

SE-100(5F)2014/63  
October 21, 2014

**The Managing Director**

Karachi Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
**Karachi**

Fax: 021-111-573-329

**The Managing Director**

Lahore Stock Exchange Limited  
19, Khayaban-e-Aiwan-e-Iqbal Road  
P.O. Box No.1315  
**Lahore**

Fax: 042-36368485

**The Managing Director**

Islamabad Stock Exchange Limited  
ISE Towers, 55-B  
Jinnah Avenue, Blue Area  
**Islamabad**

Fax: 051-111-473-329

Sub: **FINANCIAL RESULTS – MCB BANK LIMITED**  
3<sup>RD</sup> QUARTER ENDED SEPTEMBER 30, 2014

Dear Sir(s)

We have to inform you that the Board of Directors of **MCB Bank Limited** in their Meeting held on **October 21, 2014 at 10:00 AM (Malaysian Standard Time), at 50<sup>th</sup> Floor, Menara Maybank, Kuala Lumpur, Malaysia**, recommended the following:

- (i) **CASH DIVIDEND**  
35% (i.e. PKR. 3.50 per share)
- (ii) **BONUS SHARES**  
Nil
- (iii) **RIGHT SHARES**  
Nil
- (iv) **ANY OTHER ENTITLEMENT/CORPORATE ACTION**  
Nil



(v) **ANY OTHER PRICE-SENSITIVE INFORMATION**

*Please refer to our earlier letter No.SE-100(5F)2013/59 dated November 01, 2013 in which we had informed Stock Exchanges that MCB Bank Ltd. was considering to expand its operations overseas through an acquisition of a small bank in Kenya and the State Bank of Pakistan had given its permission to MCB Bank to conduct due diligence of the target bank.*

*We wish to inform you that subsequent to the due diligence, MCB has decided, for commercial reasons, not to pursue this opportunity any more.*

The Financial Results approved by the Board of Directors of MCB Bank, are attached as **Annexure-A**.

The Share transfer books of the Bank will remain closed from **November 10, 2014 to November 18, 2014** (both days inclusive) subject to the approval of the Stock Exchange.

The Shareholders whose names appear in the Register of Members at the close of business on November 07, 2014, will be entitled to above entitlement. Transfer received at the office of Share Registrar, M/s THK Associates (Pvt.) Ltd, Ground Floor, State Life Building-3, Dr. Ziauddin Ahmed Road, Karachi, at the close of business on November 07, 2014, will be treated in time for the purpose of above entitlement to the transferees.

We will be sending 200 copies of printed Accounts for distribution amongst the members of the Exchange.

Yours truly



**Hammad Khalid**  
Division Head - Financial Control Group

Encl: **As above**

Cc: **London Stock Exchange**



**MCB Bank Limited**  
**Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)**  
 Results for the nine months ended September 30, 2014

**Annexure A**

	Quarter ended September 30, 2014	Nine months ended September 30, 2014	Quarter ended September 30, 2013	Nine months ended September 30, 2013
	----- (Rupees in '000) -----			
Mark-up / return / interest earned	19,212,031	56,785,409	15,496,023	48,470,937
Mark-up / return / interest expensed	8,634,755	24,771,279	5,814,262	19,979,486
Net mark-up / interest income	10,577,276	32,014,130	9,681,761	28,491,451
Provision / (reversal) against loans and advances - net	(393,138)	(1,332,339)	(580,741)	(1,860,541)
Provision / (reversal) for diminution in the value of investments - net	(37,261)	(78,010)	50,640	15,867
Bad debts written off directly	-	20	-	-
	(430,399)	(1,410,329)	(530,101)	(1,844,674)
<b>Net mark-up / interest income after provisions</b>	<b>11,007,675</b>	<b>33,424,459</b>	<b>10,211,862</b>	<b>30,336,125</b>
<b>Non mark-up / interest income</b>				
Fee, commission and brokerage income	1,708,383	5,110,659	1,583,007	4,848,210
Dividend income	230,416	679,192	161,086	667,986
Income from dealing in foreign currencies	306,169	1,056,440	314,972	611,342
Gain on sale of securities - net	644,918	1,273,415	555,613	2,108,602
Unrealized gain / (loss) on revaluation of investments classified as held for trading	(5,133)	(5,133)	(1,898)	343
Other income	1,209,117	1,435,005	98,250	316,628
Total non mark-up / interest income	4,093,870	9,549,578	2,711,030	8,553,111
	15,101,545	42,974,037	12,922,892	38,889,236
<b>Non-mark-up / interest expenses</b>				
Administrative expenses	5,184,604	14,755,275	4,693,912	12,638,127
Other provisions / (reversals)	226	115,479	5,754	(56,368)
Other charges	209,379	596,161	175,110	559,355
Total non mark-up / interest expenses	5,394,209	15,466,915	4,874,776	13,141,114
	9,707,336	27,507,122	8,048,116	25,748,122
Extraordinary / unusual item	-	-	-	-
<b>Profit before taxation</b>	<b>9,707,336</b>	<b>27,507,122</b>	<b>8,048,116</b>	<b>25,748,122</b>
Taxation - current period	3,239,227	9,150,116	2,707,951	8,226,242
- prior years	-	-	-	-
- deferred	70,368	233,059	45,310	339,752
	3,309,595	9,383,175	2,753,261	8,565,994
<b>Profit after taxation</b>	<b>6,397,741</b>	<b>18,123,947</b>	<b>5,294,855</b>	<b>17,182,128</b>
Retained earnings brought forward	43,401,093	40,552,043	39,086,410	35,424,921
Remeasurement of defined benefit plans - net of tax	-	164,050	-	165,960
Transfer from surplus on revaluation of fixed assets - net of tax	11,907	35,721	8,947	26,841
	43,413,000	40,751,814	39,095,357	35,617,722
	49,810,741	58,875,761	44,390,212	52,799,850
<b>APPROPRIATIONS</b>				
Transfer to:				
Statutory reserve	639,774	1,812,395	529,486	1,718,213
Issue of bonus shares-Dec 31, 2013 @ 10 % (2012: 10%)	-	1,011,846	-	919,860
Final cash dividend 2013 @ Rs 3.5 per share - (2012: Rs.3.0)	-	3,541,461	-	2,759,581
Cash dividend March 2014 @ Rs 3.0 per share - (March 2013: Rs.3.5)	-	3,339,092	-	3,541,470
Cash Dividend June 2014 @ Rs. 3.5 per share - (June 2013: Rs. 3.5)	3,895,608	3,895,608	3,541,471	3,541,471
	4,535,382	13,600,402	4,070,957	12,480,595
	45,275,359	45,275,359	40,319,255	40,319,255
Earnings per share - basic and diluted - Rupees	5.75	16.28	4.76	15.44

**MCB Bank Limited & Subsidiary Companies**  
**Consolidated Condensed Interim Profit and Loss Account (Un-audited)**  
Results for the nine months ended September 30, 2014

	Quarter ended September 30, 2014	Nine months ended September 30, 2014 <small>----- (Rupees in '000) -----</small>	Quarter ended September 30, 2013	Nine months ended September 30, 2013
				<i>Annexure A</i>
Mark-up / return / interest earned	19,249,293	56,880,918	15,539,292	48,568,414
Mark-up / return / interest expensed	8,638,616	24,779,511	5,829,919	20,001,581
Net mark-up / interest income	10,610,677	32,101,407	9,709,373	28,566,833
Provision / (reversal) against loans and advances - net	(395,822)	(1,327,978)	(580,741)	(1,860,541)
Provision / (reversal) for diminution in the value of investments - net	(37,261)	(78,010)	50,640	15,867
Bad debts written off directly	-	20	-	-
	(433,083)	(1,405,968)	(530,101)	(1,844,674)
<b>Net mark-up / interest income after provisions</b>	<b>11,043,760</b>	<b>33,507,375</b>	<b>10,239,474</b>	<b>30,411,507</b>
<b>Non mark-up / interest income</b>				
Fee, commission and brokerage income	1,840,697	5,510,906	1,691,288	5,173,538
Dividend income	230,416	531,045	161,086	576,517
Income from dealing in foreign currencies	306,036	1,056,429	314,846	611,533
Gain on sale of securities - net	686,105	1,313,223	599,351	2,136,936
Unrealized gain / (loss) on revaluation of investments classified as held for trading	(32,736)	8,420	(34,403)	11,138
Other income	1,209,159	1,436,634	100,170	321,810
Total non mark-up / interest income	4,239,677	9,856,657	2,832,338	8,831,472
	15,283,437	43,364,032	13,071,812	39,242,979
<b>Non-mark-up / interest expenses</b>				
Administrative expenses	5,276,427	15,052,591	4,787,675	12,917,262
Other provisions / (reversals)	226	115,479	5,754	(56,368)
Other charges	209,476	596,258	175,149	559,463
Total non mark-up / interest expenses	5,486,129	15,764,328	4,968,578	13,420,357
<b>Share of profit of associates</b>	<b>167,676</b>	<b>425,114</b>	<b>90,016</b>	<b>541,703</b>
	9,964,984	28,024,818	8,193,250	26,364,325
Extraordinary / unusual item	-	-	-	-
<b>Profit before taxation</b>	<b>9,964,984</b>	<b>28,024,818</b>	<b>8,193,250</b>	<b>26,364,325</b>
Taxation - current period	3,262,326	9,206,509	2,720,087	8,264,278
- prior years	-	-	-	-
- deferred	25,268	271,384	56,611	391,778
Share of tax of associates	11,623	37,759	(10,595)	38,267
	3,299,217	9,515,652	2,766,103	8,694,323
<b>Profit after taxation</b>	<b>6,665,767</b>	<b>18,509,166</b>	<b>5,427,147</b>	<b>17,670,002</b>
Profit attributable to minority interest	(25,957)	(77,851)	(17,247)	(53,860)
<b>Profit attributable to ordinary shareholders</b>	<b>6,639,810</b>	<b>18,431,315</b>	<b>5,409,900</b>	<b>17,616,142</b>
Retained earnings brought forward	45,952,603	43,038,094	41,511,546	37,530,955
Remeasurement of defined benefit plans - net of tax	-	164,050	-	165,960
Transfer from surplus on revaluation of fixed assets - net of tax	11,976	35,950	9,008	27,035
	45,964,579	43,238,094	41,520,554	37,723,950
	52,604,389	61,669,409	46,930,454	55,340,092
<b>APPROPRIATIONS</b>				
Transfer to:				
Statutory reserve	639,774	1,812,395	529,486	1,718,213
Issue of bonus shares-Dec 31, 2013 @ 10% (2012: 10%)	-	1,011,846	-	919,860
Final cash dividend 2013 @ Rs 3.5 per share - (2012: Rs.3.0)	-	3,541,461	-	2,759,581
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	4,535,382	13,600,402	4,070,957	12,480,595
	48,069,007	48,069,007	42,859,497	42,859,497
Earnings per share - basic and diluted - Rupees	5.99	16.56	4.88	15.83