



# UN-AUDITED FINANCIAL STATEMENTS

For the period ended September 30, 2014



# মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড Mutual Trust Bank Ltd.

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

	Sep'2014 BDT	Dec' 2013 BDT
<b>Property and Assets</b>		
<b>Cash</b>	<b>8,565,939,715</b>	<b>7,169,407,855</b>
In Hand (Including Foreign Currency)	1,970,720,563	1,715,994,704
With Bangladesh Bank and its agent Bank (including Foreign Currency)	6,595,219,151	5,453,413,151
<b>Balance with Other Banks &amp; Financial Institutions</b>	<b>4,223,612,511</b>	<b>1,633,866,234</b>
In Bangladesh	3,861,782,204	1,320,657,340
Outside Bangladesh	361,830,308	313,208,894
<b>Money at Call and Short Notice</b>	<b>4,800,000,000</b>	<b>460,000,000</b>
<b>Investments</b>	<b>30,522,091,234</b>	<b>25,824,406,855</b>
Government	28,293,322,996	23,806,295,142
Others	2,228,768,238	2,018,111,713
<b>Loans and Advances</b>	<b>71,786,525,697</b>	<b>59,548,362,590</b>
Loans, Cash Credit, Overdrafts, etc.	69,668,548,638	57,954,404,092
Bills Purchased and Discounted	2,117,977,059	1,593,958,498
<b>Fixed Asset including Premises, Furniture &amp; Fixture</b>	<b>2,475,542,552</b>	<b>2,458,193,366</b>
<b>Other Assets</b>	<b>5,529,687,180</b>	<b>4,369,303,561</b>
<b>Non-Banking Asset</b>	<b>-</b>	<b>-</b>
<b>Total Property and Asset</b>	<b>127,903,398,889</b>	<b>101,463,540,461</b>
<b>Liabilities and Capital</b>		
<b>Borrowing from other Banks, Financial Institutions &amp; Agents</b>	<b>3,602,536,849</b>	<b>2,637,966,323</b>
<b>Deposit and Other Accounts</b>	<b>107,556,577,225</b>	<b>84,372,740,788</b>
Current Deposit & Other Accounts	29,648,825,682	11,509,180,644
Bills Payable	1,300,161,623	779,790,179
Savings Deposit	13,673,378,594	11,097,954,735
Fixed Deposit	49,204,890,502	48,281,499,552
Deposit-Products	13,729,320,824	12,704,315,678
<b>Other Liabilities</b>	<b>7,876,771,682</b>	<b>6,503,676,337</b>
<b>Subordinated Debt</b>	<b>2,500,000,000</b>	<b>2,500,000,000</b>
<b>Total Liabilities</b>	<b>121,535,885,755</b>	<b>96,014,383,448</b>
<b>Capital/Shareholders' Equity</b>		
Paid up Capital	3,077,633,064	2,797,848,240
Statutory Reserve	2,183,659,446	1,917,204,582
Revaluation Reserve on Investment in Securities	506,225,524	161,739,328
Foreign Currency Translation gain	9,602,759	1,070,995
General Reserve	276,777,324	276,777,324
Retained Earnings	313,503,138	294,423,377
<b>Total Shareholders' Equity</b>	<b>6,367,401,255</b>	<b>5,449,063,846</b>
<b>Minority Interest</b>	<b>111,879</b>	<b>93,167</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>127,903,398,889</b>	<b>101,463,540,461</b>
<b>Net Asset Value (NAV) per share</b>	<b>20.69</b>	<b>17.71</b>
<b>Off-Balance Sheet Items</b>		
<b>Contingent Liabilities</b>		
Letter of Guarantee	6,854,222,914	6,048,664,710
Irrevocable Letter of Credit	8,416,711,073	6,440,568,870
Bills for Collection	3,162,897,878	1,713,053,536
Other Contingent Liabilities	12,102,920,431	9,694,390,988
<b>Total Off Balance Sheet Items</b>	<b>30,536,752,296</b>	<b>23,896,678,104</b>
SD/- Group Chief Financial Officer	SD/- Deputy Managing Director	SD/- Managing Director & CEO

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

Particulars	Sep'14 BDT	Sep'13 BDT	Jul to Sep'14 BDT	Jul to Sep'13 BDT
Interest Income	7,096,251,256	6,456,778,972	2,463,659,246	2,139,557,217
Less: Interest Paid on Deposit and Borrowing, etc.	5,998,753,935	6,000,994,942	1,858,722,109	1,977,474,870
<b>Net Interest Income</b>	<b>1,097,497,321</b>	<b>455,784,030</b>	<b>504,937,137</b>	<b>162,082,347</b>
Income from Investments	1,983,515,024	1,795,498,127	625,166,351	616,980,476
Commission, Exchange and Brokerage	665,573,616	501,553,056	213,300,139	167,387,276
Other Operating Income	304,865,634	240,640,855	89,440,672	81,168,351
<b>Total Operating Income</b>	<b>4,051,451,595</b>	<b>2,993,476,068</b>	<b>1,432,844,299</b>	<b>1,027,616,450</b>
Less: Operating Expenditure:				
Salary and Allowances	991,817,631	878,373,626	470,626,480	276,158,660
Rent, Tax, Insurance and Electricity	371,729,016	342,845,920	114,812,242	108,179,452
Legal Expense	2,620,173	1,117,780	880,269	389,325
Postage, Stamps and Telephone	46,904,354	52,563,288	13,436,422	17,516,500
Printing, Stationery and Advertisement	74,949,261	70,732,793	21,987,285	17,588,218
Managing Director's Remuneration	8,089,333	8,494,333	2,760,000	3,345,000
Directors' Fee	980,500	449,200	368,000	139,200
Audit Fee	224,540,693	197,077,659	83,121,381	68,163,707
Depreciation on and Repair to Bank's Property	361,351,345	264,235,245	63,000,303	109,766,256
Other Expenditure	2,083,182,305	1,815,890,045	770,792,381	601,246,319
<b>Total Operating Expenses</b>	<b>1,968,269,290</b>	<b>1,177,586,023</b>	<b>662,951,918</b>	<b>426,372,131</b>
<b>Profit Before Provision</b>	<b>501,761,691</b>	<b>641,635,265</b>	<b>158,551,863</b>	<b>224,317,921</b>
Less: Provision against Loans & Advances including Off Balance Sheet Items	134,233,278	151,631,085	32,000,000	127,869,864
<b>Total Provision</b>	<b>635,994,969</b>	<b>793,266,350</b>	<b>190,551,863</b>	<b>352,187,785</b>
<b>Profit Before Tax</b>	<b>1,332,274,321</b>	<b>384,319,673</b>	<b>471,500,055</b>	<b>74,184,346</b>
Less: Provision for Tax	766,936,160	492,044,881	275,669,403	218,139,694
Current Tax	766,936,160	492,044,881	275,669,403	218,139,694
<b>Net Profit After Tax</b>	<b>565,338,161</b>	<b>(107,725,208)</b>	<b>195,830,652</b>	<b>(143,955,348)</b>
<b>Appropriations</b>				
Statutory Reserve	266,454,864	-	94,300,011	-
Minority Interest	18,712	7,433	4,270	1,495
Retained Earnings	298,864,584	(107,732,642)	101,526,370	(143,956,844)
<b>565,338,161</b>	<b>(107,725,208)</b>	<b>195,830,652</b>	<b>(143,955,348)</b>	
<b>Earnings Per Share</b>	<b>1.84</b>	<b>(0.35)</b>	<b>0.64</b>	<b>(0.47)</b>
SD/- Group Chief Financial Officer	SD/- Deputy Managing Director	SD/- Managing Director & CEO		

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

	January to September 2014	January to September 2013
	BDT	BDT
<b>A) Cash Flow From Operating Activities:</b>		
Interest Received	9,069,667,556	8,225,903,902
Interest Paid on Deposits, Borrowings, etc.	(5,711,090,792)	(6,000,994,942)
Dividend Income	10,098,724	26,373,198
Fees & Commission Income	665,573,616	399,810,100
Cash Paid to Employees as Salaries and Allowances	(999,906,964)	(788,432,751)
Advance Income Tax Paid	29,139,767	(599,657,034)
Cash Received From Other Operational Income	439,477,093	343,215,777
Cash Paid for Other Operational Expenses	(898,285,068)	(817,157,370)
<b>Cash Flow From Operating Activities Before Changes in Net Current Asset</b>	<b>2,604,673,932</b>	<b>789,060,879</b>
<b>Changes in Net Current Asset :</b>		
Investment in Treasury Bond	(6,350,979,744)	1,290,961
Loans & Advances	(12,238,163,107)	(3,009,948,199)
Other Asset	(1,223,682,831)	(689,237,499)
Customers' Deposit	22,896,173,294	4,643,699,492
Borrowing from Other Banks, Financial Institutions & Agents	964,570,526	(757,045,137)
Other Liabilities	208,636,163	138,499,637
	<b>4,256,554,300</b>	<b>327,259,255</b>
<b>Net Cash Flow From Operating Activities</b>	<b>6,861,228,233</b>	<b>1,116,320,134</b>
<b>B) Cash Flow From Investing Activities:</b>		
Investments in Shares & Bonds	(210,656,525)	4,821,897
Purchase of Premises & Fixed Asset (net)	(197,848,219)	(251,147,479)
<b>Net Cash Flow From Investing Activities</b>	<b>(408,504,744)</b>	<b>(246,325,582)</b>
<b>C) Cash Flow From Financing Activities:</b>		
<b>Net Cash Flow From Financing Activities</b>	-	-
<b>D) Net Increase in Cash and Cash Equivalents</b>	<b>6,452,723,488</b>	<b>869,994,552</b>
<b>E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents</b>	<b>9,602,759</b>	-
<b>F) Opening Cash and Cash Equivalents</b>	<b>14,321,182,383</b>	<b>10,316,543,073</b>
<b>Closing Cash and Cash Equivalents (D+E+F)</b>	<b>20,783,508,631</b>	<b>11,186,537,625</b>
The above closing Cash and Cash Equivalents include:		
Cash in Hand	1,970,720,563	1,256,444,471
Balance with Bangladesh Bank and its Agent Bank	6,595,219,151	4,615,282,353
Balance with Other Banks & Financial Institutions	4,223,612,511	1,660,444,891
Money at Call and Short Notice	4,800,000,000	450,000,000
Treasury Bill	3,190,961,205	3,201,188,610
Prize Bond	2,995,200	3,177,300
	<b>20,783,508,631</b>	<b>11,186,537,625</b>
<b>Net Operating Cash Flow Per Share</b>	<b>22.29</b>	<b>3.63</b>
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 September 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
<b>Balance as at January 01, 2014</b>	<b>2,797,848,240</b>	<b>1,917,204,582</b>	<b>276,777,324</b>	<b>161,739,327</b>	<b>1,070,995</b>	<b>294,423,377</b>	<b>5,449,063,846</b>	<b>93,167</b>	<b>5,449,157,013</b>
Bonus Share Issued during the year	279,784,824	-	-	-	-	(279,784,824)	-	-	-
Currency Translation differences	-	-	-	-	8,531,764	-	8,531,764	-	8,531,764
Revaluation Reserve transferred during the year	-	-	-	344,486,197	-	-	344,486,197	-	344,486,197
Net Profit for the year After Tax	-	-	-	-	-	565,319,449	565,319,449	18,712	565,338,161
Appropriation made during the year	-	266,454,864	-	-	-	(266,454,864)	-	-	-
<b>Balance as at September 30, 2014</b>	<b>3,077,633,064</b>	<b>2,183,659,446</b>	<b>276,777,324</b>	<b>506,225,524</b>	<b>9,602,759</b>	<b>313,503,138</b>	<b>6,367,401,255</b>	<b>111,879</b>	<b>6,367,513,135</b>
<b>Balance as at September 30, 2013</b>	<b>2,797,848,240</b>	<b>1,637,341,825</b>	<b>276,777,324</b>	<b>121,490,675</b>	<b>-</b>	<b>(106,845,420)</b>	<b>4,726,612,644</b>	<b>80,088</b>	<b>4,726,692,732</b>
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 September 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 82 (eighty two) branches, 14 (fourteen) SME/Agri Branches and 01 (one) Booth all over Bangladesh. The Bank has no overseas branch as on September 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 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 as at and for the period ended September 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 third quarter 2014. The consolidated financial statements are prepared to a common financial period ending September 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 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 September 30, 2014.