

Q3

UN-AUDITED FINANCIAL STATEMENTS
FOR THE 3RD QUARTER ENDED SEPTEMBER 30, 2016মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us

In compliance with the Bangladesh Securities and Exchange Commission (BSEC) letter No. SEC/CFD/Misc/233/2004/615, dated February 2, 2010 and Regulation 17 (1) of the Dhaka and Chittagong Stock Exchange (Listing) Regulations, 2015, we are pleased to present the third quarter un-audited Consolidated Financial Statements of Mutual Trust Bank Limited as at and for the third quarter ended September 30, 2016. These Consolidated Financial Statements are comprised of the financials of Mutual Trust Bank Limited and its subsidiaries, MTB Securities Limited, MTB Capital Limited and MTB Exchange (UK) Limited, and are prepared as per International Accounting Standard (IAS)/Bangladesh Accounting Standard (BAS) 34 "Interim Financial Reporting".

Consolidated Balance Sheet (Un-Audited)
As at September 30, 2016

Property and Assets	September 2016 BDT	December 2015 BDT
Cash	11,101,340,411	9,485,078,899
In Hand (Including Foreign Currency)	2,216,731,388	1,664,181,296
With Bangladesh Bank and its agent Bank (including Foreign Currency)	8,884,609,023	7,820,897,602
Balance with Other Banks & Financial Institutions	2,564,044,903	3,140,421,416
In Bangladesh	2,140,977,936	2,464,407,003
Outside Bangladesh	423,066,967	676,014,412
Money at Call and Short Notice	3,710,000,000	1,790,000,000
Investments	23,056,592,069	26,210,389,906
Government	20,982,064,635	23,542,771,441
Others	2,074,527,433	2,667,618,465
Loans and Advances	109,710,223,053	97,588,775,690
Loans, Cash Credit, Overdrafts, etc.	107,306,186,034	95,251,684,203
Bills Purchased and Discounted	2,404,037,019	2,337,091,487
Fixed Asset including Premises, Furniture & Fixture	3,157,953,633	3,181,829,846
Other Assets	5,415,446,030	4,682,931,966
Non-Banking Assets	-	-
Total Property and Asset	158,715,600,098	146,079,427,721
Liabilities and Capital		
Borrowing from other Banks, Financial Institutions & Agents	6,793,364,309	5,081,818,794
Deposits and Other Accounts	127,506,354,369	118,404,718,858
Current Deposits & Other Accounts	11,914,017,521	9,585,910,146
Bills Payable	1,910,374,952	1,253,293,664
Savings Deposits	22,733,575,291	17,908,495,890
Special Noticed Deposits	11,561,581,686	13,677,064,566
Fixed Deposits	54,587,882,071	55,707,789,090
Deposit-Products	24,798,922,849	20,272,165,502
Other Liabilities	10,878,182,088	8,788,573,894
Subordinated Debt	4,250,000,000	4,875,000,000
Total Liabilities	149,427,900,766	137,150,111,546
Capital/Shareholders' Equity		
Paid up Capital	4,431,791,600	3,693,159,670
Statutory Reserve	3,071,050,196	2,721,143,746
Revaluation Reserve on Investment in Securities	701,790,856	1,311,845,893
Foreign Currency Translation gain	7,119,643	3,366,587
General Reserve	446,777,324	446,777,324
Retained Earnings	629,032,066	752,894,582
Total Shareholders' Equity	9,287,561,685	8,929,187,803
Minority Interest	137,647	128,373
Total Liabilities and Shareholders' Equity	158,715,600,098	146,079,427,721
Net Asset Value (NAV) per share	20.96	20.15

Off-Balance Sheet Items

Contingent Liabilities

Letter of Guarantee	7,693,482,418	7,486,950,066
Irrevocable Letter of Credit	13,257,432,477	10,035,077,947
Bills for Collection	4,162,971,208	2,618,832,476
Other Contingent Liabilities	17,773,895,897	14,888,384,964
Total Off-Balance Sheet Items including Contingent Liabilities	42,887,782,000	35,029,245,452

M.A.Rouf, JP
Chairman
Md. Hedayetullah
Vice Chairman
Sayed Abdul Hashem FCA, FCMA
Group Chief Financial Officer
Malik Muntasir Reza
Group Company Secretary
Anis A. Khan
Managing Director & CEODISCLOSURE ON 3RD QUARTER UN-AUDITED
CONSOLIDATED FINANCIAL STATEMENTS

BDT


Particulars	As on September 30, 2016	As on September 30, 2015
Net Asset Value (NAV) (Million)	9,287.56	8,282.61
Net Asset Value (NAV) per share	20.96	18.69
Earnings Per Share (EPS)	2.18	2.06
Net Operating Cash Flow Per Share	11.06	6.31


Consolidated Profit and Loss Account (Un-Audited)
For the Period ended September 30, 2016


	January to September 2016 BDT	January to September 2015 BDT	July to September 2016 BDT	July to September 2015 BDT
Particulars				
Interest Income	8,589,046,812	8,001,645,325	2,907,470,244	2,699,745,530
Less: Interest Paid on Deposit and Borrowing, etc.	5,678,317,105	6,030,076,654	1,853,397,293	2,021,069,101
Net Interest Income	2,910,729,707	1,971,568,670	1,053,532,951	678,676,429
Income from Investments	1,521,651,835	1,710,885,798	527,521,684	683,479,135
Commission, Exchange and Brokerage	843,057,813	710,584,828	253,949,384	231,408,313
Other Operating Income	300,892,804	304,375,284	96,505,349	84,834,457
2,665,602,453	2,725,845,910	877,976,417	999,721,905	
Total Operating Income	5,576,332,160	4,697,414,580	1,931,509,368	1,678,398,335
Less: Operating Expenditure:				
Salary and Allowances	1,568,143,145	1,327,655,610	569,421,750	512,806,719
Rent, Tax, Insurance and Electricity	450,586,103	407,628,536	153,159,734	131,399,165
Legal Expense	1,774,438	1,790,456	583,238	472,996
Postage, Stamps and Telephone	13,224,207	14,787,853	4,674,222	5,012,558
Printing, Stationery and Advertisement	66,541,497	70,423,728	15,091,050	24,840,199
Managing Director's Remuneration	11,326,333	10,566,933	4,163,999	4,870,933
Directors' Fee	2,036,933	1,610,000	504,700	448,500
Audit Fee	609,500	11,500	609,500	11,500
Depreciation on and Repair to Bank's Property	294,791,892	242,780,517	98,477,407	98,036,107
Other Expenditure	526,728,268	484,749,948	177,393,512	171,321,427
Total Operating Expenses	2,935,762,316	2,562,005,082	1,024,079,114	949,220,104
Profit Before Provision	2,640,569,844	2,135,409,499	907,430,254	729,178,231
Less: Provision against Loans & Advances including Off Balance Sheet Items	761,000,000	300,000,000	262,000,000	-
Less: Provision against Investments	48,000,000	77,000,000	12,500,000	27,000,000
Less: Provision against Other Asset	-	-	-	-
Total Provision	809,000,000	377,000,000	274,500,000	27,000,000
Profit Before Tax	1,831,569,844	1,758,409,499	632,930,254	702,178,231
Less: Income Tax expenses	866,884,706	845,595,406	307,952,580	288,830,031
Current Tax	866,884,706	845,595,406	307,952,580	288,830,031
Net Profit After Tax	964,685,138	912,814,092	324,977,675	413,348,200
Shareholders of the Bank	964,675,863	912,807,290	324,974,536	413,949,019
Minority Interest	9,275	6,802	3,139	2,931
964,685,138	912,814,092	324,977,675	413,951,950	
Retained Surplus Brought Forward	752,894,582	617,298,134	-	-
1,717,570,445	1,530,105,424	324,974,536	413,949,019	
Appropriation:				
Bonus Share Issued during the year	738,631,930	615,526,610	-	-
Transferred to Statutory Reserve	349,906,450	344,859,073	120,699,639	137,278,196
1,088,538,380	960,385,683	120,699,639	137,278,196	
Retained Surplus, Carried Forward	629,032,066	569,719,741	204,274,897	276,670,824
Earnings Per Share	2.18	2.06	0.73	0.93


M.A.Rouf, JP
Chairman
Md. Hedayetullah
Vice Chairman
Sayed Abdul Hashem FCA, FCMA
Group Chief Financial Officer
Anis A. Khan
Managing Director & CEO
Malik Muntasir Reza
Group Company SecretaryConsolidated Statement of Cash Flow (Un-Audited)
For the Period ended September 30, 2016


	January to September '2016	January to September '2015
	BDT	BDT
A) Cash Flow From Operating Activities:		
Interest Received	10,072,641,542	9,676,361,743
Interest Paid on Deposits, Borrowings, etc.	(5,311,226,572)	(5,247,164,937)
Dividend Income	38,057,106	36,169,379
Fees & Commission Income	843,057,813	734,395,093
Cash Paid to Employees as Salaries and Allowances	(1,579,469,478)	(1,338,222,543)
Advance Income Tax Paid	(534,193,542)	(233,026,675)
Cash Received From Other Operational Income	594,358,630	526,059,461
Cash Paid for Other Operational Expenses	(1,117,814,398)	(1,054,751,714)
Cash Flow From Operating Activities Before Changes in Net Current Asset	3,005,411,102	3,099,819,807
Changes in Net Current Asset		
Changes in Net Current Asset :		
Investment in Treasury Bond	4,610,377,580	312,165,240
Loans & Advances	(12,121,447,363)	(12,235,019,009)
Other Asset	(732,514,064)	495,731,426
Customers' Deposit	6,963,745,292	10,699,094,347
Borrowing from Other Banks, Financial Institutions & Agents	1,711,545,515	(594,028,485)
Other Liabilities	2,089,608,194	1,018,990,309
	1,896,315,153	(303,066,172)
	4,901,726,255	2,796,753,635
Net Cash Flow From Operating Activities		
B) Cash Flow From Investing Activities:		
Investments in Shares & Bonds	(593,091,032)	(536,745,533)
Purchase of Premises & Fixed Asset (net)	(181,275,850)	(775,224,423)
Net Cash Flow From Investing Activities	(774,366,882)	(1,311,969,956)
C) Cash Flow From Financing Activities:		
Net Cash Flow From Financing Activities	-	-
D) Net Increase in Cash and Cash Equivalents	4,127,359,373	1,484,783,679
E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents	7,119,643	9,509,187
F) Opening Cash and Cash Equivalents	15,290,577,071	12,363,882,180
Closing Cash and Cash Equivalents (D+E+F)	19,425,056,087	13,858,175,045
The above closing Cash and Cash Equivalents include:		
Cash in Hand	2,216,731,388	1,847,361,520
Balance with Bangladesh Bank and its Agent Bank	8,884,609,023	7,689,515,759
Balance with Other Banks & Financial Institutions	2,564,044,903	3,028,467,267
Money at Call and Short Notice	3,710,000,000	1,290,000,000
Treasury Bill	2,047,289,774	-
Prize Bond	2,381,000	2,830,500
	19,425,056,087	13,858,175,045
Net Operating Cash Flow Per Share	11.06	6.31


M.A.Rouf, JP
Chairman


Md. Hedayetullah
Vice Chairman


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Managing Director & CEO


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Mutual Trust Bank Limited

Notes to the Financial Statements
For the period ended September 30, 2016

1.0 Legal status and nature of the Bank
Mutual Trust Bank Limited (MTB) was incorporated in Bangladesh in the year 1999 as a Banking Company under the Companies Act, 1994 as a Public Limited Company. All types of commercial banking services are provided by the Bank within the stipulations laid down by the Bank Companies Act, 1991 (as amended in 2013) and directive as received from the Bangladesh Bank from time to time. Registered office of the Bank is at MTB Centre, 26 Gulshan Avenue, Gulshan 1, Dhaka 1212. The Bank started its commercial business from October 24, 1999. The Bank is listed with the Dhaka and Chittagong Stock Exchanges Limited. Authorized capital of the Bank is BDT 10 billion. The Bank has 106 (One hundred six) branches including 14 (fourteen) SME/Agri Branches all over the Bangladesh, 05 (Five) Agent Banking Centre and 02 (Two) Booth located at Hazrat Shahjalal International Airport, Dhaka.

1.1 Principal Activities

The principal activities of the bank are to provide all kinds of commercial banking services to its customers through its branches and offices in Bangladesh such as accepting deposits, corporate, SME and retail banking, personal financial services, project finance, etc.

1.2 Off-Shore Banking Unit (OBU)

The Bank obtained Off-shore Banking Unit Permission vide Letter No. BRPD (P-3)744(105)/2009-4470 dated December 3, 2009 and commenced operation on December 07, 2009. The Off-shore Banking Unit is governed under the rules and guidelines of Bangladesh Bank. The principal activities of the Unit are to provide all kinds of commercial banking services to its customers in foreign currencies approved by the Bangladesh Bank.

1.3 Subsidiary Companies

1.3.1 MTB Securities Limited (MTBSL)

MTB Securities Limited incorporated as on September 23, 2010 as a Private Limited Company under the Companies Act 1994. The registered office of the MTBSL is located at VVV Tower, 68 Motijheel. MTBSL is engaged in buying and selling of securities for its customers and margin loan is extended to the customers against their margin for investment in the listed companies.

1.3.2 MTB Exchange (UK) Limited (MTB UK)

Bangladesh Bank vide their letter No. BRPD(M)204/25/2010-289 dated 19/08/2010 has accorded approval to the bank for opening a fully owned subsidiary company in the name of MTB Exchange (UK) Limited. The Company was incorporated on September 14, 2010 under the Companies Act 2006 of UK with the registration number 7282261 as a private company limited by shares. The registered office is located at 25 White Chapel Road, London, United Kingdom.

1.3.3 MTB Capital Limited (MTBCL)

The Bank obtained permission to embark upon Merchant Banking from the Securities and Exchange Commission (SEC) vide its certificate No.MB-55/2010 dated December 06, 2010 under the Securities and Exchange Commission Act, 1993. The operation has started as on April 17, 2011.

2.0 Significant Accounting Policies

2.1 Basis of Accounting

The financial statements of the Bank as at and for the period ended September 30, 2016 have been prepared under the historical cost convention, on a going concern basis and in accordance with the "first schedule (Sec- 38)" of the Bank Companies Act, 1991 as amended in 2013 and as per the BRPD circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Financial Reporting Standards(BFRS), The Companies Act 1994, The Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchanges Listing Regulations, The Income Tax Ordinance 1984 and other laws and rules applicable in Bangladesh. All inter-branch account balances and transactions among the Corporate Head Office and the branches have been taken into account.

2.2 Basis of Consolidation

The consolidated financial statements include the financial statements of Mutual Trust Bank Limited, Off-shore Banking Units and its subsidiaries, MTB Securities Limited, MTB Capital Limited and MTB Exchange (UK) Limited, made up to the end of the third quarter 2016. The consolidated financial statements are prepared to a common financial period ending September 30, 2016.

2.3 Cash Flow Statement

Cash flow statement has been prepared in accordance with the Bangladesh Accounting Standard-7 "Cash Flow Statement" under direct method as recommended in the BRPD Circular no.14, dated 25 June 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank

2.4 Provisions

2.4.1 Loans and Advance

Provision for Loans and Advance have been made as per directives of Bangladesh Bank issued from time to time.

2.4.2 Investment

Provisions for diminution in value of investment is made for loss arising on diminution value of investment in quoted shares.

2.4.3 Off - Balance Sheet Exposures

Off-balance sheet items have been disclosed under contingent liabilities and other commitments according to Bangladesh Bank guidelines. As per BRPD Circular no.14, dated 23 September 2012, the Bank maintained provision @ 1% against off-balance sheet exposures.

2.5 Earnings per Share

Earnings per Share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period. The Bank calculates EPS in accordance with Bangladesh Accounting Standard (BAS) 33 "Earning per Share" which has been shown in the profit and loss account.

2.6 Reporting Period

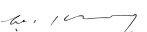




These financial statements cover the period from January 1 to September 30, 2016.

2.7 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) Figures of previous year have been rearranged to conform to current year's presentation.

Consolidated Statement of Changes in Equity (Un-Audited)
For the Period ended September 30, 2016

									Amount in BDT	
Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Revaluation Surplus on Investments	Foreign Currency Translation Gain	Profit & Loss Account	Total	Minority Interest	Total	
Balance as at January 01, 2016	3,693,159,670	2,721,143,747	446,777,324	1,311,845,893	3,366,587	752,894,582	8,929,187,802	128,373	8,929,316,175	
Bonus Share Issued	738,631,930	-	-	-	-	(738,631,930)	-	-	-	
Currency Translation differences	-	-	-	-	3,753,057	-	3,753,057	-	3,753,057	
Revaluation Reserve transferred during the period	-	-	-	(610,055,037)	-	-	(610,055,037)	-	(610,055,037)	
Net Profit for the period after Tax	-	-	-	-	-	964,675,863	964,675,863	9,275	964,685,138	
Appropriation made during the period	-	349,906,450	-	-	-	(349,906,450)	-	-	-	
Balance as at September 30, 2016	4,431,791,600	3,071,050,196	446,777,324	701,790,856	7,119,643	629,032,066	9,287,561,685	137,648	9,287,699,333	
Balance as at September 30, 2015	3,693,159,670	2,620,938,093	276,777,324	1,112,501,921	9,509,187	569,718,940	8,282,605,135	126,750	8,282,731,885	
 M.A. Rouf, JP Chairman	 Md. Hedayetullah Vice Chairman	 Anis A. Khan Managing Director & CEO	 Sayed Abdul Hashem FCA, FCMA Group Chief Financial Officer	 Malik Muntazir Reza Group Company Secretary						