

Standard Disclosure Index
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Our Vision

Mutual Trust Bank's vision is based on a philosophy known as MTB3V. We envision MTB to be:

- One of the best performing banks in Bangladesh
- The bank of choice
- A truly world-class bank

Our Mission

We aspire to be the most admired financial institution in the country, recognized as a dynamic, innovative and client focused company, that offers an array of products and services in the search for excellence and to create an impressive economic value.

MTB Core Values

Commitment:

- Shareholders Create sustainable economic value for our shareholders by utilizing an honest and efficient business methodology.
- Community Committed to serve the society through employment creation, support community projects and events and be a responsible corporate citizen.
- Customers Render state-of-the-art service to our customers by offering diversified products and by aspiring to fulfill their banking needs to the best of our abilities.
- Employees We rely on the inherent merits of the employee and honor our relation as a part of this renowned financial institution. We work together to celebrate and reward unique backgrounds, viewpoints, skills and talents of everyone at the work place, no matter what their job is.

Accountability:

As a bank, we are judged solely by the successful execution of our commitments; we expect and embrace this form of judgment. We are accountable for providing the highest level of service along with meeting the strict requirements of regulatory standards and ethical business practices.

Agility:

We can see things from different perspectives; we are open to change and not bound by how we have done things in the past. We can respond rapidly and adjust our mode of operation to meet stakeholder needs and achieve our goals.

Trust:

We value mutual trust, which encompasses transparent and candid communications among all parties.

Code of Conduct

As an employee of MTB, one must observe the highest standards of impartiality, integrity, objectivity and honesty in relation to the work s/he undertakes at all times. The Code of Conduct provides guidance to employees on how to ensure that their actions and behavior are consistent with both MTB's values and its high standards of conduct required to maintain banking compliance.

Code I: Our Vision

Our code of conduct is in alignment with the bank's Vision MTB3V!

Code II: Uphold organizational mission

We aspire to be one of the most admired banks in the nation and be recognized as an innovative and client focused company, enabled by cutting-edge technology, a dynamic workforce and a wide array of financial products and services.

Code III: Adhere to the highest ethical standards

We ensure that our employees act with integrity, competence, dignity, and in an ethical manner when dealing with customers, prospects, colleagues, agencies and the public.

Code IV: Compliance with the laws & regulations

We maintain knowledge of and comply with all applicable laws, rules and regulations of any government, governmental agencies, regulatory organizations, licensing agencies, or professional associations governing the employee's professional activities.

Code V: Relationship with & responsibilities to MTB

We prioritize the bank's interest above personal interest.

As an objective, employees are required to:

Disclose the conflicts of interest including beneficial relationship with customers of any of its associates;

State only MTB's view and not her/his own, when speaking in a forum in which audiences would reasonably expect that s/he is speaking as a representative of MTB.

Code VI: Relationship with & responsibilities to customer

Deliver service professionally, respect customers and treat them courteously and consistently;

Respect the confidentially and privacy of customers, or anybody with whom they do business.

Code VII: Protecting business assets & information

We are responsible and accountable for using the goodwill and assets of MTB and its customers, whether tangible, intangible, intellectual or electronic, in a manner both responsible and appropriate to the business and only for legal and authorized purposes.

Code VIII: Respecting others

We treat colleagues, customers and anyone with whom we do business, with respect, dignity, fairness and courtesy;

We commit to maintain a work environment that is free from discrimination or harassment based on race, religion, creed, sex, disability, age or any other relevant category.

Code IX: Misconduct

We commit to avoid any professional conduct involving dishonesty, fraud, deceit or misrepresentation or carry out any act that reflects adversely on our honesty, trustworthiness or professional competence;

We also commit to support international and local efforts to eliminate corruption and financial crime.

Code X: Insider trading

We are committed to not utilize position for personal gain or for gain of another person. All of us must ensure that any information in our possession that is not publicly available and may have a material effect on the price or value of objectives, is not provided to anyone who may be influenced to subscribe, buy or sell shares or conduct any other business transactions with another person including family and friends.

Code XI: Control

The Code is designed to provide practical assistance in performing our daily tasks and resolving situations, which may present potential ethical conflicts.

Our Code of conduct has eleven core elements supporting a self-regulatory approach to the way we do business. Also, the Management monitors the compliance of the code of conduct.

The Association for Investment Management and Research (AIMR) has developed the Code of Ethics and Standards of Professional Conduct for their members. Most of them are relevant for persons working in a bank or a financial institution. MTB has adopted the relevant part from the Code of Ethics and Standards of Professional Conduct of AIMR.

MTB Outlook 2016

MTB aims to increase its profits in a sustained and controlled manner taking into account its main philosophy of integrity, transparency and ethics. We will always remain compliant first and profits second with a target to enhance our business using smart technology, well-trained human resources and banking capabilities in an efficient and effective manner.

Strategic Priorities

- 1. Emphasize smart banking with a view to increase sustainable business
- 2. Continue to ensure our high standards of compliance and governance
- 3. Leverage our human resources, smart technology, financial capital and foresight to enhance shareholder returns while ensuring sustainable growth
- 4. Continue to improve our funding and liquidity position with the proviso of maintaining a high level of asset quality and lower provisioning
- 5. Establish a culture of empowerment and spirit along with appropriate remuneration thereby attracting leaders to join and progress with the bank
- 6. Act as a socially responsible organization with an aim to progress the economy and the people
- 7. Ensure appropriate use of latest technology to improve the delivery channels to provide services to the unbanked population
- 8. Maintain our high standards to ensure that we remain one of the leaders in the banking arena
- 9. Increase and enhance loan portfolio through RMG clients
- 10. Upgrade infrastructure for Information & Technology Services to develop new IT based products and services

MTB is the DHL-The Daily Star Bangladesh Business Award Winner as the Best Financial Institution of 2014

MTB has been chosen for the award on account of its high standards of corporate governance, inspirational Board, strong leadership and management, exceptional innovation, diverse array of products and services, asset quality, financial performance and service to the community.

We are grateful to our much valued customers, regulators, shareholders, well-wishers and all citizens of the country. On this auspicious occasion, we reiterate our commitment to strive even harder to serve Bangladesh and our fellow citizens, in the exciting times ahead.



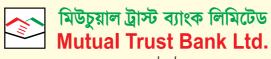


you can bank on us

SUCCESS IS BUILT ON MUTUAL RESPECT

MTB thanks all its stakeholders for their unwavering support, as the bank celebrates winning 'The Golden Globe Tigers Summit Awards 2015 for Excellence & Leadership in Branding & Marketing' in the Operational Excellence category.



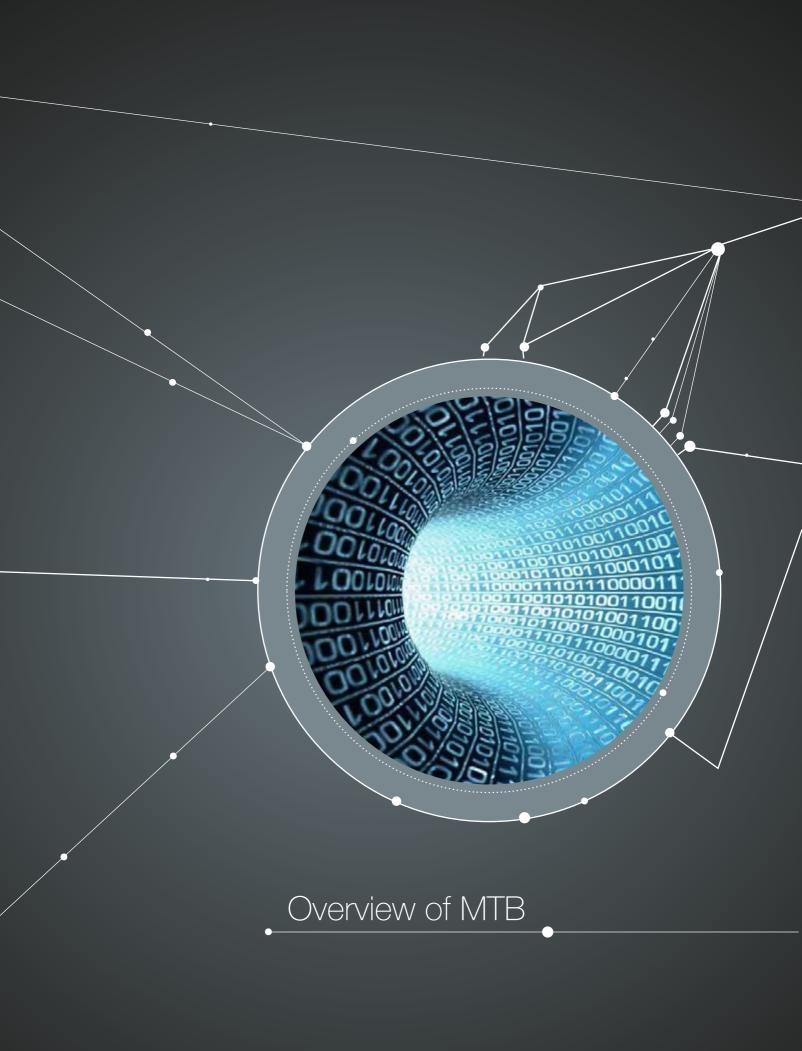


MTB Awards and Recognitions









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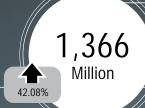
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MTB Financial Highlights 2015



TOTAL OPERATING PROFIT

Operating profit before provision for 2015 stood at BDT 2,811 million, registering a positive 7.98% growth over the previous year (BDT 2,603 million)



NET PROFIT AFTER TAX

Net Profit After Tax (NPAT) stood at BDT 1,366 million in 2015, which was 42.08% higher than 2014 (BDT 962 million)



LOANS AND ADVANCES

MTB risk assets (loans and advances) increased to BDT 97,589 million including Offshore Banking Unit (OBU) and margin loans, which was 26.51% higher than 2014 (BDT 77,141 million)



RETURN ON EQUITY (ROE)

Return on average shareholder equity went up from the previous year due to increase in Net Profit After Tax (NPAT) in 2015



TOTAL DEPOSITS

MTB Deposits in 2015 increased to BDT 118,405 million, registering a growth of 23.26% over 2014 (BDT 96,065 million)



NET ASSET VALUE (NAV) PER SHARE

Net Asset Value (NAV) per share increased to BDT 24.18 which was 9.90% higher than 2014



MTB Profile

Registered name of the company Mutual Trust Bank Limited

Legal Form

The Company was incorporated as a Public Limited Company on September 29, 1999, under the Companies Act 1994, with an Authorized Share Capital of BDT 1,000,000,000 divided into 10,000,000 ordinary shares of BDT 100 each. At present, the Authorized Share Capital of the company is BDT 10,000,000,000 divided into 1,000,000,000 ordinary shares of BDT 10 each.

The Company was also issued Certificate for Commencement of Business on the same day and was granted license on October 05, 1999 by Bangladesh Bank under the Banking Companies Act 1991 and started its banking operation on October 24, 1999.

Company Registration No:

C38707 (665)/99 on September 29, 1999

Bangladesh Bank Permission No: BRPD (P) 744(78)/99-3081 on October 5, 1999

SWIFT Code: MTBL BD DH

Registered Office:

MTB Centre 26 Gulshan Avenue Gulshan 1 Dhaka 1212, Bangladesh

Corporate Website www.mutualtrustbank.com

Auditors

M. J. ABEDIN & CO. Chartered Accountants National Plaza (3rd Floor) 109 BirUttam CR Datta Road Dhaka 1205

Tax Advisor

M/s. ACNABIN Chartered Accountants BSRS Bhaban (13th Floor) 12 Karwan Bazar C/A Dhaka 1215, Bangladesh

Tax Lawyer

Md. Delwar Hossain Income Tax Practitioner Chamber: Room No. 10/4 Eastern Commercial Complex 73 Kakrail Dhaka 1000

Legal Advisors

M/s Mohsen & Mohsen (Advocates and Legal Consultants) Suite # 14/A, C.D. Kader Heights 10 Hatkhola Road Dhaka 1203 M/s Hamid &Associates (Advocates and Legal Consultants) H# 46, Block# G, Banani Dhaka 1212 M/s Farooq&Associates (Advocates and Legal Consultants) Darus Salam Arcade (3rd Floor) 14. PuranaPaltan Dhaka 1000 M/s Sadat Sarwat and Associates Barrister-at-Law, Advocate Supreme Court of Bangladesh Sadat Sarwat and Associates House # 28, Road # 23 Gulshan 01, Dhaka 1212

Memberships

- The Institute of Bankers Bangladesh (IBB)
- Bangladesh Institute of Bank Management (BIBM)
- Bangladesh Association of Banks (BAB)
- Association of Bankers, Bangladesh Ltd. (ABB)
- Bangladesh Foreign Exchange Dealer Association (BAFEDA)
- Primary Dealers Bangladesh Limited (PDBL)
- Dhaka Stock Exchange Ltd. (DSE)
- Bangladesh Association of Publicly Listed Companies (BAPLC)
- Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI)
- Dhaka Chamber of Commerce & Industry (DCCI)
- American Chamber of Commerce in Bangladesh (AmCham)
- International Chamber of Commerce Bangladesh Limited (ICCB)
- Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)

MTB Corporate Structure MTB Group In Bangladesh Overseas MTB Exchange (UK) Trust Bank Limited Limited (MTB) MTB Offshore Limited (MTBSL) Unit MTB Capital Limited (MTBCL)

MTB Products and Services

RETAIL BANKING

Deposit Products

Current Account I MTB Regular Savings I MTB Privilege Savings I MTB Senior I MTB Inspire I MTB Junior I MTB Graduate I MTB Ruby I MTB Care I MTB Shanchay I MTB Ankur I Fixed Deposit I Special Notice Deposit I Brick by Brick I MTB Double Saver I MTB Millionaire Plan I MTB Education Plan I Monthly Benefit Plan I Children Education Deposit Scheme I MTB Kotipati I MTB Gift Cheque

Loan Products

MTB Personal Loan | MTB Auto Loan | MTB Home Loan | MTB Home Equity Loan | MTB Professional's Loan

MTB Card Products

MTB Debit Card | MTB Local & Dual Currency Credit Card | MTB Prepaid Card

WHOLESALE BANKING

Term Finance

Project Finance I Finance for Importing Capital Machinery I Lease Finance I House Building Finance I Term Loan to NBFI I Term Lending

Working Capital Finance

Secured over Draft (SOD) | Cash Credit (Hypo) | Cash against Document | Short Term Loan | Loan General Time Loan

Trade Finance

Export finance

Back to Back L/C | Export Bill Discounting (FDBP and IDBP) | Secured over Draft (SOD-general/export bill) | Packing Credit

Import finance

Loan against Trust Receipt (LTR) ı EDF Loan

Non-funded trade finance

L/C Opening (Sight/Deferred/UPAS) ı L/C Advising ı L/C Transfer ı Bank Guarantee ıShipping Guarantee

Bank Guarantee

Bank Guarantee [Bid Bond, Performance Guarantee, Advance Payment Guarantee, etc.]

Syndications & Structured Finance

Financing to Power, Telecom, Hotels, Aircraft, Steel, Cement, Glass, Petrochemical, Agro-based Project, Micro Financing, etc.

Off-Shore Banking

Term Finance: Working Capital Finance: Trade Finance (Local bill discounting, Foreign Bill Discounting, UPAS)

Cash Management unit:

- 1. MTB Nationwide Collection Services
- 2. MTB Web Based Banking Service
- 3. MTB Payments Solutions (Clearing service, BACH, BFTN)
- 4. MTB Capital Market Services (IPO LBTI, BTI, Right Issue)
- 5. MTB High Value Account Services
- 6. Motor Vehicle Fee Collection Solution
- 7. MTB Tuition Fees Collection Service

NRB BANKING

NRB Products:

- NRB Savings Account
- NRB Deposit Pension Scheme (NRB DPS)
- NRB Fixed Deposit Account (NRB FD)

NRB Services:

- Inward Foreign Remittance through globally reputed money transfer companies and MTB's fully owned subsidiary MTB Exchange UK Ltd.
- Banking Service to NRB through MTB Representatives in UAE.
- Foreign currency exchange facility to passengers travelling to or from abroad through MTB Foreign Currency Exchange Booths at Hazrat Shahjalal International Airport, Dhaka

SME BANKING

MTB Bhaggobati I MTB Krishi I MTB Mousumi I MTB Revolving Loan I MTB Small Business Loan I MTB Digoon I MTB Green Energy Loan I MTB Probaho I MTB Buniad I MTB Gunabati I MTB Krishijat I MTB Light Engineering I MTB IT Genius I MTB Microfinance I MTB Youth Line

MTB Events in 2015

MTB 16th AGM 2015





16th MTB Annual General Meeting (AGM) 2015



16th MTB Annual General Meeting (AGM) 2015



16th MTB Annual General Meeting (AGM) 2015



16th MTB Annual General Meeting (AGM) 2015



16th MTB Annual General Meeting (AGM) 2015

Inauguration of MTB Branches and MTB Privilege Centres



Inauguration of MTB Laldighirpar Branch, Sylhet



Inauguration of MTB Goalmari Bazar Branch, Comilla



Inauguration of MTB Madhabdi Branch, Narsingdi



MTB Feni Branch Relocation Ceremony





Inauguration of MTB Privilege Centres at Tejgaon and Baridhara, Dhaka



Inauguration of MTB Privilege Banking Agrabad Centre, Chittagong



Inauguration of MTB Banani Privilege Centre, Dhaka

MMT 2015 Induction Ceremony



MMT 2014 Confirmation Ceremony



MTB Management Trainee 2014 (MMT 2014) Confirmation Ceremony

Agreement Signing Ceremony





Agreement Signing Ceremony between MTB and RSA Capital





Agreement Signing Ceremony between MTB and Galaxy Healthcare Services





 $\operatorname{\mathsf{MoU}}$ Signing Ceremony between MTB and Independent University, Bangladesh (IUB)





Agreement Signing Ceremony between MTB and Sailor by Epyllion



Agreement Signing Ceremony between MTB and The Westin Dhaka



Agreement Signing Ceremony between MTB and Arirang Aviation Ltd.





Agreement Signing Ceremony between MTB and IT Consultants Ltd. $\,$





Mandate Signing Ceremony between MTB and Bengal Group



Agreement Signing Ceremony between MTB and Amari Dhaka



Agreement Signing Ceremony between MTB and Standard Chartered Bank



Payroll Banking Signing Ceremony between MTB and GREY Advertising Ltd.



Loan Agreement Signing Ceremony between MTB and Bangladesh Extension Education Services (BEES)





Agreement Signing Ceremony between MTB and Ocean Paradise Hotel & Resort



Agreement Signing Ceremony between MTB and DHS Motors Ltd.



Mandate Signing Ceremony between MTB and Star Ceramics Ltd.



Agreement Signing Ceremony between MTB and California Fried Chicken (CFC)

Awards



MTB receives DHL- The Daily Star Bangladesh Business Award as the Best Financial Institution of 2014



 $\mbox{MTB receives Best SME Bank of the Year 2014 \& Best Women Entrepreneurs' Friendly Bank of the Year 2014 } \\$



Award Giving Ceremony for School Banking Conference 2014-2015

Crest Hand Over Ceremony



MTB receives Crest from Commerzbank



MTB receives Crest from Border Guard Bangladesh (BGB) Thakurgaon

Training Programs & Workshop



Training Program on SWIFT



Foundation Course and Training on Law and Practice of Banking



Workshop on Money Laundering Prevention & Combating the Financing of Terrorism



Training on Fire Fighting and First Aid Treatment





Workshop on Anti Money Laundering and Combating the Financing of Terrorism



Workshop on ISS Reporting to Bangladesh Bank



Workshop on Money Laundering Prevention & Combating the Financing of Terrorism



ICC Workshop on Application of Rules for International Trade Finance



Workshop on Money Laundering Prevention and Combating the Financing of Terrorism

Annual Business Conference



MTB Annual Business Conference 2015

Celebrations



Celebration of 16th Anniversary of MTB



MTB celebrates the election of the MTB MD & CEO as the ABB Chairman for 2016-2017

Seminar



 $\ensuremath{\mathsf{MTB}}\xspace$ MTB MD & CEO, a speaker at a seminar titled "Transformation Challenges and Opportunities"



ICC Seminar on Bangladesh China Trade Finance Role of Banks, Kunming, China



MTB participated in the Rally and Seminar on Safe, Secured and Efficient Remittance

Launching Ceremony





MTB participates and signs MoU in the launching program of iamsmeofbangladesh



Launching of MTB Real Time Remittance Payment and Settlement (RTRPS) System

School Banking Activities



School Banking Campaign at Sunshine School and College, Muradpur, Chittagong





School Banking Campaign at Munshirhat High School and Munshirhat Girls' School, Kadair Bazar





School Banking Campaign at Viqtarunnisa Noon School and College, Bashundhara Branch, Dhaka

Visits



Abu Dhabi Commercial Bank, Abu Dhabi



Habib Exchange, Abu Dhabi



Trust Exchange, Qatar



Noor Bank, Dubai



Wall Street Excange Centre, Dubai



United Bank Ltd., Dubai



MTB Chairman, Vice Chairman, Director and MD & CEO visit MTB Dumni Branch

MTB Corporate Social Responsibility (CSR)

Launch Of "Swapno Sarathi"

In accordance with the bank's policy to nurture the primary education sector in the rural hard-to-reach areas, MTB launched a special campaign titled "Swapno Sarathi" in 2015. The campaign aims at motivating students, mainly female, with the motto "School-e jete durotto jeno badha na hoy" by providing them with bicycles with a view to facilitating their movement to and from school. During 2015, more than 700 bicycles were distributed in different regions of the country, namely: Bogra, Dhorkora Bazar, Dinajpur, Joypurhat, Kadair Bazar, Ramchandrapur Bazar, Rangpur, Sirajganj, Thakurgaon and Feni in addition to former enclaves of Bangladesh.

Winter Clothes Distribution Drive 2015

As part of the winter clothes distribution drive in 2015, a total number of 24,000 blankets were distributed in Feni, Thakurgaon, Dinajpur, Naogaon, Gaibandha, Rajshahi, Kushtia, Sirajganj, Lalmonirhat, Dhorkora Bazar, Kadair Bazar, Gournadi, Tangail and Meherpur regions of Bangladesh.

1,200 MTBians also took part in this campaign by donating winter clothes to the underprivileged.

Major MTB CSR Projects Executed During 2015

- Chobimela 2015
- Notre Dame College 1st International Nature Summit
- North South University Masters of Ideation 2015
- Ahsanullah University of Science & Technology (AUST) CSE Fest Fall 2015
- Supporting Assistance for Blind Children (ABC)
- Supporting 'White Cane Safety Day'
- Sponsorship of the campaign "Let's Clean Up the Country Day"
- Bravery Award to Constable Monir Hossain

MTB CSR Projects In 2016 (January to March)

- Inauguration of Modhya Char Montaj Govt. Primary School, Rangabali, Patuakhali
- Sponsorship of i-gen
- Sponsorship of MTB Independent Cup Squash Tournament 2016
- Donation to DNCC for CCTV surveillance
- Sponsorship of 'Kazi Sabyasachi Smriti Puroshkar 2016'
- Sponsorship of Humayun Ahmed's Photo Album
- Sponsorship of Shafiq-ul Huq Hira's autobiography 'Keeping Gloves'





Blanket distribution at Cadet College Club Ltd.



Blanket Distribution in Rajshahi



Computer and Printer Hand Over to Dhaka University Alumni Association (DUAA)



MTB supports Assistance for Blind Children (ABC)



মিউছুয়াল ট্রাস্ট ব্যাকে লিমিটোর Mutual Trust Bank Ltd. **Handover Ceremony** iding support items to Ha Umbrella and Bag hand over Ceremony for Holy Hajj Pilgrims







Signing Cremony between MTB and Prothom Alo



MTB supports the farmers of Dashiar Chorha enclave in Fulbari, Kurigram for their self-reliance



MTB's Bicycle Distribution Program "Swapno Sarathi" amongst the underprivileged female students



MTB's Bicycle Distribution Program "Swapno Sarathi" amongst the underprivileged female students



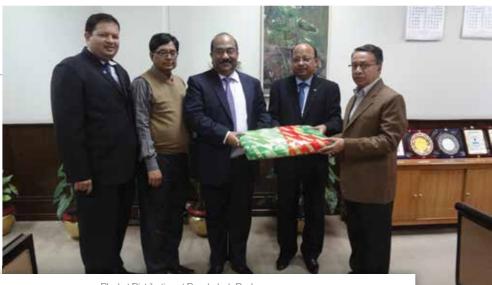
MTB's Bicycle Distribution Program "Swapno Sarathi" amongst the underprivileged students at Feni



MTB donates 20,000 Blankets to the Prime Minister's Relief Fund



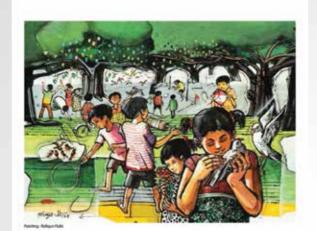
Loan disbursement, Agent Banking and Financial Inclusion at Rangpur



Blanket Distribution at Bangladesh Bank

MTB Calendar 2016

কাঙ্খিত শৈশব



January 2016

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April 2016

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May 2016

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নিউচুয়াল ট্রাস্ট ব্যাহক লিমিটেড Mutual Trust Bank Ltd. সম্বাদন কলিব কল





July 2016

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মিউচুয়াল ট্রান্ট ব্যাকে লিখিটেড Mutual Trust Bank Ltd. স্থান deal or at



August 2016

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September 2016

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November 2016

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December 2016

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Letter of Transmittal

All Shareholders Bangladesh Bank Bangladesh Securities and Exchange Commission Registrar of Joint Stock Companies & Firms Dhaka Stock Exchange Limited Chittagong Stock Exchange Limited

MTB Annual Report 2015

Dear Sir/Madam(s):

Please accept best compliments from Mutual Trust Bank Limited (MTB).

We are pleased to enclose a copy of the Annual Report 2015 together with the Audited Financial Statements as of December 31, 2015 of Mutual Trust Bank Limited and its subsidiaries for your kind information and record.

Yours sincerely,

MALIK MUNTASIR REZA Group Company Secretary

Notice of the 17th Annual General Meeting

Notice is hereby given to all Members of Mutual Trust Bank Limited (MTB) that, the 17th (Seventeenth) Annual General Meeting (AGM) of the Bank will be held on **Monday**, the 25th April, 2016 at 10:00 a.m., at International Convention City Bashundhara (Pushpoguscho), Joar Sahara, Khilkhet, Dhaka 1229 (beside 300 ft. Purbachal Express Way) to transact the following business, and to adopt necessary resolutions:

AGENDA

- 1. To receive, consider and adopt the audited Financial Statements, for the year ended on 31st December 2015, together with the Directors' Report and Auditors' Report thereon.
- 2. To declare Dividend for the year ended on 31st December 2015, as recommended by the Board of Directors.
- 3. To elect/re-elect Director(s).
- 4. To appoint/re-appoint Independent Director(s).
- 5. To appoint/re-appoint Auditor(s), for the term until the next Annual General Meeting, and fix their remuneration.
- 6. Confirmation of the re-appointment of the Managing Director & CEO.

By order of the Board of Directors

Malik Muntasir Reza
Group Company Secretary

April 07, 2016 Dhaka

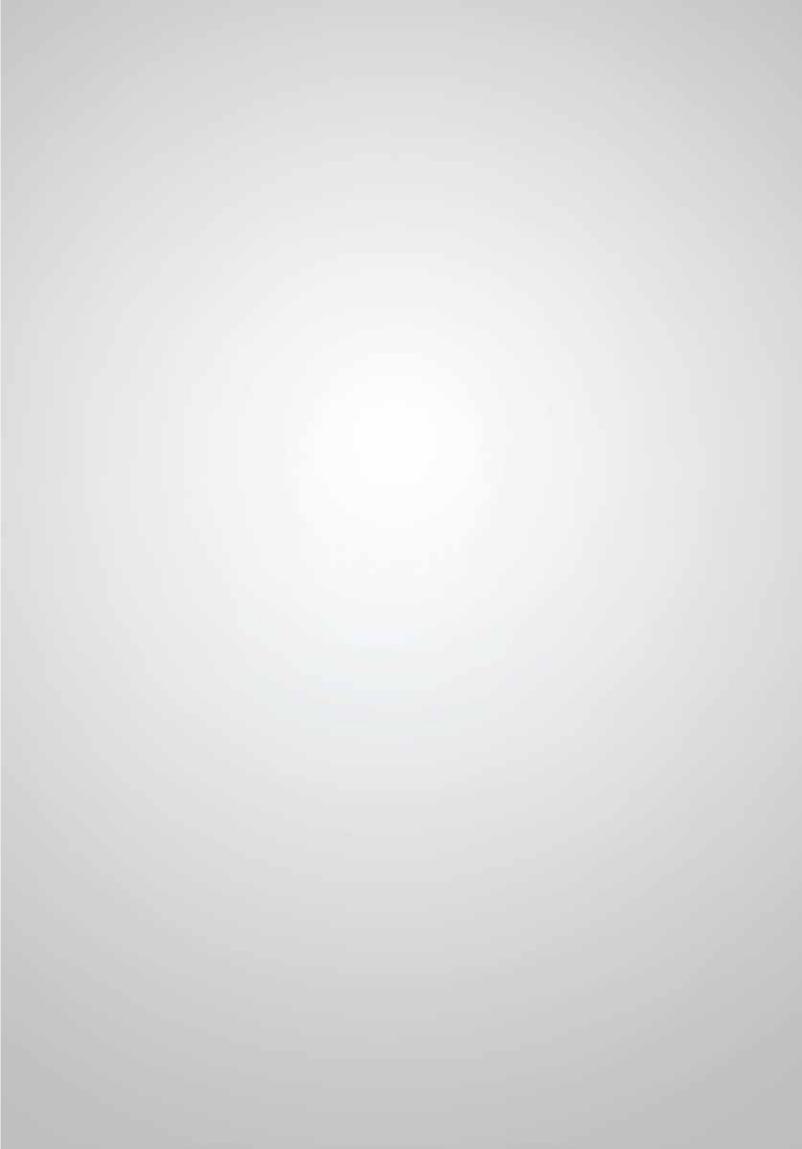
Notes:

- a) The 'Record Date', in lieu of Book Closure is on Tuesday, April 05, 2016. The Members, whose names would appear in the Register of MTB, under Central Depository System (CDS) on the Record Date, would be eligible to attend the 17th AGM and qualify to receive dividend.
- b) The Board of Directors recommended for payment of Stock Dividend @ 20.00% (Bonus Share) on the profit of MTB for the year ended on December 31, 2015.
- c) M/S. M. J. Abedin & Co., Chartered Accountants, the existing Auditor will retire from office at the 17th AGM. Since they have audited the accounts of the Bank for last two years, they are eligible for reappointment, as per prevailing laws/regulations/circulars.
- d) A Member, who is entitled to attend and vote at the AGM, may appoint a proxy to attend the meeting and take part in the proceedings thereof, on his/her/their behalf.
- e) The instrument appointing a proxy, or the Power of Attorney duly signed by a Member and stamped with requisite amount must be submitted at the MTB Share Department, MTB Tower (3rd Floor), 111 Kazi Nazrul Islam Avenue, Banglamotor, Dhaka 1000 at least 48 hours before the meeting.
- f) Attendance of the Member(s)/Attorney (ies)/Proxy (ies) shall be recorded at the entrance of the venue. Attendance slip has to be submitted duly signed at the Registration Counter.
- g) Annual Report 2015, Notice of the 17th AGM, Proxy Form and Attendance Slip will be available at the MTB Share Dept., as well as on the website of the company @ http://www.mutualtrustbank.com, in due course.
- h) In compliance with the Bangladesh Securities & Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2009-193/154 dated October 24, 2013 "No benefit in cash or kind, other than in the form of cash dividend or stock dividend, shall be paid to the Members i.e. no gift/gift coupon/food box etc. will be distributed at the 17th AGM".

Impact on Forward Looking Statement

This annual report contains certain forward looking statements such as MTB's plans, anticipations, beliefs, opportunities, etc. and these are based on assumptions, estimates, beliefs and future expectations. These statements may materially differ due to changes in the business environment. The following are some major factors that may affect the overall business conditions of the bank:

- Changes in Fiscal, Trade and Monetary Policies
- Natural Catastrophes and Political Disturbances
- Changes in Consumer Behaviors, Technologies, Commodity Price Levels
- Changes in Financial and Capital Market locally and internationally
- Changes in Interest Rates and FOREX Rates locally and internationally
- Changes in Legal and Regulatory Framework locally and internationally
- Changes in CRR and SLR of the banks
- International embargo/unrest in any country
- Withdrawal of incentives given to any sectors





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Profile of the Board of Directors



Mr. M. A. Rouf, JP, is the current Chairman.

Mr. M.A. Rouf, JP had been the Vice Chairman of Mutual Trust Bank Limited (MTB) since February 26, 2014 and assumed the role of the Chairman of MTB and its three subsidiaries, namely MTB Securities Limited (MTBSL), MTB Capital Limited (MTBCL) and MTB Exchange UK Limited on February 26, 2016. He obtained an Associate Degree in Textile Engineering and Management from the then East Pakistan Institute of Technology.

He is the Chairman of Britannia Group, a British-Bangla joint venture real-estate company. Besides, he is the Vice Chairman of Sonata Shipping Lines Ltd. and a Director of Tiger Tours Ltd.

Mr. Rouf is a renowned personality and holds several prestigious positions at the international level. He is a Justice of Peace (JP) for Scotland. Besides, he has been serving as the elected Regional President for the Bangladesh British Chamber of Commerce in the UK for Scotland for the last fourteen years. He was also appointed as a Delegate for the Department of British Trade Mission of Bangladesh. He is a senior vice-president of UKBCCI (UK Bangladesh Catalysts of Commerce and Industry). Mr. Rouf was the Financial Director for Scottish Cancer Research Centre for 8 years.

Presently Mr. Rouf is serving as the Chairman of the following foreign companies:

- Balaka Group, UK
- Balaka Bangladeshi Food Limited in the United Kingdom
- Diamond Properties, UK one of the buildings the company has built received the Civic Trust Award from the Scottish Building Authority. This was the first time an enterprise with a South Asian background has received this accolade.

He is a lifetime member of the University of St. Andrews and also a member of St. Andrews Golf Club, which is considered to be the home of golf in the world. He has also held the post of Honorary Vice Chairman of St Andrews University Union Debating Society for the last 17 years and currently is the president of St. Andrews University Cricket Club.



Mr. Hedayetullah assumed the role of MTB Vice Chairman in 2016. Prior to that, he had been serving as the Chairman of its Executive Committee.

He is presently serving as the:

- 3 Chairman of Hedayetullah Securities Ltd.
- Managing Director of BW International Ltd. (a joint venture PU outsole factory with China), Footbed Footwear Ltd., and FB Footwear Ltd. (a joint venture factory with Italy)
-) Director of Apex Tannery Ltd., Apex Property Development Ltd.

Mr. Hedayetullah obtained B.Sc. (Honors) degree in Leather Technology from the British School of Leather Technology, Northampton, UK and M.A. in International Business from Webster University, Regents College, London, UK.



Mr. Syed Manzur Elahi is the Founding Chairman of Mutual Trust Bank Ltd. (MTB) and Pioneer Insurance Company Limited. He is one of the leading entrepreneurs and industrialists of Bangladesh. Mr. Elahi is the Chairman of Apex Group, a leading business conglomerate in Bangladesh and has won various awards for his contributions to trade and industry including:

- "Business Executive of the Year 2000" award conferred by the American Chamber of Commerce (AMCHAM), Bangladesh
- "Business Person of the Year 2002" award, sponsored by The Daily Star and DHL Worldwide **Express**

Besides being an eminent industrialist, he was also appointed Adviser to the Caretaker Government of Bangladesh, twice (1996 & 2001), for his leadership qualities, professionalism and non-partisanship. Mr. Elahi holds an M.A. (Econ.) from the University of Dhaka.

Mr. Elahi is currently the Chairman of

- Apex Tannery Ltd.
- Apex Footwear Ltd.
- Apex Pharma Ltd.
- Blue Ocean Footwear Ltd.
- Apex Enterprises Ltd.
- Apex Investments Ltd.
- Grey Advertising (Bangladesh) Ltd.
- Quantum Market Research
- Manusher Jonno Foundation
- Holiday Publications
- Bangladesh Freedom Foundation

He is also a:

- Director of International Publications Limited, the owning company of The Financial Express
- Director of Credit Rating Agency of Bangladesh Limited (CRAB)
- Director of Central Depository Bangladesh Ltd. (CDBL)
- Member of the Board of Trustees of East West University
- Member of the Board of Trustees of Centre for Policy Dialogue (CPD)
- Member of Trustee Board of Diabetic Association of Bangladesh

Previously, Mr. Elahi served as the:

- Chairman of the Bangladesh Association of Banks (BAB)
- Chairman of the East West University Foundation (EWUF)
- Chairman of Central Depository Bangladesh Ltd. (CDBL)
- Vice Chairman of the Bangladesh Association of Publicly Listed Companies (BAPLC)
- A Director on the Boards of Bangladesh Bank, Sonali Bank and Bangladesh Krishi Bank
- A Director of the Export Promotion Bureau, Bangladesh
- The President of the Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI)
- The President, Bangladesh Employers Association (BEA)
- The President of the Dhaka University Alumni Association (DUAA)
- The Honorary Consul for Belgium in Bangladesh



Mr. Rashed A. Chowdhury Director (Former Chairman)

Mr. Rashed A. Chowdhury is a Director and a Former Chairman of Mutual Trust Bank Limited (MTB) from 2014-2016. Prior to assuming this role, he was the Vice Chairman and a member of the Board Audit Committee of MTB for two years.

Mr. Chowdhury is the:

- Chairman of Banga Garments Ltd.
- Chairman of ABC Building Products Ltd.
- Founder Trustee and Chairman of the Board of Trustees of Independent University, Bangladesh (IUB)
- President and founding member of Cadet College Club Limited
- Chairman of Bangladesh Business Publications Limited, publishing company of the bi-monthly Business Bangladesh magazine.
- Senior Vice President of Bangladesh Squash Rackets Federation.

He is also a:

- Director of Associated Builders Corporation Ltd. (ABC), a pioneer in the field of construction and real estate development in Bangladesh
- Director of ABC Real Estates Ltd.
- Director of Shamsuddin Towels Itd.

He has served as:

- Senior Vice President of Bangladesh Terry Towel Manufacturers and Exporters Association
- President of the Rotary Club of Dhaka Central
- Assistant Governor of Rotary District-3280

Mr. Chowdhury obtained Higher National Diploma in Business Studies from West London College, UK and a Post Graduate Degree in Business Management from Kingston University of the United Kingdom. He is a member of the Chartered Management Institute, UK.



Dr. Arif Dowla served as the Chairman of Mutual Trust Bank Limited (MTB) from January 17, 2012 to February 26, 2014. Son of Mr. M. Anis Ud Dowla, a leading name in Bangladesh's corporate business, trade and industry arena, Dr. Dowla is the Managing Director of the renowned conglomerate, Advanced Chemical Industries (ACI) Ltd. as well as its following subsidiaries.

- ACI Pure Flour Limited
- ACI Foods Limited
- ACI Motors Limited
- ACI Logistics Limited
- ACI Agrolinks Limited
- Premiaflex Plastic Limited
- Stochastic Logic Limited

Besides, Dr. Dowla is the Chairman of Tetley ACI (Bangladesh) Ltd. and Vice Chairman of ACI Healthcare Ltd.

He is a Director of:

- ACI Formulations Limited
- ACI Salt Limited
- ACI Edible Oils Limited
- ACI Godrej Agrovet (Pvt.) Limited
- Creative Communication Limited
- Consolidated Chemicals Limited
- ACI Healthcare Limited Vice Chairman
- ACI Chemicals Limited
- Bangladesh Business Publications Limited, publishing company of the bi-monthly Business Bangladesh magazine
- Infolytx Bangladesh Limited

Dr. Dowla obtained PhD degree in Mathematics from the University of California, San Diego, USA. He is a member of the American Mathematical Society and a Young Global Leader Honoree 2009 bestowed by World Economic Forum. He is also the Honorary Consul of the Kingdom of Belgium in Bangladesh.

He is a member of the Board of Governors of the Society for Promotion of Bangladesh Art (SPBA).



Mr. Md. Abdul Malek Director

Mr. Md. Abdul Malek, Director of Mutual Trust Bank Ltd. (MTB), obtained B.Sc. Engineering (Civil) from BUET, a renowned engineering institution of the country. He has vast experience and special skills and expertise in structuring and developing, calamity and devastation resilient and green buildings along with a glorious tradition in construction of multi-storeyed buildings.

He was the Chairman of Sheltech Consultants (Pvt.) Ltd. (SCPL), a major practitioner in Urban Planning, Architectural, Engineering Design, and Tourism Development. SCPL has successfully completed many projects, for major International Development Funding Agencies, which includes the Asian Development Bank (ADB), The World Bank, United Nations Development Program (UNDP), European Economic Community (EEC), Swiss Agency for Development and Cooperation (SDC), Finnish International Development Agency (FINNIDA), United States Agency for International Development (USAID), United Nations Children's Fund (UNICEF), Department for International Development (DFID), Directorate-General for International Cooperation (DGIS) and Royal Netherlands Embassy (RNE), on behalf for Govt. of Netherlands. SCPL has earned a good recognition both locally and internationally. He has also vast experience in the Garments and IT sector.



Mr. Md. Wakiluddin Director

Mr. Md. Wakiluddin, Director of Mutual Trust Bank Limited (MTB) is the Chairman of Baridhara Enterprise (Pvt) Ltd., and Baridhara Corporation Ltd. He is the Managing Director of Swadesh Properties Ltd. He is also a Director of HURDCO International School.



Mrs. Khwaja Nargis Hossain Director

Mrs. Khwaja Nargis Hossain, Director of Mutual Trust Bank Limited (MTB), received Master's Degree in Islamic History from the University of Dhaka. She is the Managing Director of SAHCO Securities Limited. She is also a Corporate Director of SAHCO International Limited and a Member of BOAO Forum for Asia (BFA), China. BFA is a non-profit international organization formed by twenty six Asian Countries and Australia for socio-economic development of the people of Asia and rest of the world.



Mr. Anjan Chowdhury is a Director of Mutual Trust Bank Limited (MTB), replacing his father, the iconic and legendary MTB Chairman, late Mr. Samson H. Chowdhury. He is one of the key Directors of Square Group, the leading business conglomerate in Bangladesh and the following business ventures under the group:

- Square Pharmaceuticals Limited
- Square Hospital Limited
- Square Formulations Ltd.
- Square Herbal and Nutraceuticals Ltd.
- Square Agro Development and Processing Ltd.
- Square Textiles Limited
- Square Fashions Limited
- Sauare Yarns Limited
- Square Fashion Yarns Limited
- Sauare Denims Limited
- Square Apparels Limited
- Square Holdings Limited
- Square Informatix Limited

Currently, Mr. Chowdhury is acting as the Chairman of Maasranga Production Limited and Oracle Travels Limited.

He is the Managing Director of:

- Square Toiletries Limited
- Square Food & Beverage Limited
- Square Securities Management Limited
- Square Texcom Limited
- Square Air Limited
- Maasranga Communications Limited (Maasranga Television)
- Mediacom Limited
- Aegis Services Limited

Besides, he is also a Director of the following business ventures:

- Astras Limited
- Pharma Packages (Pvt.) Limited
- Barnali Printers Limited
- Sabazpur Tea Co. Limited

Mr. Chowdhury has keen interest in the educational, cultural and sports arena of the country. He did his studies in management from the University of South Florida. He is a Trustee Member of the Education, Science, Technology and Cultural Development Trust (ESTCDT) of the Independent University of Bangladesh, Founder Member and current Chairman of The Society for the Promotion of Bangladeshi Art (SPBA). He also serves as Director of Bangladesh Business Publications Limited, publishing company of the bi-monthly Business Bangladesh magazine. Besides, Mr. Chowdhury is also a Member of several social and cultural associations in his home district. Pabna.

His passion for sports is reflected through his in-depth involvement with different sports organizations. He is the Chairman of Kurmitola Golf Club's (KGC) Development Committee, and member of its Finance Committee and Executive Committee. He is an Executive Committee Member of Bangladesh Golf Federation, a Director of Abahani Limited and the current Vice President of Bangladesh Olympic Association (BOA). Chowdhury was awarded the National Sports Award 2009 for his outstanding contribution in the sporting arena of the country by the Ministry of Youth & Sports.

Mr. Chowdhury received the National Film Award 2010 as the Best Producer in the year 2011 for his widely acclaimed feature film "Monpura" given by the Ministry of Information, Government of the People's Republic of Bangladesh.



Mr. Q.A.F.M Serajul Islam Director

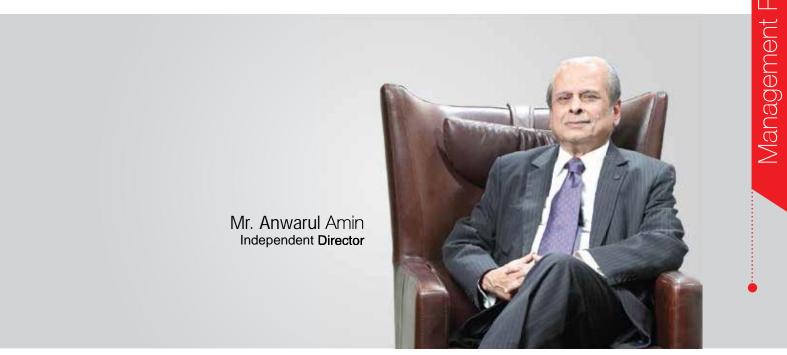
Mr. Q. A. F. M. Serajul Islam, Managing Director & CEO, Pioneer Insurance Company Limited is serving as a Director on the Board of Mutual Trust Bank Limited (MTB).

He commenced his thirty seven years of journey in the insurance industry in 1978, at the state owned Insurance Company Sadharan Bima Corporation (SBC). He held important positions in different departments of SBC, before voluntarily retiring in 2003 as a Deputy General Manager. In the same year, he joined Pragati Insurance Limited as Deputy Managing Director. Later, in September 2005, he switched to Pioneer Insurance Company Limited as an Additional Managing Director and has been serving as the Managing Director & CEO of the company since 14th January 2007. In 2011, under his abled leadership, Pioneer Insurance Company Limited became the second largest company in terms of premium income amongst forty five non-life insurance companies in the private sector. He has negotiated reinsurance treaties of SBC, Progati Insurance Limited and Pioneer Insurance Company Limited with reinsurance companies of the UK, France, Germany, Switzerland, Malaysia, Singapore, India, Bahrain, etc.

Considering Mr. Islam's in-depth knowledge, wide range of experience, and expertise in the line of insurance business, he has been nominated by MTB as the Director of Life Insurance Corporation (LIC) of Bangladesh Ltd., a joint venture entity of Indian state-owned insurance giant.

Recently, Mr. Islam was also elected as a member of the Executive Committee of Bangladesh Association of Publicly Listed Companies (BAPLC). BAPLC is the only organization to represent the publicly listed companies in the Bangladesh capital market.

Mr. Islam obtained Post-Graduate Degree in Physics in 1972. Besides his educational degree, he also obtained the professional degree, BIA Diploma in General Insurance, from the Bangladesh Insurance Academy (BIA) in 1986, and since then has been associated with BIA as a resource person. He took part in training courses on General Insurance and Reinsurance both at home and abroad, which included a three-week in-house training on Reinsurance at Tysers, UK. He also attended various International seminars and conferences on insurance and reinsurance.



Mr. Amin is one of the most senior bankers of the country. After graduating from Westminster Bank Institute of Banking, Oakenholt, Oxfordshire, UK in 1955, he started his banking career with Muslim Commercial Bank Ltd., Dhaka as a Covenanted Officer in the same year. He received specialized banking training with Deutsche Bank, Hamburg, KfW, Frankfurt and Westminster Bank Ltd., London.

Mr. Amin has served in managerial and senior executive positions during his thirty- six years career in many reputed organizations including:

- Branch Manager at National Bank of Pakistan
- Manager, Project Department, End Use Department and Small Industries Department, Industrial Development Bank of Pakistan (IDBP)
- Chief Manager, Controller of Planning & Development, Deputy Managing Director, Joint Managing Director, Eastern Banking Corporation Ltd
- General Manager (Country Head) for UK, Uttara Bank *
- General Manager (Deputy CEO), Bangladesh Shilpa Bank (Now BDBL)
- General Manager (Country Head) of Bank of Credit & Commerce International (BCCI), Bangladesh
- Chief Representative & General Manager (Country Head) BCCI China with 4 Representative Offices in Beijing, Shanghai, Canton, Xiamen and a full-service Branch in Shenzhen SEZ
- General Manager (Country Head), Japan
- Chairman, Equity Resources Limited (Capital Market Intermediary Company)
- Independent Director & Vice Chairman, Bank Asia Ltd.

*In December 1971, the Bangladesh Government assigned Mr. Amin to open the first- ever overseas branch of a Bangladeshi bank. During his tenure in the UK he opened branches of Uttara Bank in London, Manchester, Birmingham, Oldham and Bradford.

Current assignments besides being an Independent Director of Mutual Trust Bank Ltd. include: Chairman, Board of Trustees of Impact Foundation Bangladesh (NGO involved in the Disability Sector), Trustee of Bangladesh Hospital Trust, Chief Advisor (formerly President), Bangladesh-China People's Friendship Association (BCPFA), Chairman, Kayfin Ltd. (Management Consultants).



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Dr. Sultan Hafeez Rahman Independent Director

Dr. Sultan Hafeez Rahman is an Independent Director of Mutual Trust Bank Limited (MTB) and a reputed economist. He is currently the Executive Director of the BRAC Institute of Governance and Development, BRAC University and Director, International Growth Centre's (IGC) Bangladesh Program. He obtained his Ph.D. and M.A degrees from Stanford University and M.A in Economics from Vanderbilt University.

He started his professional career at Bangladesh Institute of Development Studies (BIDS) in 1975 and worked as Staff Economist, Research Fellow, and Senior Research Fellow there. He also served as a Director of the Board of Directors of the state-owned Agrani Bank from 1988 to 1991, and was an adviser/consultant to the Ministries of Jute, Industry, Commerce and Finance and Planning.

Dr. Rahman joined Asian Development Bank (ADB) in September 1992 and rose to become a Director General in ADB, which is the highest-level staff position. He was involved in a number of landmark ADB operations, including:

I Resumption of ADB's operations in Vietnam in 1994 and Afghanistan in 2002-2003
I Initiating ADB's assistance to Kazakhstan and Uzbekistan in 1995-96
I ADB's stabilization and recovery assistance to Indonesia and South Korea during the 1997-98 Asian financial

He also served as ADB's Country Director in Nepal during the worst period of civil conflict from 2003-06. He worked on Cambodia, Thailand, Malaysia, Indonesia, India, Pakistan and Bangladesh as well as fourteen Pacific Island countries in the north and south Pacific region. He retired from ADB in June 2012.

Throughout his professional career of forty years, Dr. Rahman participated in many workshops, seminars and conferences around the world, many of which he organized. A reputed economist, Mr. Rahman's current research interests are in the areas of economic growth and inequality, green growth, macroeconomic policy, financial sector policy, regional economic cooperation and integration, and governance.





Anis A. Khan, a Fellow of the Institute of Bankers, Bangladesh (IBB) is the Managing Director & CEO of Mutual Trust Bank Ltd. (MTB), one of Bangladesh's leading private sector banks, since April 2009. Prior to joining MTB, Anis headed IDLC Finance Limited (IDLC), the country's largest financial institution (non-banking) for six years, as its CEO & Managing Director.

A career banker. Anis earlier served for 21 years, in a multitude of roles, with the then Grindlays Bank p.l.c. and with its successor banks - ANZ Grindlays and Standard Chartered Bank (SCB), both in Bangladesh and abroad.

Anis has received on the job exposure and training on banking, management and leadership practices, including corporate banking, international trade, retail banking, investment and merchant banking, stock brokerage services, leasing, factoring, operations, legal and compliance, mergers and acquisitions, business process re-engineering and transformation, and upgradation of information technology platforms in Bangladesh, India, UAE, UK, Australia and South Africa. He has also attended an Executive Program in Corporate Governance and Strategic Management at the Haas Business School of the University of Califoria, Berkeley.

Anis currently serves as:

- Director of Industrial and Infrastructure Development Finance Company Limited (IIDFC)
- 3 Director of BD Ventures Limited, a venture capital company
- Chairman of Primary Dealers Bangladesh Limited (PDBL)
- Chairperson of SWIFT Member & User Group of Bangladesh (SMUGB)
- Chairman, Board of Governors of the Association of Bankers, Bangladesh Limited (ABB)
- Vice President, Bangladesh Association of Publicly Listed Companies (BAPLC)

- 3 Member, Board of Governors of the Bangladesh Institute of Bank Management (BIBM)
- 3 A life member of the SAARC Chamber of Commerce and Industry (SAARC CCI)
- Frustee Treasurer of the CSR Centre

Anis has served as:

- Chairman of the Bangladesh Leasing & Finance Companies Association (BLFCA)
- Director of Chittagong Stock Exchange Limited (CSE)
- Member of the Advisory Committee of the Bangladesh Securities and Exchange Commission (BSEC)
- Director of Bangladesh Rating Agency Limited (BDRAL)
- Director of Eastern Bank Limited and member of its **Executive and Audit Committees**

He qualified to join the Bangladesh Civil Service after passing the BCS Examination in 1982. His academic and professional qualifications include a Masters degree with Honors in law (First Class First), first class post-graduate diploma in human resource management and a diploma in French language.

Anis frequently delivers lectures and presentations on investment, corporate governance, banking, leasing, factoring and the capital market, both at home and abroad.

A keen collector of art, Anis is a member of the Board of Governors of the Society for Promotion of Bangladesh Art (SPBA).

Chairman's Statement



M. A. Rouf, JP Chairman

Respected Shareholders,

Please accept my best wishes, on behalf of Mutual Trust Bank Ltd. (MTB) and its directors, other fellow shareholders and the MTB Management Team.

We are striving hard to be one of the most agile and responsive banks in the country. Our desire to build a strong, capable and well-trained work-force with top-quality products and services along with infrastructural capabilities have started to pay dividends. We are confident that the strategy and far-reaching action plans will pave the way for a strong customer focused bank in addition to helping support the country's growth and delivering strong and sustainable returns to our shareholders.

The political situation of the country in the early part of 2015 was certainly not condusive to business, which hampered business growth and ultimately lead to a slowdown in the economy. Although this picked up a little bit in the latter part of the year, the results were not up to expectations.

In spite of all the upheavals, your bank maintained a good growth, through an enduring commitment to Business Excellence, while improving quality and customer delivery models. This resulted in healthy and balanced growth across all parameters including risk assets, the deposit-advance ratio, non-interest income, stable cost-to-income ratios. Increasing network and delivery capacity through new branches and expansion of the ATM footprint, human capital and best-in-class asset quality, even as the external environment remained challenging. This was highlighted by the fact that MTB was named as "The Best Financial Institution of 2014" at the DHL-The Daily Star awards, a noteworthy achievement which could not have been possible without all your support and encouragement.

Since its inception, MTB's constant endeavor has been to establish a robust Corporate Governance framework in full conformity with the regulatory requirements, with empowerment of the management with proper accountability, thus helping establish optimum practices within our banking system.

Technology has been a key differentiator at MTB compared to most members of its peer group. Efficient Information Technology Services (ITS) and Alternate Delivery Channel (ADC) teams are well in place, to provide support and ensure that the IT architecture complements the bank's growing business model.

To ensure that we constantly stay ahead in this arena, we are planning to revamp our Core Banking System with the latest version as well as our Credit Cards and will soon be launching the Mastercard World portfolio along with Visa Platinum and Visa Signature to complement your needs.

While we are striving to build a bank which will be at par with the best in the region, ensuring a consistent and decent return to all shareholders, each year, remains one of the major endeavors. Ensuring that the business continues to focus on the returns generated for shareholders is a top priority of the Board.

As is evident from our results for 2015, strengthening the key parts of the bank's balance sheet and income stream was only one part of the job. Our management team, guided, mentored and encouraged by the MTB Board is re-energized and dedicated to the task of building a bank that put's earning customers' trust first, and then ensuring regulatory compliance, achieving operating efficiency and better productivity and world class service delivery.

Similar to 2014, the Annual Report incorporates the Sustainability Report in line with the reporting requirements and we are pleased to inform you that we have become a member of Global Sustainability Reporting initiative (GRI), furthering our commitment to improve corporate accountability and to provide more concise and relevant narrative reports.

We will continue to engage with all stakeholders to identify ways, by which we can advance this agenda. 2016 will be a critical year for MTB, as well as for the country's trade and industry as we look to recover from the political turmoils and issues of 2015. We are a resilient nation with hard-working citizens, and I am confident that we can surmount all obstacles, strewn across our path, and meet the expectations of the stake-holders. Your Board and the executive team are encouraged by what was accomplished in 2015 but we still have a long way to go.

I am grateful to our valuable shareholders for the faith they keep on us and request for their continued support and encouragement.

I am thankful to my fellow directors for the unrelenting and cordial support they have given for the development of the bank, and the time that they devote, thinking of how better the bank can perform in the future.

The lion's share of the credit goes to the bank's customers as well as the community we serve, for they have been the real heroes by choosing us as their growth partners.

I am especially thankful to our regulators and policy-makers, who are working hard to stabilize the socio-economic platform and move it forward to make the Bangladesh economy stronger and more powerful.

I am delighted to invite you to attend this year's Annual General Meeting to be held on Monday, April 25, 2016 at International Convention City, Bashundhara (Pushpoguscho), Joarsahara, Khilket, Dhaka 1229 and look forward to welcoming you there.

Thank you,

M. A. ROUF, JP Chairman

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চেয়ারম্যানের কথা

সম্মানিত শেয়ারহোল্ডার,

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড (এমটিবি)-এর সকল পরিচালক, অন্যান্য শেয়ারহোল্ডারগণ এবং এমটিবি ম্যানেজমেন্ট টিমের পক্ষ থেকে আপনাদের সবাইকে শুভেচ্ছা জানাচ্ছি।

দেশের সবচাইতে সেরা ব্যাংকগুলোর তালিকায় থাকার লক্ষ্যে আমরা আমাদের জোর প্রচেষ্টা চালিয়ে যাচ্ছি। একটি দক্ষ কর্মীবাহিনী তৈরি করার জন্য আমরা অনেক শ্রম ও অর্থ বিনিয়োগ করেছি যেন আমাদের সেবাটাই হয় সবচেয়ে সেরা মানের। সেরা হবার জন্য আমাদের যে যাত্রা, তাকে আরো জোরদার করছে এই প্রচেষ্টাগুলো। অনেক ভেবে-চিন্তে তৈরি করা কৌশল আর দূরদর্শী কর্মপরিকল্পনা আমাদেরকে খুব শক্তিশালী একটি গ্রাহককেন্দ্রিক ব্যাংক হিসেবে পরিচিত করবে, এমন দঢ় আত্মবিশ্বাস অনেক আগে থেকেই আমাদের রয়েছে। আমাদের বিশ্বাস দেশের উন্নতিতে আমরা গুরুত্বপূর্ণ যে কোন অবদান রাখতে পারবো, এবং আমাদের শেয়ারহোল্ডার'দের হাতে উল্লেখযোগ্য পরিমাণে মুনাফা তুলে দিতে পারবো। আমরা আত্মবিশ্বাসী যে, আমাদের সুদুরপ্রসারী কৌশল ও কর্মপন্থা অনুসরণ করে জাতীয় প্রবৃদ্ধিতে যেমন অবদান রাখতে পারবো তেমনি আমাদের শেয়ারহোল্ডারদের জন্য মুনাফা নিশ্চিত করতে পারবো।

গত পনের বছর ধরে আমাদের ব্যাংকের ব্যবসা উত্তরোত্তর বৃদ্ধি পেয়েছে। আমরা দেখেছি ধীরে ধীরে বড় হয়ে কীভাবে আমরা এমটিবি গ্রুপ অব ফাইন্যান্সিয়াল কোম্পানিজ-এ পরিণত হয়েছি। বাজারে কর্মরত বিভিন্ন শিল্প ও বাণিজ্যসমূহের উন্নয়নে আমরা আমাদের সহযোগিতা অব্যাহত রাখার পাশাপাশি শেয়ারহোল্ডার-এর জন্য উপযুক্ত মূল্য নিশ্চিত করবো।

২০১৫ সালের প্রথম ভাগে দেশের সামগ্রীক রাজনৈতিক পরিস্থিতি ব্যবসা বান্ধব ছিল না যা দেশের ব্যবসায়িক প্রবৃদ্ধিকে বাধাগ্রস্থ করে। যদিও পরের দিকে অবস্থার উন্নতি হয় কিন্তু তারপরও ফলাফল আশানুরূপ ছিল না।

অনেক প্রতিবন্ধকতা থাকা সত্ত্বেও ব্যবসায়িক উৎকর্ষতার অবিচল প্রতিশ্রুতি বজায় রেখে আপনাদের ব্যাংক খুব ভাল প্রবৃদ্ধি অর্জন করেছে গুনগত মান ও গ্রাহক পরিসেবার মানের ক্রমোনুয়নের মাধ্যমে। এর ফলশ্রুতিতে বিরাজমান সকল মানদন্তে ভারসাম্যপূর্ণ উন্নয়ন লক্ষ্য করা যায়, যারমধ্যে রয়েছে ঝুঁকিপূর্ণ সম্পদ, জমা উত্তোলন তুলনা, ইন্টারেস্ট বহির্ভূত আয়, স্থিতিশীল খরচ-আয় তুলনা। নতুন নতুন শাখা এবং এটিএম এর আওতা বৃদ্ধি, মানবসম্পদ এবং উন্নতমানের সম্পদ গুনাবলী ইত্যাদির মাধ্যমে নেটওয়ার্ক এবং সেবার আওতা বাড়ানো সত্ত্বেও বাহ্যিক প্রেক্ষাপট কঠিনই রয়ে গেছে। ইতোমধ্যে, এমটিবি আপনাদের সহযোগিতা ও উৎসাহের মাধ্যমে ২০১৪ সালে দেশের সেরা আর্থিক প্রতিষ্ঠান হিসেবে "ডিএইচএল-দ্যা ডেইলী স্টার বাংলাদেশ বিজনেস অ্যাওয়ার্ড" অর্জন করে।

প্রতিষ্ঠার শুরু থেকেই, এমটিবি'র ক্রমাগত চেষ্টা ছিল নিয়ন্ত্রক সংস্থার সকল নিয়মনীতি পরিপালন সাপেক্ষে সর্বোত্তম ব্যাংকিং সেবা অব্যাহত রেখে কীভাবে একটি শক্তিশালী কর্পোরেট সুশাসন কাঠামো প্রতিষ্ঠা করা যায়। আর এর পাশাপাশি সঠিক জবাবদিহিতার ব্যবস্থা রেখে ব্যবস্থাপনা কর্তৃপক্ষের হাতে পরিচালনার পূর্ণ ক্ষমতা দেয়াও ছিল এমটিবি'র আরেকটি প্রচেষ্টা।

অন্যান্য ব্যাংকগুলোর সাথে এমটিবি'র একটা বড় পার্থক্য হচ্ছে প্রযুক্তিগত উৎকর্ষতা। ব্যাংকের ক্রমবর্ধমান ব্যবসার মডেলের সাথে তাল মিলিয়ে যেন আমাদের আইটি স্থাপত্য হালনাগাদ থাকে সে জন্য আমাদের ইনফরমেশন টেকনোলজি সার্ভিসেস (আইটিএস) এবং অল্টারনেট ডেলিভারি চ্যানেল (এডিসি) সবসময় তাদের সর্বোচ্চ প্রচেষ্টা বজায় রেখেছে।

আমাদের এ এগিয়ে থাকাকে টেকসই করার জন্য আমরা সবচেয়ে আধুনিক ব্যবস্থা গ্রহন এবং সময় অনুযায়ী পরিবর্তন ও পরিমার্জন করে থাকি। ইতোমধ্যে আমরা আপনাদের প্রয়োজন বিবেচনা করে মূল ব্যাংকিং ব্যবস্থায় পরিমার্জন আনতে যাচ্ছি। আমরা মাস্টার কার্ড ওয়ার্ল্ড প্লাটিনাম, ভিসা প্লাটিনাম এবং ভিসা সিগনেচার সংযোজন করতে যাচ্ছি।

ব্যাংকগুলো যেন সবধরনের নিয়ম-নীতি মেনে তাদের এই মূল অর্থনৈতিক দায়িত্বটা ঠিকমতো পালন করতে পারে সেটা নিশ্চিত করতেই বিভিন্ন নিয়ন্ত্রক সংস্থা আর এ সংক্রান্ত স্টেকহোন্ডাররা সবসময় এই বিষয়গুলোর উপর লক্ষ্য রাখছে।

এ অঞ্চলের সেরা ব্যাংকগুলোর একটি হওয়ার পাশাপাশি, শেয়ারহোল্ডারদের জন্য প্রতি বছর উল্লেখযোগ্য পরিমাণে মুনাফা নিশ্চিত করাও আমাদের মূল চেষ্টাগুলোর মধ্যে অন্যতম। শেয়ারহোল্ডারদের জন্য মুনাফা নিশ্চিতকারী ব্যবসায় অব্যাহতভাবে মনোনিবেশের ব্যাপারে গুরুত্ব আরোপই ব্যাংক পর্ষদের অন্যতম প্রধান অগ্রাধিকার ছিল।

২০১৫ সালের কার্যক্রম পর্যালোচনা করে দেখা যায় যে, ব্যাংকের ব্যালেন্স শীট এবং আয় প্রবাহের মূল অংশগুলো আরো জোরদার করাটা ছিল আমাদের লক্ষ্য অর্জনের জন্য প্রয়োজনীয় কাজের একটি মাত্র অংশ। এমটিবি পর্যদ দ্বারা অনুপ্রাণিত হয়ে, আমাদের ব্যবস্থাপনা কর্তৃপক্ষ গ্রাহকদের বিশ্বাস অর্জন করাটাকেই মূল লক্ষ্য হিসেবে স্থির করেছে। আর এরপরের অন্যান্য লক্ষ্যগুলোর মধ্যে আছে সকল নিয়ন্ত্রক সংস্থার নিয়মনীতি পরিপালন নিশ্চিত করা, আরো দক্ষ ব্যবস্থাপনা, আরো উৎপাদনশীল হওয়া এবং বিশ্বমানের সেবা প্রদান করা।

এ বছরে, বার্ষিক প্রতিবেদনের পাশাপাশি আলাদাভাবে ''সাসটেইনেবিলিটি রিপোর্ট"-ও প্রকাশিত হবে। শেয়ারহোন্ডারদের সাথে আরো ভালোভাবে যোগাযোগ রক্ষা করা, জবাবদিহিতা আরো উন্নত করা এবং আরো নির্দিষ্ট ও পুজ্ঞানুপুজ্ঞ প্রতিবেদন প্রদান করার উদ্দেশ্যেই এ বছরে উল্লেখিত পরিবর্তন আনয়ন করা হয়েছে। আমাদের আরো স্বচ্ছভাবে কাজ করার লক্ষ্যের সাথে এ উদ্দেশ্যগুলো এমন নিবিড়ভাবে সম্পৃক্ত করা হয়েছে যাতে আমরা আপনাদের পছন্দের ব্যাংক হিসেবে সবসময় আমাদের যাত্রা অব্যাহত রাখতে পারি।

এ আলোচ্যসূচি এগিয়ে নেয়ার জন্য আমাদের সকল স্টেকহোল্ডারের সাথে আমরা যোগাযোগ রেখে চলব যাতে করে নতুন নতুন উপায় খুঁজে পাওয়া যায়। এমটিবির জন্য তো বটেই, দেশের শিল্প-বাণিজ্যের জন্যও ২০১৬ সাল কিছুটা ঝুঁকিপূর্ণ একটা বছর হতে পারে যার পেছনে রয়েছে রাজনৈতিক অস্থিতিশীলতা এবং অনিশ্চিত ভবিষ্যুৎ। জাতি হিসেবে আমরা যথেষ্ট কর্মতৎপর, এদেশের নাগরিকগণ খুবই পরিশ্রমী এবং এ কারণেই আমরা সকল বাধা-বিপত্তি অতিক্রম করতে পারব। যত বাধাই আসুক আমাদের স্টেকহোল্ডারদের প্রত্যাশা মেটানোর জন্য কাজ করে যেতে হবে। আমাদের পর্ষদ এবং কার্যনির্বাহী কমিটি ২০১৫-এর সকল অর্জন দ্বারা অনুপ্রাণিত এবং এ প্রতিষ্ঠানের লক্ষ্য অর্জনে দৃঢ়প্রতিজ্ঞ।

আমাদের সকল শেয়ারহোন্ডারবৃন্দের প্রতি আমার উপর আস্থা রাখার জন্য কৃতজ্ঞতা জ্ঞাপন করছি এবং তাদেরকে আমি অনুরোধ করছি যেন তারা আমাদের আরো অনুপ্রেরণা যোগান এবং ভবিষ্যতেও একইভাবে সমর্থন দেন।

ব্যাংকের উন্নয়নে সকল প্রকার সমর্থন ও আন্তরিক সহযোগিতার জন্য এবং ব্যাংক কীভাবে ভবিষ্যতে আরও ভালোভাবে সেবা প্রদান করতে পারবে সেই ব্যাপারে মতামত প্রদানের জন্য মূল্যবান সময় দেয়া ও নিরলস সহযোগিতার জন্য আমি আমার সহকর্মী পরিচালকদের প্রতি কৃতজ্ঞ।

ব্যাংকের সাফল্যের বেশিরভাগ অবদানই হচ্ছে ব্যাংকের গ্রাহকদের এবং অন্যান্য সেবাগ্রহণকারী গোষ্ঠীর, যেহেতু তারা আমাদেরকে বেছে নিয়েছেন তাদের উন্নয়ন সহযোগী হওয়ার জন্য, আর এজন্য বেশিরভাগ প্রশংসা তাদেরই প্রাপ্য।

আমাদের নিয়ন্ত্রক সংস্থা ও নীতি-নির্ধারকদের প্রতি আমি বিশেষভাবে কৃতজ্ঞ যারা দেশের আর্থ-সামাজিক অবস্থা স্থিতিশীল রাখার জন্য কঠোর পরিশ্রম করে চলেছেন এবং বাংলাদেশের অর্থনীতি আরও শক্তিশালী করার পথে এগিয়ে নিয়ে চলেছেন।

এ বছরের বার্ষিক সাধারণ সভায় অংশগ্রহণের জন্য আমি আপনাদের সাদর আমন্ত্রণ জানাচ্ছি, যা আগামী ২৫ এপ্রিল ২০১৬, সোমবার, ইন্টারন্যাশনাল কনভেনশন সিটি, বসুন্ধরা (পুষ্পগুচ্ছ), জোয়ারসাহারা, খিলক্ষেত, ঢাকা ১২২৯-এ অনুষ্ঠিত হতে যাচ্ছে। এ অনুষ্ঠানে আপনাদের উপস্থিতি কামনা করছি।

ধন্যবাদ,

এম. এ. রউফ, জেপি চেয়ারম্যান

Managing Director and CEO's Economic Review



ANIS A. KHAN Managing Director and CEO

Over the past few years, our balance sheet has been maintaining a steady and healthy growth, in spite of extraneous circumstances and for the first time in Mutual Trust Bank Ltd (MTB) history, we crossed the BDT 3,000 mn gross operating profit. MTB Vision 2020, which was initially devised in 2014, started to gather momentum with enhancements in our retail, SME and corporate banking business.

In 2015, MTB:

- Received the DHL-Daily Star Award as "The Best Financial Institution of 2014"
- Received Trade Finance facility of USD 5 million, being the first facility provided by Asian Development Bank, a multinational organization
- Closed the second MTB Subordinated bond of BDT 3 billion, arranged by RSA Capital
- Launched Real-Time Remittance Payment and Settlement System
- Won the Golden Globe Tigers Summit Award 2015 for Excellence in Branding & Marketing
- Closed the year with 106 Branches
- Reached the landmark figure of 200 24/7 ATMs
- Earned Highest gross Operating Profit of BDT3,026 million

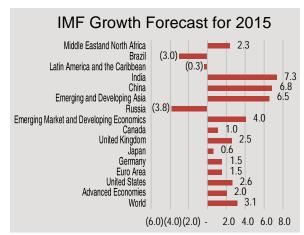
Taking into account all that we have achieved, our aim is to attain higher and provide even better returns to our esteemed shareholders in 2016. We aim to do this through using our ever-expanding network, increasing the use of smart technology and effective and efficient usage of our current human resources. We believe that only through" Smart Banking" we can reach even greater heights.

Global Economy

World economy's journey to a robust and synchronized global expansion remains obscure even six years after emerging from its broadest and deepest recession. The October'15 edition of IMF's latest World Economic Outlook (WEO) foresaw global growth for 2015 to be 3.1 percent, global real GDP grew at 3.4 percent during 2014. Prospects across the main countries and regions remained uneven and global growth was expected to rebound to 3.6 percent next year (2016).

Global growth declined in the first half of 2015, reflecting a further slowdown in emerging markets and a weaker recovery in advanced economies. Consequently, growth prospect across the globe remains unsynchronized.

Advanced economies are projected to grow modestly by 2 percent this year and 2.2 percent in the year to come. This year's growth primarily reflects strengthening of modest recovery in the euro area and a return to positive growth in Japan, supported by declining oil prices, accommodative monetary policy, and improved financial conditions, and in some cases, currency depreciation. Some pickup in growth is expected in 2016 (especially in North America), but medium-term prospects remain subdued, reflecting a combination of lower investment, unfavorable demographics, and weak productivity growth. The growth rebound in advanced economies in 2016 would be smaller. Lower global interest rates and a more modest recovery in oil prices would boost domestic demand in these economies relative to the baseline.





Source: World Economic Outlook by IMF

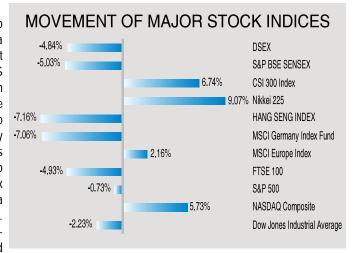
Growth prospects in emerging markets and developing economies vary across countries and regions. But, the outlook in 2015 was generally weakening, with growth for these economies as a group is projected to decline from 4.6 percent in 2014 to 4.0 percent in 2015. The fifth straight year of slowing growth reflects a combination of factors: weaker growth in oil exporters, a slowdown in China with less reliance on commodity-intensive investment, adjustment in the aftermath of credit and investment booms, and a weaker outlook for exporters of other commodities, including in Latin America, following declines in their export prices. In addition, geopolitical tensions and domestic conflict in a number of countries remain high, with immense economic and social costs.

Inflation was projected to decline in 2015 in advanced economies, reflecting primarily the impact of lower oil prices. In emerging markets and developing economies, the inflation rate was projected to increase in 2015, but this reflects the sharp increase in the inflation forecast for Venezuela (more than 100 percent in 2015) and Ukraine (about 50 percent). Excluding these countries, inflation in emerging market and developing economies in 2015 was projected to decline from 4.5 percent in 2014 to 4.2 percent in 2015. In the euro area, headline inflation was projected to be 0.2 percent in 2015, slightly lower than in 2014. In the United States, annual inflation in 2015 was projected to decline to 0.1 percent.

Monetary conditions generally remained accommodative in many emerging market economies. Real policy rates were low, while currencies depreciated in real effective terms. However, in a number of emerging market economies with inflationary pressures or external vulnerabilities, central banks raised policy rates. Real credit growth has slowed in many emerging market economies after credit booms and rapid increases in credit-to-GDP ratios.

Global Financial Markets

The US Federal Reserve was most likely to raise interest rates for the first time in almost a decade. Other things remaining the same, it should have attracted more capital to US markets and strengthened the dollar even further. The trend could get magnified as the European Central Bank (ECB) has come up with a surprisingly modest easing of monetary policy. The ECB cut its deposit rate by 10 basis points to minus 0.3 percent and pledged to extend its asset-purchase program by six months to at least the end of March 2017, in a bid to tackle weak growth and lift inflation. Prices for euro zone sovereign debt, pummeled by the ECB policy move, remained under pressure.



A rise in developed market interest rates could see income-seeking investors pull their funds from riskier Emerging Market (EM) investments. That could have a destabilizing effect on EM asset prices, especially in the context of rising debt levels in those countries. The IMF warned that developing economies might face a coming wave of corporate defaults.

In every aspect, capital was presumed to move out of the euro zone, leading to depreciation in the euro. In fact, bond yields in a number of countries in the euro zone were already in the negative territory. This divergence was anticipated to open up the opportunity for carrying trade. Borrowing in euro or yen and investing in appreciating dollar-denominated assets might seem a profitable proposition for many. However, the alternative view was that the dollar rally would be overdone as capital had flowed to the US in anticipation of a rate hike and, once it was out of the way, things would normalize. Either way, financial markets would once again be in an unfamiliar territory because of the policy divergence in advanced economies.

Therefore, it was likely that there would be bouts of higher volatility in the global financial market in the near to medium term as the policy action and its consequences unfolded.

Global Capital Markets

Macroeconomic themes, such as diverging monetary policies, the strong US dollar, low oil prices and

structural reforms, affected every company's earnings and stock price in a unique way during 2015. Movement of stocks across the globe exhibited mixed performance that was obviously guided by the corresponding macroeconomic indicators.

In the midst of optimism over a growing U.S. economy and Federal Reserve comments about gradual interest rate hikes tempered by concerns over the Greek debt crisis the Standard & Poor's 500 Composite Index and Dow Jones Industrial Average were both relatively flat. Whereas, NASDAQ Composite index advanced by 5.73%

European stocks declined as the sovereign debt crisis in Greece flared up. The MSCI Europe Index remained flat. German stocks registered a drop of 7.1% and FTSE 100 plunged by 4.93%.

Japan was one of the top-performing developed stock markets as the Nikkei 225 index gained 9.07% during the year. Stocks were helped by aggressive central bank policies and positive economic data.

Meanwhile, Bangladeshi stock market managed to exhibit some signs of stability during the trading sessions of 2015. Overall investors' participation was on the rise. However DSEX closed the 2015's trading session with a plunge of 4.84%.

Conclusion

Global activity is projected to gather some pace in 2016. In advanced economies, the modest recovery that started in 2014 is projected to strengthen further. In emerging market and developing economies, the outlook is projected to improve: in particular, growth in countries in economic distress in 2015 (including Brazil, Russia, and some countries in Latin America and in the Middle East), while remaining weak or negative, is projected to be higher next year, more than offsetting the expected gradual slowdown in China. China is shifting from a manufacturing-led to a consumer-led economy and from a state-directed to a free market. Both transitions will create some uncertainties over its growth path and the outlook for capital flows.

Beyond 2016, long-term themes will continue to shape the investment landscape. A key example is worsening demographics in the US, Japan, Europe and China, which may constrain the outlook for financial assets in coming years and decades. Savings rates are likely to decline as the elderly draw on funds, reducing the surplus of money that is currently floating in markets. A smaller population of young workers could demand higher wages, igniting inflation and pushing up interest rates.

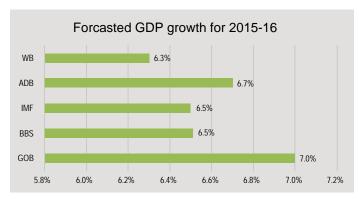
Bangladesh Economy

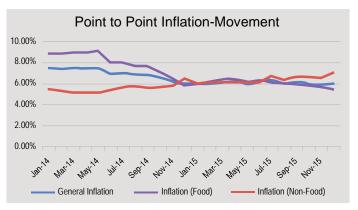
Gross Domestic Product (GDP)

Bangladesh Government aims to achieve 7.0% GDP growth during FY 2015-16. Bangladesh bank in its latest Monetary Policy Statement reported this growth target as ambitious but attainable subject to providing the right enabling environment. Bangladesh Bureau of Statistics (BBS) forecasted a 6.51% growth for this fiscal. Among the international agencies International Monetary Fund (IMF) forecasted the growth rate to be 6.5% with growth to be driven by higher public sector wages, public investment and remittances. Alongside that, IMF projected the average growth rate for emerging markets and Developing Economies to be 4.0%.



The point to point general inflation increased by 0.05 percentage point and stood at 6.10 percent in December 2015 from 6.05 percent in November 2015 due to increase in non-





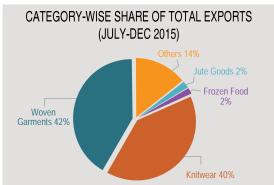
food inflation. Food inflation decreased to 5.48 percent in December 2015 from 5.72 percent of November 2015 and, non-food inflation increased to 7.05 percent in December 2015 from 6.75 percent of November 2015.

As per Bangladesh bank's statistics twelve month average inflation at the end of December 2015 was reported to be 6.19 percent that was well in line with the Government's budget target of 6.2%. During the same month of previous year the 12 month average inflation was 6.99 percent.

External Sector

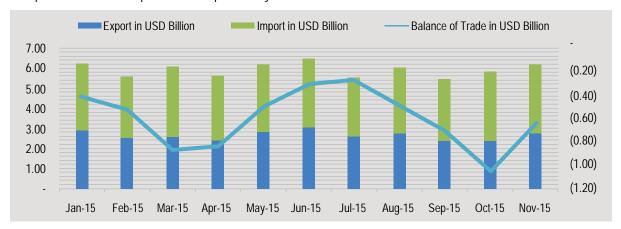
Foreign currency reserves at the end of December 2015 were reported as USD 27.49 billion. Compared to the same period of previous year the said reserve surged by 23.2% in the midst of growing inflow of remittance and a drop in global oil prices. With the current reserve it is possible to serve the import payments for over eight months.

Trade Balance recorded a deficit of USD 3.03 billion during July-November, 2015 compared to the deficit of USD 3.01 billion during July-November, 2014. Higher export earnings and improvement in primary income and in the income from services contributed to a current account surplus of USD 1.05 billion during July-November, 2015. Current account surplus along with a financial account surplus of USD 0.75 billion, resulted in a surplus of USD 2.04 billion in overall balances during July-November, 2015 compared to the surplus of USD 1.16 billion during July-November, 2014.



Export

Export earnings recorded a growth of 7.84 percent and recorded to be USD 16.08 billion during July to December 2015 from its level of July-December 2014. The export items that registered a positive growth during July-December, 2015 include woven garments, knitwear, engine and electric goods. On the other hand, frozen food, agricultural products, jute goods, and tea experienced a negative growth during July-December, 2015 compared to the same period of the previous year.



Imports

Import payments during July-November, 2015 decreased by 6.64 percent and stood at USD16.06 billion against USD17.20 billion in July- November, 2014. Settlement of import LCs during July-November, 2015 increased by 2.48 percent and stood at USD 16.60 billion against USD 16.20 billion in July- November, 2014. From the sectorial distribution of L/C opening during the period under review, it is noticeable that L/C opening for the Industral raw materials is the highest which is 38.25 percent of total L/C opening followed the by L/C opening of consumer goods of 11.19 percent.

Fresh opening of import LCs during July- November, 2015 decreased by 1.46 percent and stood at USD 17.48 billion compared with USD17.74 billion in July-November, 2014.

Remittance

Remittance inflow in the first six months of the ongoing fiscal appears to have slightly slowed down. The Bangladesh Bank, however, described the drop as a 'temporary' setback. Expatriate Bangladeshis have sent USD 7.49 billion in remittances between July and December this year, which is almost equal to what they had sent during the same period last year. Remittances in December this year stood at USD 1.31 billion, increased by 14.89% of USD 1.14 billion in November 2015.

Fiscal Management

Total tax revenue collection (NBR & non-NBR) during July-October of FY16 stood at BDT 441.5 billion which was higher by 12.03 percent against the collection of BDT 394.1 billion during the same period of FY15. However, only NBR tax revenue collection during July-October of FY 16 stood at BDT 423.5 billion which was higher by BDT 43.4 billion or 11.4 percent against the collection of BDT 380.0 billion during July -October of FY15. Although, target set for NBR Tax Revenue collection for FY 16 is BDT 763.70 billion.

Bangladesh Capital market Scenario

Following the catastrophic collapse of 2010, Bangladesh stock market managed to exhibit some signs of stability during the trading sessions of 2015. As, market activities were lackluster and investors' participation diminished, the benchmark index managed to hover around within a reasonable spread. Until August 2015, average price level and participation both were on the rise, investors started to accumulate optimism and government seemed to be satisfied.

But contrary to expectations, market parameters continued to decline from the start of September 2015. This caught everyone with surprise as nothing actually happened in the economy that could dampen the stock market. Instead all the economic indicators were showing positive results, companies were declaring reasonable profit and dividend. Moreover, government came up with market friendly budget measures. On top of that, there should not be any shortage of liquidity in the market when many of the banks are under exposed to capital market and interest rates on bank deposits are coming down substantially. However, the overall condition started to revolve from the mid of November 2015.

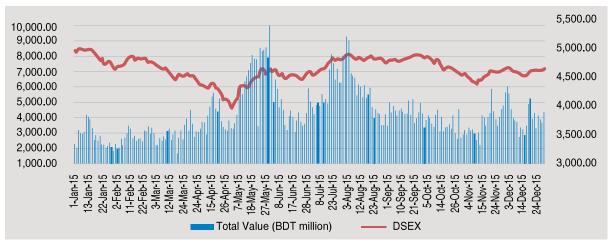


Chart: Movement of DSE indicators during 2015

On a year on year basis, benchmark measure DSEX lost 6.31% to stand at 4,629 point at the end of December 2015. Average daily turnover went down by 15.35% compared to the same of last year and average market capitalization rose by 6.12% than the same of last year. Throughout the year the major sectors exhibited mixed performance. Given the current condition of the market, more attention can be given towards strengthening the footholds of mutual funds since they are the major institutional investors. In order to absorb the 2010's shock completely small investors might rely heavily on mutual funds. Thus the propensity of short term profit taking would get evaporated and the market would head towards long term stability.

Consequently, the capital market would be providing equity capital and infrastructure development capital for building strong socio-economic infrastructure for economic growth. Since, companies with outstanding track record will get proper motivation to get enlisted.

Banking Sector Scenario

Persistent excess liquidity has become an urgent concern for the banking sector of Bangladesh. This massive surplus of liquidity is due to the skeptical stance taken by entrepreneurs, greater caution by banks in sanctioning new loans, lower price of commodity imports and increased access to foreign currency loan at lower rates relative to domestic lending rates. Besides, country's banking system is still burdened with an alarming amount of non-performing loans (NPLs) that make funds costlier and banks' operations riskier. NPLs reduce banks' ability to refinance the loan, eventually hampering the banks' abilities to operate smoothly.

Besides, in an attempt to fortify corporate governance the government is on the verge of giving full autonomy to Bangladesh Bank's Financial Intelligence Unit to deal with financial crimes independently. Bangladesh Bank, like the central banks of many other developing countries, has encouraged financing socially responsible, inclusive and environment-friendly sustainable sector for managing the risks from instability and imbalance in financial sector. This initiative is helping reduce poverty rapidly. Furthermore, in an attempt to protect customers' interest Bangladesh Bank is very cautious to prevent Banks from charging hidden charges in the name of service charge.

Bank's Deposits

Total deposits of the scheduled banks has increased by BDT 861,715 million (13,08%) at the end of December 2015 from the same month of previous year. Time deposits registered a growth of BDT 765,793 million or 12.91% and Demand deposits also registered a strong growth of BDT 95,922 million or 14.61% in December 2015 over that of December 2014.

MTB deposits registered an increase of BDT 22,340 million or 23.3% from BDT 96,065 million in December 2014 to BDT 118,405 million in December 2015.

Bank's Advances

Banks' advance recorded an increase of BDT 701,669 Million or 13.30% at the end of December 2015 compared to the same of December 2014. The disbursement of agricultural credit and nonfarm rural credit increased by 23.80 percent and 23.58 percent respectively during July-December, 2015 compared to that of July-December, 2014. The banks extended a total of Tk.87.56 billion to both the sectors.

MTB advances registered an increase of BDT 20,448 million or 26.51% from BDT 77,141 million in December 2014 to BDT 97,589 million in December 2015.

Money Market

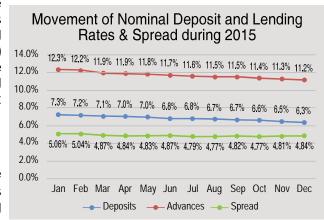
Since the banks are having excess liquidity, interbank call money rate in the banking sector reached its lowest point at 2.50% after July 2010. Rates are ranging from 2.50% to 4.50% where most of the deals are getting settled between 3.00% and 3.50%. Interest rates for treasury bills and bonds also slipped significantly. 91 days cut off got hit at 2.48% which is even lower than the call money rate. Bangladesh bank has started to constrict the acceptance of Reverse Repo since October 19 in an attempt to force the banks and non-banking financial institutions (NBFIs) to invest their excess liquidity in different productive sectors.

Money market and its instruments are simply crushed for less scope for investment opportunity. Banks are slashing interest rate on deposits to accommodate themselves with the prevailing market scenario. Banks

are facing severe pressure on investment scope and squeezed acceptance of reverse repo has panicked the market severely. The declining trend of Bangladesh Government Treasury Bond (BGTB) cut off has created more pressure on non-tradable government securities has also been revised downwards as a response to prevailing market scenario.

Interest Rate Spread

The spread between the weighted average advances and the deposit rates of all banks decreased gradually throughout the year. Spread



for all banks decreased to 4.84% in December, 2015 from 5.21% in December 2014. On a year on year basis Interest expense on deposit and interest income on advances both dropped significantly. Interest on deposit decreased by 0.9 percentage point to 6.3% on December 2015 from 7.3% of December 2014. Whereas, interest on advances decreased to 11.2% from 12.5% of December 2014.

Primary Dealer Operations

Primary dealers operate in an attempt to establish a sound, efficient and vibrant 'Secondary Market of the Government Securities' by active participation of market makers, operators and the market participants. A total of 12 leading commercial and three non-banking financing institutions (NBFIs) are working as primary dealers in treasury bills and government bonds while other banks and NBFIs did not require to involve their funds in related operations. However during 2015, interest rates on the government treasury bills and bonds decreased significantly as most of the scheduled banks rushed to invest their excess liquidity in the government tools amid a sluggish business situation in the country.

Non Performing Loan (NPL) Management

The banking system is still burdened with an alarming amount of non-performing loans (NPLs) that make funds costlier and banks' operations riskier. Although, the amount of NPL decreased somewhat in recent years, still it remained a major challenge for the banking sector. The SCBs (State owned Commercial Banks) and SBs (Specialized Banks) continue to have the high level of NPLs mainly due to substantial loans provided by them on considerations other than commercial criteria.

The default loans in the banking sector increased to 9.89% of the total outstanding loans of BDT 5,530,750 million in the first quarter of the current fiscal year. The amount of default loans stood at BDT 547,080 million in July-September quarter of 2015-16 compared to BDT 525,180 million in April-June quarter when it was 9.67% of the total outstanding loans, according to Bangladesh Bank figures. The default loan rate of state-owned banks dropped slightly to 21.82% in the first quarter of the current fiscal year compared to 21.89% in last quarter of fiscal year 2014-15.

At the end of December 2015 the Non-Performing loans of MTB stood at BDT 2,034 million that is 2.08% of the total loans outstanding.

Banks' Profitability

Profit of most of the private commercial banks rose though slightly, in the first nine months of current year despite political unrest and a cut in lending rates. Besides, stagnation in investment has led to excess liquidity in the banking system.

Most of the banks operating profit grew in the end of September 2015 compared to the same period of previous year. MTB's operating profit stood at 2,135 million in Q3, 2015 experiencing an impressive growth of 9% compared to BDT 1,968 million in Q3, 2014. Whereas, MTB ended the year 2015 with a consolidated operating profit of BDT 3,026 million that is 11% more than what it achieved during 2014.

Implementation of Monetary Policy

The main objective of Bangladesh Bank's Monetary Policy Statement for the first half (H1) of the FY16 is moderation and stabilization of Consumer Price Index (CPI) inflation alongside supporting output and employment growth. The aim of the policy is to support the 7 percent growth target and the 6.2 percent inflation target for the fiscal year 2016. As per the MPS H1 2016, Reserve money is projected to grow at 16 percent and broad money (M2) at 15.6 percent which are adequate to support the growth and inflation targets. It has also taken the growth rates of both public and private credit into account. The policy promotes investments through the strategy of selective easing where domestic credit is projected to grow at 16.5 percent at the end of the fiscal year 2016. Private sector credit is projected to grow at 15 percent and public sector credit at 23.7 percent. As before, Bangladesh Bank's monetary and financial policy stance remains grounded on the developmental central banking mandate enshrined in its charter.

Capital Adequacy Management

Basel III, the latest capital and liquidity standards for banks prescribed by the Bank for International Settlements (BIS), emerged in 2010 as the guideline of Basel II, the previous version of capital standard, failed to maintain financial stability during the global financial crisis in 2008.

Banking sector needs to maintain minimum 10% of total capital ratio comprising minimum 5.5% of Tier-1 capital and maximum 4.5% of Tier-2 capital in 2015, and the distribution will be minimum 6% of Tier-1 capital ratio and 4% of Tier-2 Capital at the end of 2019. Moreover, banks are required to maintain 2.5% extra capital (gradually increasing 0.625% in each year) as Capital conservation buffer through the Common equity Tier1 capital at the end of 2019. As a result, at end of 2019, capital requirement for bank will be 12.5%.

At the end of June 2015 number of banks compliant with the minimum capital to risk-weighted assets ratio (CRAR) slightly decreased to 47 out of 56. Banking sector's aggregate CRAR at end-June 2015 was 10.3%, which was slightly higher at 11.40% at the end of December 2014. The Tier-1 capital to risk weighted asset ratio stood at 7.9% as opposed to 8.6% recorded at end-December 2014. However, the ratio is still higher than the minimum regulatory requirement of 5.5 percent. At the end of June 2015 MTB's CRAR was reported 10.77% and at the end of December 2015 the consolidated capital to risk-weighted assets ratio for MTB stood at 12.02% and Tier-1 capital to risk weighted asset ratio was reported to be 7.33%.

Government's Bank Borrowing

In order to bridge its fiscal deficits government borrows from both domestic and external sources. Government's domestic borrowing sources are banks (Bangladesh Bank and Scheduled Banks) and other than banks. Govt. borrows from banking system mainly through Treasury Bills and Bonds and from non-banking sources through National Saving Directorate (NSD) in addition to Treasury Bills and Bonds. As reported in the sources of Bangladesh Bank, government borrowed BDT6,173.6 crore (net) through Bonds and repaid BDT 2201.3 crore through Treasury Bills during July-December of FY16. In addition to that, govt. borrowed BDT13305.6 crore through NSD instruments during the period. Net govt. domestic borrowing stood at BDT 6573.3 crore during July-December of FY16 after the adjustments with Treasury Bills and Bonds, NSD, Ways and Means Advances (WMA), advances to Food and other Ministries, Overdraft current and block accounts, accrued interest, advances and deposits of autonomous and semi-autonomous bodies, balances of GIIB fund as well as the deduction of cash balance in the form of govt. deposits with Bangladesh Bank and scheduled banks (i.e. including banking and nonbanking sources). During the period, govt. deposits increased by BDT 6911.1 crore (net) with the banking system. Deposits with Bangladesh Bank increased by BDT 2,111.3 crore whereas deposits with scheduled banks increased by BDT 4799.8 crore.

Excess liquidity: the biggest challenge for Banking Sector

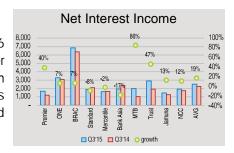
Persistent excess liquidity in the banking sector has become an urgent concern for Bangladesh as it represents lower lending for growth-enhancing investments. Despite an improved political environment, credit growth remains subdued at around 12-13 percent compared to healthier growth rates in previous years of around 16-18 percent. Slowdown in credit demand has also pulled down banking sector's Advance-Deposit ratio (ADR) to below 70 percent.

As per verified sources, excess liquidity in the sector crossed BDT 1,000 billion because of non-utilization of funds. This massive buildup of excess liquidity is due to the careful stance adopted by entrepreneurs. The reasons can be the election turmoil, greater caution by the banks in sanctioning new loans, lower price of commodity imports and increased access to foreign currency loan at lower rates relative to domestic lending rates. The resultant fall in credit growth made the banks to invest in government-approved securities with returns between 8-11 percent depending on maturity. Around 90 percent of excess funds are now invested in treasury bills and bonds which earn less relative to that of commercial bank loans, eroding profitability of the sector. However, it is not just the sector itself which is under pressure. Bangladesh Bank (BB) faces formidable challenges amid persistent excess liquidity in banks.

Peer Banks Analysis Q3 2015

Net Interest Income (NIM)

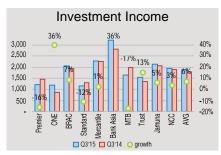
Net Interest Income (NIM) of MTB up to Q3, 2015 was BDT 2,036 million which is 86% higher than BDT 1,097 million of Q3, 2014. Peer Bank's average NIM up to Q3, 2014 was BDT 2,613 million which is only 19% higher than BDT 2,327 million of Q3, 2014.MTB shows an excellent result attaining highest growth in NIM during the period among the peer group.



Investment Income

Investment Income of MTB during the first three quarters of 2015 was BDT 1,646 million which was 17% lower than that of BDT 1,984 million during the same time in 2014.

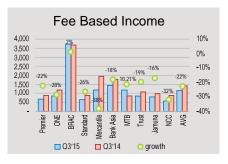
Peer Bank's average investment income up to 3rd Quarter, 2015 was BDT 1,900 million, which is 6% higher than the same period of previous year.



Fee Based Income

MTB's Fee Based Income (BDT 734 million) falls behind the industry average (BDT 1,177 million);

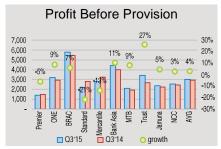
The whole industry experienced a downturn in terms of fee based income during the period. Untill the end of Q3 2015 the industry average slashed by 22%. Whereas, MTB's Fee based income increased by 10.21% compared to that of the same period of 2014.



Profit before Provision

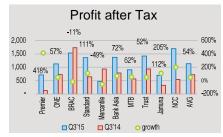
MTB's operating profit showed very good signs of recovery untill the end of guarter 3 of 2015.

Profit before provision of MTB up to Q3, 2015 was BDT 2,135 Million which is 8.49% higher than that of the same period of last year (BDT 1,968 Million). Among the peer banks MTB registered second best growth in operating profit after Trust Bank.



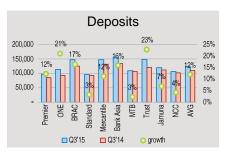
Profit After Tax

Net Profit After Tax (NPAT) stood at BDT 913 million in Q3 2015 compared to Net Profit After Tax of BDT 565 Million in Q3 2014. MTB's profit after tax registred above industry average growth.



Deposits

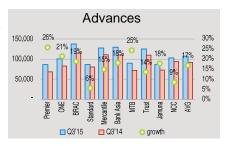
MTB deposits in Q3 2015 increased to BDT 110,294 million, registering a growth of 3% over last year's BDT 107,557 million. However the deposit position of MTB improved drastically during the following months.



Loans & Advances

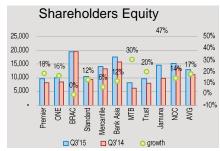
In Q3 2015 MTB's Loans and Advances increased by 25% to BDT 89,376 million from BDT 71,787 million of September 2014.

MTB's loans and advances growth among the peer group was impressive to register the second position in terms of percentage growth. This growth in advance helped MTB to strengthen its net Interst Margin.



Shareholders' Equity

Shareholders' equity of MTB registered 30% growth in Q3, 2015 over the same period of last year. However, shareholders Equity of MTB is still the lowest among its peers.



Paid-up capital

MTB's Paid-up capital is the lowest amongst the peer banks. The average paid-up capital of the peer group is BDT 6,489 Million, whereas MTB's paid-up is BDT 3,693 Million. However, during the year MTB's paid up capital experienced the largest growth compared to its peers.



MTB in 2016 - Smart Banking

2015 was a good year for us with opearting profits recording their highest ever at BDT3,026 million with our non-performing loans hovering at the lowest levels at around 2%. 2014 was also a good year. This attainment came as a result of our strategic vision which we launched in 2014 and the unsitinting support provided by the MTB Board and management as well as the development of the bank's infrastrcture and human capital.

In conclusion, I would like to thank our customers, stakeholders, Bangladesh Bank, Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, the Ministry of Finance, Registrar of Joint Stock Companies, policy makers, other regulatory bodies, well wishers, media, other associates, the Bank's Boad of Directors and all fellow colleagues of the MTB Group, on all of whom our continued success and viability remains.

Thank you.

Sincerely

Anis A. Khan

Managing Director & CEO

MTB Board Executive Committee

MR. Q.A.F.M. SERAJUL ISLAM
Director
Member of the Committee

MR. MD. WAKILUDDIN
Director
Member of the Committee

MR. M. A. ROUF, JP Chairman Jember of the Committe MR. MD. ABDUL MALEK
Director
Member of the Committee

MR. MD. HEDAYETULLAH
Vice Chairman
Chairman of the Committee



MTB Board Audit Committee

MR. SYED MANZUR ELAHI Director (Founding Chairman) Member of the Committee

DR. SULTAN HAFEEZ RAHMAN Independent Director

MRS. KHWAJA NARGIS HOSSAIN

DR. ARIF DOWLA



MTB Board Risk Management Committee



DR. SULTAN HAFEEZ RAHMAN
Independent Director
Member of the Committee

MR. ANJAN CHOWDHURY
Director
Member of the Committee

DR. ARIF DOWLA
Director

Member of the Committee





MTB Core Management Committee

Standing from left

Name	Designation	As
Mr. Goutam Prosad Das	SEVP & Group Head of ICC	Member
Mr. Md. Nurul Islam	SEVP & Group Head of HR	Member
Mr. Md. Zakir Hussain	Deputy Managing Director & Chief Risk Officer	Member
Mr. Md. Hashem Chowdhury	Additional Managing Director, Chief Operating Officer & Chief Anti Money Laundering Compliance Officer	Member
Mr. Anis A. Khan	Managing Director & CEO	Chairman
Mr. Syed Rafiqul Haq	Deputy Managing Director & Chief Business Officer	Member
Mr. Nurul Maruf Khan	EVP & Head of Credit Risk Management	Member
Mr. Sayed Abul Hashem	EVP & Group Chief Financial Officer	Member



MTB Management Committee (ManCom)

Name	Designation	As
Standing from left		
Mr. Sayed Abul Hashem	EVP & Group Chief Financial Officer	Member
Mr. Md. Nazrul Islam Mazumder	EVP & CEO, MTB Securities Ltd. (MTBSL)	Member
Mr. Md. Shamsul Islam	EVP & Group Head of Treasury	Member
Mr. Md. Bakhteyer Hossain	EVP & Head of MTB International Trade Services	Member
Mr. Md. Shah Alam Patwary	EVP & Group Chief Information Officer	Member
Mr. Mohammed Sami Al Hafiz	VP & Group Chief Communication Officer	Member
Mr. Azad Shamsi	EVP & Head of MTB Other Division Branches	Member
Mr. Malik Muntasir Reza	EVP & Group Company Secretary	Member
Mr. Iqbal Mahmud	VP & Head of Risk Management	Member
Mr. Swapan Kumar Biswas	SEVP & Head of Banking Operations	Member
Mr. Khairul Bashar Abu Taher Mohammed	EVP & CEO, MTB Capital Ltd. (MTBCL)	Member
Sitting from left		
Mr. Goutam Prosad Das	SEVP & Group Head of ICC	Member
Mr. Md. Nurul Islam	SEVP & Group Head of HR	Member Secretary
Mr. Syed Rafiqul Hossain	SEVP & Head of MTB Dhaka Division Branches	Member
Mr. Md. Zakir Hussain	Deputy Managing Director & Chief Risk Officer	Member
Mr. Md. Hashem Chowdhury	Additional Managing Director, Chief Operating Officer & CAMLCO	Member
Mr. Anis A. Khan	Managing Director & CEO	Chairman
Mr. Syed Rafiqul Haq	Deputy Managing Director & Chief Business Officer	Member
Mr. Tarek Reaz Khan	SEVP & Head of Retail & SME	Member
Mr. Md. Khurshed Ul Alam	SEVP & Head of MTB Chittagong Division Branches	Member
Mr. Nurul Maruf Khan	EVP & Head of Credit Risk Management	Member



MTB Asset Liability Committee (ALCO)

Standing from left

Name	Designation	As
Mr. Tarek Reaz Khan	SEVP & Head of Retail & SME	Member
Mr. Nurul Maruf Khan	EVP & Head of Credit Risk Management	Member
Mr. Sayed Abul Hashem	EVP & Group Chief Financial Officer	Member
Mr. Md. Shamsul Islam	EVP & Group Head of Treasury	Member Secretary
Mr. Swapan Kumar Biswas	SEVP & Head of Banking Operations	Member
Mr. Malik Muntasir Reza	EVP & Group Company Secretary	Member
Mr. Goutam Prosad Das	SEVP & Group Head of ICC	Member
Mr. Md. Nurul Islam	SEVP & Group Head of HR	Member
Mr. Syed Rafiqul Hossain	SEVP & Head of MTB Dhaka Division Branches	Member
Mr. Md. Bakhteyer Hossain	EVP & Head of MTB International Trade Services	Member
Mr. Md. Hashem Chowdhury	Additional Managing Director, Chief Operating Officer & CAMLCO	Member
Mr. Anis A. Khan	Managing Director & CEO	Chairman
Mr. Azad Shamsi	EVP & Head of MTB Other Division Branches	Member
Mr. Md. Zakir Hussain	Deputy Managing Director & Chief Risk Officer	Member
Mr. Iqbal Mahmud	VP & Head of Risk Management	Member
Mr. Syed Rafiqul Haq	Deputy Managing Director & Chief Business Officer	Member
Mr. Md. Khurshed Ul Alam	SEVP & Head of MTB Chittagong Division Branches	Member
Mr. Md. Shah Alam Patwary	EVP & Group Chief Information Officer	Member

MTB Senior Management

Managing Director & CEO

Anis A. Khan

Additional Managing Director, COO & CAMLCO

Md. Hashem Chowdhury

Deputy Managing Director & CRO

Md. Zakir Hussain

Deputy Managing Director & CBO

Syed Rafigul Haq

Sr. Executive Vice President

- Md. Nurul Islam
- Goutam Prosad Das
- Syed Rafiqul Hossain
- Md. Khurshed Ul Alam
- Swapan Kumar Biswas
- Md. Sanawar Hossain
- Tarek Reaz Khan

Executive Vice President

- Md. Khalid Mahmood Khan
- Abdul Mannan
- Md. Bakhteyer Hossain
- Nurul Maruf Khan
- Md. Shah Alam Patwary
- Mohammed Ishaque
- Md. Zahidul Kabir
- Md Nazrul Islam Mazumder
- Syed Nurul Kabir
- Md. Abdul Latif
- Mairul Bashar Abu Taher Mohammed
- Md. Shamsul Islam
- Sayed Abul Hashem
- A.T.M. Manjurul Alam
- Malik Muntasir Reza
- Syed Mahmud Akhter
- Azad Shamsi

Senior Vice President

- Mohammad Mahmud Gony
- Touhid Ahmed
- Md. Monwar Hossain
- Md. Ifthakhar Hassan
- A.K.M. Zahirul Islam Khan
- Md. Humavun Kabir
- Md. Shamsul Alam
- Md. Kamal Uddin
- Salek Sabbir Ahmed
- Md. Amirul Islam
- Kazi Humaun Kabir
- Md. Azam Ali Khan
- Amitav Kaiser
- Abul Ali Ahad
- Mohammad Anwar Hossain
- Abu Zafar Md. Saleh
- Syed Golam Faruk
- Md. Nurul Islam Sarker
- Md. Nazmul Huda Sarkar
- Marcus Cornelius Gomes
- Khair Uddin Khan
- Syed Mahbub Morshed
- Khandaker Abdus Salim
- Md. Habibur Rahman
- Md. Tauhidul Alam



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Directors' Report to the Shareholders

Dear Valued Shareholders,

On behalf of the Board of Directors, I welcome you all to the 17th Annual General Meeting (AGM) of Mutual Trust Bank Limited. In line with the requirements of Section 184 of the Companies Act 1994, Stock Exchanges Regulations and Bangladesh Securities and Exchange Commission Order No. SEC/CMRRCD/2006-158/134/ Admin/44 dated August 7,2012, I have the pleasure to place before you the Directors' Report for your consideration.

Global Economy

The year 2015 is marked to be an unfavorable one for global growth, as global real GDP grew at 3.1 percent, down by 30 basis points from 3.4 percent of 2014, in the midst of weak aggregate demand, falling commodity prices and increasing financial market volatility in the major economies. As a whole, 2015 was a year of divergent performance, as economies found themselves at various points of the economic cycle.

During 2015, the advanced economies as a whole grew by 1.9 percent, maintaining a slight recovery position from the previous year, mainly due to the impressive performance of the smaller European nations, return to positive growth in Japan and a resilient US recovery. This moderate growth was supported by declining oil prices, accommodative monetary policy, and improved financial conditions, and in some cases, depreciation of the currency. On the other hand, falling commodity prices hampered the overall growth for emerging markets and developing economies, as it dipped to 4.0 percent from 4.6 percent recorded in the previous year. A slowdown in China, with less reliance on commodity-intensive investment, added more to the dismal performance of the segment.

However, things are expected to get better in 2016 and growth is projected to be 3.6 percent, while prospects across the main countries and regions remain uneven. Growth in advanced economies is expected to rise by 20 basis points in 2016 to 2.1 percent. The robust recovery in the US is expected to continue amidst supportive financial conditions and strengthening of the housing and labor markets. For the Euro Area, the overall growth rate is expected to be 1.7 percent, mainly due to stronger private consumption supported by lower oil prices. Alongside, emerging market and developing economies are expected to exhibit some recovery and maintain a growth rate of 4.3 percent in 2016, with positive growth prospects in Sub-Saharan Africa, Middle East and India. On the flipside, economic crisis is expected to continue in Brazil and Russia during 2016, and growth in China is forecasted to drop to 6.3 percent in 2016 compared to 6.9 percent in 2015, due to weak investment growth.

In the financial market arena, higher volatility is expected in the near to medium term, due to policy divergence in advanced economies. The US Federal Reserve has increased its key interest rate for the first time in almost a decade, in last December, that signals the expansion of US economic activities. Other things being equal, it should attract more capital to US markets and strengthen the dollar even further. The trend could get magnified as the European Central Bank (ECB) has already come up with a surprisingly modest easing of monetary policy. The ECB also cut its deposit rate by 10 basis points to minus 0.3 percent. This means that capital is likely to move out of the Euro Zone, as opportunities arise to borrow in Euro or Yen and investing in appreciating dollar-denominated assets. However, the alternative view is that the dollar rally is over as capital has already flowed to the US in anticipation of a rate hike and, once it is out of the way, things will get normalized. Either way the dynamics of global financial market is on the verge of a major shift.

Bangladesh Economy

The economy portrayed a mixed performance during the year 2015, in the midst of internal and external setbacks. Though the economy made a slow start due to political unrest, yet it bounced back strongly in the later part of the year. The economy advanced further towards a higher and sustainable growth track. The most remarkable achievement of the year 2015 was attaining the prestigious lower-middle income status from the World Bank upon reaching GNI per capita of USD 1,314. In line with the improving economic indicators, Bangladesh Government aims to achieve 7.0% GDP growth during FY 2015-16. Bangladesh Bank, in its latest Monetary Policy Statement, has reported this growth target to be ambitious, but attainable, subject to providing the right enabling environment. The Bangladesh Bureau of Statistics (BBS) has forecasted a 6,51% growth for this fiscal.

The Bangladeshi capital market managed to exhibit some signs of recovery during the trading sessions on the two bourses in 2015. Until August 2015, average price level and participation were both on the rise, as investors started to feel a bit optimistic. But contrary to expectations, market parameters continued to decline from the start of September 2015. This caught everyone with surprise, as nothing actually happened in the economy that could dampen the stock market. All the economic indicators were showing positive results, companies were declaring reasonable profits and dividends. Moreover, the government came forward with market friendly budgetary measures. On a year on year basis benchmark measure, DSEX lost 6.31% to stand at 4,629 point at the end of December 2015. Average daily turnover went down by 15.35%, compared to the previous year, while average market capitalization rose by 6.12%. Throughout the year, the major sectors exhibited mixed performance.

Inflation management is another success story of our country. The contractionary monetary policy of Bangladesh Bank has helped to keep inflation within the limit. As per Bangladesh Bank's statistics, twelve month average inflation at the end of December 2015 is reported to be 6.19%, which is well in line with the Government's budget target of 6.2%. During the same month of the previous year the 12 month average inflation rate was 6.99 percent.

Like the previous years, the foreign currency reserves of the country continued to rise at a steady pace. Reserves at the end of December 2015 were reported to be USD 27.49 billion. Compared to the same period of previous year reserves surged by 23.2% in the midst of growing inflow of remittances and a drop in global oil and commodity prices leading to lesser import costs. Higher export earnings and improvement in primary income and the income from services contributed to a current account surplus of USD 1.05 billion during July-November, 2015. The overall surplus was USD 2.04 billion during July-November, 2015 compared to USD 1.16 billion during July-November, 2014.

MTB at a Glance

During 2015, MTB gained a remarkable 25.30 percent and 23.30 percent growth over 2014 in assets and liabilities, respectively. The bank ended the year 2015 with a credit-deposit ratio of 82.42% despite the economic downturn. The bank reached the milestone of having set up more than hundred branches, spread across the country, along with expansion of the MTB 24/7 ATM network, POS devices, Kiosks, Internet Banking and SMS banking services.

Business Review

MTB's vision, mission, corporate core values, strategic priorities and outlook for 2015 have been presented at the beginning of the annual report. The bank has established the highest level of ethical standards in order to achieve MTB3V: I) To be One of the Best Performing Banks in Bangladesh ii) To be the Bank of Choice and iii) To be a Truly World-Class Bank).

Brief History of MTB

MTB was incorporated as a Public Limited Company in 1999, under the Companies Act 1994, with an Authorized Share Capital of BDT 1,000,000,000, divided into 10,000,000 ordinary shares of BDT 100 each. At present, the bank's authorized share capital is BDT 10,000,000,000 divided into 1,000,000,000 ordinary shares of BDT 10 each.

The company was issued Certificate for Commencement of Business on October 5, 1999, and on the same day, Bangladesh Bank granted it a license under the Bank Companies Act, 1991. Mutual Trust Bank started its banking operation on October 24, 1999. As envisaged in the Memorandum of Association, and, as licensed by Bangladesh Bank under the provisions of the Bank Companies Act, 1991, the company started its operation to progressively carry out its banking businesses, such as Wholesale, Retail, International Trade Financing, SME Banking, NRB Banking, Off-Shore Banking, Privilege Banking, etc. the Company (Bank) operates through its Corporate Head Office located at MTB Centre, Gulshan 1, Dhaka 1205. The bank carries out its international business through a global network of over four hundred foreign correspondent banks.

The bank has a current network of 106 branches which includes 14 SME/Agri branches, two booths at Hazrat Shahjalal International Airport (Arrival & Departure), Dhaka and three fully-owned subsidiary companies-MTB Securities Ltd. (MTBSL), MTB Capital Ltd. (MTBCL) and MTB Exchange (UK) Ltd.

Strategic Plan

MTB aims to increase its profits, in a sustained and controlled manner, taking into account its main philosophy of integrity, transparency and ethics. We emphasize on profitability after complying with all regulatory requirements, using smart technology, well-trained human resources and banking capabilities in an efficient and effective manner. The following action plans have been taken into consideration towards achieving the targets:

- Emphasize smart banking with a view to increase sustainable business
- 2. Continue to ensure our high standards of compliance and governance
- 3. Leverage our human resources, smart technology, financial capital and foresight to enhance shareholder returns while ensuring sustainable growth
- Continue to improve our funding and liquidity position with the provision of maintaining a high level of asset quality and lower provisioning
- 5. Establish a culture of empowerment and motivation along with appropriate remuneration, thereby attracting talented and qualified people to join and progress with the bank
- Act as a socially responsible organization with an aim of advancing the economy and the people
- 7. Ensure appropriate use of latest technology and improve the delivery channels to provide services to the unbanked population
- Maintain our high efficiency levels to ensure that we remain one of the leaders in the banking arena
- 9. Increase and enhance portfolio to the diversified sectors depending on opportunities and challenges
- 10. Upgrade infrastructure for Information & Technology Services to develop new IT based products and services

MTB has been working relentlessly to implement the aforementioned plans, and meanwhile, significant progress has been made, which has been described in detail in this Annual Report.

Review on MTB Operations, Products and Services

A review of the bank's operational activities is given in detail in the later part of this Annual Report. A brief review of the bank and its other subsidiaries are presented below:

MTB Securities Ltd. (MTBSL)

Mutual Trust Bank Ltd. started its brokerage functions in June 2006 as a division of the bank. Subsequently, as per directives of Bangladesh Bank and the Bangladesh Securities Exchange Commission, the division emerged as a subsidiary company of Mutual Trust Bank Limited in the name of MTB Securities Limited. MTBSL is currently operating with 16 outlets for brokerage activity, spread across the country. During the year 2015, the company made an operating profit of BDT 126 million as against BDT 360 million in 2014. The reason behind the downfall was threefold: 1) A substantial portion of our margin loans remained stuck with negative equity clients. 2) Regulatory pressure of bringing down the Capital Market Exposure and Single Borrower Exposure to a certain level and 3) Lack of investor confidence along with poor participation in the market.

MTB Capital Ltd.

MTB Capital Limited (MTBCL) is a fully owned subsidiary of Mutual Trust Bank Limited and a full-fledged Merchant Banker, licensed by the Bangladesh Securities and Exchange Commission (BSEC) in December 2010. MTBCL was incorporated to explore new markets and meet the demand for merchant banking services. The company extends co-operation and value added services to its respected clients. During the year 2015, the company made an operating profit of BDT 20 million as against BDT 48 million in 2014. Due to the turmoil in the stock market, capital gain income from proprietary investment, margin loan interest and management fees from portfolio business reduced compared to 2014.

MTB Exchange (UK) Ltd.

MTB Exchange (UK) Limited (MTB UK) is one of the three fully owned subsidiary companies of Mutual Trust Bank Limited (MTB) and started its operation from February 15, 2011. During 2015, a total amount of GBP 5.49 million was remitted to Bangladesh through MTB Exchange (UK) Ltd.

Off-shore Banking

MTB was permitted to operate an Off-shore Banking Unit (OBU) by Bangladesh Bank in 2009. The total loans and advances of the OBU stood at USD 16.38 million in December 2015 compared to USD 7.6 million in December 2014, with a growth of 114%. In 2015, OBU's operating profit stood at USD 0.25 million equivalent to BDT 19.98 million, as against USD 0.043 million, equivalent to BDT 3.34 million in 2014.

Risk Management

The prime objective of risk management is to appropriately balance the trade-off between risk and return. MTB judiciously ensures optimum return on its asset and equities streamlining a wide array of risks it faces during its day to day operation.

The main concern of the bank is to manage risks, prudently and efficiently, to ensure profitability, capital adequacy and liquidity in a balanced manner. Strategically, the MTB Board of Directors (BOD), through the Board Risk Management Committee (BRMC) and the senior management team, sets up the risk governance structure and risk philosophy, endorses risk strategies, reviews and approves risk policies, as well as the threshold limits of risks that may be taken in line with the bank's risk appetite. These limits are continuously monitored by an experienced risk management team and overseen by BRMC. MTB has put in place a number of Risk Management Policies, viz., (i) Credit Policy with Credit Risk Management Guidelines (ii) Asset Liability Management Manual (iii) ICC, Policy (iv) Anti Money Laundering (AML) & Combating Financing Terrorism (CFT) Policy guidelines (v) Foreign Exchange Risk Management Policy & Guideline (vi) ICT Policy (vii) Wholesale Borrowing and Funding Guidelines (viii) Liquidity Contingency Plan (ix) Management Action Trigger Points (x) Anti-Fraud Policy (xi) Valuation Methodology of Collateral (xii) Internal Capital Adequacy Assessment Policy (ICAAP) (xiii) Compliance Manual. Details of the MTB Risk Management policies and activities are given in the Risk Management chapter of this Annual Report.

Capital Management

As per Bangladesh Bank's guidelines, banks in the country are required to maintain capital at 10.00 percent of its risk-weighted assets under the Basel-III guidelines; Banks' capital has two components, Tier-I & Tier-III. Tier-III capital should be minimum 5.50 percent of the total capital. Tier-III includes the paid-up capital, share premium, statutory reserve and retained earnings, and Tier-III includes general provision on unclassified loans and advances, revaluation reserves, unsecured subordinated debt and exchange equalization account. MTB's total capital registered an increase by BDT 3,697 million and stood at BDT 12,445.45 million in 2015. Tier-III capital grew by BDT 1,315.31 million, and was recorded at BDT 7,599.17 million in 2015. Total capital is now equivalent to 12.19 percent of the total risk weighted assets. The details of capital adequacy and capital management are given in the "Market Discipline- Disclosures on Risk Based Capital (Basel-III)" chapter of this Annual Report.

Human Resources

MTB has been working persistently with a view to transforming its MTBians into human capital through exposure to appropriate training courses and development programs, both at home and abroad. A most congenial environment has been created, where employees enjoy coming to work at MTB. The MTB Code of Conduct, unveiled in 2010, is being strictly practiced in order to ensure complete transparency and integrity in all its operations. A total of 1,530 employees were given training, both at home and abroad in different fields of banking and management practices up to December 31, 2015.

Corporate Social Responsibility

In respect of corporate sustainability, MTB has focused on key areas, nation-building and promotion of the workplace, support to the community and protection of the environment. The bank has set up the "Mutual Trust Bank Foundation" and contributes a part of its profit, as donation to it, for undertaking various projects, particularly in the health and education sectors. Apart from the CSR activities taken by Mutual Trust Bank Foundation, the bank also undertook various CSR activities during the year 2015, details of which are given in the "Green Banking" and "Corporate Social Responsibility" part of this Annual Report.

Corporate Governance

The bank adheres strictly to the regulatory guidelines on corporate governance. The disclosures on corporate governance are provided in the chapter on "Corporate Governance Report" of this Annual Report.

Financial Analysis: (Total Assets)

The consolidated assets of the bank stood at BDT 146,073 million in 2015 compared to BDT 116,301 million in 2014. Total assets of MTB stood at BDT 145,577 million in 2015 compared to BDT 115,706 million in 2014, with a growth of 25.82 percent. MTB has been successful in marketing significant amount of loans and advances by launching new and innovative products in the market-place.

MTB Funds under Management

BDT Million

	2015	2014	Growth
Deposits	118,405	96,065	23.25%
Advances	97,589	77,141	26.51%
Funds Under Management (FUM)	215,994	173,206	24.70%

Cash and Balances with Bangladesh Bank and its Agents

MTB's consolidated cash and balances with Bangladesh Bank and its Agents stood at BDT 9,485 million in 2015 compared to BDT 8,934 million in 2014. The growth in customer deposits has also resulted in an increase in the Cash Reserve Requirement (CRR) set by Bangladesh Bank.

Balances with other banks and financial institutions

MTB's consolidated balances of accounts with other banks and financial institutions stood at BDT 3.134 million in 2015 compared to BDT 2,174 million in 2014. This was BDT 3,125 million in 2015 compared to BDT 1,970 million in 2014 for MTB only.

Investments

MTB's consolidated investments increased during the year under review by BDT 5,442 million to BDT 26,210 million in 2015. The increase is mainly due to holdings in Government Securities.

Loans and Advances

MTB's consolidated loans and advances stood at BDT 97,589 million in 2015. Outstanding loans and advances of the Off-Shore Banking Unit was BDT 1,286 million in 2015 compared to BDT 598 million in 2014. The details of loans and advances are given in the Note No. 7 to the Accounts. The ratio of non-performing loans of MTB stood at 2.08 percent, which was happily much below the industry average.

Liabilities

The consolidated total liabilities of the bank stood at BDT 137,144 million in 2015 compared to BDT 109,530 million in 2014. MTB's total liabilities rose to BDT 136,617 million in 2015 from BDT 108,902 million in 2014, with a steady growth of 25.45 percent. The increase in liabilities was mainly due to growth in deposits and borrowings.

Borrowings from other banks, financial institutions and agents

MTB's total borrowings stood at BDT 5,096 million in 2015, which was BDT 3,744 million in 2014.

Deposits

MTB customer deposits grew by 23.26 percent to BDT 118,405 million in 2015. The growth was supported by its extensive branch network, spread throughout the country. With the setting up of 106 branches and alternate delivery channels, MTB has been able to obtain more low cost funds in 2015. Fixed deposits contributed substantially to the total deposits. Cost of deposit decreased to 6.95% in 2015 compared to 7.97% in 2014.

BDT Million

Deposits	2015	2014	Growth over 2014
Current Deposit & Other Accounts	9,586	8,224	16.56%
Bills payable	1,253	1,284	-2.41%
Savings Deposits	17,908	14,384	24.50%
Special Notice Deposits	13,677	7,997	71.03%
Fixed Deposit	55,708	49,412	12.74%
Deposit-Products	20,272	14,764	37.31%
Total Deposits	118,405	96,065	23.26%

Shareholders' Equity

MTB's consolidated shareholders' equity increased by 31.89% to BDT 8,929.18 million in 2015. The bank's paid-up capital increased by 20% to BDT 3,693.16 million in 2015. Statutory reserves increased by 19.55% to BDT 2,721 million during 2015. Total distributable profit stood at BDT 786.95 million in 2015.

Analysis of Income Statement of MTB

BDT Million

SL	Particulars	2015	2014	Growth over 2014
1	Interest Income	10,790	9,717	11.05%
2	Interest Expenditure	7,926	7,882	0.56%
3	Net Interest Margin (NIM)	2,864	1,835	56.08%
4	Net Interest Margin (NIM) Ratio	3.00%	2.44%	0.55%
5	Income from Investment, Commission, Brokerage	3,716	3,855	-3.61%
6	Total Net Income (Net Interest Income + Non Interest Income)	6,580	5,690	15.64%
7	Operating Expenditure	3,769	3,087	22.11%
8	Profit Before Provision	2,810	2,603	7.98%
9	Net Profit after tax	1,366	962	42.08%

Interest Income

MTB's interest income increased by 11.05% to BDT 10,790 million in 2015. The gross yield on advances stood at 12.64% in 2015 compared to 14.71% in 2014.

Interest Expense

Interest expenditure increased by 0.56% to BDT 7,926 million in 2015.

Net Interest Margin

MTB's Net Interest Margin (NIM) increased by 56.08% to BDT 2,864 million in 2015. The increase in Interest Income contributed largely to the increase in Net Interest Margin. MTB's Net Interest Margin ratio stood at 3.00% in 2015 compared to 2.44% in 2014.

Income from Investments, Commission, Exchange, Brokerage and Other Operating Activities

The Income from Investments, Commission, Exchange, Brokerage and Other Operating Income decreased to BDT 3,716 million compared to BDT 3,855 million in 2014, mainly due to lower yields in Government Securities.

Total Operating Expenses

MTB's total operating expenses increased by 22.11% to BDT 3,769 million in 2015 compared to BTD 3,087 million in 2014. This is attributable to costs associated with expanding the network, products and services, and better market-oriented salaries to ensure that the bank is able to attract and retain high quality human resources.

Provision for Loans and Advances

MTB's total provision against loans and advances for the year 2015 was BDT 439.37 million compared to BDT 427.53 million in 2014. The Non- Performing Loan ratio improved considerably during the year under review and is one of the lowest in the country.

Particulars	2015	2014
NPL ratio	2.08%	2.67%

Profit before Tax

Profit before Tax stood at BDT 2,273.64 million in 2015 with a growth of 17.84% as against BDT 1,929.39 million in 2014.

Provision for Income Tax

MTB's provision for Income Tax was BDT 907.44 million in 2015 compared to BDT 967.84 million in 2014.

Net Profit after Tax

Net Profit After Tax registered a substantial growth of 42.08% to BDT 1,366 million in 2015 compared to BDT 962 million in 2014. MTB's basic Earnings Per Share (EPS) increased to BDT 3.70 in 2015 compared to BDT 2.60 in 2014.

Statutory Reserves

As per the Bank Company Act 1991 (as amended in 2013), 20 percent of the Profit before Tax is required to be transferred to statutory reserve. As such, an amount of BDT 445.06 million has been transferred to statutory reserve in 2015.

Dividends

The fund available for distribution was BDT 786.95 million in 2015. In order to maintain a satisfactory Capital Adequacy ratio of the bank, the Board has decided to recommend 20% Stock Dividend for the year 2015.

Remuneration of the Directors

As per BRPD Circular No.09 dated 19/09/1996, the Chairman of the bank may be provided a car, telephone, office and private secretary. However, MTB only pays the prescribed fees to its Directors for attending meetings of the Board and its Executive Committee, Audit Committee and Risk Management Committee. The Managing Director and CEO is paid a salary and allowances, in accordance with the approval of the bank's Board of Directors and Bangladesh Bank.

Adequate Accounting Records

MTB maintains all books of accounts and other records in accordance with the prevailing rules and regulations - Section 181 of The Companies Act, 1994; Bank Companies Act, 1991 as amended in 2013, Tax Ordinance and Rules, VAT Act, BSEC and DSE rules and regulations and Bangladesh Bank's guidelines.

Accounting Policy and Implementation of BAS/BFRS

The Board of Directors is responsible for the preparation and fair presentation of the Bank's Annual Financial Statements, incorporating its financial position in 2015, comprehensive income, changes in equity and cash flow during the year, and the notes to the Financial Statements, which include a summary of significant accounting policies and other explanatory notes in accordance with the Bangladesh Financial Reporting Standards (BFRS) and in the manner required by the Companies Act, 1994.

The directors' responsibilities also include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these Financial Statements, that are free from material mis-statement, whether due to fraud and error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Internal Control and Compliance (ICC) System

The MTB Board of Directors has the responsibility to ensure compliance at all levels in the bank's day-today activities. The ICC Division ensures the internal control structure in the bank with appropriate assignments, accountability of the personnel and delegation of authorities to functional management to create control and ensure a compliance culture within the organization under the active guidance and supervision of the Senior Management and the Board of Directors. The Bank Companies Act, 1991, (as amended in 2013), requires some changes in the reporting line and organogram of the ICC Division. Meanwhile, the reporting line has been changed and the organogram revamped, to ensure that internal audit functions are dealt with independently from the ambit of management and its report is submitted to the Board Audit Committee of the Bank.

Standards of Reporting

The financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) as adopted by The Institute of Chartered Accountants of Bangladesh, Bank Companies Act 1991 as amended in 2013, applicable provisions of the Companies Act, 1994; Bangladesh Securities and Exchange Commission's rules and regulations and Bangladesh Bank's BRPD Circular No. 14, dated June 25, 2003. The Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that they reflect the financial operations of the Bank in a true and fair manner.

Going Concern

Going Concern is one of the fundamental assumptions in accounting, on the basis of which the financial statements are prepared. According to the Going Concern Assumption, a business entity will continue to operate in the foreseeable future, without the need or intention on the part of its management to liquidate the entity, or to significantly curtail its operational activities. Therefore, it is assumed that the entity will realize its assets and settle its obligations in the normal course of the business. It is the responsibility of the management of a company to determine whether the going concern assumption is appropriate in the preparation of financial statements. MTB has prepared its Financial Statement considering the going concern assumption.

Control Environment

Control activities are the policies and procedures which help ensure that the management directives are carried out, and necessary actions are taken to minimize the risks of failure to meet stated objectives. The policies and procedures are effectively established within the Bank and are continuously reviewed for compliance, adequacy and improvement.

The Board of Directors sets the tone for an effective control environment through regular reviews of the processes for identifying, evaluating, and managing significant risks. The Standard Operating Procedures (SOP) are signed off by the Heads of each Department to provide assurance that these standards are communicated, understood and complied with. An effective Control environment is set by top management in all spheres and across all business functions. Every year, the senior team conducts a self-assessment of key controls that affect the business, and develops action plans to make the internal control environment more robust

Supplier Payment Policy

MTB has developed and implemented a set of payment polices for all its suppliers. The payment methods and system are explained to the vendors before issuing purchase orders. Bills are paid according to the payment terms and VAT and other withholding taxes are deducted from bills as per the law. As of date, there is no legal case filed by the bank or filed against it by any supplier.

Related Party Transactions

The details of transactions of related parties of the company have been given in Notes 44 of the financial statements.

Shareholders' Value

MTB remains fully committed to delivery of higher shareholder value. The high profitability track record underpins the value the shareholders derived from investing in the shares of the bank. The Earnings Per Share increased and stood at BDT 3.70 and Return on Average Equity stood at 17.40% during 2015. Market capitalization of MTB stood at BDT 7,201.66 million as at December 31, 2015.

Meetings of the MTB Board of Directors

Thirteen meetings of the MTB Board were held in 2015.

Appointment of Auditors

M. J. Abedin & Co. was appointed as External Auditors for 2015.

Annual General Meeting

The Annual General Meeting of Mutual Trust Bank will be held on Monday, April 25, 2016 at the International Convention City, Bashundhara (Pushpoguscho), Joarsahara, Khilkhet, Dhaka 1229 at 10:00 am. The Directors' Report and financial statements were approved at the 190th Board Meeting held on March 15, 2016 for presentation to the shareholders.

I would like to thank all our shareholders, my fellow board members, regulators, depositors, clients and the authorities for helping us in our journey.

Thank you.

On behalf of the Board of Directors

M. A. Rouf, JP Chairman

Financial Analysis

2015 was a focus year for Mutual Trust Bank Ltd. as regards expansion and diversification of various business lines. A strategic approach streamlining diverse business opportunities has been undertaken, but due to the adverse economic situation it was not a completely successful business year. We achieved a remarkable growth in diversification of business, though the year was marked with the fierce competition amongst the major players seeking to streamline themselves successfully in order to keep pace with transformation.

As of the year 2015, MTB's total assets along with subsidiary had risen by 25.60% over 2014, reaching BDT 146,073 million. Accompanying this quantitative growth was an improvement in asset quality, with our careful risk management measures contributing to high quality loans and advances. The NPL ratio of the bank decreased to 2.08% from 2.67% which is much lower than that of country's NPL.

In 2015, our Net Income increased by 42.08% to BDT1,366 million from 962 million over the previous year. A number of successful strategies were taken in 2015, including steady growth of our savings and lending businesses, development of more innovative and customer-centric financial products.

Analysis of Consolidated Financial Statements

Total Assets

The Bank's total assets posted a 25,60% increase in 2015, rose from BDT 116,301 million in 2014 to BDT 146,073 million. A major contributor to this growth was the increase in loans and advances, which grew by 26.51%, in 2015 from BDT 77,141million to BDT 97,589 million. Fixed assets of the Bank also increased to BDT 3,182 million in 2015 from BDT 2,489 million in 2014, portraying an increase of 27.84%.

MTB also increased its Cash Reserve Requirement (CRR) maintained with Bangladesh Bank (BB) and its agents in the year 2015. The earnings asset grew at a rate of 28.55% to BDT 126,017 million.

Summary of Assets in Balance Sheet:

BDT Million

Particulars	2015	2014	(%) Change
Total Assets	146,073	116,301	25.60%
Loans & Advances	97,589	77,141	26.51%
Fixed Assets	3,182	2,489	27.84%
Other Assets	4,683	4,796	(2.36%)

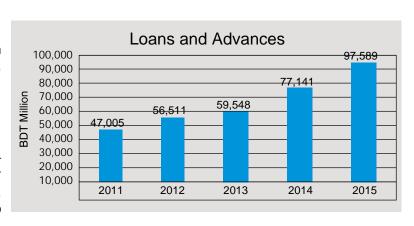
Loans and Advances:

The Bank's exposure to loans and advances increased from BDT 77,141 million in 2014 to BDT 97,589 million in 2015 registering a 26.51% growth over the last year. With a pie of around 79.64% in corporate lending, MTB's credit exposure is well diversified and spread over more than 14 sectors such as agriculture, textile & RMG, ship- building, ship-breaking, construction, transportation, service industries, etc. Retail and SME together constitute more than 12.53% of the loan portfolio.

Overdraft against Margin Ioan stood at BDT 3,832.05 million in the year 2015 from BDT 3,995.75 million in the year 2014 in MTB Securities Ltd., a subsidiary of MTB.

Asset Quality & Non-Performing Loans (NPL)

At the end of the year 2015, the Bank's total credit was up by 26.51% over 2014, showing an increase of BDT 20,448 million. Despite this growth, the Bank's NPL ratio decreased to 2.08% from 2.67%.



The Bank has been able to keep the NPL ratio at a manageable level due to the prudent risk management strategies, a committed recovery team and excellent monitoring and control system.

BDT Million

Particulars	2015	2014
Total Loans & Advances	97,589	77,141
Non-performing Loans(NPL)	2,034	2,060
NPL ratio	2.08%	2.67%

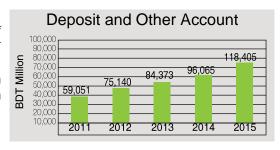
Liabilities and Shareholders' Equity

Liabilities

Total liabilities (excluding equity) stood at BDT 137,144 million at the end of 2015 which was 25.21% more than the previous year's figure. This increase in liabilities is mainly due to increase in deposits from customers and borrowing from other banks.

Total Deposits

Deposits represent the largest portion of total liabilities of the bank. This year, it saw an increase of 23.26%, to BDT 118,405 Million from BDT 96,065. Over the past five years, MTB was able to almost double its deposits portfolio from BDT 45,846 million in the year 2010 to BDT 118,405 million in the year 2015.



Deposit Mix and Growth

The deposit mix showed significant changes during the year 2015

Particulars -	BDT million		Growth	Mix	
	2015	2014	(%)	2015	2014
Current Deposit & Other Accounts	9,586	8,224	16.56%	8.10%	8.56%
Bills Payable	1,253	1,284	-2.41%	1.06%	1.34%
Savings Deposit	17,908	14,384	24.50%	15.12%	14.97%
Special Noticed Deposit	13,677	7,997	71.03%	11.55%	8.32%
Fixed Deposit	55,708	49,412	12.74%	47.05%	51.44%
Deposit-Products	20,272	14,764	37.31%	17.12%	15.37%
Total	118,405	96,065	23.26%	100%	100%

The proportion of fixed deposit (high cost deposit) increased by 12.74% i.e. from BDT 49,412 million to BDT 55,708 million. Deposit Products also increased by 37.31% to BDT 20,272 million from BDT 14,764 million. In addition to this, zero cost deposit increased by 16.56%, BDT 1,362 million i.e. from BDT 8,224 million to BDT 9,586 million.

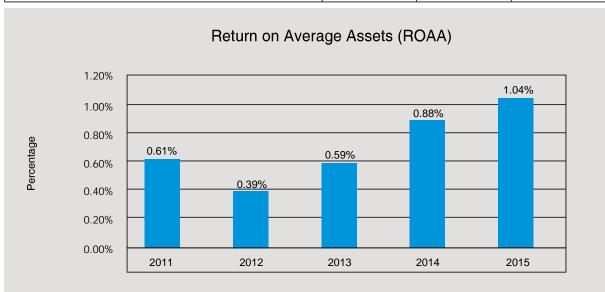
Shareholders' Equity

Shareholders' equity increased from BDT 6,770 million in 2014 to BDT 8,929 million in 2015. This rise, propelled by earnings growth, was also reflected in consolidated net income. General reserve is kept BDT 446.77 million due to a policy for strengthening the reserve base for taking over any future claim for tax and others.

Consolidated Earnings per Share (EPS) stood at BDT3.70 (Face value per Share BDT 10) and Return on Average Equity (RoAE) at 17.40% during 2015. Market capitalization stood at BDT 7,202 million as of December 2015. During 2015, the Bank declared 20% stock dividend.

Summary of Shareholders' Equity:

Particulars	BDT r	Crouth (0/)		
Faiticulais	2015	2014	Growth (%)	
Paid up Capital	3,693	3,078	20.00%	
Statutory Reserve	2,721	2,276	19.55%	
Revaluation Reserve on Investment in Securities	1,312	520	152.14%	
Foreign Currency Translation Gain	3	2	43.61%	
General Reserve	447	277	61.42%	
Retained Earnings	753	617	21.97%	
Total Shareholders' Equity	8,929	6,770	31.89%	



Capital to Risk weighted Assets Ratio:

The Bank's Capital to Risk weighted Assets Ratio increased by 1.25% at the end of 2015. The main reasons for increase were the increase of Tier-II Capital i.e a new issuance of BDT 3,000 Million of Subordinated Bond & also increased retained earnings 21.97% i.e. BDT 753 Million in 2015 from BDT 617 Million in 2014. In terms of Capital to Risk weighted Assets Ratio, Tier-I capital edged up to post 7.33% at the end of the year 2015. A significant positive effect was made in Tier-II capital for issuance of Subordinated Debt.

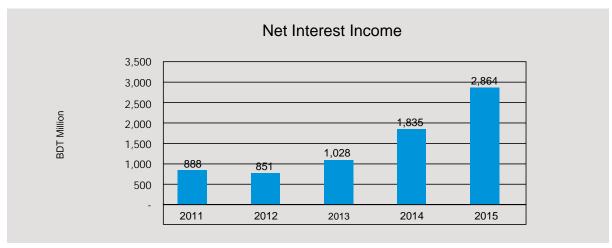
Position of Capital to Risk weighted Assets Ratio:

Particulars	2015	2014	Change
Required/Base Ratio	10%	10%	-
Tier I Ratio (%)	7.33%	7.72%	(0.39%)
Tier II Ratio (%)	4.69%	3.05%	1.64%
Maintained Ratio	12.02%	10.77%	1.25%

Earning Analysis

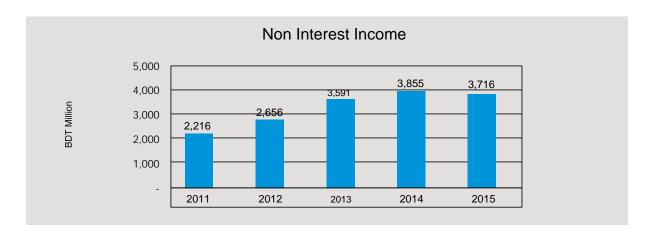
Net Interest Income

Total interest income in 2015 showed a positive growth of 11.05% to reach BDT 10,790 million from BDT 9,717 million of 2014despite numerous challenges. Interest expenses in the year was BDT 7,926 million which increased by 0.56% from 2014 (BDT 7,882 million). Comparatively, the growth of interest income is higher than the growth of interest expense, the resultant Net Interest Margin (NIM) showed a positive growth by 56.08% in 2015 (BDT 2,864 million in 2015 and BDT 1,835 million in 2014).



Non-interest Income

In 2015, investment income, fee income from assurance/guarantee, beneficiary certificates and brokerage, credit cards and foreign exchange trading gains reached an amount of BDT 3,716 million collectively,which was 3.61% lower than 2014 (BDT 3,855 million). Investment income consists of interest earned on treasury bills & bonds and dividend received on shares.



Operating Expenses

Total operating expenses increased by 22.10%, or BDT 682 million is resulting to an amount of BDT 3,769 million in 2015. This is because of a significant increase in people cost, rental, advertisement and other expenses, which include mainly employee training, business development, registration fees, security services for additional branches etc.

The Bank provided full provision for gratuity payment, which was BDT 100 million in 2015. Increase of fixed assets also caused a 19.02% increase in depreciation charged during the year 2015. The headcount slightly increased by 13.56% throughout the year mainly due to opening of new branches & expansion of business network.

Particulars	2015	2014
Operating Income per employee	3.65M	3.59M
Profit before tax per employee	1.26M	1.22M

Wholesale Banking Division

The Wholesale Banking Division (WBD) is an integrated and specialized business unit of MTB, dedicated towards generating corporate business from top tier clients of the country. This division consists of Corporate Business unit, Branch Support Unit, Off-shore Banking Unit, Cash Management Unit and Structured Finance Unit, Although, MTB historically operates through the branch banking model, the Wholesale Banking Division also has a wing or unit which is called corporate business unit that operates centrally and has been extremely successful in its business pursuits. The division takes pride in its diversified portfolio comprising of all major sectors such

as garments and textiles, spinning, pharmaceuticals, steel and cement, power, paper, plastic, melamine, petro-chemicals, poultry feeds, ship building, breaking renewable energy etc. Dedicated team Relationship Managers at WBD processes the credit proposals and places these proposals for approval after



complying with the regulatory issues and guidelines. Furthermore, the unit is engaged in maintaining value based relationship with the top-ranking customers and regularly gives drive for new customers booking and maintains relationship with existing top-ranking customers to cater to the customer's needs on a priority basis.

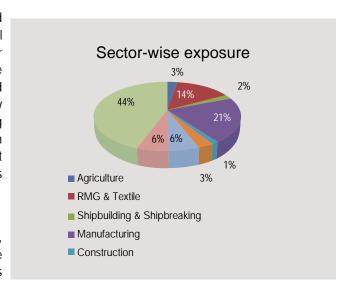
The footprint in all major sectors has been possible through focused marketing, identifying quality clients, offering innovative products and providing prompt and efficient services. In 2015, the portfolio of the Wholesale Banking Division grew from BDT 59,347 million in 2014 to BDT 76,431 million. This is 29% growth over that of 2014. As of December 31, 2015, the total lending portfolio of the Bank stood at BDT 96,258 million out of which the Wholesale Banking Division contributed BDT 76,431 million, which constituted 79,4% of the total portfolio.

The above growth was possible in the backdrop of a turbulent start of the year 2015 marred by political instability during the first three months. However, the country witnessed a relatively improved political atmosphere and stable macroeconomic indicators during the rest of the year. The government initiatives to undertake several major infrastructure projects such as Padma Bridge, Dhaka Metro Rail, Bus Rapid Transit and signing of major deals for large power projects infused positive energy which helped in creating a favorable atmosphere for the economy.

Between 2004 and 2015, Bangladesh averaged a GDP growth rate of 6%, despite political instability, poor infrastructure, insufficient power supplies and slow economic reforms. The economy is increasingly led by export-oriented industrialization. The Bangladesh textile industry is the second-largest in the world. According to experts, the economic outlook is very much positive for 2016 and 2017. With this viewpoint in mind, the Wholesale Banking Division is expected to grow further in the upcoming years.

Branch Support Unit

The Branch Support Unit provides approval, monitoring and quality compliance support to the clients managed at the branch level. This unit is



a dedicated team of relationship managers who process the credit proposals received from different branches and place these proposals for approval after complying with the regulatory issues and guidelines.

Syndication and Structured Finance Unit (SFU)

MTB is one of the leaders in the country's Syndication and Structured Finance market, with experienced and accomplished bankers who have good experience in the market and related products and services. They enable the bank's corporate clients to access large loans through some of the most innovative and cost efficient structures. We provide clients access to a broad range of tailored financing solutions by matching our borrower/issuer requirements, with a vast array of investors, with whom we are in constant contact, so that clients do not have to approach individual banks, separately, to arrange funds for large projects.

With this in mind, the MTB Structured Finance Unit offers a number of products to fit the clients' business requirements. Our product basket contains both funded and non-funded facilities, ranging from diversified Long Term Financing facilities to a full-range of Short Term lending products to meet day to day operations. SFU offers great flexibility in terms of maturity structure, security design and asset types, which allows issuers to provide enhanced returns at a customized degree of diversification, corresponding to an individual investor's appetite for risk.

Some of the highlights of our achievements in 2015 are:

- 1. Signed a participation agreement with Bangladesh Bank on financing local manufacturing entities in foreign currency, under a USD 300 million Financial Sector Support Project (FSSP)
- 2. Successfully closed four Commercial Paper deals as the Lead Arranger
- 3. Disbursed loans aggregating USD 20 million under Investment Promotion & Financing Facility (IPFF)

Retail Banking Division (RBD)

The year 2015 was challenging for the country's overall economy as the first quarter of the year had a stuttering start faced huge political disorder and later went ahead with investment stringency. However, Mutual Trust Bank Limited (MTB) has figured out how to maintain its positive growth from the experience of earlier years.

MTB is constructing a speedy progress to establish itself as the leading and technologically advanced private bank in the country. While the wholesale banking, for the most part, has been the growth engine for the bank, MTB management puts its long term strategy also in Retail Banking growth. It is noteworthy that, success of Retail Banking contributes to the foundation for sustainable growth of the bank.

Retail activities are directed through Branch Network, ATM, Call Centre, Internet and SMS banking services, and via the division's specialized Payroll Banking Highlights of 2015

Acquired 117,294 New Account Savings Portfolio grew by BDT 3524.58 million & 24.50% compared to previous year Achieved 15.52% Growth of Loans and

Top notch Company Acquisition under Payroll Payroll Company Acquisition Growth 49.38% Payroll Savings Account Growth 46.67%

relationship managers. Apart from that, MTB Card Division and Privilege Banking has prodigious role for taking ahead the retail portfolio.

Advances

As part of Retail, MTB Payroll Banking has been the protagonist to the growth of retail business in 2015. MTB Payroll Banking which is known as (Corporate Employee Privilege Program, CEPP) formally started the journey from September, 2014.

Channel Standing 2015

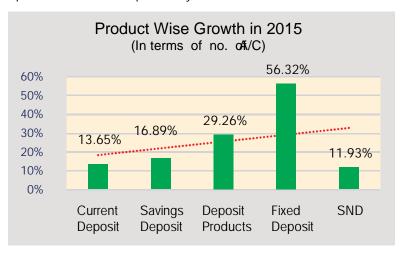


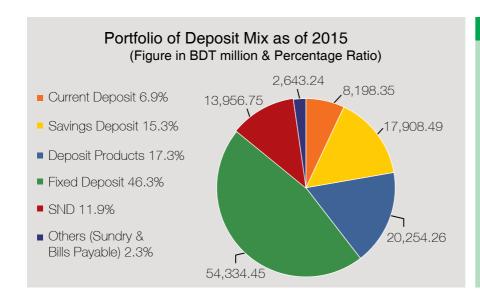
Deposit Business Growth:

The deposit growth of the bank has been outstretched 20.71% and 22.21% in terms of number of account and account balance in 2015 respectively. MTB has acquired incremental growth on each product with a view to better manage of bank's deposit portfolio through optimum mix of Current Account and Savings Account (CASA), Term Deposit (TD) and Special Notice Deposit (SND). To structure a deposit portfolio properly the management of MTB considered the following factors, including the composition of the market-area economic base and the ability to employ deposits profitably. The below graph shows decent growth of number of accounts for each product in 2015 compared to those of the previous year.

Aggregate Portfolio of Deposit:

The deposit portfolio erected at BDT 118.68 billion at the end of the year 2015. The following graph depicts the superior growth of the balance sheet of the entire portfolio in terms of account balance in 2015, registering 22.21% growth over the last year.





Key Priority in 2016

Portfolio retention has become a challenge in the backdrop of the entry of newer players, who are capturing market share by offering lower rates of interest. We counter this risk through the formation of a dedicated team for portfolio retention management, periodic rate revision in line with the CoFI (cost of fund index) for Banks as published by the Bangladesh Bank.

Loans and Advances:

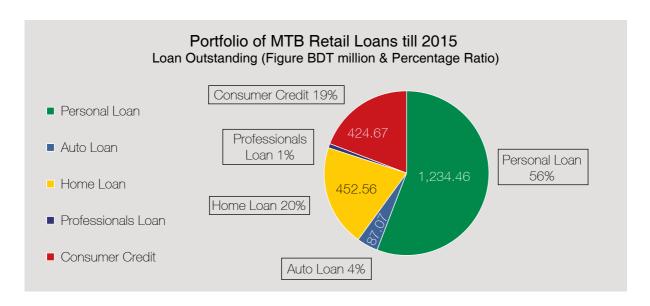
The Bank's exposure to loans and advances increased from BDT 1911.79 million to BDT 2208.47 million in 2015 registering **15.52%** growth over the last year. This year 2015 MTB has brought significant transformation of Auto Loan business with **148.13%** growth over the last year.

The year 2015 was very fruitful, yielding positive changes in almost all key indicators like per employee productivity, value addition to existing products offering, optimization in portfolio mix, new product packaging and so on. This year, MTB Retail collection team has taken over the responsibility of recovery/collection activities and it was a tremendous success. The performance was superior compared to previous years. In 2015, classified loan volume in retail loan portfolio decreased significantly.

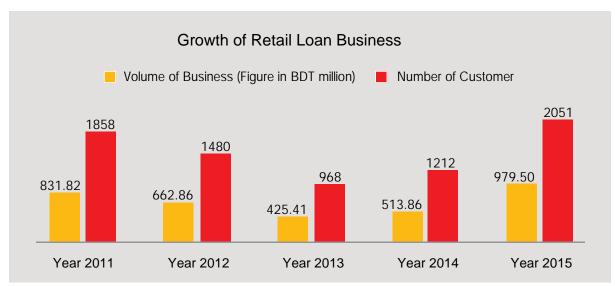
Growth of Loan Outstanding (BDT million)				
Product	Year 2014	Year 2015	Change in Ratio	
Personal Loan	947.45	1,234.46	30.29%	
Auto Loan	35.09	87.07	148.13%	
Home Loan	388.26	452.56	16.56%	
Professionals Loan	13.03	10.80	-17.11%	
Consumer Credit	527.96	424.67	-19.56%	
Total	1,911.79	2,208.47	15.52%	

Non-Performing Loan Ratio:

Type of Loan	CL Outstanding (BDT)	CL% of Total Portfolio		
Retail Loans	118.06	6.61%		



Five Years Headway of MTB Retail Loans



Key Priorities in 2016

■ Maintaining a delicate balance between portfolio growth and asset quality to ensure both profitability and sustainability in the long run.

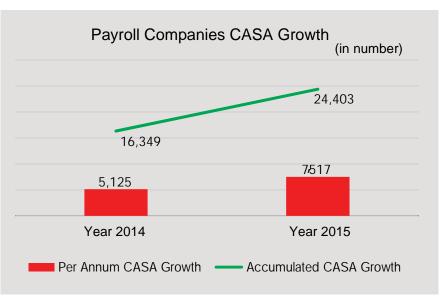
Ensuring maintenance of quality loan sourcing - due to a growth in business volumes and the number of customers every day, we are enhancing our focus on loan origination for ensuring the quality of loan applications. In order to monitor and improve this metric, we have created segment-wise financial solutions and possessing stronger emphasis on customer-centricity.

Tensuring maintenance of operational risk with highest priority - as a business, we are exposed to higher operational • Irisks due to the increasing number of customers. We are mitigating these risks through our specialized Compliance and Monitoring team and strengthening our sales governance functions for reducing mis-selling, customer complaints, fraud and financial losses.

MTB Payroll Banking:

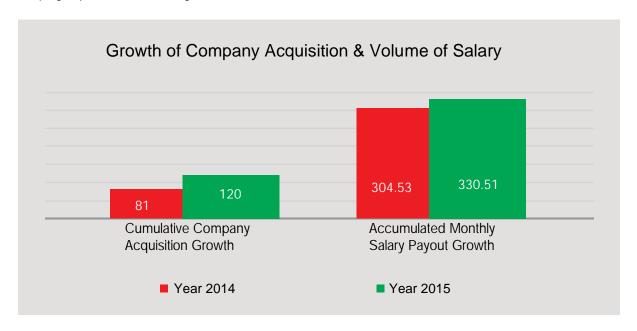
MTB Payroll Banking offers personalized and integrated payroll services eliminate paperwork & cost and provide comprehensive package to the employees of prospective organizations.

Salary account is always considered an attractive proposition for both the banks and the customers. Since client can do their daily transactions through this account and earn some interest, they consider this as savings account which is



a vital part of their daily business life. On the other hand, bank also likes to mobilize ample low cost fund through salary account and ensure to grow healthy portfolio through cross-selling relationship.

After formal start MTB Payroll Team has done laudable contribution of retail business in 2015 in terms of topnotch company acquisition (such as; MNC/LLC), growth of savings account & monthly salary volume, and keeping impact of cross-selling from diverse arena of the bank.



MTB Green Banking

Green Banking approach involves using environment friendly practices at every level within the banking organization and also considers the environmental aspect of the projects aiming to reduce carbon footprint while funding and investing in the commercial projects.

Human activities and natural events are responsible for increasing average global temperatures and increasing "greenhouse gas" such as Carbon Dioxide (CO2). A warming planet leads to change in climate which can affect weather in various ways. Global warming and climate change refer to an increase in average global temperatures.



Climate change has already started to transform life on Earth. Around the globe, seasons are shifting, temperatures are climbing and sea levels are rising. If we don't act rightly, the climate change will rapidly alter the lands and waters and then we have to leave our children and grandchildren in a very precarious situation.

As a responsible corporate entity, MTB has a strong commitment towards developing sustainable energy finance in Bangladesh. The bank has developed a dedicated product called MTB Green Energy Loan. This loan is an environment friendly Green Credit product that enables the prospective customers to set up renewable energy projects such as solar, biogas, wind, and hydro and any other potential renewable plants and help reduce the carbon footprint in the country

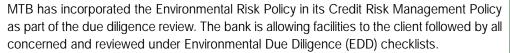
MTB Green Initiatives:

As one of the leading commercial banks of the country, MTB is committed to ensure complying with the environmental regulation for maintaining ecological balance and retaining the globe safely habitable for all living beings and their future generation. In compliance with Bangladesh Bank guidelines, MTB has formed Green Banking Cell aiming to develop green banking policies, planning and overseeing the overall green banking activities of the bank. Besides, one of the strategic focuses of MTB is efficient energy consumption, paperless office, financing renewable energy etc.

To ensure Green Banking practices in the bank, MTB has introduced "Green Banking Policy" as instructed by Bangladesh Bank. This policy covers those areas that ensure sustainable environment i.e. in-house environment management, green financing, awareness building among stakeholders of the bank.

MTB Green Office Guide:

The Bank has developed Green Office Guide for all employees to create awareness on green banking activities & providing instructions on efficient use of energy, water, saving paper, etc.





Creation of Green Marketing System:

MTB has established fully IT based green marketing system covering all available modern facilities. Customers are continuously encouraged through e-mail and other electronic means to use environment friendly banking tools. All MTB outlets across the country send e-statement, e-card in the festivals and other necessary documents through e-mail. MTB always encourages the clients to communicate

and to send documents through e-mail with a view to avoid use of papers.

Use of Online Banking and Internet banking facilities:

MTB is providing online banking facilities through its core banking system. Fund Transfer to other bank's account through BEFTN has been made available through Online Banking. As a result, customers can execute fund transfer through paperless



and automated Online Banking over internet to any other account in Bangladesh. MTB has also offered a safe and convenient 24/7 Internet Banking facilities to its customers. By using MTB Internet banking, customers can avail the services like balance enquiry, balance transfer, view account statement, mobile recharge, utility bill payment etc.

Automated Teller Machine (ATM):

In addition to the Bank's own 200 ATMs, the Bank has joined National Payment Switch Bangladesh (NPSB) network during the year 2014, which enabled the Debit Cardholders of the Bank to enjoy cash withdrawal facility from other ATMs under NPSB Network. MTB has used the BACH and BEFTN mechanism for convenient payment activities which to a great extent supports the concept of green banking.



SMS banking facilities:

MTB also offers SMS Banking services to ensure instant access to the customers' account information at any time. Any mobile phone user having account with MTB can get the service through their mobile phone upon subscribing. By using SMS banking our customers can avail the services like balance enquiry, mini statement, transaction alert etc.

Capacity Building:

MTB arranged green banking training programs regularly for its employees to create awareness about Green Banking aspects. In addition to that, officials of the Bank attended various training programs/workshops/seminars on Green Banking issues arranged by Bangladesh Bank Training Academy/BIBM and other institutions.

MTB Green Building:

To ensure a green and environment friendly bank in a true sense, MTB has designed its 02 corporate Head Office building named "MTB Centre" and "MTB Tower" as fully green buildings with motion sensor lighting system. Solar power system has been installed on the roof top of the buildings. Total building environment





is designed in such a way that it reduces energy consumption significantly. MTB Tower has also introduced the facilities of rain water harvesting and eco-friendly carpet, a carpet made of natural fiber like wool without using any chemical treatments. As part of green initiatives, MTB has established 09 Solar powered branches and 09 Solar powered ATMs which save energy consumption significantly compared to other conventional banking outlets.

Energy & Water Management:

The Bank advised its staff to adopt energy and water efficient practices. They have been advised to put emphasis to ensure efficient use of gas, fuel, electricity and water with a view to reduce carbon emission. Energy efficient equipments like energy saving bulbs, products with eco-friendly features are being used in the office.

Paper Consumption Management:

Use of scrap or one side used papers for note pad has become usual practice in the workplace. One side used papers are also used for printing draft copies of the office assignments. In addition to that, most of the interbank correspondence is done by email instead of letter. MTB has strong intra communication webpage named "MNet" through which MTB officials can easily communicate with each other.

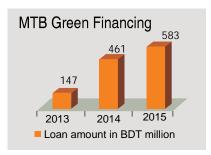
MTB Green Financing:

MTB has a wide range of Green Financing products through which we are able to finance various projects which are environment friendly. During 2015, the bank has extended green finance of BDT 665.61 million in the different green projects like Tunnel Kiln Brick manufacturing project, ETP, Solar Home System, Oil from tyre etc.

MTB Forward Journey for Green Banking:

MTB is committed to build a sustainable business that brings benefit to the society, environment and the economy of Bangladesh. Some future planning regarding Green Banking are to increase green finance for installation of solar energy plant, bio-gas plant and other renewable energy plants, bio-fertilizer plants, Effluent Treatment Plant (ETP), Hybrid Hoffman Kiln, Tunnel Kiln projects for the production of brick etc. at lower interest and utmost care.

Alternate Delivery Channels like ATM, Debit/Credit Card, Internet Banking, SMS Banking etc. are ensuring modern banking facilities and MTB will introduce more creative services through Alternate Delivery Channels. MTB has installed solar panels in its 9 branches and 9 ATM booths and expecting to expand the volume in future. Training and workshop for Green Banking both for employees & customers to be continued in the coming days which will help to create more awareness about green banking.



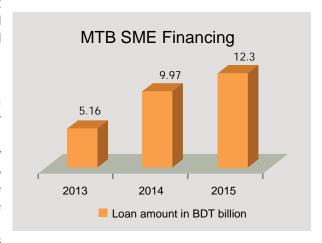
MTB SME Banking Division Smart Financing Solution for CMSME

"They say commercial banks bridge ordinary people with extraordinary opportunities. But in MTB, we believe that we connect extraordinary people with well-deserved opportunities. Entrepreneurs are extraordinary. They are amongst the few people who dare to dream. MTB SME Banking Division is a proud patron of these extraordinary people."

SMEs, the heart of growth of economies worldwide, has already emerged as a powerful and sustainable pillar of the Bangladesh economy. In Bangladesh, this has spilled over from the traditional sectors to non-traditional manufacturing and service sector as well. Bangladesh Bank, the Central Bank of the country, is

also relentlessly working towards the development of the sector to achieve higher GDP growth, financial inclusion and develop a resilient and dynamic financial system for the country.

MTB SME Banking commenced its journey in 2007. Since then, the bank has striven towards becoming one of the leading SME Banks in the country by making contributions to all types of SMEs, and regularly meeting Bangladesh Bank targets by steadily increasing its portfolio in a sustainable manner. MTB ensures a business enabling environment for the SMEs in Bangladesh by offering them affordable interest rates on credit facilities extended to them. The bank is a firm believer in job creation, which is



why the concentration has been mostly in the manufacturing sector rather than in the trading sector. Keeping the importance of rural development in mind, MTB has developed a strong footprint in financing Women Entrepreneurs, providing collateral free loans to SMEs and financing rural SMEs in Bangladesh.

In 2014, and within a period of seven years of being involved in SME financing activities, MTB won two prestigious awards given for the first time, jointly by Bangladesh Bank and the SME Foundation - SME Bank of the Year 2014 as well as Women Entrepreneur Friendly Bank of the Year 2014 at the SME Financing Fair-2014. The awards were in recognition of the bank's outstanding contributions to the development of small and medium enterprises (SMEs) in Bangladesh. Nationally the lending flow to SME increased due to several initiatives taken by government and Bangladesh Bank.

MTB SME Financial Highlights of 2015:

- 3 SME Portfolio increased gradually and in 2015 it increased by 23.37% compared to 2014.
- Non Performing Loans of the division slightly increased to 4.06% in 2015 from 3.36 % in 2014.
- In 2015, total volume of SME loan disbursement was BDT 4,121 million.
- 1,779 No. of new SME accounts were introduced into the SME portfolio in 2015.
- Total SME deposit reached to BDT 501.52 million in 2015.

MTB SME Financing for Women Entrepreneur:

Importance of women entrepreneurs in the national development process has been acknowledged by successive governments and steps initiated to realize these objectives. Consequently initiating different policies by the central bank, Women Entrepreneurs have been gradually integrated into the macro-economic frame work which has brought them into the mainstream of economic development of the country

Aligned with our national objectives MTB has taken a comprehensive plan for increased credit lines with special focus on potential women entrepreneurs. MTB Bhagyobati and MTB-Gunabati, the two innovative financial products for Women Entrepreneurs have strong presence in the country's credit market for their unique features

and easy access to financing. MTB offers single digit interest rate of 9% to the Women Entrepreneurs under an MoU signed with the SME Foundation. In 2015 MTB disbursed loan of BDT 221,10 million to Women Entrepreneurs.

MTB Initiatives for Development of Women Entrepreneur:

Formation of MTB Women Entrepreneur Development Unit (MTB WEDU):

As per instruction of Bangladesh Bank MTB has established Women Entrepreneur Development Unit (WEDU) to help the women in business and bring them under credit access.

Launching MTB Gunabati Campaign:

MTB Gunabati is one the successful SME loan products designed exclusively for women entrepreneurs engaged in manufacturing and service sectors. In 2015, SME Division launched a campaign named "MTB Gunabati @ 8.5%" and disbursed loan of Tk.31.80 million to Women entrepreneurs during March and July 2015 with single digit interest rate.

Participation in a number of matchmaking and networking events:

- Banker-customer matchmaking program was held in April, 2015 in Jessore organized by SME Foundation (SMEF)
- Banker-customer matchmaking program was held in June, 2015 in Chittagong organized by Chittagong Women Chamber of Commerce & Industry (CWCCI)
- Banker-customer matchmaking program was held in June, 2015 in Dhaka organized by Association of Grassroots Women Entrepreneurs, Bangladesh (AGWEB) and SME Foundation (SMEF).
- In collaboration with SME Foundation, a Women Entrepreneurs-Match Making Program was arranged in June, 2015 in Rangpur
- MTB SME Banking division actively participated in Bangladesh Bank Women Entrepreneurs-Bankers Meeting and Open Loan Disbursement Program in March in Cox's Bazar, in association with all banks and NBFIs of Cox's Bazar area.

Identification and Capacity Building of Potential Women Entrepreneur:

Under the guidance of Bangladesh Bank SME Special Programs Department to extend credit financial service in favor of Fresh Women Entrepreneurs in Cottage, Micro and Small sector, MTB has already identified around 300 Promising Women Entrepreneurs through 106 MTB Branches all over Bangladesh and it is in the process of initiating capacity building programs for the identified women entrepreneurs on areas like mobilization of capital and its management, opening of bank account and transaction method etc. in order to build their entrepreneurial capacity.

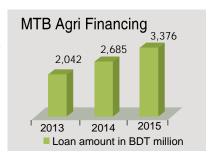
Celebrating International Women's Day 2015 and Product Display of Women Entrepreneurs



MTB WEDU celebrated International Women's Day 2015 for recognizing the women's contribution. In addition to other events main focus of the day was a day long SME fair at MTB Square, where MTB Women Entrepreneurs displayed their different produced items like leather products, toys, handicrafts, food items etc. Representative from Bangladesh Bank, SME Foundation, MTB MD & CEO and other MTB Senior Executives extended their presence at the event; ultimately it turned an event of networking and information sharing among the women entrepreneurs, Professionals, bankers and different association members.

MTB Agri financing and Inclusive Banking:

MTB is continuing its contribution to agri finance at increasing rate. MTB achieved and extended its targets assigned by Bangladesh Bank for financing in the agri sector. It has a dedicated agri cell through which the bank provides financial support to the farmers at preferential rate suggested by Bangladesh Bank time to time. About 1200 farmers at Panchagar District received agri finance directly from MTB Thakurgaon Branch. Also 14 solar irrigation pumps were installed in that area to support irrigation in the dry season. Due to limitation of the bank



branches, it is not always possible to reach farmers of different remote areas directly as such MTB extends agri support with MFIs linkage throughout the country. As recognition of agri support, MTB received appreciation letter from Bangladesh Bank for achieving agri loan disbursement target for the FY 2014-2015.

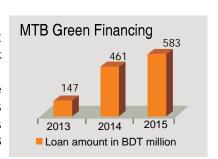
Panjor Vanga Dugdho Somobay Samity: A Smart Finance to Periphery

Panjor Vanga area is located beside Tista river of Kaunia Upazilla in Rangpur. The Panjor Vanga Dugdho Somobay Samity is a group formed by 20 marginal rural women. The group obtained training and capacity development through Integrated Agricultural Productivity Project (IAPP) implemented by Government of Bangladesh and World Bank. The project provides them support for forward and backward linkage. As a result they plan to enhance their production capacity by increasing number of cow. MTB provided group lending to the Samity for purchasing cows. This smart financing to the marginal people helped them to increase their daily income as well as livelihood which ultimately contribute to our national GDP.



Green Financing through MTB Green Energy:

As a responsible corporate entity, MTB has a strong commitment towards developing sustainable energy finance in Bangladesh. The bank has developed a dedicated product called MTB Green Energy Loan. This loan is an environment friendly Green Credit product that enable the prospective customers to set up renewable energy projects such as solar, biogas, wind, and hydro and any other potential renewable plants and help reduce the carbon footprint in the country. Last year MTB disbursed Green Finance of BDT 665.61 million to its customers.



Smart Technology for Smart Solution of Environment Pollution:

Traditional brick fields are one of the sources of environment pollution. Government, International Agencies and Bangladesh Bank are working for introduction of new, environment friendly technology for manufacturing of bricks.

In line with government policy, last year MTB financed a state of the art automated and machine made brick producing project. At partial production capacity the factory is producing 9 million pieces of bricks per year. The lending from MTB will be utilized for achieving full production capacity.



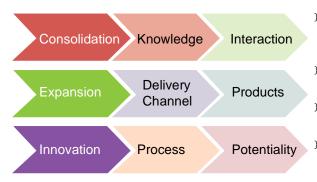
Agreement Signing & Networking Events:

- MTB signed MoU with lamSMEofBangladesh on 29th July, 2015 where MTB offered SME focused Credit Facilities and Banking Services to the Members of lamSMEofBangladesh across Bangladesh.
- MTB and SME Foundation signed an agreement in February, 2015 under Foundation's credit wholesale

program and allocated BDT 50 Million for MTB for disbursement among women entrepreneurs from manufacturing, trading and service sectors.

Forward Looking Strategy:

In 2016 MTB SME will focus on:



- Consolidation of knowledge both internal product and process as well as industry scenario all over the bank
- The interaction model will be new and pro frontline friendly
- There will be expansion of delivery channel as well as products for SMEs
- There will be process re-engineering through innovation and smart utilization of potentiality of MTBians.

MTB SME Products:

MTB SME Banking Division serves clients through a wide array of products .The products are designed to fulfill the different needs of the cottage, micro, small and medium enterprises as well as extend support to agriculture and inclusive banking.

Deposit Products 3 1MTB Probaho 31 MTB Buniad

SME Generic Products 31MTB Small Business Loan 31MTB Revolving 31MTB Digoon 31 MTB Mousumi

Sector Specific Products 31MTB Krishi 31MTB Krishijat 3 1 MTB Microfinance 31MTB IT Genius 31MTB Gunabati 31MTB Bhagyabati 3 1 MTB Youth Line } 1 MTB Light Engineering 31MTB Green Energy

International Trade

Global Perspective

According to ICC Global Trade and Finance Survey 2014, global trade growth recently fell back to 4.1% from 13.9% in early 2010, which caused an aggregate deceleration since the financial crisis in 2008-9. This has subdued the trade growth over the last several years, fueled by weak overall demand in high-income countries. Developing countries have mitigated the decreased demand from the North by trading more with each other. South-South trade has accounted for over half of the developing countries exports since 2010.

In 2013, as per the survey, high-income countries began to emerge from years of sluggishness and recession to report stable growth, coupled with an uptick in import demand. These recovering trends presented a marked shift from the previous several years, during which developing countries pulled the weight of the global economy largely on their own. As the US remained the world's largest importer, and, Europe persists as the most important trading partner for many developing countries, their recovery bodes well for the state of global trade moving forward. As per the ICC report, global trade is expected to gradually strengthen through 2016, when the projected annual growth rate will be 5.1%, up from 3.1% in 2013, when the survey was done.

Bangladesh Perspective

Imports into Bangladesh has been significantly more than its exports over the last five years, resulting in a trade deficit over this period. The chart below illustrates the trend.



Source: Bangladesh Bank [Conversion rate USD: BDT 1.00:78.00]

Bangladesh mainly exports ready-made garments. Other products include: jute goods, home textiles, footwear, agricultural products and frozen food. Imports mostly consist of intermediate goods - petroleum and petroleum products, cotton and cotton yarn, chemicals, cement clinker, plastics & rubber, etc. Capital goods such as capital machinery and consumer goods like edible oil, sugar, food grains and others make up the rest of the import basket.

MTB Perspective - Export

MTB gives emphasis on exports of traditional items like ready-made garments, jute, jute products, raw jute, leather, etc. In 2015, MTB's export business was BDT 46 billion (US\$ 0.59 billion) as opposed to BDT 36 billion

(USD 0.46 billion) in 2014, which reflected a strong growth rate of 27.78%. On the other hand, according to tradingeconomics.com, national export volumes grew by 4.70% from BDT 2,206.95 billion (USD 28.29 billion) in 2014 to BDT 2,310.76 billion (USD 29.63 billion) in 2015. Thus, the market share of MTB in export business was about 1.61% in 2013, which with a slight increase, rose to 1.99% in 2015.

MTB Perspective – Import

The major import items were raw materials, textiles, chemicals, consumer products, capital machinery, medical equipment and food grains (vegetable oil, rice, sugar, etc.). MTB's import business grew by 24.02% from BDT 51.59 billion (USD 0.66 billion) in 2014 to BDT 63.98 billion (USD 0.82 billion) in 2015. As per tradingeconomics.com, the country imported goods valued at BDT 3,215.31billion (USD 41.22 billion) during 2014 and BDT 3,026.76 billion (USD 38.80 billion) in 2015, reflecting a decrease of 5.87%. Consequently, the market share of MTB in import business was about 1.62% in 2014, which somewhat grew minimally to about 2.11% in the year 2015. The lower import volume is mainly due to drop in petroleum and commodity prices.

The economy was relatively stable over the year 2015, with much greater political stability (except for the first quarter) compared to the previous years. However, challenges persisted as banking regulations became more stringent, as is evident from the imposition of fines on the major global banks by US regulators, and its continuing effect throughout the year 2015. Consequently, major global banks have taken up a contractionary policy in terms of overall country and bank credit lines. In spite of living in this gloomy international trade environment in 2015. MTB, with its resilient attitude, has managed to remain on its growth trajectory and overcome the challenges strewn in its path. MTB was consistent in terms of growth in its trade business, growing higher than that of national trade in both export and import. This is also reflected in the gradual increase in market share of MTB in the total international trade volume of Bangladesh.

Business Outlook 2016

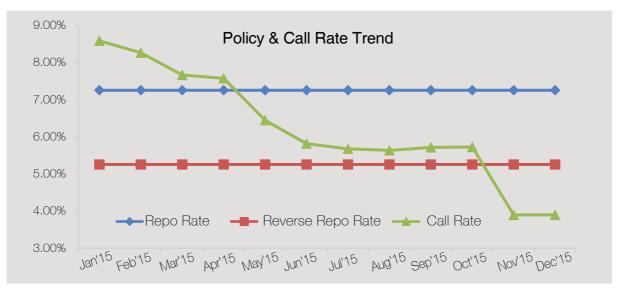
Global trade picked up to an annualized growth rate of 4% during the first quarter of 2014 from around 3% during 2013, and is anticipated to accelerate beyond 5% through 2015-16. Likewise, trade in Bangladesh is expected to make considerable growth, subject to sustained political stability in 2016. Despite the challenges, MTB has taken a diverse strategy to invest in capacity building, in order to serve greater markets across the nation, to expand into new horizons and continue to have consistent growth in the years to come. With that being said, market share of MTB in international trade business is expected to rise by 0.5%, both for imports and exports in the coming year.

Treasury Operations

Treasury is involved in identifying and measuring the risks associated in the business and minimizing those risks accordingly by using various financial tools and products to stabilize the balance sheet and maximize profit for the bank through a regulatory framework. MTB has a dynamic and innovative treasury team adept in providing all possible treasury solutions through an array of treasury products in an efficient manner. MTB Treasury is involved in money market and foreign exchange business to comply with bank's regulatory requirement as well as to earn money in the course of effective utilization of balance sheet gap along with market risk management. MTB treasury has the following separate desks with a view to delivering complete package of treasury solutions to its customers:

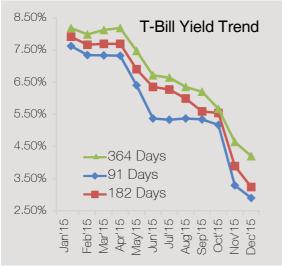
Money Market

The money market situation in the year 2015 was relatively stable like the previous year. As the credit demand was low, excess liquidity built up in the banking sector. The result of which was stable and downward rate in the call money market. Call money rates ranged from approximately 8.50% to 5.50% up the month of October 2015. In the month of November 2015 overnight call money rate gone down sharply to below 4.00% level. Repo and Reverse Repo rates remained unchanged during the period.

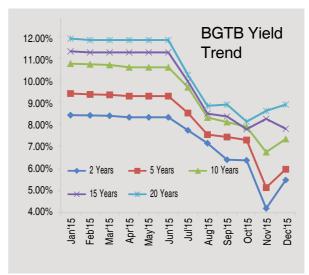


Data Source: Bangladesh Bank Website

MTB was able to analyze and utilize the market situation in an efficient manner. To minimize the liquidity and interest rate risk, MTB treasury put its highest efforts to manage the funds using in different avenues of market opportunities and continuously monitored the maturity profile of assets & liabilities and competently took decisions by observing the liquidity profile for increased profitability.



Data Source: Bangladesh Bank Website

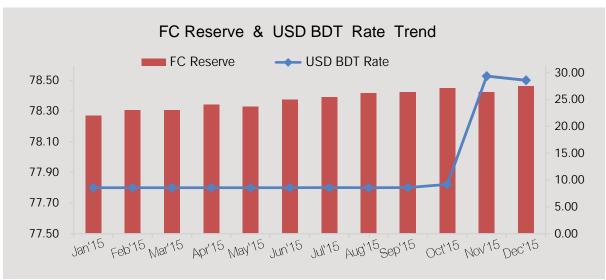


Data Source: Bangladesh Bank Website

Similar to inter-bank overnight call market rate trend, Yield on Government Securities were also in a falling trend throughout the year 2015, 91-Days Treasury bill rate ranged from 7,62% to 2,90%, whereas 182-Days and 364-Days Treasury bill rates were ranged from 7.91% to 3.24% and 8.18% to 4.20% respectively. On the other hand, 2-Years, 5-Years, 10-Years, 15-Years and 20-Years BGTB rates were also experienced down trend and ranged from 8.50% to 4.19%, 9.50% to 5.15%, 10.88% to 6.79%, 11.45% to 7.85% and 12.04% to 8.20% respectively.

Foreign Exchange

Over the year, treasury maintained bank's net open position and FC liquidity in a prudent manner to manage exchange rate risk involved in commercial transactions of both on-shore and off-shore banking units. The year started with USD 22.30 billion reserve and at the year end it was USD 27.06 billion.



Data Source: Bangladesh Bank Website

Over the year, Bangladesh Bank procured significant amount of USD from interbank to mop up excess FC fund liquidity. Then again, BDT appreciated from BDT 77.95/USD at opening of year to BDT 77.80/USD at the end of 3rd guarter. During the year 2015, with the increasing trend in FC loans, Treasury provided support to OBU of the bank. In the last quarter, higher trade deficit resulted the local currency to depreciate and ended up at BDT 78,50/USD at the year end. As compared with previous year, treasury handled higher volume of wage earners' remittance, export proceeds and LC settlement against Taka in the year 2015. Moreover, MTB Treasury team acted in an efficient and timely manner to minimize the foreign exchange risk and ensure substantial amount of exchange earnings for the bank.

Primary Dealership activities and Government Securities

MTB is an active member of Primary Dealers Bangladesh Limited (PDBL). As a Primary Dealers of Government Securities, MTB participate all auctions as per the auction calendar given by Bangladesh Bank. The bank was very active in primary dealership activities and involved in both primary and secondary market activities throughout the year.

MTB Government Securities desk is also responsible for investment in government securities including treasury bills and bonds as well as Bangladesh Bank's bills that qualify for SLR. In spite of being a primary dealer, MTB was very active in the secondary market of government securities throughout the year in order to gain from trading which helped bring dynamism in the development of vibrant bond market.

The bank was also involved in providing advisory services to the existing and potential customers. Due to the active participation in the market, the Treasury Department contributed a significant income for the bank through Primary Dealership activities & Government Securities Dealing.

Asset Liability Management

Asset Liability Management (ALM) is considered as a key Balance Sheet Risk Management discipline, which mainly focuses on Liquidity Risk, Interest Rate Risk and Exchange Rate Risk of the Bank. As per Bangladesh Bank guideline, MTB has a fully functional Asset Liability Committee (ALCO) for ensuring prudent Balance Sheet Risk Management.

MTB ALM desk, through its own market research and market intelligence, presented the market outlook throughout the year to give an explicit idea about the market liquidity for availing market opportunities for investment and fund deployment in the market. ALM desk also presented the bank's overall financial position in front of the Asset Liability Management Committee (ALCO) to have guidlines on formulation of an effective investment and fund management strategy for the bank.

To address the challenge of excessive liquidity and subsequent downward re-pricing of assets in trading and banking book, treasury being proactive in the market, time to time to reviews its assets and liability pricing. During the year, all liquidity indicators were within regulatory limit.

Regulatory Compliance

In 2015, Treasury operated within all regulatory limits and there was no single instance where Treasury violated any regulatory limit, which reflects MTB Treasury's commitment to operate within the rules and regulations of the Bank as well as other regulatory bodies.

Non Resident Bangladeshi (NRB)

Remittances are often the first financial service that migrants and their families use. A secure and affordable flow of remittances is crucial to empowering working families and expanding financial access. For many people in developing countries like Bangladesh, remittances from overseas are a reliable and steady source of income that help them make ends meet.

Increase share of inward remittance by adding new services with existing exchange houses, establishment of relationships with new exchange houses, expansion of the domestic network for the beneficiaries through strategic alliances, development of new deposit and investment products for NRBs, and technological innovation in our day to day operation and reporting system are the main focus of the MTB NRB Division.

Convenience in operational process becomes an attractive proposition, which is why the MTB NRB Division always strives for innovation for simplifying all its operational activities as well as reporting systems. To excel in this new era of technological advancement, we have successfully introduced API (Application Program Interface) connectivity platform. Through this API Platform, we are now able to connect to any app or system of remittance companies, map & transform data in any format, design complex business processes and connect any system, securely, as an API service in minutes. Our 1st integration was established with Sigue Money Transfer Company, which is running successfully.

There is broad consensus that access to a transaction account can help people better manage their lives and plan for emergencies, the first step towards financial inclusion. To bring the NRBs and their families into financial inclusion, we have developed deposit products in accordance with their needs. We help NRBs to open deposit accounts through our own representatives and correspondents abroad. Through our relentless efforts and exemplary services to the NRBs, we have managed to open 20,000 accounts up to December'2015 and the deposit balance in these accounts now stand at BDT 1.4 billion.

The division has managed to establish a significant number of remittance drawing arrangements with MTOs (Exchange Houses). Currently, we have relationships with 30 exchange houses in different countries. MTB has a very strong presence in the Middle East, a fully owned subsidiary is running smoothly in the United Kingdom, and the world's top money transfer companies, like Western Union and MoneyGram are already MTB's remittance partners. We are now working on expanding the relationships to Saudi Arabia, Malaysia, Australia, Italy and other European countries. In 2015, we have procured inward foreign remittance of USD 149.19 million, which is 4.78% higher than that of the previous year.

There has never been more awareness about financial inclusion and engagement with the under-banked community like in the recent past. The use of mobile financial services is fast rising, as people are becoming increasingly comfortable with the banking platform. In association with renowned mobile money transfer companies, we are going to commence mobile remittance services within a short period.

To facilitate the NRBs and travelers passing through Hazrat Shahjalal International Airport (HSIA), the country's premier gateway, we have established two Foreign Currency Exchange Booths in the Arrival and Departure lounges, respectively. These are the only Foreign Currency Exchange Booths which are running 24/7 amongst the private commercial banks in Bangladesh.

MTB Information Technology Services (ITS)

MTB, like previous years, in 2015 continued to improve its efficiency, effectiveness, and security of information technology (IT) services, various delivery channels and operations. The Bank has exploited the innovations and advancements in technology for achieving the business objectives and offers a wide variety of tech sawy products in tune with customer needs. Systems were supported and upgraded in various areas including those of operational business intelligence; bank-wide system; networks; infrastructure; and security. The Bank strengthened its practices and procedures in compliance with the Central Bank standards for IT Governance.

Implementation of Real Time Gross Settlement (RTGS)

An RTGS system is defined as a gross settlement system in which both processing and final settlement of funds transfer instructions can take place continuously (i.e. in real time). As it is a gross settlement system, transfers are settled individually, that is, without netting debits against credits. As it is a real-time settlement system, the system affects final settlement, continuously, rather than, periodically, at pre-specified times, provided that a sending bank has sufficient covering balances or credit. MTB, already known as one of the most technologically advanced banks in the eyes of the regulatory bodies, successfully implemented the RTGS system which exchanges Payment messages between central bank's RTGS and MTB's CBS. To exchange RTGS messages with Bangladesh Bank, the management has decided to use the SWIFT backbone as the media of communication so that no payment - related information is lost in RTGS. The payment instruction, if provided in accordance with the standards, will always be forwarded in its entirety to the beneficiary. RTGS helps boost business to business (B2B) transactions, along with the other general transactions by enabling instant settlement of high value local currency transactions as well as government securities and foreign currency based transactions.

Development of Anti-Money Laundering (AML) Sanction Screening Software

Under the Bangladesh Bank AML & CFT guideline, real-time screening of CBS CRM against UNSCR, OFAC and Domestic sanction lists became mandatory for the banks, especially for MTB, which was chosen as one of the 05 (five) leading banks by Bangladesh Bank to have demonstrated its systems before the visiting APG (Asia / Pacific Group) on Money Laundering in October 2015. The MTB ITS Division developed the CBS integrated software for screening the UN & OFAC Sanction Lists named "Sanction Screening Server (3S)". The software screens the CBS Customer Information against the sanction lists at opening.

The system facilitates search options for all the branches and users from the concerned divisions. The system also enables the search feature to compare other information with the sanction list. Users are able to view matching percentage of the names of the customer with the sanctions list. The software also provides case escalation procedure to forward screening results to higher authorities like BAMLCO or CAMLCO for refined screening and judgment.

Implementation of goAML

MTB has developed a solution with its own resources, which is well known as 'goAML Middleware' to produce Cash Transaction Reports (CTRs) and Suspicious Transaction Reports (STRs) to Bangladesh Bank as per their guideline. goAML middleware is a web based application that can be accessed by the branches through a web browser. It generates XML files as required by Bangladesh Bank and uploads the data to the central bank.

Enhancements in Core Banking System (CBS)

In response to the ever increasing demand from the business segments, the core banking system has gone through a number of changes and enhancements twice this year. Changes like adopting features for holding of transactions for exceeding TP (Transaction Profile) declarations and daily report on TP, Positive Pay Report and setting up of sanctioned interest rate at customer level are the salient changes among many others that took effect. The system also integrated with AML screening software to help branches screen the customers against the OFAC & UN Sanction Lists. CBS was also adapted to comply with Foreign Account Tax Compliance Act (FATCA) requirements.

New Core Banking Solution (CBS) project

The bank is strongly considering the possibility of enhancing/replacing its present core banking system with a robust core banking system. A committee is working on this project and has already prepared a draft Request for Proposal (RFP) and tender papers defining the scope of the project.

Enhancement in the Corporate Intranet-MNet

The internal web-portal for communication and information sharing was re-branded this year as 'MNet', and it has seen a number of enhancements in 2015. This home-grown system is used as the most convenient tool for knowledge management, communication across its various constituents for better sharing of information, user empowerment and system intelligence. E-learning, Branch Customer Call-Log, 24/7 ATM Booth Status Reporting System, Electronic Performance Management System are a few services that were added to the MNet in 2015.

Introduction of IP Telephony System for Positive Pay

To ensure better and cost effective internal communication, an IP Telephony System was installed at MTB Tower. The employees of MTB Tower can easily communicate with their colleagues using the power of the internal network channels. This system has since been rolled out to more than 50 branches to ensure Positive Pay, as per regulatory requirements of Bangladesh Bank

Expansion and Relocation of ATM & POS by our Alternate Delivery Channel (ADC)

Since the inauguration of the first MTB 24/7 ATM in 2011, the bank now has 200+ ATMs spread across the country in 155 strategic locations, making MTB as one of the top ATM service providing banks in the country. Constant efforts are underway to expand the ATM network and broaden customer reach. The MTB ATM Installation Committee (MAM) regularly monitors the transactions carried out at all the ATMs, and analyzes customer behavior to decide whether the bank needs to install more ATMs, in a particular area, or relocate the underutilized ATMs elsewhere. With increase in the number of ATMs in busy locations, the bank became successful in persuading the card users to use MTB ATM. This shift was possible only due to the card holder's confidence in the bank's ATM services.

At present, approximately 98% of cash withdrawals by MTB card holders take place through the bank's own ATM network, while 2% is through the National Payment System Bangladesh (NPSB) and VISA network. Though the bank added new ATM booths in 2015, efforts were always on to identify those ATMs, at which the transaction volumes were low, and relocate them to busy areas. A study shows that MTB customers transact more than BDT 100 billion in cash withdrawals, each month, while making 45,000 balance inquiries or generating mini statements through the MTB ATM network. Last year, more than BDT 11 billion in cash was withdrawn through the MTB ATM network and the total number of such transactions was about 1.4 million.

The MTB Point of Sale (POS) network is also expanding at a fast clip. Presently, there are about 2,200 (up to 31st Dec, 2015) POS devices deployed across the country and contributing towards generation of a good amount of low-cost funds. Every month, the MTB Card Division is adding 20-30 POS devices to the network, which results in increase in transactions and deposit volumes.

E-commerce service by our ADC

MTB has commenced offering E-commerce services to its internet banking account holders, which enables them to shop online, wherever they are - office or home, regardless of time and distance.

DESCO, DPDC Bill Collection System by our ADC

MTB has completed the development of bill collection system for DESCO and DPDC to enable its customers and others to pay their bill through MTB internet banking and also over the counter.

Implementation of Web Security Appliance (WSA)

In 2015, MTB installed its own Firewall to protect any unauthorized access to the systems and enhanced the security at application layer. When security and web traffic control is a major concern nowadays, installation of security appliances, like WSA from CISCO with signature-based multiple anti-malware and virus defence system, along with reputation filtering and inline file scanning system is a step forward towards ensuring security against external threats by the bank. The Cisco IronPort Series is also capable of intelligent HTTPS decryption. Cisco WSA is one of the first secure web gateways to combine the growing challenges of securing and controlling web traffic. Flexible deployment options and integration with existing security infrastructure helps MTB stand strongly against the quickly evolving security threats.

Implementation of IronPort Email Security Appliance (ESA)

ITS Division has implemented Cisco IronPort Email Security Appliance that uses some of the industry's most advanced technological features to automatically stop spam, viruses, and other such threats. The all-in-one ESA gives accurate, affordable, easy-to-use, purpose-built email security. This protects the bank from threats that are harmful for the organization and business.

Implementation of Network Monitoring Software (ManageEngine OpManager)

Monitoring of networks and systems has become a very crucial issue nowadays, as divisions and functions rely on the internal network and systems to be more productive in their respective areas of work. Network failures and irregularities, server downtime, service or application crashes can seriously threat the livelihood of a business, costing a lot in revenue and productivity.

Our ITS Team has successfully configured a network and server monitioring tool "ManageEngine OpManager - Network Monitoring Software" at MTB Centre to monitor all devices on the network and to take pro-active measure to prevent disaster as well as ensure seamless and efficient service to the business.

Disaster Recovery (DR) Testing for CBS and Card System:

A Disaster Recovery Test (DR Test) is the process of examination of each step in a business recovery plan, as outlined in an organization's business continuity/ disaster recovery (BCP-DR) planning process. Disaster recovery testing helps ensure that an organization can really recover data, restore business critical applications and continue operations after an interruption of services has occurred. Disaster recovery tests are advised to be conducted at least once a year. Our ITS Division has prepared a DR Testing Plan to conduct the yearly DR Testing for the year 2015. According to the Plan, the CBS database instead of running from its Primary Data Centre at MTB Centre was run from the hot Disaster Recovery Site (DRS) located at MTB Tower, while transactions took place from the MTB Tower for some selected branches and ATMs. The testing was successfully done, as planned, and reported accordingly

Physical Security strengthened at MTB Centre and MTB Tower

Security measures were stepped up for the MTB Corporate Head Office, this year, through initiating two security strengthening projects that involved the use of multiple layers of interdependent systems, which include CCTV surveillance, security guards, automated vehicle barriers, access control system and many other techniques. A fully operational Central Monitoring room was inaugurated at MTB Tower, as part of the project. Access Control System was made fully operational at both MTB Centre and MTB Tower. All MTBians are enrolled with the system and visitors need to register upon each visit to the premises. CCTV surveillance, automatic intrusion detection and burglar alarm system of most branches are now centrally connected with the Corporate Head Office. The connected branches are monitored, 24/7, and the remaining branches will be covered very shortly.

PCI-DSS Compliance

The Payment Card Industry Data Security Standard (PCI DSS) is a widely accepted set of policies and procedures intended to optimize the security of credit, debit and cash card transactions and protect cardholders against misuse of their personal information. To achieve these standards, the bank has already appointed a firm to help complete the PCI DSS pre-requisites. A project to meet the compliance needs is in full swing.

Foreign Account Tax Compliance Act (FATCA) Ctompliance

According to the needs of FATCA compliance of the US Internal Revenue Service (IRS), MTB submitted its first such FATCA report, successfully, for 2015 using the bank's in-house developed software. The necessary enhancements were made in the CBS to generate reports for IRS.

IT Appreciation Training

In 2015, ITS & ADC officials were sent overseas to either participate in training programs or to attend conferences to help themselves get better acquainted with the latest advancements in the field of technology and product innovations. Apart from grooming up its own experts, computer related training courses were also held for the general users, on an ongoing basis, to enable them to handle the technology platform in a more efficient manner. "IT Security/Cyber Security/Cyber Threats" and "Information Technology Infrastructure Library (ITIL)" are a few such examples of modules included in the training courses and these have enabled the bank's internal users to become better aware of the risks in using digital technology and new technology initiatives being rolled out.

Group Human Resources

Racing Towards Smart Banking for Better Future

MTB Human Resources have impacted virtually every aspect of a customers' banking experience, but, perhaps, nowhere has change been experienced so unpredictably. Online banking and the mobile apps revolution have made many elements of the normal banking experience, such as waiting in a queue for a cashier available to serve her/him, talking to a branch manager for a loan application, etc. positively appealing again. In fact, with the help of qualified and talented employees of MTB, customers are carrying out some elements of self-service banking including viewing account balances, tracking deposits and paying bills as per their requirement.

In order to retain existing customers and attract tech-savvy new ones, today's MTBians are becoming more customer-centric, technologically advanced and more streamlined. The MTB people offer a rich, interactive and multichannel experience that is relevant to the prevailing times and responsive to customer needs.

MTB Human Resources will continue to evolve in the smart banking environment in the exciting days ahead. This means increased operational efficiency, timely delivery of targeted information and enhanced customer engagement.

Motivating People

HR supports and upholds MTB's goals by fostering a positive and engaging work environment, while identifying and responding to the changing needs of our diversified banking industry. MTB aims to motivate its people by offering a competitive compensation package and benefits. The bank fosters a performance-driven culture, in which employees are promoted based on their achievements and attitude, which then serves as an example for others to follow.

Congenial Work Environment

MTB Group Human Resources (GHR) provides services and support to its staff,in ways that embrace the organization's mission of innovation and tradition of excellence. Committed to cultivating a superior service-oriented culture, the MTB Management seeks to provide benefits to employees to ensure sound work/life balance. Through employee orientation and professional development, MTB fosters the values of inclusiveness, camaraderie, long-term employee engagement and life-long learning. In all areas of work, MTB GHR firmly upholds the tenets of confidentiality, accountability and trust.

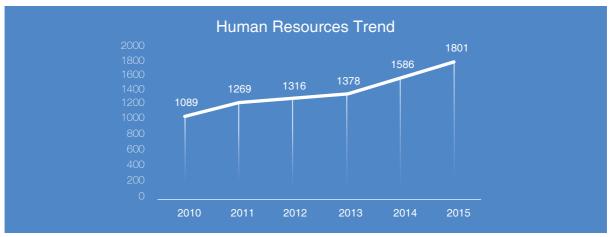
MTB cultivates a work atmosphere, which is beyond the boundaries of race, religion, lineage, gender or any other grouping. As per HR policy and practice, 'Zero Tolerance' is shown to any form of discrimination in the work-place. The existing policies and procedures to deal with staff indiscipline, or misconduct, are dealt with by appropriate committees made up of senior executives. MTB has an Anti-Harassment and Abuse policy and grievance handling systems.

Flawless Employee Communication

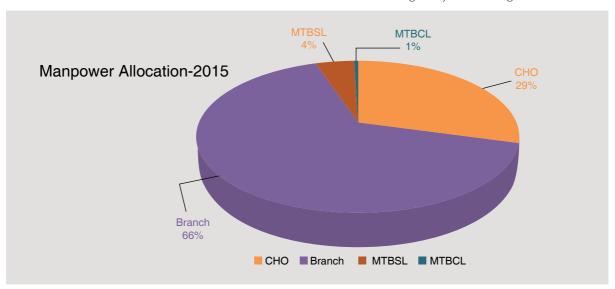
MTB facilitates internal communication amongst the MTBians through providing its own internal networking system named "MNet". This helps MTBians exchange mails or any other important documents with each other instantly. Besides, employee information, details of training courses, circulars, upcoming events, recognition programs are cascaded through this state-of-the-art unique system.

Racing Towards Attracting and Retaining Most Qualified and Talented People

MTB views human resources as fundamental to the success of its business. They are the lifeline to delivering excellent customer care and high quality products and services, and, without them, the bank cannot run smoothly. MTB is a melting-pot of people from a diverse mix of backgrounds, cultures and gender. The bank's quest is to upgrade its human resources pool with talented, dynamic, proactive and committed people who possess the drive to excel and help MTB achieve its vision and mission.



This workforce trend indicates MTB attracts more talent to meet its strategic objective and growth



Learning & Development	2011	2012	2013	2014	2015
MTBTI Training	40	52	70	74	131
Local Outsourced Training	160	33	66	70	80
Foreign Training	6	5	3	13	18
No. of Participations	858	1,187	1,130	1,467	1,530

Management Development Program: A Process to Excell One's Management Skill

The development of all employees within MTB is a key strand of the training and development strategy. The leadership development program is designed to equip all senior and middle range managers with the necessary skills and behaviours to lead MTB to meet business challenges. All managers are to participate in the program and actively pursue their own development plans with the support of their Line Manager, Group HR and MTB Training Institute.

Conducting Research Study: Relating to the Human Behavior

MTB Group HR facilitates the study and research on human behaviors/attitude/cultures/motivations/satisfactions. Based on the recommendations, suggestions and feedback of the study, MTB takes into consideration the recommendations and/or feedback and implements them for the betterment of the organization.

Sense of Responsibilities: Surpassing the Corporate Laws & Norms

Group Human Resources has its own policies regarding all types of employees' benefits. These are MTB Employees Health Protection Plan, Death Benefit Plan etc. MTB always extends its helping hands to the distracted famility members of MTBians in order to lessen their financial constraints.

Compensation and Benefits: The sources to depend on

MTB GHR has its own Compensation & Benefits policies for its employees. MTB has in place the following for the convenience of the MTBians:

- 31 Employees' House Building Loan
- 31 Employees' Car Loan
- 31 Medical Assistance Fund
- 31 Employees' Provident Fund
- 31 Gratuity Scheme
- 31 Reward to Employees' Meritorious Children
- 31 Day-Care facilities to Employee Children

Racing for the Management and Leadership Development for Better Future

The management and leadership development process is continuous, linking an individual's development to the needs of the job and the organization. Management development programs give the opportunity to develop a broad base of skills and knowledge that can be applied to many jobs. The overarching goal is a comprehensive initiative for managers, and supervisors, to develop the necessary core competencies to become excellent leaders. Expanding management core competencies will enable managers to keep pace with the demands of a changing organization. With this view, MTB sends its employees to foreign training and development programs. This will definitely help in skills transfer as follows:

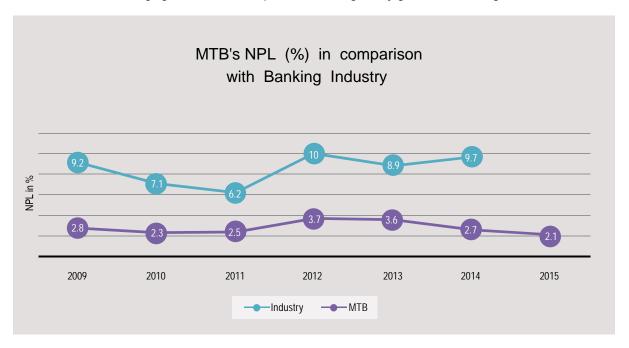
- 31 Encourage growth and career development of employees as stated in the philosophy of Human Resources Management
- Improve skills and knowledge that can be immediately applied at work
- 31 Increase motivation and job satisfaction
- 21 Create a network of colleagues for problem-solving and support

Robust Risk Management System

The objective of risk management is to identify and analyze risks and managing their consequences by a dynamic interaction among the Board, senior management and the officials engaged in risk taking and risk managing activities. MTB's risk management philosophy is to identify measure, monitor and control as well as manage various risks that are related to its business, and to optimize risk-return trade-off. MTB faces varied and wide range of risks in its day to day business operations, side by side it handles risks judiciously to ensure optimum return on asset and equity. Managing risk prudently and efficiently to ensure profitability, capital adequacy and liquidity in a balanced manner is the main concern of the bank. Risk management strategies proactively identify measure, mitigate and monitor risks which arise at transaction level as well as at portfolio level to ensure optimum utilization of capital. Functionally, risk management process is accomplished at strategic level, managerial level and at operational level.

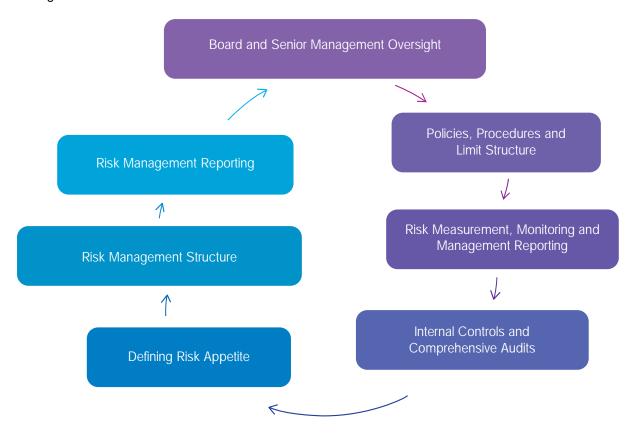
At strategic level, MTB Board of Directors (BOD), through Board Risk Management Committee (BRMC) & senior management, sets up risk governance structure & risk philosophy, endorses risk strategies, reviews & approves risk policies as well as the threshold limits of risks that maybe taken in line with bank's risk appetite. These limits are continuously monitored by an experienced risk management team and overseen by BRMC. At managerial level, policies and strategies formulated by BOD are implemented by middle management or units devoted to risk reviews. Operational level encompasses on-the-line risk management, where risks are actually created at front office or at credit desk of the bank.

Over the years, MTB has been maintaining a lower Non Performing Loans (NPL) than that of industry (Financial Stability Report of Bangladesh Bank, 2014) which reflects the effectiveness of MTB's risk management system and endeavors. In managing NPLs, MTB complies with the regulatory guidelines of Bangladesh Bank (BB).



Risk Governance

Risk governance structure of MTB:



Risk Management Policies:

Bank has put in place various Board approved Risk Management Policies viz. (i) Credit Policy with Credit Risk Management Guidelines (ii) Asset Liability Management Manual (iii) MTB ICC Policy (iv) AML & CFT Policy guideline of MTB (v) Foreign exchange Risk Management Policy & Guideline (v) Mutual Trust Bank ICT Policy (vi) Wholesale Borrowing and Funding Guidelines (vii) Liquidity Contingency Plan (viii) Management Action Trigger (ix) Fraud Detection and Management Process (x) Valuation Methodology of Collateral (xi) Internal Capital Adequacy Assessment Process (ICAAP).

MTB Risk Management practice as per Basel norms:

As a Basel compliant bank, MTB follows international best practices in risk management as per Basel norms, which makes its capital more risk sensitive and risk resilient. Basel Committee on Banking Supervision has transitional arrangements to implement the Basel III standards to ensure that the banking sector can meet the higher capital standards through reasonable earnings retention and capital raising, while still supporting lending to the economy. In line with the Basel framework, Bangladesh Bank has issued transitional arrangements for Basel III implementation in Bangladesh. The phase-in arrangements for Basel III implementation in Bangladesh introduced by Bangladesh Bank will be followed by MTB. MTB is in the process to implement Basel III fully from the beginning of 2015. MTB's capital structure is governed by the 'Guidelines on Risk Based Capital Adequacy (RBCA) for Banks' issued by Bangladesh Bank (BB). RBCA guidelines encompass risk management framework of the bank by Pillar-I (Minimum Capital Requirement, MCR), Pillar-II (Supervisory Review Process, SRP) and by Pillar- III (Market disclosures).

In compliance with the Pillar-I guidelines under Basel norms, MTB computes regulatory capital for Credit Risk, Market Risk and Operational Risk. Bank has adopted Standardized Approach under credit risk, Basic Indicator Approach under operational risk and Standardized Approach under market risk to compute regulatory capital. External credit ratings from External Credit Assessment Institutions (ECAIs) are used for risk weighting of corporate and SME exposures as required under Basel III.

Basel II Basel III Pillar II (ICAAP) Pillar I Pillar III Enhanced (MCR) (Market Supervisiory Pillar I Pillar II Pillar III Disclosure) Enhanced Review Process (ICAAP) **Enhanced Risk** (MCR) (Market Minimum for firm Disclosure & Disclosure) Capital wide Risk Management Market & Liquidity & Capital Requirement Discipline Management

To comply with Basel Pillar-II norms (SRP), MTB has evolved Board approved policy on the Internal Capital Adequacy Assessment Process (ICAAP) which covers identification and measurement of risks other than Pillar-I risks (Credit Risk, Market Risk and Operational Risk). SRP is intended not only to ensure that banks have adequate capital to support all the risks viz. residual risk, liquidity risk, credit concentration risk, reputation risk, strategic risk, settlement risk, evaluation of six core risks areas, environmental risk and other material risks in their business, but also to assist banks to develop and to use better risk management techniques in monitoring and managing those risks.

Under SRP, MTB computes additional capital which is finally determined by SRP and SREP (Supervisory Review Evaluation Process) dialogue. To meet Pillar III requirements of Basel III, MTB has adhered to disclosure norms as stipulated in the guidelines of BB. The disclosures for every year are available in Bank's annual report and website.

MTB adopts Stress Testing technique to measure its vulnerability to the impacts of exceptional but plausible events. Stress testing are carried out by assuming three levels of shocks viz. minor, moderate and major on following areas:

- 31 Interest rate changes
- 31 Forced value of collateral
- 31 Non-performing loans (NPLs)
- }1 Share prices
- 31 Foreign exchange rate
- 31 Changes in credit rating and
- 31 Liquidity.

MTB prepares Risk Management Paper (RMP) monthly and submits it to BB on quarterly basis, which aims to identify, monitor and manage various risks following the guidelines of BB. RMP focuses on credit, market, liquidity and operational risks that the bank is exposed to.

MTB Risk Management Practice as per Six Core Risk Areas:

MTB conducts its operations by ensuring compliance with the Core Risk Management Guidelines which covers the following risks:

- 1 Credit risk
- 31 Asset Liability risk
- }1 Foreign exchange risk
- 31 Internal Control and Compliance risk
- 31 Money laundering risk
- 31 Information and Communication Technology risk

Credit Risk Management

The instruments and tools, through which MTB manages credit risks, are as follows:

- §1 Exposure ceilings
- 31 Review/renewal
- 31 Risk rating model
- 31 Risk based scientific pricing
- 31 Portfolio management
- 1 Credit audit/Loan review mechanism

Credit Policies and Principles

MTB's credit functions are conducted in a compliant manner under strict, judicious and rational credit policies and principles in conformity with Credit Risk Management (CRM) guidelines of Bangladesh Bank. Credit initiation and approvals are done in a segregated manner. Each and every sanction is done through a very stringent evaluation process, which, in fine, ensures quality of assets and minimizes losses likely to arise from potential bad loans. In order to make credit operations judicious, quality and rewarding, a strict credit policy embodying among others, the following is in place:

- Extending credit to the clients having clean CIB report
- Maintaining rational loan deposit ratio
- Avoiding directed and name lending
- Lending maintaining highest ethical standards
- Extending credit in the areas where risks are significantly understood and can be managed
- Conducting lending operations complying with norms and regulations

Credit Administration

MTB's credit disbursement and administration functions are strictly handled by the Credit Administration Department (CAD) which ensures among others that:

- Documented credit approvals are obtained
- Legally enforceable security documents are prepared
- Limit creation and loan documentation check list (LDCL) are obtained
- All standard charge documents are executed
- Loan classification and provisioning are done as per norms
- Credit disbursement approvals are promptly given

Credit Monitoring

MTB Credit Monitoring Department (CMD) monitors the asset (loan) portfolio of the Bank. MTB's credit monitoring system provides an early indication/ alert about the deterioration of loans that allows effective management of loans in a rational manner to prevent them from tuning into Non-Performing Loans (NPL). Statements on early alert accounts, delinquent and specially mentioned accounts are generated timely and necessary actions are taken by the CMD. MTB's credit monitoring tools are effective enough to keep the overdue and SMA loans well below the industry average.

Non-performing Loan (NPL) Management

Despite all out efforts by the CMD, if any loan becomes classified, Special Asset Management Division (SAMD) with any less of time comes into action. SAMD operates independently to prepare and implement overall action plan and recovery strategies. The division works in coordination with the branches, concerned CHO divisions, Legal Department and conducts door to door recovery drives for NPLs. The tools and strategies for NPL management as applied by SAMD are designed in a manner to keep the NPL much below the critical level as per recognized/ institutional standard.

Asset - Liability Risk Management

Asset Liability Management (ALM) is considered as a key Balance Sheet Risk Management discipline, which mainly focuses on Liquidity Risk, Interest Rate Risk and Exchange Rate Risk of the Bank. As per Bangladesh Bank guideline, MTB has a fully functional Asset Liability Committee (ALCO) for prudent Balance Sheet Risk Management. The committee consists of the Managing Director & CEO as the Chairman of the committee, Additional Managing Director and all the Deputy Managing Directors and strategically important Divisional Heads of Corporate Head Office as members. To address and mitigate various risks involved in the business, ALM desk of the MTB Treasury prepares ALCO (Asset Liability Committee) paper as per the guidelines of Bangladesh Bank in each month and conducts monthly ALM meeting where global & economic outlooks as well as financial fundamentals of the Bank are highlighted.

Foreign Exchange Risk Management

Foreign Exchange Risk is related to the fluctuation in earnings due to change in market prices. As per the Foreign Exchange risk management guidelines of Bangladesh Bank, MTB has Board approved different risk limits for Foreign Exchange dealing operations and generally, all the deals are done meticulously within Board approved limits. MTB has a well defined internal approval, and reporting procedures to report on Foreign Exchange business activities on a regular basis to the senior management. Moreover, Bangladesh Bank has given Net Open Position (NOP) limit based on MTB's total capital and some other qualitative judgments. In order to minimize Foreign Exchange risk and to fulfill regulatory requirements MTB maintains NOP limit very meticulously.

Internal Control and Compliance Risk Management

MTB has a structured Internal Control and Compliance (ICC) Division with the following three distinct units headed by a senior level executive:

- Audit and Inspection
- } Compliance
- Monitoring

The mission of MTB's compliance function is to promote the culture and practice of compliance of legal and regulatory requirements, and the Bank's ethical standards. Internal Control & Compliance Division reports on non-compliance detected by internal and external audits to the Audit Committee of the Board for appropriate and necessary action.

Money Laundering Risk Management

Money laundering and terrorist financing are global phenomenon, apparent in almost every part of the world. Emerging sophisticated techniques of moving illicit money are compelling the financial intermediaries to make their compliance program more vigorous. MTB, as a compliant bank, is firmly determined not to let such money launderers and terrorists or perpetrators to use it as a channel to launder money or finance terrorism in any possible way.

Hence, MTB has its own Anti Money Laundering (AML) & Combating Financing of Terrorism (CFT) compliance program. It has been designed considering the size and range of activities, complexity of operations, the nature and degree of Money Laundering & Terrorist Financing risks faced by the bank. Certainly, it is designed as per the prevailing laws (i.e. Money Laundering Prevention Act, 2012 (Amendment 2015), The Anti-Terrorism Act, 2009 (Amended- 2012 & 2013), rules (i.e. Money Laundering Prevention Rules 2013, Anti Terrorism Rules 2013), BFIU guidelines (i.e. Money Laundering and Terrorist Financing Risk Management Guidelines), circulars & instruction and international standards. MTB applies risk sensitive Customer Due Diligence (CDD) measures, monitors business relationships and records suspicious transactions pursuant to the national regulations and international standards. Some of the initiatives undertaken in the year 2015 as a part of its rigorous AML & CFT compliance program are as follows:

- a. MTB has revised its policy guideline in line with the Money Laundering & Terrorist Financing Risk Management Guidelines, prevailing laws of the land and BFIU circulars and instructions;
- b. Every year, the Managing Director & CEO of the bank issues statement of commitment in writing to all employees that clearly set forth MTB's policy against Money Laundering, Terrorist Financing & Proliferation Financing. In the year 2015, the Managing Director & CEO has made two statements, one entailing strategy, action plan, compliance & consequence of non-compliance, and the other with special focus to be more aware and highly vigilant, so that terrorists or perpetrators fail to use the bank as a channel to finance terrorism or weapons of mass destruction;
- c. MTB Anti Money Laundering Department has been reformed as 'Central Compliance Unit '(CCU) under the direct supervision of the Managing Director & CEO which consists of 8 (eight) personnel having expertise in the field of general banking and information technology;

- d. MTB has developed a customer acceptance policy approved by the Board which incorporates the detail customer due diligence procedure entailing policy for acceptance/ rejection of customer, procedures to open and operate different types of account;
- e. MTB has developed its own ML & TF Risk Assessment Guideline entailing the ML & TF Risk Register in line with the BFIU guideline;
- f. The CCU has conducted inspection on AML & CFT compliance status of 47 (forty seven) MTB branches;
- g. MTB has further accelerated its monitoring endeavors with system based monitoring tools available at branch and CCU;
- h. MTB has devised an automated sanction screening tool to perform screening against UNSCR, OFAC and domestic sanction list before establishing relationship and offering service to the customer. MTB is also availing the Online Compliance facility of the Compliance Screening Solutions of ACCUITY for thorough screening against extensive sanction lists;
- i. MTB has submitted 17 (seventeen) Suspicious Transaction Report (STR) and Suspicious Activity Report (SAR) to BFIU during the year 2015;
- j. As a part of Know Your Employee (KYE) program, MTB performs reference check and background check in the process of employee screening;
- k. Like every year, MTB has arranged Branch Anti Money Laundering Compliance Officer (BAMLCO) Conference in 2015 for all MTB BAMLCOs to guide them through the compliance strategy and action plans therein;
- I. MTB conducts day long AML & CFT workshops to train all staff member of the bank irrespective of their functional area. This year it arranged 12 (twelve) workshops on AML & CFT compliance with the support of Group Human Resource, and state-of-the-art MTB training institute wherein total 950 MTBians availed the opportunity to enrich their knowledge on AML & CFT measures & compliance at their respective jurisdictions;
- m. MTB has extended its initiative to educate the mass people by displaying awareness banner on conspicuous place of the branch and aware its clients by distributing awareness leaflets.

Information and Communication Technology (ICT) Risk Management

Against the backdrop of an increased reliance on complex IT systems and operations in the financial sector, there is heightened risk of cyber attacks and system disruptions as well. In this regard MTB has continued to deepen their technology risk management capabilities and is ready to handle IT security incidents and system failures.

An integral part of MTB's risk management endeavor is its strong "IT Security Policy" and its adherence to these principles. These policies define responsibilities and requirements for protecting information and information systems. They also define hardware, network, and related communication technologies and their use in providing financial services.

As a part of effective risk management, a state of the art Data Centre has been established at its own premise at MTB Tower, while the previous DR Centre at Dilkusha has been shifted to the aforesaid location. This Data Centre is equipped with sophisticated data replication technology to protect loss of customer sensitive information and their transaction in case of failure of primary Data Centre due to any disaster.

Apart from strengthening ICT infrastructure platform, the bank also focused on identifying its security risks by conducting penetration and vulnerability tests on its existing services.

The core firewall of the bank is in the process of being replaced by the state of the art latest firewall to screen and to nip the external threats in the bud from entering the bank's core network channels. This will also restrict the internal users from visiting the suspicious and harmful websites and the incoming emails for spam and scam links.



MTB Securities Limited (MTBSL)



MR. RASHED A. CHOWDHURY
Chairman





MR. ANWARUL AMIN
Independent Director



MR. HEDAYETULLAH
Director



MR. MD. HASHEM CHOWDHURY

MR. QUAMRUL ISLAM CHOWDHURY
Director



MR. MD. ZAKIR HUSSAIN
Director

MR. NAZRUL ISLAM MAZUMDER

MTB Securities Limited (MTBSL)

MTB Securities Limited (MTBSL) is one of the leading stock brokerage service providers of Bangladesh, offering full-fledged international standard brokerage service for individual, institutional and foreign clients. The company is a wholly owned subsidiary of Mutual Trust Bank Limited, one of the leading private commercial banks of the country. With its 16 offices spread throughout the country in strategic business locations, the company aims to be the country leader in providing brokerage service.

A TREC (Trading Right Entitlement Certificate) holder of Dhaka Stock Exchange (DSE), MTBSL is dedicated to providing the highest level of professional and personalized services to its domestic and international customers. It has a proven reputation in serving customers by maintaining stringent compliance practices and strong ethical standards.

MTBSL has been consistently among the most active members of Dhaka Stock Exchange for the last couple of years. The success is underpinned by its strong business network and superior service quality offered to the clients. Furthermore, over the years, the company has earned much recognition from local financial institutions, corporate bodies as well as from other brokers for professionalism in its trade execution capability and settlement procedures. The diverse and loyal client base of the company is the result of its commitment toward building long lasting relationship with its clients based on mutual trust and respect.

Services Provided by MTBSL

Stock Brokerage Services

As we continue our journey to remain as one the most admired brokerages in the country, recognized as a dynamic, innovative and client focused company, our team of professionals strives enthusiastically to provide only the best services to our clients. Trading floors attended by cordial and experienced team members with the mentality to serve the clients to their satisfaction, separate trading booths for female investors, VIP trading arrangements and online trading platform are a few of the features that make us the preferred choice of our valued clients.

Foreign and Institutional Trading

Our recognition as the provider of unparalleled service to foreign and institutional investors lies in our practice of continuously challenging ourselves to exceed standards set only by us. We have in place all the right ingredients for achieving excellence in foreign and institutional trading service that requires a combination of superior customer service, efficient trade execution and robust technology platform. Non-Resident Bangladeshis (NRB) can also invest in our capital market from anywhere in the world.

■ Margin Loan Facility

MTBSL provides margin loan as per Margin Rules 1999 to facilitate leverage to its investors. We keep the securities purchased through the margin loan in individual BO accounts of the clients and appropriate charge documents are created on the BO accounts to cover the loan.

■ Services as Depository Participant

As a full service depository participant, MTBSL offers the following depository services:

- BO (Beneficiary Owner) accounts opening and maintenance
- Dematerialization and re-materialization
- Pledging and un-pledging
- Transfer and transmission of securities

Technology Platform

Our technology platform is built on state-of-the-art equipment with adequate redundancy to ensure uninterrupted trading services to the customers. We are also connected to Bloomberg for order management.

Risk Management

As a subsidiary of Mutual Trust Bank Limited, MTBSL is under regular inspection by the Internal Control and Compliance (ICC) Division of the bank which constantly monitors for possible operational risks and recommends remedies. Moreover, MTBSL has a separate risk management unit for trade execution and margin loan management. There is a customized Management Information System (MIS) to help identify risks and to take appropriate measures to mitigate such risks.

Anti-Money Laundering

According to the guideline of Bangladesh Bank (BB), MTBSL has developed its own Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT) Policy, which is approved by the Board of MTBSL.

Business Strategy:

Retail Investors

MTBSL has quite a large base of retail investors and most of them are very active in trading. This enables us to maintain a steady trade volume on Dhaka Stock Exchange (DSE). Introducing technology based value added services like IPO management for primary investors and efficient margin loan management will help us serve our growing number of individual customer base even better.

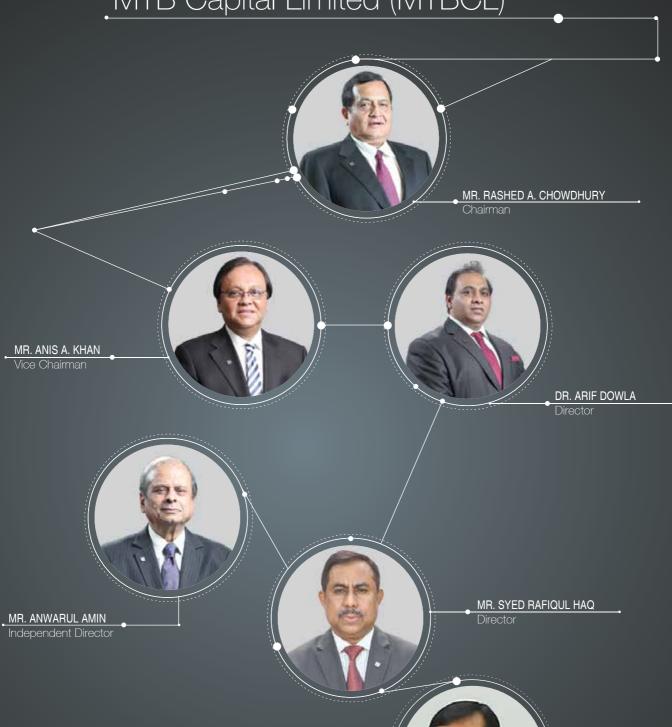
Institutional and Foreign Trading

MTBSL plans to focus more on its core business activity and, in the process, to contribute more to the revenue stream from its commission based earnings from the increased number of trading accounts of institutional and foreign clients.

Business Outlook 2016 and Beyond

MTBSL recognizes the importance and contribution of each individual client for its existence and growth. Hence priority for MTBSL in 2016 and beyond would be to surpass its own superior service standard and set the industry benchmark. Serving more institutional clientele and efficient management of margin loan would also remain a priority in 2016. Cross-border strategic alliance with key players in various geographic locations would continue to remain a target for 2016 and beyond.

MTB Capital Limited (MTBCL)



MR. KHAIRUL BASHAR ABU TAHER MOHAMMED

Capital Market Operations and Equity Investment

The capital market is the engine of growth for an economy, and performs a crucial role in acting as an intermediary between savers and companies seeking additional financing for business expansion. The Dhaka Stock Exchange Ltd. (DSE) Index over the current year looks positive compared to the previous year. Automated Trading System. Demutualization of Exchanges, Public Issue Rules 2015, BSEC upgrade into category "A" from IOSCO, Tribunal for share market related cases, Financial Reporting Act, DSE Listing Regulation 2015, BSEC approved a list of panel auditor, IPO application through Merchant Banks and Broker and Dealer, Online Surveillance of BSEC, increased foreign and local investment will lead to a favorable climate in which MTBCL will be able to continue business growth with strong fundamentals.

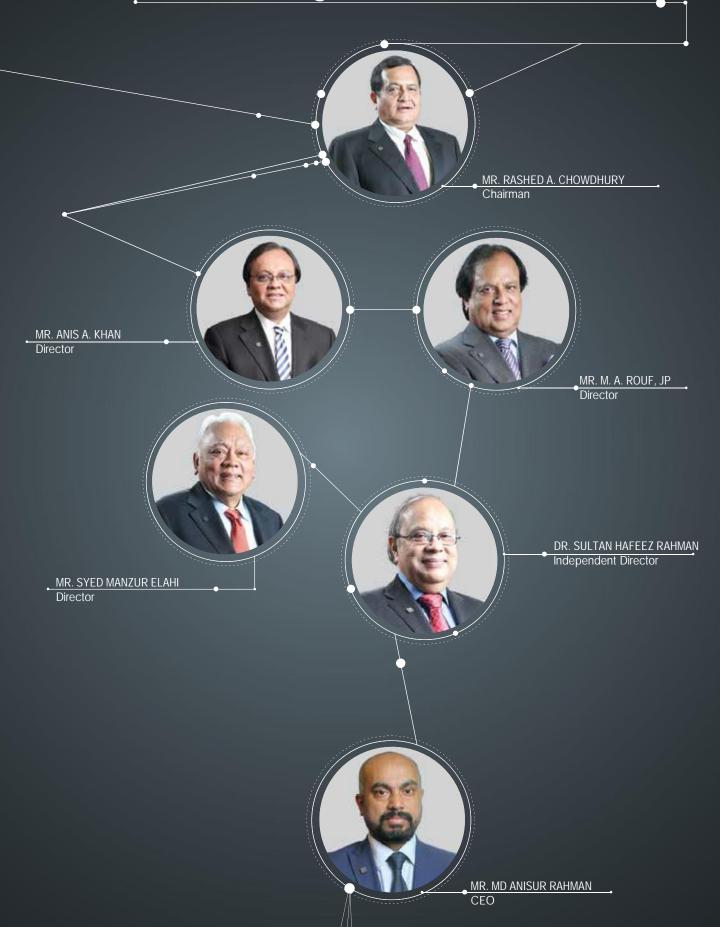
In 2015, MTBCL submitted IPO Prospectus of Oimex Electorade Limited to the tune of Tk. 12.00 crore to the Bangladesh Securities and Exchange Commission (BSEC) for approval besides i. Agreement has been signed with Agrani Agro Fisheries Limited for their capital raising and forth coming IPO as issue manager ii. Agreement has been signed with Mashud Fish Processing & Ice Complex Ltd. for their capital raising and forth coming IPO as issue manager iii. Agreement has been signed with Apexpharma Ltd. for their capital raising and already has got approval from BSEC iv. Agreement has been signed with Electro Battery Company Ltd. for their capital raising and forth coming IPO v. Agreement has been signed with R.A. Spinning Mills Ltd. for their capital raising and MTB has been granted mandate for issue of BDT 950 million redeemable cumulative preference shares by Star Ceramics Ltd. where the MTB Capital will perform as Issue Manager

MTB Capital Ltd. has made a profit BDT 7.476 Million in 2015. MTBCL strictly follows the rules and regulations of BSEC, DSE, CSE, BB and others.

Business outlook for the year 2016

The current performance inspired our belief that we can continue to maximize shareholders value in the upcoming year. We anticipate that the profit will be at an acceptable level in 2016. We give emphasis to increase our earnings in portfolio management, issue management, corporate advisory service and underwriting. We will also concentrate to increase the number of clients and their portfolio size. Our own portfolio is always the main source of earning till now and it will continue.

MTB Exchange (UK) Limited (MTB UK)



Introduction:

MTB Exchange (UK) Limited (MTB UK), a fully owned subsidiary of MTB started its operation on February 15th 2011 under Bangladesh Bank (BB) License, (BB letter reference: BRPD(M)/204/25/2010-289 dated 19/08/2010), License from Financial Conduct Authority (FCA), United Kingdom (UK) and HM Revenue & Customs of the United Kingdom. The license from Bangladesh Bank allows homebound remittances to Bangladesh only; while the UK license allow to act as a full-pledged exchange house, including sending and receiving remittances to and from any country and act as 'Bureau De Change'.

Remittance Industry in UK:

The United Kingdom is a multicultural land; a number of communities from different countries live there. India, Poland and Pakistan are the top three countries of birth for the foreign-born people in the UK, accounting respectively for 9.1%, 8.7% and 5.8% of its total population, followed by Ireland, Germany, United States, South Africa and then Bangladesh. It is worth mentioning that India, Poland, Pakistan, South Africa are also the leading remittance receiving countries. Besides, the United Kingdom is the world's 8th biggest tourist destination with approximately 29+ million visitors, with spending of about USD 17+ billion each year. It thus follows that a large number of foreign exchange transactions take place in the UK, apart from the regular remittance business.

Business Outlook:

In 2015, inevitably the uncertainty and fear of unemployment lowered the levels of remittances sent by Bangladeshi migrants due to ongoing global recession. Markets may have staged a strong recovery in the first guarter of 2016, but the sustainability of that run remains in doubt, and within much of the remittance market in UK.

Exchange houses of Bangladeshi commercial banks are facing threat as they are in an unhealthy competition with traditional money transfer companies (MTC). According to UK Money market experts, non-resident Bangladeshis and MTCs owners, about 60% remittance from UK comes to Bangladesh through informal channel. MTB UK is struggling hard to sustain with the present market scenario.

We are in the process to explore every window, which can help us to survive. We applied to the Bangladesh regulatory authority to become agents of Western Union, MoneyGram and of other internationally reputed and well-established money service businesses, thus broadening the horizon of sending money through them to any part of the world.

The international remittance companies have already introduced agent model of such businesses in India and other parts of the world, and sharing handsome revenue with their agents. This model is helping the agents use the huge global network of such global institutions, managing all Anti Money Laundering (AML) & Know Your Customer (KYC) procedures and due diligence requirements, which is not possible, alone, for an individual exchange house of a Bangladeshi Bank. This can help us to earn more revenue and reduce the accumulated financial losses being incurred now.

Review of Business Performance 2015:

Remittance:

MTB UK's total remittance sent in the year 2015 was GBP 5.61 million, with 101.8% growth compared to 2014.

Earnings from Commission:

As the growth of remittance inflow increased significantly, the commission earnings were also boosted as well. The commission income was GBP 64,714.25 which was about 60% growth compared to 2014.

Earnings from Bureau De Change:

The earnings from the Bureau De Change was GBP 9,645.31. This amount was slightly lower (0.7%) compared to that of 2014.

Number of Remittance Transactions:

The number of remittance transactions was 9098 which was about 30% higher compared to that of the previous year.

Performance at a Glance:

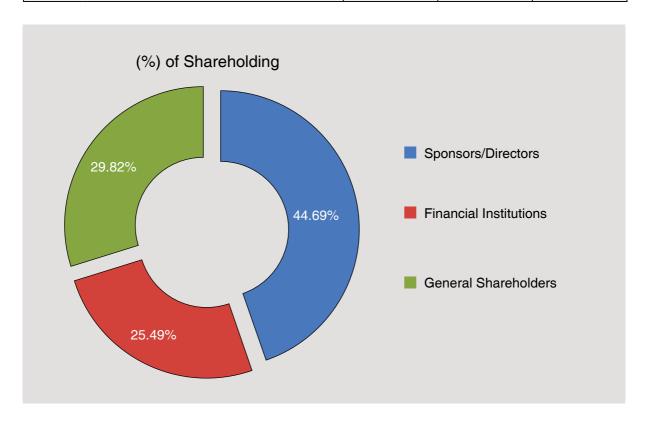
Particulars	2015	2014
Remittance	GBP 5.61 Million	GBP 2.78 Million
Commission Earnings	GBP 64,714.25	GBP 40,444.32
Bureau De Change Earnings	GBP 9,645.31	GBP 9,713.00
Number of Transactions	9,098	6,391

We at MTB UK believe that systemizing the processes, using a feedback and analysis mechanism, a customer relationship management system plus a highly professional trained staff, can help to stand out from the other remittance providers.

MTB Shareholdings Structure

Category Wise Ownership of Company's Securities As on December 31, 2015

SL. No.	Type of Owners	No. of Shares	Values of Shares in BDT	(%) of holding
1	Sponsors/ Directors	165,046,155	1,650,461,550	44.69%
2	Financial Institutions	94,154,131	941,541,310	25.49%
3	General Shareholders	110,115,681	1,101,156,810	29.82%
	Grand Total	369,315,967	3,693,159,670	100.00%



Directors' Responsibilities for Financial Reporting

The Directors are required to present a report along with the financial statements and place them before a general meeting as per Companies Act, 1994.

The Directors are also required to report that the financial statements of the Bank and its subsidiaries, which are prepared by the management, give a true and fair view of:

- a) The state of affairs as at balance sheet date; and
- b) The profit and loss for the financial year ended on the balance sheet date.

In preparing these financial statements, the Directors are required to ensure that:

- € The appropriate accounting policies have been selected and applied in a consistent manner and material departures, if any, have been disclosed and explained;
- € Estimates and judgments have been made, which are reasonable and prudent; and
- € All applicable accounting standards, as relevant, have been followed

The Directors are also required to declare the following matters in their report as per SEC's notification dated August 07, 2012:

- € Industry outlook and possible future developments in the industry;
- € Segment-wise or product-wise performance with relevant risks;
- € Extraordinary gain or loss;
- € Related party transactions- a statement of all related party transactions;
- € Utilization of proceeds from public issues, rights issues and/or through any other instruments;
- € Significant variance between quarterly financial performance and annual financial statements;
- € Remuneration to directors including independent directors;
- € Preparation of the financial statements and any departure there-from has been adequately disclosed;
- € The system of internal control is sound in design and has been effectively implemented and monitored;
- € There are no significant doubts upon the bank's ability to continue as agoing concern;
- € Significant deviations from the last year's operating results;
- € Key operating and financial data of at least preceding 5 (five) years;
- € If no dividend (cash or stock) has been declared for the year, the reasons thereof shall be given;
- € The number of Board meetings held during the year and attendance by eachdirector;
- € The pattern of shareholding structure; and
- € In case of the appointment/re-appointment of a director, the following information to be disclosed to the shareholders:-
- a) A brief resume of the director:
- b) Nature of his/her expertise in specific functional areas;
- c) Names of companies in which the person also holds the directorshipand themembership of committees of the board

The Directors confirm that the Annual Report together with the Directors' Report and Consolidated Financial Statements have been prepared in compliance with the laws, rules and regulatory guidelines and SEC Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012.

The Directors are of the view that they have discharged their responsibilities as set out in this statement.

By order of the Board.

M. A. Rouf, JP

Chairman

Corporate Governance



- Our governance responsibilities are integral to our performance and long-term sustainability.
- Our corporate governance standards reflect emerging best practices and meet or exceed legal and regulatory requirements.

We strive to earn and retain the trust of our shareholders through our high standards of corporate governance. We have rigorous oversight and regulations in place, and we work to embed those practices in our culture.

Board of Directors

Composition of the Board

The Board consists of 12 highly accomplished directors, who are professionals in management, law and business. They possess the skills, experience and knowledge to set directions and oversee the overall activities of the bank.

Meetings

During the year, 13 (thirteen) board meetings were held to formulate policy, set goals and evaluate overall performance.

Board's Responsibilities

The main responsibilities of the Board are:

- Developing and implementing corporate strategies;
- formulating policy-guidelines and supervising business activities of the bank efficiently as well as ensuring good governance in the bank management;
- Monitoring and reviewing the corporate governance framework;
- Monitoring and reviewing the risk management process;
- Establishing effective and independent internal control system;
- Reviewing business results and monitoring budgetary control;
- Maintaining a direct, ongoing and healthy communication with regulatory bodies;
- Framing policies;
- Setting standards and monitoring compliance with our social responsibility policies and practices; and
- Recommending shareholders to appoint an external auditor.

Company Secretary

The company secretary is responsible for advising the Chairman and the Board on all corporate governance matters, board procedures and compliance with applicable rules and regulations. The Board Secretary maintains minutes of all meetings.

Training for New Directors

Presentations are made by the senior management to the Board from time to time on industry related matters.

Delegation of Power

The Board has delegated appropriate administrative, financial and business authority to the concerned committees and management as per Bangladesh Bank (BB) guidelines. The role of the Executive Committee is:

- a) To review the policies and guidelines issued by Bangladesh Bank (BB)
- b) To approve credit proposals as per approved board policy
- c) To perform according to the terms of reference time to time determined by the board

The Executive Committee is comprised of the following Directors:

Mr. Hedayetullah	Chairman
Mr. M. A. Rouf, JP	Member
Mr. Md. Abdul Malek	Member
Mr. Md. Wakiluddin	Member
Mr. Q. A. F. M. Serajul Islam	Member

Role of Chairman, Managing Director & CEO

Role of the Chairman

The Chairman is a non-executive director, elected by the Board, responsible for organizing the business of the board, ensuring its effectiveness and setting its agenda. The Chairman is not involved in the day-to-day business of the bank. He ensures that board members undertake appropriate induction, covering terms of appointment, duties and responsibilities.

Role of the Managing Director and CEO

The Managing Director & CEO is responsible for overall activities of the business and for formulating and implementing board strategy and policy. He has control of the bank on a day-to day basis and is accountable to the Board for its financial and operational performance.

Appointment to the Board

Directors Appointment

Appointment of a new director is made with the consent of all directors at the immediate Annual General Meeting (AGM). A detailed biography, a declaration of his or her non-engagement with other financial institutions and that he/ she is not a loan defaulter is required to be submitted to Bangladesh Bank. As per the Bank Companies Act, 1991 (amended 2013) a person cannot be a director of more than one financial institution, and we adhere to this rule.

Independent Director

Two Independent Directors in the Board of Mutual Trust Bank Ltd. have been appointed in compliance with the Bank Companies Act 1991 (Amended 2013) and Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission.

Retirement and Re-election of the Directors

According to the Articles of Association of the bank and the Companies Act 1994, each Director other than MD & CEO, retires by rotation once every three years and is required to stand for re-election by shareholders at the Annual General Meeting.

Appraisal and Removal of the Managing Director & CEO

Appraisal of the Managing Director & CEO

The performance of the Managing Director & CEO is reviewed every year by the full Board aligned with the financial and non-financial targets, which are in line with the short, medium and long term objectives of the Bank.

Removal of the Managing Director & CEO

The Board is not authorized to remove the Managing Director & CEO without prior consent of the central bank.

Directors' Remuneration

The directors do not receive any type of remuneration or incentives. The board members only receive fees as prescribed by Bangladesh Bank for attending each Board and Committee meetings

The remuneration package of the Managing Director is determined by the Board and requires central bank's approval. He is entitled to get incentive bonus as per central bank's quidelines.

Disclosure of Directors' Remuneration

The law requires the disclosure of information related to the remuneration paid to the Managing Director and Directors.

Remuneration paid to the Managing Director is disclosed in page 203 of this report. The directors' fees during 2015 were as follows:

SI. No.	Name of the Directors	Position	Remuneration (BDT)
1	Mr. M A Rouf, JP	Chairman (from February 26, 2016)	134,000.00
2	Mr. Hedayetullah	Vice Chairman (from February 26, 2016)	123,000.00
3	Mr. Syed Manzur Elahi	Founding Chairman & Director	133,000.00
4	Dr. Arif Dowla	Director	93,000.00
5	Mr. Rashed A.Chowdhury	Director (Former Chairman)	97,000.00
6	Mr. Md. Abdul Malek	Director	123,000.00
7	Mr. Md. Wakiluddin	Director	105,000.00
8	Mrs. Khwaja Nargis Hossain	Director	97,000.00
9	Mr. Anjan Chowdhury	Director	38,000.00
10	Mr. Q.A.F.M. Serajul Islam	Director	133,000.00
11	Mr. Anwarul Amin	Independent Director	82,000.00
12	Dr. Sultan Hafeez Rahman	Independent Director	80,000.00
	TOTAL		12,38,000.00

Relations with Shareholders

Notice of the Annual General Meeting (AGM)

The annual report including financial statements and the notice of the meeting are sent to shareholders at least 14 clear days prior to the AGM.

Beneficial Use of the Annual General Meeting (AGM)

The primary means of communication between the bank and shareholders are the MTB annual report and the AGM. Required information is received by the shareholders prior to the AGM, which gives them an opportunity to exercise their prerogative to raise any business-related issues, either verbally or in writing at the AGM. The Directors remain present at the AGM to answer any queries of the shareholders.

Accountability

Financial Reporting, Statutory and Regulatory Reporting

In the preparation of quarterly and annual financial statements, MTB has complied with the requirements of the Companies Act 1994, Bank Companies Act 1991(Amended in 2013), Bangladesh Bank, Dhaka Stock Exchange and Chittagong Stock Exchange.

Report of the Board Audit Committee in the Annual Report

The report is given on pages 165 of the Annual Report

Declaration by the Board that the Business is a Going Concern

This is given in the Directors' Report on page 104 of the Annual Report.

Audit Committee and Audit

The Audit Committee reviews the financial reporting process, the system of internal control and management of financial issues, the audit process and the bank's process for monitoring compliance with the relevant laws, regulations and its own code of business conduct. The responsibilities of the Audit Committee are to:

- Ensure proper disclosure of the financial statements
- Recommend appointment/removal of external auditors and fixing their remunerations
- Review the financial statements before submission to the Board
- Review the adequacy of the internal control systems
- Review the findings of internal investigations
- Discuss the scope of audit with external auditors
- Looking into reasons of substantial defaulters, if any, of non-payment to stakeholders

The Audit Committee is comprised of the following Directors:

Mr. Anwarul Amin, Independent Director	Chairman
Mr. Syed Manzur Elahi, Founding Chairman & Director	Member
Dr. Arif Dowla, Director	Member
Mrs. Khwaja Nargis Hossain, Director	Member
Dr. Sultan Hafeez Rahman, Independent Director	Member

External Audit

M.J. Abedin & Co., Chartered Accountants is the statutory auditor of the bank. They do not provide any other accounting, taxation or advisory services to the bank except audit of cash incentives payable to exporters.

Audits by Bangladesh Bank

Bangladesh Bank also undertakes audit and inspection of MTB at regular intervals. The reports of the central bank are reviewed by the Board and its audit committee. The bank gives utmost importance to the inspection report and corrective actions are taken regarding the lapses mentioned in the report.

Internal Control

The internal control system is designed to manage rather than eliminate the risk of failure in achieving business objectives. Internal controls are aimed at providing reasonable and not absolute assurance against material misstatement or loss.

The internal Audit Division of the bank as well as the Board reviews the internal control system and its effectiveness.

Awards and Recognition

MTB was awarded as the best financial Institution of 2014 at the DHL-The Daily Star Bangladesh Business Award. MTB was also awarded as best SME Bank of the year, and Women Entrepreneurs' Friendly Bank of the year at SME Banking Award 2014 jointly organized by Bangladesh Bank and SME Foundation.

MTB received the Merit Certificate for consecutive 3 years under the Institute of Chartered Accountants of Bangladesh (ICAB) National Award 2012, 2013 & 2014 for its published accounts for the year 2011, 2012 and 2013 respectively in the banking category under the financial sector.

Contribution to National Exchequer

At MTB, we recognize that we have certain responsibilities to the development of the society and the country as a whole. MTB has contributed significantly to the government exchequer during 2015. The details are:

BDT Million

Particulars	2015	2014
Income Tax from Bank Earning	474	743
Income Tax, VAT and Excise Duty deducted at source	1,341	1,307
Income Tax from Employee's earning	72	52
Total	1,887	2,102

Disciplinary Committee

At MTB, we have four (4) written guidelines which are: a) Mutual Trust Bank Ltd. Employees Service Rule, b) MTB Code of Conduct, c) MTB Winning and 4) MTB Compliance Manual. These guidelines are based on the following principles:

- INTEGRITY: This implies adherence to accepted moral principles of being honest, impartial and fairminded.
- CONFIDENTIALITY: Among the basic tenets upon which the banking system is founded is confidentiality. This requires the utmost professional conduct in respecting and protecting the privacy and secrecy of the employer, the employer's customers, fellow employees and any other groups on the understanding that information acquired has been obtained in confidence and merits the same care as protection of funds.
- LOYALTY: Above the requirement of honesty and integrity, members owe their primary business loyalty to their employer and remain faithful to the employers' customers, the Bank and the profession

} LEGALITY: The ethical conduct of banking depends upon the propriety and behavior of those engaged as professionals in the banking industry. In this case, members should always avoid any form of dubious business practice in contradiction to the law and regulations of the country.

If an employee is accused of violating any of the above, the Disciplinary Action committee plays a crucial role in resolving the matter.

Board Risk Management Committee

The Board Risk Management Committee has taken various steps to identify risks, which are related to the lending, trading and operating activities of the bank. The committee evaluates risk on a comprehensive basis including, among others, balance sheet management, capital adequacy, credit and operational risk. The committee assesses the risks arising from various activities of bank's operation; develops strategies and policies to mitigate and control those risks, ensures the effective implementation of these policies and strategies; and also reviews and amends the policies and strategies from time to time for ensuring effective control on risk management of the bank.

The Board Risk Management Committee is comprised of the following Directors:

Mr. Syed Manzur Elahi Director (Founding Chairman)	Chairman
Mr. M. A. Rouf, JP Vice Chairman	Member
Dr. Arif Dowla Director	Member
Mr. Anjan Chowdhury, Director	Member
Dr. Sultan Hafeez Rahman Independent Director	Member

Code of Conduct of Board Members

The code of conduct as prescribed from time to time by the Bangladesh Bank Guidelines is followed by the Board Members. The Directors have complied with such code of conduct during the year 2015.

Our Governance Structure

The Board and its committees act independently. Every board and committee meeting includes in-camera sessions without management presence.

Compliance Report on BSEC's Notification

The Bangladesh Securities and Exchange Commission (BSEC) required all listed companies to report on the compliance of the conditions described in BSEC's notification dated August 07, 2012 on 'comply' basis.

The company shall obtain a certificate from a practicing professional Accountant / Chartered Accountant / Chartered Secretary / Cost and Management Accountant regarding compliance of corporate governance guidelines of the commission. The issuer company should not engage its External/Statutory Auditors to perform Audit/Certification Services on compliance of corporate governance as required under condition number 7. In compliance of the notification, we have appointed Khan Wahab Shafique Rahman & Co., Chartered Accountants for certification in this regard.

The Board of Directors of MTB has taken appropriate steps to comply with the conditions as detailed in Annexure-I, II & III below:

Annexure-I

13 (Thirteen), meetings of the Board of Directors were held from January 01, 2015 to December 31, 2015. Attendance of the Directors is given below:

SI No	Name	Position	Meeting held	Attended	Remarks
1.	Mr. Rashed Ahmed Chowdhury (Representing Associated Builders Corporation Ltd.)	Chairman	13	12	Leave of absence was granted by the Board
2.	Mr. M. A. Rouf, JP	Vice Chairman	13	10	Leave of absence was granted by the Board
3.	Mr. Syed Manzur Elahi (Founding Chairman)	Director	13	12	Leave of absence was granted by the Board
4.	Dr. Arif Dowla (former Chairman) (Representing Advanced Chemical Industries Ltd.)	Director	13	9	Leave of absence was granted by the Board
5.	Mr. Md. Hedayetullah	Director	13	11	Leave of absence was granted by the Board
6.	Mr. Md. Abdul Malek	Director	13	13	
7.	Mr. Md. Wakiluddin	Director	13	11	Leave of absence was granted by the Board
8.	Mrs. Khwaja Nargis Hossain	Director	13	13	
9.	Mr. Anjan Chowdhury (Representing ASTRAS Ltd.)	Director	13	7	Leave of absence was granted by the Board
10.	Mr. Q. A. F. M Serajul Islam (Representing Pioneer Insurance Company Ltd.)	Director	13	12	Leave of absence was granted by the Board
11.	Mr. Anwarul Amin	Independent Director	13	10	Leave of absence was granted by the Board
12.	Dr. Sultan Hafeez Rahman	Independent Director	13	10	Leave of absence was granted by the Board
13.	Mr. Anis A. Khan	Managing Director & CEO	13	13	Ex-Officio Director

Annexure-II

The pattern of shareholding of Mutual Trust Bank Limited as on December 31, 2015 as per BSEC's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012.

- a) Shareholding by Parent/Subsidiary/Associated Companies and other related parties
- b) Shareholding by:
- i) Directors:

SL	Name	Designation	No. of Share	% of Share as on 31.12.2015
1.	Mr. Rashed Ahmed Chowdhury (Representing Associated Builders Corporation Ltd.)	Chairman	18,465,780	5,00%
2.	Mr. M. A. Rouf, JP	Vice Chairman	7,400,119	2,00%
3.	Mr. Syed Manzur Elahi (Founding Chairman)	Director	13,618,285	3.69%
4.	Dr. Arif Dowla (former Chairman) (Representing Advanced Chemical Industries Ltd.)	Director	12,310,506	3.33%
5.	Mr. Md. Hedayetullah	Director	7,390,563	2,00%
6.	Mr. Md. Abdul Malek	Director	7,456,899	2.02%
7.	Mr. Md. Wakiluddin	Director	7,393,060	2,00%
8.	Mrs. Khwaja Nargis Hossain	Director	7,386,541	2,00%
9.	Mr. Anjan Chowdhury (Representing ASTRAS Ltd.)	Director	9,232,861	2,50%
10.	Mr. Q. A. F. M Serajul Islam (Representing Pioneer Insurance Company Ltd.)	Director	25,979,110	7.03%
11,	Mr. Anwarul Amin	Independent Director	Nil	Nil
12.	Dr. Sultan Hafeez Rahman	Independent Director	Nil	Nil
	TOTAL		116,633,724	31.58%

ii)	Managing Director & CEO	:	3,861	0.0010%
iii)	Company Secretary	:	Nil	Nil
iv)	Chief Financial Officer	:	Nil	Nil
V)	Head of Internal Control & Compliance	:	Nil	Nil
∨i)	Spouses of above Executives		Mrs. Monowar Anis Kl	nan
			00 700	0.00700/

26,796 0.0073%

Shareholding by other Executives (Top 5) c)

> Additional Managing Director 21,224 0.0057%

Shareholders holding ten percent (10%) or more . d) Nil Nil shares

Compliance Status of BSEC Guidelines for Corporate Governance

Status of compliance by Mutual Trust Bank Limited with the Corporate Governance (CG) Guidelines issued by Bangladesh Securities and Exchange Commission (BSEC) through Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012:

Annexure - III

Condition No.	Title	Compliance status (Put √ in the appropriate column)		Explanation for non compliance
No.		Complied	Not Complied	with the condition
1.	BOARD OF DIRECTORS:		-	
1.1	Board's size: Should not be less than 5 (five) and more than 20 (twenty)	V		
1.2	Independent Directors			
1.2 (i)	At least one fifth (1/5) of the total number of directors in the company's board	V		
1.2 (ii) a)	Holds less than one percent (1%) shares of the total paid-up shares of the company	V		
1.2 (ii) b)	Not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship	V		
1.2(ii)c)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	V		
1.2(ii)d)	Is not a member, director or officer of any stock exchange	V		
1.2(ii)e)	Is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	٧		
1.2(ii)f)	Is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of any statutory audit firm	V		
1.2(ii)g)	Shall not be an independent director in more than 3 (three) listed companies	V		
1.2(ii)h)	Has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non- Bank Financial Institution (NBFI)	V		
1.2(ii)i)	Has not been convicted for a criminal offence involving moral turpitude	V		
1.2(iii)	Nominated by the board of directors and approved by the shareholders in the Annual General Meeting (AGM)	V		
1.2(iv)	Post of independent director(s) not remain vacant for more than 90 (ninety) days			N/A



Condition No.	Title	Compliance status (Put √ in the appropriate column)		Explanation for non compliance
110.		Complied	Not Complied	with the condition
1.2(v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded	1	Joanpaou	
1.2(vi)	Tenure of office of an independent director to be for a period of 3 (three) years, which may be extended for 1 (one) term only	V		
1.3	Qualification of Independent Director (ID)			
1.3(i)	Shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	1		
1.3(ii)	Should be a Business Leader/Corporate Leader/Bureaucrat/ University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/professional experiences	V		
1.3(iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission			N/A
1.4	Separate Chairman of the Board and Chief Executive and clearly defined roles and responsibilities	V		1
1.5	The Directors' Report to Shareholders: shall include the following additional statements:-			
1.5 (i)	Industry outlook and possible future developments in the industry	. √		
1.5(ii)	Segment-wise or product-wise performance	V		
1.5(iii)	Risks and concerns	V		
1.5(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	V		
1.5(v)	Discussion on continuity of any Extra- Ordinary gain or loss			N/A
1.5(vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report	٧		
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments			N/A
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	,		N/A



Condition No.	Title	Compliance status (Put √ in the appropriate column)		Explanation for non compliance
No.		Complied	Not Complied	with the condition
1.5(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report	V		
1.5(x)	Remuneration to directors including independent directors	V		
1.5(xi)	Fair presentation of Financial Statements	V		
1.5(xii)	Maintenance of proper books of accounts	V		
1.5(xiii)	Consistent application of appropriate accounting policies and estimates	V		
1.5(xiv)	Compliance with International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh	4		
1.5(xv)	Soundness of Internal Control System	V		
1.5(xvi)	Ability to continue as a going concern	V		
1.5(xvii)	Significant deviations in Operating results from last year			N/A
1.5(xviii)	Presentation of at least preceding 05 (five) years' Key operating and financial data	V		
1.5(xix)	Reason for non declaration of dividend			N/A
1.5(xx)	Number of Board meeting and attendance of directors	V		
1.5(xxi)	Shareholding pattern:-			
1.5(xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details)	V		
1.5(xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	V		
1.5(xxi) c)	Executives;	√		
1.5(xxi) d)	Shareholders holding ten percent (10%) or more votes interest in the company (name wise details).			N/A
1.5(xxii)	In case of the appointment/re-appointment of a directors,			
1.5(xxii) a)	a brief resume of the director;	V		
1.5(xxii) b)	nature of his/her expertise in specific functional areas;	V		
1.5(xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	V		



Condition No.	Title	Compliance status (Put √ in the appropriate column)		Explanation for
		Complied	Not Complied	with the condition
2	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT (INTERNAL CONTROL AND COMPLIANCE) AND COMPANY SECRETARY (CS):			e e
2.1	Appointment and clearly defined respective roles, responsibilities and duties	√		
2.2	Attendance of CFO and Company Secretary in the Board of Directors meeting.	V		
3	AUDIT COMMITTEE:			
3 (i)	A sub-committee of the Board of Directors	V		
3 (ii)	Shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	V		
3(iii)	Shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	V		
3.1	Constitution of the Audit Committee			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	V		
3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	√		
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	V		
3.1 (iv)	Filling of casual vacancy			N/A
3.1 (v)	The company secretary shall act as the secretary of the Committee.	√		1
3.1 (vi)	Quorum of the Audit Committee	V		
3.2	Chairman of the Audit Committee			
3.2 (i)	Who shall be an independent director	√		
3.2 (ii)	Shall remain present in the Annual General Meeting (AGM).	V		
3.3	Role of Audit Committee shall include the following:-			
3.3 (i)	Oversee the financial reporting process.	V		
3.3 (ii)	Monitor choice of accounting policies and principles.	V		
3.3 (iii)	Monitor Internal Control Risk management process.	V		
3.3 (iv)	Oversee hiring and performance of external auditors.	√		



Review along with the management, the annual financial statements before submission to the board for approval. Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval. Review the adequacy of internal audit function. Review Management Letters/Letter of Internal Control weakness issued by statutory auditors. Disclosure of utilization of fund raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue to the Audit Committee on a quarterly basis, as a part of their quarterly declaration of financial results. Reporting of the Audit Committee 3.4.1 Reporting to the Board of Directors Audit Committee shall report on its activities to the Board of Directors. Audit Committee shall immediately report to the Board of Directors on the following findings, if any:- 3.4.1(ii) a report on conflicts of interests; suspected or presumed fraud or irregularity or material defect in the internal control system; suspected infringement of laws, including 3.4.1(ii) c) securities related laws, rules and regulations;	Condition	Title	Compliance status (Put √ in the appropriate column)		Explanation for non compliance
Review along with the management, the annual financial statements before submission to the board for approval. Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval. Review the adequacy of internal audit function. Review the adequacy of internal audit function. Review the adequacy of internal audit function. Review Management Letters/Letter of Internal Control weakness issued by statutory auditors. Disclosure of utilization of fund raised through initial Public Offering (IPO)/Repeat Public Offering (RPO)/Repeat Public Offering (RPO)/Repea	No.	11110		Not	
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4 (iii) accounting records or financial √ statements.	4 (ii)	implementation.	√	10.1	
	4 (iii)	accounting records or financial	V		

Condition	Title	Compliance status (Put √ in the appropriate column)		Explanation for non compliance
No.	** (SA (SSS))	Complied	Not Complied	with the condition
4 (iv)	Broker-dealer services.	V		
4 (v)	Actuarial services.	V		
4 (vi)	Internal audit services.	V		
4 (vii)	Any other service that the Audit Committee determines.	V		
4 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	٧		
4 (ix)	Audit /certification service on compliance of corporate governance	V		
5.	SUBSIDIARY COMPANY:			
5 (i)	Composition of the Board of Directors	V		
5 (ii)	Appointment of independent director	V		
5 (iii)	Review of minutes of Board meeting by the holding company.	V		
5 (iv)	Reviewed the affairs of the subsidiary company also.	V		
5 (v)	Review the financial statements by the Audit Committee of the holding company	V		
6.	OUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO): The CEO and CFO shall certify to the Board that:-			
6. (i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:	٧		
6 (i) a)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	٧		
6 (i) b)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	٧		
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	٧		
7.	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
7 (i)	Obtainment of certificate regarding compliance of conditions of Corporate Governance Guidelines	V		
7 (ii)	Director's statement on compliance with these conditions.	V		



Certificate on Compliance of Conditions of Corporate Governance Guidelines



Khan Wahab Shafique Rahman & Co. Chartered Accountants



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Partners: S.M. Shafique FCA Mujibur Rahman FCA Md. Abu Sina FCA Md. Anisur Rahman FCA

Certificate on Compliance of Conditions of Corporate Governance To The Shareholders of Mutual Trust Bank Limited

We have examined the status of compliance of conditions of Corporate Governance issued by Bangladesh Securities & Exchange Commission (BSEC) vide its notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 in regard to Mutual Trust Bank Limited (the Bank) for the year ended December 31, 2015.

The compliance with the said conditions of Corporate Governance and reporting the status thereof is the responsibility of the management of the Bank. Our responsibility is to provide a certificate about whether the Bank is in compliance with the said conditions of Corporate Governance based on our examination.

Our examination has been made for the purpose of issuing this certificate was limited to the procedures including implementation thereof as adopted by the Bank for ensuring the compliance of the conditions of Corporate Governance and correct reporting of the status of the compliance on the attached statement on the basis of evidence gathered and representation received. It is neither an audit nor an expression of opinion on the financial statements of the Bank.

To the best of our information and according to the explanations given to us, we certify that Mutual Trust Bank Limited has complied with the conditions of Corporate Governance as enclosed stipulated in the above mentioned BSEC's notification dated 07 August, 2012.

Dhaka, Dated March 24, 2016 Md. Anisur Rahman FCA

Partner

ICAB Enrollment No. 350 Khan Wahab Shafique Rahman & Co. Chartered Accountants

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In Practice since 1968

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Report of Board Audit Committee

The bank formed an Audit Committee on January 18, 2003 comprising 03 (three) members of the Board as per BRPD Circular no. 12 dated December 23, 2002 of Bangladesh Bank and the Notifiction (SEC/CMRRCD/2006-158/Admin/02-08 dated February 20, 2006) of the Securities and Exchange Commission. The Audit Committee was last reconstituted on March 16, 2014 comprising 05 (five) members of the Board as per BRPD Circular No. 11 dated October 27, 2013 and in line with the SEC's Notification No. SEC/CMRRC/2006-158/129/Admin/43 dated July 03, 2012.

Role of the Committee

The Audit Committee of the Board of a bank plays an effective role in building a bridge between the board and management, shareholders, regulators, depositors, and other stakeholders and helps in ensuring efficient, safe and sound banking practices. The Board of Directors of MTB recognizes the importance of the Audit Committee. The Committee assists the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the Bank. The key role of the committee is to assist the Board in its oversight responsibility. In order to fulfil the same, among others, the following are the prime responsibilities of the MTB Board Audit Committee.

a) Internal Control:

- i. Evaluates whether the management has set the appropriate compliance culture by communicating the importance of internal control and clearly defining the duties & responsibilities of the Bank officials, and whether the management has full control over their activities.
- ii. Reviews the arrangements made by the management for building a suitable Management Information System (MIS) including computerized system and its applications.
- iii. Considers whether the internal control strategies/structures recommended by internal and external auditors from time-to-time have been implemented by the management.
- iv. Reviews the corrective measures taken by the management as regards the incidents relating to frauds-forgeries, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authorities and inform the Board on regular basis.

b) Financial Reporting:

- i. Reviews the annual financial statements and verifies whether full and fair disclosure of information have been made therein, and whether statements have been prepared in accordance with the existing rules & regulations in the country and accounting standards, including the standards set by Bangladesh Bank.
- ii. Meets the management and the external auditors to exchange views before the finalization of the financial statements.

c) Internal Audit:

- i. Ensures the internal audit functions are dealt with independently from the ambit of management and its report is submitted to the Audit Committee of the Bank.
- ii. Reviews the internal audit functions and organizational structure in order to ensure that unjustified restrictions or limitations do not create a hindrance to audit functions.
- iii. Reviews the efficiency and effectiveness of internal audit functions.
- iv. Checks that the findings and recommendations made by the internal auditors for removing the irregularities are duly acted upon by the management in running the affairs of the bank.

d) External Audit:

- i. Reviews the audit performance of the external auditors and the audit reports.
- ii. Checks that the findings and recommendations made by the external auditors for removing the irregularities are duly acted upon by the management in running the affairs of the Bank.
- iii. Makes recommendations to the Board regarding the appointment of the external auditors for conducting the audit work of the Bank.

e) Compliance with Existing Laws, Rules & Regulations:

Reviews whether the rules and regulations framed by the regulatory authorities (central bank and other agencies) and internal regulations approved by the Board are being complied with.

f) Other Responsibilities:

- i. Places compliance report before the Board regarding regularization of the errors, omissions, frauds, forgeries and other irregularities as detected by the internal and external auditors and inspection teams of Bangladesh Bank.
- ii. Ensures that the internal and external auditors submit evaluation reports to the committee on a particular issue.
- iii. Performs other oversight functions as requested by the Board and evaluates its own performance on a regular basis.

Composition of the Committee:

The members of the Audit Committee are:

Mr. Anwarul Amin, Independent Director
 Mr. Syed Manzur Elahi, Director (Founding Chairman)
 Dr. Arif Dowla, Director (Former Chairman)
 Mrs. Khwaja Nargis Hossain, Director
 Dr. Sultan Hafeez Rahman, Independent Director
 Member

The Company Secretary of the Bank functions as the Secretary of the Committee as per regulatory guidelines. The Managing Director & CEO, other members of Corporate Management, representatives of the External Auditors, Head of Internal Control and Compliance, Head of Credit Risk Management, Head of Group Finance, Head of Special Assets Management and other officials are invited to attend the meetings as and when the Committee requires their presence.

Meetings:

The Committee regularly meets the Heads of Internal Control and Compliance, Credit Risk Management, Group Finance, Special Assets Management, other Bank Officials and also the External Auditors to discuss the Bank's Financial Reporting, Audit Review, Internal Control & Compliance Position, recovery of Special Assets and other relevant matters.

During the year 2015, four meeting of the MTB Board Audit Committee were held.

Activities:

During the year under review, the Committee, inter alia, focused on the following activities:

- Reviewed the internal audit plan for the year 2015 along with its implementation.
- Reviewed the draft financial statements and recommended the same to the Board for consideration after the meeting with the representatives of the External Auditors.
- Reviewed the Management Letter issued by the External Auditors, management response thereon and corrective measures taken by the Bank to avoid recurrence of the lapses mentioned therein.
- Reviewed the quarterly financials of the Bank prepared to evaluate the performance for onward submission to the shareholders as statutory requirements.
- Reviewed the major internal audit findings (Branches and Divisions/Departments of Corporate Head Office) with a view to taking corrective action on time.
- Reviewed the major findings/observations of Bangladesh Bank's Inspection Reports and advised the management of the Bank to take steps for rectification of lapses/irregularities toward fulfilling compliance requirement of the regulator.
- Reviewed the Annual Health Report of the Bank as a regulatory requirement and advised the management of the Bank to take steps for further improvement of the financial health of the Bank.
- Placed compliance reports/minutes before the Board detailing the decisions taken/recommendations made by the Committee in its various meetings for information/concurrence of the Board.

Approval of Financial Statements:

The Audit Committee reviewed and examined the Annual Financial Statements, 2015 prepared by the Management and audited by the External Auditors M. J. Abedin & Co. and recommended to place the same before the Board for consideration.

The Board approved the same in its 190th meeting held on March 15, 2016.

Acknowledgement:

The MTB Board Audit Committee expresses its sincere thanks to the members of the Board, Management and the Auditors for their support in carrying out its duties and responsibilities effectively.

ANWARUL AMIN

CHAIRMAN OF THE MTB BOARD AUDIT COMMITTEE

Report on Internal Control and Compliance

Internal Control and compliance is the process, effected by a company's Board of Directors, Management and other personnel designed to provide reasonable assurance regarding the achievement of organizational objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations and internal policies. It plays a pivotal role in preventing and detecting frauds, forgeries and protecting the organization's resources.

Mutual Trust Bank has restructured its Internal Control and Compliance Division, headed by a senior level executive, in light of the Core Risk Management Guidelines of Bangladesh Bank. The Division comprises of three departments; Audit and Inspection Department, Compliance Department, and Monitoring Department. The Bank has an Internal Control and Compliance Policy and a Compliance Manual duly approved by the Board of Directors.

The Internal Control and Compliance Division ensures internal control structure in the Bank with appropriate assignment, accountability of the personnel and delegation of authorities to functional management to create control and ensure a compliance culture within the organization under the active guidance and supervision of the Senior Management and the Board of Directors.

The Bank Company Act, 1991 (amended in 2013) requires some changes in the reporting line and Organogram of the Internal Control and Compliance Division. In light of the changes in the Bank Company Act, the reporting line has been changed and the Organogram revamped to ensure that internal audit functions are dealt with independently from the ambit of management and its report is submitted to the Audit Committee of the Bank.

As a tool of Internal Control, the Audit and Inspection Department undertakes periodic and special audits and inspections on the branches and departments/divisions of the Head Office in order to sort out the weaknesses and defects in the control processes and it reports to the Senior Management & the Audit Committee for corrective measures to protect the interest of the Bank.

The Compliance and Monitoring Departments of the Internal Control and Compliance Division ensure the timely and proper compliance with relevant laws, regulatory instructions, and internal policies and procedures in the day-to-day operations of the Bank by way of using various control tools. The concerned departments assess the operational risks and take appropriate measures to mitigate the same for smooth operation of the Bank.

The Internal Control and Compliance Division reports on the serious non-compliances detected by internal and external auditors and Bangladesh Bank's inspection teams with up-to-date compliance position, large financial risk exposures, weaknesses in control mechanism and other risk areas to the Audit Committee of the Board for review and appropriate remedial measures.

There is Internal Control and Compliance Evaluation Committee, which assists the Management Committee (MANCOM) of the Bank to provide a certificate to the Board of Directors on the effectiveness of Internal Control policy, practice and procedure of the Bank annually as a regulatory compliance.

The overall Internal Control and Compliance position of the Bank was at satisfactory level during the year 2015.

Disclosures on Risk Based Capital (Basel III)

1. Introduction

In accordance with Basel III, a global regulatory framework for more resilient banks and banking systems, issued by Basel Committee for Banking Supervision (BCBS) in 2010, Bangladesh Bank (BB) issued Guidelines on Risk Based Capital Adequacy (a revised regulatory capital framework for banks in line with Basel III) in December 2014. The objectives of Market discipline in the revised framework is to establish a more transparent and disciplined financial market, so that stakeholders can assess the position of a bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets. Thefollowing detailed qualitative and quantitative disclosures are provided in accordance with Guidelines on Risk Based Capital Adequacy by Bangladesh Bank.

2. Disclosure Policy

Bank calculates Risk Weighted Assets (RWA) under the following approaches as per Basel III guidelines (BRPD circular no.18, dated December 21, 2014):

a) Standardized approach for credit risk, b) Standardized approach for market risk and, c) Basic indicator approach for operational risk.

3. Components of Disclosure Framework:

i) Scope of application, ii) Capital structure, iii) Capital adequacy, iv) Credit risk, v) Equities: disclosures for banking book positions, vi) Interest Rate Risk in the Banking Book (IRRBB), vii) Market risk, viii) Operational risk, ix) Leverage ratio, x) Liquidity ratio, xi) Remuneration

i. Scope of Application:

The Risk Based Capital Adequacy framework applies to all banks on 'Solo' and 'Consolidated' basis, where the framework on 'Solo' basis refers to all positions of the bank, and its local and overseas branches/offices, and 'Consolidated' basis includes in case of subsidiary companies. Mutual Trust Bank Limited (MTB) applies both the frameworks on "Solo" and "Consolidated" basis, as the bank has three subsidiaries, namely i) MTB Securities Limited ii) MTB Capital Limited iii) MTB Exchange (UK) Limited.

ii. Capital Structure

Qualitative Disclosures

The terms and conditions of the main features of all capital instruments have been segregated in terms of eligibility criteria (BRPD Circular No. 18 dated December 21, 2014 and other instructions given by Bangladesh Bank).

Tier-I Capital consists of Common Equity Tier-I (CET-I) and Additional Tier-I Capital. MTB has no additional Tier-I Capital. CET-I Capital of MTB comprises Paid-up Capital, Statutory Reserve, General Reserve, Retained Earnings and Minority Interest in subsidiaries. Supplementary Capital (Tier-II) comprises General Provisions (on unclassified and Special Mention Account (SMA) loans and off-balance sheet exposure), Revaluation Reserves for Securities, Fixed Assets and Equities following the deductions as per Basel III guidelines; MTB's Partially Convertible Subordinate Bond as approved by Bangladesh Bank (BB), and Bangladesh Securities and Exchange Commission (BSEC).

Particulars	Solo	Consolidated
Total Eligible Capital		
Common Equity Tier-I Capital:		
Paid up capital	3,693.16	3,693.16
Statutory reserve	2,721.14	2,721.14
General reserve	446.78	446.78
Retained earnings	786.95	752.89
Minority Interest in Subsidiaries	0.00	0.13
Regulatory Adjustment/Deduction		
Goodwill and Other Intangible Assets	47.32	47.32
Investments in own CET-I Instruments/Shares	1.54	1.54
Total Common Equity Tier-I Capital	7,599.17	7,565.24
Additional Tier-I Capital	0.00	0.00
Total Tier-I Capital	7,599.17	7,565.24
Tier-II Capital:		
General Provision	1,138.16	1,139.24
Revaluation Reserves	260.13	260.13
Subordinated debt	3,500.00	3,500.00
Regulatory Adjustment/Deduction	52.02	52.02
Total Tier-II Capital	4,846.27	4,847.35
Total Eligible Capital	12,445.44	12,412.59

III. Capital Adequacy

Qualitative Disclosures

a. Capital Calculation Approach

Assessment of capital adequacy is carried out in conjunction with the capital adequacy reporting to the Bangladesh Bank (BB): standardized approach for credit & market risk and basic indicator approaches for operational risk.

Quantitative Disclosures

b. Capital of the Bank

BDT Million

Capital Adequacy	Solo	Consolidated
Capital Requirement for Credit Risk	9,105.33	9,113.95
Capital Requirement for Market Risk	455.42	505.51
Capital Requirement for Operational Risk	649.39	707.22
Total Capital Requirement	10,210.14	10,326.68
Total Capital	12,445.44	12,412.59
Capital to Risk Weighted Asset Ratio (CRAR)	12.19	12.02
Common Equity Tier-I Capital Ratio (%)	7.44	7.33
Total Tier-I Capital Ratio (%)	7.44	7.33
Tier-II Capital Ratio (%)	4.75	4.69
Capital Conservation Buffer		
Available Capital under Pillar-II Requirement	2,235.3	2085.91

MTB follows following principles in maintaining its capital base:

- Maintaining a strong capital ratio;
- Maintaining capital at reasonable level to absorb all material risks;
- Maintaining 1%-2% capital buffer the surplus to withstand Stress Tests and to fulfill ICAAP requirements.

MTB ensures compliance with the regulatory requirements, and satisfaction of external rating agencies and other stakeholders including depositors.

c. Capital Management

Initiative to ensure adequate capital encompasses:- Issuance of subordinated debt to raise Tier-II capital, and minimizing gap between Tier-I and Tier-II capital.

- Consistently encouraging borrowers to complete external credit rating to assess counterparty Credit Risk status, and to reduce capital requirements.
- Improving and enhancing collateral coverage through efforts to obtain eligible collateral.
- Assessment of risk profile and credit rating of new clients.

MTB's CRAR is periodically reviewed and assessed by the Risk Management Division (RMD), and reported to senior management.

iv. Credit Risk

Qualitative Disclosure

MTB manages credit risk through a robust process that enables the bank to proactively manage its loan portfolio in order to minimize losses, and earn an acceptable level of return for its shareholders

Credit Risk Management at MTB

MTB's Credit Policy Manual (CPM), approved by the Board of Directors, defines organizational structure, roles and responsibilities and processes whereby credit risk scan be identified, quantified, and managed. Credit instruction manuals address regulatory issues and establish control points. MTB Credit approvals clearly specifies all conceivable aspects including eligibility of the borrower, requirement of papers/information/ documents, borrower's stake and all other issues related to borrowing. The credit policy encompasses, all operational issues of credit, right from selection of borrower to the ultimate recovery including transfer process of delinquent account and treatment of slow, overdue accounts, Special Mention Accounts (SMA) and classified loan accounts. MTB manages credit risk through continuous measuring, and monitoring of risks at obligor (borrower) levels and portfolio level and follows Bangladesh Bank prescribed Credit Risk Grading (CRG) model, and has developed a credit appraisal/approval process. The CRG model captures quantitative and qualitative issues related to management risk, business risk/industry risk, financial risk, security risk and relationship risk, while assessing the overall grading of borrowers. External credit ratings of our clients are also being done. Till Q4-2015, MTB's total number of rated clients is 1184, which was 656 in Q4-2014. For ensuring smooth and quality credit operations; good governance, quick approvals, better control, and making safe and secured lending have been emphasized.

Loan Classification

All the loans and advances are grouped into four categories for the purpose of classification, which are; (i) Continuous Loan (ii) Demand Loan (iii) Fixed Term Loan and (iv) Short-term Agricultural and Micro-Credit.

Continuous & Demand Loans are classified as:

- Sub-standard if past due for 3 months or more, but less than 6 months;
- Doubtful if past due for 6 months or more, but less than 9 months;
- Bad/Loss if past due for 9 months or more.

Fixed Term Loans amounting up to 10 lacs are classified as:

- Sub-standard if the defaulted installment is equal to or more than the amount of installment(s) due within 6 (Six) months;
- Doubtful if the defaulted installment is equal to or more than the amount of installment(s) due within 9 (Nine) months:
- Bad/Loss if the defaulted installment is equal to or more than the amount of installment(s) due within 12 (Twelve) months.

Fixed Term Loans for more than 10 lacs are classified as:

- Sub-standard if the defaulted installment is equal to or more than the amount of installment (s) due within 3 (Three) months;
- Doubtful if the defaulted installment is equal to or more than the amount of installment (s) due within 6 (Six) months:
- Bad/Loss if the defaulted installment is equal to or more than the amount of installment (s) due within 9 (Nine) months.

Short-term Agricultural and Micro Credit are classified as:

- Sub-standard if the irregular status continues after a period of 12 (twelve) months;
- Doubtful if the irregular status continues after a period of 36 (thirty-six) months;
- Bad/Loss if the irregular status continues after a period of 60 (sixty) months.

A continuous credit, demand loan or term loan which remains overdue for a period of 60 days or more is classified as a "Special Mention Account (SMA)".

BDT Million

Credit Risk	Amount
a) Total gross credit risk exposures broken down by major types of credit exposure	
Term Loan	24,536.76
Time Loan	658.58
SME Financing	9,277.77
Consumer Financing	399.48
Retail Financing	2,552.74
General Loans	2,872.37
Demand Loan	1,457.35
Payment Against Documents (PAD)	344.03
Trust Receipts	8,484.51
Lease Finance	333.01
Export Development Fund	1,535.29
House Building Loan	3,254.99
Staff/Employee Loan	600.62
Loans and Advances - Off-shore Banking Unit	1,286.28
Loan disbursed by MTB Subsidiaries	2,502.28
Cash Credit	22,542.35
Packing Credit	75.09
Secured Overdraft	11,208.37
Bills purchased and discounted	
Payable in Bangladesh	2,185.71
Payable outside Bangladesh	151.38

BDT Million

Chittagong Division 18,511.5 Rajshahi Division 3,704.7 Sylhet Division 1,302.2 Khulna Division 1,302.2 Barisal Division 80.5 Rural Dhaka Division Brisal Division 1,536.1 Chittagong Division 1,57.9 Sylhet Division 72.5 Khulna Division 72.5 Rangpur Division 87.5 Barisal Division 72.5 Rhulna Division 72.5 Barisal Division 72.5 Barisal Division 72.5 Brigheld Division 72.5 Barisal Division 72.5 Brigheld Division 72.5 Barisal Division 72.5 Bright Division 72.5 Barisal Division 72.5	Credit Risk	Amount
Dhaka Division 68,758.9 Chittagong Division 18,511.5 Raishahi Division 3,704.7 Sylhet Division 1,302.8 Rangpur Division 1,720.9 Barisal Division 80.8 Rural 1,536.1 Dhaka Division 1,536.1 Chittagong Division 1,57.9 Rajshahi Division 72.5 Khulna Division 72.5 Rangpur Division 72.5 Barisal Division 72.5 Barisal Division 72.5 Barisal Division 72.5 Barisal Division 72.5 Brain Division 72.5 Abriuha Division 72.5 Baright Division 72.5 Abriuha Division 72.5 Abriuha Division 72.5		
Chittagong Division 18,511.5 Rajshahi Division 3,704.7 Sylnet Division 1,302.2 Khuina Division 1,720.9 Barisal Division 80.8 Rural Dhaka Division Dhaka Division 1,536.1 Chittagong Division 1,536.1 Sylnet Division 72.5 Khuina Division 72.5 Rangpur Division 72.5 Rangpur Division 72.5 Rangpur Division 72.5 Barisal Division 72.5 Rhuina Division 72.5 Rhuina Division 72.5 Rangpur Division 72.5 Barisal Division 72.5 Rhuina Division 72.5 Rhuina Division 72.5 Rangpur Division 72.5	Urban	
Rajshahi Division 3,704.7 Sylhet Division 742.9 Khulna Division 1,302.2 Barisal Division 80.8 Bursal Dhaka Division Dhaka Division 1,536.1 Chiltagong Division 1,157.9 Rajshahi Division 72.5 Khulna Division 72.5 Khulna Division 8 Barisal Division 72.5 Shipe Division 72.5 O Industry or counterparty type distribution of exposures, broken down by major types of credit exposure. 2,504.6 RIMG 6,086.8 Textille 7,792.5 Ship-Building 1,029.4 Ship-Building 894.1 Other Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Transport, Storage and Communication 997.4 Transport, Storage and Communication 997.4 Residential real-estate financing 5,324.4	Dhaka Division	68,758.96
Sylhet Division 742.5 Khulna Division 1,302.2 Rangpur Division 80.8 Barisal Division 80.8 Dhaka Division 1,536.1 Chittagong Division 1,157.9 Rajshahi Division 72.5 Khulna Division 72.5 Barisal Division 72.5 Braigal Division 72.5	Chittagong Division	18,511.54
Rhulna Division 1,302.2	Rajshahi Division	3,704.76
Rangpur Division	Sylhet Division	742.93
Barisal Division 80.8 Rural 1,536.1 Dhaka Division 1,536.1 Chittagong Division 72.5 Rajshahi Division 72.5 Rangpur Division 8 Barisal Division 8 Barisal Division 9 Industry or counterparty type distribution of exposures, broken down by major types of credit exposure. 8 Agriculture 2,504.6 RMG 6,086.8 Textile 7,792.5 Ship-Building 1,029.4 Ship-Building 1,029.4 Ship-Building 1,029.4 Ship-Building 12,304.6 Construction 12,304.6 Construction 12,304.6 Construction 1,243.3 Power, Gas 17,243.3 Power, Gas 2,7214. Tiransport, Storage and Communication 997.4 Tiransport, Storage and Communication 997.4 Tirange Service 12,481.8 Commercial real-estate financing 5,324.4 Capital Market 3	Khulna Division	1,302.24
Pural	Rangpur Division	1,720.93
Dhaka Division 1,596.1 Chittagong Division 1,157.9 Rajshahi Division 72.5 Khulna Division 72.5 Rangpur Division 8arisal Division Barisal Division 9 Agriculture 2,504.0 RMG 6,086.8 Textile 7,792.5 Ship-Bullding 1,029.4 Ship-Bullding 1,029.4 Ship-Breaking 84.1 Coher Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Trasport, Storage and Commu	Barisal Division	80.89
Chittagong Division 1,157.9 Rajshahi Division 72.5 Khulna Division 72.5 Rangpur Division 8 Barisal Division 9 Industry or counterparty type distribution of exposures, broken down by major types of credit exposure. 2,504.6 RMG 6,086.8 Textile 7,792.5 Ship-Bullding 1,029.4 Ship-Breaking 894.1 Other Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.5 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure 12,	Rural	
Rajshahi Division 72.5 Khulna Division 72.5 Rangpur Division 8arisal Division Barisal Division 2,104.6 c) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure. 2,504.6 RMG 6,098.8 Textile 7,792.5 Ship-Building 1,029.4 Ship-Breaking 894.1 Other Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Consumer credit 1,562.1 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure 12,847.2 Not more than three months	Dhaka Division	1,536.10
Rajshahi Division 72.5 Khulna Division 72.5 Rangpur Division 8arisal Division Barisal Division 2,104.6 c) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure. 2,504.6 RMG 6,098.8 Textile 7,792.5 Ship-Building 1,029.4 Ship-Breaking 894.1 Other Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Consumer credit 1,562.1 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure 12,847.2 Not more than three months	Chittagong Division	1,157.92
Khulna Division Rangpur Division Barisal Division c) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure. Agriculture 2,504.6 RMG 6,086.8 Textile 7,792.5 Ship-Building 1,029.4 Other Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 6) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand 12,847.2 Not more than three months but less than one year 30,169.2	Rajshahi Division	-
Rangpur Division Barisal Division c) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure. 2,504.6 Agriculture 2,504.6 RMG 6,086.8 Textile 7,792.5 Ship-Building 1,029.4 Ship-Breaking 894.1 Other Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure 12,847.2 On Demand 12,847.2 Not more than three months 20,690.4 More than	•	72.51
Barisal Division C) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure. Agriculture 2,504.6	•	
Barisal Division C) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure. Agriculture 2,504.6	Rangpur Division	-
c) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure. 2,504.6 Agriculture 2,504.6 RMG 6,086.8 Textile 7,792.5 Ship-Building 1,029.4 Ship-Breaking 894.1 Other Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure 12,847.2 On Demand 12,847.2 Not more than three months 20,690.4 More than three months but less than one year 30,169.2		-
RMG 6,086.8 Textile 7,792.5 Ship-Building 1,029.4 Ship-Breaking 894.1 Other Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 600.6 Others 11,425.6 Of Pesidual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure 12,847.2 On Demand 12,847.2 Not more than three months 20,690.4 More than three months but less than one year 30,169.2		
Textile 7,792.5 Ship-Building 1,029.4 Ship-Breaking 894.1 Other Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure 12,847.2 On Demand 12,847.2 Not more than three months 20,690.4 More than three months but less than one year 30,169.2	Agriculture	2,504.65
Ship-Building 1,029.4 Ship-Breaking 894.1 Other Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure 12,847.2 On Demand 12,847.2 Not more than three months 20,690.4 More than three months but less than one year 30,169.2	RMG	6,086.85
Ship-Breaking 894.1 Other Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure 12,847.2 On Demand 12,847.2 Not more than three months 20,690.4 More than three months but less than one year 30,169.2	Textile	7,792.55
Other Manufacturing Industry 20,210.5 SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure 12,847.2 On Demand 12,847.2 Not more than three months 20,690.4 More than three months but less than one year 30,169.2	Ship-Building	1,029.40
SME loans 12,304.6 Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure 12,847.2 On Demand 12,847.2 Not more than three months 20,690.4 More than three months but less than one year 30,169.2	Ship-Breaking	894.16
Construction 1,243.3 Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand 12,847.2 Not more than three months but less than one year 30,169.2	Other Manufacturing Industry	20,210.59
Power, Gas 2,721.4 Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs Advances to Managing Director and Senior Executives 600.6 Others d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand Not more than three months More than three months but less than one year 30,169.2	SME loans	12,304.69
Transport, Storage and Communication 997.4 Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand 12,847.2 Not more than three months but less than one year 30,169.2	Construction	1,243.35
Trade Service 12,481.9 Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand 12,847.2 Not more than three months 12,690.4 More than three months but less than one year 30,169.2	Power, Gas	2,721.40
Commercial real-estate financing 5,324.4 Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand 12,847.2 Not more than three months but less than one year 30,169.2	Transport, Storage and Communication	997.44
Residential real-estate financing 821.4 Consumer credit 1,562.1 Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand 12,847.2 Not more than three months 20,690.4 More than three months but less than one year 30,169.2	Trade Service	12,481.95
Consumer credit Capital Market 3,789.7 NBFIs Advances to Managing Director and Senior Executives Others d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand Not more than three months More than three months but less than one year 1,562.1 1,62.1 1,562.1	Commercial real-estate financing	5,324.47
Capital Market 3,789.7 NBFIs 5,797.6 Advances to Managing Director and Senior Executives 600.6 Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand 12,847.2 Not more than three months 20,690.4 More than three months but less than one year 30,169.2	Residential real-estate financing	821.41
NBFIs Advances to Managing Director and Senior Executives Others d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand Not more than three months More than three months but less than one year 5,797.6 11,425.6 11,425.6 12,847.2 30,169.2	Consumer credit	1,562.18
Advances to Managing Director and Senior Executives Others 11,425.6 d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand Not more than three months More than three months but less than one year 600.6 12,847.2 30,169.2	Capital Market	3,789.76
Others d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand Not more than three months More than three months but less than one year 11,425.6 12,847.2 20,690.4	NBFIs	5,797.66
d) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure On Demand Not more than three months More than three months but less than one year 30,169.2	Advances to Managing Director and Senior Executives	600.62
down by major types of credit exposureOn Demand12,847.2Not more than three months20,690.4More than three months but less than one year30,169.2	Others	11,425.63
On Demand12,847.2Not more than three months20,690.4More than three months but less than one year30,169.2		
More than three months but less than one year 30,169.2	On Demand	12,847.24
		20,690.48
	·	30,169.26
	More than one year but less than five years	22,479.34 11,402.45

Particulars	Amount
Continuous Loans	560.68
Demand Loans	147.47
Term Loans	1,307.43
Short-Term Agro-Credit and Micro-Credit	18.84
Total	2,034.42

Specific and General Provisions

Specific and general provisions were made on the amount of classified and unclassified loans and advances/investments respectively, exposures of off-balance sheet, and off-shore banking units of the Bank.

BDT Million

Particulars	Amount
Provision on unclassified loans and advances/ investments including Off-shore banking unit	1,065.00
Provision on classified loans and advances/ investments	1,182.00
Provision on Off-balance sheet exposure	352.00
Total	2,599.00

Guidelines for Loan Loss Provisions

The Bank follows Bangladesh Bank (BB) guidelines regarding loan classification, provisioning, and any other issues related to Non-Performing Loan (NPL), internal credit guidelines, direct loan provisioning, review procedure, debt write-off, facility grading, reporting requirement and interest recognition.

Particulars	Rate
General Provision	
Against all unclassified loans (Standard and SMA) of Small and Medium Enterprise (SME)	0.25%
Against all unclassified loans and off-balance sheet exposures (other than Short Term agri. Credit & Micro credit, loans under Consumer Financing, SME Financing, Loans to Brokerage House, Merchant Banks, Stock dealers)	1%
On unclassified amount for Housing Finance (HF) and Loans for Professionals (LP) to set up business under Consumer Financing Scheme, loans to Brokerage House, Merchant Banks, Stock dealers.	2%
On the Standard loans for Short Term agri. Credit & Micro credit	2.50%
On unclassified amount for Consumer Financing other than HF & LP	5%
Specific Provision	
Specific provision on Sub-standard and Doubtful Loans and advances for Short Term agri. Credit & Micro credit	5%
Specific provision on Sub-standard Loans and advances except Short Term agri. Credit & Micro credit	20%
Specific provision on Doubtful Loans and advances except Short Term agri. Credit & Micro credit	50%
Specific provision on Bad and Loss Loans and advances	100%

Throughout the year 2015, loans and advances were reviewed to assess whether objective evidence of impairment had arisen.

f. Movement of NPA and specific provision for NPA

The following table gives MTB's movement of NPAs and specific provision for NPA

BDT Million

Gross Non Performing Assets (NPAs)	Amount
Non-Performing Assets (NPAs) to Outstanding Loans & advances (%)	2.08
Movement of Non-Performing Assets (NPAs)	
Opening balance	2,060.28
Additions	
Reductions	25.86
Closing Balance	2,034.42
Movement of specific provisions for NPAs	
Opening balance	955.28
Provisions made during the period	226.72
Less: Write-off	-
Write-back of excess provisions	-
Closing Balance	1,182.00

v. Equities: Disclosures for banking Book Positions

MTB's stock brokerage functions are undertaken by a subsidiary - MTB Securities Limited as a corporate member of Dhaka Stock Exchange Limited (Member No. 197). For equity financing, only investment in unquoted securities are considered as Banking Book assets; investment in equity for relationship or strategic reason is considered under trading book. Investment in equity securities are broadly categorized into two parts:

- 1) Quoted securities (common or preference shares and mutual funds) Traded in the secondary market (trading book assets)
- ii) Unquoted securities- Categorized as banking book equity exposures which are further sub-divided into two groups:
- a) Unquoted securities which are invested without any expectation that these will be quoted in near future i.e. Held-to-Maturity (HTM);
- b) Unquoted securities acquired under private placement or IPO which are going to be traded in the secondary market after completing required formalities.

The primary aim is capital gain or dividend income. Dividends received from these equity securities are accounted for as and when received. Both quoted and un-quoted equity securities are valued at cost, and necessary provisions are maintained if the prices fall below the cost price. As per BangladeshBank (BB) guidelines, Heldfor-Trading (HFT) equity securities are mark-to-market (revalued) once a week, and HTM equity securities are amortized annually. HTM securities are revalued if reclassified to HFT (with approval of the Board of Directors). The quoted shares of the bank are valued at cost or market price, whichever is lower.

BDT Million

Equities	Amount
Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.	931.24
Cost price	
Market price	635.42
Difference	(295.82)
b) Cumulative realized gains (losses) arising from sales and liquidations in the reporting period	
c) Total unrealized gains (losses)	(295.82)
d) Total latent revaluation gains (losses)	-
e) Any amounts of the above included in Tier 2 capital	-
f) Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements	
Specific Risk	88.50
General Market Risk	88.50

vi. Interest Rate Risk in the Banking Book

Interest rate risk occurs when changes in market interest rates adversely affect a bank's financial condition, affecting both current earnings (earnings perspective) and net worth of the bank (economic value perspective).

The short term impact of changes in interest rates is on the bank's Net Interest Income (NII). Longer term, changes in interest rates impact asset cash flows, liabilities, and off-balance sheet items. This poses a risk to the net worth of the bank, arising out of all re-pricing mismatches, and other interest rate sensitive positions. MTB assesses the economic value at risk due to interest rate shock on a quarterly basis.

BDT Million

Interest Rate Risk in the banking book		Amoun	t
Total Risk Sensitive Assets	78,747.90		
Total Risk Sensitive Liabilities	85,088.60		
Cumulative Gap			
< 3months			(28,270.00)
3-6 months	4,352.80		
6-12 months	17,576.50		
CRAR before Shock (%)			12.02
Assumed Change in Interest Rate (%)	1%	2%	3%
Net Interest Income and Repricing impact (%)			
CRAR after Shock (%)	10.67	9.31	7.96

vii. Market Risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in different market variables, namely:

i) Interest rate movements; ii) Currency- foreign exchange rate movements; iii) Equity- stock price movements; iv) Commodity- commodity price movements.

MTB's Market Risk Policy, approved by the Board, covers assessment, monitoring, and management of the above market risks. The Board sets limits and reviews compliance on a regular basis, in order to provide cost effective funding to finance asset growth, and trade related transactions.

a. Methods Used to Measure Market Risk

Standardized approach for market risk calculates the minimum capital requirement, for each risk sub-category, in terms of two separately calculated capital charges for "specific risk" and "general market risk".

b. Market Risk Management System

The Treasury Department manages market risk covering liquidity, interest rate, and foreign exchange risks, with oversight from Asset Liability Management Committee (ALCO), comprising of senior executives of the bank. ALCO is chaired by the Managing Director and CEO. ALCO meetings are held at least once in a month.

c. Policies and Process for Managing Market Risk

There are approved limits for credit deposit ratio, liquid asset to total asset ratio, maturity mismatch, commitments for both on-balance sheet and off-balance sheet items, and borrowing from money market and foreign exchange position. The limits are monitored and enforced on a regular basis to mitigate market risks. The Treasury Department of the Bank reviews the prevailing market conditions, exchange rates, foreign exchange position, and transaction to mitigate foreign exchange risks on a daily basis. Foreign exchange risk is computed on the sum of net short positions, or net long positions, whichever is higher of the foreign currency positions held by the bank.

BDT Million

Quantitative Disclosure of Market Risk	Amount
Capital Requirement for:	
Interest Rate related instruments	243.10
Equities	177.00
Foreign Exchange Position	85.40
Commodity Risk	-
Total	505.50

viii. Operational Risk

Operational risk arises from inadequate or failed internal processes, people and systems, or from external causes, whether deliberate, accidental or natural - inherent in all of the Bank's activities. The policy for operational risks including internal control and compliance risk is approved by the Board, taking into account relevant guidelines of Bangladesh Bank. The Audit Committee of the Board directly oversees the activities of the Internal Control and Compliance Division (ICCD) with the object of mitigating all operational risks.

a. Performance Gap of Executives and Staff

MTB is on continuous efforts to be the best pay master and to ensure workplace safety for its employees with consistent adoption of best employment practices and constant following the policy of non-discrimination regarding compensation, health and safety. Its strong brand image plays an important role in employee motivation. Combination of all these has created a very strong choice among the workforce of banking industry for MTB as being professionally an ideal place of choice.

b. Systems

MTB has invested heavily in IT infrastructure for better automation, online transaction platform and network links to avoid business disruption and system failure. The Bank's IT system does not allow any kind of external access, ensuring safeguarding from external fraud (theft/hacking of information assets, forger y etc.).

c. Policies and Processes for Managing Operational Risk

As per the internal control and compliance policy, 2014 of the bank, Group Internal Control & Compliance Division (ICCD) is conducting risk based internal audit. To do these, the activities of branches are being rated in terms of their risk status. It is the policy of the bank to conduct audit on all the branches at least once a year. ICCD directly reports to the Audit Committee of the Board.MTB has also Risk Management Division in place. Its objectives are mainly to identify, assess, monitor, control and manage risks including operational risks and also rectify risk events, and implement any additional procedures required for compliance. Human Resource Division of MTB has also introduced a vigorous Performance Management System (PMS) to evaluate human resources in terms of performance, and instill a performance-based culture within the organization.

BDT Million

Quantitative Disclosure of Operational Risk	Amount
Capital requirement for Operational Risk	707.22

ix. Leverage Ratio

As an additional safeguards against model risk and measurement error by supplementing the risk-based measure, a non-risk based regulatory leverage ratio has been introduced with a simple, transparent, independent measure of risk. The Basel III leverage ratio is defined as the capital measure (Tier-I capital of the risk based capital framework) divided by the exposure measure, this ratio expressed as a percentage.

Components	Amount
Leverage Ratio	4.62
On Balance sheet Exposure	1,44,891.31
Off-Balance sheet Exposure	18,765.09
Total Exposure after regulatory adjustment	1,63,607.54

x. Liquidity Ratio

To measure the liquidity status of banks Basel III guidelines introduced two new standards for liquidity-Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). LCR indicates bank's sufficiency/insufficiency in possessing high quality liquid resources to survive in an acute stress scenario lasting for one month. NSFR portrays resilience over a longer time horizon (one year) for a bank to fund its activities with more stable sources of funding on an ongoing structural basis. Regulatory standards for LCR and NSFR are '≥100%' and '>100%' respectively.

MTB manages liquidity risk in accordance with its Asset Liability Management (ALM) Policy. This policy is framed as per the extant regulatory guidelines and is approved by the Board of Directors. The ALM Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign with changes in the economic landscape. The Asset Liability Management Committee (ALCO) of the Bank formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the ALM Policy. The Bank proactively manages liquidity risk as a part of its ALM activities. The Bank uses various tools for measurement of liquidity risk including the statement of structural liquidity (SSL), liquidity cash flow statements, liquidity ratios and stress testing through scenario analysis. MTB has also framed a Liquidity Contingency Plan (LCP), which serves as a framework for early identification and calibrated action in the event of tight liquidity conditions. The LCP includes various indicators which are monitored regularly, and lays down the mechanism for escalation, remedial action and crisis management until return to normalcy.

BDT Million

Components	Amount
Liquidity Coverage Ratio (LCR) %	110.40
Net Stable Funding Ratio (NSFR) %	102.68
Stocks of high quality liquid assets	32,425.56
Total net cash outflows over the next 30 calendar days	29,370.98
Available amount of stable funding	110,699.57
Required amount of stable funding	107,811.76

xi. Remuneration

a. Remuneration process:

Remuneration is overseen by MTB Group Human Resources in consultation with Deputy Managing Directors, Additional Managing Director and Managing Director & CEO. The process, through which the authority sets remuneration is by evaluating the market information as well as cost of living adjustment of the employees and subsequently approved by the Board of Directors.

b. Design & structure of remuneration process:

All the eligible candidates for promotion are evaluated strictly in terms of the provisions of the Promotion Policy and finally recommended by a "Promotion Committee" comprising the following members:

Designation	As
Additional Managing Director	Chairman
All Deputy Managing Directors	Members
Group Head of Human Resources	Member Secretary
Group Head of Internal Control & Compliance	Member

Regional and Divisional Heads send nomination for promotion of the employees working under their areas. Promotion Committee evaluates/interviews and sends recommendations to the Managing Director & CEO, who reviews all recommendations for promotion and gives final approval.

c. An overview of the nature and type of measures used to take account:

Annual reporting on the work and conduct of the employees are made through Annual Performance Appraisal System.

As an appraisal point of the annual reporting, employees have to write their objectives at the beginning of the year on the basis of their job description/assignment. Mid-year review of the objectives is done to ascertain respective achievement. Depending on the feedback appropriate measures are undertaken to fulfill the objectives set at the year end. And finally, at the end of the year, performance of each employee is evaluated.

d. Variable Remuneration:

Variable remuneration, known as incentive Bonus is given to all category of employees based on "Incentive Bonus Policy" approved by the Board. Regional Heads and Divisional Heads send recommendations for incentive Bonus for all categories of employees working under their areas, to Head Office. All the recommendations are scrutinized & evaluated by a "Bonus Committee". The committee sends their recommendation to the MD & CEO who reviews and gives final approval.

The Bonus Committee comprises of the following members:

Designation	As
Additional Managing Director	Chairman
All Deputy Managing Directors	Members
Group Head of Human Resources	Member
Group Head of Internal Control & Compliance	Member
Group Chief Financial Officer	Member Secretary

e. Number of employees having received variable remuneration award:

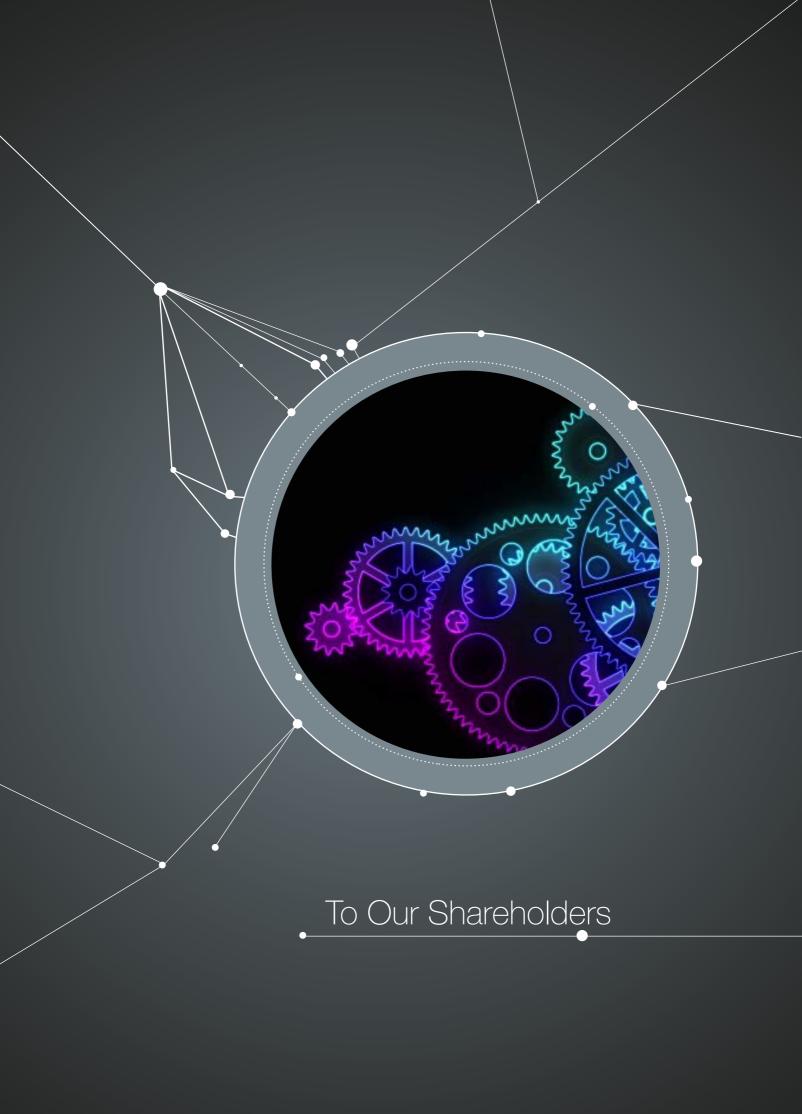
Employees having received variable remuneration awards for the year 2015 for their extra ordinary effort to ensure business profitability.

SI	Category	Number of employee	Division
1	Executive	1	
2	Officers	11	Treasury
3	Office Assistant	1	

Number of total amount of severance payment:

Total amount of BDT 23,419,347.00 (Two Crore Thirty Four Lac Nineteen Thousand Three Hundred Forty Seven only) had been disbursed to 20 outgoing personnel as severance payment for the year 2015 at the time of releasing them from the services of the Bank.





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Economic Contribution Report

The bank's overall mission is to be the most admired financial institution in the country, recognized as a dynamic, innovative and client focused bank that offers an array of products and services in search of excellence and to create an impressive economic value. This section covers the value we deliver to our shareholders and the nation at large.

The bank's policy has been to deliver optimum value in a manner that in consistent with the highest levels of fairness and transparency. For the bank, it has not been a case of building financial value and enhancing the bottom line at any cost, but rather participating in a process of creating value through fair and ethical means. Building sustainable value of all stakeholders is an important corporate goal. Some of the measures taken to create, sustain and deliver optimum value are as follows:

Capital to Risk Weighted Assets Ratio:

Capital adequacy indicates the financial strength and stability of a bank. It limits the extent up to which the bank can expand its business in terms of Risk Weighted Assets. Like all commercial institutions, banks too constantly look at ways of expanding their operations by acquiring property, plant & equipment, opening branches, in addition to mobilizing deposits, providing loans and investing in other assets.

Regulatory capital requirements are therefore necessary to prevent banks from expanding beyond their ability to manage (over trading), to improve the quality of bank's asset, to control the ability of the bank to leverage their growth and to lead to higher earnings on assets, leading to peace of mind of all the stakeholders. The bank keeps a careful check on its capital adequacy ratios.

Minimum Capital Requirement (MCR) Under Risk Based Capital (Basel-III) as at December 31, 2015:

BDT Million/ Percentage

	Particulars	2015	2014
A.	Total Regulatory Capital:		
	1. Common Equity Tier-1 (Going-Concern Capital)	7,565	6,248
	2. Tier-2 Capital (Gone-Concern Capital)	4,848	2,464
	3.Tier-3 (Eligible for market risk only)	-	-
	4.Total Eligible Capital (1+2+3)	12,413	8,712
В.	Total Risk Weighted Assets (RWA)	103,267	80,930
C.	Capital to Risk weighted Asset Ratio (CRAR)	12.02%	10.77%
D.	Going-Concern Capita to RWA	7.33%	7.72%
E.	Gone-Concern Capital to RWA	4.69%	3.05%
F.	Minimum Capital Requirement (MCR)	10,327	8,093

Value Added Statements

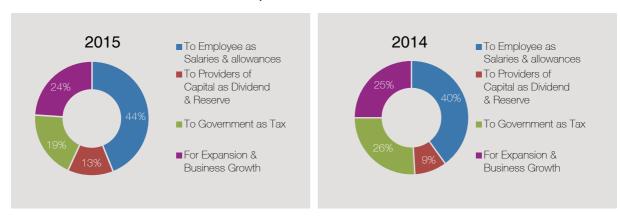
BDT Million

Particulars	2015	2014
Income from banking services	14,506	13,572
Less: Cost of services & supplies	9,294	9,168
Value added by banking services	5,213	4,404
Non-banking income	-	-
Provision for loans & off balance sheet items	(537)	(674)
Total Value Added by the Bank	4,675	3,730

BDT Million

Distribution of Value Added	2015		2014	
Distribution of Value Added	Amount	%	Amount	%
Employees				
Salaries & Allowances	2,039	44%	1,496	40%
Providers of Capital				
Dividend & Reserve	613	13%	344	9%
Government	907	19%	968	26%
Income Tax	807	17%	864	23%
Deferred Tax	100	2%	104	3%
Expansion & Business Growth	1,116	24%	922	25%
Retained Profit	753	16%	617	17%
Depreciation	363	8%	305	8%
Total Distribution	4,675	100%	3,730	100%

Graphical Presentation



Economic Value Addition

Economic Value Added (EVA) is the most successful performance metric used by the Bank. It is a systematic approach to evaluating the performance attributes of bank's product in elation to the resource expenditures required to enjoy its benefits. As a commercial banking company, we are committed to deliver maximum value to all of our shareholders/equity providers.

The EVA for the year 2015 is shown below:

BDT Million

Particulars	2015	2014
Average Shareholders' Equity	7,850	6,110
Add: Average Cumulative Provision for Ioans & advances	2,611	2,342
Average Equity of Shareholders	10,461	8,452
Average cost of Equity (Risk Free Rate + 2% Risk Premium)	13.28%	15.19%

Earnings:

BDT Million

Particulars	2015	2014
Profit after tax	1,366	962
Add: Provision for loans	537	674
Net Profit After Tax (Before Provision)	1,903	1,635
Cost of average Equity	1,389	1,284
Economic Value Added (EVA)	514	351

Total Operating Income	6,580	5,690
Net Profit After Tax	1,366	962

Kev Ratios:

EVA/Total Operating Income (%)	7.81	6.17
EVA/ Average Shareholders' Equity (%)	4.91	4.15
Net Profit After Tax/Total Operating Income (%)	20.75	16.90

Market Value Added Statement:

Market Value Added (MVA) is the difference between the current market value of the bank and the capital contributed by investors. If MVA is positive, the bank has added value. If it is negative, the bank has destroyed value. The amount of value added needs to be greater than the bank's investors could have achieved investing in the market portfolio, adjusted for the leverage of the bank relative to the market. A high MVA denotes that the bank has maximized the wealth for the shareholders. The calculation of market value added is tabled below.

BDT Million

Particulars	Number of Shares	Value per share	Total Value
Market Value	369,315,967	BDT 19.50	7,201.66
Book Value	369,315,967	BDT 10.00	3,693.16
Market value added		BDT 9.50	3,508.50

Liquidity Policy:

The liquidity policy of the bank has always been to carry a favorable mismatch in the interest earning assets and interest bearing liabilities in different buckets. Our liquidity remained at optimum levels during the year.

The assets and liabilities committee (ALCO) of the bank monitors and maintains a satisfactory trade-off between liquidity and profitability.

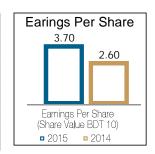
Dividend Policy:

Through the "Stable Dividend Policy" thebank has always been to pay a satisfactory dividend to its shareholders while plough back sufficient profit to fund growth as well as maximize the wealth of the shareholder.

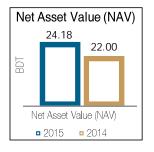
Considering the performance of the bank the board has recommended stock dividend of 20% for the year 2015 maintaining adequate capital as per capital required under Basel-III.

Financials at a Glance

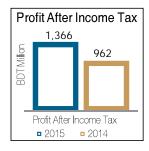
Results for the Year	2015	2014	% Changes
Income	2,811	2,603	7.98%
Profit Before Income Tax	2,274	1,929	17.84%
Income Tax	907	968	-6.24%
Profit After Income Tax	1,366	962	42.08%
Profit Available After Appropriation	753	617	21.97%



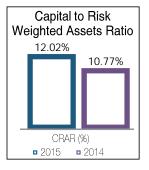
At the Year End	2015	2014	% Changes
Shareholders Fund	8,929	6,770	31.89%
Total Deposits	118,405	96,065	23.26%
Total Loans and Advances	97,589	77,141	26.51%
Total Assets	146,073	116,301	25.60%
Profit Available After Appropriation	753	617	21.97%



Information Per Ordinary Share	2015	2014	% Changes
Earnings per Share (Share Value BDT 10)	3.70	2.60	42.08%
Dividends - Cash	-	-	-
Dividend - Bonus	20%	20%	-
Net Asset Value (NAV)	24.18	22.00	9.90%
Profit Available After Appropriation	753	617	21.97%



Ratios	2015	2014	% Changes
Return on Average Equity (%)	17.40%	15.74%	1.66%
Liquidity Ratio (%)	82.42%	80.30%	2.12%
Return on Average Assets (%)	1.04%	0.88%	0.16%
Cost/Income Ratio (%)	82.42%	80.30%	2.12%
Capital to Risk weighted Assets Ratio	12.02%	10.77%	1.25%
Tier 1 Capital Ratio (%)	7.33%	7.72%	-0.39%
Total Capital Ratio (%)	4.69%	3.05%	1.64%



Financials at a Glance

BDT Million

SL	Items	2015	2014	2013	2012	2011
1	Authorised Capital	10,000	10,000	10,000	10,000	10,000
2	Paid up Capital	3,693	3,078	2,798	2,543	2,543
3	Shareholder's Equity	8,929	6,770	5,449	4,834	4,815
4	Total Capital (Going-Concern+Gone-Concern)	12,413	8,712	8,137	6,981	6,925
5	Total Assets	146,073	116,301	101,464	93,162	76,331
6	Total Deposits	118,405	96,065	84,373	75,140	59,051
7	Total Loans and Advances	97,589	77,141	59,548	56,511	47,005
8	Total Invesment	26,210	20,768	25,823	23,251	20,149
9	Export	45,940	36,154	32,479	25,455	26,596
10	Import	63,988	51,593	44,273	39,427	36,945
11	Total Contingent Liabilities	35,029	30,802	23,896	17,676	17,211
12	Operating Income	6,580	5,690	4,619	3,507	3,104
13	Operating Expenditure	3,769	3,087	2,593	2,175	1,899
14	Profit before provision and tax	2,811	2,603	2,026	1,332	1,205
15	Profit after provision and tax	1,366	962	573	327	404
16	Total Provision maintained	2,835	2,388	2,297	1,828	1,483
17	Earning assets	126,017	98,026	85,324	78,807	66,665
18	Non-interest earning assets	20,057	18,275	16,140	14,356	9,666

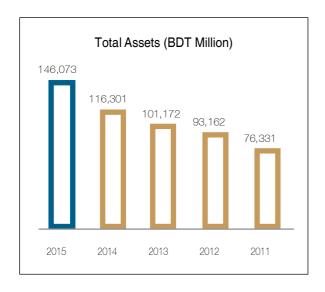
Figure in BDT/Percentage

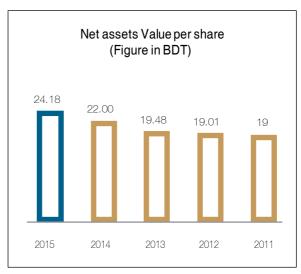
SL	Items	2015	2014	2013	2012	2011
1	Earnings per Share (Figure in Taka)	3.70	2.60	1.86	1.17	1.59
2	Net Asset Value (NAV) per share (Figure in Taka)	24.18	22.00	19.48	19.01	18.93
3	Dividend - Cash	-	-	-	-	12%
4	Dividend -Stock	20%	20%	10%	10%	-
5	Return on Average Equity	17.40%	15.74%	11.15%	6.80%	8.84%
6	Return on Average Assets (ROAA)	1.04%	0.88%	0.59%	0.39%	0.61%
7	Classified Loans as % of Total Loans and Advances	2.08%	2.67%	3.62%	3.69%	2.54%
8	Lending -Deposit Ratio	82.42%	80.30%	70.58%	75.21%	79.60%
9	Capital to Risk weighted Assets Ratio	12.02%	10.77%	11.57%	10.71%	11.96%
10	Market Value per Share	19.50	19.80	16.30	21.90	33.30
11	Price-Earning ratio (Times)	5.27	7.60	7.96	18.74	20.95

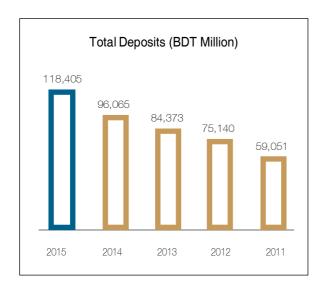
SL	Items	2015	2014	2013	2012	2011
1	No. of Branches	106	103	92	86	76
2	No. of Employees	1801	1586	1,378	1,317	1,269

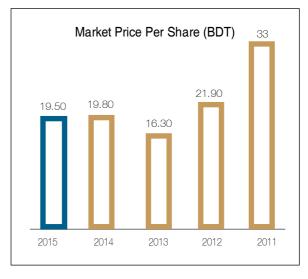
Five Years Graphical Review

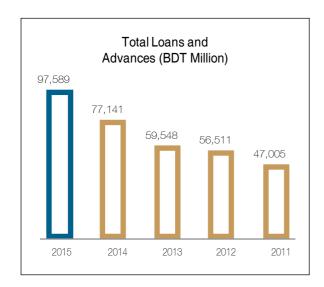
Financial Performance

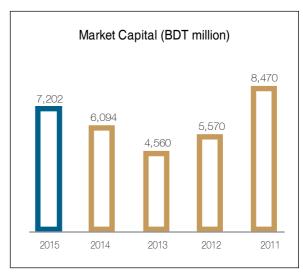


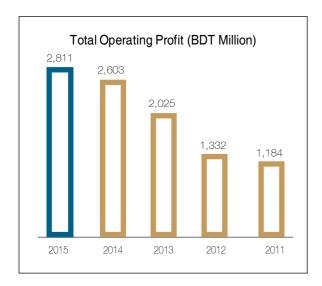


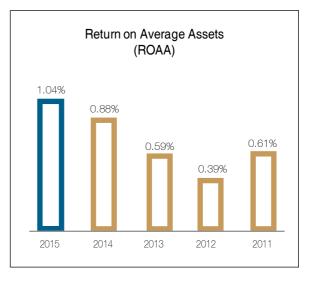








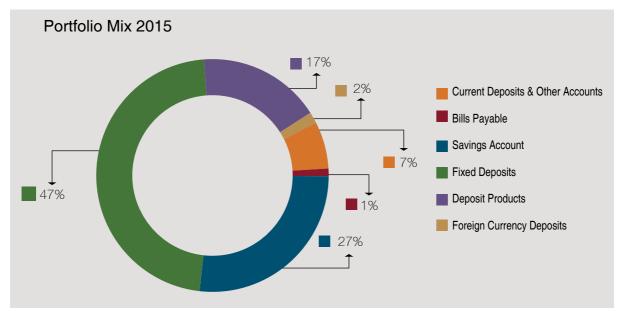


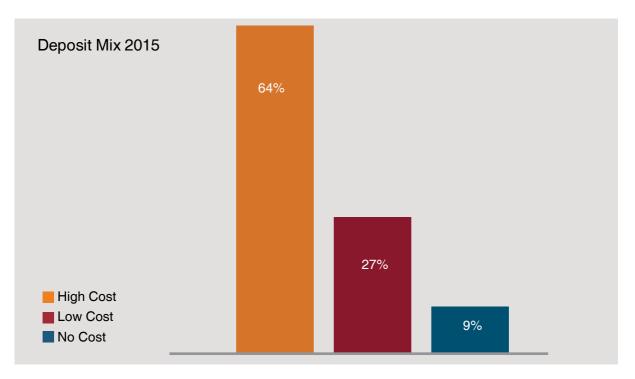


Analysis of Deposits

BDT Million

Current Deposits & Other Accounts	2015	2014	2013	2012	2011
Current Deposits & Other Accounts	7,751	7,115	9,786	8,372	8,059
Bills Payable	1,253	1,284	780	1,814	602
Savings A/C	31,586	22,381	11,098	9,224	7,840
Fixed Deposits	55,708	49,412	48,281	45,301	35,193
Deposits-Products	20,272	14,764	12,704	9,750	6,633
Foreign Currency Deposits	1,835	1,109	878	344	494
Total Deposits	118,405	96,065	83,528	74,805	58,821

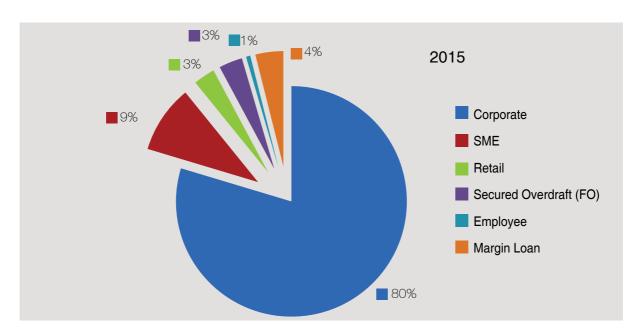


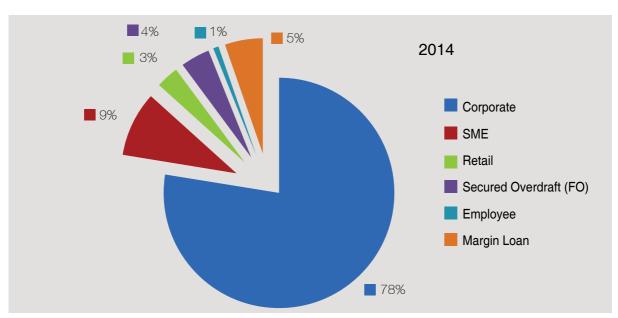


Analysis of Loans and Advances

BDT Million

	2015	2014	2013	2012	2011
Corporate	77,719	59,835	44,411	43,155	35,628
SME	9,278	7,028	4,869	2,269	2,942
Retail	2,952	2,454	2,343	3,323	1,960
Secured Overdraft (FO)	3,207	3,145	3,316	3,032	2,530
Employee	601	577	542	526	449
Margin loan	3,832	4,102	4,068	4,206	3,497
Total	97,589	77,141	59,548	56,511	47,005





HORIZONTAL ANALYSIS FOR THE LAST FIVE YEARS

Consolidated Balance Sheet

Oursolidated Dalarice Street					
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Property and Assets					
Cash	201%	189%	152%	138%	100%
In Hand (Including Foreign Currency)	222%	212%	228%	147%	100%
With Bangladesh Bank and its agent Bank (including Foreign Currency)	197%	185%	138%	137%	100%
Balance with Other Banks & Financial Institutions	445%	309%	232%	158%	100%
In Bangladesh	744%	573%	399%	115%	100%
Outside Bangladesh	180%	74%	84%	196%	100%
Money at Call and Short Notice	-	=	· -	-	-
Investments	133%	105%	131%	118%	100%
Government	132%	103%	133%	119%	100%
Others	140%	120%	106%	106%	100%
Loans and Advances	2000/	16/10/	1070/	1000/	100%
Loans, Cash Credit, Overdrafts, etc.	208% 212%	164% 167%	127% 129%	120% 121%	100%
Bills Purchased and Discounted	110%	104%	75%	114%	100%
	2250/	4000/	4500/	45.40/	4000/
Fixed Asset including Premises, Furniture & Fixture Other Assets	205% 180%	160% 185%	158% 168%	154% 130%	100% 100%
Non-Banking Asset	-	-	-	-	-
T.I.B. I. IA I	4040/	4500/	4000/	1000/	4000/
Total Property and Asset	191%	152%	133%	122%	100%
Liabilities and Capital					
Borrowing from other Banks, Financial Institutions & Agents	88%	65%	46%	103%	100%
Deposit and Other Accounts	201%	163%	143%	127%	100%
Current Deposit & Other Accounts	199%	171%	146%	120%	100%
Bills Payable Savings Deposit	208% 228%	213% 183%	129% 142%	301% 118%	100% 100%
Special Noticed Deposit	345%	201%	113%	83%	100%
Fixed Deposit	158%	140%	137%	129%	100%
Deposit-Products	306%	223%	192%	147%	100%
Other Liabilities	210%	173%	155%	113%	100%
Subordinated Debt	195%	100%	100%	100%	100%
Total Liabilities	192%	153%	134%	124%	100%
Capital/Shareholders' Equity					
Paid up Capital	145%	121%	110%	100%	100%
Statutory Reserve Revaluation Reserve on Investment in Securities	185% 1072%	154% 425%	130% 132%	111% 99%	100% 100%
Foreign Currency Translation gain	147%	102%	47%	0%	100%
General Reserve	123%	77%	77%	77%	100%
Retained Earnings Total Shareholders' Equity	242% 185%	198% 141%	95% 113%	82% 100%	100%
Minority Interest	313%	291%	227%	177%	100%
Total Liabilities and Shareholders' Equity	191%	152%	133%	122%	100%
Net Asset Value (NAV) per share	130%	116%	103%	100%	100%
Off-Balance Sheet Items Contingent Liabilities					
Letter of Guarantee	201%	188%	162%	133%	100%
Irrevocable Letter of Credit	258%	211%	166%	165%	100%
Bills for Collection Other Contingent Liabilities	140%	171%	92%	72%	100%
Other Contingent Liabilities	255% 229%	212% 201%	166% 156%	85% 115%	100% 100%
Total Off Balance Sheet Items including Contingent Liabilities	229%	201%	156%	115%	100%
ů ů					

HORIZONTAL ANALYSIS FOR THE LAST FIVE YEARS

Consolidated Profit & Loss Account

Consolidated Profit & Loss Account					
	2015	2014	2013	2012	2011
Interest Income	177%	159%	147%	129%	100%
Less: Interest Paid on Deposit and Borrowing, etc.	152%	151%	153%	134%	100%
Net Interest Income	323%	207%	116%	96%	100%
Income from Investments	203%	220%	218%	142%	100%
Commission, Exchange and Brokerage	130%	122%	99%	92%	100%
Other Operating Income	134%	135%	114%	110%	100%
	168%	174%	162%	120%	100%
Total Operating Income	212%	183%	149%	113%	100%
Less: Operating Expenditure:					
Salary and Allowances	249%	182%	149%	123%	100%
Rent, Tax, Insurance and Electricity	143%	137%	124%	110%	100%
Legal Expense	205%	184%	111%	130%	100%
Postage, Stamps and Telephone	24%	22%	106%	110%	100%
Printing, Stationery and Advertisement	108%	114%	94%	96%	100%
Managing Director's Remuneration	160%	148%	116%	106%	100%
Directors' Fee	392%	274%	123%	109%	100%
Audit Fee	126%	128%	123%	104%	100%
Depreciation on and Repair to Bank's Property	216%	181%	160%	129%	100%
Other Expenditure	190%	173%	128%	99%	100%
Total Operating Expenses	199%	163%	137%	115%	100%
Operating Profit	233%	216%	168%	111%	100%
Less: Provision against Loans & Advances including Off Balance Sheet Items	220%	214%	228%	228%	100%
Less: Provision against Investment in Quoted Shares	306%	826%	578%	196%	100%
Less: Provision against Other Asset	305%	100%	-	=	-
Total Provision	234%	294%	273%	224%	100%
Profit Before Tax	233%	198%	143%	84%	100%
Less: Provision for Tax	159%	169%	145%	86%	100%
Current Tax	137%	147%	144%	84%	100%
Deferred Tax	-554%	-574%	137%	13%	100%
Net Profit After Tax	338%	238%	142%	81%	100%
	330%	230%	14270	0170	100%
Attributable to:	0000/	0000/	1.400/	010/	1000/
Shareholders of the Bank	338%	238%	142%	81%	100%
Minority Interest	47% 338%	133% 238%	105% 142%	163% 81%	100%
Datained Combine Describe Formand					
Retained Surplus Brought Forward	117% 213%	56% 135%	48% 89%	59% 69%	100%
Appropriation:	213%	133%	09%	09%	100%
Bonus Share Issued during the year	145%	66%	60%	_	100%
Cash Dividend Paid during the year	-	- 0070	- 0070	100%	- 10070
Transferred to Statutory Reserve	228%	184%	143%	84%	100%
	100%	-	-	-	-
Iransferred to General Reserve	10070		000/	76%	100%
Iransferred to General Reserve	199%	103%	Xh%		
Transferred to General Reserve Retained Surplus, Carried Forward	199%	103% 198%	86% 94%		
Retained Surplus, Carried Forward Earnings Per Share	199% 242% 233%	103% 198% 196%	94%	55% 81%	100%

VERTICAL ANALYSIS FOR THE LAST FIVE YEARS

Consolidated Balance Sheet

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Property and Assets	0.400/	7.00 0/	- 0-0/	7.040 /	0.400/
Cash In Hand (Including Foreign Currency)	6.49% 17.55%	7.68% 17.83%	7.07% 23.93%	7.01% 16.90%	6.18% 15.93%
With Bangladesh Bank and its agent Bank (including Foreign Currency)	82.45%	82.17%	76.07%	83.10%	84.07%
Balance with Other Banks & Financial Institutions	2.15%	1.87%	1.61%	1.19%	0.92%
In Bangladesh	78.63%	87.35%	80.83%	34.20%	47.05%
Outside Bangladesh	21.37%	12.65%	19.17%	65.80%	52.95%
Money at Call and Short Notice	1.23%	-	0.45%	-	-
Investments	17.94%	17.86%	25.45%	24.96%	25.88%
Government	89.82%	88.98%	92.19%	91.34%	90.35%
Others	10.18%	11.02%	7.81%	8.66%	9.65%
Loans and Advances	66.81%	66.33%	58.69%	60.66%	61.58%
Loans, Cash Credit, Overdrafts, etc.	97.61%	97.15%	97.32%	95.72%	95.49%
Bills Purchased and Discounted	2.39%	2.85%	2.68%	4.28%	4.51%
Fixed Asset including Premises, Furniture & Fixture Other Assets	2.18% 3.21%	2.14% 4.12%	2.42% 4.31%	2.56% 3.62%	2.03% 3.40%
Non-Banking Asset	3.21/0	4.12/0	4.31/0	3.02 /6	3.40 /o -
•	100.000/				100.000/
Total Property and Asset	100.00%	100.00%	100.00%	100.00%	100.00%
Liabilities and Capital					
Borrowing from other Banks, Financial Institutions & Agents	3.49%	3.22%	2.60%	6.40%	7.57%
Deposit and Other Accounts	81.06%	82.60%	83.16%	80.66%	77.36%
Current Deposit & Other Accounts	8.10%	8.56%	8.31%	7.66%	8.15%
Bills Payable Savings Deposit	1.06% 15.12%	1.34% 14.97%	0.92% 13.15%	2.41% 12.28%	1.02% 13.28%
Special Noticed Deposit	11.55%	8.32%	5.33%	4.39%	6.72%
Fixed Deposit	47.05%	51.44%	57.22%	60.29%	59.60%
Deposit-Products	17.12%	15.37%	15.06%	12.98%	11.23%
Other Liabilities	6.00%	6.21%	6.41%	5.07%	5.48%
Subordinated Debt	3.34%	2.15%	2.46%	2.68%	3.28%
Total Liabilities	94%	94%	95%	95%	94%
Capital/Shareholders' Equity					
Paid up Capital	41.36%	45.46%	51.35%	52.62%	52.83%
Statutory Reserve	30.47%	33.62%	35.18%	33.87%	30.60%
Revaluation Reserve on Investment in Securities Foreign Currency Translation gain	14.69%	7.68% 0.03%	2.97% 0.02%	2.50% 0.00%	2.54% 0.05%
General Reserve	5.00%	4.09%	5.08%	5.73%	7.51%
Retained Earnings	8.43%	9.12%	5.40%	5.28%	6.47%
Total Shareholders' Equity	6.11%	5.82%	5.37%	5.19%	6.31%
Minority Interest	0.00%	0.00%	0.00%	0.00%	0.00%
Total Liabilities and Shareholders' Equity	100.00%	100.00%	100.00%	100.00%	100.00%
Off-Balance Sheet Items					
Contingent Liabilities	04.075	00 ====	05 2121	00 1001	04.000/
Letter of Guarantee	21.37%	22.79%	25.31%	28.10%	24.33%
Irrevocable Letter of Credit Bills for Collection	28.65% 7.48%	26.65% 10.36%	26.95% 7.17%	36.26% 7.62%	25.34% 12.19%
Other Contingent Liabilities	42.50%	40.20%	40.57%	28.02%	38.14%
Total Off Balance Sheet Items including Contingent Liabilities		100.00%			

VERTICAL ANALYSIS FOR THE LAST FIVE YEARS

Consolidated Profit & Loss Account

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
lakan akha ana					
Interest Income	74.38%	71.59%	71.44%	74.72%	73.34%
Less: Interest Paid on Deposit and Borrowing, etc.	55.15%	59.49%	63.47%	65.73%	61.09% 12.26%
Net Interest Income	19.23%	12.11%	7.98%	8.98%	12.20%
Income from Investments	15.81%	18.36%	19.61%	15.26%	13.60%
Commission, Exchange and Brokerage	6.93%	6.93%	6.12%	6.76%	9.31%
Other Operating Income	2.88%	3.11%	2.82%	3.27%	3.74%
	25.62%	28.41%	28.56%	25.28%	26.66%
Total Operating Income	44.85%	40.51%	36.53%	34.27%	38.91%
Less: Operating Expenditure:					
Salary and Allowances	53.65%	47.96%	46.69%	45.92%	42.73%
Rent, Tax, Insurance and Electricity	14.64%	17.09%	18.40%	19.50%	20.26%
Legal Expense	0.09%	0.10%	0.07%	0.10%	0.09%
Postage, Stamps and Telephone	0.40%	0.44%	2.55%	3.17%	3.30%
Printing, Stationery and Advertisement	2.67%	3.42%	3.36%	4.10%	4.89%
Managing Director's Remuneration	0.43%	0.49%	0.45%	0.49%	0.53%
Directors' Fee	0.07%	0.06%	0.03%	0.03%	0.03%
Audit Fee	0.04%	0.05%	0.05%	0.05%	0.06%
Depreciation on and Repair to Bank's Property	9.64%	9.88%	10.40%	9.94%	8.86%
Other Expenditure	18.38%	20.51%	17.98%	16.69%	19.24%
Total Operating Expenses	26.23%	23.30%	20.68%	20.43%	22.26%
Operating Profit	18.62%	17.21%	15.85%	13.84%	16.65%
Less: Provision against Loans & Advances including Off Balance Sheet Items	81.80%	63.45%	72.76%	88.73%	87.15%
Less: Provision against Investment in Quoted Shares	16.80%	36.18%	27.24%	11.27%	12.85%
Less: Provision against Other Asset	1.40%	0.37%	-	-	-
Total Provision	3.74%	5.09%	5.00%	4.82%	2.69%
Profit Before Tax	14.88%	12.13%	10.85%	9.02%	13.96%
Less: Provision for Tax	6.31%	7.30%	6.59%	4.61%	6.70%
Current Tax	88.95%	89.25%	103.00%	100.49%	103.17%
Deferred Tax	11.05%	10.75%	-3.00%	-0.49%	-3.17%
Net Profit After Tax	8.56%	4.82%	4.26%	4.41%	7.26%
Attributable to:					
Shareholders of the Bank	100%	100%	100%	100%	100%
Minority Interest	0.001%	0.003%	0.004%	0.010%	0.005%
Retained Surplus Brought Forward	8.56%	4.82%	4.26%	4.41%	7.26%
Appropriation:					
Bonus Share Issued during the year	50.02%	43.81%	47.61%	-	68.48%
Cash Dividend Paid during the year	-	-	-	65.08%	-
Transferred to Statutory Reserve	36.17%	56.19%	52.39%	34.92%	31.52%
Transferred to General Reserve	13.81%	-	-	-	-
	8.56%	4.82%	4.26%	4.41%	7.26%
Earnings Per Share	36.99%	31.20%	20.50%	12.90%	15.89%

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Report on CEO's and CFO's Responsibilities

The following is provided to the Board of Directors of Mutual Trust Bank Limited, in our capacity as the persons responsible for performing the functions of Managing Director & CEO and Chief Financial Officer of the Bank.

In accordance with the NotificationNo.SEC/CMRRCD/2006-158/134/Admin/44 of August 7, 2012 of the Bangladesh Securities & Exchange Commission, we declare that for the financial year ended 31 December 2015:

- (i) We have reviewed the financial statements for the year, and that to the best of our knowledge and belief:
- a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b) These statements, together, present a true and fair view of the company's affairs and are in compliance with the existing accounting standards and applicable laws.
- (ii) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violation of the company's Code of Conduct.

Anis A. Khan

Mu.

Managing Director & CEO

Sayed Abul Hashem, FCA, FCMA EVP & Chief Financial Officer

Independent Auditors' Report

এম,জে, আবেদীন এন্ড কোং চার্টার্ড একাউন্টেন্টস্ M.J. ABEDIN & CO

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MUTUAL TRUST BANK LIMITED

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Mutual Trust Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Mutual Trust Bank Limited (the "Bank") which comprise the consolidated balance sheet and the separate balance sheet as at 31 December 2015 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and Internal Controls

Management is responsible for the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in note 2.01 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991(as amended in 2013) and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements of the Group and the separate financial statements of the Bank based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements of the Group and separate financial statements of the Bank are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Bank. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements of the Group and separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit

Opinion

In our opinion, the consolidated financial statements of the Group and also separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2015, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in note 2.01.

An independent member firm of

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Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987, the Bank Company Act, 1991(as amended in 2013) and the rules and regulations issued by Bangladesh Bank, we also report the following:

- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof.
- (b) to the extent noted during the course of our audit work performed on the basis stated under the Auditors' Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:
 - internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in note 2.29 of the financial statements appeared to be materially adequate and
 - nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities;
- (c) the financial statements of subsidiaries of the Bank MTB Capital Limited and MTB Securities Limited have been audited by, Ahmed and Akhtar, Chartered Accountants who have expressed an unqualified opinion on those financial statements and financial statements of MTB Exchange (UK) Ltd. have been compiled by, Jahan & Co. Chartered Management Accountants and have been properly reflected in the consolidated financial statements;
- (d) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (e) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank dealt with by the report are in agreement with the books of account;
- (f) the expenditure incurred was for the purposes of the Bank's business;
- (g) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as with related guidance issued by Bangladesh Bank;
- (h) adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;
- (i) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (j) the information and explanation required by us have been received and found satisfactory;
- (k) we have reviewed over 80% of the risk weighted assets of the Bank and we have spent around 3,296 person hours for the audit of the books and accounts of the Bank and
- Capital to Risk Weighted Assets Ratio (CRAR) as required by the Bangladesh Bank has been maintained adequately during the year.

M. J. ABEDIN & CO Chartered Accountants

Dated, Dhaka 15 March 2016

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Consolidated Balance Sheet As at December 31, 2015

Note 2015	0014
	2014
Property and Assets	
Cash 3(a) 9,485,078,898 8	3,933,605,158
In Hand (Including Foreign Currency) 1,664,181,296 1	,592,524,446
Balance with Bangladesh Bank and its agent Bank (s) (including Foreign Currency) 7,820,897,602 7	',341,080,712
Balance with Other Banks & Financial Institutions 4(a) 3,134,309,829 2	2,173,783,801
In Bangladesh 2,464,407,003 1	,898,902,497
Outside Bangladesh 669,902,826	274,881,304
Money at Call and Short Notice 5.00 1,790,000,000	-
Investments 6(a) 26,210,389,906 20	,767,846,269
Government 23,542,771,441 18	3,482,257,105
Others 2,667,618,465 2	2,285,589,164
Loans and Advances 7(a) 97,588,775,690 77	',140,918,049
Loans, Cash Credit, Overdrafts, etc. 95,251,684,203 74	,940,867,534
Bills Purchased and Discounted 2,337,091,487 2	2,200,050,515
Fixed Asset including Premises, Furniture & Fixture 8(a) 3,181,829,846 2	2,488,892,429
Other Assets 9(a) 4,682,931,966 4	,795,916,269
Non-Banking Assets -	-
Total Property and Assets 146,073,316,135 116	3,300,961,975
Liabilities and Capital	
Borrowing from other Banks, Financial Institutions & Agents 10(a) 5,096,591,403 3	3,744,412,388
Deposits and Other Accounts 11(a) 118,404,718,858 96	6,064,737,074
	3,224,267,403
Bills Payable 1,253,293,664 1	,284,280,568
Savings Deposits 17,908,495,890 14	,383,897,873
Special Notice Deposits 13,677,064,566 7	7,996,686,936
Fixed Deposits 55,707,789,090 49	9,411,783,655
Deposit-Products 20,272,165,502 14	,763,820,639
Other Liabilities 12(a) 8,767,689,699 7	,221,285,354
Subordinated Debt 13.00 4,875,000,000 2	2,500,000,000
Total Liabilities 137,143,999,961 109	,530,434,816
Capital/Shareholders' Equity	
Paid up Capital 14.00 3,693,159,670 3	3,077,633,060
Statutory Reserve 15(a) 2,721,143,746 2	2,276,079,020
Revaluation Reserve on Investment in Securities 1,311,845,893	520,276,266
Foreign Currency Translation gain 3,366,587	2,344,209
General Reserve 16.00 446,777,324	276,777,324
Retained Earnings 17(a) 752,894,582	617,298,134
Total Shareholders' Equity 8,929,187,802 6	3,770,408,013
Minority Interest128,373	119,146
Total Liabilities and Shareholders' Equity 146,073,316,135 116	3,300,961,975
Net Asset Value (NAV) per share 24.18	22.00

Consolidated Balance Sheet As at December 31, 2015

7.6 at Beschiber 61, 2016		Amount	in BDT
	Note	2015	2014
Off-Balance Sheet Items			
Contingent Liabilities	18(a)		
Letter of Guarantee		7,486,950,065	7,021,192,518
Irrevocable Letter of Credit		10,035,077,947	8,207,237,141
Bills for Collection		2,618,832,476	3,191,555,490
Other Contingent Liabilities		14,888,384,964	12,381,817,631
Total Off Balance Sheet Items		35,029,245,452	30,801,802,780
Other Commitments			
Documentary credits and short term trade related transactions		-	-
Forward asset purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Claim against the bank not acknowledged as debt		-	-
Litigation pending against Bank		-	-
Other Memorandum Items			
Value of Travelers' Cheque on Hand		-	-
Value of Bangladesh Sanchoy Patra on Hand		-	-
Total Off-Balance Sheet Items including Contingent Liabilities		35,029,245,452	30,801,802,780

The annexed accounting policies and other notes form an integral part of these financial statements.

Md. Hedayetullah Vice Chairman

Syed Manzur Elahi

Managing Director & CEO

Signed as per our annexed report of same date.

15 March, 2016 Dhaka

M.J. ABEDIN & CO. Chartered Accountants

Consolidated Profit and Loss Account For the year ended December 31, 2015

		Amount i	n BDT
<u>Particulars</u>	Note	2015	2014
Interest Income	20(a)	10,790,129,679	9,716,735,358
Less: Interest Paid on Deposits and Borrowings etc.	21(a)	7,926,014,779	7,881,712,195
Net Interest Income		2,864,114,900	1,835,023,163
Income from Investments	22(a)	2,293,907,041	2,492,377,440
Commission, Exchange and Brokerage	23(a)	1,005,088,077	941,049,720
Other Operating Income	24(a)	417,144,416	421,761,120
		3,716,139,534	3,855,188,280
Total Operating Income		6,580,254,434	5,690,211,443
Less: Operating Expenses			
Salary and Allowances	25(a)	2,022,279,260	1,480,618,517
Rent, Tax, Insurance and Electricity	26(a)	551,878,393	527,554,464
Legal Expenses	27(a)	3,526,515	3,160,064
Postage, Stamps and Telephone	28(a)	14,972,388	13,580,176
Printing, Stationery and Advertisement	29(a)	100,566,611	105,650,937
Managing Director's Remuneration	25.01	16,240,933	14,999,333
Directors' Fee	30.00	2,468,150	1,724,500
Audit Fee	31(a)	1,426,336	1,449,419
Depreciation on and Repair to Bank's Property	32(a)	363,334,024	305,146,481
Other Expenses	33(a)	692,786,878	633,169,128
Total Operating Expenses		3,769,479,487	3,087,053,020
Profit Before Provision		2,810,774,947	2,603,158,423
Less: Provision against Loans & Advances including Off Balance Sheet Items	34.00	439,368,230	427,530,521
Less: Provision against Investments		90,236,109	243,760,404
Less: Provision against Other Assets		7,530,520	2,469,480
Total Provision		537,134,859	673,760,405
Profit Before Tax		2,273,640,088	1,929,398,019
Less: Income Tax expenses	35(a)	907,443,078	967,838,025
Current Tax		807,188,494	863,833,583
Deferred Tax (Income)/Expense		100,254,584	104,004,442
Net Profit After Tax		1,366,197,010	961,559,993
Attributable to:			
Shareholders of the Bank		1,366,187,784	961,534,013
Minority Interest		9,226	25,980
		1,366,197,010	961,559,993
Retained Surplus Brought Forward		617,298,134	294,423,377
		1,983,485,918	1,255,957,391
Appropriation:			
Bonus Share Issued during the year		615,526,610	279,784,820
Transferred to Statutory Reserve		445,064,726	358,874,438
Transferred to General Reserve		170,000,000	-
		1,230,591,336	638,659,258
Retained Surplus, Carried Forward		752,894,582	617,298,134
Earnings Per Share (2014-Restated)	36(a)	3.70	2.60

The annexed accounting policies and other notes form an integral part of these financial statements.

M.A. Rouf, JP Chairman

Md. Hedayetullah Vice Chairman

Syed Manzur Elahi Director

Anis A. Khan Managing Director & CEO

Signed as per our annexed report of same date.

M.J. ABEDIN & CO. **Chartered Accountants**

Consolidated Statement of Cash Flow For the year ended December 31, 2015

		Amount i	in BDT
<u>Particulars</u>	_Note_	2015	2014
A) Cash Flow From Operating Activities:			
Interest Received		13,026,871,797	12,152,869,004
Interest Paid on Deposits, Borrowings etc.		(8,032,847,155)	(7,991,123,938)
Dividend Income		57,164,924	56,243,794
Fees & Commission Income		1,005,088,077	949,044,250
Recoveries of Loans previously written of		1,100,990	7.336.952
Cash Paid to Employees as Salaries and Allowances		(2,038,520,193)	(1,495,617,850)
Advance Income Tax Paid		(466,822,027)	(741,772,809)
Cash Received From Other Operational Income	37 (a)	734,442,054	613,964,429
Cash Paid for Other Operational Expenses	38 (a)	(1,421,012,243)	(1,326,025,777)
Cash Flow From Operating Activities Before Changes in Net Current Asset		2,865,466,224	2,224,918,055
Changes in Net Current Asset:			
Investment in Treasury Bond		(4,182,489,393)	1,525,786,363
Loans & Advances		(20,447,857,641)	(17,592,555,459)
Other Assets		579,806,330	24,168,813
Customers' Deposits		20,187,741,328	12,142,833,896
Subordinated Debt		2,375,000,000	- 04.050.700
Borrowing from Other Banks, Financial Institutions & Agents		1,352,179,015	64,859,703
Other Liabilities		1,546,404,345	203,102,505
Net Cash Flow From Operating Activities		<u>1,410,783,986</u> <u>4,276,250,209</u>	(3,631,804,177) (1,406,886,122)
• •		4,270,200,200	(1,400,000,122)
B) Cash Flow From Investing Activities:		(070 005 004)	(070.040.051)
Investments in Shares & Bonds		(378,865,901)	(270,640,851)
Purchase of Premises & Fixed Asset (net) Net Cash Flow From Investing Activities		(974,056,004)	(282,117,439)
-		(1,352,921,905)	(552,758,291)
C) Cash Flow From Financing Activities: Net Cash Flow From Financing Activities			
-			(1.050.044.440)
D) Net Increase in Cash and Cash Equivalents		2,923,328,304	(1,959,644,412)
E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents		3,366,587	2,344,209
F) Opening Cash and Cash Equivalents		12,363,882,180	14,321,182,383
Closing Cash and Cash Equivalents (D+E+F)		15,290,577,071	12,363,882,180
The above closing Cash and Cash Equivalents include:			
Cash in Hand		1,664,181,296	1,592,524,446
Balance with Bangladesh Bank and its Agent Bank		7,820,897,602	7,341,080,712
Balance with Other Banks & Financial Institutions		3,134,309,829	2,173,783,801
Money at Call and Short Notice		1,790,000,000	-
Treasury Bill		878,601,744	1,253,329,821
Prize Bond		2,586,600	3,163,400
		15,290,577,071	12,363,882,180
Net Operating Cash Flow Per Share		11.58	(4.57)

The annexed accounting policies and other notes form an integral part of these financial statements.

Chairman

Md. Hedayetullah Vice Chairman

Syed Manzur Elahi Director

Managing Director & CEO

Consolidated Statement of Changes in Equity For the year ended December 31, 2015

Amount in BDT

Particulars	Paid-up Capital	Paid-up Capital Statutory Reserve General Reserve	General Reserve	Revaluation Surplus on Investments	Foreign Currency Translation Gain	Profit & Loss Account	Total	Minority Interest	Total
Balance as at January 01, 2015	3,077,633,060	2,276,079,020	276,777,324	520,276,266	2,344,209	617,298,134	6,770,408,013	119,147	6,770,527,160
Bonus Share Issued during the year	615,526,610	1	1		1	(615,526,610)		1	
Currency Translation differences	1	ı	ı	1	1,022,378	ı	1,022,378	ı	1,022,378
Transferred to General Reserve	1	1	170,000,000	1	1	(170,000,000)	1	ı	1
Revaluation Reserve transferred during the year	,	1	1	791,569,627	1	1	791,569,627	1	791,569,627
Net Profit for the year After Tax	ı	I	ı	ı	ı	1,366,187,785	1,366,187,785	9,226	1,366,197,011
Appropriation made during the year	1	445,064,726		1	1	(445,064,726)	ı	1	ı
Balance as at December 31, 2015	3,693,159,670	2,721,143,746	446,777,324	1,311,845,893	3,366,587	752,894,582	8,929,187,802	128,373	8,929,316,175
Balance as at December 31, 2014	3,077,633,060	2,276,079,020	276,777,324	520,276,266	2,344,209	617,298,134	6,770,408,013	119,147	6,770,527,160

The annexed accounting policies and other notes form an integral part of these financial statements

M.A. Rouf, JP Chaiman 4:18

Md. Hedayetullah Vice Chairman

Syed Manzur Elahi Director

Mllu., Anis A. Khan Managing Director & CEO

Consolidated Liquidity Statement As at December 31, 2015

						Amount in BDT
Particulars	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Above 5 years	Total
Assets:						
Cash	2,080,378,898	1	1	1	7,404,700,000	9,485,078,898
Balance with other Banks and Financial Institutions	262'016'195	900,004,988	609,058,811	675,169,238	1	3,134,309,829
Money at Call & Short notice	1,790,000,000	1	1	1	1	1,790,000,000
Investments	2,486,020,831	1,108,866,695	3,090,134,773	5,765,040,537	13,760,327,071	26,210,389,906
Loans and Advances	12,847,239,137	20,690,483,229	30,169,263,690	22,479,344,602	11,402,445,032	97,588,775,690
Premises and Fixed Assets	,	1	1	1	3,181,829,846	3,181,829,846
Other Assets	288,831,963	190,954,942	717,543,944	3,474,990,108	10,611,008	4,682,931,966
Non-Banking Assets		ı	1	1	1	1
Total Assets	20,442,547,621	22,890,309,854	34,586,001,217	32,394,544,485	35,759,912,957	146,073,316,135
Liabilities:						
Borrowing From Other Banks, Financial Institutions & Agents	987,309,106	ı	2,156,005,764	1	1,953,276,533	5,096,591,403
Deposit and Other Accounts	17,118,890,248	25,733,345,861	50,881,927,890	20,173,633,233	4,496,921,627	118,404,718,858
Provision & Other Liabilities	22,751,756	431,613,739	1,569,991,536	3,876,986,204	2,746,634,135	8,647,977,370
Subordinated Debt		1	119,712,329	4,875,000,000	1	4,994,712,329
Total Liabilities	18,128,951,110	26,164,959,600	54,727,637,518	28,925,619,437	9,196,832,296	137,143,999,961

The annexed accounting policies and other notes form an integral part of these financial statements.

8,929,316,174

26,563,080,661

3,468,925,049

(20,141,636,301)

(3,274,649,746)

2,313,596,511

Net Liquidity

M.A. Rouf, JP Chaiman 4:18

Md. Hédayetullah Vice Chairman

Syed Manzur Elahi Director

Mllu. Anis A. Khan Managing Director & OEO

Balance Sheet As at December 31, 2015

		Amount	in BDT
Property and Asset	Note	2015	2014
Cash	3.00	9,472,117,478	8,926,888,089
In Hand (Including Foreign Currency)		1,651,219,876	1,585,807,377
Balance with Bangladesh Bank and its agent Bank (s) (including Foreign Currency)		7,820,897,602	7,341,080,712
Balance with other Banks & Financial Institutions	4.00	3,125,283,625	1,970,213,215
In Bangladesh		2,455,380,799	1,695,331,911
Outside Bangladesh		669,902,826	274,881,304
Money at Call and Short Notice	5.00	1,790,000,000	-
Investments	6.00	25,793,423,221	20,406,057,886
Government		23,542,771,441	18,482,257,105
Others		2,250,651,780	1,923,800,781
Loans and Advances	7.00	96,259,012,880	75,707,231,791
Loans, Cash Credit, Overdrafts, etc.		93,921,921,393	73,507,181,276
Bills Purchased and Discounted		2,337,091,487	2,200,050,515
Fixed Asset including Premises, Furniture & Fixture	8.00	3,070,523,270	2,369,772,934
Other Assets	9.00	6,066,425,678	6,325,650,624
Non-Banking Assets		-	-
Total Property and Assets		145,576,786,153	115,705,814,539
Liabilities and Capital			
Borrowing from other Banks, Financial Institutions & Agents	10.00	5,096,591,403	3,744,412,388
Deposits and Other Accounts	11.00	118,686,720,280	96,229,047,046
Current Deposits & Other Accounts		9,588,236,491	8,227,017,193
Bills Payable		1,253,293,664	1,284,280,568
Savings Deposits		17,908,495,890	14,383,897,873
Special Notice Deposits		13,956,739,643	8,158,247,118
Fixed Deposits		55,707,789,090	49,411,783,655
Deposit-Products		20,272,165,502	14,763,820,639
Other Liabilities	12.00	7,958,594,319	6,428,217,471
Subordinated Debt	13.00	4,875,000,000	2,500,000,000
Total Liabilities		136,616,906,002	108,901,676,904
Capital/Shareholders' Equity			
Paid up Capital	14.00	3,693,159,670	3,077,633,060
Statutory Reserve	15.00	2,721,143,746	2,276,079,020
Revaluation Reserve on Investment in Securities		1,311,845,893	520,276,266
Foreign Currency Translation gain/(Loss)		-	-
General Reserve	16.00	446,777,324	276,777,324
Retained Earnings	17.00	786,953,518	653,371,964
Total Shareholders' Equity		8,959,880,150	6,804,137,635
Total Liabilities and Shareholders' Equity		145,576,786,153	115,705,814,539
Net Asset Value (NAV) per share		24.26	22.11

Balance Sheet

As at December 31, 2015

		Amount	in BDT
Off-Balance Sheet Items	Note	2015	2014
Contingent Liabilities	18.00		
Letter of Guarantee		7,486,950,065	7,021,192,518
Irrevocable Letter of Credit		10,035,077,947	8,207,237,141
Bills for Collection		2,618,832,476	3,191,555,490
Other Contingent Liabilities		14,888,384,964	12,381,817,631
Total Off-Balance Sheet Items		35,029,245,452	30,801,802,780
Other Commitments			
Documentary credits and short term trade related transactions		-	-
Forward asset purchased and forward deposit placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Claim against the bank not acknowledged as debt		-	-
Litigation pending against Bank		-	-
			=
Other Memorandum Items			
Value of Travelers' Cheque on Hand		-	-
Value of Bangladesh Sanchoy Patra on Hand		-	-
		-	-
Total Off Balance Sheet Items including Contingent Liabilities		35,029,245,452	30,801,802,780

The annexed accounting policies and other notes form an integral part of these financial statements.

M.A. Rouf, JP

Md. Hedayetullah Vice Chairman Syed Manzur Elahi Director Anis A. Khan Managing Director & CEO

Signed as per our annexed report of same date.

15 March, 2016 Dhaka M.J. ABEDIN & CO. Chartered Accountants

Profit and Loss Account For the year ended December 31, 2015

		Amount in	n BDT
<u>Particulars</u>	Note	2015	2014
Interest Income	20.00	10,650,277,593	9,426,970,071
Less: Interest Paid on Deposits and Borrowings etc.	21.00	7,939,601,965	7,910,059,642
Net Interest Income		2,710,675,628	1,516,910,429
Income from Investments	22.00	2,293,907,041	2,608,301,690
Commission, Exchange and Brokerage	23.00	864,831,556	696,566,872
Other Operating Income	24.00	373,599,228	348,986,786
		3,532,337,825	3,653,855,348
Total Operating Income		6,243,013,453	5,170,765,777
Less: Operating Expenses			
Salary and Allowances	25.00	1,930,977,093	1,393,841,751
Rent, Tax, Insurance and Electricity	26.00	507,318,366	482,545,035
Legal Expenses	27.00	3,411,955	3,160,064
Postage, Stamps and Telephone	28.00	14,036,831	12,346,551
Printing, Stationery and Advertisement	29.00	99,038,366	104,016,382
Managing Director's Remuneration	25.01	16,240,933	14,999,333
Directors' Fee	30.00	1,450,400	1,409,750
Audit Fee	31.00	948,500	943,000
Depreciation on and Repair to Bank's Property	32.00	350,745,750	291,679,656
Other Expenses	33.00	646,622,880	540,224,567
Total Operating Expenses		3,570,791,074	2,845,166,088
Profit Before Provision		2,672,222,379	2,325,599,689
Less: Provision against Loans & Advances including Off Balance Sheet Items	34.00	439,368,230	427,530,521
Less: Provision against Investments		-	101,227,502
Less: Provision against Other Assets		7,530,520	2,469,480
Total Provision		446,898,750	531,227,503
Profit Before Tax		2,225,323,629	1,794,372,186
Less: Income Tax Expenses	35.00	861,150,740	831,078,668
Current Tax		760,896,156	727,074,226
Deferred Tax (Income)/Expense		100,254,584	104,004,442
Net Profit After Tax		1,364,172,889	963,293,519
Retained Surplus Brought Forward		653,371,964	328,737,702
		2,017,544,853	1,292,031,221
Appropriation:			
Bonus Share Issued during the year		615,526,610	279,784,820
Transferred to Statutory Reserve		445,064,726	358,874,438
Transferred to General Reserve		170,000,000	-
		1,230,591,336	638,659,258
Retained Surplus, Carried Forward		786,953,518	653,371,964
Earnings Per Share (2014-Restated)	36.00	3.69	2.61

The annexed accounting policies and other notes form an integral part of these financial statements.

M.A. Rouf, JP Chairman

Md. Hedayetullah Vice Chairman

Syed Manzur Elahi Director

Anis A. Khan Managing Director & CEO

Signed as per our annexed report of same date.

M.J. ABEDIN & CO. Chartered Accountants

Statement of Cash Flow For the year ended December 31, 2015

•		Amount	in BDT
A) Cash Flow From Operating Activities:	Note	2015	2014
Interest Received		12,887,019,711	11,979,027,967
Interest Paid on Deposits, Borrowings etc.		(8,046,434,341)	(8,019,471,385)
Dividend Income		57,164,924	56,243,794
Fees & Commission Income		533,196,488	493,916,030
Recoveries of Loans previously written off		1,100,990	7,336,952
Cash Paid to Employees as Salaries and Allowances		(1,921,496,313)	(1,376,905,411)
Advance Income Tax Paid		(474,064,845)	(743,208,639)
Cash Received From Other Operational Income	37.00	690,896,866	541,190,095
Cash Paid for Other Operational Expenses	38.00	(1,325,215,217)	(1,183,792,490)
Cash Flow From Operating Activities Before Changes in Net Current Asset		2,402,168,263	1,754,336,913
Changes in Net Current Asset:		(4.044.544.000)	1 100 050 404
Investment in Treasury Bond		(4,044,544,086)	1,166,859,424
Loans & Advances Other Assets		(20,551,781,090)	(17,118,095,808)
Customers' Deposits		733,289,791 22,037,720,770	(155,279,203) 12,733,855,727
Suorbinated Debt		2,375,000,000	12,700,000,727
Borrowing from Other Banks, Financial Institutions & Agents		1,352,179,015	64,859,703
Other Liabilities		154,756,614	54,975,581
		2,056,621,016	(3,252,824,576)
Net Cash Flow From Operating Activities		4,458,789,279	(1,498,487,663)
B) Cash Flow From Investing Activities:			
Investments in Shares & Bonds		(326,850,999)	(106,436,924)
Purchase of Premises & Fixed Asset (net)		(1,016,943,357)	(284,517,293)
Net Cash Flow From Investing Activities		(1,343,794,356)	(390,954,217)
C) Cash Flow From Financing Activities:			
Net Cash Flow From Financing Activities		-	-
D) Net Increase in Cash and Cash Equivalents		3,114,994,923	(1,889,441,880)
E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents		-	-
F) Opening Cash and Cash Equivalents		12,153,594,524	14,043,036,405
Closing Cash and Cash Equivalents (D+E+F)		15,268,589,447	12,153,594,524
The above closing Cash and Cash Equivalents include:			
Cash in Hand		1,651,219,876	1,585,807,377
Balance with Bangladesh Bank and its Agent Bank		7,820,897,602	7,341,080,712
Balance with Other Banks & Financial Institutions		3,125,283,625	1,970,213,215
Money at Call and Short Notice		1,790,000,000	
Treasury Bill		878,601,744	1,253,329,821
Prize Bond		2,586,600	3,163,400
		15,268,589,447	12,153,594,524
Net Operating Cash Flow Per Share		12.07	(4.87)

The annexed accounting policies and other notes form an integral part of these financial statements.

Chairman

Md. Hedayetullah Vice Chairman

Syed Manzur Elahi Director

Managing Director & CEO

Statement of Changes in Equity For the year ended December 31, 2015

Amount in BDT

Particulars	Paid-up Capital	Paid-up Capital Statutory Reserve General Reserve	General Reserve	Revaluation Surplus on Investments	Foreign Currency Translation Gain	Profit & Loss Account	Total
Balance as at January 01, 2015	3,077,633,060	2,276,079,020	276,777,324	520,276,266	•	653,371,964	6,804,137,635
Bonus Share Issued during the year	615,526,610	ı	I	ı	ı	(615,526,610)	·
Revaluation Reserve transferred during the year	ı	ı	ı	791,569,626	1	ı	791,569,626
Net Profit for the year after tax	ı	I	ı	ı	ı	1,364,172,889	1,364,172,889
Appropriation made during the year	ı	445,064,726	170,000,000	ı	ı	(615,064,726)	·
Balance as at December 31, 2015	3,693,159,670	2,721,143,746		446,777,324 1,311,845,893	•	786,953,518	786,953,518 8,959,880,150

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	Balanc

The annexed accounting policies and other notes form an integral part of these financial statements.

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Md. Hedayetullah Vice Chairman

Syed Manzur Elahi Director

Mus. Anis A. Khan Managing Director & CEO

M.A. Rouf, JP Chairman

Liquidity Statement As at December 31, 2015

Amount in BDT

9,472,117,478 6,066,425,678 145,576,786,153 5,096,591,403 7,838,881,990 4,994,712,329 136,616,906,002 3,125,283,625 1,790,000,000 36,259,012,880 3,070,523,270 118,686,720,280 8,959,880,150 25,793,423,221 Total 9,196,832,296 26,662,407,075 7,404,700,000 1,559,006,808 35,859,239,371 1,953,276,533 4,496,921,627 2,746,634,135 0,072,682,222 3,070,523,270 3,752,327,071 Above 5 years 32,394,544,485 20,173,633,233 28,925,619,437 3,468,925,049 5,765,040,537 22,479,344,602 3,474,990,108 3,876,986,204 675,169,238 4,875,000,000 1 to 5 years 760,896,156 3,090,134,773 34,412,072,925 50,884,254,235 119,712,329 53,920,868,484 (19,508,795,558) 600,032,607 552,641,856 2,156,005,764 30,169,263,690 3 to 12 months (3,683,616,431) 699,900,010 22,481,343,169 26,164,959,600 900,004,988 20,690,483,229 190,954,942 25,733,345,861 431,613,739 1 to 3 months 2,020,960,014 2,067,417,478 950,076,792 288,831,963 20,429,586,201 987,309,106 17,398,565,325 22,751,756 18,408,626,187 2,847,239,137 1,790,000,000 2,486,020,831 Less than 1 month Borrowing From Other Banks, Financial Institutions & Agents Balance with other Banks and Financial Institutions Particulars Deposits and Other Accounts Money at Call & Short notice Provision & Other Liabilities Premises and Fixed Asset Loans and Advances Non-Banking Assets Subordinated Debt Total Liabilities Total Assets **Net Liquidity** Other Assets Liabilities: Investments Assets:

The annexed accounting policies and other notes form an integral part of these financial statements.

M.A. Rouf, JP Chairman

Md. Hedayetullah Vice Chairman

Syed Manzur Elahi Director

Managing Director & CEO Anis A. Khan

Notes to the Financial Statements

For the year ended December 31, 2015

Corporate Profile and Significant Accounting Policies

1.00 The Bank and its activities

1.01 Legal form of Mutual Trust Bank Limited

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 106 (One hundred six) branches including 14 (fourteen) SME/Agri Branches all over Bangladesh and 02 (Two) Booth located at Hazrat Shahjalal International Airport, Dhaka.

1.02 Principal activities and nature of operation of Mutual Trust Bank Limited

The principal activities of the bank are to provide all kinds of commercial banking and related services such as accepting deposits, lending loans to customers, trade and services, treasury functions, cash management, securities and custody services, remittance services etc.

1.03 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 03, 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. Separate Financial Statements of Off-shore Banking Unit has been drawn up in **Annexure G**.

1.04 Subsidiaries

1.4.1 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. Separate Financial Statements of MTB Securities Limited has been drawn up in the reports.

1.4.2 MTB Exchange (UK) Limited (MTB UK)

Bangladesh Bank vide their letter No: BRPD(M)204/25/2010-289 dated 19 August 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 07282261 as a private company limited by shares. The registered office is located at 25 White Chapel Road, London.

The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions, activities and operations commonly carried on or undertaken by remittance and exchange houses. Separate Financial Statements of MTB Exchange (UK) Limited has been drawn up in the reports.

1.4.3 MTB Capital Limited (MTBCL)

The Bank obtained permission to embark upon Merchant Banking from the Bangladesh Securities and Exchange Commission (BSEC) vides its certificate No.MB-55/2010 dated December 06, 2010 under the Bangladesh Securities and Exchange Commission Act, 1993. The operation has started as on April 17, 2011. Separate financial statements have been drawn up in the reports.

MTBCL offers the following services to the market:

- a. Discretionary and Non Discretionary Portfolio Management services to both the retail and institutional investors under different product lines.
- b. Issue Management services to medium and large corporate houses to manage their Initial Public Offer (IPO), secondary offering, debt issuance and rights issuance.
- Underwriting services for both debt and equity issues.
 Besides, MTBCL develops various investment schemes suiting objectives and constraints of different investor classes.

2.00 Significant accounting policies and basis of preparation of financial statements

2.01 Statement of Compliance

The consolidated financial statements of the Group and the financial statements of the Bank and its subsidiary as at and for the year ended 31 December 2015 have been prepared under the historical cost convention and in accordance with Bangladesh Financial Reporting Standards (BFRSs), the "First Schedule" (section-38) of the Bank Company Act 1991 (as amended in 2013), as amended by the BRPD Circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, the Companies Act, 1994, the Bangladesh Securities and Exchange Rules 1987, Dhaka and Chittagong Stock Exchange's listing regulations and other laws and rules applicable in Bangladesh. Where the requirement of provisions and circulars issued by Bangladesh Bank differ with those of the regulatory authorities and accounting standards, the provisions and circulars issued by Bangladesh Bank shall prevail.

As such the Group and the Bank has departed from those contradictory requirements of BFRSs in order to comply with the rules and regulation of Bangladesh Bank which are disclosed below:

2.01.01 Investment in shares and securities

BFRSs: As per requirements of BAS 39 investments in shares and securities generally falls either under "at fair value through profit and loss accounts" or "under available for sale" where any change in the fair value at the year ended is taken to profit and loss account or revaluation reserve account, as the case may be.

Bangladesh Bank: As per Banking Regulation & Policy Department (BRPD) Circular no. 14 dated 25 June 2003 of Bangladesh Bank Investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investments. As such Mutual Trust Bank Limited measures and recognizes Investment in Quoted and Unquoted shares at cost if the year-end Market value (for Quoted shares) and book value (Unquoted shares) are higher than the cost.

2.01.02 Revaluation gain/loss on Government securities:

BFRSs: As per requirement of BAS 39, T-bills and T-bonds fall under the category of "held for trading" and "held to maturity" where any change in the fair value of held for trading is recognized in profit and loss accounts, and amortized cost method is applicable for held to maturity using an effective interest rate.

Bangladesh Bank: According to Department of Offsite Supervision (DOS) Circular no. 05 dated 26 May 2008 and subsequent clarification in DOS Circular no. 05 dated 28 January 2009 of Bangladesh Bank, loss on revaluation of Government securities (T-bill/T-bond) which are categorized as held for trading will be charged through Income accounts, but any gain on such revaluation should be recorded under revaluation reserve accounts. However, at the yearend if there is any revaluation gain for any particular held for trading T-bill /T- bonds, such gain can be used to the extent of any revaluation loss for that particular held for trading T-bills/T-bonds. T- bills designated as held to maturity are measured at amortized cost method but interest income / gain should be recognized through revaluation reserve.

2.01.03 Provision on loans and advances

BFRSs: As per Bangladesh Accounting Standard (BAS)-39, an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets which are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD Circular no. 14 dated 23 September 2012 and BRPD Circular no. 19 dated 27 December 2012 a general provision at 0.25% to 5% under different categories of unclassified loans (standard and SMA loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loan, doubtful loans and bad losses, should be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue, Again as per BRPD Circular no. 10 dated 18 September 2007, a general provision at 1% should be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

2.01.04 Financial instruments - presentation and disclosure:

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in BAS 39. As such some disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the accounts.

2.01.05 REPO transactions

BFRSs: When an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a deposit, and the underlying asset continues to be recognized in the entity's financial statements. This transaction will be treated as loan and the difference between selling price and repurchase price will be treated as interest expense.

Bangladesh Bank: As per BRPD guidelines, when a bank sells a financial asset and simultaneously enters into an agreement to Repurchase the asset (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

2.01.06 Financial guarantees

BFRSs: As per BAS-39 financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as L/C, L/G will be treated as off balance sheet items. No liability is recognized for the guarantee except the cash margin.

2.01.07 Cash and cash equivalents

BFRSs: Cash and cash equivalents items should be reported as cash item as per BAS 7 statement of Cash Flows.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

2.01.08 Non banking assets

BFRSs: No indication of non banking assets is found in any BFRSs.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, there should exist a face item named non banking assets.

2.01.09 Cash flow statement

BFRSs: Cash flow statement can be prepared either in direct method or in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, cash flow should be a mixture of direct and indirect method.

2.01.10 Balance with Bangladesh Bank: (CRR)

BFRSs: Balance with Bangladesh Bank should be treated as other assets as it is not available for use in day to day operations as per BAS 7.

Bangladesh Bank: Balance with Bangladesh Bank should be treated as cash and cash equivalents.

2.01.11 Loans and Advance net of provision

BFRSs: Loans and Advances should be presented net of provisions.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, provision on loans and advances should be presented separately as liability and cannot be netted off against loans and advances.

[Also refer to Note 2.22 Compliance of Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs)]

2.02 Basis of consolidation of operations of subsidiaries

The financial statements of the Company and its subsidiary, as mentioned in note No.1.03 has been consolidated in accordance with Bangladesh Accounting Standard 27 "Separate Financial Statements" and Bangladesh Financial Reporting Standard (BFRS) 10 "Consolidated Financial Statements". The Consolidation of the Financial Statement has been made after eliminating all material intercompany balance, income and expenses arising from intercompany transactions.

The total profit of the Company and its subsidiary are shown in the consolidated statement of comprehensive income with the proportion of profit after taxation. All assets and liabilities of the Company and of its subsidiary is shown in the consolidated statement of financial position. The consolidated financial statements are prepared to a common financial year ended 31 December 2015.

Conversion Policy

The conversion policy of Off-shore Banking unit (OBU) and MTB Exchange (UK) Limited is given below.

Details	Price	Rate of GBP for MTBUK	Rate of USD for OBU
For assets & liabilities	Closing price	116.3606	78.5000
For income & expenses	Average price	119.0285	77.9658

Transactions eliminated on consolidation

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Profit and losses resulting from transactions between Groups are also eliminated on consolidation.

2.03 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items:

a) Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' at present value using marking to market concept with gain credited to revaluation reserve but loss charged to income statement.

- b) Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' at present value using amortization concept.
- c) Land & Buildings is recognized at cost at the time of acquisition and subsequently measured at fair value as per BAS-16 "Property, Plant & Equipment."

The accounting policies, unless otherwise stated have been consistently applied by the company and consistent with those of the previous year.

2.04 Going concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any adjustments should the Bank be unable to continue as a going concern.

2.05 Functional and presentation currency

The financial statements are presented in Bangladesh Taka (BDT) currency, which is the Bank's functional currency. All financial information presented in BDT has been rounded to the nearest BDT.

2.06 Use of estimates and judgments

The preparation of financial statements in conformity with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

The most critical estimates and judgments are applied to the Provision for impairment of loans & investments and Employees benefits.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

2.07 Materiality, aggregation and off setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Bank has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

The values of any asset or liability as shown in the balance sheet are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the year.

2.08 Comparative information

The accounting policies have been consistently applied by the Bank and are consistent with those used in the previous year. Comparative information is reclassified and rearranged wherever necessary to conform to the current presentation.

2.09 Foreign currency transaction and Commitments

a) Foreign currencies translation

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per BAS-21" The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into Taka equivalent. The resulting exchange transaction gains and losses are included in the profit and loss account.

b) Commitments

Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance sheet date.

2.10 Statement of cash flows

Statement of cash flows has been prepared in accordance with Bangladesh Accounting Standard-7 "Statement of Cash Flows" and under the guideline of Bangladesh Bank BRPD Circular No. 14 dated 25 June 2003. The Statement shows the Structure of Changes in cash and cash equivalents during the financial year.

2.11 Statement of changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. Statement of changes in equity has been prepared in accordance with Bangladesh Accounting Standard-1 "Presentation of Financial Statements" and relevant guidelines of Bangladesh Bank.

2.12 Liquidity statement

The liquidity statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the year as per following basis.

- a) Balance with other Banks and financial institutions, money at call and short notice, etc. are on the basis of their maturity term.
- b) Investments are on the basis of their repayment schedule.
- c) Loans and advances/investments are on the basis of their repayment schedule.
- d) Fixed assets are on the basis of their useful lives.
- e) Other assets are on the basis of their realization/amortization.
- f) Borrowing from other Banks, financial institutions and agents, etc are as per their maturity/ repayment terms.
- g) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- h) Provision and other liabilities are on the basis of their payment/ adjustments schedule.

2.13 Accounting for contingent liabilities and contingent assets

The bank recognized provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the obligation can be made. No provision is recognized for:

- a) Any possible obligation that arises form past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future event not wholly within the control of the bank; or
- b) Any present obligation that arises from past events but is not recognized because:
 - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - A reliable estimate of the amount of obligation cannot be made.

2.14 Assets and basis of their valuation

2.14.01 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Bank management for its short-term commitments.

2.14.02 Investments

All investment in securities is initially recognized at cost, being fair value of the consideration given, including acquisition charges associated with the investment. Premiums are amortized and discounts accredited, using the effective yield method and are taken to discount income. The valuation methods of investments used are:

a) Held to maturity (HTM)

Investments which have 'fixed or determinable payments' and are intended to be 'held to maturity' other than those that meet the defined of 'held at amortized cost', are classified as held to maturity (HTM). These investments are subsequently measured at present value as per Bangladesh Bank Guideline. Investments in securities have been revalued as marking to market as at 31 December 2015, the gain of revaluation from the held to maturity securities has been shown in the statement in changes in equity of 31 December 2015.

b) Held for trading (HFT)

Investments classified in this category are acquired principally for the purpose of selling or repurchasing in short trading or if designated as such by the management. After initial recognition, investments are measured at fair value and any change in the fair value is recognized in the statement of income for the period in which it arises.

c) Revaluation

As per the DOS Circular letter no. 05, dated 26 May 2008 & subsequent amendment circular no.05, dated 28 January 2010. HFT securities are revalued on weekly basis and HTM securities are amortized on yearly basis. The HTM securities are also revalued if they are reclassified to HFT category with the Board's approval. Any gain or loss on revaluation of HTM securities is recognized in the statement of changes in equity. Gain/ loss on revaluation of HFT securities is recognized in the income statement on weekly basis and gain on revaluation is transferred to statement of changes in equity on monthly basis.

Valuation of investments has been shown as under Government treasury bills and bonds (HTM) at present value (using amortization concept), Government treasury bills and bonds (HFT) at present value (using making to market concept).

d) Value of investments has been shown as under:

Investment class	Initial recognition	Measurement after recognition	Recording of change
Government treasury bills (HFT)	Cost	Marking to market/ fair value	Loss transferred to profit and loss account and income transferred to revaluation reserve.
Government treasury bills (HTM)	Cost	Amortized cost	Loss transferred to profit and loss account and gain transferred to revaluation reserve.
Government treasury bonds (HTM)	Face value	None	None
Prize bond	Cost	None	None
Un quoted shares and debenture	Cost	None	-
Quoted shares	Cost	Cost	Loss transferred to profit and loss account but no unrealized gain recorded.

2.14.03 Loans, advances and provisions

Loans and advances are stated at gross amount. General provisions on unclassified loans & off balance sheet exposures, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities. Provision against classified loans and advances is made on the basis of quarter end review by the management and instruction contained in BRPD Circular no. 14, 19 & 5 dated 23 September 2012, 27 December 2012 & 29 May 2013 and subsequent changes.

Interest on loans and advances

Interest is calculated on daily product basis but debited to the party's loan account quarterly. No interest is charged on loans and advances which are classified as bad and loss. Interest is

calculated on unclassified loans and advances (only standard) and recognized as income during the year. Interest calculated on classified loans and advances (including special mention accounts) as per Bangladesh Bank circulars is kept in interest suspense account and credited to income on realization. Interest suspense and penal interest (if any) calculated on classified loans and advances are taken into income in the year of its receipt from the defaulting borrowers.

Commission and discounts on bills purchased and discounted are recognized at the time of realization. Recovery of written off loans and advances are taken into income in the year of its receipts from the defaulting borrowers.

Provision for loans and advances

Provision for loans and advances are made on the basis of quarter as well as year-end review by the management following instructions contained in BRPD Circular no. 14 dated 23 September 2012 of Bangladesh Bank. The percentage of provision on loans and advance are given below:

Rate of provision

		Short	Consur	mer financ	ing		Loans	All
Partic	ulars	term Agri. Credit	Other than HF, LP	HF	LP	SMEF	to BHs/ SDs	other Credit
UC	Standard	2.5%	5%	2%	2%	0.25%	2%	1%
	SMA	-	5%	2%	2%	0.25%	2%	1%
	SS	5%	20%	20%	20%	20%	20%	20%
Classified	DF	5%	50%	50%	50%	50%	50%	50%
	B/L	100%	100%	100%	100%	100%	100%	100%

Presentation of loans and advances

Loans and advances are shown at gross amount as assets while interest suspense and loan loss provision against classified advances are shown as liabilities in the statement of financial position.

Security against Loans:

- a. Project loan: Project land and building are taken as security in the form of mortgage and plant & machinery are taken in the form of hypothecation.
- b. Working Capital: Goods are taken as security in the form of hypothecation along with land and building mortgage. Listed securities, fixed deposits, assignments of receivables, etc are also taken as security.

Bills Purchased and Discounted

- c. Bills purchased and discounted do not include Government Treasury bills and have been classified into two sub-heads viz...
 - i. Payable in Bangladesh and
 - ii. Payable outside Bangladesh.
- d. The bills purchased and discounted have been analyzed as per the maturity grouping.

Written off loans and advances

Loans and advances are written off to the extent that (i) there is no realistic prospect of recovery, (ii) and against which legal cases are filed and classified as bad loss more than five years as per guidelines of Bangladesh Bank and (iii) Special permission of Bangladesh Bank. These write off however, will not undermine/ affect that claim amount against the borrowers. Detailed memorandum records for all such write off accounts are meticulously maintained and followed up.

2.14.04 Property, plant and equipments

a) Recognition

The cost of an item of property, plant and equipments (Fixed assets) shall be recognized as an asset, if and only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Property, plant and equipments have been accounted for at cost or revalued amount less accumulated depreciation (except land) as per BAS-16: Property, plant and equipments. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent cost of enhancement of an existing asset is recognized as a separate asset, only when it is probable that future economic benefits associated with the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial periods which are incurred.

b) Depreciation

Depreciation is charged at the following rates on reducing balance method on all fixed assets other than motor vehicles and leased assets, which are depreciated on straight line basis and no depreciation is charged on land:

Category of Fixed Assets	Rates of Depreciation
Land	Nil
Immovable Property	2.50%
Furniture & Fixtures	10%
Office Equipments	20%
Motor Vehicles	20%
Books & Periodicals	10%
Leasehold Assets	20%
Intangible Assets	20%

c) Disposal of fixed assets

On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gains or losses on such disposal are reflected in the income statement as per provision of BAS-16: Property, Plant and Equipment.

d) Capital Work-in-Progress

Capital Work-in-Progress is stated at cost. These are expenses of a capital nature directly incurred in the construction of building, system development, awaiting capitalization.

e) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets have been capitalized as part of the cost of the assets.

f) Impairment

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the assets should be reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss is recognized as an expense in the income statements.

2.14.05 Other assets

Other assets include all assets not covered specifically in other areas of the supervisory activity and such accounts may be quite insignificant in the overall financial condition of the bank.

Provision for other assets

Other assets have been classified as per BRPD Circular No. 14 dated June 25, 2001 of Bangladesh Bank and necessary provisions made thereon accordingly and for items not covered under the circular adequate provisions have been made considering their reliability.

2.14.06 Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

2.14.07 Leases

Leases are classified as finance lease whenever the 'Terms of the Lease" transfer substantially all the risks and rewards of ownership to the lessee as per BAS-17 "Leases".

The Bank as Lessor

Amount due from lessees under finance leases are recorded as receivables at the amount of the Bank's net investment in the leases (Note-7.03). Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Bank's net investment outstanding in respect of the leases.

The Bank as Lessee

Asset held under finance leases are recognized as assets of the Bank at their fair value at the date of acquisition or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation .Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

2.14.08 Non-Banking Assets

Non-banking assets are acquired on account of the failure of a borrower to repay the loan in time after receiving the decree from the court regarding the right and title of the mortgaged property. However, the bank has no non banking asset.

2.14.09 Reconciliation of inter-bank/inter-branch account

Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly. Unreconciled entries/ balances in the case of inter-branch transactions as on the reporting date are not material.

2.15 Liabilities and provision

2.15.01 Borrowings from other banks, financial institutions and agents

Borrowing from other banks, financial institutions and agents include interest bearing borrowing redeemable at call, on-demand and short term deposits lodged for periods of less than 6 months. These items are brought to account at the gross value of the outstanding balance. Interest paid or payable on these borrowings is charged to the income statement.

2.15.02 Deposits and other accounts

Deposits and other accounts include non interest bearing current deposit redeemable at call, interests bearing on demand and short term deposits, savings deposit, term deposit, margin, bills payable etc. These items are brought to account at the gross value of the outstanding balances.

2.15.03 Other liabilities

Other liability is recognized in the balance sheet according to the guideline of Bangladesh Bank and Income-tax Ordinance 1984, BAS-37 and internal policy of the banks. Provisions and accrued expenses are recognized in the financial statements when the bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.15.04 Dividend payments

Interim dividends are recognized when paid to shareholders. Final dividend is recognized when it is approved by the shareholders.

The proposed dividend for the year 2015 has recognized as a liability in the Balance Sheet in accordance with the BAS 10 "Events after the Reporting Period".

Dividend payable to the Bank's shareholders are recognized as a liability and deducted from the Shareholders' Equity in the period in which the shareholders' right to receive payment is established.

2.15.05 Employee benefit scheme

The retirement benefits accrued for the employees of the Bank as on reporting date have been accounted for in accordance with provisions of Bangladesh Accounting Standard-19, "Employee Benefit". Bases of enumerating the retirement benefit schemes operated by the Bank are outlined below:

a) Provident Fund

Provident fund benefits are given to the permanent employees' of the Bank in accordance with Bank's service rules. Accordingly a trust deed and provident fund rules were prepared. The Commissioner of Income Tax, Taxes Zone 3, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of section 2(52), read with the provisions of part-B of the First Schedule of Income Tax Ordinance 1984. The recognition took effect from April 30, 2001. The Fund is operated by a Board of Trustees consisting of 5 (five) members. All confirmed employees of the Bank contribute 10% of their basic salary as a subscription to the Fund. The Bank also contributes equal amount of the employees' contribution. Interest earned from the investment is credited to the members' account on yearly basis.

b) Gratuity

The Bank operates a funded gratuity scheme approved by the National Board of Revenue. The Gratuity Fund is managed separately by "MTBL Employees Gratuity Fund" and any investment decision out of this fund is also made by this trust.

As per gratuity scheme every permanent employee will get gratuity benefit as per following policy that rendering their service without break:

Completed years of Service Payment of Gratuity	
8 years & above	2.00 basic for each year of service in MTB
7 years	1.70 basic for each year of service in MTB
6 years	1.35 basic for each year of service in MTB
5 years	1.00 basic for each year of service in MTB

c) MTB Employees' Welfare Fund

The welfare fund is subscribed by monthly contribution of the employees. The Bank also contributes to the fund from time to time. The fund has been established to provide a token of appreciation or financial assistance to the employees and their family members for education, funeral function, etc. The fund is governed and administered by the Board of trustees consisting of four (04) members.

d) MTB Employees' Medical Assistance Fund

Medical Assistance fund is subscribed by monthly contribution of the employees as per policy. The Bank also contributes to the fund from time to time. The fund has been established to provide medical assistance to the employees with dependents. The fund is governed and administered by the Board of trustees consisting of four (04) members.

e) MTB Employees' Death Benefit Plan

The plan has been formed to provide financial benefit to the bereaved family of a deceased employee. The Bank contributes to the fund from the annual profit of the Bank on requirement basis. The fund is governed and administered by the Board of trustees consisting of four (04) members.

In case of death of an employee while in active service, financial benefit is paid to the nominee of the deceased employee at a prescribed amount ranging from 3 (three) lacs to 10 (ten) lacs.

f) MTB Foundation

The Bank, as part of corporate social responsibility, has established MTB Foundation for the benefit of the community in which it operates and as part of its said responsibility it commits itself to human development, poverty alleviation and overall national economic development. The Bank contributes to the fund from the annual profit of the Bank on requirement basis. The fund is governed and administered by the Board of trustees consisting of four (04) members.

g) Incentive Bonus

Mutual Trust Bank Limited has started an incentive bonus scheme for its employees. This bonus amount is distributed among the employees based on their performance. The bonus amount is paid annually and costs are accounted for the period to which it relates.

2.15.06 Taxation

a. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years or are never taxable or deductible. Bank's liability for current tax is calculated using tax rates that have been enacted the reporting period.

b. Deferred tax

The Bank recognizes the current and deferred tax in the financial statements using the provisions of the prevailing tax laws applicable in Bangladesh and as per BAS-12 (Income Taxes). Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilized. Deferred tax is calculated at the tax rates, which are expected to apply in the period when the liability is settled or the asset is realized.

2.16 Capital and share holders equity

2.16.01 Capital management

The bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve four major objectives; exceed regulatory thresholds and meet longer-term internal capital targets, maintain strong credit rating, manage capital levels commensurate with the risk profile of the bank and provide the banks shareholders with acceptable returns.

Capital is managed in accordance with the board approved capital management planning from time to time. Senior management develops the capital strategy and oversees the capital management planning of the bank. The bank's finance and risk management department are key to implementing the bank's capital strategy and managing capital. Capital is managed using both regulatory control measure and internal matrix.

2.16.02 Paid-up share capital

Paid-up share capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders meetings. In the event of a winding-up of the company ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

2.16.03 Statutory reserve

The Statutory reserve has been maintained @ 20% of profit before tax in accordance with provisions of section 24 of the Bank Company Act, 1991 (as amended in 2013).

2.17 Off Balance Sheet items

Under general banking transactions, liabilities against acceptance, endorsements and other obligations and bills against which acceptance has been given and claims exists there against, have been shown as Off Balance Sheet items. Provision for off balance sheet items is made as per BRPD circular no. 08 of 7 August 2007 and 10 of 18 September 2007.

2.18 Provision for Nostro Accounts

As per instructions contained in the circular Letter No. FEPD (FEMO)/01/2005-677 dated September 13, 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank, the Bank is not required to make a provision regarding the un-reconciled debit balance of nostro accounts as

on the reporting date in these financials as there are no un-reconciled entries which are outstanding more than 3 months.

2.19 Revenue recognition

The Revenue during the year has been recognized according to the provision of **BAS-18 "Revenue"** as well as Bangladesh Bank guidelines.

2.19.01 Interest income

In terms of the provisions of the **BAS-18 "Revenue"**, the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified.

- a) Interest on unclassified loans and advances (except SMA) has been accounted for as income on accrual basis and calculated on daily product basis but charged and accounted for quarterly and in some cases yearly;
- b) Interest on classified loans and advances has been credited to interest suspense account with actual receipt of interest there from having credited to income as and when received as per Instruction of Bangladesh Bank;
- c) No interest is changed on loans and advances on classified as bad/loss;
- d) Commission and discount on bills purchased and discounted are recognized at the time of realization.
- e) Recovery of written off loans and advances are taken into income in the year of its receipts from the defaulting borrowers.

2.19.02 Investment income

Interest income on investments is recognized on accrual basis. Capital gain on investments in shares is also included in investment income. Capital gain is recognized when it is realized.

- Income on investment in treasury bills, bonds, preference shares and debenture, etc. other than equity shares has been accounted for on accrual basis.
- Govt. securities (HTM) are revalued on accrual basis and effect of such revaluation gain has been credited to Asset Revaluation Reserve account.
- Dividend on equity shares is recognized during the period in which it is declared and duly approved.
- Net increase in securities held to maturity during the period due to the valuation at market to market basis has been credited to income statement.

2.19.03 Fee and commission income

- Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.
- Fee and Commission on bills discounted, purchased & others are recognized at the time of realization.
- Foreign currency transactions are converted into BDT at prevailing on the dates of such transactions and exchange gains or losses arising out of such transactions are recognized as income or expense for the year and dealt with exchange account.

2.19.04 Dividend Income on Shares

Dividend income on shares is recognized during the period in which it is declared and ascertained.

2.19.05 Other operating income

Other operating income is recognized at the time when it is realized.

2.19.06 Interest paid on deposits and borrowings

Interest paid on deposits, borrowing and other expenses are recognized on accrual basis.

2.19.07 Other expenses

Expenses incurred by the bank are recognized on accrual basis.

2.19.08 Other comprehensive income

Other comprehensive income is presented in financial statements in accordance with **BAS-1**: **Presentation of financial statements**. No other comprehensive income is recognized during the year.

2.20 Earnings per share

Basic earnings per share

Basic earning per share has been calculated in accordance with BAS 33 "Earning per Share" which has been shown on the face of statement of profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

2.21 Reporting period

These financial statements of the bank and its subsidiary cover one calendar year from 01 January to 31 December 2015.

2.22 Compliance report on Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRS). Mutual Trust Bank Limited has applied all the applicable of IAS and IFRS as adopted by ICAB while preparing the financial statements. Details are given below:

Name of the Bangladesh Accounting Standards (BASs)	BAS No.	Status
Presentation of Financial Statements	1	Applied*
Inventories	2	N/A
Statement of Cash Flows	7	Applied
Accounting policies, Changes in accounting Estimates & Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	Applied
Revenue	18	Applied
Employees Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Interest in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied*
Earnings per share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provision, Contingent Liabilities and Contingent Assets	37	Applied*

Name of the Bangladesh Accounting Standards (BASs)	BAS No.	Status
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Applied*
Investment Property	40	Applied
Agriculture	41	N/A

Bangladesh Financial Reporting Standard (BFRSs)	BFRS No.	Status
First-time Adoption of Bangladesh Financial Reporting Standard	1	N/A
Shares Based Payment	2	N/A
Business Combination	3	N/A
Insurance Contracts	4	N/A
Noncurrent Assets Held for Sale and Discontinued Operation	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied*
Operating Segments	8	Applied
Financial Instruments	9	Applied
Consolidated Financial Statements	10	Applied
Joint Arrangements	11	N/A
Disclosure of Interests in other Entities	12	N/A
Fair Value Measurement	13	N/A

^{*} Bangladesh Bank is the prime regulatory body for banks in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with the provision of BAS / BFRS as marked above. As such the bank has departed from those contradictory requirements of BAS/BFRS in order to comply with the rules and regulations of Bangladesh Bank.

2.23 Regulatory & legal compliance

The bank has complied with the requirements of following regulatory & legal authority:

- a) The Bank Company Act, 1991(as amended in 2013)
- b) The Companies Act, 1994
- c) Rules & regulations issued by Bangladesh Bank
- d) The Securities & Exchange Rules, 1987
- e) The Securities & Exchange Ordinance, 1969
- f) The Securities & Exchange Act, 1993
- g) IPO Rules, 1998
- h) The Income-tax Ordinance, 1984
- i) VAT Act. 1991
- j) Dhaka Stock Exchange (listing) regulation 2015

2.24 Proposed dividend

Proposed dividend has not been recognized as a liability in the statement of financial position in accordance with Bangladesh Accounting Standards (BAS) 10 "Events after the reporting period".

2.25 Events after the reporting period

Where necessary, all the material events after the reporting period have been considered and appropriate adjustment/disclosures have been made in the financial statements.

2.26 Operating segment

The bank has only one reportable business segment and the bank is operating with the geographical territory of Bangladesh. Hence segment reporting in accordance with **BFRS-8** "Operating Segment" is not applicable.

2.27 Litigation

The bank is not a party to any lawsuits except those arising in the normal course of business, which were filed against the default clients for non-performance in loans repayment and against various level of tax authority regarding some disputed tax issues. The bank, however, provides adequate provisions as per guidelines of **BAS 37**.

2.28 Written Off

Write-off describes a reduction in recognized value. It refers to recognition of the reduced or zero value of an asset. Generally, it refers to loan for which a return on the loan is now impossible or unlikely. The item's potential return is thus canceled and removed from ("written off") the bank's statement of financial position. Recovery against debts written off /provided for is credited to revenue. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there-against or are considered recoverable.

2.29 Risk Management

Risk is an integral part of banking business, and MTB aims at delivering superior shareholder value by achieving an appropriate trade-off between risks and return. The policies and procedures established for this purpose are continuously reviewed in our quest to benefit from a blend of local and international practices,MTB conducts its risk management activities following six core risk guidelines of Bangladesh Bank and Basel norms. At the directives of Bangladesh Bank, MTB has established a separate Risk Management Division (RMD) to identify, measure, monitor and manage risks more effectively and efficiently. MTB's Risk management process is accomplished at strategic level, managerial level and at operational level. At strategic level, MTB Board of Directors (BOD), through Board Risk Management Committee (BRMC) & senior management, sets up risk governance structure & risk philosophy, endorses risk strategies, reviews & approves risk policies as well as the threshold limits of risks that may be taken in line with bank's risk appetite. These limits are continuously monitored by an experienced risk management team and overseen by BRMC. At managerial level, policies and strategies formulated by BOD are implemented by middle management or divisions/departments/units devoted to risk reviews. RMD reports high-risk related matters, identified by the management-level risk committee to the BRMC. RMD also submits periodic stress testing results to the BOD as well. Operational level encompasses on-the-line risk management, where risks are actually created at front office or at credit desk of the bank.

MTB's risk management in the following areas, among others, is mentioned briefly: (a) Credit Risk Management

Credit risk is the risk due to a borrower's inability to meet its financial obligations to the lender. The credit risk is generally made up of transaction risk or default risk and portfolio risk. We have standardized credit approval processes. Credit risk is controlled through segmental exposure limits to various industries and sectors, prudential exposure and substantial exposure ceiling and risk mitigation by obtaining collateral and guarantees.

The Bank has put in place a well-structured Credit Risk Management Policy duly approved by the Board. In addition to Credit Risk Management Policy, the Bank has also framed Board approved credit policy and ensures compliance with regulatory requirements, more particularly in respect of Exposures norms, Assets Classification guidelines, Capital Adequacy guideline, etc of Bangladesh Bank/other Statutory Authorities.

Credit Risk is monitored by the Bank account wise and compliance with the risk limits/exposure cap approved by the Board is ensured. The quality of internal control system is also monitored and inhouse expertise has been built up to tackle all the facets of Credit Risk.

The Bank follows a well defined multi layered discretionary power structure for sanction of loans. Credit Grid has been constituted at Head office level for considering fresh/enhancements proposals. The Bank assesses various risk factors for new products prior to its introduction.

(b) Market Risk

Market risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates, equity and commodity prices.

i. Foreign Exchange Risk Management

Foreign Exchange Risk is a measure by the variance of the domestic currency value of an asset, liability or operating income that is attributable to unanticipated change in the exchange rates. Simply, it is the risk that relates to gains/losses that arise due to fluctuations in the exchange rates.

In view of the significance of the market risk and in order to aggregate all such risks at a single department and to bring expertise in such functions, the concept of treasury has evolved. Today's financial institutions engage in activities from import, export and remittance to complex derivatives involving basic foreign exchange and money market to complex structured products. All these require a high degree of expertise that is difficult to achieve in the transactions originating from departments and as such the expertise in housed in a separate department i.e. **Treasury**.

MTB has already segregated Treasury functions in three separate wings i.e. Front office, Back office and mid office.

In compliance with the requirement of Bangladesh Bank's Foreign Exchange Risk Management guidelines, Treasury department is performing the foreign exchange dealing in an appropriate manner and managing risks of the organization's overall balance sheet as well as the capital of the Bank.

ii. Interest Rate Risk

MTB's focus is mainly on interest rate risk arising from conduct of normal business. Failure to identify the risks associated with business and failure to take timely measures in giving a sense of direction threatens the very existence of the institutions. It is therefore, imperative for the bank to form a "Asset Liability Management Committee (ALCO)" with the senior management as its members to control and better manage its Balance Sheet Risk.

In compliance with the requirement of Bangladesh Bank's Asset Liability Management guidelines, MTB has formed "Asset Liability Management Committee" (ALCO) with the senior executives. The Committee meets once every month to set and review strategies on Asset Liability Management (ALM).

MTB ALM desk performs Money Market activities, manages liquidity and interest rate risk of the bank and understands market dynamics i.e. competition, potential target markets etc., updates the balance sheet movements and complies with the statutory obligations as well as the risk elements involved with the business.

iii. Equity Risk

Equity risk arises from movement in market value of securities. The investment committee monitors the risks under a well designed policy framework.

(c) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risks in the Bank are managed through a comprehensive and well-articulated internal control framework. Material losses are regularly analyzed by cause and actions are taken to improve system and controls to prevent recurrence in the future.

MTB has restructured Internal Control and Compliance Division (ICC) headed by a senior level executive in light of Core Risk guidelines of Bangladesh Bank. The Division is comprised of three departments; Audit and Inspection Department, ICC Compliance Unit and ICC Monitoring Unit. The Bank has developed an Internal Control and Compliance Policy duly approved by the Board of Directors.

As a tool of Internal Control, the Audit and inspection teams undertake periodic and special audit and inspection on the branches and departments/divisions of Head Office in order to sort out the weaknesses and defects in the control process and report to the management for taking corrective measures to protect the interests of the Bank.

The Compliance & Monitoring Units of this division ensure timely and proper compliance of all regulatory instructions and internal policies and procedures in the day-to-day operation of the

Bank by way of using various control tools. They assess the operational risk and take appropriate measures to mitigate the same for smooth operation of the Bank. ICC Division reports serious non-compliances detected by internal and external auditors with up-to-date compliance position thereto, large financial risk exposures, control weaknesses etc. to the Audit Committee of the Board for review and taking appropriate measures.

The ICC division also ensures the clear definition of organizational structure, appropriate assignment, accountability and delegation of authorities to functional management to create control and compliance culture within organization with the active guidance and supervision of senior management and Board of Directors.

Business entities today exist in a highly competitive world. They are constantly innovating to meet their business objectives providing essential and unique services to their customers. Technology advances have enabled them to achieve their varied strategies. And yet, the threats of disaster, on account of business interruption, are not extinct – in fact, they have also evolved along with the technology. Keeping that in mind MTB has taken up its Business Continuity Planning (BCP) as the most significant challenges working out a way to prevent, if possible, and manage the consequences of a disaster, limiting it to the extent that a business can afford. Besides BCP, the Bank is also focusing on combating security threats as well. In keeping with our centralized management model, each branch within the Bank has its own ICT systems. Actions taken include the updating of software and analyzing new software, enhancing ICT related controls, training of staff in system knowledge and sharing of best practices between branch users.

(d) Money Laundering Risk

Money Laundering risk of Financial Institutions lies with the involvement in any single transaction or series of transactions that assists a criminal in keeping, concealing or disposing of proceeds derived from illegal activities. So it is a major threat to the banks and non-bank financial institutions.

Mutual Trust Bank (MTB), as a compliant bank, is firmly determined not to let money launderers and terrorists or perpetrators to use it as a channel to launder money or finance terrorism in any possible way. Hence, MTB has its own Anti Money Laundering (AML) & Combating Financing of Terrorism (CFT) compliance program which is designed considering the size & range of activities, complexity of operations and the nature & degree of Money Laundering & Terrorist Financing risks faced by the bank. Certainly, it is designed as per the prevailing laws (i.e. Money Laundering Prevention Act, 2012 (Amendment 2015), The Anti-Terrorism Act, 2009 (Amended- 2012 & 2013)), rules (i.e. Money Laundering Prevention Rules 2013, Anti-Terrorism Rules 2013), BFIU guidelines (i.e. Money Laundering and Terrorist Financing Risk Management Guidelines), circulars & instruction and international standards. MTB applies risk sensitive Customer Due Diligence (CDD) measures, monitors business relationships and records suspicious transactions pursuant to the national regulations and international standards.

MTB has developed its own Money Laundering (ML) & Terrorist Financing (TF) Risk Management Guideline entailing the customer acceptance policy and the ML & TF Risk Assessment Guideline. The customer acceptance policy incorporates the detail customer due diligence procedure for acceptance/ rejection of customer, procedures to open & operate different types of account. The ML & TF Risk Assessment Guideline incorporates the risk register in line with BFIU guideline. Department has been reformed as 'Central Compliance Unit (CCU) under the direct supervision of the MD & CEO which consists of 8 (eight) members having expertise in the field of general banking and information technology. Every year, the MD & CEO of the bank makes statement of commitment in writing to all employees that clearly sets forth MTB's policy against Money Laundering, Terrorist Financing & Proliferation Financing.

(e) Fraud and Forgeries

Fraud Detection and Management Process: Internal Audit (IA) team conducts surprise audit on all MTB branches and offices of the Head Office at least one in a year. While auditing branches and offices, the IA team thoroughly checks the operational activities of the branches/ offices including transactions in various accounts and search for any irregularities occurred in those accounts. IA team also monitors the staff accounts and if necessary investigate the suspicious transactions and report the same to the management. IA team also conducts investigation into specific allegations and submits report to the management for action. Senior management of the bank also conduct regular

visit to MTB branches and advise the branch officials to comply with all the regulatory instructions, policies and procedures of the bank.

2.30 Audit Committee

In compliance to Bangladesh Bank's circular, the Board of Directors has formed an Audit Committee comprising of the following 5 (Five) Directors of the Board.

SL. NO.	Name of the Director	Status With the Bank	Status with the committee	Educational Qualification
01.	Mr. Anwarul Amin	Independent Director	Chairman	Graduated from Westminster Bank Institute of Banking, Oaken Holt, Oxfordshire, UK
02.	Mr. Syed Manzur Elahi	Director (Founding Chairman)	Member	MA in Economics from University of Dhaka
03.	Dr. Arif Dowla	Director	Member	Ph.D. in Mathematics from University of California, USA
04.	Khwaja Nargis Hossain	Director	Member	MA in Islamic History from University of Dhaka
05.	Dr. Sultan Hafeez Rahman	Independent Director	Member	Ph.D. and M.A from Stanford University, USA and M.A in Economics from Vanderbilt University, USA

During the year, 4 (four) meetings of the audit committee were held.

Audit committee reviews various audit/inspection reports at regular intervals. Upon scrutiny of the audit objections and compliance, the committee advised the management to remain within the policy guidelines and directives of the regulatory authorities.

As per circular, the committee places their report regularly to the board meetings of the Bank mentioning their activities & recommendations of the internal control system, compliance of rules and regulations and establishment of good governance within the organization.

2.31 Directors responsibility on statements

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

2.32 Approval of Financial Statements

The financial statements were approved by the Board of Directors on March 15, 2016.

2.33 General

- a) These financial statements are presented in BDT, which is the Bank's functional currency. Figure appearing in these financial statements have been rounded off to the nearest BDT.
- b) The expenses, irrespective of capital or revenue nature, accrued/due but not paid have been provided for in the books of the Bank.
- c) Figures of previous year have been rearranged whenever necessary to conform to current year's presentation.
- d) No Asset has been set off against any Liability except MTB General Account.

		Amount in BDT		
		2015	2014	
3.00	Cash			
	In Hand (Including foreign currency) (Note 3.01)	1,651,219,876	1,585,807,377	
	Balance with Bangladesh Bank and its Agent Bank (Note 3.02)	7,820,897,602	7,341,080,712	
		9,472,117,479	8,926,888,089	
3.01	In Hand (Including foreign currency)			
	Local Currency	1,644,265,293	1,575,957,930	
	Foreign Currency	6,954,583	9,849,447	
		1,651,219,876	1,585,807,377	
3.02	Balance with Bangladesh Bank and its Agent Bank			
	With Bangladesh Bank			
	Local Currency	7,461,657,290	7,063,693,136	
	Foreign Currency	173,024,242	85,166,635	
	With Sonali Bank (as agent of Bangladesh Bank-Local Currency)	186,216,069	192,220,942	
		7,820,897,602	7,341,080,712	

Balance with Bangladesh Bank: Outstanding transactions(net) originated but yet to be responded at the Balance Sheet date. However, the status of unresponded entries as at December 31, 2015 is given below:

Period of Unreconciliation		inresponded itry	Unresponded amount		
	Dr. Cr. Dr.		Dr.	Cr.	
Less than 3 months	5	24	17,902,352	26,269,798	
3 months to Less than 6 months	-	-	-		
6 months to Less than 12 months	-	-	-	-	
12 months and more	-	-	-	-	
Total	5	24	17,902,352 26,269,7		

All unadjusted entries are subsequently adjusted on regular basis

3.03 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)

Cash Reserve Requirement and Statutory Liquidity Ratio have been calculated and maintained in accordance with section 33 of The Bank Company Act, 1991 (as amended in 2013) and BRPD circular no.11 and 12, dated August 20, 2005.

Monetary Policy Department (MPD) of Bangladesh Bank has issued a Circular regarding CRR through Circular No.# 01 dated June 23, 2014 and the Bank has maintained CRR in accordance with circular. The Cash Reserve Requirement on the Bank's Time and Demand Liabilities at the rate of 6.50% has been calculated and maintained with the Bangladesh Bank in Current Account and 13% Statutory Liquidity Ratio, on the same liabilities has also been maintained as per the directives of Bangladesh Bank. Both the reserves maintained by the Bank are in excess of the Statutory requirement.

3.04 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)

	2015		2014	
Cash Reserve Requirement (CRR)			-	
	%	(BDT Million)	%	(BDT Million)
Required	6.50%	7,404.76	6.50%	6,626.35
Maintained	6.54%	7,453.29	6.89%	7,019.90
Surplus/(Deficit)	0.04%	48.53	0.39%	393.55
Statutory Liquidity Ratio (SLR)				
Required	13.00%	14,809.52	13.00%	13,252.69
Maintained	22.32%	25,428.74	26.84%	20,257.12
Surplus/(Deficit)	9.32%	10,619.22	13.84%	7,004.43

MTB acts as one of the active Primary Dealer of Government Securities throughout the year like other PD banks of the country. We support the Government of Bangladesh through debt financing to facilitate effective implementation of Annual Budget which in turn promote economic growth and development of the country.

			Amount	in BDT
			2015	2014
3.05	Components of Statutory Liquidity Ratio (SLR) (BD	OT Million)		
	Cash in Hand		1,651.22	1,585.81
	Balance with Sonali Bank		186.22	192.22
	Held to Maturity (HTM) Securities		14,269.38	15,484.05
	Held for Trading (HFT) Securities		9,270.81	2,995.04
	Other eligible securities		51.12	-
			25,428.74	20,257.12
3 (a)	Consolidated Cash			
	i. Cash in hand (including foreign currency)			
	Mutual Trust Bank Limited (Note-3.01)		1,651,219,876	1,585,807,377
	MTB Securities Limited		8,526,611	4,406,945
	MTB Capital Limited		12,525	822
	MTB Exchange (UK) Limited		4,422,285 1,664,181,296	2,309,302 1,592,524,446
	ii. Balance with Bangladesh Bank and its agent Ba	nk(a)	1,004,161,290	1,392,324,440
	(including foreign currency)	lik(S)		
	Mutual Trust Bank Limited (Note-3.02)		7,820,897,602	7,341,080,712
	MTB Securities Limited		-	-
	MTB Capital Limited		-	-
	MTB Exchange (UK) Limited		7,820,897,602	7,341,080,712
			9,485,078,899	8,933,605,158
4.00	Balance with other Banks and Financial Institutions	S		
	In Bangladesh (Note-4.01)	_	2,455,380,799	1,695,331,911
	Outside Bangladesh (Note- 4.02)		669,902,826	274,881,304
			3,125,283,625	1,970,213,215
4.01	In Bangladesh	Transaction	l	
	Fixed Deposits Receipt (FDR)	Currency	-	
	Lanka Bangla Finance Limited	BDT	250,000,000	103,187,500
	IDLC Finance Limited	BDT	18,604,988	33,751,395
	Bangladesh Investment and Finance Company Limited	BDT	150,000,000	154,030,139
	Reliance Finance Limited	BDT	-	60,805,000
	International Leasing and Financial Services Limited	BDT	300,000,000	203,055,556
	Union Capital Limited	BDT	200,000,000	204,345,972
	Industrial & Infrastructure Development Finance Company	BDT	-	60,839,167
	Limited Peoples Leasing Limited	BDT	_	101,054,167
	MIDAS Financing Limited	BDT	100,000,000	101,760,000
	Standard Bank Limited	BDT	-	505,270,833
	Fareast Finance Limited	BDT	100,000,000	-
	Premier Leasing & Finance Limited	BDT	200,000,000	-
	Prime Finance & Investment Limited	BDT	50,000,000	-
	One Bank Limited	BDT	400,000,000	-
	FAS Finance Limited	BDT	200,000,000	-
	Bangladesh Finance & Investment Company Limited	BDT	100,000,000	-
	GSP Finance Company (Bangladesh) Limited	BDT	100,000,000	-
	Bay Leasing & Investment Limited	BDT	100,000,000	-
	Special Notice Deposit (SND)			
	Dutch Bangla Bank Limited	BDT	64,001	62,965
	BASIC Bank Limited	BDT	79,541	78,508
	Sonali Bank Limited	BDT	4,138,526	12,077,575
	State Bank of India	BDT BDT	6,573	100,000
	Agrani Bank Limited	ועם	17,431,967	28,463,926

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		T		
		Transaction Currency	2015	2014
	Janata Bank Limited	BDT	18,955,021	11,170,671
	Standard Chartered Bank	BDT	26,861,490	11,170,071
		וטטו	20,001,400	_
	Current Deposits (CD)			
	Standard Chartered Bank	BDT	-	26,957,102
	AB Bank Limited	BDT	200,000	200,000
	Southeast Bank Limited	BDT	1,079,952	1,244,432
	Islami Bank Bangladesh Limited	BDT	268,823	24,901
	Janata Bank Limited	BDT	17,084,202	17,521,658
	BRAC Bank Limited	BDT	1,605,851	1,405,851
	Agrani Bank Limited	BDT	98,999,864	67,924,593
	Sub total		2,455,380,799	1,695,331,911
4.02	Outside Bangladesh (NOSTRO Accounts)			
7.02	in current account			
	Mashreg Bank, New York	US\$	134,079,755	38,094,403
	Standard Chartered Bank, New York	US\$	46,806,407	27,613,313
	Habib American Bank, New York	US\$	111,841,870	20,864,310
	Mashreq Bank, London	US\$	12,724,537	584,798
	ICICI, Hong Kong	US\$	15,975,045	3,932,722
	National Commercial Bank, Jeddha	US\$	44,689,779	7,041,798
	Sonali Bank, London	US\$	27,971,939	23,934,472
	Commerz Bank AG Germany	US\$	10,635,442	3,034,302
		SGD		
	Standard Chartered Bank, Singapore	ACU-USD	555,830	1,236,975
	Standard Chartered Bank, Colombo	GBP	361,859	729,807
	Mashreq Bank, London Standard Chartered Bank, London	GBP	21,023,577	14,060,922
	Sonali Bank, London	GBP	23,153,571 733,838	13,386,318
		CHF	1,270,519	2,395,207
	Habib American Bank, Zurich			1,060,352
	Standard Chartered Bank, Tokyo	JPY	247,941	14,108,695
	UBAF, Tokyo	JPY	76,133	165,136
	Mashreq Bank, London	EUR EUR	708,427	1,323,219
	Standard Chartered Bank, Germany	EUR	654,435 404,006	2,672,110
	Sonali Bank, London ICICI, Mumbai	EUR	142,820	446,204
		EUR	1,765,726	511,096
	Unicredit, Germany Commerze Bank, Germany	EUR	10,335,069	817,514 13,488,108
	Standard Chartered Bank, Mumbai	ACU	7,231,755	8,325,729
	Standard Chartered Bank, Kolkata	ACU	20,840,374	2,384,275
	Standard Chartered Bank, karachi	ACU	1,475,028	7,187,366
	United Bank of India, kolkata	ACU	19,407,509	4,809,871
	United Bank of India, Kolkata	ACU-EUR	362,587	693,252
	Mashreg Bank, Mumbai	ACU-LUN ACU	33,530,198	2,572,524
	AB Bank, Mumbai	ACU	16,912,334	8,066,876
	ICICI, Mumbai	ACU	38,466,802	5,980,233
	HDFC Bank, Mumbai	ACU	26,896,141	8,341,566
	•	ACU	5,378,035	1,543,398
	Himalayan Bank Ltd., Kathmundu			
	Nepal Bangladesh Bank Ltd. Habib Bank Pakistan	ACU ACU	19,625 3,925,000	19,487
	Habib Metropoliton Bank, Karachi	ACU		1,555,948
	i idolo ivieti opolitori Darin, Naidorii	AUU	1,266,305 641,870,219	242,982,304
	T D "		041,070,219	242,302,304
	Term Deposit		00.000	0.1.000
	ICICI, Mumbai	US\$	28,032,607	31,899,000
	Sub total		669,902,826	274,881,304
	Total		3,125,283,625	1,970,213,215
	Dataila of NOSTRO accounts are shown in Anna			

Details of NOSTRO accounts are shown in Annexure-A

		Amount in BDT		
		2015	2014	
4.03	Net Balance With other Banks and Financial Institutions			
	Balance with other Banks and Financial Institutions (Note-4)	3,125,283,625	1,970,213,215	
	Less: Borrowing From Other Banks, Financial Institutions and Agents	5,096,591,403	3,744,412,388	
	(Note 10.00)	(1,971,307,779)	(1,774,199,173)	
4.04	Maturity grouping of Balance with other Banks and Financial	(1,011,001,110)	(1,111,100,110)	
	Institutions			
	On Demand	950,076,792	1,248,891,902	
	Less than three months	900,004,988	461,285,919	
	More than three months but less than one year	600,032,607	59,617,467	
	More than one year but less than five years More than five years	675,169,238	200,417,927	
	Note than live years	3,125,283,625	1,970,213,216	
4 (a)	Consolidated balance with other Banks and Financial Institutions			
+ (a)	In Bangladesh			
	Mutual Trust Bank Limited (Note-4,01)	2,455,380,799	1,695,331,911	
	MTB Securities Limited	277,952,172	342,439,831	
	MTB Capital Limited	13,075,455	25,440,727	
	MTB Exchange (UK) Limited	-	-	
	Less: Intragroup Deposit	(282,001,422)	(164,309,972)	
		2,464,407,003	1,898,902,497	
	Outside Bangladesh			
	Mutual Trust Bank Limited (Note-4.02)	669,902,826	274,881,304	
	MTB Securities Limited	-	-	
	MTB Capital Limited	-	-	
	MTB Exchange (UK) Limited	-	-	
		660 002 826	27/ 881 30/	
		<u>669,902,826</u> 3.134.309.829	274,881,304	
5.00	Money at Call and Short Notice:	669,902,826 3,134,309,829	<u>274,881,304</u> <u>2,173,783,801</u>	
5.00	Money at Call and Short Notice: Bandladesh Finance And Investment Company Limited	3,134,309,829		
5.00	Bangladesh Finance And Investment Company Limited	3,134,309,829		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited	3,134,309,829 70,000,000 80,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited	3,134,309,829 70,000,000 80,000,000 60,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 60,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 90,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 90,000,000 50,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 90,000,000 50,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited Phoenix Finance And Investments Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 90,000,000 50,000,000 80,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited Phoenix Finance And Investments Limited Premier Leasing And Finance Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 90,000,000 50,000,000 100,000,000 70,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited Phoenix Finance And Investments Limited Premier Leasing And Finance Limited Prime Finance And Investment Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 90,000,000 50,000,000 100,000,000 70,000,000 80,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited Phoenix Finance And Investments Limited Premier Leasing And Finance Limited Prime Finance And Investment Limited Union Capital Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 90,000,000 50,000,000 100,000,000 70,000,000 80,000,000 40,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited Phoenix Finance And Investments Limited Premier Leasing And Finance Limited Prime Finance And Investment Limited Union Capital Limited Trust Bank Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 90,000,000 80,000,000 100,000,000 70,000,000 40,000,000 210,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited Phoenix Finance And Investments Limited Premier Leasing And Finance Limited Prime Finance And Investment Limited Union Capital Limited Trust Bank Limited The City Bank Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 90,000,000 80,000,000 100,000,000 70,000,000 40,000,000 210,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited Phoenix Finance And Investments Limited Premier Leasing And Finance Limited Prime Finance And Investment Limited Union Capital Limited Trust Bank Limited The City Bank Limited Bangladesh Commerce Bank Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 50,000,000 100,000,000 70,000,000 40,000,000 210,000,000 210,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited Phoenix Finance And Investments Limited Premier Leasing And Finance Limited Prime Finance And Investment Limited Union Capital Limited Trust Bank Limited The City Bank Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 50,000,000 100,000,000 70,000,000 40,000,000 210,000,000 210,000,000 190,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited Phoenix Finance And Investments Limited Premier Leasing And Finance Limited Prime Finance And Investment Limited Union Capital Limited Trust Bank Limited The City Bank Limited Bangladesh Commerce Bank Limited	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 50,000,000 100,000,000 70,000,000 40,000,000 210,000,000 210,000,000		
5.00	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited Phoenix Finance And Investments Limited Premier Leasing And Finance Limited Prime Finance And Investment Limited Union Capital Limited Trust Bank Limited The City Bank Limited Bangladesh Commerce Bank Limited AB Bank Limited Investments	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 50,000,000 100,000,000 70,000,000 40,000,000 210,000,000 210,000,000 210,000,000 190,000,000	2,173,783,801	
	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited Phoenix Finance And Investments Limited Premier Leasing And Finance Limited Prime Finance And Investment Limited Union Capital Limited Trust Bank Limited The City Bank Limited Bangladesh Commerce Bank Limited AB Bank Limited Investments Government (Note 6.01)	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 50,000,000 80,000,000 70,000,000 40,000,000 210,000,000 210,000,000 210,000,000 190,000,000 1,790,000,000	2,173,783,801	
	Bangladesh Finance And Investment Company Limited Delta Brac Housing Finance Corporation Limited Fareast Finance And Investment Limited GSP Finance Company (Bangladesh) Limited IDLC Finance Limited International Leasing And Financial Services Limited Lanka Bangla Finance Limited MIDAS Financing Limited Phoenix Finance And Investments Limited Premier Leasing And Finance Limited Prime Finance And Investment Limited Union Capital Limited Trust Bank Limited The City Bank Limited Bangladesh Commerce Bank Limited AB Bank Limited Investments	3,134,309,829 70,000,000 80,000,000 60,000,000 200,000,000 50,000,000 100,000,000 70,000,000 40,000,000 210,000,000 210,000,000 210,000,000 190,000,000	2,173,783,801	

		Amount in BDT	
		2015	2014
6.01	Government (Investment in Govt. securities)		
	Treasury Bills (Note 6.01.a)	878,601,744	1,253,329,821
	Treasury Bonds (Note 6.01.b)	22,061,877,596	17,225,763,884
	Bangladesh Bank Bills	599,705,501	-
	Prize Bonds	2,586,600	3,163,400
	Total	23,542,771,441	18,482,257,105
6.01.a	Treasury Bills (at present value)		
	Un-encumbered		
	28 days	-	-
	91 days	-	191,577,699
	182 days	-	74,644,913
	364 days	878,601,744	298,215,244
	Sub-total	878,601,744	564,437,857
	Encumbered		
	91 days	-	11,199,341
	182 days	-	282,362,067
	364 days	-	395,330,556
	Sub-total	-	688,891,964
	Total Treasury Bill	878,601,744	1,253,329,821
6.01.b	Treasury Bonds		
	Un-encumbered		
	2 Years	81,502,188	-
	5 Years	4,931,754,877	4,945,161,476
	10 Years	10,491,847,100	6,959,393,872
	15 Years	4,226,291,471	3,244,316,287
	20 Years	2,330,481,961	2,029,468,952
	Sub-total	22,061,877,596	17,178,340,587
	Encumbered		
	2 Years	-	-
	5 Years	-	-
	10 Years	-	-
	15 Years	-	-
	20 Years	-	47,423,297
	Sub-total		47,423,297
	Total Treasury Bond	22,061,877,596	17,225,763,884

	Amount in BDT	
	2015	2014
6.02 Other (Investment in other securities)		
Shares in quoted companies	983,728,730	1,162,490,231
(Annexure-B may kindly be seen for details)		
Shares in unquoted companies (at face value):		
Industrial & Infrastructure Development Finance Company Limited	42,453,820	42,453,820
Summit Power Limited Preferance Share	16,259,300	40,646,800
Central Depository (BD) Limited	15,694,430	15,694,430
Energypac Power Generation Limited	50,000,000	50,000,000
The Bangladesh Rating Agency Limited	4,915,500	4,915,500
BD Venture Limited	20,000,000	20,000,000
	149,323,050	173,710,550
Funds:		
MTB First Mutual Fund	100,000,000	100,000,000
MTB Unit Fund	217,600,000	217,600,000
	317,600,000	317,600,000
Bonds:		
Prime Bank Bond (Note 6.02.a)	90,000,000	90,000,000
Uttara Finance & Investment Limited -Zero Coupon Bond (Note 6.02.b)	80,000,000	100,000,000
AB Bank Subordinated Bond (Note 6.02.c)	80,000,000	80,000,000
	250,000,000	270,000,000
Commercial Paper:		
Rangs Properties Limited	200,000,000	-
Envoy Textiles Limited	350,000,000	-
	550,000,000	-
Total other investments	2,250,651,780	1,923,800,781

6.03 Assets pledged as security for liabilities as at December 31, 2015 is BDT 247,213,750 of Treasury Bill and Bond against Re-Purchase Agreement. Details are as follows:

(a) i. Disclosure regarding outstanding Repo as at December 31, 2015

Counter Party Name	Agreement Date	Reversal Date	Amount
A. Bangladesh Bank (Liquidity Support)	-	-	-
B. Bangladesh Bank (Repo)	-	-	-
C. Pubali Bank Limited	31.12.2015	03.01.2016	247,213,750
Total			247,213,750

ii. There is no outstanding Reverse Repo as at December 31, 2015.

(b) Disclosure regarding overall transaction of Repo for the year 2015

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
Securities sold under Repo:			
i) with Bangladesh Bank	-	-	-
ii) with Other Banks & Financial Institutions	98,872,900	10,714,194,833	2,211,485,501
Securities purchased under reverse Repo:			
i) with Bangladesh Bank	5,900,000	5,900,000	16,164
ii) with Other Banks & Financial Institutions	105,535,854	2,733,845,980	126,213,637

		Amoun	t in BDT
		2015	2014
6.02.a	Prime Bank Bond		
	Opening Balance	90,000,000	90,000,000
	Add: New investment	-	-
	Less: Redeemed upto 31.12.15	-	-
	Closing Balance	90,000,000	90,000,000
6.02.b	Uttara Finance & Investment Limited- Zero Coupon Bond	100 000 000	100 000 000
	Principal Add November 2014	100,000,000	100,000,000
	Add: New investment	20,000,000	-
	Less: Redeemed upto 31.12.15 Redeemable Value	80,000,000	100,000,000
0.00		80,000,000	100,000,000
6.02.c	AB Bank Subordinated Bond	90,000,000	00,000,000
	Principal Add: New investment	80,000,000	80,000,000
	Less: Redeemed upto 31.12.15		
	Redeemable Value	80,000,000	80,000,000
6.04	Maturity grouping of Investment as follows:		
6.04	On Demand	2,486,020,830	3,163,400
	Less than three months	699,900,010	1,162,490,231
	More than three months but less than one year	3,090,134,773	1,402,124,871
	More than one year but less than five years	5,765,040,537	5,532,761,476
	More than five years	13,752,327,071	12,305,517,908
	,	25,793,423,221	20,406,057,886
6 (a)	Consolidated Investments		
o (u)	Government Investment	23,542,771,441	18,482,257,105
	Mutual Trust Bank Limited	-	-
	MTB Securities Limited	-	-
	MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	23,542,771,441	18,482,257,105
	Other Investments		
	Mutual Trust Bank Limited	2,250,651,780	1,923,800,781
	MTB Securities Limited	257,281,925	194,901,851
	MTB Capital Limited	159,684,760	166,886,532
	MTB Exchange (UK) Limited	- 0.007.040.405	- 0.005 500 404
		2,667,618,465 26,210,389,906	2,285,589,164 20,767,846,269
7.00	Leave and Advances	20,210,369,900	20,767,646,269
7.00	Loans and Advances Loans (Note-7.01.01)	60 006 111 706	45 705 014 600
	Cash Credits	60,096,111,786 22,542,346,023	45,725,814,630 15,942,708,086
	Packing Credits	75,093,595	10,042,700,000
	Secured Overdrafts	11,208,369,989	11,838,658,560
		93,921,921,393	73,507,181,276
	Bills Purchased and Discounted (Note-7.01.02)	2,337,091,487	2,200,050,515
	Total Loans and Advances	96,259,012,880	75,707,231,791

		Amount in BDT	
		2015	2014
7.01	Loans and Advance		
	In Bangladesh		
7.01.01			
	Term Loan	24,536,763,468	18,704,414,353
	Time Loan	658,584,611	328,820,999
	Small and Medium Enterprise Financing	9,277,769,985	7,027,540,075
	Consumer Financing	399,486,984	502,384,587
	Retail Financing	2,552,741,449	1,951,350,252
	General Loans	2,872,375,972	2,436,049,231
	Demand Loan	1,457,355,942	643,121,154
	Payment Against Documents (PAD)	344,033,832	290,406,446
	Trust Receipts	8,484,507,785	7,208,577,204
	Lease Finance (note-7.03)	333,016,661	380,540,119
	Export Development Fund Loan	1,535,289,227	- 0.400.0E1.700
	House Building Loan	3,254,990,874	2,409,251,702
	Staff/Employee Loan	600,621,927	577,256,326
	Loans and Advances -Offshore Banking Unit (Annexure-G)	1,286,284,262	598,006,047
	Loan to MTB Securities Ltd.*	2,460,000,000	2,634,788,736
	Loan to MTB Capital Limited	40,000,000	-
	Loan to MTB Exchange (UK) Limited	42,288,808	33,307,399
	Cook Cradit	60,096,111,786	45,725,814,630
	Cash Credit	22,542,346,023	15,942,708,086
	Packing Credit Secured Overdraft	75,093,595	11 000 050 500
	Secured Overdrait	11,208,369,989 93,921,921,393	11,838,658,560 73,507,181,276
	Outside Bangladesh	95,921,921,095	75,507,101,270
	Guidide Builgiadoin	93,921,921,393	73,507,181,276
7.01.02	Bill Purchased and Discounted		
	Payable in Bangladesh	2,185,712,585	2,123,318,715
	Payable outside Bangladesh	151,378,902	76,731,800
		2,337,091,487	2,200,050,515
7.02	Net Loans & Advances		
	Gross Loans & Advances (Note-7)	96,259,012,880	75,707,231,791
	Less:		
	Classified Loans & Advances (Note-7.07)	2,034,421,778	2,060,278,919
	Interest Suspense (Note- 12.05)	536,807,002	381,689,511
	Provision for Loans & Advances (Note -12.01)	2,247,000,000	1,851,613,742
	Net Loans & Advances	91,440,784,100	71,413,649,620
7.03	Gross Lease Rent Receivable		
	within 1 year	72,702,211	87,933,243
	within 5 years	334,160,573	404,166,842
	after 5 years	-	-
	Less: Unearned Lease Rent	406,862,785	492,100,085
	Less. Offedfied Lease neft	73,846,123 333,016,661	111,559,966 380,540,119
7.04	Residual Maturity grouping of Loans and Advances		222,313,110
, .5-	On Demand	12,847,239,137	10,104,289,273
	Not more than three months	20,690,483,229	16,272,961,490
	More than three months but less than one year	30,169,263,690	23,727,974,875
	More than one year but less than five years	22,479,344,602	17,679,892,006
		22,479,344,602 10,072,682,222 96,259,012,880	17,679,892,006 7,922,114,148 75,707,231,791

		Amount	
		2015	2014
7.05	Concentration of Loans and Advances:		
	a) Loans and Advances to Institutions in which the Directors of the Bank have interest	-	-
	b) Advances to Managing Director & other Senior Executives	600,621,927	577,256,326
	c) Advances to Industries Agriculture	2,504,645,545	1,150,828,592
	RMG	6,086,855,000	4,098,523,804
	Textile	7,792,550,000	6,033,216,578
	Ship Building	1,029,400,000	754,040,000
	Ship Breaking	894,160,640	1,178,460,000
	Other Manufacturing industry	20,210,598,574	14,297,263,878
	SME loans Construction	12,304,687,229 1,243,350,000	4,918,472,557 1,031,422,788
	Power, Gas	2,721,400,000	776,085,400
	Transport, Storage and Communication	997,440,000	711,851,500
	Trade Service	12,481,955,100	12,215,662,100
	Commercial real estate financing	5,324,469,550	4,150,187,086
	Residential real estate financing	821,410,000	1,025,040,533
	Consumer credit Capital Market (Loan provided for brokerage or merchant	1,562,181,642	1,590,214,611
	banking, to stock dealer or any kind of capital market activities)	2,460,000,000	2,814,933,742
	NBFIs	5,797,660,000	7,728,905,299
	Others	11,425,627,674	10,654,866,997
		95,658,390,954 96,259,012,880	75,129,975,465 75,707,231,791
7.05 ()		90,239,012,000	73,707,231,791
7.05 (a)			
	a) Loans and Advances to Institutions in which the Directors of the Bank have interest	-	-
	b) Advances to Managing Director & other Senior Executives	600,621,927	577,256,326
	c) Advances to Industries		
	Agriculture	2,504,645,545	1,150,828,592
	RMG	6,086,855,000	4,098,523,804
	Textile	7,792,550,000	6,033,216,578
	Ship Building	1,029,400,000	754,040,000
	Ship Breaking	894,160,640	1,178,460,000
	Other Manufacturing industry	20,210,598,574	14,297,263,878
	SME loans	12,304,687,229	4,918,472,557
	Construction	1,243,350,000	1,031,422,788
	Power, Gas	2,721,400,000	776,085,400
	Transport, Storage and Communication	997,440,000	711,851,500
	Trade Service	12,481,955,100	12,215,662,100
	Commercial real estate financing	5,324,469,550	4,150,187,086
	5		
	Residential real estate financing	821,410,000	1,025,040,533
	Consumer credit Capital Market (Loan provided for brokerage or merchant banking, to	1,562,181,642	1,590,214,611
	stock dealer or any kind of capital market activities)	3,789,762,809	4,248,620,000
	NBFIs	5,797,660,000	7,728,905,299
	Others	11,425,627,674	10,654,866,997
		96,988,153,763	76,563,661,723
7.06	Dotaile of Large Lean	97,588,775,690	77,140,918,049
7.00	Details of Large Loan Number of borrowers with outstanding amount of loans exceeding	na 10% of total ca	ipital of the Rank
	and classification status thereof. Total capital of the Bank is BDT		
	31, 2015 (BDT 8,712.40 million in 2014)		
	•		

55

49,978.60 39,476.46

54

Number of Clients Outstanding Advances (BDT Million)

Client wise details are given below:

Name of the ellipse	Outstanding	(BDT Million)	Total	Classification
Name of the clients	Funded	Non-Funded	(BDT Million)	Status
City Group	1,300.00	1,707.50	3,007.50	UC
Meghna Group	402.70	2,352.30	2,755.00	UC
MSA Group	1,279.50	729.90	2,009.40	UC
City Seed Crushing Ind. Limited and its allied concerns	1,245.00	759.50	2,004.50	UC
Saad Musa Group	1,323.20	638.30	1,961.50	UC
Sheema Automatic Re-Rolling Mills Limited and its allied concerns	814.30	933.40	1,747.70	UC
Abdul Monem Group	1,281.80	-	1,281.80	UC
PRAN - RFL Group	407.20	860.00	1,267.20	UC
Abul Khair Group	526.60	699.80	1,226.40	UC
Noman Group	1,204.90	-	1,204.90	UC
RK Group	929.80	127.70	1,057.50	UC
Star Ceramics (Pvt.) Limited and its allied concerns	971.30	68.90	1,040.20	UC
Bengal Group	817.10	211.00	1,028.10	UC
KDS Group	848.50	149.30	997.80	UC
Sitalpur Auto Steel Mills Limited and its allied concerns	607.70	362.40	970.10	UC
Confidence Steel Limited and its allied concerns	257.00	693.50	950.50	UC
Khan Brothers Bag Industries Ltd. and its allied concerns	502.00	432.70	934.70	UC
Dynasty Sweater (BD) Limited and its allied concerns	598.20	306.90	905.10	UC
AJI Group	131.70	756.60	888.30	UC
Jalal Ahmed Spinning Mills Limited and its allied concerns	868.30	2.10	870.40	UC
BBS Cable Limited (BCL) and its allied concerns	823.80	42.80	866.60	UC
Sajeeb Group	694.40	163.70	858.10	UC
Epyllion Fabrics Limited and its allied concerns	465.00	355.90	820.90	UC
BSM Group	121.80	653.10	774.90	UC
Golden Son Limited and its allied concerns	350.50	409.70	760.20	UC
Jahangir & Others Group	723.80	-	723.80	UC
T.K. Group	476.00	79.20	555.20	UC
KABIR Steel	537.30	-	537.30	UC
BRB Group	124.30	392.10	516.40	UC
Butterfly Marketing Limited and its allied concerns	437.70	57.00	494.70	UC
Eon Group	385.80	101.40	487.20	UC
Ahsan Group	77.10 15.10	376.00	453.10	UC UC
Ctg. Denim Group	15.10 255.70	400.10	415.20 366.10	UC
Purbani Group PHP Group	255.70	110.40 293.50	293.50	UC
BSRM Group	289.80	293.50	293.30	UC
Dekko Accessories Limited and its allied concerns	209.00	46.60	274.50	UC
Naafco Group	190.60	26.50	217.10	UC
Mahdeen Group	19.20	106.30	125.50	UC
S S STEEL (PVT) Limited	1,204.40	205.90	1,410.30	UC
Sarker Steel Limited	1,231.90	109.80	1,341.70	UC
Walton Hi-Tech Industries Limited	217.30	972.10	1,189.40	UC
Bay Developments	1,079.50	072.10	1,079.50	UC
Summit Corporation Limited	1,010.40	_	1,010.40	UC
United Enterprises & Co. Limited	1,010.30	_	1,010.30	UC
Al- Mostafa Printing & Packaging Inds. Limited	731.40	248.50	979.90	UC
ROBI Axiata Limited	-	920.00	920.00	UC
Ashik Composite Textile Mills Limited	653.10	165.20	818.30	UC
Peoples Leasing & Financial Services Limited	777.40	-	777.40	UC
Lanka Bangla Finance Limited	583.50	-	583.50	UC
Rahmat Textile Mills Limited	291.70	39.60	331.30	UC
Karnafuly Ship Builders Limited	257.10	16.70	273.80	UC
GrameenPhone Limited	-	220.00	220.00	UC
Confidence Cement Limited	-	84.40	84.40	UC
BRAC	7.20	-	7.20	UC
Total	31,587.80	18,390.80	49,978.60	

		Amount	in BDT
		2015	2014
7.07	Classification of Loans and Advances:		
	Unclassified (UC):		
	Standard	91,293,806,457	72,741,845,924
	Special Mention Account (SMA)	2,930,784,645	905,106,948
	Sub total	94,224,591,102	73,646,952,872
	Classified:		
	Substandard	79,709,495	173,481,479
	Doubtful	169,186,865	71,783,635
	Bad & Loss	1,785,525,418	1,815,013,805
	Sub total	2,034,421,778	2,060,278,919
	Total	96,259,012,880	75,707,231,791
7.07 (a)	Classification of Consolidated Loans and Advances:		
, ,	Consolidated Unclassified Loans and Advances (UC):		
	Standard	92,623,569,266	74,175,532,182
	Special Mention Account (SMA)	2,930,784,645	905,106,948
	Sub total	95,554,353,911	75,080,639,130
	Consolidated Classified Loans & Advances:		
	Substandard	79,709,495	173,481,479
	Doubtful	169,186,865	71,783,635
	Bad & Loss	1,785,525,418	1,815,013,805
	Sub total	2,034,421,778	2,060,278,919
	Total	97,588,775,690	77,140,918,049

7.08 Details of Required Provision for Loans and Advances

Particulars	Base for	Rate	Provision	
1 6. 110 61.61	Provision		Required	Maintained
Unclassifed (UC):				
Standard	00 601 060 576	0.25%,1%, 2% & 5%	981,073,520	983,137,157
Standard- Offshore Banking Unit	90,091,909,570	U.20%, 1%, 2% & 0%	12,862,843	12,862,843
Special Mention Account (SMA)	2,930,784,645	0% & 5%	68,199,515	69,000,000
Sub total			1,062,135,878	1,065,000,000
Classifled:				
Substandard	45,374,839	5% & 20%	8,541,852	20,000,000
Doubtful	65,350,503	5% & 50%	32,542,051	50,000,000
Bad loan	767,344,414	100%	767,344,414	1,112,000,000
Sub total			808,428,317	1,182,000,000
Total			1,870,564,195	2,247,000,000
Excess/(short) Provision as at December 31, 2015				376,435,805

7.09 Details of Required Provision for Off Balance Sheet Items

· · · · · · · · · · · · · · · · · · ·		
Excess/(Short) Provision	1,707,545	-
Total Provision maintained (Note -12.02)	352,000,000	308,018,028
Required Provision for Off- Balance Sheet Exposures	350,292,455	308,018,028

			Amount	in BDT
			2015	2014
Suits filed by the Bank (Branch wis	se details)			
Name of the Branch		No. of Suits		
	2015	2014		
Principal Branch	18	19	825,360,000	825,350,000
Babu Bazar Branch	17	17	269,271,000	264,773,000
Uttara Model Town Branch	3	3	25,300,000	24,650,000
Dhanmondi Branch	4	6	29,660,000	28,660,000
Agrabad Branch	19	16	519,400,000	519,400,000
CDA Avenue Branch	10	6	210,874,000	210,874,000
Khatungonj Branch	12	13	438,736,000	438,736,000
Gulshan Branch	9	9	17,780,000	17,780,000
Progati Sharani Branch	1	1	1,100,000	1,100,000
Haidergonj SME/Agri Branch	9	9	13,230,000	13,230,000
Narayangonj Branch	1	1	350,000	350,000
Aman Bazar Branch	-	1	-	5,760,000
Bashundhara City Branch	14	12	247,320,000	247,320,000
Banani Branch	3	2	410,000	410,000
Aganagar Branch	2	2	740,000	740,000
Raipur Branch	18	9	13,580,000	13,580,000
Savar Branch	2	2	432,000	432,000
Madaripur Branch	10	11	5,125,000	5,124,000
Elepahant Road Branch	7	-	38,600,000	-
Bashundhara Branch	5	-	16,300,000	-
Jubilee Road Branch	1	-	148,600,000	-
Belkuchi SME Branch	4	-	38,400,000	-
Bogra Branch	2	-	324,500,000	-
			3,185,068,000	2,618,269,000
Geographical Location wise Loans and	d Advances			
Inside Bangladesh				
Urban				
Dhaka Division			67,429,192,880	50,775,018,126
Chittagong Division			18,511,540,000	17,028,696,234
Rajshahi Division			3,704,760,000	2,761,838,552
Sylhet Division			742,930,000	729,344,021
Khulna Division			1,302,240,000	1,131,320,514
Rangpur Division			1,720,930,000	1,302,313,353
Barisal Division			80,890,000	49,896,262
••			93,492,482,880	73,778,427,062

		Amount in BDT 2014	
	Rural		
	Dhaka Division	1,536,100,000	1,158,247,886
	Chittagong Division	1,157,920,000	734,786,316
	Rajshahi Division	-	-
	Sylhet Division	72,510,000	35,770,528
	Khulna Division	-	-
	Rangpur Division	-	-
	Barisal Division	-	-
		2,766,530,000	1,928,804,729
	Outside Bangladesh		
		96,259,012,880	75,707,231,791
7.11.a	Geographical Location wise Consolidated Loans and Advances		
	Inside Bangladesh		
	Urban		
	Dhaka Division	68,758,955,690	52,208,704,384
	Chittagong Division	18,511,540,000	17,028,696,234
	Rajshahi Division	3,704,760,000	2,761,838,552
	Sylhet Division	742,930,000	729,344,021
	Khulna Division	1,302,240,000	1,131,320,514
	Rangpur Division	1,720,930,000	1,302,313,353
	Barisal Division	80,890,000	49,896,262
		94,822,245,690	75,212,113,320
	Rural		
	Dhaka Division	1,536,100,000	1,158,247,886
	Chittagong Division	1,157,920,000	734,786,316
	Rajshahi Division	-	-
	Sylhet Division	72,510,000	35,770,528
	Khulna Division	-	-
	Rangpur Division	-	-
	Barisal Division	-	-
		2,766,530,000	1,928,804,729
	Outside Bangladesh		
		97,588,775,690	77,140,918,049
7.12	Sector-wise Loans including Bill Purchased and Discounted	01 704 007	47.04.4.770
	Public sector Co-Operative sector	31,794,227	47,214,772
	Private sector	96,227,218,653 96,259,012,880	75,660,017,019 75,707,231,791
7.40()	October the October Halles Harvert A. P. B. B. B. H. S. H.		, , , - , , - ,
7.12(a)	Sector-wise Consolidated Loans including Bill Purchased and Discounted		
	Public sector	31,794,227	47,214,772
	Co-Operative sector	-	-
	Private sector	97,556,981,463 97,588,775,690	77,093,703,276 77,140,918,049

		Amount	
		2015	2014
7.13	Particulars of Loans and Advances:		
	 I) Debts considered good in respect of which the bank company is fully secured. 	81,273,653,438	63,634,283,429
	II) Debts considered good for which the bank holds no other security than the debtor's personal security.	720,939,246	531,394,529
	III) Debts considered good secured by the personal undertakings of one or more parties in addition to the personal security of the debtors.	12,229,998,418	9,481,274,914
	IV) Debts considered doubtful or bad, provision not provided for.	-	-
	V) Debts due by directors or officers of the bank or any of them either severally or jointly with any other person.	600,621,927	577,256,326
	VI) Debts due by companies or firms in which the Directors of the bank are interested as partners or managing agents or in case of private companies, as members.	-	-
	VII) Maximum total amount of advances, including temporary advances, made at any time during the year to Directors or Managers		
	or Officers of the bank or any of them either severally or jointly with any other person.	600,621,927	577,256,326
	VIII) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which		
	the Directors of the bank are interested as partners or managing agents or in case of private companies, as member.	-	-
	IX) Due from banking companies;	-	-
	X) Amount of classified loan on which interest has not been chrged:		
	a. i) (Decrease)/Increase in provision,	767,344,414	924,974,845
	ii) amount of loan written off	-	440,837,046
	iii) amount realized against loan previously written off;	1,100,990	7,336,952
	b. Amount of provision kept against loan classified as ' bad/loss'	1,112,000,000	924,974,845
	c. Interest creditable to the interest Suspense A/c;	282,083,540	202,009,202
	XI) Cumulative amount of loans written off		
	Opening Balance	1,393,667,288	952,830,242
	Amount Written off during the year	-	440,837,046
	Balance of Written off Loans & Advance	1,393,667,288	1,393,667,288
	XII) The amount of written off loan for which law suit has been filed	1,393,667,288	1,393,667,288
7.14	Maturity grouping of Bill Purchased and Discounted Payable within one month	294,990,587	277,693,105
	More than one month but less than three months	1,393,844,905	1,312,113,461
	More than three months but less than six months	648,255,995	610,243,948
	More than or equal to six months	-	-
	1	2,337,091,487	2,200,050,515
7.15	Consolidated list of Asset pledged as collaterals:	, , ,	, , ,
7.13	Collateral of movable/immovable assets	17,976,300,742	14,209,711,440
	Export documents	4,344,784,908	3,434,418,499
	Fixed deposit receipts	2,634,085,797	2,082,163,601
	Personal guarantee	9,455,578,938	7,474,343,589
	Other securities	63,178,025,305	49,940,280,919
	Ctror cocumido	97,588,775,690	77,140,918,049
7.16	Maturity arouning of Consolidated Loops and Advances	07,000,170,000	77,110,010,010
7.16	Maturity grouping of Consolidated Loans and Advances	10 047 000 107	10 104 000 070
	On Demand Not more than three months	12,847,239,137 20,690,483,229	10,104,289,273 16,272,961,490
	More than three months but less than one year	30,169,263,690	23,727,974,875
	More than one year but less than five years	22,479,344,602	17,679,892,006
	More than five years More than five years	11,402,445,032	9,355,800,406
	More than tive years	97,588,775,690	77,140,918,049
		01,000,110,000	77,170,310,048

		Amount	in BDT
		2015	2014
7 (a)	Consolidated Loans, Advances and Lease		
	Mutual Trust Bank Limited (Note-7.01.01)	93,921,921,393	73,507,181,276
	MTB Securities Limited	3,716,976,374	3,995,756,801
	MTB Capital Limited	115,075,243	106,025,591
	MTB Exchange (UK) Limited	-	-
	Less: Loan to Subsidiaries	97,753,973,010 2,502,288,808	77,608,963,669 2,668,096,135
		95,251,684,203	74,940,867,534
	Consolidated bills purchased and discounted:	00,201,001,200	7 1,0 10,007,001
	Mutual Trust Bank Limited (Note-7.01.02)	2,337,091,487	2,200,050,515
	MTB Securities Limited MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	-	-
		2,337,091,487	2,200,050,515
		97,588,775,690	77,140,918,049
3.00	Fixed Asset including Premises, Furniture & Fixture		
,,,,,	Cost		
	Land	104,253,000	104,253,000
	Immovable Property	1,455,740,795	995,326,830
	Furniture & Fixtures	1,255,272,572	1,093,022,070
	Office Equipments	1,390,708,017	1,075,968,599
	Motor Vehicles	74,744,415	54,649,664
	Books & Periodicals	423,974	423,974
	Intangible Assets	79,094,587	70,367,646
	Leased Asset	48,455,000	48,455,000
	Total Cost	4,408,692,360	3,442,466,783
	Less: Accumulated Depreciation	1,338,169,090	1,072,693,849
	Book value at the end of the year	3,070,523,270	2,369,772,934
	Details are shown in Annexure-C		2,000,772,001
3 (a)	Consolidated Fixed Assets including Premises, Furniture and Fixtures		
, (α)	Mutual Trust Bank Limited (Note-8)	3,070,523,270	2,369,772,934
	MTB Securities Limited	101,650,937	109,461,778
	MTB Capital Limited	7,551,839	6,923,097
	MTB Exchange (UK) Limited	2,103,800	2,734,620
	Consolidated net book value at the end of the year	3,181,829,846	2,488,892,429
	Details are shown in Annexure-C (i)	0,101,020,010	2,100,002,120
	Other Asset		
9.00	Classification of Other Asset		
	A) Income generating Other Asset		
	i) Investment in Shares of Subsidiary Companies (Note-9.01)	1,548,395,800	1,548,395,800
	B) Non-Income generating Other Assset:	1,040,090,000	1,040,090,000
		12,201,480	16,190,337
	i) Stationery, Stamps, Printing materials in stock etc. ii) Advance Rent and Advertisement	364,302,062	368,274,974
	•	93,160,092	
	iii) Interest Accrued on Investment but not collected & other income receivable		162,289,956
	iv) Security Deposit	10,611,008	8,456,951
	v) Branch Adjustment	-	0.550.051
	vi) Suspense Account (Note- 9.02)	32,261,448	9,558,251
	vii) Others (Note- 9.03)	4,005,493,787	4,212,484,354
		6,066,425,678	6,325,650,624
	Investment in Shares of Subsidiary Companies		
9.01		1,270,000,000	1,270,000,000
9.01	MTB Securities Limited	1,270,000,000	.,,,
9.01	MTB Securities Limited MTB Capital Limited	250,000,000	250,000,000
9.01			

		Amount	
		2015	2014
9.02	Suspense Account		
	Sundry Debtors	2,487,000	2,796,856
	Advance against TA/DA	1,000	70,000
	Legal Expenses	2,351,603	545,666
	Sanchay Patra Others	27,147,967	5,820,586
		273,878 32,261,448	325,143 9,558,251
9.03	Others		
	Advance Income Tax (Note-9.03.01)	3,474,990,108	3,000,925,263
	Stock of Commemorative Coins	218,320	-
	Payment Against Construction	-	719,978,889
	Advance Salary	710,000	650,000
	Advance Against Interior Decoration	18,011,682	5,640,000
	Advance to Employee	21,617,499	14,716,480
	Advance to Suppliers/Parties	59,939,384	6,932,196
	Interest on Treasury Bond	376,679,588	463,641,526
	Interest Receivable on Call Money	167,708	-
	Interest Receivable on Balance with Other Bank	34,441,442	-
	Interest Receivable on Investment in Commercial Paper	18,718,056	-
	Total	4,005,493,787	4,212,484,354
9.03.01	Advance Income Tax		
	Opening Balance	3,000,925,263	2,257,716,624
	Add: Payment during the year	474,064,845	743,208,639
	Closing Balance	3,474,990,108	3,000,925,263
9.03.01(a)	Consolidated Advance Income Tax		
()	Mutual Trust Bank Limited (Note-9.03.01)	3,474,990,108	3,000,925,263
	MTB Securities Limited	35,990,033	49,385,089
	MTB Capital Limited	10,336,624	4,184,386
	MTB Exchange (UK) Limited	-	-
		3,521,316,765	3,054,494,738
9.04	Classification of Other Asset		
	Unclassified	6,057,703,678	6,323,181,144
	Substandard	-	-
	Doubtful	-	-
	Bad/Loss	8,722,000	2,469,480
		6,066,425,678	6,325,650,624
9 (a)	Consolidated Other Assets		
	Mutual Trust Bank Limited (Note-9)	6,066,425,678	6,325,650,624
	Less: Investment in subsidiaries	(1,548,395,800)	(1,548,395,800)
		4,518,029,878	4,777,254,824
	MTB Securities Limited	138,736,080	125,080,450
	MTB Capital Limited	25,074,662	11,042,348
	MTB Exchange (UK) Limited	1,091,346	1,538,647
	Less: Intragroup receivable & payable	-	(119,000,000)
		164,902,088	18,661,445
40.00	Book to Found Other Books Floorist Louis Found Assets	4,682,931,966	4,795,916,269
10.00	Borrowing From Other Banks, Financial Institutions & Agents In Bangladesh	4,342,602,594	3 670 601 060
	Outside Bangladesh	4,042,002,094	3,672,601,862
	Borrowing from other banks & financial institutions-Offshore Banking Unit	753,988,810	71,810,526
	25.75 Ming North Other Date to a mila total motivation to Other total Date that gother	5,096,591,403	3,744,412,388
		3,555,551,750	<u> </u>

		Amount	in BDT
		2015	2014
	In Bangladesh: Borrowing from Bank:	620,716,537	1,963,870,500
	Call Borrowing:	020,710,337	880,000,000
	Agrani Bank Limited	-	300,000,000
	Dutch Bangla Bank Limited	-	200,000,000
	United Commercial Bank Limited		150,000,000
	State Bank Of India	-	230,000,000
	Torm Parrowing		580,000,000
	Term Borrowing ICB Islamic Bank Limited	-	580,000,000
		000 710 507	
	Foreign Currency Borrowing State Bank Of India	620,716,537	503,870,500 193,796,346
	Dutch Bangla Bank Limited	-	310,074,154
	Bank Asia Limited	310,358,268	010,074,104
	Bank Alfalah Limited	77,589,567	_
	Bangladesh Krishi Bank Limited	232,768,702	-
	Borrowing from Bangladesh Bank:	3,655,505,608	997,513,541
	SME Refinance	920,791,697	997,513,541
	Investment Promotion and Financing Facility(IPFF)	1,199,424,684	-
	Export Development Fund	1,535,289,227	-
	Borrowing from Other Institutes: SME Foundation	66,366,903 66,366,903	39,866,903 39,866,903
	Repo of Treasury Bill/Bond	13,546	671,350,918
	Bangldesh Bank	13,546	671,350,918
	Total	4,342,602,594	3,672,601,862
10.01	Security against Borrowing from Other Banks, Financial Institutions and Agents		
	Secured	13,546	671,350,918
	Unsecured	1,441,072,250	2,035,681,026
		1,441,085,796	2,707,031,944
10.02	Maturity Grouping of Borrowing From Other Banks, Financial Institutions & Agents On Demand	987,309,106	2,095,088,322
	Repayable within one month	-	580,000,000
	More than one month but within six months	1,845,647,496	-
	More than six months but within one year	310,358,268	_
	More than one year but within five years	-	997,513,541
	More than five year but within ten years	1,953,276,533	71,810,526
	,	5,096,591,403	3,744,412,388
10 (a)	Consolidated Borrowing from Other Banks, Financial Institutions and Agents		
- ()	Mutual Trust Bank Limited (Note-10)	5,096,591,403	3,744,412,388
	MTB Securities Limited	2,460,000,000	2,634,773,736
	MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	42,288,808	33,307,399
	Less: Intragroup Borrowings	(2,502,288,808) 5,096,591,403	(2,668,081,135) 3,744,412,388
11.00	Damasita and Other Assaults	3,090,091,400	0,744,412,000
11.00	Deposits and Other Accounts From Banks (Note 11.01)		
	From Customers (Note 11.02)	118,686,720,280	96,229,047,046
	Tion Sastomore (140to 11102)	118,686,720,280	96,229,047,046
			. , , ,
11.01	Deposits From Banks		

		Amount	in BDT
		2015	2014
11.02	Customer Deposits and Other Accounts:		
	Current Deposits & Other Accounts:		
	Current Deposits	6,333,474,405	5,543,177,138
	Foreign Currency Deposits	1,834,634,619	1,109,674,549
	Non-Resident Taka account	30,628,559	33,552,399
	Sundry Deposits	1,389,498,908	1,540,613,107
		9,588,236,491	8,227,017,193
	Bills Payable:		
	Payment Order Issued	1,243,486,769	1,268,903,346
	Pay Slip Issued	1,548,843	1,183,708
	Demand Draft Payable	8,258,052	14,193,514
		1,253,293,664	1,284,280,568
	Savings Deposits	17,908,495,890	14,383,897,873
	Special Notice Deposits	13,956,739,643	8,158,247,118
	Fixed Deposits	55,707,789,090	49,411,783,655
	Deposit-Products:		
	Brick by Brick	7,542,769,245	5,907,147,952
	Save Everyday Deposit	534,608	1,111,183
	Festival Savings Plan	8,665,753	10,260,149
	Children Education Deposit Scheme	528,019	435,779
	Best invest Deposit	688,003	687,405
	Unique Savings Plan	12,701	17,811
	NRB Deposit Pension Scheme	123,464,939	80,515,477
	MTB Gift Cheque	5,987,770	3,257,692
	MTB Kotipati	806,841,620	357,588,818
	MTB 1.5 Times Benefit Plan	-	91,708
	MTB Double Saver Plan	5,722,335,590	4,095,981,049
	MTB Triple Saver Plan	309,607,764	276,357,259
	MTB Millionaire Plan	2,225,087,356	1,738,785,029
	MTB Education Plan	194,552,131	167,907,379
	MTB Monthly Benefit Plan	3,331,073,665	2,123,331,178
	MTB Quarterly Benefit Plan	16,338	344,772
		20,272,165,502	14,763,820,639
	Total	118,686,720,280	96,229,047,046
11.03	Maturity Grouping of Deposits and Other Accounts:		
	On Demand	4,461,880,763	3,617,612,255
	Repayable within one month	12,936,684,562	10,488,829,958
	More than one month but within six months	25,733,345,861	22,485,695,428
	More than six months but within one year	50,884,254,235	41,256,033,388
	More than one year but within five years	20,173,633,233	14,734,853,261
	More than five years but within ten years	3,819,614,215	3,096,874,150
	More than ten years	677,307,412	549,148,604 96,229,047,046
44.04	Damand & Time Damanite	118,686,720,280	90,229,047,040
11.04	Demand & Time Deposits	10 452 204 706	10 005 040 570
	a) Demand DepositsCurrent Deposits	12,453,294,786 6,333,474,405	10,805,848,570 5,543,177,138
	·		1,294,550,809
	Savings Deposits (9%) Foreign Currency Deposits non interest bearing	1,611,764,630 1,834,634,619	1,109,674,549
	Non Resident Taka Deposits	30,628,559	33,552,399
	Sundry Deposits	1,389,498,908	1,540,613,107
	Bills Payable	1,253,293,664	1,284,280,568
	J	,,,	, .,,

			t in BDT
		2015	2014
	b) Time Deposits	106,233,425,494	85,423,198,476
	Savings Deposits (91%)	16,296,731,260	13,089,347,064
	Fixed Deposits	55,707,789,090	49,411,783,655
	Short Term Deposits	13,956,739,643	8,158,247,118
	Deposits Under Scheme	20,272,165,502	14,763,820,639
	Total Demand & Time Deposits (a + b)	118,686,720,280	96,229,047,046
11.05	Sectorwise Deposits		
	Government	384,276,000	483,610,000
	Deposit Money Banks	-	-
	Autonomus & Semi-Autonomous Bodies	548,425,000	972,392,000
	Public Non- Financial Organisation	2,333,868,000	1,675,664,000
	Other Public	528,233,000	477,570,000
	Foreign Currency	1,834,634,619	1,109,302,980
	Private	113,057,283,661	92,552,094,427
		118,686,720,280	97,270,633,407
11 (a)	Consolidated Deposits and Other Accounts		
	Current Deposits and Other Accounts	0.500.000.404	0.007.017.100
	Mutual Trust Bank Limited (Note-11.02) MTB Securities Limited	9,588,236,491	8,227,017,193
	MTB Capital Limited		-
	MTB Exchange (UK) Limited		_
	Less: Intragroup Deposit	(2,326,345)	(2,749,790)
	2000, initiagroup 20posit	9,585,910,146	8,224,267,403
	Bills Payable	2,022,012,11	-,,,
	Mutual Trust Bank Limited (Note-11.02)	1,253,293,664	1,284,280,568
	MTB Securities Limited	-	-
	MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	-	-
	0	1,253,293,664	1,284,280,568
	Savings Deposits	17,000,405,000	14,000,007,070
	Mutual Trust Bank Limited (Note-11.02) MTB Securities Limited	17,908,495,890	14,383,897,873
	MTB Capital Limited		-
	MTB Exchange (UK) Limited		_
	WITE Exchange (et y Elithica	17,908,495,890	14,383,897,873
	Special Notice Deposits		
	Mutual Trust Bank Limited (Note-11.02)	13,956,739,643	8,158,247,118
	MTB Securities Limited	-	-
	MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	(070 075 077)	(101 500 100)
	Less: Intragroup Deposit	(279,675,077) 13,677,064,566	(161,560,182)
	Fixed Deposits	13,077,004,300	7,996,686,936
	Mutual Trust Bank Limited (Note-11.02)	55,707,789,090	49,411,783,655
	MTB Securities Limited	-	-
	MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	-	-
	Less: Intragroup Deposit	-	-
	B	55,707,789,090	49,411,783,655
	Deposit Products	00 070 105 500	14 700 000 000
	Mutual Trust Bank Limited (Note-11.02) MTB Securities Limited	20,272,165,502	14,763,820,639
	MTB Capital Limited		
	MTB Exchange (UK) Limited		
	mis storialize (or y similar	20,272,165,502	14,763,820,639
		118,404,718,858	96,064,737,074

		Amount	in BDT
		2015	2014
12.00	Other Liabilities		
	Provision for Loans and Advances (Note-12.01)	2,247,000,000	1,851,613,742
	Provision for Off Balance Sheet Items (Note-12.02)	352,000,000	308,018,027
	Provision against Shares in quoted companies (Note- 12.03)	225,507,667	225,507,667
	Provision for Other Asset (Note-12.04)	10,000,000	2,469,480
	Interest Suspense (Note- 12.05)	536,807,002	381,689,511
	Provision for Income Tax (Note-12.06)	4,084,013,780	3,323,117,624
	Provision for Gratuity (2.15.05-b)	-	55,033,117
	Provision for Bonus	206,106,072	125,351,242
	Contribution to MTB Foundation	12,000,000	10,000,000
	Contribution to MTB Employees Welfare Fund	29,143	971
	Contribution to MTB Employees Medical Assistance Fund	5,013,888	2,000,000
	Employees Provident Fund	44,060	-
	Provision for Expenses	10,737,868	11,194,794
	Deferred Tax Liability (Note-12.07)	147,634,136	47,379,552
	Interest Payable on Subordinated Debt	119,712,329	75,614,192
	Interest Payable on Borrowing from other bank	-	2,720,250
	Liabilities Under Finance Lease	1,988,375	6,507,302
		7,958,594,319	6,428,217,471
12.01	Provision for Loans and Advances		
12.01	For Unclassified		
	Opening Balance	896,331,229	944,461,224
	Add: Provision made during the year	168,668,771	(48,129,995)
	Closing Balance	1,065,000,000	896,331,229
	For Classified	1,005,000,000	090,331,229
	Opening Balance	955,282,513	989,510,290
	Add: Provision made during the year	226,717,487	406,609,269
	Less: Loan written off during the year	220,111,401	440,837,046
	Closing Balance	1,182,000,000	955,282,513
	Closing Balance	2,247,000,000	1,851,613,742
40.00	D :: (O((D)	2,247,000,000	1,001,010,742
12.02	Provision for Off Balance Sheet Items	000 040 000	000 000 704
	Opening Balance	308,018,028	238,966,781
	Add: Provision made during the year	43,981,972	69,051,247
	Closing Balance	352,000,000	308,018,028
12.03	Provision against Shares in Quoted Companies		
	Opening Balance	225,507,667	124,280,165
	Add: Provision made during the year	-	101,227,502
	Closing Balance	225,507,667	225,507,667
12.04	Provision for Other Assets		
	Opening Balance	2,469,480	2,469,480
	Add: Provision made during the year	7,530,520	-
	Closing Balance	10,000,000	2,469,480
12.05	Interest Suspense Account		
12.00	Opening Balance	381,689,510	295,576,392
	Add: Addition during the year	282,083,540	202,009,202
	Less. Adjustment made during the year	126,966,048	115,896,083
	Closing Balance	536,807,002	381,689,510
10.00	-	330,007,002	001,000,010
12.06	Provision for Income Tax*	0.000 : := :::	0.500.615.55
	Opening Balance	3,323,117,624	2,596,043,398
	Add: Provision made during the year	760,896,156	727,074,226
		4,084,013,779	3,323,117,624

^{*}Income tax provision has been made as per Income Tax Ordinance 1984 and as amended for the time being.

		Amount	in BDT
		2015	2014
12.06 (a)	Consolidated Provision for Income Tax*		
	Mutual Trust Bank Limited (Note-12.06)	760,896,156	727,074,226
	MTB Securities Limited	58,178,082	135,011,269
	MTB Capital Limited	19,754,582	14,814,280
	MTB Exchange (UK) Limited	-	-
		838,828,820	876,899,775
	*Income tax provision has been made as per Income Tax Ordinance 198	4 and as amended t	for the time being.
12.07	Deferred Tax Assets/ (Liabilities)		5
12.07	Opening Balance	(47,379,551)	56,624,891
	Add: Deferred Tax Income/(Expense) during the year	(100,254,584)	(104,004,442)
	Closing Balance	(147,634,136)	(47,379,551)
12 07(a)	Computation of Deferred Tax	,	
12.07 (α)	Accounting written down value- Fixed Assets	3,046,767,002	2,365,853,059
	Tax base written down value- Fixed Assets	2,677,681,663	2,199,338,643
	Taxable temporary difference	(369,085,340)	(166,514,416)
	Book value - Gratuity provision	-	55,033,117
	Tax base - Gratuity provision	-	-
	Deductable temporary difference	-	55,033,117
	Net taxable temporary difference	(369,085,340)	(111,481,299)
	Effective tax rate	40.00%	42.50%
	Deferred Tax Assets/(Liabilities)	(147,634,136)	(47,379,552)
	Deferred Tax Income/(Expense)		
	Closing Deferred Tax Assets/(Libilities)	(147,634,136)	(47,379,552)
	Opening Deferred Tax Assets/(Libilities)	(47,379,552)	56,624,891
	Deferred Tax Income/(Expense)	(100,254,584)	(104,004,442)
12 (a)	Consolidated Other Liabilities		
	Mutual Trust Bank limited (Note-12.00)	7,958,594,319	6,428,217,471
	MTB Securities Limited	760,631,969	858,890,116
	MTB Capital Limited	54,548,014	58,424,994
	MTB Exchange (UK) Limited	(6,084,603)	(5,247,227)
	Less: Intragroup receivable & payable	0.707.000.000	(119,000,000)
	Cubardinated Daht	8,767,689,699	7,221,285,354
13 00	Subordinated Debt		

13.00 Subordinated Debt

The Bank has outstanding of BDT 1,875 million of its Interest on the 12% partially convertible subordinated debt is payable half yearly from the date of Issue i.e. March and September of each year.

The Bank floated MTB 2nd Subordinated non convertible debt through private placement for BDT 3,000 million. Interest on the 10.05% to 13.50% non convertible subordinated debt is payable half yearly from the date of Issue i.e. April and October of each year.

12% Partially Convertible Subordinated Debt

•		
	4,875,000,000	2,500,000,000
MTB 2nd Subordinate Bond	3,000,000,000	-
	1,875,000,000	2,500,000,000
Less: Payment during the year	625,000,000	-
Opening Balance	2,500,000,000	2,500,000,000

Detail list of subordinated debt holders are shown in Annexure-D

Amount in BDT

2015 2014

14.00 Capital

14.01 Authorized Capital:

1,000,000,000 ordinary shares of Tk. 10 each

10,000,000,000 10,000,000,000

14.02 Issued, Subscribed and Paid-up Capital:

In 2003 the bank has increased its paid up capital by 4,000,000 Ordinary shares of Taka 100 each amounting to Taka 400,000,000 through Pre-IPO placement arrangements and initial public offerings. The shares have been issued at Taka 125 per share including premium of Taka 25 each.

The issued, subscribed and paid-up capital of the Bank as on December 31, 2015 is BDT 3,693,159,670 divided into 369,315,967 Ordinary shares of BDT 10 each as follows:

60,000,000 Ordinary shares of BDT 10 each issued for cash	600,000,000	600,000,000
91,683,840 Ordinary shares of BDT 10 each issued as bonus shares up to the year of 2008	916,838,400	916,838,400
24,948,000 Ordinary shares of BDT 10 each issued as right shares in the year 2008	249,480,000	249,480,000
35,326,360 Ordinary shares of BDT 10 each issued as bonus shares in the year 2009	353,263,600	353,263,600
42,391,640 Ordinary shares of BDT 10 each issued as bonus shares in the year 2010	423,916,400	423,916,400
25,434,984 Ordinary shares of BDT 10 each issued as bonus shares in the year 2012	254,349,840	254,349,840
27,978,482 Ordinary shares of BDT 10 each issued as bonus shares in the year 2013	279,784,820	279,784,820
61,552,661 Ordinary shares of BDT 10 each issued as bonus shares in the year 2014	615,526,610	-
	3,693,159,670	3,077,633,060

14.03 Raising of Share Capital

Given below the history of raising of Share Capital of the Bank:

Given below the history of raising of Share Capital of the Bank:							
Accounting Year	Declaration	No. of Share	Value of Capital	Cumulative			
Up to 2002	Initial Paid-up Capital	20,000,000	200,000,000	200,000,000			
2003	IPO & Pre-IPO	40,000,000	400,000,000	600,000,000			
2003-Bonus	20%	12,000,000	120,000,000	720,000,000			
2004-Bonus	20%	14,400,000	144,000,000	864,000,000			
2005-Bonus	10%	8,640,000	86,400,000	950,400,000			
2006-Bonus	5%	4,752,000	47,520,000	997,920,000			
2007-Bonus	25%	24,948,000	249,480,000	1,247,400,000			
2008-Right	20%	24,948,000	249,480,000	1,496,880,000			
2008-Bonus	18%	26,943,840	269,438,400	1,766,318,400			
2009-Bonus	20%	35,326,360	353,263,600	2,119,582,000			
2010-Bonus	20%	42,391,640	423,916,400	2,543,498,400			
2012-Bonus	10%	25,434,984	254,349,840	2,797,848,240			
2013-Bonus	10%	27,978,482	279,784,820	3,077,633,060			
2014-Bonus	20%	61,552,661	615,526,610	3,693,159,670			
Tot	al	369,315,967	3,693,159,670				

14.04 The break up of Issued, Subscribed and Paid-up Capital is as follows:

	December		
Particulars	No. of shares	Value of shares BDT	% of holding
Sponsors	165,046,155	1,650,461,550	44.69%
Financial Institutions	94,154,131	941,541,310	25.49%
General	110,115,681	1,101,156,810	29.82%
Total	369,315,967	3,693,159,670	100%

14.05 Capital to Risk-weighted Asset Ratios (CRAR) as defined by the Basel Capital Accord Common Equity Tier-1 (Going-Concern Capital):

Paid-up Capital	3,693,159,670	3,077,633,060
Statutory Reserve	2,721,143,746	2,276,079,020
General Reserve	446,777,324	276,777,324
Minority Interest	-	-
Retained Earnings	786,953,518	653,371,964
	7,648,034,258	6,283,861,368

			Amount in BDT		
		201	5	2014	
Regulatory Adjustments:					
Goodwill and all other Intangible Assets			20,123	-	
Investments in own CET-1 Instruments/Shares (as per Para 3.4.7 of	Basel III Guideline)	1,5	43,800	-	
		48,80	63,923		
		7,599,1	70,335	6,283,861,368	
Additional Tier-1 Capital					
Total Common Equity Tier-1 (Going-Concern Capita	ા)	7,599,1	70,335	6,283,861,368	
Tier-2 Capital (Gone-Concern Capital):					
General Provision including Off Balance Sheet items (Maximum	1.25% of CRWA)	1,138,16	66,432	1,204,349,257	
Revaluation Reserve on Investment in Securities		260,13	38,133	260,138,133	
Subordinated debt		3,500,00	00,000	1,000,000,000	
		4,898,30	04,565	2,464,487,390	
Regulatory Adjustments:					
Revaluation Reserve for Fixed Assets, Securities & Equ	ity Securities	52,0	27,627		
Total Tier-2 Capital (Gone-Concern Capital)		4,846,276,939		2,464,487,390	
A. Total Regulatory Capital (Tier-1+Tier-2)		12,445,4	47,273	8,748,348,758	
B. Risk Weighted Assets					
Credit Risk on					
Balance Sheet Exposure		80,778,3		62,574,849,874	
Off-Balance Sheet Exposure		10,274,9		9,541,355,690	
M 1 1 5 5 1		91,053,3		72,116,205,564	
Market Risk		4,554,245,229 6,493,909,709		3,430,604,772	
Operational Risk				5,331,049,682	
Total Risk Weighted Assets		102,101,4		80,877,860,018 8,087,786,002	
C. Capital on Risk Weighted Assets					
D. Capital Surplus/(Shortfall) (A-C)		2,235,3	300,322	660,562,756	
E. Capital Requirement					
	201	5		2014	
	Required	Held	Require	ed Held	
Capital to Risk Weighted Asset Ratio (CRAR)	10.00%	12.19%	10.009	6 10.82%	
Common Equity Tier-1	4.50%	7.44%	5.00%	7.77%	
Tier-1 Capital	5.50%	7.44%	5.00%	7.77%	
Tier-2 Capital	-	4.75%	-	3.05%	
Capital to Risk weighted Asset Ratio (CRAR) has b	een calculate	d as per Ba	sel III BF	RPD Circular No.	
18 dated December 21, 2014					

18 dated December 21, 2014

14.05 (a) Consolidated Capital to Risk-weighted Asset Ratios (CRAR) as defined by the Basel Capital Accord Common Equity Tier-1 (Going-Concern Capital):

Paid-up Capital	3,693,159,670	3,077,633,060
Statutory Reserve	2,721,143,746	2,276,079,020
General Reserve	446,777,324	276,777,324
Minority Interest	128,373	119,146
Retained Earnings	752,894,582	617,298,134
	7,614,103,695	6,247,906,684
Regulatory Adjustments:		
Goodwill and all other Intangible Assets	47,320,123	-
Investments in own CET-1 Instruments/Shares (as per Para 3.4.7 of Basel III Guideline)	1,543,800	-
	48,863,923	
	7,565,239,772	6,247,906,684
Additional Tier-1 Capital	-	-
Total Common Equity Tier-1 (Going-Concern Capital)	7,565,239,772	6,247,906,684

	Amount	in BDT
	2015	2014
Tier-2 Capital (Gone-Concern Capital):		
General Provision including Off Balance Sheet items (Maximum 1.25% of CRWA	1,139,243,557	1,204,349,257
Revaluation Reserve on Investment in Securities	260,138,133	260,138,133
Subordinated debt	3,500,000,000	1,000,000,000
	4,899,381,690	2,464,487,390
Regulatory Adjustments:		
Revaluation Reserve for Fixed Assets , Securities & Equity Securities	52,027,627	-
Total Tier-2 Capital (Gone-Concern Capital)	4,847,354,064	2,464,487,390
A. Total Regulatory Capital (Tier-1+Tier-2)	12,412,593,835	8,712,394,074
B. Risk Weighted Assets		
Credit Risk on		
Balance Sheet Exposure	80,864,557,096	61,540,455,425
Off Balance Sheet Exposure	10,274,927,492	9,541,355,690
	91,139,484,588	71,081,811,115
Market Risk	5,055,177,767	4,156,428,887
Operational Risk	7,072,169,101	5,691,803,915
Total Risk Weighted Assets	103,266,831,455	80,930,043,918
C. Required Capital on Risk Weighted Assets	10,326,683,145	8,093,004,392
D. Capital Surplus/(Shortfall) (A-C)	2,085,910,690	619,389,682
E. Capital Requirement		

	2015		2014	
	Required	Held	Required	Held
Capital to Risk Weighted Asset Ratio (CRAR)	10.00%	12.02%	10.00%	10.77%
Common Equity Tier-1	4.50%	7.33%	5.00%	7.72%
Tier-1 Capital	5.50%	7.33%	5.00%	7.72%
Tier-2 Capital	-	4.69%	-	3.05%

Capital to Risk weighted Asset Ratio (CRAR) has been calculated as per Basel III BRPD Circular No. 18 dated December 21, 2014

14.06 Distribution Schedule of Shareholders by holdings as on December 31, 2015

Holdings	No. of Shareholders	No. of Shares	Value of Shares in BDT	Total Holdings %
Less than 499 shares	4,396	712,181	7,121,810	0.19%
500 to 5,000 shares	5,503	9,574,981	95,749,810	2.59%
5,001 to 10,000 shares	821	5,924,533	59,245,330	1.60%
10,001 to 20,000 shares	466	6,617,677	66,176,770	1.79%
20,001 to 30,000 shares	167	4,161,176	41,611,760	1.13%
30,001 to 40,000 shares	85	2,942,939	29,429,390	0.80%
40,001 to 50,000 shares	43	1,965,382	19,653,820	0.53%
50,001 to 100,000 shares	131	9,389,478	93,894,780	2.54%
100,001 to 1,000,000 shares	175	49,699,445	496,994,450	13.46%
Over 1,000,000 shares	59	278,328,175	2,783,281,750	75.36%
Total	11,846	369,315,967	3,693,159,670	100.00%

		Amoun	t in BDT
		2015	2014
15.00	Statutory Reserve		
	Opening Balance	2,276,079,020	1,917,204,582
	Add: Transferred during the year (20% of pretax profit)	445,064,726	358,874,437
	Closing Balance	2,721,143,746	2,276,079,020
15 (a)	Consolidated Statutory Reserve		
` '	Opening Balance	2,276,079,020	1,917,204,582
	Add: Transferred during the year (20% of pretax profit)	445,064,726	358,874,437
	Closing Balance	2,721,143,746	2,276,079,020
16.00	General Reserve		
10.00	Opening Balance	276,777,324	276,777,324
	Add: Transferred from Retained Earnings	170,000,000	-
	Closing Balance	446,777,324	276,777,324
17.00	•	110,777,021	270,777,021
17.00	Retained Earnings	050 071 005	000 707 700
	Opening Balance	653,371,965	328,737,703
	Add: Profit made during the year	1,364,172,889	963,293,519
	Less: Bonus Share Issued during the year	(615,526,610)	(279,784,820)
	Less: Transferred to Statutory Reserve	(445,064,726)	(358,874,437)
	Less: Transferred to General Reserve	(170,000,000)	-
	Closing Balance	786,953,518	653,371,965
17 (a)	Consolidated Retained Earnings		
	Opening Balance	617,298,134	294,423,377
	Add: Consolidated Profit made during the year	1,366,187,784	961,534,014
	Less: Bonus Share Issued during the year	(615,526,610)	(279,784,820)
	Less: Transferred to Statutory Reserve	(445,064,726)	(358,874,437)
	Less: Transferred to General Reserve	(170,000,000)	-
	Closing Balance	752,894,582	617,298,134
18.00	Contingent Liabilities & Commitments		
	Letter of Guarantee	7,486,950,065	7,021,192,518
	Letter of Credit:		
	Letter of Credit (Cash)	3,045,545,564	2,995,290,950
	Letter of Credit (Back to Back)	1,641,771,089	1,095,036,794
	Letter of Credit (EDF)	383,061,315	280,481,095
	Letter of Credit (Deferred)	3,761,148,574	3,443,814,820
	Letter of Credit (Inland)	1,203,551,406	392,613,482
		10,035,077,947	8,207,237,141
	Bills for Oalles its		
	Bills for Collection:	0.050.007	0.500.001
	Inland	2,258,687	6,508,681
	Foreign:	1 416 600 000	0 100 455 701
	LDBC	1,416,633,322	2,126,455,781
	FDBC	1,199,940,466	1,058,591,028
	Other Centingent Liabilities	2,618,832,476	3,191,555,490
	Other Contingent Liabilities: IFDBC (Back to Back)	554 500	026 500
	·	554,500	936,500
	IFDBC (Cash) Accepted Bill (Inland)	3,145,060,914	2,802,743,464
	Accepted Bill (Inland) Accepted Bill (Foreign)	11,742,769,550	2,802,743,464 9,578,137,667
	/ locopied Dill (I oldigit)	14,888,384,964	12,381,817,631
	Other Commitments	,555,55 1,664	-,001,011,001
	Undrawn formal standby facilities, credit lines and other commitments		
		35,029,245,452	30,801,802,780

18.01 Letter of Guarantee Calma against the Bank not science/leged as debts			Amount in BDT	
Claims against the Barrix not acknowledged as debts Monty to which the barrix confingently issue in respect of guarantees gluent accorns			2015	2014
Whore, for which the bank is contingently lable in respect of guarantees given favoring:	18.01			
Directors Government Bank and other Financial Institutions A,198,357,310 A,198,357,310 A,198,357,310 A,198,357,310 A,198,357,310 A,198,357,310 A,175,781,220 B,207,1883,672 B,207,287,1430 B,207,287,1430 B,207,287,1430 B,207,287,1430 B,207,287,1430 B,207,287,1430 B,207,287,1430 B,207,287,141 B,207,287,1			-	-
Government		, ,	-	-
Bank and other Financial Institutions			-	-
Cithers				
Less: Mergin				
Less: Mergin		Others		
18.02 Segregation of Commitment by Type Documentary Credit and Short Term Business Related Transaction Forward Section of Countiment by Type Documentary Credit and Short Term Business Related Transaction Forward Asset Purchased and Forward Deposit Endorsed formal standby facilities, Credit facilities and other commitments: Less than one year One year and above Undrawn formal standby tacilities, credit lines and other commitments: Spot and Forward Foreign Exchange Rate Contract Other Exchange Contract Other Exchange Contract Other Exchange Contract Other Exchange Contract Others 2,818,832,476 3,191,555,490 30,801,802,780 35,029,245,452 30,801,802,780 35,029,245,452 30,801,802,780 35,029,245,452 30,801,802,780 36,029,245,452 30,801,802,780 36,029,245,452 30,801,802,780 36,029,245,452 30,801,802,780 36,029,245,452 30,801,802,780 36,029,245,452 30,801,802,780 36,029,245,452 36,029,2				
iii) Liability on Account of Bills Re-Discounted NJ Liability on Account of Outstanding Forward Exchange Contract Additional Control Contro		Less: Margin		
No. Liability on Account of Outstanding Forward Exchange Contract 6,416,086,394 6,389,671,430 18.02 Segregation of Commitment by Type Documentary Credit and Short Term Business Pelated Transaction 10,085,077,947 8,207,237,141 19,403,010,149			6,416,086,394	6,389,671,430
18.02 Segregation of Commitment by Type Documentary Credit and Short Term Business Related Transaction Forward Asset Purchased and Forward Deposit Encloreed formal standby facilities, credit facilities and other commitments: Less than one year One year and above Undrawn formal standby facilities, credit lines and other commitments Spot and Forward Poreign Exchange Rate Contract Other Exchange Contract Others Spot and Forward Foreign Exchange Rate Contract Spot and Forward Foreign Exchange Rate Contract Others Spot and Forward Foreign Exchange Rate Contract Spot and Foreign Exchange Rate Rate Rate Rate Rate Rate Rate Rat			-	-
18.02 Segregation of Commitment by Type Documentary Credit and Short Term Business Related Transaction Forward Asset Purchased and Forward Deposit Endorsed formal standby facilities, credit facilities and other commitments: Less than one year One year and above Undrawn formal standby facilities, credit lines and other commitments Spot and Forward Foreign Exchange Rate Contract Other Exchange Contract Other Exchange Contract Other Exchange Contract Others 35,029,245,452 30,801,802,780 30,801,802,780		iv) Liability on Account of Outstanding Forward Exchange Contract		- 0000 074 400
Documentary Credit and Short Term Business Related Transaction Forward Asset Purchased and Forward Deposit Endorsed formal standby facilities, Credit facilities and other commitments: Less than one year One year and above Undrawn formal standby facilities, credit lines and other commitments Spot and Forward Foreign Exchange Rate Contract Other Exchange Contract Other Exchange Contract Others 2,618,832,476 33,191,555,490 35,029,245,452 30,801,802,780 18 (a) Consolidated Contingent Liabilities Acceptances and endorsements Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited (Note-18) MTB Securities Limited MTB Exchange (UK) Limited (Note-18) MTB Securities Limited (Note-18) M			6,416,086,394	6,389,671,430
Forward Asset Purchased and Forward Deposit Endorsed formal stanctby Iscilities, Credit Iscilities and other commitments: Less than one year One year and above Undrawn formal stanctby facilities, credit lines and other commitments Spot and Forward Foreign Exchange Rate Contract Other Exchange Contract Others 2,618,832,476 35,029,245,452 30,801,802,780 18 (a) Consolidated Contingent Liabilities Acceptances and endorsements Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited 14,888,384,964 12,381,817,631 Letters of Guarantee Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Securities Limited MTB Exchange (UK) Limited 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 10,035,077,947 8,207,237,141 10,035,077,947	18.02		10 005 077 047	0.007.007.4.44
Endorsed formal standby facilities, Credit facilities and other commitments: Less than one year One year and above Undrawn formal standby facilities, credit lines and other commitments Spot and Forward Foreign Exchange Rate Contract Other Exchange Contract Others 2,618,832,476 3,191,555,490 30,801,802,780 18 (a) Consolidated Contingent Liabilities Acceptances and endorsements Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited MTB Exchange (UK) Limited MTB Securities L			10,035,077,947	8,207,237,141
Less than one year			-	-
One year and above Undrawn formal standby facilities, credit lines and other commitments Spot and Forward Foreign Exchange Rate Contract Other Exchange Contract Others 2,618,832,476 3,191,555,490 Others 35,029,245,452 30,801,802,780 18 (a) Consolidated Contingent Liabilities Acceptances and endorsements Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limit			22 375 335 029	19 403 010 149
Undrawn formal standby facilities, credit lines and other commitments Spot and Forward Foreign Exchange Rate Contract Others 2,618,832,476 33,029,245,452 30,801,802,780 35,029,245,452 30,801,802,780 35,029,245,452 30,801,802,780 35,029,245,452 30,801,802,780 30			-	-
Other Exchange Contract Others 2,618,832,476 3,191,555,490 30,801,802,780 18 (a) Consolidated Contingent Liabilities Acceptances and endorsements Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Securities Limited MTB Exchange (UK) Limited T,486,950,065 T,021,192,518 Irrevocable Letters of Credit Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Securities Limited MTB Sephange (UK) Limited T,486,950,065 T,021,192,518 10,035,077,947 8,207,237,141 10,035,077,947 8,207,237,141 10,035,077,947 8,207,237,141 10,035,077,947 8,207,237,141 10,035,077,947 8,207,237,141 10,035,077,947 8,207,237,141 10,035,077,947 8,207,237,141 10,035,077,947 10,035,077,94			-	-
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18 (a) Consolidated Contingent Liabilities Acceptances and endorsements Mutual Trust Bank Limited (Note-18) 14,888,384,964 12,381,817,631 MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 14,888,384,964 12,381,817,631 12,381,817,631 14,888,384,964 12,381,817,631 12,381,817,631 14,888,384,964 12,381,817,631			-	-
18 (a) Consolidated Contingent Liabilities Acceptances and endorsements Mutual Trust Bank Limited MTB Capital Limited MTB Exchange (UK) Limited Letters of Guarantee Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Exchange (UK) Limited Letters of Guarantee Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited Irrevocable Letters of Credit Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited MTB Securities Limited MTB Securities Limited MTB Exchange (UK) Limited Diumited MTB Exchange (UK) Limited MTB Exchange (UK) Limited Diumited MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Securities Lim		Others		
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Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited Letters of Guarantee Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Exchange (UK) Limited MTB Exchange (UK) Limited MTB Exchange (UK) Limited MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Exchange (UK) Limited MTB Securities Limited MTB Exchange (UK) Limited MTB Capital Limited MTB Exchange (UK) Limited MTB Securities Limited MTB Exchange (UK) Limited MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited	18 (a)			
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MTB Capital Limited MTB Exchange (UK) Limited 14,888,384,964 12,381,817,631 Letters of Guarantee Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited Irrevocable Letters of Credit Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited MTB Exchange (UK) Limited MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Securities Limited MTB Exchange (UK) Limited Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited			14,888,384,964	12,381,817,631
Letters of Guarantee 14,888,384,964 12,381,817,631			-	-
Letters of Guarantee Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited MTB Securities Limited MTB Capital Limited MTB Capital Limited MUtual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Securities Limited MTB Capital Limited MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Securities Limited MTB Capital Limited			-	
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MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited T,486,950,065 T,021,192,518 Irrevocable Letters of Credit Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited Bills for collection Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Securities Limited Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Secu		Letters of Guarantee	, , ,	, ,- ,
MTB Capital Limited -		Mutual Trust Bank Limited (Note-18)	7,486,950,065	7,021,192,518
MTB Exchange (UK) Limited 7,486,950,065 7,021,192,518		MTB Securities Limited	-	-
Irrevocable Letters of Credit Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited MTB Securities Limited MTB Securities Bank Limited MTB Exchange (UK) Limited MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited ATB Securities Limited MTB Securities Limited		·	-	-
Irrevocable Letters of Credit Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited Bills for collection Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Securities Limited MTB Exchange (UK) Limited Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited MTB Exchange (UK) Limited		MTB Exchange (UK) Limited	7 400 050 005	7 004 400 540
Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited Bills for collection Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited ATB Securities Limited MTB Exchange (UK) Limited Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited MTB Exchange (UK) Limited		Irrevocable Letters of Credit	7,486,950,065	7,021,192,518
MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited 10,035,077,947 8,207,237,141 Bills for collection Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited 2,618,832,476 3,191,555,490 Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited			10 035 077 947	8 207 237 141
MTB Capital Limited - - MTB Exchange (UK) Limited - - 10,035,077,947 8,207,237,141 Bills for collection Mutual Trust Bank Limited (Note-18) 2,618,832,476 3,191,555,490 MTB Securities Limited - - MTB Exchange (UK) Limited 2,618,832,476 3,191,555,490 Other Commitments Mutual Trust Bank Limited (Note-18) - - MTB Securities Limited - - MTB Capital Limited - - MTB Exchange (UK) Limited - -		,	-	-
### Discretange (UK) Limited ### 10,035,077,947 ### 8,207,237,141 ### 10,035,077,947 ### 8,207,237,141 ### 10,035,077,947 ### 8,207,237,141 ### 10,035,077,947 ### 8,207,237,141 ### 10,035,077,947 ### 8,207,237,141 ### 10,035,077,947 ### 8,207,237,141 ### 10,035,077,947 ### 8,207,237,141 ### 10,035,077,947 ### 8,207,237,141 ### 10,035,077,947 ### 8,207,237,141 ### 10,035,077,947 ### 3,191,555,490 ### 10,035,077,947 ### 3,191,555,490 ### 10,035,077,947 ### 3,191,555,490 ### 10,035,077,947 ### 3,191,555,490 ### 10,035,077,947 ### 3,191,555,490 ### 10,035,077,947 ### 3,191,555,490 ### 10,035,077,947 ### 3,191,555,490 ### 10,035,077,947 ### 3,191,555,490 ### 10,035,077,947 ### 10,035,077,077,947 ### 10,035,077,947 ### 10,035,077,947 ### 10,035,077,0			-	-
Bills for collection Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited 2,618,832,476 2,618,832,476 3,191,555,490 2,618,832,476 3,191,555,490 2,618,832,476 3,191,555,490 Cother Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited			-	-
Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited			10,035,077,947	8,207,237,141
MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited 2,618,832,476 3,191,555,490 Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Capital Limited MTB Exchange (UK) Limited			0.040.000.470	0.404.555.400
MTB Capital Limited - - MTB Exchange (UK) Limited 2,618,832,476 3,191,555,490 Other Commitments Mutual Trust Bank Limited (Note-18) - - MTB Securities Limited - - MTB Capital Limited - - MTB Exchange (UK) Limited - -		· · ·	2,618,832,476	3,191,555,490
MTB Exchange (UK) Limited - - - - - - 3,191,555,490 Other Commitments Mutual Trust Bank Limited (Note-18) - - - MTB Securities Limited - - - MTB Capital Limited - - - MTB Exchange (UK) Limited - - -			-	-
2,618,832,476 3,191,555,490 Other Commitments Mutual Trust Bank Limited (Note-18) - - MTB Securities Limited - - MTB Capital Limited - - MTB Exchange (UK) Limited - -			-	-
Other Commitments Mutual Trust Bank Limited (Note-18) MTB Securities Limited MTB Capital Limited MTB Exchange (UK) Limited		WID Donainge (orly Elithod	2.618.832.476	3.191.555.490
MTB Securities Limited		Other Commitments	_,,,,,	-,,,
MTB Capital Limited		Mutual Trust Bank Limited (Note-18)	-	
MTB Exchange (UK) Limited			-	-
			-	-
35,029,245,452 30,801,802,780		MTB Exchange (UK) Limited	-	-
30,029,245,452 30,801,802,780			25 000 045 450	20 001 000 700
			00,028,240,402	00,001,002,700

			t in BDT
		2015	2014
19.00	Income Statement		
	Income:	40,004,007,004	44 040 770 000
	Interest, Discount and Similar Income	12,864,927,284	11,812,779,293
	Dividend income Fee, Commission and Brokerage	57,164,924 533,196,488	175,243,794 485,921,500
	Gain less losses arising from investment securities	22,092,427	47,248,674
	Gain less losses arising from dealing in Foreign Currencies	331,635,068	210,645,372
	Other Operating Income	373,599,228	348,986,786
		14,182,615,419	13,080,825,419
	Expenses	7 000 004 005	7.040.050.040
	Interest, Fee and Commission	7,939,601,965	7,910,059,642
	Administrative expenses Other operating expenses	2,573,422,444 714,010,799	2,013,261,866 591,371,708
	Depreciation on Banking Assets	283,357,831	240,532,514
	Doprodiation on Barring / loods	11,510,393,039	10,755,225,730
	Operating profit	2,672,222,379	2,325,599,689
20.00	Interest Income		
	Loans and Advances (Note-20.01)	10,352,209,629	9,023,096,457
	Money at Call and Short Notice	100,648,500	99,608,368
	Balance with Other Banks and Financial Institutions (Note-20.02)	197,419,465	304,265,246
		10,650,277,593	9,426,970,071
20.01	Interest on Loans and Advances		
	Term Loan	2,198,091,102	2,112,587,517
	Small and Medium Enterprise Financing	1,106,007,251	855,393,179
	Retail/Consumer Financing	417,968,975	374,174,990
	General Loans	501,355,844	365,264,054
	Demand Loan	110,458,108	72,267,439
	Payment Against Documents (PAD)	36,363,554	34,568,331
	Trust Receipts	1,141,716,614	981,494,967
	Lease Finance	42,800,567	58,457,115
	Export Development Fund	14,005,850	2,739,909
	House Building Loan	365,520,323	379,637,509
	Cash Credit	2,423,701,313	1,823,766,790
	Packing Credit	3,010,750	206,080
	Secured Overdraft	1,418,763,349	1,314,458,788
	Bills Purchased and Discounted	305,690,881	284,765,996
	Interest on Loans to Subsidiaries	40,347,458	268,228,367
	Interest Income- Offshore Banking Unit	51,100,064	13,478,365
	Other Loans and Advances	175,307,627	81,607,061
	Othor Edulo and Navariodo	10,352,209,629	9,023,096,457
00.00	Interest on Delegacy with other Deals and Cinemaial Institution	10,002,200,020	0,020,000,407
20.02	Interest on Balance with other Bank and Financial Institution Interest on Balance with other Bank in Bangladesh	197,419,465	304,265,246
	Interest on Balance with outside Bangladesh	197,419,400	504,205,240
	interest on Balance held with Gatalac Bangladesin	197,419,465	304,265,246
20(a)	Consolidated Interest Income		
20(α)	Mutual Trust Bank Limited (Note-20)	10,650,277,593	9,426,970,071
	MTB Securities Limited	163,017,372	539,800,779
	MTB Capital Limited	17,182,172	18,192,875
	MTB Exchange (UK) Limited	-	-
	Less: Intragroup Interest Income (Loans)	(40,347,458)	(268,228,367)
		10,790,129,679	9,716,735,358
21.00	Interest Paid on Deposit & Borrowing, etc.	7 000 000 ===	7 700 170 272
	Interest on Deposit and Other Accounts (Note-21.01)	7,890,628,772	7,700,178,376
	Interest on Borrowing from other Banks and Financial Institutions	48,973,193	209,881,266 7,910,059,642
		7,939,601,965	1,310,003,042

		Amount in BDT	
		2015	2014
21.01	Interest on Deposits and Other Accounts	054044000	004.000.470
	Savings Deposits Short Term Deposits	654,941,960 612,886,163	394,068,479 576,724,781
	Fixed Deposits	4,437,589,031	4,829,809,411
	Deposit-Products	1,810,002,636	1,589,438,467
	Interest paid on deposit & borrowings-Offshore Banking Unit	31,110,844	10,137,238
	Interest on Subordinated Debt	344,098,137	300,000,000
		7,890,628,772	7,700,178,376
21(a)	Consolidated Interest Paid on Deposits & Borrowings, etc.		
	Mutual Trust Bank Limited (Note-21)	7,939,601,965	7,910,059,642
	MTB Securities Limited MTB Capital Limited	40,522,458	268,271,510 57,752
	MTB Exchange (UK) Limited	-	-
	Less: Intragroup Interest Expense (Borrowings)	(40,347,458)	(268,228,367)
	Less: Intragroup Interest Expense (Deposits)	(13,762,186)	(28,448,342)
		7,926,014,779	7,881,712,195
22.00	Income From Investments		
	Interest on Treasury Bill	112,575,119	440,337,473
	Interest on Treasury Bond	2,058,737,937	1,932,473,953
	Reverse REPO	-	1,572
	Gain/(Loss) on Investment in shares of Quoted Companies	22,092,427	47,248,674
	Dividend from Subsidiary Prize Bond	2,000	119,000,000
	Dividend on Investment in Shares	57,164,924	56,243,794
	Interest on Investment in Commercial Paper	22,778,472	-
	Other Investment	20,556,162	12,995,224
		2,293,907,041	2,608,301,690
22(a)	Consolidated Income From Investments		
	Mutual Trust Bank Limited (Note-22)	2,293,907,041	2,608,301,690
	MTB Securities Limited	-	-
	MTB Capital Limited	-	3,075,750
	MTB Exchange (UK) Limited	-	(110,000,000)
	Dividend paid by MTB Securities & Capital	2,293,907,041	(119,000,000) 2,492,377,440
00.00	Occupied to Endougle I Bullion	2,293,907,041	2,492,377,440
23.00	Commission, Exchange and Brokerage Commission (Note-23.01)	533,196,488	485,755,417
	Exchange	331,635,068	210,645,372
	Brokerage	-	166,083
		864,831,556	696,566,872
23.01	Commission		
	Letter of Guarantee	73,356,017	55,932,910
	Letter of Credit	197,851,788	169,848,219
	Acceptance of Bills	188,075,574	160,187,701
	LC Advising	10,939,800	9,613,250
	Export Bills		1,754,378
	PO, DD & TT	5,904,465	5,555,332
	Exchange houses Foreign Remittance	7,578,352 3,964,700	8,391,741
	On-line service	11,458,740	2,954,282 8,283,840
	IBP/FBP/IDBP	17,452	141,462
	FDBC/IFDBC/LDBC	-	809,705
	OBC/IBC	527,645	558,031
	Underwriting Comm. on Treasury Bill/Bond	20,598,799	44,775,757
	Commission on IPO collection	3,786,755	8,904,344
	POS Commission	9,135,183	8,044,465
	RTGS Commission	1,218	405 755 447
		533,196,488	485,755,417

		Amount	in BDT
		2015	2014
23 (a)	Consolidated Commission, Exchange and Brokerage		
	Mutual Trust Bank Limited (Note-23)	864,831,556	696,566,872
	MTB Securities Limited	124,508,494	231,701,206
	MTB Capital Limited	4,393,898	6,208,383
	MTB Exchange (UK) Limited	11,354,129	6,573,259
		1,005,088,077	941,049,720
24.00	Other Operating Income		
24.00	Handling Charges	2,289,229	3,170,783
	VISA ATM	868,369	-,
	VISA POS	7,327,093	-
	Service Charges	102,125,166	112,617,624
	Margin A/c Maintenance Income	6,900	26,961
	SWIFT Charge Recoveries	27,031,181	8,571,523
	SME Fees and Charges	13,236,440	11,105,111 59,020,186
	Management fees Early Settlement Fee	56,936,725 3,673,509	2,949,578
	Loan Processing Fee	7,679,351	3,607,289
	Partial Payment Fee	308,201	320,229
	Charges against cards	80,575,695	63,173,540
	Recovery from written off loans	1,100,990	7,336,952
	NPSB Acquirer Income	176,840	-
	Locker Rent	3,359,006	2,977,297
	Miscellaneous Earnings	66,904,533	74,109,713
		373,599,228	348,986,786
24 (a)	Consolidated Other Operating Income	070 500 000	0.40,000,700
	Mutual Trust Bank Limited (Note-24) MTB Securities Limited	373,599,228 39,656,626	348,986,786 63,357,972
	MTB Capital Limited	17,650,748	37,864,704
	MTB Exchange (UK) Limited	-	-
	Less: Intragroup other operating income	(13,762,186)	(28,448,342)
		417,144,416	421,761,120
25.00	Salary & Allowances		
	Basic Pay	774,212,992	574,293,370
	Allowances	594,440,753	439,756,114
	Bonus	324,263,990	224,324,856
	Gratuity Leave Fare Assistance	100,000,000 69,690,002	55,033,117 50,346,473
	Provident Fund	68,369,356	50,087,821
	1 FONDOTIC TOTAL	1,930,977,093	1,393,841,751
25 (a)	Consolidated Salaries and Allowances		
_ ((, ,	Mutual Trust Bank Limited (Note-25)	1,930,977,093	1,393,841,751
	MTB Securities Limited	74,820,893	70,711,441
	MTB Capital Limited	9,865,670	9,529,361
	MTB Exchange (UK) Limited	6,615,604	6,535,964
		2,022,279,260	1,480,618,517
25.01	Managing Director's Remuneration	7 000 007	0.400.000
	Basic	7,026,667	6,426,666
	House Rent House Maintenance	1,928,000 1,285,333	1,800,000 1,200,000
	Entertainment	205,600	180,000
	Festival Bonus	1,800,000	1,650,000
	Incentive Bonus	1,000,000	1,000,000
	Leave Fare Assistance	1,650,000	1,500,000
	Security and personal wages	642,666	600,000
	Providend Fund	702,667	642,667
		16,240,933	14,999,333

		Amount	in BDT
		2015	2014
26.00	Rent, Tax, Insurance, Electricity etc.		
	Rent	345,569,456	325,606,700
	Rates & taxes	2,933,266	2,775,936
	Insurance	64,694,055	65,351,577
	Electricity & Utilities	93,492,765	87,604,041
	Lease Rent	628,824	1,206,780
		507,318,366	482,545,035
26 (a)	Consolidated Rent, Taxes, Insurance, Electricity etc.		
	Mutual Trust Bank Limited (Note-26)	507,318,366	482,545,035
	MTB Securities Limited	34,858,636	35,594,060
	MTB Capital Limited	3,140,183	2,722,817
	MTB Exchange (UK) Limited	6,561,208	6,692,552
		551,878,393	527,554,464
27.00	Legal Expense	0.444.055	0.400.004
	Legal Expense	3,411,955	3,160,064
		3,411,955	3,160,064
27 (a)	Consolidated Legal Expense		
	Mutual Trust Bank Limited (Note-27)	3,411,955	3,160,064
	MTB Securities Limited	114,560	-
	MTB Capital Limited MTB Exchange (UK) Limited	-	-
	WITD Exchange (ON) Elittled	3,526,515	3,160,064
00.00	Destage Ctampa & Talambana etc	0,020,010	0,100,004
28.00	Postage, Stamps & Telephone etc. Postage/Courier Service	3,097,496	2,090,970
	Telephone	10,939,335	10,255,581
	Гегер по не	14,036,831	12,346,551
28 (2)	Consolidated Postage, Stamp, Telecommunication etc.	11,000,001	12,010,001
28 (a)	Mutual Trust Bank Limited (Note-28)	14,036,831	12,346,551
	MTB Securities Limited	755,290	1,061,295
	MTB Capital Limited	89,210	119,070
	MTB Exchange (UK) Limited	91,057	53,260
		14,972,388	13,580,176
29.00	Printing, Stationery, Advertisement etc.		
	Printing & Security Stationery	33,200,234	45,278,671
	Computer Stationery	11,635,776	10,087,547
	Petty & Table Stationery	12,979,143	11,638,886
	Publicity & Advertisement	41,223,213	37,011,278
		99,038,366	104,016,382
29 (a)	Consolidated Printing, Stationery, Advertisements etc.		
	Mutual Trust Bank Limited (Note-29)	99,038,366	104,016,382
	MTB Securities Limited	1,079,401	1,228,435
	MTB Capital Limited	211,501	119,127
	MTB Exchange (UK) Limited	237,343	286,993
		100,566,611	105,650,937
30.00	Directors' Fees		
	Meeting fee	1,450,400	1,409,750
		1,450,400	1,409,750
30 (a)	Consolidated Directors' Fees		
	Mutual Trust Bank Limited (Note-30)	1,450,400	1,409,750
	MTB Securities Limited	569,250	189,750
	MTB Capital Limited	448,500	125,000
	MTB Exchange (UK) Limited	-	-
		2,468,150	1,724,500

		Amount i	
04.00	Avalta Fara	2015	2014
31.00	Audit Fee Annual Account	805,000	805,000
	NOSTRO Account	46,000	23,000
	IPFF Account	57,500	57,500
	Corporate Governance	40,000	57,500
		948,500	943,000
31 (a)	Consolidated Audit Fee		
0 . (u.)	Mutual Trust Bank Limited (Note-31)	948,500	943,000
	MTB Securities Limited	57,500	60,000
	MTB Capital Limited	63,250	63,250
	MTB Exchange (UK) Limited	357,086	383,169
		1,426,336	1,449,419
32.00	Depreciation on & Repairs to Bank's Property Depreciation:		
	Immovable Property	31,157,406	23,846,023
	Furniture & Fixture	80,341,376	73,164,650
	Office Equipments	162,282,148	129,719,254
	Motor Vehicles	6,461,340	4,171,591
	Books & Periodicals	-	-
	Leasehold Property	3,115,561	9,630,996
	Description Profile Description	283,357,831	240,532,514
	Repairs on Bank's Property	67,387,919 350,745,750	51,147,142 291,679,656
00 (=)	Consolidated Degraciation and Daneir of Assats		291,079,030
32 (a)	Consolidated Depreciation and Repair of Assets Mutual Trust Bank Limited (Note-32)	350,745,750	291,679,656
	MTB Securities Limited	10,891,228	11,144,137
	MTB Capital Limited	995,968	1,275,233
	MTB Exchange (UK) Limited	701,078	1,047,455
	WITD Exchange (ory Elithica	363,334,024	305,146,481
32 (a.1)	Consolidated Depreciation of Assets		
02 (a.1)	Mutual Trust Bank Limited (Note-32)	283,357,831	240,532,514
	MTB Securities Limited	10,076,968	10,414,006
	MTB Capital Limited	974,243	1,215,568
	MTB Exchange (UK) Limited	538,009	932,555
		294,947,051	253,094,643
32 (a.2)	Consolidated Repair & Maintenance of Assets		
, ,	Mutual Trust Bank Limited (Note-32)	67,387,919	51,147,142
	MTB Securities Limited	814,260	730,131
	ATTO 6 1: 111 1: 1		
	MTB Capital Limited	21,725	59,665
	MTB Capital Limited MTB Exchange (UK) Limited	163,069	114,900
	MTB Exchange (UK) Limited		
33.00	MTB Exchange (UK) Limited Other Expenditures	163,069 68,386,973	114,900 52,051,838
33.00	MTB Exchange (UK) Limited Other Expenditures Security & Auxiliary Service	163,069 68,386,973 156,520,610	114,900 52,051,838 147,406,001
33.00	MTB Exchange (UK) Limited Other Expenditures Security & Auxiliary Service Office Cleaning	163,069 68,386,973 156,520,610 36,649,131	114,900 52,051,838 147,406,001 30,218,502
33.00	MTB Exchange (UK) Limited Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance	163,069 68,386,973 156,520,610 36,649,131 19,201,239	114,900 52,051,838 147,406,001 30,218,502 18,119,670
33.00	Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance Car Expense	163,069 68,386,973 156,520,610 36,649,131 19,201,239 152,486,641	114,900 52,051,838 147,406,001 30,218,502 18,119,670 114,331,935
33.00	Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance Car Expense Entertainment	163,069 68,386,973 156,520,610 36,649,131 19,201,239 152,486,641 31,436,045	114,900 52,051,838 147,406,001 30,218,502 18,119,670 114,331,935 25,714,770
33.00	Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance Car Expense Entertainment Newspaper & Periodicals	163,069 68,386,973 156,520,610 36,649,131 19,201,239 152,486,641 31,436,045 1,373,763	114,900 52,051,838 147,406,001 30,218,502 18,119,670 114,331,935 25,714,770 1,176,916
33.00	Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance Car Expense Entertainment Newspaper & Periodicals Clearing House Expense	163,069 68,386,973 156,520,610 36,649,131 19,201,239 152,486,641 31,436,045 1,373,763 915,455	114,900 52,051,838 147,406,001 30,218,502 18,119,670 114,331,935 25,714,770 1,176,916 829,708
33.00	Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance Car Expense Entertainment Newspaper & Periodicals Clearing House Expense Traveling & Conveyance	163,069 68,386,973 156,520,610 36,649,131 19,201,239 152,486,641 31,436,045 1,373,763 915,455 35,772,637	114,900 52,051,838 147,406,001 30,218,502 18,119,670 114,331,935 25,714,770 1,176,916 829,708 28,564,207
33.00	Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance Car Expense Entertainment Newspaper & Periodicals Clearing House Expense Traveling & Conveyance Holiday Conveyance	163,069 68,386,973 156,520,610 36,649,131 19,201,239 152,486,641 31,436,045 1,373,763 915,455 35,772,637 4,245,094	114,900 52,051,838 147,406,001 30,218,502 18,119,670 114,331,935 25,714,770 1,176,916 829,708 28,564,207 4,584,320
33.00	Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance Car Expense Entertainment Newspaper & Periodicals Clearing House Expense Traveling & Conveyance Holiday Conveyance Bank Charge	163,069 68,386,973 156,520,610 36,649,131 19,201,239 152,486,641 31,436,045 1,373,763 915,455 35,772,637 4,245,094 4,752,043	114,900 52,051,838 147,406,001 30,218,502 18,119,670 114,331,935 25,714,770 1,176,916 829,708 28,564,207 4,584,320 2,390,131
33.00	Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance Car Expense Entertainment Newspaper & Periodicals Clearing House Expense Traveling & Conveyance Holiday Conveyance Bank Charge Training/ Seminar Participation	163,069 68,386,973 156,520,610 36,649,131 19,201,239 152,486,641 31,436,045 1,373,763 915,455 35,772,637 4,245,094 4,752,043 10,244,364	114,900 52,051,838 147,406,001 30,218,502 18,119,670 114,331,935 25,714,770 1,176,916 829,708 28,564,207 4,584,320 2,390,131 12,534,198
33.00	Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance Car Expense Entertainment Newspaper & Periodicals Clearing House Expense Traveling & Conveyance Holiday Conveyance Bank Charge Training/ Seminar Participation Professional Fee	163,069 68,386,973 156,520,610 36,649,131 19,201,239 152,486,641 31,436,045 1,373,763 915,455 35,772,637 4,245,094 4,752,043 10,244,364 34,387,755	114,900 52,051,838 147,406,001 30,218,502 18,119,670 114,331,935 25,714,770 1,176,916 829,708 28,564,207 4,584,320 2,390,131 12,534,198 6,998,283
33.00	Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance Car Expense Entertainment Newspaper & Periodicals Clearing House Expense Traveling & Conveyance Holiday Conveyance Bank Charge Training/ Seminar Participation Professional Fee AGM Expense	163,069 68,386,973 156,520,610 36,649,131 19,201,239 152,486,641 31,436,045 1,373,763 915,455 35,772,637 4,245,094 4,752,043 10,244,364 34,387,755 691,321	114,900 52,051,838 147,406,001 30,218,502 18,119,670 114,331,935 25,714,770 1,176,916 829,708 28,564,207 4,584,320 2,390,131 12,534,198 6,998,283 2,463,931
33.00	Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance Car Expense Entertainment Newspaper & Periodicals Clearing House Expense Traveling & Conveyance Holiday Conveyance Bank Charge Training/ Seminar Participation Professional Fee AGM Expense Subscription & Donation	163,069 68,386,973 156,520,610 36,649,131 19,201,239 152,486,641 31,436,045 1,373,763 915,455 35,772,637 4,245,094 4,752,043 10,244,364 34,387,755	114,900 52,051,838 147,406,001 30,218,502 18,119,670 114,331,935 25,714,770 1,176,916 829,708 28,564,207 4,584,320 2,390,131 12,534,198 6,998,283 2,463,931 14,935,411
33.00	Other Expenditures Security & Auxiliary Service Office Cleaning Office Maintenance Car Expense Entertainment Newspaper & Periodicals Clearing House Expense Traveling & Conveyance Holiday Conveyance Bank Charge Training/ Seminar Participation Professional Fee AGM Expense	163,069 68,386,973 156,520,610 36,649,131 19,201,239 152,486,641 31,436,045 1,373,763 915,455 35,772,637 4,245,094 4,752,043 10,244,364 34,387,755 691,321	114,900 52,051,838 147,406,001 30,218,502 18,119,670 114,331,935 25,714,770 1,176,916 829,708 28,564,207 4,584,320 2,390,131 12,534,198 6,998,283 2,463,931

		Amount in BDT	
		2015	2014
	CDBL Charges	552,521	694,267
	Fees & Registration	15,928,702	11,894,157
	Business Development Expense	24,841,697	20,975,216
	Corporate Social Responsibility (CSR) activities	25,510,865	14,493,843
	Branch Opening Expenses	302,570	2,871,731
	Contribution to MTB Foundation	10,000,000	10,000,000
	Employees Medical Assistance Fund	5,000,000	2,000,000
	Honorarium	569,465	224,833
	Cash Carrying Expense	16,052,725	17,615,299
	Contact Point Verification (CPV) Charges	824,429	809,559
	Site Maintenance & Support Service	2,791,700	2,134,498
	On-line and connectivity charges	42,555,166	42,212,859
	Transaction Charge NPSB	199,390	100,390
	Loss on Sale of Fixed Assets	4,601,085	450,407
	Miscellaneous Expense	38,900	9,355
		646,622,880	540,224,567
33 (a)	Consolidated Other Expenditure		
. ,	Mutual Trust Bank Limited (Note-33)	646,622,880	540,224,567
	MTB Securities Limited	37,052,914	86,382,154
	MTB Capital Limited	4,203,777	3,382,746
	MTB Exchange (UK) Limited	4,907,307	3,179,662
		692,786,878	633,169,128
34.00	Provision Against Loans and Advances		
	Provision for Classified Loans & Advances	226,717,487	406,609,269
	Provision for Unclassified Loans and Advances	168,668,771	(48,129,995)
	Provision for Off Balance Sheet Items	43,981,972	69,051,247
	Total amount of provision made during the year	439,368,230	427,530,521
	Total amount of promotor made daming and your		,,
35.00	Provision for Tax		
	Current tax	760,896,156	727,074,226
	Deferred tax* (Note 12.07.a)	100,254,584	104,004,442
	Total	861,150,740	831,078,668
	* Deferred tax has been calculated as per "BAS:12 Income Taxes" and in the carrying value of fixed assets.	t is the timing differer	nces arising from
35 (a)	Consolidated Provision for Tax		
55 (a)	Mutual Trust Bank Limited (Note-35)	861,150,740	831,078,668
	MTB Securities Limited (Note-33)	41,352,036	126,051,861
	MTB Capital Limited	4,940,302	10,707,496
	MTB Exchange (UK) Limited	4,940,002	10,707,490
	IVIT D EXCITAINGE (ON) LITTILED	907,443,078	967,838,025
00.00	Facility Baseline (FDO) t	907,440,070	307,030,023
36.00	Earnings Per Share (EPS):*	4 004 470	000 000 = : :
	Net Profit After Tax	1,364,172,889	963,293,519
	Number of Ordinary Shares outstanding	369,315,967	369,315,967
	Earnings Per Share (EPS) (2014-Restated)	3.69	2.61

^{*}Earnings per share has been calculated in accordance with BAS-33: Earnings Per Share (EPS).

		Amount	in BDT
		2015	2014
36 (a)	Consolidated Earnings Per Share (EPS):*		
	Consolidated Net Profit After Tax	1,366,197,010	961,559,993
	Number of Ordinary Shares outstanding Earnings Per Share (EPS) (2014-Restated)	369,315,967 3.70	369,315,967 2.60
	, , ,		
07.00	*Earnings per share has been calculated in accordance with BAS-33: E	anings rei onale (c	FO).
37.00	Received from Other Operational Income Exchange	331,635,068	210,645,372
	Handling charge	2,289,229	3,170,783
	Service charge	102,125,166	112,617,624
	SWIFT charge recovery	27,031,181	8,571,523
	DP income	176,840	-
	Early settlement and Loan processing fees	11,661,061	6,877,096
	Locker rent VISA ATM	3,359,006 868,369	2,977,297
	Margin A/c Maintenance Income	6,900	26,961
	Management fees	56,936,725	59,020,186
	Charges against cards	80,575,695	63,173,540
	VISA POS	7,327,093	-
	Miscellaneous income	66,904,533	74,109,713
		690,896,866	541,190,095
37 (a)	Consolidated Received from Other Operational Income		
	Mutual Trust Bank Limited (Note-37)	690,896,866	541,190,095
	MTB Securities Limited	39,656,626	63,357,972
	MTB Capital Limited MTB Exchange (UK) Limited	17,650,748	37,864,704
	Less: Intragroup other operating income	(13,762,186)	(28,448,342)
	Less, intragroup other operating income	734,442,054	613,964,429
38.00	Payment for Other Operational Expenses	701,112,001	010,001,120
30.00	Rent, Tax, Insurance, Electricity	507,318,366	482,545,035
	Legal Expense	3,411,955	3,160,064
	Postage, Stamps, Telegram & Telephone	14,036,831	12,346,551
	Audit fee	948,500	943,000
	Printing, Stationery, Advertisement	99,038,366	104,016,382
	Directors' Fee	1,450,400	1,409,750
	Repair & Maintenance	67,387,919	51,147,142
	Other Expenditure	631,622,880	528,224,567
		1,325,215,217	1,183,792,490
38 (a)	Consolidated Payment for Other Operational Expenses		
	Rent, Tax, Insurance, Electricity	551,878,393	527,554,464
	Legal Expense	3,526,515	3,160,064
	Postage, Stamps, Telegram & Telephone	14,972,388	13,580,176
	Audit fee	1,426,336	1,449,419
	Printing, Stationery, Advertisement	100,566,611	105,650,937
	Directors' Fee	2,468,150	1,409,750
	Repair & Maintenance Other Expenditure	68,386,973 677,786,878	52,051,838
	Other Experiatione	1,421,012,243	621,169,128 1,326,025,777
39.00	Number of Employees	1,721,012,240	1,020,023,111
39.00	The number of employees engaged for the whole year or part thereof w BDT 36,000 or above were 1,801.	ho received a total re	emuneration of
40.00	Number of Branches	106	103
41.00	Number of Meeting		
	Board Meeting	13	14
	Executive Committee Meeting	9	10
	Audit Committee Meeting	4	4
	Risk Management Committee Meeting	4	3

42.00 BDT 25.36 million worth of assets have been sold during the year 2015.

43.00 Auditors Work Hour

The external auditors of the bank, M.J.ABEDIN & Co., Chartered Accountants covered 80% above of the Bank's Risk Weighted Asset and has spent around 3,296 man-hours to complete the audit as per Bangladesh Standards on Auditing (BSA).

44.00 Related Party Disclosure

44.01 Name of Directors and their shareholdings as on December 31, 2015

		December 2015		
Name	Status in the Board	No. of Shares held	BDT	Holding %
Mr. M. A. Rouf	Chairman (from February 26, 2016)	7,400,119	74,001,190	2.00%
Mr. Hedayetullah	Vice-Chairman (from February 26, 2016)	7,390,563	73,905,630	2.00%
Mr. Syed Manzur Elahi	Director (Founding Chairman)	13,618,285	136,182,850	3.69%
Associated Builders Corporation Ltd. represented by Mr. Rashed Ahmed Chowdhury	Director (Former-Chairman)	18,465,780	184,657,800	5.00%
Advanced Chemical Industries Ltd represented by Dr. Arif Dowla	Director	12,310,506	123,105,060	3.33%
Mr. Md. Abdul Malek	Director	7,456,899	74,568,990	2.02%
Mr. Md. Wakiluddin	Director	7,393,060	73,930,600	2.00%
Khwaja Nargis Hossain	Director	7,386,541	73,865,410	2.00%
ASTRAS Ltd. Represented by Mr. Anjan Chowdhury	Director	9,232,861	92,328,610	2.50%
Pioneer Insurance Company Ltd. represented by Mr. Q.A.F.M Serajul Islam	Director	25,979,110	259,791,100	7.03%
Mr. Anwarul Amin	Independent Director	-	-	-
Dr. Sultan Hafeez Rahman	Independent Director	-	-	-
Total		116,633,724	1,166,337,240	31.58%

Name of the companies in which the Directors of the Bank have interest are given in Annexure - E

44.02 Related Party Transactions

Name of party	Related with	Transactions nature	Outstanding amount BDT Million	Nature of Security
Mrs. Rozina Afroz	Mr. Md. Wakiluddin, Director	GHBL	0.753	Land & Building
Mrs. Banesa Khatun	Mr. Md. Wakiluddin, Director	GHBL	2.006	Land & Building

44.03 Significant Contracts where Bank is a Party and wherein Directors have Interest

Nature of contract	Purpose	Name of Director and Related by	Remarks	
	Pabna Branch		Approved by Bangladesh Bank	
	Pabna Branch ATM Booth			
Lease agreement with	Square Textile ATM Booth	Mr. Anian Chaudhun		
Square Pharmaceuticals Limited	Square Pharmaceuticals ATM Booth	Mr. Anjan Chowdhury	Approved by Board of MTB	
	Square Hospital ATM Booth			
	Square Fashions ATM Booth			
	Bilquis Tower ATM Booth			
Loope agreement	ABC House ATM Booth	Mr. Rashed Ahmed	Approved by	
Lease agreement	ABC Heritage ATM Booth	Chowdhury	Board of MTB	
	ABC BPL ATM Booth			
Loggo agraement	Pragati Sarani Branch	Mr Md Madilluddin	Approved by	
Lease agreement	Pragati Sarani Branch ATM Booth	Mr. Md. Wakiluddin	Bangladesh Bank	

44.04 Shares issued to Directors and Executives without consideration or exercisable at a discount Nil

44.05 Lending Policies to Related Parties

Lending to related parties is effected as per requirements of Section 27(1) of the Bank Company Act 1991 (as amended in 2013).

44.06 Events after the Balance Sheet Date

i) Subsequent to the balanace sheet date, The Board of Directors recommended Stock dividend @ 20% which will be recognized in the accounts as and when approved by the shareholders in the Annual General Meeting (AGM).

45.00 Financial Highlights as at December 31, 2015 are shown in Annexure-F

Balance With other Banks- Out Side Bangladesh (NOSTRO Account) Currency wise position and Exchange rate applied for conversion of Balance with other Banks in Foreign Currency into Local currency as at 31 December 2015

Annexure- A

			2015			2014	
Name of the Bank	Currency	Foreign Currency Amount	Exchange Rate	BDT	Foreign Currency Amount	Exchange Rate	ВОТ
Mashreqbank, New York	\$SN	1,708,022	78,50	134,079,755	488,707	26'22	38,094,403
Standard Chartered Bank, New York	\$SN	596,260	78,50	46,806,407	354,247	96'22	27,613,313
Habib American Bank, New York	\$SN	1,424,737	78,50	111,841,870	267,665	96'22	20,864,310
Commerze Bank, Germany	\$SN	135,483	09'82	10,635,442	38,927	96'22	3,034,302
Mashreqbank, London	\$SN	162,096	09'82	12,724,537	7,502	96'77	584,798
ICICI, Hong Kong	\$SN	203,504	09'82	15,975,045	50,452	96'77	3,932,722
National Commercial Bank, Jeddha	\$SN	569,297	78,50	44,689,779	855,06	26'22	7,041,798
Sonali Bank, London	\$SN	356,330	78,50	27,971,939	307,051	77.95	23,934,472
Standard Chartered Bank, Singapore	SGD	10,009	78,50	555,830	21,001	06'89	1,236,975
Mashreqbank, London	GBP	180,676	116,36	21,023,577	116,205	121.00	14,060,928
Standard Chartered Bank, London	GBP	198,981	116,36	23,153,571	110,630	121.00	13,386,324
Sonali Bank, London	GBP	6,307	116,36	733,838	19,795	121.00	2,395,208
Habib American Bank, Zurich	CHF	16,004	79,39	1,270,519	13,455	78,81	1,061,060
Standard Chartered Bank, Tokyo	YAU	380,265	0,65	247,941	21,654,615	0,65	14,107,982
UBAF, Tokyo	YAU	116,765	99'0	76,133	253,457	99'0	165,127
Mashreqbank, London	EUR	8,256	85,81	708,427	13,962	24,77	1,323,219
Standard Chartered Bank, Germany	EUR	7,627	85,81	654,435	28,195	94.77	2,672,110
Sonali Bank, London	EUR	4,708	85,81	404,006	4,708	94,77	446,204
ICICI, Mumbai	EUR	1,664	85,81	142,820	5,393	94.77	511,096

Balance With other Banks- Out Side Bangladesh (NOSTRO Account) Currency wise position and Exchange rate applied for conversion of Balance with other Banks in Foreign Currency into Local currency as at 31 December 2015

			2015			2014	
Name of the Bank	Currency	Foreign Currency Amount	Exchange Rate	BDT	Foreign Currency Amount	Exchange Rate	BDT
Unicredit, Germany	EUR	20,578	85.81	1,765,726	8,626	94,77	817,514
Commerze Bank, Germany	EUR	120,444	85,81	10,335,069	142,323	94,77	13,488,108
United Bank of India, Kolkata	EUR	4,226	85.81	362,587	7,315	94,77	693,252
Standard Chartered Bank, Mumbai	ACU	92,124	78.50	7,231,755	106,809	96'22	8,325,729
Standard Chartered Bank, Kolkata	ACU	265,482	78.50	20,840,374	30,587	96'22	2,384,275
Standard Chartered Bank, Pakistan	ACU	18,790	78.50	1,475,028	92,206	96'22	7,187,366
Standard Chartered Bank, Colombo	ACU	4,610	78.50	361,859	898'6	96'22	729,807
Habib Metropolitan Bank, Karachi	ACU	16,131	78.50	1,266,305	19,961	96'22	1,555,948
Mashreqbank, Mumbai	ACU	427,136	78.50	33,530,198	33,002	96'22	2,572,524
AB Bank, Mumbai	ACU	215,444	78,50	16,912,334	103,489	96'22	8,066,876
IOIOI, Mumbai	ACU	490,023	78.50	38,466,802	76,719	96'22	5,980,233
Himalayan Bank Ltd., Kathmundu	ACU	68,510	78,50	5,378,035	19,800	26'22	1,543,398
Nepal Bangladesh Bank Limited	ACU	250	78,50	19,625	250	96'22	19,487
United Bank of India, Kolkata	ACU	247,229	78.50	19,407,509	61,705	96'22	4,809,871
HDFC Bank, Mumbai	ACU	342,626	78,50	26,896,141	107,013	96'22	8,341,566
Habib Bank Pakistan	ACU	20,000	78.50	3,925,000	-	-	ı
ICICI, Mumbai	ACU	-	-	28,032,607		-	31,899,000
		8,470,595		669,902,826	24,665,474		274,881,305

Mutual Trust Bank Limited (MTB) Investment in Quoted Shares As at December 31, 2015

Amount in BDT

Annexure-B

								AITIOUITI III BD I
징	Name of Company	No. of Shares Held	Face Value Per Share	Cost Holding	Average Cost	Quoted rate per Share as at December 31, 2015	Total Market Value of Share as at December 31, 2015	Unrealised Gain/ (Loss)
_	Active Fine Chemical Limited	62,940	10	3,856,437.00	61.27	56,20	3,537,228.00	(319,209,00)
α	Aman Feed Limited	30,000	10	1,534,200.00	51,14	42,30	1,269,000,00	(265,200,00)
က	Baraka Power Limited	50,000	10	1,574,500.00	31,49	30,70	1,535,000,00	(39,500,00)
4	Bata Shoe	270	10	340,907.00	1,262.62	1,317.70	355,779,00	14,872,00
Ŋ	Bangladesh Submarine Cable Company Limited	25,000	10	9,348,350.00	169.97	108.10	5,945,500.00	(3,402,850.00)
9	Confidence Cement Limited	75,960	10	11,244,358.80	148,03	86.70	6,585,732,00	(4,658,626.80)
7	DESCO Limited	103,638	10	8,204,402.52	79.16	51.80	5,368,448.40	(2,835,954,12)
ω	Eastern Bank Limited	100,040	10	4,123,648.80	41.22	28,60	2,861,144.00	(1,262,504.80)
0	Far East Knitting Limited	170,000	10	3,983,100.00	23,43	16,50	2,805,000,00	(1,178,100.00)
10	First Finance Limited	115,500	10	3,461,535,00	29'82	11,30	1,305,150,00	(2,156,385.00)
	GBB Power Limited	998'99	10	1,499,645,60	22.60	16,20	1,074,967.20	(424,678.40)
12	Golden Harvest Agro Industries Limited	110,880	10	3,590,294,40	32,38	22,90	2,539,152.00	(1,051,142.40)
13	Global Heavy Chemicals Limited	10,000	10	614,200.00	61,42	40,00	400,000,000	(214,200.00)
14	Golden Son Limited	000'96	10	4,011,840.00	62'17	26.00	2,496,000,00	(1,515,840.00)
15	IDLC Finance Limited	250,000	10	13,765,000,00	90'99	09'89	15,900,000,00	2,135,000,00
16	IFIC Bank Limited	25,722	10	664,399.26	25,83	21.20	545,306,40	(119,092.86)
17	Islami Bank Bangladesh Limited	110,013	10	3,888,959.55	35,35	27,80	3,058,361,40	(830,598.15)
200	Jamuna Oil Company Limited	66,000	10	15,467,760.00	234.36	157.10	10,368,600.00	(5,099,160.00)
19	Khulna Power Company Limited	200,000	10	16,636,000,00	83,18	74.90	14,980,000.00	(1,656,000.00)

Mutual Trust Bank Limited (MTB) Investment in Quoted Shares As at December 31, 2015

								Amount in BDT
S	- Name of Company	No. of Shares Held	Face Value Per Share	Cost Holding	Average Cost	Quoted rate per Share as at December 31, 2015	Total Market Value of Share as at December 31, 2015	Unrealised Gain/ (Loss)
20) LankaBangla Finance Limited	115,500	10	7,096,320.00	61,44	29,00	3,349,500,00	(3,746,820.00)
2	Linde Bangladesh Limited	2,750	10	3,144,212.50	1,143.35	1,138.40	3,130,600.00	(13,612.50)
22	2 Matin Spinning Mills Limited	100,000	10	4,733,000.00	47.33	40.70	4,070,000.00	(00.000,599)
23	3 Mercantile Bank Limited	120,536	10	2,407,103.92	19.97	10.70	1,289,735.20	(1,117,368.72)
24	1 Meghna Petroleum Limited	32,670	10	7,510,506.30	229.89	152,60	4,985,442.00	(2,525,064.30)
25	5 National Bank Limited	182,710	10	4,465,432.40	24.44	07'6	1,717,474.00	(2,747,958.40)
26	Northern General Insurance Company Limited	30,250	10	1,174,305.00	38,82	17.00	514,250.00	(00,055,00)
27	7 ONE Bank Limited	142,312	10	3,193,481,28	22,44	15,30	2,177,373.60	(1,016,107.68)
28	3 Orion Phama Limited	20,000	10	3,551,000.00	71.02	08'98	1,840,000.00	(1,711,000.00)
29	Phoenix Insurance Company Limited	42,750	10	2,579,107.50	60,33	23,10	987,525,00	(1,591,582.50)
30	Pragati Life Insurance Limited	115,500	10	25,524,345.00	220,99	113,50	13,109,250.00	(12,415,095.00)
31	Premier Cement Mills Limited	25,000	10	2,940,500.00	117,62	08'92	1,920,000.00	(1,020,500.00)
32	Prime Bank Limited	54,340	10	1,729,642.20	31,83	18,10	983,554.00	(746,088.20)
33	Pubali Bank Limited	31,500	10	1,040,160.00	33.02	21,60	680,400.00	(359,760.00)
34	1 RAK Ceramics (Bangladesh) Limited	15,000	10	1,114,500.00	74,30	06'99	1,003,500.00	(111,000.00)
35	5 R. N. Spinning Mills Limited	100,000	10	3,711,000.00	37.11	22,10	2,210,000.00	(1,501,000.00)
36	Saiham Cotton Mills Limited	50,000	10	654,000.00	13,08	13,30	00'000'99	11,000.00
37	7 Saiham Textile Limited	75,000	10	1,426,500.00	19.02	14.10	1,057,500.00	(369,000.00)
38	Shahjalal Islami Bank Limited	000'52	10	885,000.00	11,80	13.50	1,012,500.00	127,500.00

Mutual Trust Bank Limited (MTB) Investment in Quoted Shares As at December 31, 2015

Amount in BDT

Annexure-B

SL 39 Shasha De 40 Summit Pu 41 Square Ph	Name of Company Shasha Denims Limited Summit Purbanchol Co. Limited Square Pharmaceuticals Limited Square Pharmaceuticals Limited United Airways (Bangladesh) Limited United Power GDC Limited Uttara Finance & Investment Limited Zahintex Industries Limited	No. of Shares Held 92,500 25,000 115,039 779,927 338,800 10,000	Face Value Per Share	Cost Holding	Average	Quoted rate per Share as at	Total Market Value of Share	Unrealised Gain/
	Denims Limited Purbanchol Co. Limited Pharmaceuticals Limited Power Limited Power GDC Limited Power GDC Limited Plance & Investment Limited Industries Limited	92,500 25,000 115,039 779,927 338,800 10,000			1800	2015	as at Decerriber 31, 2015	())))))
	Purbanchol Co. Limited Pharmaceuticals Limited Power Limited Power GBangladesh) Limited Power GDC Limited Plance & Investment Limited Industries Limited	25,000 115,039 779,927 338,800 10,000	0	4,015,425.00	43.41	41.10	3,801,750.00	(213,675.00)
	harmaceuticals Limited ower Limited rways (Bangladesh) Limited ower GDC Limited nance & Investment Limited Industries Limited	115,039 779,927 338,800 10,000	10	1,339,500.00	53,58	55.20	1,380,000.00	40,500.00
_	Power Limited rways (Bangladesh) Limited ower GDC Limited nance & Investment Limited Industries Limited	779,927 338,800 10,000 5,500	10	22,035,738.00	191,55	253,70	29,185,394.00	7,149,656.00
42 Summit Po	rways (Bangladesh) Limited ower GDC Limited nance & Investment Limited Industries Limited	338,800	10	43,892,849.20	56,28	02'68	30,963,101.90	(12,929,747.30)
43 United Ain	ower GDC Limited nance & Investment Limited Industries Limited	10,000	10	7,006,384.00	20,68	08'4	2,473,240.00	(4,533,144.00)
44 United Pov	nance & Investment Limited Industries Limited	5,500	10	1,620,100.00	162,01	140.20	1,402,000.00	(218,100.00)
45 Uttara Fina	Industries Limited		10	446,545.00	81,19	06'09	334,950.00	(111,595.00)
46 Zahintex Ir		139,150	10	3,313,161,50	23,81	22,50	3,130,875.00	(182,286.50)
47 AB Bank 1	AB Bank 1st Mutual Fund	25,729,699	10	195,996,552,57	7,62	4.50	115,783,645.50	(80,212,907.07)
48 AIMS 1st l	AIMS 1st Mutual Fund	123,037	10	2,944,602.00	23,93	19.70	2,423,829.40	(520,772.60)
49 EBL NRB I	EBL NRB Mutual Fund	15,615,303	10	125,252,901.62	8,02	4.10	64,022,742.30	(61,230,159.32)
50 First Bangl	First Bangladesh Fixed Income Fund	32,298,689	10	249,788,822.08	7.73	08'9	203,481,740.70	(46,307,081.38)
51 Grameen	Grameen 1st Mutual Fund	15,354	10	296,510,00	19,31	18,60	285,584,00	(10,926.00)
52 Grameen I	Grameen MFO Scheme	173,316	10	2,875,379,50	16,59	02'6	1,681,165.20	(1,194,214.30)
53 MBL 1st N	MBL 1st Mutual Fund	4,160,000	10	41,600,000.00	10,00	02'9	23,712,000.00	(17,888,000.00)
54 NU First M	NLI First Mutual Fund	220,000	10	2,598,200,00	11,81	9.70	2,134,000.00	(464,200.00)
55 PHP First I	PHP First Mutual Fund	4,779,270	10	39,528,698,60	8.27	4.10	19,595,007.00	(19,933,691.60)
				931,241,023.10			635,424,997.20	(295,816,025.90)
Free fund	Free fund available			52,487,707.03				
Total				983,728,730.13			635,424,997.20	(295,816,025.90)

Mutual Trust Bank Limited (MTB) Consolidated Fixed Asset Schedule As at December 31, 2015

Amount in BDT

		Cost	#				Depreciation	ion		Writton action
Particulars	Balance as at 01.01.2015	Addition during the year	Disposal during the year	Balance as at 31.12.2015	Rate	Balance as at Charged for 01.01.2015 the year	Charged for the year	Adjustment made during the year	Balance as at 31.12.2015	value as at 31.12.2015
Land	104,253,000	ı	1	104,253,000	1	ı	1	1	ı	104,253,000
Immovable Property	1,041,691,830	460,413,965	1	1,502,105,795	2,50%	69,577,253	33,263,382	1	102,840,635	1,399,265,160
Fumiture & Fixture	1,169,773,354	193,452,479	28,810,846	1,334,414,987	10%	351,118,123	92,529,657	11,398,788	432,248,992	902,165,994
Office Equipments	1,117,348,598	328,229,723	7,584,068	1,437,994,253	20%	596,563,029	148,346,330	2,331,941	742,577,418	695,416,835
Motor Vehicles	54,649,664	20,094,751	1	74,744,415	20%	34,874,342	6,461,341	1	41,335,683	33,408,732
Books & Periodicals	423,974	ı	1	423,974	10%	423,974	1	1	423,974	ı
Leasehold Asset	48,455,000	1	1	48,455,000	20%	45,339,439	3,115,560	1	48,454,999	<u> </u>
Intangible Asset	70,834,587	8,260,000	1	79,094,587	20%	20,746,171	11,028,293		31,774,464	47,320,123
Total 2015	3,607,430,006 1,010,450,918	1,010,450,918	36,394,914	4,581,486,010		1,118,642,332	294,744,563	13,730,729	1,399,656,165	3,181,829,846
									•	
Total 2014	3,017,152,801	330,416,713	21,520,595	3,326,048,919		632,493,993	247,123,801	11,762,242	867,855,552	2,458,193,367

Mutual Trust Bank Limited (MTB) Fixed Asset Schedule As at December 31, 2015

Annexure-C

Amount in BDT

		Cost					Depreciation			Written down
Particulars	Balance as at 01.01.2015	Addition during the year	Disposal during the year	Balance as at 31.12.2015	Rate	Balance as at 01.01.2015	Charged for the year	Adjustment made during the year	Balance as at 31.12.2015	value as at 31.12.2015
Land	104,253,000	1	1	104,253,000	1	1	1	1	1	104,253,000
Immovable Property	995,326,830	460,413,965	ı	1,455,740,795	2,50%	65,331,776	31,157,406	1	96,489,182	1,359,251,613
Furniture & Fixture	1,090,864,008	178,192,104	13,783,540	1,255,272,572	10%	329,091,818	87,245,323	8,631,473	407,705,668	847,566,904
Office Equipments	1,077,659,720	324,623,647	11,575,350	1,390,708,017	20%	576,886,329	144,349,908	9,251,117	711,985,120	678,722,897
Motor Vehicles	54,649,664	20,094,751	ı	74,744,415	20%	34,874,342	6,461,341	1	41,335,683	33,408,732
Books & Periodicals	423,974	1	ı	423,974	10%	423,974	1	1	423,974	ı
Leasehold Asset	48,455,000	ı	ı	48,455,000	20%	45,339,439	3,115,560	1	48,454,999	\
Intangible Asset	70,834,587	8,260,000	1	79,094,587	20%	20,746,171	11,028,293	1	31,774,464	47,320,123
Total 2015	3,442,466,783	991,584,467	25,358,890	4,408,692,360		1,072,693,849	283,357,831	17,882,590	1,338,169,090	3,070,523,270
Total 2014	3,168,743,412	279,120,332	5,396,961	3,442,466,783		833,774,846	240,532,514	1,613,511	1,072,693,849	2,369,772,934

Mutual Trust Bank Limited (MTB) List of Subordinated Debt Holders as on December 31, 2015

Amount in BDT

		2015	2014	
Α.	12% Partially Convertible Subordinate Bond			
SL	Name of party	Investment Amount	Investment Amount	
1	A.K. Khan & Co. Limited	270,000,000	360,000,000	
2	Agrani Bank Limited	225,000,000	300,000,000	
3	Sonali Bank Limited	187,500,000	250,000,000	
4	Rupali Bank Limited	150,000,000	200,000,000	
5	Dhaka Bank Limited	142,500,000	190,000,000	
6	IPDC of Bangladesh Limited	112,500,000	150,000,000	
7	Dutch Bangla Bank Limited	112,500,000	150,000,000	
8	Bank Asia Limited	112,500,000	150,000,000	
9	Trust Bank Limited	82,500,000	110,000,000	
10	Janata Bank Limited	75,000,000	100,000,000	
11	BASIC Bank Limited	52,500,000	70,000,000	
12	National Life Insurance Co. Limited	52,500,000	70,000,000	
13	Central Depository Bangladesh Limited	52,500,000	70,000,000	
14	Investment Corporation of Bangladesh (ICB)	37,500,000	50,000,000	
15	NCC Bank Limited	30,000,000	40,000,000	
16	Pubali Bank Limited	30,000,000	40,000,000	
17	Prime Bank Employees Provident Fund	30,000,000	40,000,000	
18	Popular Life Insurance Co. Limited	30,000,000	40,000,000	
19	Delta Life Insurance Co. Limited	30,000,000	40,000,000	
20	Grameen Mutual Fund One-Scheme Two	30,000,000	40,000,000	
21	Pragati Life Insurance Limited	15,000,000	20,000,000	
22	Pacific Jeans Limited	15,000,000	20,000,000	
	Sub-Total (A)	1,875,000,000	2,500,000,000	
В	MTB 2nd Subordinate Bond			
SL	Name of Party	Investment Amount	Investment Amount	
1	Sonali Bank Limited	1,000,000,000	-	
2	BRAC Provident Fund	500,000,000	-	
3	Bank Asia Limited	400,000,000	-	
4	Uttara Bank Limited	300,000,000	-	
5	BRAC	250,000,000	-	
6	BRAC Bank Limited	250,000,000	-	
7	NRB Commercial Bank Limited	200,000,000	-	
8	United Finance Limited	100,000,000	-	
-	Sub-Total (B)	3,000,000,000	-	
	Total (A+B)	4,875,000,000	2,500,000,000	
		, .,,	, .,,.	

Annexure - E

Mutual Trust Bank Limited (MTB) Name of Companies in which the Directors of the Bank have interest

SL	Name of Directors of the Bank	Name of Companies in which the Directors have interest
		Chairman
		- Britannia Properties Ltd., Bangladesh
		- Britannia Holdings & Management Ltd.
		- Britannia Developments Limited
		- Diamond Properties (BD) Ltd.,
1	Mr. M.A. Rouf, JP	- Diamond Properties, (UK) Scotland
	Chairman	Vice Chairman
		- ALEMCO Ltd.
		- Kanchan Purbachal Power Generation Ltd.
		- Tangail Palli Power Generation Ltd.
		Director
		-Tiger Tours Ltd.
		Chairman
		- Hedayetullah Securities Ltd.
		Director
_		
2	Mr. Md. Hedayetullah	- Apex Tannery Ltd.
	Vice Chairman	- Apex Property Development Ltd.
		Managing Director
		- BW International Ltd.
		- FB Footwear Ltd.
		-Foot bed Footwear Ltd.
		Chairman
		- Apex Tannery Ltd.
		- Apex Footwear Ltd.
	Mr. Syed Manzur Elahi Director (Founding Chairman)	-Apex Pharma Ltd.
		- Blue Ocean Footwear
		- Apex Enterprise Ltd.
		- Apex Interprise Etd Apex Investments
		- Grey Advertising (Bangladesh) Ltd.
_		- Quantam Market Research
3		- Manusher Jonno Foundation
		- Holiday Publications
		- Bangladesh Freedom Foundation
		Director
		- International Publications Ltd. owning company of the Financial Express
		- Credit Rating Agency of Bangladesh Ltd. (CRAB)
		- Central Depository Bangladesh Ltd. (CDBL)
		Member Board of Trustee
		- East West University
		- Centre for Policy Dialogue (CPD)
		- Diabatic Association of Bangladesh.
		Chairman
		- Tetley ACI (Bangladesh) Ltd.
		Vice Chairman
4	Dr. Arif Dowla	- ACI HealthCare Limited.
	Director	Managing Director
	(Representing Advanced Chemical Industries Ltd.)	- Advanced Chemical Industries Ltd.
	() () () () () () () () () ()	- ACI Pure Flour Limited
		- ACI Foods Limited

SL	Name of Directors of the Bank	Name of Companies in which the Directors have interest
		- ACI Motors Limited
		- ACI Logistics Limited
		- ACI Agrolinks Ltd.
		- PremiaFlex Plastics Limited
		- Stochastic Logic Limited
		Director
		- ACI Formulations Limited
		- ACI Salt Limited
		- ACI Edible Oils Limited
		- ACI Godrej Agrovet (Pvt.) Limited.
		- Creative Communication Limited
		- Consolidated Chemicals Limited
		- ACI Chemicals Limited
		- Infolytx Bangladesh Limited
		- Bangladesh Business Publications Limited
		Chairman
		- Banga Garments Ltd.
		- ABC Building Products Ltd.
		- Bangladesh Business Publications Limited
		- Board of Trustees of Independent University, Bangladesh (IUB)
		Director
5	Mr. Rashed Ahmed Chowdhury	- Associated Builders Corporation Ltd. (ABC)
٦	Director (Former Chairman)	- ASC Real Estate Ltd.
	(Representing Associated Builders Corp. Ltd.)	- Shamsuddin Towels Ltd.
	(hepresenting Associated Builders Corp. Etd.)	President
		- Cadet College Club Limited
		- Rotary Club of Dhaka Central Senior Vice President
6	Mr. Md. Abdul Malek	- Bangladesh Squash Rackets Federation.
0	Director	Proprietor
	Director	- Gardenia Chairman
		- Baridhara Enterprise (pvt.) Ltd.
7	NAv. NAsl. NA/altitudation	- Baridhara Corporation Ltd.
7	Mr. Md. Wakiluddin	Managing Director
	Director	- Swadesh Properties Ltd Swadesh Global Media Ltd.
		- HARDCO International School
۰	Khawaia Naraia Haasain	- SAHCO International Ltd.
8	Khawaja Nargis Hossain	
	Director	Managing Director
		- SAHCO Securities Ltd.
		Chairman Magazanga Productiona Ltd
		- Maasranga Productions Ltd
_	Mar Amian Charreller	- Oracle Travels Ltd.
9	Mr. Anjan Chowdhury	President Description Agree Description
	Director	- Bangladesh Agro Processors Association
	(Representing ASTRAS Ltd.)	Managing Director
		- Square Toiletries Ltd.
<u></u>		- Square Food & Beverage Ltd.

SL	Name of Directors of the Bank	Name of Companies in which the Directors have interest
		- Square Securities Management Ltd.
		- Square Texcom Limited
		- Square Air Ltd.
		- Maasranga Communications Ltd
		- (Maasranga Television)
		- Mediacom Ltd.
		- Aegis Services Ltd
		Director
		- Square Pharmaceuticals Limited
		- Square Hospitals Ltd.
		- Square Formulations Ltd.
		- Square Herbal and Nutraceuticals Ltd.
		- Square Agro Development and Proc. Ltd.
		- Square Textiles Ltd.
		- Square Fashions Limited
		- Square Yarns Limited
		- Square Fashions Yarns Limited
		- Square Denims Limited
		- Square Apparels Limited
		- Square Holdings Ltd
		- Square Informatix Ltd.
		- ASTRAS Limited
		- Pharma Packages (Pvt.) Ltd.
		- Barnali Printers Ltd.
		- Sabazpur Tea Co. Ltd.
		- Abahani Limited
10	Mr. Q. A. F. M. Serajul Islam	Director
	Director	- Life Insurance Corporation (LIC) of Bangladesh Ltd.
	(Representing Pioneer Insurance Co. Ltd.)	Managing Director
		- Pioneer Insurance Company Ltd.
11	Mr. Anwarul Amin	Chairman
	Independent Director	- Kayfin Consultants Ltd. (Management Consultancy Firm)
12	Dr. Sultan Hafeez Rahman	Executive Director
	Independent Director	BRAC Institute of Governance and Development, BRAC University
		Director
		International Growth Centre's (IGC) Bangladesh Program

Mutual Trust Bank Limited (MTB) Consolidated Financial Highlights As at December 31, 2015

Amount in BDT (Million)

SL No.	Items	2015	2014
1	Paid up Capital	3,693.16	3,077.63
2	Total Capital	12,412.59	8,712.40
3	Surplus in Capital Fund	2,085.91	586.48
4	Total Asset	146,073.32	116,300.96
5	Total Deposits	118,404.72	96,064.74
6	Total Loans and Advances	97,588.78	77,140.92
7	Total Contingent Liabilities	35,029.25	30,801.80
8	Lending-Deposit Ratio	82.42%	79.44%
9	Classified Loans as % of Total Loans and Advances	2.08%	2.67%
10	Profit After Provision and Tax	1,366.20	961.56
11	Total Classified loans and advances	2,034.42	2,060.28
12	Total Provision Maintained against Classified Loans	1,182.00	955.28
13	Surplus/(deficit) in Provision against Classified Loans	373.57	-
14	Cost of Fund	10.42%	11.47%
15	Earning Asset	126,016.56	98,025.82
16	Non-Interest Earning Asset	20,056.75	18,275.14
17	Return on Investments (ROI)	9.77%	10.70%
18	Return on Asset (ROA)	1.04%	0.88%
19	Income from Investment	2,293.91	2,492.38
20	Earnings per Share (BDT)	3.70	2.60
21	Operating Profit per Share (BDT)	7.61	7.05
22	Price-Earning Ratio (Times)	5.27	6.34

Annexure - F

Mutual Trust Bank Limited (MTB) Financial Highlights

As at December 31, 2015

Amount in BDT (Million)

SL No.	Items	2015	2014
1	Paid up Capital	3,693.16	3,077.63
2	Total Capital (Tier-I & II)	12,445.45	8,750.82
3	Surplus/(shortage) Capital	2,235.30	671.26
4	Total Assets	145,576.79	115,705.81
5	Total Deposits	118,686.72	96,229.05
6	Total Loans and Advances	96,259.01	75,707.23
7	Total Contingent Liabilities	35,029.25	30,801.80
8	Lending-Deposit Ratio	81.10%	77.83%
9	Classified Loans as % of Total Loans and Advances	2.11%	2.72%
10	Profit After Provision and Tax	1,364.17	963.29
11	Total Classified loans and advances	2,034.42	2,060.28
12	Total Provision Maintained against Classified Loans	1,182.00	955.28
13	Surplus/(deficit) in Provision against Classified Loans	373.57	-
14	Cost of Fund	10.23%	11.07%
15	Earning Asset	124,260.81	96,020.06
16	Non-Interest Earning Asset	21,315.98	19,685.75
17	Return on Investments (ROI)	9.93%	11.33%
18	Return on Asset (ROA)	0.94%	0.89%
19	Income from Investment	2,293.91	2,608.30
20	Earnings per Share (BDT)	3.69	2.61
21	Operating Profit per Share (BDT)	7.24	6.30
22	Price-Earning Ratio (Times)	5.28	6.33

Annexure- G

Off-Shore Banking Unit (OBU) Balance Sheet As at December 31, 2015

Property and Assets	Note	20	15	201	2014	
		USD	BDT	USD	BDT	
Cash		-	-	-	-	
In hand (including foreign currencies)		-	-	-	-	
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		-	-	-	-	
	_					
Balance with other banks and financial institutions	3	-	-	-	-	
In Bangladesh Outside Bangladesh		-	-	-	-	
		10.005.707	4 000 004 000		-	
Loans and advances		16,385,787	1,286,284,262	7,671,721	598,006,047	
Loans, cash credits, overdrafts etc.	4	13,869,507	1,088,756,289	5,172,547	403,196,919	
Bills purchased and discounted	5	2,516,280	197,527,973	2,499,174	194,809,128	
Fixed assets including premises, furniture and fixtures		=	=	=	=	
Other assets	6	-	-	-	-	
Non - Banking Assets		-	-	-	-	
Total Assets		16,385,787	1,286,284,262	7,671,721	598,006,047	
Liabilities and Capital						
Liabilities						
Borrowings from other banks, financial institutions and agents	7	16,129,402	1,266,158,085	7,628,677	594,650,758	
Deposits and other accounts	8	-	_	_		
Current deposits		-	-	-	-	
Bills payable		-	-	-	-	
Savings bank deposits Term deposits		-	-	-	-	
Bearer certificate of deposit		_	_	-	_	
Other Liabilities	9				-	
Total Liabilities	Ū	16,129,402	1,266,158,085	7,628,677	594,650,758	
Capital / Shareholders' equity						
Paid up capital		-	-	-	-	
Statutory reserve		-	-	-	-	
Foreign currency translation gain Other reserve		-	-	-	-	
Retained earnings	10	256,384	20,126,177	43,044	3,355,288	
Total Shareholders' Equity		256,384	20,126,177	43,044	3,355,288	
Total Liabilities and Shareholders' Equity		16,385,787	1,286,284,262	7,671,721	598,006,047	
Off-Balance Sheet Items						
Contingent liabilities		-	-	-	-	
Acceptances and endorsements		-	-	-	-	
Letters of guarantee		-	-	-	-	
Irrevocable letters of credit Bills for collection		-	-	-	-	
Other contingent liabilities		-	-	-	-	
Other Commitments		-	-	-	-	
Documentary credits and short term trade -related transactions		-	-	-	-	
Forward assets purchased and forward deposits placed		-	-	-	-	
Undrawn note issuance and revolving underwriting facilities		-	-	-	-	
Undrawn formal standby facilities, credit lines and other commitments	i	-	-	-	-	
Liabilities against forward purchase and sale Other commitment		-	-	-	-	
	ilition		-			
Total Off-Balance Sheet exposures including contingent liab	iiilies					

Off-Shore Banking Unit (OBU) Profit and Loss Account For the year ended December 31, 2015

Annexure- G

	Note	20	2015		2014	
<u>Particulars</u>		USD	BDT	USD	BDT	
Interest income	11	655,416	51,100,061	173,645	13,478,365	
Less: Interest on deposits, borrowings, etc.	12	399,032	31,110,844	130,600	10,137,238	
Net Interest Income		256,384	19,989,216	43,044	3,341,127	
Total Operating Income (A)		256,384	19,989,216	43,044	3,341,127	
Salaries and allowances		-	-	-	-	
Rent, taxes, insurance, electricity, etc.		-	-	-	-	
Legal expenses		-	-	-	-	
Postage, stamp, telecommunication, etc.		-	-	-	-	
Stationery, printing, advertisements, etc.		-	-	-	-	
Auditors' fees		-	-	-	-	
Depreciation and repair of Bank's assets		-	-	-	-	
Other expenses		-	-	-	-	
Total Operating Expenses (B)						
Profit / (Loss) Before Provision (C=A-B)		256,384	19,989,216	43,044	3,341,127	
Provision for Loans and Advances / Investments		-	-	-	-	
Specific provision		-	-	-	-	
General provision		-	-	-	=	
Provision for diminution in value of investments		-	-	-	-	
Other provision		-	-	-	-	
Total Provision (D)		-	-	-	-	
Total Profit / (Loss) Before Taxes (C-D)		256,384	19,989,216	43,044	3,341,127	
Provision for Taxation						
Current tax		-	-	-	-	
Deferred tax		-	-	-	-	
		-	-	-	-	
Net Profit / (Loss) after Taxation		256,384	19,989,216	43,044	3,341,127	
Retained earnings brought forward from previous years		-	-	-	-	
- · · · · · · · · · · · · · · · · · · ·		256,384	19,989,216	43,044	3,341,127	

Annexure- G

Off-Shore Banking Unit (OBU) Statement of Cash Flow As at December 31, 2015

	2015		20	14
	USD	BDT	USD	BDT
A) Cash flows from operating activities				
Interest receipts in cash	655,416	51,100,061	173,645	13,478,365
Interest payments	(399,032)	(31,110,844)	(130,600)	(10,137,238)
Fees and commission receipts in cash	-	-	-	-
Cash payments to employees Cash payments to suppliers	-	_	-	Ī
Receipts from other operating activities	_	_	-	_
Payments for other operating activities	-	-	-	-
Cash generated from operating activities before changes in operating assets and liabilities	256,384	19,989,216	43,044	3,341,127
Increase / (decrease) in operating assets and liabilities				
Loans and advances to other banks	-	-	-	-
Loans and advances to customers	(16,385,787)	(1,286,284,262)	(7,671,721)	(598,006,047)
Other assets Deposits from other banks / borrowings	16,129,402	1,266,158,085	7,628,677	594,650,758
Deposits from customers	10,129,402	1,200,100,000	1,020,011	-
Other liabilities	-	-	-	-
	(256,384)	(20,126,177)	(43,044)	(3,355,288)
Net cash from operating activities	-	(136,961)		(14,162)
B) Cash flows from investing activities				
Purchase / sale of property, plant and equipment	-	-	-	-
Proceeds from sale of property, plant and equipment	-	-	-	-
Net cash used in investing activities	-	-	-	-
C) Cash flows from financing activities				
Borrowing from Mutual Trust Bank Limited	-	-	-	-
Net Cash from financing activities	-	-	-	-
D) Net increase / (decrease) in cash and cash equivalents (A+B+C)	-	(136,961)	-	(14,162)
E) Effects of exchange rate changes on cash and cash equivalents	-	136,961	-	14,162
F) Cash and cash equivalents at beginning of the year	=	-	-	-
G) Cash and cash equivalents at end of the year (D+E+F)	-	-		
Cash and cash equivalents at end of the year				
Cash in hand (including foreign currencies)	-	-	-	-
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	-	-	-	-
Balance with other banks and financial institutions	-	_	-	_
	-		-	-
Balance with other banks and financial institutions	-	-	- -	-

Off-Shore Banking Unit (OBU) Notes to the Financial Statements

Annexure-G

As at December 31, 2015

1 Status of the unit

The Bank obtained the Off-shore Banking Unit ("the 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 the Bangladesh Bank. Its office is located at 26, MTB Centre, Gulshan South Avenue, Gulshan Circle 1, Dhaka 1212.

1.1 Principal activities

The principal activities of the units are to provide all kinds of commercial banking services to its customers through its off-shore Banking Units in Bangladesh.

2 Significant accounting policies and basis of preparation of financial statements

2.1 Basis of accounting

The Off-shore Banking Unit maintains its accounting records in USD from which accounts are prepared according to the Bank Companies Act, 1991, Bangladesh Accounting Standards, Bangladesh Financial Reporting Standard (BFRS) and other applicable directives issued by The Bangladesh Bank, in particular, Banking regulations and policy department (BRPD) Circular No. 14 (25 June 2003).

2.2 Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2.3 Foreign currency transaction

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per BAS-21" The Effects of Changes in Foreign Exchange Rates". The financial statements of the Unit are presented in US Dollar (USD) and Bangladesh Taka where USD is the functional currency and Taka are the Unit's presentation currency. Entities functional currency is Bangladesh Taka.

Foreign currency transactions are recorded in the presentation currency using the rate of exchange at average rate of inter-bank market as determined by The Bangladesh Bank on the closing date of every month. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange ruling at the balance sheet date.

2.4 Reporting period

These financial statements cover from January 01 to December 31, 2015.

2.5 Loans and advances / investments

a) Loans and advances of Off-shore Banking Units are stated in the balance sheet on gross basis.

b) Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is not charged on bad and loss loans as per guidelines of the Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

c) Provision for Loans and Advances has been made on the basis of measurement required and as per instructions by the Bangladesh Bank, BRPD Circular 14 and 19 dated September 23, 2012 and December 27, 2012 respectively.

2.6 Provision for liabilities

A provision is recognised in the balance sheet when the unit has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the BAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

2.7 Interest income

In terms of the provisions of the BAS-18 "Revenue", the interest income is recognized on accrual basis.

2.8 Interest paid and other expenses

In terms of the provisions of the BAS - 1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2.9 Allocation of common expenses

Operating expenses in the nature of salary, rent, rates and taxes, management expenses, printing stationary, etc. are not allocated in the current year due to insignificant amount.

2.10 General

a) These financial statements are presented in Taka, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.

b) Assets and liabilities & income and expenses have been converted into Taka currency @ US\$1 = Taka 78.50 (closing rate as at December 31, 2015) and BDT 77.9658 (average rate which represents at the year end).

c) Fixed assets of this unit are appearing in the books of the main operation of the bank and depreciation is also charged to Profit & loss Accounts of the main operation of the bank.

3 Balance with other banks and financial institutions

The unit maintains a NOSTRO Account with Habib America, New York, where exist no balance as on December 31, 2015

		20 ⁻	2015		4
		USD	BDT	USD	BDT
4	Loans and advances				
	i) Loans, cash credits, overdrafts etc.				
	Term Loan	5,871,498	460,912,598	605,711	47,214,772
	Usance Payable at Sight (UPAS)	7,998,009	627,843,692	4,566,836	355,982,146
		13,869,507	1,088,756,289	5,172,547	403,196,919
	ii) Bills purchased and discounted				
	Payable Inside Bangladesh				
	Inland bills purchased	2,432,435	190,946,173	-	-
	Payable Outside Bangladesh				
	Foreign/ Local bills purchased and discounted	83,845	6,581,800	2,499,174	194,809,128
		2,516,280	197,527,973	2,499,174	194,809,128
		16,385,787	1,286,284,262	7,671,721	598,006,047

2015

	2014
D.	

	USD	BDT	USD	BDT
4.01 Loans and Advances to Industries				
Food	315,881	24,796,678	1,172,264	91,377,307
RMG & Textile FDBP	4,662,876	366,035,743	3,020,869	235,474,893
Pharmaceuticals	229,201	17,992,311	-	-
Plastic & Rubber	68,974	5,414,490	840,449	65,512,526
Petroleum & Edible Oil	-	-	353,878	27,584,598
Chemical & Chemical Products	-	-	188,984	14,731,189
Engineering, Metal & Metal Products	570,530	44,786,605	171,768	13,389,210
Electricity & Gas Industry	5,466,476	429,118,371	-	-
Service Industries	405,022	31,794,227	675,341	52,642,389
Others	4,666,826	366,345,837	1,248,168	97,293,933
	16,385,787	1,286,284,262	7,671,721	598,006,047
4.02 Classification of Loans and Advances including bill disco	ounted			
Unclassified (UC):				
Standard	16,385,787	1,286,284,262	7,671,721	598,006,047
Special Mention Account (SMA)	-	-	-	-
Sub total	16,385,787	1,286,284,262	7,671,721	598,006,047
Classified:				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Bad & Loss				
Sub total				
Total	16,385,787	1,286,284,262	7,671,721	598,006,047

4.03 Client wise details of Loans and Advances are given below:

Name of the clients	Outstanding		Outstar	nding
Name of the clients	USD	BDT	USD	BDT
Biman Bangladesh Airlines	405,022	31,794,227	605,711	47,214,772
Abul Khair Tobacco Company Limited	16,560	1,299,960	293,202	22,854,896
Bengal Plastic Limited	68,974	5,414,490	840,449	65,512,526
East West Chemicals Limited	-	-	188,984	14,731,189
Fiber Optic Network Solutions Bangladesh Limited	-	-	69,630	5,427,617
Hassan Automatic Dal Mill	151,581	11,899,128	1,016,339	79,223,046
Hassan Oil Mills	-	-	353,878	27,584,598
South West Composite Limited	-	-	117,000	9,120,080
MRS Industries Limited	1,067,946	83,833,788	954,966	74,439,038
National Accessories Limited	-	-	68,331	5,326,360
PRAN Agro Limited	-	-	155,925	12,154,260
Rafique Tin Containers Limited	122,193	9,592,183	171,768	13,389,210
Sanzi Textile Mills Limited	-	-	336,363	26,219,325
Sinha Rotor Spinning Ltd	-	-	1,980,230	154,357,735
Sinha spinning Limited	-	-	518,944	40,451,393
Abul Khair Ceramic Ind. Ltd.	85,608	6,720,228		
Akbar Textile Mills Ltd.	47,700	3,744,450		
Ashik Composite Textile Mills Ltd	657,000	51,574,500		
Eon Agro Industries Ltd	241,800	18,981,300		
Eon Animal Health Products Ltd	2,450,072	192,330,641		
Fashion Knit Garments Limited	49,000	3,846,500		
Golden Son Ltd	47,834	3,754,993		
HR Textile Mills Limited	418,084	32,819,587		
Karim Spinning Mills Ltd	358,000	28,103,000		
Liberty Enterprise Limited	1,624,288	127,506,569		
Liberty Poly Zone Bd Ltd	375,210	29,453,985		
Magnum Steel Industries Limited	524,030	41,136,355		
Mars Textile Ltd	452,000	35,482,000		
Midland Power Company Ltd	5,466,476	429,118,371		
Nova Thread & Packaging Industries	60,285	4,732,373		
Nuvista Pharma Ltd (Npl)	229,201	17,992,311		
Pran Dairy Ltd(Pdyl)	40,800	3,202,800		

Annexure- G

		2015		2014	
	Name of the clients	Outsta	nding	Outstai	nding
		USD	BDT	USD	BDT
	Quasem Drycells Limited	183,397	14,396,651		
	Shetu Pesticides Ltd.	134,400	10,550,400		
	Sq Hues	534,496	41,957,936		
	Ss Steel (Pvt.) Limited	30,300	2,378,550		
	Sylvan Agriculture Ltd (Pran)	123,500	9,694,750		
	Tlra Holdings Ltd	101,647	7,979,290		
	Trade International Marketing Ltd.	172,618	13,550,474		
	Walton Hi-Tech Industries Limited	46,500	3,650,250		
	Zant Accessories Ltd	99,264	7,792,224		
	Total	16,385,787	1,286,284,262	7,671,721	598,006,047
4.0	4 Geographical Location wise Loans and Advances				
	Inside Bangladesh	USD	BDT	USD	BDT
	Urban				
	Dhaka Division	12,513,330	982,296,380	7,671,721	598,006,047
	Chittagong Division	2,352,511	184,672,094	-	-
	Rajshahi Division	1,519,946	119,315,788	-	-
	Sylhet Division	-	-	-	-
	Khulna Division	-	-	-	-
	Barishal Division	-	-	-	-
		16,385,787	1,286,284,262	7,671,721	598,006,047
	Rural				
	Dhaka Division	-	-	-	-
	Chittagong Division	-	-	-	-
	Rajshahi Division				
	Sylhet Division	-	-		
	Khulna Division	-	-		
	Barishal Division	-	-		
	Outside Bangladesh	-	-	-	-
		16,385,787	1,286,284,262	7,671,721	598,006,047
5	Bills purchased and discounted				
	In Bangladesh	2,516,280	197,527,973	2,499,174	194,809,128
	Outside Bangladesh	-	-	-	-
	•	2,516,280	197,527,973	2,499,174	194,809,128
6	Other assets				
U	Balance with Foreign Banks				
	Advance Deposit	_	_		-
	Navarioo Doposit				
7	Borrowings from other banks, financial institutions and	-			
	In Bangladesh	16,129,402	1,266,158,085	7,628,677	594,650,758
	Outside Bangladesh	-	-		-
		16,129,402	1,266,158,085	7,628,677	594,650,758
	In Bangladesh:				
	Borrowing from Bank:				
	Bangldesh Bank	-	-	-	-
	Other Bank	16,129,402	1,266,158,085	7,628,677	594,650,758
	Interest payable on Borrowing	-	-	-	-
		16,129,402	1,266,158,085	7,628,677	594,650,758
	Outside Bangladesh	-	-	-	-
	-	16,129,402	1,266,158,085	7,628,677	594,650,758
8	Deposits and other accounts				
	Bank deposits (Note 8.1)	-	-	-	-
	Customer deposits and other accounts	-	-	-	-

Annexure- G

		2015		2014	
		USD	BDT	USD	BDT
9	Other liabilities				
	Provision for Unclassified Loans and Advances				
	Provision for Expenses	-	-	-	-
	Provision for Taxation	-	-	-	-
	Due to Head Office	-	-	-	-
		_	_		
10	Retained earnings				
	Net Profit for the Year	256,384	19,989,216	43,044	3,341,127
	Translation gain/(loss)	-	136,961	-	14,162
		256,384	20,126,177	43,044	3,355,288
11	Interest income				
	Interest on term loan	183,929	14,340,183	37,545	2,914,258
	Interest on UPAS	362,389	28,253,921	47,202	3,663,800
	Lease finance	-	-	-	-
	Payment against documents	-	-	-	-
	Foreign Documentary bills purchased	52,851	4,120,560	82,628	6,413,604
	Other Income	56,248	4,385,396	6,270	486,703
	Total Interest on loans and advances	655,416	51,100,061	173,645	13,478,365
12	Interest on deposits, borrowings, etc.				
	a) Interest paid on deposits	364,812	28,442,887	114,368	8,877,278
	b) Interest paid on local bank accounts	-	-	-	-
	c) Interest paid on borrowings & others	34,220	2,667,958	16,232	1,259,960
	· · · · · · · · · · · · · · · · · · ·	399,032	31,110,844	130,600	10,137,238

Off-Shore Banking Unit (OBU) Liquidity Statement As at December 31, 2015

Annexure-G

Particulars	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Above 5 years	Total
	BDT	BDT	BDT	BDT	BDT	BDT
Assets:						
Cash	ı		1	1		ı
Balance with other Banks and Financial Institutions	ı	1	ı	1	1	1
Money at Call & Short notice	1	1	ı			1
Investments	ı	1	ı	1	1	1
Loans and Advances	1	1	1,286,284,262	1	1	1,286,284,262
Premises and Fixed Assets	1	1	I	1	1	1
Other Assets	ı	1	ı	1	1	ı
Non-Banking Assets	-	-	1	1	-	1
Total Assets	-	-	1,286,284,262	-	-	1,286,284,262
Liabilities:						
Borrowing From Other Banks, Financial Institutions & Agents	1	ı	1,266,158,085	1	1	1,266,158,085
Deposit and Other Account	ı	1	I	ı	ı	ı
Provision & Other Liabilities	-	-	1	1	-	1
Total Liabilities	-	-	1,266,158,085	-	-	1,266,158,085
Net Liquidity	•		20,126,177	-	-	20,126,177





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AUDITORS' REPORT TO THE SHAREHOLDERS OF MTB SECURITIES LIMITED

We have audited the accompanying Statement of Financial Position of the MTB Securities Limited as on December 31, 2015 and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Notes and Schedules thereto for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) give a true and fair view of the state of the Company's affairs as at December 31, 2015 and of the results of its operations and its Cash Flows for the year then ended and comply with the Companies Act 1994, Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- (a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (c) the Company's Statement of Financial Position and Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows dealt with by this report are in agreement with the books of accounts; and
- (d) the expenditure incurred and payments made were for the purpose of the company's business.

Dated: February 02, 2016

Place: Dhaka

Chartered Accountants

MTB SECURITIES LIMITED Statement of Financial Position

As at December 31, 2015

Note 2015 2014 2015			Amount	in BDT
Shareholders' Equity 3 1,270,000,000 1,270,000,000 Retained Earnings 4 10,492,130 8,383,804 Total Shareholders' Equity 1,280,492,130 1,278,383,804 Loan from MTB 5 2,460,000,000 2,634,788,736 Total sources of Funds 3,740,492,130 3,913,172,540 APPLICATION OF FUNDS Investment and Advances 8 8,000,000 8,000,000 Investment in Securities 7 257,281,925 194,901,851 Investment in DSE 8 28,860,424 28,860,424 Current Assets 2 4,860,424 28,860,424 28,860,424 Advances and Prepayments 9 37,220,367 20,653,146 4,861,423,42 28,860,424 Accounts Receivable 11 28,665,256 18,181,791 4,403,823,603 4,995,758,801 Accounts Receivable 11 28,665,256 18,181,791 4,403,823,603 4,430,823,603 4,403,823,603 4,430,823,603 4,430,823,603 4,430,823,603 4,430,823,603 4,430,823,603 4,430,823		Note	2015	2014
Share Capital 3 1,270,000,000 1,270,000,000 Retained Earnings 4 10,492,130 8,383,804 Total Shareholders' Equity 1,280,492,130 1,278,383,804 Loan from MTB 5 2,460,000,000 2,634,788,736 Total sources of Funds 3,740,492,130 3,913,172,540 APPLICATION OF FUNDS Investment and Advances 4 257,281,925 194,901,851 Investment in Securities 7 257,281,925 194,901,851 Investment in DSE 8 28,860,424 28,860,424 Pack and Prepayments 9 37,220,367 20,653,146 Margin Loan to Clients 10 3,716,976,374 3,995,756,801 Accounts Receivable 11 28,665,256 18,181,791 Advance Income Tax (AIT) 12 35,990,033 49,385,089 Cash & Cash Equivalents 13 286,478,783 346,646,776 Accounts Payable 14 308,743,952 258,012,810 Provision for Expenses 15 25,117,332 83,757,491	SOURCES OF FUNDS			
Retained Earnings 4 10,492,130 8,383,804 Total Shareholders' Equity 1,280,492,130 1,278,383,804 Loan from MTB 5 2,460,000,000 2,634,788,736 Total sources of Funds 3,740,492,130 3,913,172,540 APPLICATION OF FUNDS Investment and Advances 8 8,000,000 8,000,000 Investment in Securities 7 257,281,925 194,901,851 Investment in DSE 8 28,860,424 28,8	Shareholders' Equity			
Total Shareholders' Equity 1,280,492,130 1,278,383,804 Loan from MTB 5 2,460,000,000 2,634,788,736 Total sources of Funds 3,740,492,130 3,913,172,540 APPLICATION OF FUNDS Investment and Advances Membership at Cost 6 8,000,000 8,000,000 Investment in Securities 7 257,281,925 194,901,851 1		3	1,270,000,000	1,270,000,000
Loan from MTB 5 2,460,000,000 2,634,788,786 Total sources of Funds 3,740,492,130 3,913,172,540 APPLICATION OF FUNDS Investment and Advances Investment and Advances 8 8,000,000 8,000,000 Investment in Securities 7 257,281,925 194,901,851 Investment in DSE 8 28,860,424 28,860,424 Lournert Assets 2 294,142,349 231,762,275 Current Assets 9 37,220,367 20,653,146 Margin Loan to Clients 10 3,716,976,374 3,995,756,801 Accounts Receivable 11 28,665,256 18,181,791 Advance Income Tax (AIT) 12 35,990,033 49,385,089 Cash & Cash Equivalents 13 286,478,783 346,846,776 Accounts Payable 14 308,743,952 258,012,810 Provision for Expenses 15 25,117,332 83,757,149 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,1		4		
Total sources of Funds 3,740,492,130 3,913,172,540 APPLICATION OF FUNDS Investment and Advances Membership at Cost 6 8,000,000 8,000,000 Investment in Securities 7 257,281,925 194,901,851 Investment in DSE 8 28,660,424 28,860,424 Investment in DSE 8 28,660,424 28,860,424 Variety and Clear in DSE 8 28,660,424 28,860,424 Advances and Prepayments 9 37,220,367 20,663,146 Margin Loan to Clients 10 3,716,976,374 3,995,756,801 Accounts Receivable 11 28,665,256 18,181,791 Advance Income Tax (AIT) 12 35,990,033 49,385,089 Cash & Cash Equivalents 13 286,478,783 346,846,776 Current Liabilities 4,105,330,813 4,430,823,603 Current Expenses 15 25,117,332 83,757,491 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17	Total Shareholders' Equity		1,280,492,130	1,278,383,804
APPLICATION OF FUNDS Investment and Advances Membership at Cost 6 8,000,000 8,000,000 Investment in Securities 7 257,281,925 194,901,851 Investment in DSE 8 28,860,424 28,860,424 294,142,349 231,762,275 20,653,146 20,400,000 20,000,000 20	Loan from MTB	5	2,460,000,000	2,634,788,736
Newstment and Advances Membership at Cost 6 8,000,000 8,000,000 1,	Total sources of Funds		3,740,492,130	3,913,172,540
Membership at Cost 6 8,000,000 8,000,000 Investment in Securities 7 257,281,925 194,901,851 Investment in DSE 8 28,860,424 28,860,424 294,142,349 231,762,275 Current Assets 8 294,142,349 231,762,275 Current Assets 9 37,220,367 20,653,146 Margin Loan to Clients 10 3,716,976,374 3,995,756,801 Accounts Receivable 11 28,665,256 18,181,791 Advance Income Tax (AIT) 12 35,990,033 49,385,089 Cash & Cash Equivalents 13 286,478,783 346,846,776 4,105,330,813 4,430,823,603 Current Liabilities 14 308,743,952 258,012,810 Accounts Payable 14 308,743,952 258,012,810 Provision for Expenses 15 25,117,332 83,757,491 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 <tr< th=""><th>APPLICATION OF FUNDS</th><th></th><th></th><th></th></tr<>	APPLICATION OF FUNDS			
Investment in Securities	Investment and Advances			
Investment in DSE 8 28,860,424 28,860,424 Current Assets 294,142,349 231,762,275 Current Assets 3,720,367 20,653,146 Advances and Prepayments 9 37,220,367 20,653,146 Margin Loan to Clients 10 3,716,976,374 3,995,756,801 Accounts Receivable 11 28,665,256 18,181,791 Advance Income Tax (AIT) 12 35,990,033 49,385,089 Cash & Cash Equivalents 13 286,478,783 346,846,776 4,105,330,813 4,430,823,603 Current Liabilities 4,105,330,813 4,430,823,603 Current Payable 14 308,743,952 258,012,810 Provision for Expenses 15 25,117,332 83,757,491 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 760,631,969 858,875,116 <th>Membership at Cost</th> <th>6</th> <th>8,000,000</th> <th>8,000,000</th>	Membership at Cost	6	8,000,000	8,000,000
Current Assets 294,142,349 231,762,275 Advances and Prepayments 9 37,220,367 20,653,146 Margin Loan to Clients 10 3,716,976,374 3,995,756,801 Accounts Receivable 11 28,665,256 18,181,791 Advance Income Tax (AIT) 12 35,990,033 49,385,089 Cash & Cash Equivalents 13 286,478,783 346,846,776 Current Liabilities 8 4,105,330,813 4,430,823,603 Provision for Expenses 15 25,117,332 83,757,491 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 95,250,000 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778	Investment in Securities	7	257,281,925	194,901,851
Current Assets Advances and Prepayments 9 37,220,367 20,653,146 Margin Loan to Clients 10 3,716,976,374 3,995,756,801 Accounts Receivable 11 28,665,256 18,181,791 Advance Income Tax (AIT) 12 35,990,033 49,385,089 Cash & Cash Equivalents 13 286,478,783 346,846,776 4,105,330,813 4,430,823,603 Current Liabilities Accounts Payable 14 308,743,952 258,012,810 Provision for Expenses 15 25,117,332 83,757,491 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 - 95,250,000 760,631,969 858,875,116 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778	Investment in DSE	8	28,860,424	28,860,424
Advances and Prepayments 9 37,220,367 20,653,146 Margin Loan to Clients 10 3,716,976,374 3,995,756,801 Accounts Receivable 11 28,665,256 18,181,791 Advance Income Tax (AIT) 12 35,990,033 49,385,089 Cash & Cash Equivalents 13 286,478,783 346,846,776 4,105,330,813 4,430,823,603 Current Liabilities 4,105,330,813 4,430,823,603 Accounts Payable 14 308,743,952 258,012,810 Provision for Expenses 15 25,117,332 83,757,491 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 - 95,250,000 760,631,969 858,875,116 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778			294,142,349	231,762,275
Margin Loan to Clients 10 3,716,976,374 3,995,756,801 Accounts Receivable 11 28,665,256 18,181,791 Advance Income Tax (AIT) 12 35,990,033 49,385,089 Cash & Cash Equivalents 13 286,478,783 346,846,776 4,105,330,813 4,430,823,603 Current Liabilities 4,105,330,813 4,430,823,603 Accounts Payable 14 308,743,952 258,012,810 Provision for Expenses 15 25,117,332 83,757,491 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 - 95,250,000 760,631,969 858,875,116 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778				
Accounts Receivable 11 28,665,256 18,181,791 Advance Income Tax (AIT) 12 35,990,033 49,385,089 Cash & Cash Equivalents 13 286,478,783 346,846,776 4,105,330,813 4,430,823,603 Current Liabilities Accounts Payable 14 308,743,952 258,012,810 Provision for Expenses 15 25,117,332 83,757,491 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 - 95,250,000 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778	* 3			
Advance Income Tax (AIT) 12 35,990,033 49,385,089 Cash & Cash Equivalents 13 286,478,783 346,846,776 4,105,330,813 4,430,823,603 Current Liabilities Accounts Payable 14 308,743,952 258,012,810 Provision for Expenses 15 25,117,332 83,757,491 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 - 95,250,000 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778	9			
Cash & Cash Equivalents 13 286,478,783 4,430,823,603 346,846,776 4,105,330,813 4,430,823,603 Current Liabilities				
4,105,330,813 4,430,823,603 Current Liabilities 308,743,952 258,012,810 Provision for Expenses 15 25,117,332 83,757,491 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 - 95,250,000 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778	, ,			
Current Liabilities Accounts Payable 14 308,743,952 258,012,810 Provision for Expenses 15 25,117,332 83,757,491 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 - 95,250,000 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778	Cash & Cash Equivalents	13		
Accounts Payable 14 308,743,952 258,012,810 Provision for Expenses 15 25,117,332 83,757,491 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 - 95,250,000 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778			4,105,330,813	4,430,823,603
Provision for Expenses 15 25,117,332 83,757,491 Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 - 95,250,000 Net Current Asset 760,631,969 858,875,116 Net Current Asset 3,344,698,844 3,571,948,487				
Provision for Income Tax 16 58,178,082 135,011,269 Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 - 95,250,000 Net Current Asset 760,631,969 858,875,116 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778	•			
Provision for Investment 17 339,732,179 257,983,122 Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 - 95,250,000 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778	·			
Investment Suspense's Accounts 18 28,860,424 28,860,424 Dividend Payable 19 760,631,969 858,875,116 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778				
Dividend Payable 19 95,250,000 760,631,969 858,875,116 Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778				
Net Current Asset 760,631,969 858,875,116 Property, Plant & Equipment 3,344,698,844 3,571,948,487 20 101,650,937 109,461,778	·		28,860,424	
Net Current Asset 3,344,698,844 3,571,948,487 Property, Plant & Equipment 20 101,650,937 109,461,778	Dividend Payable	19	700 004 000	
Property, Plant & Equipment 20 101,650,937 109,461,778				_
	Net Current Asset		3,344,698,844	3,571,948,487
Total Application of Funds 3,740,492,130 3,913,172,540	Property, Plant & Equipment	20	101,650,937	109,461,778
	Total Application of Funds		3,740,492,130	3,913,172,540

The annexed notes form an integral part of these financial statements.

Rashed A. Chowdhury Chairman

Anis A. Khan Vice Chairman

Md. Nazrul İslam Mazumder Chief Executive Officer

Signed as per annexed report on even date

Date: February 02, 2016

Place: Dhaka

AHMAD & AKHTAR Chartered Accountants

MTB SECURITIES LIMITED Statement of Comprehensive Income For the year ended December 31, 2015

		Amount i	n BDT
	Note	2015	2014
Operating Income		335,816,354	841,267,971
Brokerage Commission	21	150,004,680	261,761,484
Interest on Margin Loan	22	163,017,372	539,800,779
Margin Account Maintenance	23	1,875,500	1,996,000
Depository Participant	24	12,752,726	13,079,810
Gain/ (loss) on Sale of Securities		8,166,076	24,629,898
Less. Operating Expenses		25,496,186	30,060,278
Howla Charge		-	1,860,182
Laga Charge		9,317,786	10,747,641
CDBL Charge	25	16,178,400	17,452,455
Net Operating Income		310,320,168	811,207,693
Add. Other Income	26	16,862,324	23,652,264
Total Income		327,182,492	834,859,957
Less. Office & Administrative Expenses	27	160,199,672	206,440,272
Less. Financial Expenses	28	40,522,458	268,271,510
Profit before Provision		126,460,362	360,148,175
Less. Provision on Investment	29	83,000,000	136,733,730
Net Profit/ (loss) before Income Tax		43,460,362	223,414,445
Less: Income Tax Expenses	30	41,352,036	126,051,861
Net Profit after Tax		2,108,326	97,362,584

The annexed notes form an integral part of these financial statements.

Rashed A. Chowdhury Chairman

Anis A. Khan Vice Chairman

Md. Nazrul İslam Mazumder Chief Executive Officer

Signed as per annexed report on even date

Date: February 02, 2016

Place: Dhaka

AHMAD & AKHTAR Chartered Accountants

Amount in BDT

MTB SECURITIES LIMITED Statement of Cash Flows

For the year ended December 31, 2015

	2015	2014
Net Profit during the year (after tax)	2,108,326	97,362,584
Add: Amount consider as non Cash items:		
Increase/(decrease) in Provision for Expenses	(58,640,159)	59,290,756
Increase in Provision for Investment in Securities	81,749,057	132,935,376
Depreciation	10,076,968	10,414,006
Loss on Sale of Fixed Assets	5,009,890	-
Increase/(decrease) in Provision for Income Tax	(76,833,187)	9,590,023
Sub total of non Cash items	(38,637,431)	212,230,161
Changes in Working Capital components		
Increase/(decrease) in Accounts Payable	50,731,142	(160,911,204)
(Increase)/decrease in Accounts Receivable	(10,483,465)	144,298,941
(Increase)/decrease in Advance Income Tax	13,395,056	2,544,505
(Increase)/decrease in Advance & Prepayment	(16,567,221)	900,948
A) Net Cash inflow from Operating Activities	546,407	296,425,935
Cash inflow from Investing Activities:		
(Increase)/decrease in Investment in Securities	(62,380,074)	(13,346,269)
(Increase)/decrease in Purchase of Premises & Fixed Asset	(11,904,131)	(8,353,567)
(Increase)/decrease in Margin Loan to Clients	278,780,427	(3,909,104)
Cash Sale of Fixed Asset	4,628,114	-
B) Net cash inflow from Investing Activities	209,124,336	(25,608,940)
Cash flow from Financing Activities :		
Decrease in Short Term Borrowing	(174,788,736)	(161,771,633)
Dividend Paid	(95,250,000)	(130,175,000)
C) Net Cash outflow from Financing Activities	(270,038,736)	(291,946,633)
D) Net Cash Increase / (decrease) (A+B+C)	(60,367,993)	(21,129,638)
E) Opening Cash and Cash Equivalents	346,846,776	367,976,414
F) Closing Cash and Cash Equivalents (D+E)	286,478,783	346,846,776
Closing balance represent:		
Cash in Hand (Cheque in Hand)	8,526,611	4,406,945
Cash at Bank	277,952,172	342,439,831
Total	286,478,783	346,846,776

Rashed A. Chowdhury Chairman

Anis A. Khan Vice Chairman

Md. Nazrul İslam Mazumder Chief Executive Officer

Signed as per annexed report on even date

AHMAD & AKHTAR Chartered Accountants

Date: February 02, 2016

Place: Dhaka

MTB SECURITIES LIMITED

Statement of Changes in Equity For the year ended December 31, 2015

Amount in BDT

Particulars	Paid up Capital	Retained Earnings	Total
Balance as on January 01, 2015	1,270,000,000	8,383,804	1,278,383,804
Net profit for the year after tax	1	2,108,326	2,108,326
Less: Dividend paid (Interim)	1	1	
Balance as on December 31, 2015	1,270,000,000	10,492,130	1,280,492,130

Mllur. Anis A. Khan Vice Chairman

Rashed A. Chowdhury Chairman

Md. Nazrul Islam Mazumder Chief Executive Officer

1,278,383,804

8,383,804

1,270,000,000

Balance as on December 31, 2014

MTB SECURITIES LIMITED Notes to the Financial Statements

For the year ended December 31, 2015

1.00 Company and its activities

1.01 Legal status of the Company

MTB Securities Limited was incorporated in Bangladesh as a private limited company on March 01, 2010 vide its registration No. 82868/10 and converted into public Ltd. company in the year 2015 under The Companies Act 1994. The company has started its commercial operation on September 23, 2010 after getting approval from the Securities and Exchange Commission (SEC) as a separate entity. The Brokerage registration is REG 3.1/DSE-197/2010/427 and Dealer registration is REG 3.1/DSE-197/2010/428.

1.02 Nature of Business

The main object of MTB securities limited is to act as a TREC holder of stock exchange, the depository participant of the Central Depository System (CDS) and to carry on business of broker, or dealers in stocks, securities, bonds, debentures etc. The company is also authorized to buy, sell, hold or otherwise acquire or invest the capital of the company in shares, stocks, and fixed income securities.

2.00 Significant Accounting Policies

2.01 Basis of preparation of Financial Statements

The Financial Statement of MTB Securities Limited includes the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Cash Flow Statement and notes to the accounts and disclosures. These Financial Statement have been prepared under the historical cost convention on a going concern basis in accordance with Generally Accepted Accounting Principles (GAAP), and the Bangladesh Accounting Standards (BAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Accounting Standards (IAS), The Companies Act 1994, Securities and Exchange Rules, 1987 and other Laws and Rules applicable to the company.

2.02 Statement of Cash Flows

Cash flow statement is prepared in accordance with the Bangladesh Accounting Standard (BAS) No 7: "Cash Flow Statement" and the cash flows from operating activities have been presented under indirect method.

2.03 Property and Equipment

Depreciation of fixed asset is charged using reducing balance method as per BAS- 16 "Property, Plant and Equipment". The rates of depreciation used to write off the amount of assets are as follows:

Category of Assets	Rate of Depreciation
Furniture	10%
Office Equipment	20%
Furniture and Fixtures	10%
Premises	5%

2.04 Revenue Recognition

Revenue which comprises of brokerage commission, and interest income are recognized in accordance with Bangladesh Accounting Standard (BAS) 18: "Revenue Recognition".

2.05 Provision for Income Tax

Provision for income tax has been calculated based on Income Tax Ordinance, 1984.

2.06 Provision for Expenses

Provision for expenses is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources embedding economic benefits will be required to settle the present obligations and reliable estimate of the amount can be measured.

2.07 Cash and Cash Equivalent

Cash and cash equivalent includes cash at bank which are held and are available for use by the Company.

2.08 Reporting Period

The financial statement covers from January 01, 2015 to December 31, 2015.

2.09 General

The figures in the financial statements are presented in Bangladeshi Taka (BDT), which is the company's functional currency. Figures in these notes and financial statements have been rounded off to the nearest Taka value.

		Amount	in BDT
		2015	2014
3.00	Share Capital		
3.01	Authorized Capital		
	500,000,000 ordinary shares of Taka 10 each.	5,000,000,000	5,000,000,000
3.02	Issued, Subscribed and Paid-up Capital 127,000,000 ordinary shares of Taka 10 each fully paid.	1,270,000,000	1,270,000,000

3.03 Shareholding Position of the Company

Share Holders	Number of Share	Percentage
Mutual Trust Bank Limited	126,987,300	99.99%
Mr. Rashed Ahmed Chowdhury	6,700	
Mr. Md. Hashem Chowdhury	1,000	
Mr. Md. Zakir Hussain	1,000	
Mr. Syed Rafiqul Hossain	1,000	0.01%
Mr. Goutam Prosad Das	1,000	
Mr. Swapan Kumar Biswas	1,000	
Mr. Md. Nazrul Islam Mazumder	1,000	
Total	127,000,000	100%

4.00 Retained Earnings

Opening balance	8,383,804	6,271,220
Adjustment during the year	-	-
Net profit during the year	2,108,326	97,362,584
Dividend paid during the year	-	(95,250,000)
Closing balance	10,492,130	8,383,804

5.00 Loan from MTB

This represents amount received from Mutual Trust Bank (MTB) for margin loan paid to customers and other operating purpose for the MTB Securities Ltd.

Closing balance	2,460,000,000	2,634,788,736
Paid during the year	(215,136,194)	(430,000,000)
Addition during the year	40,347,458	268,228,367
Opening balance	2,634,788,736	2,796,560,369

6.00 Membership at Cost

Dhaka Stock Exchange Limited (DSE)	8,000,000	8,000,000
	8,000,000	8,000,000

Pursuant the Exchanges Demutualization Act 2013, Dhaka Stock Exchange has issued ordinary shares and Trading Right Entitlement Certificate (TREC) license to MTB Securities Limited. The valuation of TREC is yet to be decided. Later if the valuation of TREC is Decided, "Membership at cost" will be adjusted accordingly against "Investment Suspense Accounts" or any other manner as permitted under registrations.

7.00 Investment in Securities

Total

Investment in securities represent the cost price of securities which have been invested by the company

	in the capital market.		
	Quoted share	207,305,925	174,925,851
	Unquoted share	49,976,000	19,976,000
	Total	257,281,925	194,901,851
8.00	Investment in DSE		
	Dhaka Stock Exchange Limited (DSE)	28,860,424	28,860,424

28,860,424

28,860,424

As per the provisions of the Exchanges Demutualization Act 2013 and in accordance with the BSEC approved Demutualization scheme, MTB Securities Limited received the following ordinary shares:

Shares issued by	No. of Shares	Amount (BDT)
Dhaka Stock Exchange Limited (DSE)	7,215,106	72,151,060
Total	7,215,106	72,151,060

Out of this 7,215,106 shares, 40% shares i.e. 2,886,042 shares has been transferred by Exchanges to the company's BO account. Remaining 60% shares i.e. 4,329,064 shares will remain in blocked account for disposal in due course.

Valuation of 40% shares:

40% shares which are transferred in the BO account will be held by the Company as the company does not have the sale right of this shares. The shares will be stated at face value. The shares are transferred to the Investment Suspense Account in the absence of any clear guideline in this regards. In future, when the clear guidelines and policies are available, Investment Suspense's Account will be adjusted for appropriate accounting treatment.

Valuation of 60% shares:

As per the scheme, 60% shares which will be transferred to the blocked amount will be off- loaded in the following manner:

- (i). 25% shares will be sold to the strategic investors by the Exchange.
- (ii). Except shares allotted in favor of strategic investors, shares held in blocked account shall be sold to general public/institutional investors.
- (iii). The DSE will distribute all the sale proceeds of share held in blocked account to the initial shareholders pro-rata basis periodically as determined by the Exchanges.

9.00 Advances and Prepayments

It represents advance for office rent and other advances for the Head Office and other branches of MTB Securities Limited.

10.00 Margin Loan to Clients

This amount represents the margin loan balance with clients provided by the company at the balance sheet date, which includes principal amount and accrued interest on margin loan during the year 2015. The detail is as follows:

	Amount	in BDT
	2015	2014
Opening balance	3,995,756,801	3,991,847,697
Addition during the year	6,228,659	112,500,000
Interest during the year	163,017,372	539,800,779
Adjustment during the year	(448,026,458)	(648,391,675)
Closing balance	3,716,976,374	3,995,756,801
11.00 Accounts Receivable		
Receivable from Dhaka Stock Exchange (DSE)-Broker (Note 11.1)	5,399,074	10,277,085
Receivable from Dhaka Stock Exchange (DSE)-Dealer (Note 11.2)	1,048,783	-
Other Receivable	22,217,399	7,904,706
Total	28,665,256	18,181,791

11.01 Receivable from Dhaka Stock Exchange (DSE)-Broker

This balance has been resulted from sale of shares through Dhaka Stock Exchange Limited (DSE)-Broker.

11.02 Receivable from Dhaka Stock Exchange (DSE)-Dealer

This balance has been resulted from sale of shares through Dhaka Stock Exchange Limited (DSE)-Dealer.

12.00 Advance Income Tax

Closing balance	35,990,033	49,385,089
Adjusted during the year	(89,499,933)	(71,924,586)
Addition during the year (Note 12.01)	76,104,877	69,380,081
Opening balance	49,385,089	51,929,594

			Amount in	n BDT
			2015	2014
12.01	Addition during the year			
	Brokerage commission		18,613,582	26,721,995
	Bank interest		1,691,593	2,065,650
	Dividend income		799,702	592,436
	Advance tax		55,000,000	40,000,000
	Total		76,104,877	69,380,081
13.00	Cash and Cash Equivalents			
	Mutual Trust Bank Ltd	0002-0320000724	2,457,353	2,147,891
	Mutual Trust Bank Ltd	0002-0320001438	762,171	712,133
	Mutual Trust Bank Ltd	0002-0320001081	265,485,415	119,797,180
	Mutual Trust Bank Ltd	0002-0320002080	142,149	14,473,632
	Mutual Trust Bank Ltd	0002-0320001634	78,878	1,670,920
	Mutual Trust Bank Ltd	0032-0320000308	-	26,917
	Mutual Trust Bank Ltd	0023-0320000934	-	40,572
	One Bank limited	5025386029	-	179,960
	One Bank limited	0025386019	-	1,161
	IFIC Bank limited	1090358680041	289,855	14,072,014
	Standard Chartered	01114647901	8,715,138	189,308,423
	Standard Chartered	02114647901	21,213	9,028
	Cash in hand (Cheque in hand)		8,526,611	4,406,945
	Total		286,478,783	346,846,776
14.00	Accounts Payable			
	It represents money deposited by	client for trading purpose .The details are a	as follows:	
	Payable to clients (Note 14.1)		255,051,550	226,151,272
	Payable to Dhaka Stock Exchang		25,452,505	31,394,579
	Payable to Dhaka Stock Exchange	e (DSE) -dealer (Note 14.2)	1,480	
	Others payable (Note 14.3)		28,238,417	466,959
	Total		308,743,952	258,012,810
14.01	Payable to Clients This belongs represents the client	ts' sale proceed of securities and deposit aç	rainat agguritiae nurchae	a which is a grantly
	lying with the Company's bank ac		yanısı secuniles purchas	e which is currently

14.02 Payable to Dhaka Stock Exchange (DSE)

This balance has resulted from purchase of securities through Dhaka Stock Exchange Limited.

14.03 Other Payable

This balance represents cheques issued to various clients but not yet cleared and various suppliers payable.

15.00 Provision for Expenses

Closing balance (Note 15.01)	25,117,332	83,757,491
Adjustment during the year	(107,771,502)	(52,160,112)
Addition during the year	49,131,343	111,450,868
Opening balance	83,757,491	24,466,735

		Amount in	n BDT
		2015	2014
15.01	Provision for Expenses		
	CDBL Charge	1,000,000	-
	Other Rent	1,500,000	-
	Marketing & Business Development cost	4,300,000	-
	Annual Business Conference	500,000	-
	Salary & Remuneration	6,700,000	-
	Security Service Bill	450,000	-
	Postage Telephone & Mobile bill	86,494	-
	Utility bill	1,000,000	-
	Cleaning of Office Premises	284,364	-
	Audit Fee	57,500	-
	Software Maintenance	500,000	-
	Advertisement	70,000	-
	Travelling Expenses	20,000	_
	Office Maintenance	300,000	_
	Repair & Maintenance	150,000	_
	Entertainment	200,000	_
	Others Expenses	7,998,974	_
	Total	25,117,332	_
		23,117,332	<u> </u>
16.00	Provision for Income Tax		
	Opening balance	135,011,269	125,421,246
	Addition during the year	41,352,036	126,051,861
	Payment during the year	(118,185,223)	(116,461,838)
	Closing balance	58,178,082	135,011,269
17.00	Provision for Investment		
	Opening balance	257,983,122	125,047,746
	Addition during the year	83,000,000	136,733,730
	Adjustment during the year	(1,250,943)	(3,798,354)
	Closing balance	339,732,179	257,983,122
18.00	Investment Suspense Account		, ,
10.00	Dhaka Stock Exchange Limited (DSE)	28,860,424	28,860,424
	Total	28,860,424	28,860,424
		20,000,424	20,000,424
19.00	Dividend Payable Tk. Nil		
	This year no dividend declared by the MTBSL from this net profit and same	has been recommende	ed by the board.
20.00	Property, Plant & Equipment		
	Cost:		
	Furniture	1,348,475	1,348,475
	Office Equipment	30,544,262	29,925,788
	Fixture & Fittings	64,915,253	68,935,179
	Premises	46,365,000	46,365,000
	Total cost value of the Asset	143,172,990	146,574,442
	Accumulated depreciation	41,522,053	37,112,664
	Total carrying amount	101,650,937	109,461,778
	The detail has shown in Annexure - A.	, , , , , , , , , , , , , , , , ,	
04.00			
21.00	Brokerage Commission Tk. 150,004,680		

This amount is charged on daily turnover during the year as per rate decided by the management of the company.

22.00 Interest on Margin Loan

Tk. 163,017,372

MTB Securities paid margin loan at the rate specified by the management of the company. Total number of marginable client was 1288 at the end of 2015.

23.00 Margin Account Maintenance

Tk. 1,875,500

It represents service charges on margin account, which were received from the customer during the year.

24.00 Depository Participant

This amount represents BO opening, maintenance, demate charge and CDS charges. The detail is as follows:

	Amount	IN RD I
	2015	2014
BO maintenance fee	11,010,000	10,413,500
BO opening fee	191,500	1,032,000
Demate charge	14,815	9,619
CDS charge	1,536,411	1,624,691
Total	12,752,726	13,079,810

25.00 CDBL Charge

Tk. 16,178,400

This amount represent BO opening, maintenance, CDS charge and other expenses charged by CDBL.

26.00 Other Income

Other income represents interest income from various bank accounts maintained at MTB & other banks and dividend income. The Detail is as follows:

	income. The Detail is as follows:		
	Interest on bank deposit	16,704,144	20,656,509
	Dividend income	-	2,962,180
	Other Income	158,180	33,575
	Total	16,862,324	23,652,264
27.00	Office & Administrative Expenses		
	Salary & remunerations	74,885,893	69,436,474
	Rental expenses	28,664,276	29,981,506
	Postage, telephone, telegraph	755,290	1,061,295
	Car expenses	1,268,342	1,274,967
	Securities service bill	4,029,069	3,061,372
	Cleaning expenses	2,316,893	1,630,890
	Utility expenses	5,463,367	5,368,534
	Conveyance	247,735	292,437
	Entertainment	1,459,785	1,473,476
	Newspaper	69,922	71,333
	Printing & stationery	880,068	960,339
	Office maintenance	1,004,180	2,220,431
	Repair & maintenance	814,260	730,131
	Insurance expenses	238,493	244,020
	Training expenses	319,582	475,390
	Other rent	6,233,892	6,201,049
	Traveling expenses	39,050	23,855
	Audit fee	57,500	60,000
	Marketing & Business Development Cost	4,789,708	69,079,518
	Directors' fee	569,250	189,750
	Fees and Other charges	2,985,613	1,049,431
	Fuel for generator	1,020,646	1,140,068
	Loss on sale of fixed asset	12,009,890	-
	Depreciation	10,076,968	10,414,006
	Total	160,199,672	206,440,272

28.00 Financial Expenses

Tk. 40,522,458

Financial expenses represent interest expense on Loan from Mutual trust Bank (MTB)

29.00 Provision for Investment

Tk. 83,000,000

This provision is made as per BSEC guideline and to reduce the risk of investment .

30.00 Income Tax Expenses

Tk. 41,352,036

Income tax expenses calculated as per guideline of Income Tax Ordinance and Rules .

31.00 Related party Disclosure

31.01 Name of Sharehoders and their Shareholdings as on December 31, 2015:

Share Holders	Number of Share	Percentage
Mutual Trust Bank Limited	126,987,300	99.99%
Mr. Rashed Ahmed Chowdhury	6,700	
Mr. Md. Hashem Chowdhury	1,000	
Mr. Md. Zakir Hussain	1,000	
Mr. Syed Rafiqul Hossain	1,000	0.01%
Mr. Goutam Prosad Das	1,000	
Mr. Swapan Kumar Biswas	1,000	
Mr. Md. Nazrul Islam Mazumder	1,000	
Total	127,000,000	100%

31.02 Related Party Transactions

Name of the party	Nature of transactions	BDT
Mutual Trust Bank Limited	Loan from MTB	2,460,000,000
IVUITUAL TIUST DATIK LITTILEU	Interest Expenses	40,522,458

32.00 Number of Employees

The number of employees engaged for the whole year or part there of, who received a total remuneration of Taka 36,000 or above, were 85 persons.

MTB SECURITIES LIMITED Fixed Asset Schedule As at December 31, 2015

Amount in BDT

Annexure-A

		Cost	st				Depreciation	siation		Written down
Particulars	Balance as on 01.01.2015	Addition during Disposal during the year	Disposal during the year	Balance as on 31.12.2015	Rate	Balance as on 01.01.2014	Charge for the year	Disposal for the year	Balance as on 31.12.2015	value as on 31.12.2015
Fumiture	1,348,475	,	1	1,348,475	10%	385,307	96,316	'	481,623	866,852
Fixture & fittings	68,935,179	11,270,657	15,290,583	64,915,253	10%	17,746,656	4,776,996	5,659,871	16,863,781	48,051,472
Office equipment	29,925,788	633,474	15,000	30,544,262	20%	14,735,224	3,097,680	7,708	17,825,196	12,719,066
Premises	46,365,000	ı	ı	46,365,000	%9	4,245,477	2,105,976	1	6,351,453	40,013,547
Total	146,574,442	11,904,131	15,305,583	143,172,990		37,112,664	10,076,968	5,667,579	41,522,053	101,650,937

Auditors' Report





A Correspondent Member Firm of Russell Bedford International, UK www.russellbedford.com

AUDITORS' REPORT TO THE SHAREHOLDERS OF MTB CAPITAL LIMITED

We have audited the accompanying Statement of Financial Position of the MTB Capital Limited as on 31 December 2015 and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and notes to the financial Statements thereon.

Management Responsibility for the financial Statements

Management, represented by the Board of Directors, is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act. 1994, Securities and Exchange Rules 1987 and other Applicable Laws and Regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Basis of Audit Opinion

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements, prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of the results of its operations and its Cash Flows for the year then ended and comply with the Companies Act 1994, Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- (a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as
 it appeared from our examination of those books;
- (c) the Company's Financial Statements dealt with by this report are in agreement with the books of accounts; and
- (d) the expenditure incurred and payments made were for the purpose of the company's business.

Dated: February 02, 2016

Place: Dhaka

AHMAD & AKHTAR
Chartered Accountants



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30-31 Dilkusha C/A
Dhaka-1000, Bangladesh.
Ph: 88-02-9561299, 7174132
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Chittagong Branch Office:

Isabella Tower, Level-4 IBBL , Halishahar , Boropool, Chittagong-4000 (M): 01715429860

MTB CAPITAL LIMITED Statement of Financial Position

As at December 31, 2015

		Amount in E	BDT
	Note	2015	2014
SOURCES OF FUNDS			
Shareholders' Equity			
Share Capital	4	250,000,000	250,000,000
Retained Earnings	5 _	15,926,471	7,894,123
Total sources of funds	=	265,926,471	257,894,123
APPLICATION OF FUNDS			
Investment and Advances		160,010,892	167,512,664
Investment	6	159,684,760	166,886,532
Other Advances	7	326,132	626,132
Current Assets		152,911,254	141,883,356
Margin Loan to Clients	8	115,075,243	106,025,591
Accounts Receivable	9	14,411,906	6,231,830
Advance Income Tax (AIT)	10	10,336,624	4,184,386
Cash & Cash Equivalents	11	13,087,480	25,441,549
Current Liabilities		54,547,514	58,424,994
Accounts Payable	12	19,185,931	11,089,822
Provision for Investment in Securities	13	11,541,973	6,087,031
Provision for Margin Loan		2,865,028	1,083,861
Provision for Income Tax		19,754,582	14,814,280
Provision for Expenses		1,200,000	1,600,000
Dividend Payable		-	23,750,000
Net Current Asset		98,363,740	83,458,362
Property, Plant & Equipment	14	7,551,839	6,923,097
Total Application of Funds		265,926,471	257,894,123

The annexed notes are integral part of these financial statements.

Anis A. Khan Vice-Chairman Syed Rafiqul Haq Director

Khairul Basher A. T. Mohammed Chief Executive Officer

Signed as per annexed report on even date

Date: February 02, 2016

Place: Dhaka

AHMAD & AKHTAR
Chartered Accountants

MTB CAPITAL LIMITED Statement of Comprehensive Income For the year ended December 31, 2015

		Amount in	n BDT
	Note	2015	2014
Operating Income			
Interest on margin loan	15	17,182,172	18,192,875
Capital gain on sale of securities	16	6,274,623	24,583,204
Fees & commission income	17	4,393,898	5,557,192
Dividend income	18	3,760,717	3,075,750
Issue management fees	19	3,800,000	2,850,000
Underwriting commission	20	-	651,191
Share transfer fee		-	2,000
Portfolio management fees		2,591,869	2,637,667
Income from Operation		38,003,279	57,549,879
Interest income		841,919	7,224,333
Other income	21	381,620	567,500
Total Income	-	39,226,817	65,341,712
Office & administrative expenses	22	19,018,059	17,267,604
Interest expenses		=	57,752
Profit before Provision		20,208,759	48,016,356
Provision against Margin Ioan		1,781,167	1,083,861
Provision against investment in securities		5,454,942	4,715,311
	-	7,236,109	5,799,172
Net Profit before Tax	-	12,972,650	42,217,184
Income tax expenses	-	4,940,302	10,707,496
Net Profit after Tax	-	8,032,348	31,509,688

The annexed notes are integral part of these financial statements.

Anis A. Khan Vice-Chairman

Syed Rafigul Hag Director

Khairul Basher A. T. Mohammed Chief Executive Officer

Signed as per annexed report on even date

Date: February 02, 2016

Place: Dhaka

Marker to Day, AHMAD & AKHTAR Chartered Accountants

MTB CAPITAL LIMITED Statement of Cash flows For the year ended December 31, 2015

		Amount in	Tana
	Note	2015	2014
A.	Cash Flows from Operating Activities		
	Collection from interest, fees & commission	27,267,939	28,854,165
	Payment for employees salary & allowances	(9,461,545)	(7,248,040)
	Payment for other operational expenses	(6,830,281)	(6,919,275)
	Other income (SND & FDR interest)	1,223,539	9,200,833
	Advance income tax payment	(6,152,238)	(1,108,675)
	Income tax paid during the year	-	(2,000,000)
	Net Cash inflows/ (outflows) from Operating Activities	6,047,414	20,779,008
В.	Cash Flows from Investing Activities		
	Payment for purchase of shares	(255,077)	(151,051,173)
	Capital gain on sale of shares	6,274,623	24,583,204
	Dividend received	2,004,527	1,514,900
	Accounts receivables - IPO	-	(7,000)
	Payment for purchase of fixed assets	(4,041,439)	(205,500)
	Advance for investment & others	3,000,000	284,721
	Change in margin loan	(9,049,652)	(34,720,715)
	Net Cash outflows from Investing Activities	(2,067,018)	(159,601,563)
C.	Cash Flows from Financing Activities		
	Dividend paid	(23,750,000)	(10,400,000)
	Clients accounts balance	7,415,536	3,691,721
	Net Cash outflows from Financing Activities	(16,334,464)	(6,708,279)
D.	Net Cash inflows/(outflows) for the year (A+B+C)	(12,354,069)	(145,530,834)
E.	Add: Opening Cash and Cash equivalents	25,441,549	170,972,383
	Closing Cash and Cash equivalents(D+E)	13,087,480	25,441,549
A Vid	Muu nis A. Khan Syed Rafiqul Haq ce-Chairman Director	Khairul Basher A Chief Execu	

Signed as per annexed report on even date

Amount in Taka

Date: February 02, 2016

Place: Dhaka

AHMAD & AKHTAR Chartered Accountants

Financial Information

MTB CAPITAL LIMITED

Statement of Change in Equity For the year ended December 31, 2015

Amount in BDT

Particulars	Paid-up Capital	Retained Earnings	Total
Balance as at January 01, 2015	250,000,000	7,894,123	257,894,123
Add: Net profit for the year after tax	ı	8,032,348	8,032,348
Balance as at December 31, 2015	250,000,000	15,926,471	265,926,471
Balance as at December 31, 2014	250,000,000	7,894,123	257,894,123

Syed Rafiqul Haq

Mllun. Anis A. Khan

Vice-Chairman

Director



Signed as per annexed report on even date

AHMAD & AKHTAR Chartered Accountants

> Date: February 02, 2016 Place: Dhaka

MTB CAPITAL LIMITED Notes to the financial Statements

For the year ended 31 December 2015

1.00 Legal status of the Company

MTB Capital Limited (MTBCL), a fully owned subsidiary of Mutual Trust Bank Limited, was incorporated in Bangladesh as a private limited company. MTBCL obtained registration certificate No. MB-55/2010 under the Bangladesh Securities and Exchange Commission Act, 1993 on December 06, 2010 as a full fledged merchant bank and obtained registration No. C-80040 from the Registrar of Joint Stock Companies and Firms (RJSC), Dhaka, Bangladesh on October 08, 2009 under the Companies Act, 1994. The company has commenced its operation on April 18, 2011.

The registered office of the company is situated at 111 Kazi Nazrul Islam Avenue, Banglamotor, Dhaka-1000, Bangladesh.

2.00 Nature of Business

The main activities of the company are issue management, underwriting, portfolio management whether discretionary or non-discretionary, corporate advisory services to the clients including advisory services on merger and amalgamation, capital restructuring, etc.

3.00 Significant Accounting Policies

3.01 Basis of preparation of Financial Statements

The financial statements of the company are made up to December 31, 2015 and prepared under the historical cost convention except investment in securities as a going concern and in accordance with the Companies Act, 1994, International Financing Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Securities and Exchange Rules, 1987, Dhaka & Chittagong Stock Exchange Limited listing Regulations, Income Tax Ordinance, 1984 and other laws and rules applicable in Bangladesh.

3.02 Statement of Cash Flow

Cash flow statement has been prepared in accordance with the Bangladesh Accounting Standard (BAS) - 7 "Statement of Cash Flow".

3.03 Property, Plant and Equipment

3.03.1 Recognition and Measurement:

Property, plant and equipments are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of asset and bringing to the location and conditioned necessary for it to be capable of operating in the intended manner.

3.03.2 Depreciation

Depreciation is charged using straight line method as per Bangladesh Accounting Standard (BAS) 16 "Property plant & equipment". The rates of depreciation used are as follows:

Category of Assets	Rate of Depreciation
Furniture & fixture	10%
Office equipment	20%
Interior decoration	10%

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Comprehensive Income.

3.04 Revenue Recognition

The accounting policies adopted for the recognition of revenue are as follows:

3.04.1 Interest Income

Interest on margin loan to investors is recognized as revenue on an accrual basis and interest receivable on such loan is capitalized with original loan on quarterly basis.

3.04.2 Dividend Income

Dividend income on investment in securities has been recognized when the shareholders right to receive payment is established.

3.04.3 Capital gain / (loss) on sale of Securities

Capital gain/(loss) on sale of securities is accounted for based on difference between average sale proceeds of securities and cost of securities sold.

3.04.4 Fees and Commission Income

Fees and commission income includes portfolio management fees, settlement charges, issue management fees, underwriting commissions and any other such fees and commissions.

3.05 Cash and Bank balance

Cash and bank balance includes cash in hand and cash at bank, which are held and are available for use by the company without any restriction.

3.06 Investment in Securities

Investment in securities is recognized at the end of the year at cost price of investment made by the company.

3.07 General

5.00

- 3.07.1 Comparative information have been disclosed for all numerical information of the financial statements and also the narrative and descriptive information so as to clarify the current year position in with that of preceding financial year.
- 3.07.2 The figures in the financial statements are presented in Bangladeshi Taka (BDT), which is the company's functional currency. Figures in these notes and financial statements have been rounded off to the nearest Taka value.
- 3.07.3 These financial statements cover one year from January 01 to December 31, 2015.

		Amount	n BDT
		2015	2014
4.00	Authorized Capital	500,000,000	500,000,000
	50,00,000 ordinary Shares of Tk. 100 each		
	Issued, Subscribed and Paid-up Capital:	250,000,000	250,000,000
	25,00,000 ordinary Shares of Tk. 100 each		

Shareholding position:

Retained Earnings

Particulars	No. of Shares	Percentage	Amount
Mutual Trust Bank Limited.	2,499,900	99.99%	249,990,000
Mr. Rashed Ahmed Chowdhury	100	0.01%	10,000
Total	2,500,000	100.00%	250,000,000

	Opening balance	7,894,123	134,435
	Add: Net profit during the year	8,032,348	31,509,688
	Less: Dividend paid during the year	-	23,750,000
	Closing Retained Earnings	15,926,471	7,894,123
6.00	Investment		
	Investment in securities at cost (Details is shown in Annexure - B)	156,684,760	166,886,532
	Investment in placement shares	3,000,000	-

7.00	Other Advances		
	Loan to employees	326,132	626,132

159,684,760

166,886,532

		Amount i	n BDT
		2015	2014
8.00	Margin Loans to Clients		
	Margin loan to investors - Non- Discretionary Account (NDA)	115,075,243	106,024,062
	Margin loan to investors - Discretionary Account (DA)	- 145.075.040	1,529
		115,075,243	106,025,591
9.00	Accounts Receivable		
	Underwriting commission		601,660
	Issue management fee	700,000	1,950,000
	Dividend receivable	1,756,190	2,044,250
	Management fee	1,945	-
	Unicap Company Ltd.	3,610,459	1 470 000
	Square Securities Management Ltd.	985,924	1,470,838
	MTB Securities Ltd.	7,206,310	120,582
	City Brokerage Ltd. Rental income	113,577	37,500
	IPO	37,500	7,000
	IFO	14,411,906	6,231,830
10.00	Advance Income Tax		0,201,000
10.00	Opening balance	4,184,386	3,075,711
	Addition during the Year	6,152,238	1,108,675
	Total	10,336,624	4,184,386
11.00		10,000,024	4,104,000
11.00	Cash & Cash Equivalents		
	This is made up as under: Cash in hand	12,525	822
			022
	Cash at Bank (Mutual Trust Bank) MTB-0012-0210010492 (DA)	213	1,363
	MTB-0012-0210010492 (DA)	678	328
	MTB-0012-0210010372 (GD) MTB-0012-0210010607 (Own Portfolio)	070	520
	MTB-0012-0210010607 (GWITFOILIOIIG)	ı	635,708
	MTB-0012-03200010081 (NDA)	7 005	536,985
	MTB-0012-0320001007 (SND)	7,085 9,751	10,379
	MTB Tower 0087-0210000191 (DA)	669,606	
	MTB Tower 0087-0210000191 (DA)		22,951
	,	6,376	408,694
	MTB Tower 0087-0210000208 (Own Portfolio)	1,648,972	26,070
	MTB Tower 0087-0210000173 (NDA) MTB Tower 0087-0320000045 (SND)		1,654,676
	MTB Tower 0087-0320000043 (GND)	5,036,625 5,692,550	21,479,452 661,696
	MTB Tower 0087-0320000054 (IPO)	1,204	001,090
	MTB 0012-0320001598 (IPO)	1,896	2,425
	WITD 0012-0320001390 (IFO)	13,074,955	25,440,727
	Cash and Bank balance	13,087,480	25,441,549
12.00		10,007,400	20,441,040
12.00	Accounts Payable LeadSoft BD Ltd.	414,556	414,556
		63,250	63,250
	Audit fees payable Payable to pop discretionary portfolio eligate		
	Payable to non-discretionary portfolio clients	8,094,724	3,076,937
	Client deposits - NDA	3,400,191	3,032,163
	Client deposits - DA	584,231	47,277
	Client deposits - GC	3,431,114	612,281
	Cheque in transit	2,150,000	1.040.050
	VAT deducted at sources payable	1,047,865	1,243,358
	Withholding tax payable	10 105 001	2,600,000
		19,185,931	11,089,822

		Amount	
		2015	2014
13.00	Provision for Investment in Securities This amount represents provision against unrealised loss on investment in securit & Exchange Commission (BSEC)	ies as per guideline of	Bangladesh Security
14.00	Property, Plant & Equipment		
	Opening balance	6,923,097	8,083,165
	Addition during the year	4,041,439	55,500
	Total Cost	10,964,536	8,138,665
	Less: Depreciation charged during the year	974,244	1,215,568
	Less: Write off - Interior Decoration	2,438,453	2,438,453
	Written down value	7,551,839	6,923,097
	Detail is shown in Annexure - A		
15.00	Interest on Margin Loan		
10.00	Interest on margin Ioan - Non- Discretionary Account (NDA)	17,179,743	18,191,433
	Interest on margin loan - Discretionary Account (DA)	2,429	1,442
	interest of that girlouit Bisorottonally 7 toosant (B7)	17,182,172	18,192,875
10.00	Control pain on colo of Constitution	17,102,172	10,102,070
16.00	Capital gain on sale of Securities Own (A/c-0001)		
	Sale proceeds of securities	198,560,682	486,863,699
	Less: Cost of securities sold	192,571,110	462,280,495
		5,989,571	24,583,204
	Own (A/c-22261)		
	Sale proceeds of securities	5,187,110	-
	Less; Cost of securities sold	4,902,058	_
	25001 5000 01 5000111100 5010	285,052	-
	Total	6,274,623	24,583,204
17.00			
17.00	Fees & Commission Income	4.070.000	E EOE 100
	Settlement fee	4,372,398	5,525,192
	Documentation charge	21,500	32,000
		4,393,898	5,557,192
18.00	Dividend Income		
	ACI Limited	221,600	-
	Active Fine Chemical Ltd	-	18,750
	BD Submarine Cable Co. Ltd	-	7,000
	Bengal Windsor Ltd	-	23,000
	Grameen Phone Limited	1,308,219	371,500
	Hwa Well Textiles BD Ltd	1,000,210	
		- 07.050	37,500
	Hwa Well Textiles BD Ltd	37,650	-
	Lafarge Surma Cement	15,000	51,000
	Meghna Petroliam Ltd.	578,550	475,000
	Mobil Jamuna Limited	15,000	-
	Orion Infusions	-	30,000
	Other Company Dividend	93,134	_
	Padma Oil Co. Ltd	701,000	700,000
	Paramount Textile Ltd.		100,000
		325,442	
	Pragati Life Insurance Ltd.	112,382	-
	RSRM Steel Ltd.	17,500	-
	Shahjibazar Power Co. Ltd	35,000	-
	Titas Gas Co. Ltd	300,240	760,000
	UCBL	-	602,000
		3,760,717	3,075,750
		3,. 33,111	3,0.0,100

		Amount	in BDT
		2015	2014
19.00	Issue Management Fee		
	Zaheen Spinning Limited (Capital raising & IPO)	-	1,750,000
	Agrani Agro Fisheries Ltd (Capital raising & IPO)	-	500,000
	Roseburg Industries Ltd (Capital raising & IPO)	-	200,000
	dataedge Limited (IPO)	-	300,000
	Excursion & Resorts Bangladesh Ltd	350,000	-
	Electro Battery Company Ltd	200,000	-
	Mashud Fish Processing & Ice Complex Ltd	100,000	-
	Mahid Expo. Int. Tex Ltd	100,000	-
	Apex Pharma Ltd	100,000	-
	Sagar Jute Spinning Mills Ltd.(Capital raising & IPO)	500,000	-
	R.A. Spinning Mills Ltd	50,000	-
	Oimex Elecrode Limited (Capital raising)	2,400,000	100,000
		3,800,000	2,850,000
20.00	Underwriting Commission		
	United Airways (BD) Ltd Right	-	-
	Shahjibazer Power Ltd - IPO	-	49,531
	Zaheen Spinning Ltd - IPO	-	175,000
	Shasha Denims Ltd -IPO	-	140,000
	First Security Islami Bank Ltd - Right C & A Textiles Ltd - IPO	-	166,660 120,000
	O & A Textiles Liu - IPO	-	651,191
04.00	Other lands		031,191
21.00	Other Income IPO charge	220	
	Annual BO account charge	81,400	-
	Rental income	300,000	567,500
	TOTAL III OSTITO	381,620	567,500
22.00	Office & Administrative Expenses		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
22.00	Salary and remuneration	9,865,670	8,848,040
	Rent, taxes, insurance, electricity, water etc.	3,140,183	2,722,817
	Fee & registration	284,385	347,620
	Postage, telephone, fax, stamps	89,210	119,070
	Printing & stationery	211,501	91,446
	Repairs and maintenance	805,475	59,665
	Depreciation	974,243	1,215,568
	Auditors' fees	63,250	63,250
	Directors' fee	448,500	125,000
	Car expenses	713,774	681,321
	CDBL charges	510,646	856,173
	Internet expense (Dhakacom Ltd.)	28,600	38,800
	Security services charges	345,658	473,205
	Books & newspaper	10,763	9,680
	Holiday working bill	5,300	7,600
	Bank charge	46,877	84,660
	Entertainment	204,152	196,189
	Expenses for fees & commission	1,047,865	1,229,229
	Conveyance	26,280	46,590
	Advertisement	-	27,681
	Domain and hosting charge	16,295	8,000
	Staff Traning	106,057	16,000
	Business promotion expenses	45,339	-
	Travelling exp.	22,200	-
	Miscellanuous	5,836	47.007.001
		19,018,059	17,267,604

23.00 Event after the Balance Sheet Date:

Subsequent to the balance sheet date, the Board of Directors recommended 6% (six percent) stock dividend.

MTB CAPITAL LTD. Schedule of Fixed Assets As at 31 December 2015

Annexure - A

										Amount in BDT
		Cost	+				Depreciation	noi		
Category of Assets	Opening balance	Addition during the year	Disposal during the year	Total	Rate (%)	Opening balance	Charged during the year	Disposal for the year	Disposal for Accumulated the year depreciation	Written down value
Furniture & Fixture	124,394	1,223,800	1	1,348,194	10%	33,105	8,763	1	41,868	1,306,326
Office Equipment	8,215,494	52,000	1	8,267,494	70%	4,012,686	774,934	1	4,787,620	3,479,874
Interior Decoration	3,215,850	2,765,639	3,215,850	2,765,639	10%	586,850	190,547	777,397	1	2,765,639
Total	11,555,738	4,041,439	3,215,850	12,381,327		4,632,641	974,244	777,397	4,829,488	7,551,839

MTB CAPITAL LTD. Investment in Quoted Securities As at 31 December 2015

Annexure-B Amount in BDT

Name of the Company	No. of shares	Cost per share	Total cost (Taka)	Market value (Taka)	Difference (Taka)
ACI Formulations Limited	15,500	208.59	3,233,133	2,940,350	(292,783)
ACI Limited	17,500	610.74	10,687,882	9,828,000	(859,882)
BD Submarine Cable Co. Ltd	11,000	156.29	1,719,200	1,189,100	(530,100)
National Tubes	13,000	112.02	1,456,211	1,296,100	(160,111)
RD Food Products Ltd	122,140	24.23	2,959,100	1,746,602	(1,212,498)
Shajibazer Power Co. Ltd	12,875	172.29	2,218,295	1,578,475	(639,820)
Active Fine Chemicals Limited	2,000	59.12	118,248	112,400	(5,848)
BD. Building System Ltd	60,140	44.53	2,677,814	2,255,265	(422,549)
Beximco Limited	45,217	35.22	1,592,549	1,311,312	(281,238)
Familytex (BD) Ltd	97,070	26.39	2,430,091	975,942	(1,454,149)
Far Chemical Ind. Ltd	86,250	41.63	3,590,467	2,475,375	(1,115,092)
Grameen Phone Limited	92,722	376.30	34,891,735	23,458,666	(11,433,069)
Hwa Well Textiles BD Ltd	25,100	52.06	1,306,625	793,160	(513,465)
IFADAutos Limited	15,000	103.06	1,545,886	1,383,000	(162,886)
Meghna Petroleum Ltd	55,100	245.73	13,539,849	8408260	(5,131,589)
Padma Oil Co. Ltd.	70,100	341.56	23,943,183	12,912,420	(11,030,763)
Paramount Textile Ltd	203,401	40.60	8,258,813	3,010,335	(5,248,478)
Pragati Life Insurance	69,412	206.34	14,322,525	7,878,302	(6,444,223)
Ratanpur Steel Re-rolling Mills	52,000	56.28	2,926,582	2,496,000	(430,582)
Rupali Life Insurance Co. Ltd.	13,173	62.06	817,428	426,789	(390,639)
Summit Power Limited	43,200	44.62	1,927,698	1,715,040	(212,658)
Takaful Islami Insurance Co. Ltd.	80,025	32.10	2,568,848	1,296,407	(1,272,428)
Titas Gas T & D Co. Ltd	200,160	89.69	17,952,599	9,487,584	(8,465,015)
Total			156,684,760	98,974,883	(57,709,864)

MTB EXCHANGE (UK) LIMITED DIRECTORS' REPORT

For The Year Ended 31 December 2015

The directors present their report and accounts for the year ended 31 December 2015

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was MONEY REMITTANCE & BUREAU DE CHANGE.

DIRECTORS

The directors who served during the year and their interests in the share capital of the company were as follows:

	2015 No.	2014 No.
RASHED AHMED CHOWDHURY	0	0
SYED MANZUR ELAHI	0	0
MOHAMED ABDUR ROUF	0	0
DR SULTAN HAFEEZ RAHMAN	0	0
ANIS A. KHAN	0	0

DIRECTORS RESPONSIBILITIES

Company Law requires the directors to prepare financial statements for each year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The report of the directors has been prepared in accordance with the special provisions within Part 15 of the Companies Act 2006.

This report was approved by the board on 31 January 2016

ANIS A. KHAN

Director

MTB EXCHANGE (UK) LTD ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE FINANCIAL STATEMENTS OF MTB EXCHANGE (UK) LTD,

FOR THE YEAR ENDED 31 DECEMBER 2015

In order to assist you to fulfill your duties under the Companies Act 2006, we have prepared for your approval the accounts of MTB EXCHANGE (UK) LTD for the year ended 31 December 2015 as set out on pages 5 to 10 from the company's accounting records and from information and explanations you have given us.

As a practicing member of the Chartered Institute of Management Accountants (CIMA), we are subject to its ethical and other professional requirements which are detailed on their website.

This report is made solely to the Board of Directors of MTB EXCHANGE (UK) LTD, as a body, in accordance with the terms of our engagement letter dated. Our work has been undertaken solely to prepare for your approval the accounts of MTB EXCHANGE (UK) LTD and state those matters that we have agreed to state to the Board of Directors of MTB EXCHANGE (UK) LTD, as a body, in this report, in accordance with the requirements of the Chartered Institute of Management Accountants (CIMA) as detailed on their website. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than MTB EXCHANGE (UK) LTD and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that MTB EXCHANGE (UK) LTD has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profitability of MTB EXCHANGE (UK) LTD. You consider that MTB EXCHANGE (UK) LTD is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of MTB EXCHANGE (UK) LTD, verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Jahan & Co.

Chartered Management Accountants 22 Osborn Street

London

E1 6TD

MTB EXCHANGE (UK) LTD.

BALANCE SHEET AT 31 DECEMBER 2015

For the year ending 31 December 2015 the company was entitled to exemption under section 477 of the Companies Act, 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act, 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provision applicable to companies subject to the small companies' regime.

Approved by the Board on 31 January 2016 and signed on their behalf by

ANIS A. KHAN

Director

MD. ANISUR RAHMAN

Chief Executive Officer & Manager

MTB EXCHANGE (UK) LIMITED Profit and Loss Account For the Year Ended 31 December 2015

	Note	2015	2014
		£	£
TURNOVER	2	95,390	51,465
GROSS PROFIT		95,390	51,465
Distribution costs		(2,678)	(2,790)
Administrative expenses		(160,902)	(139,542)
OPERATING LOSS	3	(68,190)	(90,867)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(68,190)	(90,867)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(68,190)	(90,867)
LOSS FOR THE FINANCIAL YEAR		(68,190)	(90,867)

MTB EXCHANGE (UK) LTD. Balance Sheet As at 31 December 2015

	Note	20	15	201	14
			2	£	
FIXED ASSETS					
Tangible Assets	5		18,080		22,600
CURRENT ASSETS					
		000		0.004	
Debtors(amount falling due within one year)	6	629		3,964	
Debtors(amount falling due after more than one year)	6	8,750		8,750	
Cash at bank and in hand		38,005		19,085	
		47,384		31,801	
Creditors: Amounts falling due within one year	7	311,138		231,885	
NET CURRENT LIABILITIES			(263,754)		(200,084)
TOTAL ASSETS LESS CURRENT LIABILITIES			(245,674)	_	(177,484)
CAPITAL AND RESERVES					
Called up share capital	8		230,000		230,000
Profit and loss account	9		(475,674)		(407,484)
SHAREHOLDERS' FUNDS			(245,674)	=	(177,484)

MTB EXCHANGE (UK) LIMITED Notes to the Accounts

For the year ended 31 December 2015

1. ACCOUNTING POLICIES

1a. Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1b. Cash Flow Statement

The company is exempt from including statement of cash flows in its accounts in accordance with Financial Reporting Standard for Smaller Entities (effective January 2015).

1c. Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and Machinery reducing balance 20% Fixtures and Fittings reducing balance 20%

1d. Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

2.TURNOVER

The turnover and pre-tax result is attributable to MONEY REMITTANCE & BUREAU DE CHANGE.

	2015	2014
	£	£
Remittance, Commission	64,714	40,444
Bureau DE Change Commission	9,645	9,713
Exchange Gain	21,031_	1,308
	95,390	51,465
3. OPERATING PROFIT		
Operating Profit is started after charging:		
Depreciation	4,520	5,652
	4,520	5,652
4.TAX ON ORDINARY ACTIVITIES	<u> </u>	-

5. TANGIBLE FIXED ASSETS

	Plant and Machinery	Fixtures and Fittings	Total
	£	£	£
Cost			
At 1 January 2015	13,300	45,423	58,723
At 31 December 2015	13,300	45,423	58,723
Depreciation			
At 1 January 2015	7,982	28,141	36,123
For the year	1,064	3,456	4,520
At 31 December 2015	9,046	31,597	40,643
Net Book Amounts			
At 31 December 2015	4,254	13,826	18,080
At 31 December 2014	5,318	17,282	22,600

	2015	2014
	£	£
6. DEBTORS		
Amount falling due within one year:		
Trade debtors	-	1,971
Other debtors	629	1,993
	629	3,964
Other Debtors of £629 represent the Suspense account bal This issue has not been resolved by Management and it is u		Cash Shortfall.
Amount falling due after more than one year:		
Rent Deposit	8,750	8,750
Total Debtors	8,750	8,750
7. CREDITORS: AMOUNTS FALLING DUE WITHIN ON	E YEAR	
TT payable	310,388	229,981
Other Creditors	750	1,904
	311,138	231,885
8. SHARE CAPITAL		
Allotted, issued and fully paid:		
230000 Ordinary shares of £1 each	230,000	230,000
	230,000	230,000
9. PROFIT AND LOSS RESERVE:		
Opening balance	(407,484)	(316,617)
Loss for the year	(68,190)	(90,867)
	(475,674)	(407,484)
10.CONTROLLING PARTY		

The company being 100% Subsidiary of Mutual Trust Bank Ltd, Bangladesh is under common control from the parent company.

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Further Information

MTB Credit Rating Reaffirmed

MTB Credit Rating Reaffirmed

CURRENT RATING PREVIOUS RATING

Long Term	AA-	AA-
Short Term	ST 2	ST 2
Based on Financials	December 31, 2014	December 31, 2013
Date of Rating	May 17, 2015	June 23, 2014
Validity Date	May 16, 2016	June 22, 2015



AA- : Higher Safety and High Credit Quality ST 2 : High Certainty of Timely Repayment

Outlook: Stable



you can bank on us

Rated by: Credit Rating Information and Services Limited (CRISL)

www.mutualtrustbank.com

Glossary of Financial

Anti-money Laundering (AML) is a term mainly used in the financial and legal industries to describe the legal controls that require financial institutions and other regulated entities to prevent or report money laundering activities.

Bangladeshi Diaspora consists of people of Bangladeshi descent who have immigrated to or were born in another country. First generation migrants may have moved abroad from Bangladesh for better living conditions, to escape poverty, or to send money back to families in Bangladesh.

Broad money, in economics, is a measure of the money supply that includes more than just physical money such as currency and coins (also termed narrow money). It generally includes demand deposits at commercial banks, and any monies held in easily accessible accounts. Components of broad money are still very liquid, and non-cash components can usually be converted into cash very easily.

Cash Reserve Ratio (CRR) is a Central bank regulation that sets the minimum reserves each Commercial bank must hold to customer deposits and notes i.e. the amount that the bank surrenders with the central bank.

Capital adequacy ratio (CAR), also called Capital to Risk (Weighted) Assets Ratio (CRAR), is a ratio of a bank's capital to its risk. This ratio is used to protect depositors and promote the stability and efficiency of financial systems around the world. Two types of capital are measured: tier one capital, which can absorb losses without a bank being required to cease trading, and tier two capital, which can absorb losses in the event of a winding-up and so provides a lesser degree of protection to depositors.

Classified Loan is any bank loan that is in danger of default. Classified loans have unpaid interest and principal outstanding and have failed to meet acceptable credit standards according to bank examiners. The credit quality has essentially declined since initial approval was granted. This type of loan has a high rate of borrower default and raises the cost of borrowing money for the other customers.

Credit Risk is the risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation. Credit risk arises whenever a borrower is expecting to use future cash flows to pay a current debt. Investors are compensated for assuming credit risk by way of interest payments from the borrower or issuer of a debt obligation.

Gross Domestic Product (GDP) or Gross Domestic Income (GDI) is the amount of goods and services produced in a year, in a country. It is the market value of all final goods and services made within the borders of a country in a year. It is often positively correlated with the standard of living, alternative measures to GDP for that purpose.

Inflation, in economics, is a rise in the general level of prices of goods and services in an economy over a period of time. When the general price level rises, each unit of currency buys fewer goods and services. Consequently, inflation also reflects erosion in the purchasing power of money – a loss of real value in the internal medium of exchange and unit of account in the economy.

Key Performance Indicators (KPIs) help organizations understand how well they are performing in relation to their strategic goals and objectives. In the broadest sense, a KPI provides the most important performance information that enables organizations or their stakeholders to understand whether the organization is on track or not.

Market risk is the risk that the value of a portfolio, either an investment portfolio or a trading portfolio, will decrease due to the change in value of the market risk factors. The four standard market risk factors are stock prices, interest rates, foreign exchange rates, and commodity prices.

Money laundering refers to the use of the financial system to hide the source of funds gained from illegal activity such as drug trafficking, bribery, extortion, embezzlement, theft or other criminal activity, as the criminals try to make their ill-gotten gains appear genuine.

Net interest income (NII) is the difference between revenues generated by interest-bearing assets and the cost of servicing (interest-burdened) liabilities. For banks, the assets typically include commercial and personal loans, mortgages, construction loans and investment securities. The liabilities consist primarily of customers' deposits. NII is the difference between (a) interest payments the bank receives on loans outstanding and (b) interest payments the bank makes to customers on their deposits.

Non-interest income is the Bank's income mainly from service and penalty charges and, to a much less extent, from asset sales and property leasing. Unlike interest income, this income is largely unaffected by economic and financial market cycles and is usually not controlled by law or regulation.

Non-performing loan (NPL) is a loan that is in default or close to being in default. "A loan is non-performing when payments of interest and principal are past due by 90 days or more, or at least 90 days of interest payments have been capitalized, refinanced or delayed by agreement, or payments are less than 90 days overdue, but there are other good reasons to doubt that payments will be made in full" (IMF)

Public-Private Partnership (PPP) describes a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies. PPP involves a contract between a public-sector authority and a private party, in which the private party provides a public service or project and assumes substantial financial, technical and operational risk in the project. Its objective is to finance construction (reconstruction), operation and maintenance of the infrastructure to provide public services.

Reconciliation refers to a process that compares two sets of records (usually the balances of two accounts) to make sure they are in agreement. Reconciliation is used to ensure that the money leaving an account matches the actual money spent; this is done by making sure the balances match at the end of a particular accounting period. Remittance refers to the transfer of money by the foreign migrant workers to their family and friends in their home countries.

Remittances assist the economic growth throughout the world. The money sent home by the migrants makes up second biggest financial inflow to numerous developing countries and it exceeds even the international aids. A majority of the remittances from USA are focused towards the Asian countries. India tops the list of remittance receivers from USA, followed by People's Republic of China.

Risk-Weighted Assets (RWA), in terms of the minimum amount of capital that is required within banks and other institutions, based on a percentage of the assets, weighted by risk. The idea of risk-weighted assets is a move away from having a static requirement for capital. Instead, it is based on the riskiness of a bank's assets. For example, loans that are secured by a letter of credit would be weighted riskier than a mortgage loan that is secured with collateral.

Statutory Liquidity Ratio (SLR) is the amount of liquid assets, such as cash, precious metals or other short-term securities, that a financial institution must maintain in its reserves. SLR restricts the bank's leverage in pumping more money into the economy.

Subordinated debt (also known as subordinated loan, subordinated bond, subordinated debenture or junior debt) is debt which ranks after other debts should a company fall into receivership or be closed. Subordinated debt has a lower priority than other bonds of the issuer in case of liquidation during bankruptcy, below the liquidator, government tax authorities and senior debt holders in the hierarchy of creditors. Because subordinated debt is repayable after other debts have been paid, they are more risky for the lender of the money. It is unsecured and has lesser priority than that of an additional debt claim on the same asset.

Tier 1 capital (going-concern capital) is the core measures of a bank's financial strength from a regulator's point of view. It consist of Common Equity Tier 1 (CET1) capital and Additional Tire 1 capital.

Tier 2 Capital also called 'gone-concern capital', represents other elements which fall short of some of the characteristics of the core capital but contribute to the overall strength of a bank. Tier 2 capital consist of General Provisions, Subordinated debt / Instruments issued by the banks and Minority Interest

Global Correspondents

Closer supervision by U.S. regulators from the year 2012 and its subsequent compliance impacted the global correspondent banking business in every facet in 2015. Global banks underwent an analysis of their existing correspondent relationships in terms of cost-revenue strategy. Consequently, the world's major global banks decided to gradually reduce their correspondent relationships to a reasonable level. The effect of this initiative continued round the year. Hence, the major challenge for the local banks, was to remain enlisted in the global banks correspondent lists.

MTB was successfully able to maintain strong correspondent relationships with different renowned banks of the world. Currently, our SWIFT Relationship Management Application (RMA) network has 519 renowned banks, of which 53 are local and 466 are foreign. We have also maintained 38 NOSTRO accounts with different correspondent banks abroad in US Dollars (USD), British Pounds (GBP), Euros (EUR), Japanese Yen (JPY), Swiss Francs (CHF), Singapore Dollars (SGD) and Asian Clearing Union (ACU) Dollars & Euros.



ASIA + Afganistan + Bahrain + Bhutan + China + Hong Kong + India + Indonesia + Japan + Korea + Kuwait + Kyrgyzstan Lebanon | Malaysia | Macau | Nepal | Oman | Pakistan | Philippines | Qatar | Saudi Arabia | Singapore | Sri Lanka Taiwan Thailand United Arab Emirates Uzbekistan Vietnam

EUROPE | Austria | Belgium | Belarus | Bulgaria | Czech Republic | Denmark | Estonia | France | Finland | Germany ⊦ Greece ⊦ Hungary ⊦ Iceland ⊦ Ireland ⊦ Italy ⊦ Latvia ⊦ Liechtenstein ⊦ Lithunia ⊦ Luxembourg ⊦ Norway UNetherland Poland Portugal Romania Russia Federation Spain Slovakia Switzerland Sweden Turkey Turkmenistan United Kingdom Ukraine

AFRICA | Egypt | Mauritius | South Africa | Tunisia

NORTH AMERICA | Cayman Islands | Canada | Mexico | United States of America | Panama

SOUTH AMERICA | Argentina | Brazil AUSTRALIA | Australia | New Zealand

MTB Network

Principal Branch

WW Tower, 68, Motijheel C/A, Dhaka

Panthapath Branch

Chandrashila Suvastu Tower, 69/1 Panthapath, Dhaka

Babu Bazar Branch

Aman Court, 15, Armenian Street, Armanitola, Babu Bazar, Dhaka

Agrabad Branch

Akhtaruzzaman Centre, 21-22, Agrabad C/A, Chittagong

Sonargaon Branch

Khandker Plaza, Thana Road, Mograpara, Sonargaon

Uttara Model Town Branch

House No.41, Road No.07, Sector 04, Uttara, Dhaka

Progati Sarani Branch

15/5, Progati Sarani, Dhaka

CDA Avenue Branch

1005/2/1872, CDA Avenue, East Nasirabad, Chittagong

Sreenagar Branch

M. Rahman Complex (1st Floor), Sreenagar Bazar, Bhaggakul Road, Sreenagar, Munshigonj

Pallabi Branch

14/11, Pallabi, Mirpur-12, Dhaka

Dilkusha Branch

Hotel Purbani International Building 1 Dilkusha C/A, Dhaka 1000

Khatungonj Branch

325, Asadganj, Asadganj Road, Crown Chamber, Chittagong

Dhanmondi Branch

Plot # 81, Road # 8/A (New), 1st Floor, Green Taj Center, Dhanmondi, Dhaka

Aman Bazar Branch

Kamal Khan Plaza, Chikondandy, Hathazari, Chittagong

Bashundhara City Branch

Bashundhara City Shopping Mall, Level-3, Block-A, Panthapath, Dhaka

Chandra Branch

Dewan Plaza, Chandra Polly Biddut, Kaliakoir, Gazipur

Jubilee Road Branch

Amafhha Centre, 214 Jubilee Road, Chittagong

Nazirhat Branch

M.M. Plaza, Nazirhat Bazar, Fatikchari, Chittagong

Chokoria Branch

Shah Amanat Shopping Complex (1st Floor), Chiringa, Chakoria, Cox's Bazar

Pabna Branch

Pabna Branch, Abdul Hamid Road, Dilalpur, Pabna

Gulshan Branch

120 Gulshan Avenue, Dhaka

Sylhet Branch

Sylhet City Center (1st Floor), Zindabazar, Sylhet

Moulvi Bazar Branch

103. M. Saifur Rahman Road. Moulvi Bazar

Savar Branch

United Super Market, Savar Bazar Bus Stand, Savar, Dhaka.

Fulbaria Branch

Annexco Tower, 8, Phonix Road, Fulbaria, Dhaka

Madaripur Branch

Howlader Harun Plaza, Main Road, Puran Bazar, Kotwali, Madaripur

Dholaikhal Branch

25, Jorpool Lane, Dholaikhal New Road, P.S. Wari, Dhaka

Raipur Branch

Gazi Complex (2nd Floor), Thana: Raipur,

Dist: Laxmipur

Aganagar Branch

Babul Tower-2, Shahid Delowar Hossain Road, East Aganagar, South Keraniganj, Dhaka

Joypurhat Branch

553 Main Road, Joypurhat Sadar, Joypurhat

Narayangani Branch

31, 31/1, Loyal Tank Road, Noor Mansion, Tanbazar, Narayanganj.

Rangpur Branch

Mostofa Super Market (1st & 2nd floor), 1 Jahaj company Mour, Rangpur Sadar, Rangpur

Banani Branch

Lintoo Centre (1st floor and 2nd floor), House-82, Rd-11, Block-D, Ward-19, Banani, Dhaka

Kushtia Branch

Kushtia Branch, Eden Complex, 169 (94/6 old) NS Road, 1st Floor, Thanapara, Kushtia

Gournadi Branch

Holding No- 3594, Mouja- Chargadhatoli, Gournadi, Barisal

Tongi Branch

United Shopping Complex (1st floor), Hossain Market, Tongi, Gazipur

Elephant Road Branch

Pentium Point, 160 Elephant Road, Dhaka 1205

Feni Branch

Rabi Shopping Complex, Trunk Road, Feni

Dania Branch

Dhaka Shopping Complex, 852- Zia Shorani, Shanir Akhra, Dhaka

Bogra Branch

Amicus Center, Mofiz Paglar Moar, 416-418, Sutrapur Road, Bogra

Dhorkara Bazar Branch

Dhorkara Bazar, Chauddagram, Comilla

Mohammadpur Branch

80/C Asad Avenue, Mohammadpur, Dhaka

Rajshahi Branch

419, Parents Plaza, Alupatty, Ghoramara, Rajshahi

Alankar Mor Branch

D.T. Road, Abdul Ali Hat, Alankar Mor, North Pahartali, Chittagong

MTB Centre Corporate Branch

MTB Centre, 26 Gulshan Avenue, Gulshan 1, Dhaka

Cox's Bazar Branch

Green Valley Business Centre, 01, Main Road, Cox's Bazar

Chawk Moghaltuli Branch

House # 93, Ward # 05, Chowk Moghaltuli, Lalbag

Jessore Branch

10 R N Road, (1st floor), Jessore

Gazipur Branch

Ahsania Complex, (1st floor), Vogra Eastern Bypass, Gazipur

Baridhara Branch

The Alliance Building, 63, Pragati Sarani (Ground Floor), Shahjadpur, Gulshan, Dhaka

Comilla Branch

Rama Complex, 416/379 Badurtola, Kanderpar, Comilla

Oxygen Mor Branch

Plasma Hospital Building, 3692/E Oxygen Mor, Bayazid Bostami, Chittagong

Mymensingh Branch

23-24 Ananda Mohan Avenue, Bara Bazar, Mymensingh

Habigonj Branch

Jamil Complex (1st Floor), New Pourashava Road, Shayestanagar, Habigonj

Kerani Hat Branch

Hoque Tower Shopping Complex & Apartments (1st Floor), Kerani Hat, Satkania, Chittagong

Tejgaon Branch

MTB Square, 210/A/1 Tejgaon Industrial Area, Tejgaon, Dhaka

Thakurgaon Branch

IRS Tower, Bangabandhu Sarak, Chowrasta, Thakurgaon

Shahparan Gate Branch

Janani Complex, Shah Paran Gate, Khadim Nagar, Sylhet

Karnaphuli EPZ Branch

Mohajan Golden Tower, Mohajan Ghata, North Patenga, Chittagong

Bashundhara Branch

House 236, Road 2, Block B, Bashundhara R/A, Dhaka

Shah Mokhdum Avenue Branch

House 35, Sector 12, Shah Mokhdum Avenue, Uttara, Dhaka

Brahmanbaria Branch

T.A. Road, Brahmanbaria Sadar, Brahmanbaria

Kapasia Branch

Thanar Mor, Kapasia, Gazipur

MTB Meghna Branch

Meghna Industrial Park, Sonargaon, Narayangani

Khilpara Branch

Hanufa Plaza, Khilpara Bazar, Khilpara, Chatkhil, Noakhali

Kamrangirchar Branch

Pannu Plaza, Rasulpur Main Road, Sultangonj, Ashrafabad, Kamrangirchar, Dhaka

Kakrail Branch

Iris Noorjehan, 104 Kakrail Road, Kakrail, Dhaka

Narayanganj BSCIC Branch

A. Rahman Plaza, Sasangaon, BSCIC Gate, Enayet Nagar, Fatullah, Narayanganj

Naogaon Branch

Jolly Plaza, Main Road, Chalkdev, Naogaon

Gobindaganj Branch

Kalpana Super Complex, Gobindaganj, Gaibandha

Dinajpur Branch

Modern Mor, Ganeshtola, Dinajpur

Chittagong Medical College Branch

Epic Center, 19 Panchlaish, Chittagong

Mirpur Branch

Fahad Plaza, Plot No-1, Road No-1, Section-10, Kafrul. Mirpur. Dhaka

Kadair Bazar Branch

Mollah Market, Kadair Bazar, Shuvopur, Chouddagram, Comilla

Jamirdia Masterbari Branch

Abdur Rashid Plaza, Jamirdia Masterbari, Habirbari, Bhaluka, Mymensingh

Kalurghat Industrial Area Branch

Wajib Tower, C&B Mor, Arakan Road, Chandgaon, Kalurghat, Chittagong

Ashulia Branch

Rajobi Plaza, Jamgora, Yearpur, Ashulia, Dhaka

Monipur Bazar Branch

Sikder Market, Monipur Bazar, Nuhash Palli Road, Gazipur Sadar, Gazipur

Tangail Branch

Noor Tower, 311/312 Boro Masjid Road, Tangail

Sirajganj Branch

Jan Bux Bhaban, 452 Station Road (S.S. Road), Sirajgani

Dumni Branch

Top Super Market, 12 Ananda Bazar, Dumni, Khilkhet, Dhaka

Baraipara Branch

K. D. Super Market, Baraipara Bazar, Shimulia, Ashulia, Dhaka Khulna Branch

Rahim Plaza, 15 KDA Avenue, Sonadanga, Khulna

Abu Torab Bazar Branch

Bhuiyan Market, Abu Torab Bazar,

Mirsarai, Chittagong

Muradpur Branch

K. Plaza, Mirzarpul, Muradpur, Chittagong

MTB Tower Branch

MTB Tower, 111 Kazi Nazrul Islam Avenue, Dhaka

Bormi Branch

Khan Plaza, Bormi Bazar, Sreepur, Gazipur

Bagher Bazar Branch

Borobari Super Market, Bagher Bazar, Gazipur

Barisal Branch

Fatema Centre, 523 Sadar Road, Barisal

Laldighirpar Branch

Laldighi Complex, Laldighirpar, Sylhet 3100

Madhabdi Branch

M. B. Tower, 256 Parkashipur, Madhabdi

Narsingdi 1604

Goalmari Bazar Branch

Goalmari Bazar, Goalmari, Daudkandi

Comilla 3516

Haidergonj SME/Agri Branch

Gazi Super Market (1st floor),

Haidergonj, Raipur, Laxmipur

Dagon Bhuiyan SME/Agri Branch

R. B. Plaza (1st floor), Fazilerghat Road,

Dagoanbhuiyan, Feni

Laksham SME/Agri Branch

308, By-Pass Road, By-Pass Laksham, Comilla

Noria SME/Agri Branch

Noor Tower, 1st floor, Noria, Dist: Shariyatpur

Kaligani SME/Agri Branch

Azad Market (2nd floor), Kaligonj Bazar, Kaligonj, Gazipur

Ramchandrapur Bazar SME/Agri Branch

Ramchandrapur Bazar, Muradnagar, Comilla

Gafor Gaon SME/Agri Branch

Ashraf Market (1st floor), Gafargaon Sadar,

Gafargaon, Mymensingh

Ishwardi SME/Agri Branch

Khondoker Market (1st floor), Station Road.

Ishwardi, Pabna

Belkuchi SME/Agri Branch

Rabeya Plaza (2nd Floor)

296 Mukundogati Bazar, Sohagpur, Belkuchi, Sirajganj 6741

Nazumeah Hat SME/Agri Branch

B#3 Sheikh Market, Nazumeahhat,

Hat Hazari, Chittagong

Dhanbari SME/ Agri Branch

Dhanbari New Market, Dhanbari, Tangail

Hasnabad SME/Agri Branch

Mofiz Uddin Mansion, Block D, Container Port Road,

Hasnabad Housing, South Keraniganj, Dhaka

Syedpur SME/Agri Branch

Hazi Asab Ali Market, Syedpur,

Jagannathpur, Sunamganj

Sarulia Bazar SME/Agri Branch

Ismail Mansion, Sarulia Bazar, Demra, Dhaka



Signature of the Member/Proxy___

Corporate Head Office: MTB Centre, 26 Gulshan 1, Dhaka 1212 Share Dept.: MTB Tower (3rd Floor), 111 Kazi Nazrul Islam Avenue Banglamotor, Dhaka 1000

E-mail: info@mutualtrustbank.com, Web: www.mutualtrustbank.com

Proxy Form

l/We,	
of (address)	
being a Member of Mutual Trust Bank Ltd. (MTB) do hereby appoint	
Mr./Ms	
Of	
as my/our proxy to attend and vote on my/our behalf at the 17th Annual Ge	neral Meeting(AGM) of the Bank to be held
on Monday, April 25, 2016 at 10.00 a.m. at International Convention	City Bashundhara (Pushpoguscho), Joar
Sahara, Khilkhet, Dhaka (beside 300 ft. Purbachal Express Way) and/or	
As witness my hand this day of	2016.
(Signature of the Member)	(Signature of the Proxy)
Register Folio No.	
or	
BO ID No.	Revenue
No. of Shares held	Stamp Tk. 20
Note:	
I. A Member entitled to attend and vote at the Annual General Meeting (Avand vote in his/her behalf. The Proxy Form to be filled up completely, du Department, MTB Tower (3rd Floor), 111 Kazi Nazrul Islam Avenue, Bandours before the time fixed for the meeting. Incomplete Proxy Form votes to the state of	ly Stamped must be deposited at the Share ngla Motor, Dhaka 1000 not later than 48 will not be entertained:
II. Signature of the member(s) must be in accordance with the Specimen	signature recorded with the Bank.
Mutual Trust Bank Ltd. Share Dept.	Head Office: MTB Centre, 26 Gulshan 1, Dhaka 1212 : MTB Tower (3rd Floor), 111 Kazi Nazrul Islam Avenue Banglamotor, Dhaka 1000 nutualtrustbank.com, Web: www.mutualtrustbank.com
Attendance Slip	
I/We hereby record my/our presence at the 17th Annual General Meeting (MTB) on Monday, April 25, 2016 at 10.00 a.m. at International Convert Joar Sahara, Khilkhet, Dhaka (beside 300 ft. Purbachal Express Way).	- '
Name of Member/Proxy_	
Register Folio No.	
or	
BO ID No.	
No. of Shares held	

Note: Members attending the meeting in person or by proxy are requested to complete the Attendance Slip and handover the same at the Registration Counter.

Financial Calendar

Financial Calendar 2015	
1st Quarter Results published on	April, 2015
Half Yearly Financial Statements published on	July, 2015
3rd Quarter Results published on	October, 2015
Audited Financial Statements for 2015 signed on	March 15, 2016
17th Annual General Meeting to be held on	April 25, 2016
20% stock as Final Dividend for 2015 payable on	April, 2016

Proposed Financial Calendar 2016	
1st Quarter Results to be published on	April, 2016
Half Yearly Financial Statements to be published on	July, 2016
3rd Quarter Results to be published on	October, 2016
Audited Financial Statements for 2015 to be signed on	February/March, 2017
18th Annual General Meeting to be held on	March, 2017



Corporate Head Office MTB Centre

26 Gulshan Avenue Plot 5, Block SE(D)

Gulshan 1, Dhaka 1212 Phone: 880 (2) 984 6966, 984 2429 Fax: 880 (2) 882 4303

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mutual.trust.bank







মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড **Mutual Trust Bank Ltd.**

you can bank on us







