearly 2014	April to June 2015	April to June 2014
	BDT	BDT	BDT	BDT
Interest Income	5,301,899,794	4,632,592,010	2,673,321,661	2,363,391,577
Less: Interest Paid on Deposit and Borrowing, etc.	3,950,127,076	4,040,031,826	2,043,678,505	1,895,108,471
<b>Net Interest Income</b>	<b>1,351,772,718</b>	<b>592,560,185</b>	<b>629,643,055</b>	<b>468,283,107</b>
Income from Investments	978,526,186	1,356,348,873	543,451,917	658,415,236
Commission, Exchange and Brokerage	492,158,919	452,273,477	259,080,038	246,365,513
Other Operating Income	220,248,835	215,424,962	136,559,839	125,308,320
<b>Total Operating Income</b>	<b>1,890,933,941</b>	<b>2,026,047,112</b>	<b>939,101,793</b>	<b>1,030,089,069</b>
Less: Operating Expenditure:				
Salary and Allowances	814,848,891	521,191,151	426,432,990	277,891,549
Rent, Tax, Insurance and Electricity	274,888,279	256,916,774	141,298,547	145,298,811
Legal Expense	1,317,460	2,139,904	487,580	1,526,326
Postage, Stamps and Telephone	11,043,526	9,697,555	5,745,234	4,981,751
Printing, Stationery and Advertisement	45,650,009	52,961,976	27,540,643	32,480,356
Managing Director's Remuneration	5,696,000	5,329,333	2,936,000	2,734,333
Director's Fee	557,750	612,500	253,000	339,250
Audit Fee	144,744,409	141,419,312	74,987,953	74,044,059
Depreciation on and Repair to Bank's Property	327,729,056	322,121,419	170,547,714	169,440,520
Other Expenditure	1,626,475,391	1,312,389,925	850,199,761	708,736,956
<b>Total Operating Expenses</b>	<b>1,406,231,267</b>	<b>1,306,217,372</b>	<b>718,545,087</b>	<b>699,635,220</b>
<b>Profit Before Provision</b>	<b>300,000,000</b>	<b>343,209,828</b>	<b>167,001,769</b>	<b>210,578,767</b>
Less: Provision against Loans & Advances including Off Balance Sheet Items	50,000,000	102,233,278	35,000,000	62,000,000
Less: Provision against Investment in Quoted Shares	-	-	-	-
Less: Provision against Other Asset	-	-	-	-
<b>Total Provision</b>	<b>350,000,000</b>	<b>445,443,106</b>	<b>202,001,769</b>	<b>272,578,767</b>
<b>Profit Before Tax</b>	<b>1,050,231,267</b>	<b>860,774,266</b>	<b>515,543,318</b>	<b>427,956,453</b>
Less: Income Tax expenses	556,765,375	491,266,757	266,513,224	242,966,838
Current Tax	556,765,375	491,266,757	266,513,224	242,966,838
<b>Net Profit After Tax</b>	<b>493,465,893</b>	<b>369,507,509</b>	<b>250,030,094</b>	<b>184,989,615</b>
<b>Attributable to:</b>				
Shareholders of the Bank	499,461,220	369,493,067	250,026,359	184,982,515
Minority Interest	4,472	14,442	3,735	7,100
<b>Retained Surplus Brought Forward</b>	<b>617,298,134</b>	<b>294,423,377</b>	<b>617,298,134</b>	<b>294,423,377</b>
<b>Appropriation:</b>				
Bonus Share Issued during the year	207,580,877	172,154,853	99,202,476	85,411,291
Transferred to Statutory Reserve	823,107,487	451,939,677	714,729,086	365,196,115
<b>Retained Surplus, Carried Forward</b>	<b>293,651,867</b>	<b>211,976,767</b>	<b>152,595,407</b>	<b>113,308,778</b>
<b>Earnings Per Share (Restated)</b>	<b>1.35</b>	<b>1.00</b>	<b>0.68</b>	<b>0.50</b>

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### Consolidated Statement of Cash Flow (Un-Audited) For the Period ended June 30, 2015

Particulars	January to June 2015	January to June 2014
	BDT	BDT
<b>A) Cash Flow From Operating Activities:</b>		
Interest Received	6,273,439,537	5,985,687,800
Interest Paid on Deposits, Borrowings, etc.	(3,630,875,377)	(4,250,814,563)
Dividend Income	6,986,444	5,252,884
Fee & Commission Income	492,158,919	452,273,477
Cash Paid to Employees as Salaries and Allowances	(820,544,891)	(526,520,454)
Advance Income Tax Paid	(272,134,034)	(34,745,560)
Cash Received From Other Operational Income	359,338,539	215,424,962
Cash Paid for Other Operational Expenses	(684,063,087)	(667,135,202)
<b>Cash Flow From Operating Activities Before Changes in Net Current Asset</b>	<b>1,724,306,057</b>	<b>1,179,423,314</b>
<b>Changes in Net Current Asset :</b>		
Investment in Treasury Bond	(2,552,493,532)	(2,713,390,339)
Loans & Advances	(6,686,785,800)	(6,304,709,850)
Other Asset	(426,993,123)	(520,285,416)
Customers' Deposit	10,129,713,711	10,131,239,310
Borrowing from Other Banks, Financial Institutions & Agents	(822,171,993)	(549,510,336)
Other Liabilities	487,484,821	14,115,018
<b>Net Cash Flow From Operating Activities</b>	<b>129,754,082</b>	<b>87,458,388</b>
<b>B) Cash Flow From Investing Activities:</b>		
Investments in Shares & Bonds	(72,954,154)	(129,986,454)
Purchase of Premises & Fixed Asset (net)	(55,195,192)	(131,279,595)
<b>Net Cash Flow From Investing Activities</b>	<b>(128,149,256)</b>	<b>(261,266,020)</b>
<b>C) Cash Flow From Financing Activities:</b>		
Net Cash Flow From Financing Activities	-	-
<b>D) Net Increase in Cash and Cash Equivalents</b>	<b>1,724,919,683</b>	<b>975,615,681</b>
<b>E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents</b>	<b>6,994,930</b>	<b>6,697,250</b>
<b>F) Opening Cash and Cash Equivalents</b>	<b>12,363,882,180</b>	<b>14,321,182,383</b>
<b>Closing Cash and Cash Equivalents (D+E+F)</b>	<b>14,095,786,993</b>	<b>15,303,495,314</b>
<b>The above closing Cash and Cash Equivalents include:</b>		
Cash in Hand	1,664,941,829	1,471,080,089
Balance with Bangladesh Bank and its Agent Bank	7,713,301,049	6,476,756,552
Balance with Other Banks & Financial Institutions	3,174,878,416	2,173,783,801
Money at Call and Short Notice	1,540,000,000	-
Treasury Bill	-	422,579,393
Prime Bond	2,665,700	3,242,300
<b>Net Operating Cash Flow Per Share (Restated)</b>	<b>5.02</b>	<b>3.35</b>

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### Consolidated Statement of Changes in Equity (Un-Audited) For the Period ended June 30, 2015

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Revaluation Surplus on Investments	Foreign Currency Translation Gain	Profit & Loss Account	Total	Minority Interest	Total
<b>Balance as at January 01, 2015</b>	<b>3,077,633,060</b>	<b>2,276,079,020</b>	<b>276,777,324</b>	<b>520,276,266</b>	<b>2,344,209</b>	<b>617,298,134</b>	<b>6,770,408,013</b>	<b>119,147</b>	<b>6,770,527,160</b>
Bonus Share Issued during the year	615,526,610	-	-	-	-	(615,526,610)	-	-	-
Currency Translation differences	-	-	-	-	4,640,720	-	4,640,720	-	4,640,720
Revaluation Reserve transferred during the period	-	-	-	47,285,971	-	47,285,971	47,285,971	-	47,285,971
Net Profit for the year After Tax	-	-	-	-	-	499,461,221	499,461,221	4,672	499,465,893
Appropriation made during the period	-	207,580,877	-	-	-	(207,580,877)	-	-	-
<b>Balance as at June 30, 2015</b>	<b>3,693,159,670</b>	<b>2,483,659,898</b>	<b>276,777,324</b>	<b>567,562,237</b>	<b>6,984,930</b>	<b>293,651,867</b>	<b>7,321,795,925</b>	<b>123,819</b>	<b>7,321,919,745</b>
<b>Balance as at June 30, 2014</b>	<b>3,077,633,064</b>	<b>2,089,359,435</b>	<b>276,777,324</b>	<b>332,323,560</b>	<b>6,697,250</b>	<b>211,976,767</b>	<b>5,994,767,400</b>	<b>107,609</b>	<b>5,994,875,009</b>

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### Mutual Trust Bank Limited Notes to the Financial Statements For the period ended June 30, 2015

#### 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 as a Public Limited Company. All types of commercial banking services are provided by the Bank within the stipulations laid down by the Bank Companies Act, 1991 (as amended in 2013) and directive as received from the Bangladesh Bank from time to time. Registered office of the Bank is at MTB Centre, 26 Gulshan Avenue, Gulshan 1, Dhaka 1212. The Bank started its commercial business from October 24, 1999. The Bank is listed with the Dhaka and Chittagong Stock Exchanges Limited. Authorized capital of the Bank is BDT 10 billion. The Bank has 103 (One hundred three) branches including 14 (fourteen) SME/Agri Branches all over the Bangladesh and 02 (Two) Booths located at Hazrat Shahjalal International Airport, Dhaka.

#### 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 and offices 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 Off-shore Banking Unit Permission vide Letter No. BRPD (P-3)/744(105)/2009-4470 dated December 3, 2009 and commenced operation on 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)

MTB Securities Limited incorporated as on September 23, 2010 as a Private Limited Company under the Companies Act 1994. The registered office of the MTBSL is located at WW Tower, 68 Motijheel, Dhaka. 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.

##### 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, United Kingdom.

##### 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 started 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, 2015 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 in 2013 and as per the BRPD circular no. 14 dated 25 June 2003, 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 1st Half 2015. The consolidated financial statements are prepared to a common financial period ending June 30, 2015.

##### 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 25 June 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.

###### 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 no.14, dated 23 September 2012, the Bank maintained provision @ 1% against off-balance sheet exposures.

##### 2.5 Earnings Per Share

Earnings Per Share (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, 2015.