



MCB

MCB Bank Limited

Investors Briefing

Financial Performance Analysis

For the Quarter ended
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Please Note

Certain prior period financial numbers have been restated to conform to current period results presentation

*All numbers are presented on the basis of **unconsolidated** financial results, unless stated otherwise*

The figures are presented in millions, rounded, and as percentages, unless otherwise stated in '000s, billions and bps.





Statement of Financial Position

Rs. in mln

Increase of 3% in Equity

	Unconsolidated				Consolidated			
	Mar-15	2014	YTD	%	Mar-15	2014	YTD	%
Assets	1,012,585	934,631	77,954	8%	1,008,749	941,606	67,142	7.1%
Advances - net	303,666	303,559	107	0.0%	303,855	304,001	(146)	0.0%
Investments	585,971	511,137	74,833	14.6%	581,150	516,898	64,252	12.4%
Cash and Balances with Banks & Lending to Financial Institutions	65,035	51,188	13,847	27%	65,088	51,236	13,852	27.0%
Other Assets (including Fixed Assets)	57,914	68,747	(10,834)	-16%	58,656	69,472	(10,816)	-15.6%
Liabilities	875,891	804,527	71,363	9%	866,679	805,337	61,342	7.6%
Deposits	736,157	688,330	47,827	7%	726,099	688,270	37,829	5.5%
Borrowings	89,030	59,543	29,487	50%	89,199	59,777	29,423	49.2%
Bills Payable	9,870	16,628	(6,758)	-41%	9,870	16,628	(6,758)	-40.6%
Other Liabilities (including Deferred Tax)	40,834	40,027	807	2%	41,510	40,663	848	2.1%
Net Assets	136,695	130,104	6,591	5%	142,070	136,269	5,800	4.3%
Equity without surplus (incl. M.I)	110,397	106,908	3,488	3%	113,946	110,607	3,339	3.0%



Non Performing Loans (NPLs)

Rs. In mln

Coverage ratio* at 85.36% (YE14: 85.62%), NPLs ratio improved to 6.73% (YE14: 6.80 %)

	Mar 15	Dec 14	Sep 14	June 14	Mar 14
Total NPLs	21,684	21,908	21,925	22,100	22,514
QoQ	(224)	(17)	(175)	(414)	(753)
QoQ % variance	-1%	0%	-1%	-2%	-3%
Substandard	215	234	324	206	205
QoQ	(19)	(90)	118	1	(14)
QoQ % variance	-8%	-28%	57%	0%	-6%
Doubtful	972	874	920	883	1,517
QoQ	99	(46)	37	(634)	64
QoQ % variance	11%	-5%	4%	-42%	4%
Loss	20,467	20,749	20,596	20,963	20,737
QoQ	(282)	153	(367)	227	(823)
QoQ % variance	-1%	1%	-2%	1%	-4%
OAEM	29	50	85	48	55
QoQ	(21)	(35)	37	(7)	20
QoQ % variance	-42%	-41%	76%	-13%	55%

YTD (Mar 15 vs. Dec 14)		
	Var.	%
Total NPLs	(224)	-1%
Substandard	(19)	-8%
Doubtful	99	11%
Loss	(282)	-1%
OAEM	(21)	-42%

Concentration of Category of NPLs

	Mar 15	Dec 14	Sep 14	June 14	Mar 14
Substandard	0.99%	1.1%	1.5%	0.9%	0.9%
Doubtful	4.48%	4.0%	4.2%	4.0%	6.7%
Loss	94.39%	94.7%	93.9%	94.9%	92.1%
OAEM	0.14%	0.2%	0.4%	0.2%	0.2%

* Coverage ratio = Specific plus General Provision

Investments

Increase of Rs. 65.80B in Market Treasury Bills & decrease of Rs. 9.47B in Pakistan Investment Bonds .

Rs. In mln

	Mar 2015	Dec 2014	Var.	% var.	Composition of Investments		
					Mar 2015	Dec 2014	
Treasury Bills	207,335	141,538	65,797	46%	T-Bills	36.71%	29%
Pakistan Investment Bonds	319,520	328,987	(9,466)	-3%	PIBs	56.58%	66%
TFCs, Debentures, Bonds and PTCs	4,177	4,448	(271)	-6%	Equity securities	4.57%	3%
Euro Bonds	2,330	2,284	46	2%	Debt instruments	2.14%	2%
Shares in Listed, Unlisted Co.s & Mutual funds	14,275	12,151	2,124	17%			
Sukuks Bonds	5,583	3,960	1,624	41%			
Subsidiaries & Associated Undertakings	11,523	1,573	9,950	633%			
Investments at cost	564,744	494,940	69,804	14%			
Prov for diminution in value of investments	(1,687)	(1,703)	16	1%			
Surplus on revaluation of securities	22,914	17,900	5,013	28%			
Investments at revalued amount - net of provision	585,971	511,137	74,833	15%			

Deposits





CASA reported at 91%, Increase recorded in Current Deposits +10%, Saving Deposits +6%

Rs. In mln	
YTD increase/decrease	YTD
Current deposits	10%
Savings deposits	6%
CASA	7%
Term Deposits	3%
Total Deposits	7%

Q1 15		Q4 14		Q3 14		Q2 14		Q1 14	
Volume	Mix	Volume	Mix	Volume	Mix	Volume	Mix	Volume	Mix

Deposits - Volume	736,157		688,330		666,344		685,766		627,144	
Current deposits	258,949	35%	236,427	34%	226,008	34%	263,982	38%	213,010	34%
Savings deposits	413,424	56%	389,685	57%	380,252	57%	363,469	53%	359,388	57%
Term Deposits	63,784	9%	62,218	9%	60,084	9%	58,315	9%	54,745	9%
CASA	672,373	91.34%	626,112	90.96%	606,260	90.98%	627,451	91.50%	572,398	91.27%

Variance	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ
Current deposits	22%	10%	10%	5%	8%	-14%	19%	24%	7%	-1%
Savings deposits	15%	6%	10%	2%	22%	5%	16%	1%	24%	2%
CASA	17%	7%	10%	3%	16%	-3%	17%	10%	17%	1%
Term Deposits	17%	3%	-4%	4%	-3%	3%	-23%	7%	-29%	-15%
Total Deposits	17%	7%	9%	3%	14%	-3%	12%	9%	11%	-1%

Market Share (Domestic)		QoQ		QoQ		QoQ		QoQ		QoQ
Industry	8,508,337	2%	8,342,172	4%	8,036,547	-1%	8,082,412	7%	7,571,267	1%
MCB	727,415	7%	679,977	3%	658,254	-3%	678,266	9%	620,281	-1%
Share	 8.55%		 8.15%		 8.19%		 8.39%		8.19%	

Profit and Loss Statement

Rs. In mln

Standalone PBT increased by 42% and PAT increased by 44%

	Unconsolidated				Consolidated			
	Mar-15	Mar-14	+/-	%	Mar-15	Mar-14	+/-	%
Mark-up Income	20,600	17,935	2,665	15%	20,624	17,961	2,664	15%
Mark-up Expense	8,625	7,921	704	9%	8,628	7,922	706	9%
Net Mark-up Income	11,975	10,014	1,961	20%	11,996	10,038	1,958	20%
Non Interest Income	5,243	2,740	2,502	91%	5,240	2,834	2,406	85%
Total Income	17,218	12,754	4,464	35%	17,236	12,872	4,363	34%
Non Mark-up Expense	5,610	4,982	628	13%	5,707	5,074	633	12%
<i>admin expenses</i>	5,439	4,880	559	11%	5,536	4,973	563	11%
<i>PF reversal</i>	(75)	(75)	-	0%	(75)	(75)	-	0%
<i>other charges</i>	246	176	70	40%	246	176	70	40%
Share of Undertaking	-	-	-	-	223	189	34	18%
Profit before Provisions	11,608	7,773	3,835	49%	11,752	7,988	3,764	47%
Provisions	(266)	(583)	318	-54%	(266)	(583)	318	-54%
against Investments	(16)	(30)	14	-48%	(16)	(30)	14	-48%
against loans & advances	(250)	(553)	303	-55%	(250)	(553)	303	-55%
Profit before Tax	11,874	8,356	3,518	42%	12,017	8,571	3,446	40%
Taxation	3,962	2,844	1,118	39%	3,982	2,896	1,085	37%
Profit after Tax	7,912	5,512	2,400	44%	8,036	5,675	2,361	42%

Non- Markup Income

Rs. In mln

	Mar 2015	Mar 2014	Var.	% var.	Budgeted Mar 2015	Var.	% var.
NON MARKUP INCOME	5,243	2,740	2,502	91%	3,114	2,129	68%
Fee, Commission & Brokerage	2,079	1,685	394	23%	1,884	195	10%
Dividend Income	357	278	80	29%	200	157	79%
Income from dealing in Foreign Currencies	253	416	(163)	-39%	474	(221)	-47%
Capital Gains	2,416	254	2,162	850%	374	2,042	546%
Other Income	137	107	30	28%	182	(45)	-25%

Capital Gains	Mar 2015	Mar 2014	Var.	% var.
Federal Government Securities				
-Market Treasury Bills	2	0	1	468%
-Pakistan Investment Bonds	1,097	8	1,090	14299%
Listed Shares / Units	1,317	246	1,071	435%
	2,416	254	2,162	850%



Key Ratios

	BV*	ROA	ROE	EPS* (annualised)	CAR	ADR	Infection ratio	Coverage ratio**	Coverage (incl. benefit of liquid sec)***	Non- markup/Total Rev
Mar 2015	99.19	3.25%	29.13%	28.43	19.54%	43.76%	6.73%	85.36%	93.87%	30.45%
Dec 2014	96.05	2.78%	23.83%	21.85	20.41%	46.83%	6.80%	85.62%	94.00%	23.59%
Sep 2014	94.09	2.87%	23.93%	21.71	20.46%	46.24%	7.12%	84.62%	95.11%	22.98%
June 2014	91.68	2.79%	23.53%	21.07	20.22%	44.19%	7.29%	85.60%	94.15%	20.29%
Mar 2014	89.15	2.68%	22.44%	19.81	21.09%	43.45%	8.26%	85.66%	94.23%	21.49%
Dec 2013	87.39	2.72%	23.09%	19.31	22.25%	42.41%	8.68%	85.74%	94.66%	22.78%
Sep 2013	86.81	3.03%	24.70%	20.58	24.77%	41.98%	10.17%	84.28%	92.65%	23.09%
June 2013	85.05	3.08%	25.91%	21.36	23.96%	40.08%	10.12%	86.92%	95.42%	23.70%
Mar 2013	82.68	3.02%	25.51%	20.73	22.54%	46.37%	9.41%	88.97%	97.22%	12.33%
Dec 2012	79.85	2.91%	24.59%	18.57	22.24%	48.14%	9.74%	89.23%	87.55%	18.30%
Sep 2012	77.75	3.14%	26.87%	19.83	24.18%	46.29%	10.41%	85.79%	93.58%	11.79%
June 2012	76.17	3.35%	27.38%	20.14	22.15%	49.81%	10.00%	86.12%	94.30%	13.09%
Mar 2012	73.51	3.38%	27.73%	20.02	22.26%	49.37%	10.39%	85.00%	95.87%	12.09%
Dec 2011	71.22	3.18%	26.17%	17.45	21.79%	50.88%	10.67%	83.76%	94.74%	10.64%
Sep 2011	69.63	3.30%	28.21%	18.59	23.15%	54.58%	10.04%	83.14%	93.46%	10.91%
June 2011	67.40	3.53%	29.32%	19.00	22.26%	56.79%	9.02%	85.82%	96.46%	11.22%
Mar 2011	64.63	3.43%	28.48%	18.05	22.21%	60.49%	8.90%	82.71%	93.22%	11.88%
Dec 2010	62.15	3.13%	25.91%	15.16	22.07%	63.55%	8.95%	79.83%	91.82%	10.26%
Sep 2010	60.27	3.18%	26.00%	14.97	23.16%	58.47%	9.68%	76.65%	88.10%	10.24%
June 2010	58.18	3.05%	25.25%	14.27	21.15%	62.82%	9.16%	76.02%	87.22%	10.18%
Mar 2010	56.42	3.29%	26.74%	14.88	20.24%	66.29%	8.98%	74.36%	86.53%	9.66%
Dec 2009	54.87	3.25%	27.35%	13.92	19.07%	73.37%	8.62%	70.89%	83.41%	9.86%

* Annualised & Includes the impact of bonus shares 2012

** Coverage ratio is based on specific plus general provision

*** Coverage ratio based on specific provision plus benefit of liquid securities

International Recognition

Awards / Accolades



- “Best Corporate Report Award 2013 – Banking Sector”
- “Best Corporate Report Award 2012 – Banking Sector”
- “Runner-up Best Corporate Report Award (Banks) 2011”
- “Best Corporate Report Award 2010 – Banking Sector”
- “Best Corporate Report Award 2009 – Banking Sector”



Euromoney Awards for Excellence 2012:
 Best Bank in Pakistan
 Best Bank in Pakistan 2011, 2008, 2003-2005, 2001, 2000
 Best Bank in Asia 2008



Best Bank Led Mobile Money Transfer Program 2010



Best Domestic Bank in Pakistan: 2014; 2009, 2008, 2006, 2005 & 2004



PCR Corporate Philanthropy Survey 2011: **Certificate of Philanthropy**
Ranked 25th out of 490 PLCs (by volume of donations)



Best Bank of the year 2013 – Large Bank
Most Stable Bank of the year 2013
 Investor Relations Award 2011: Runner-up
 Best Bank of the Year 2011
 Most Stable Bank of the Year 2011



2012: Ranked 624, 2011: Ranked 606, 2010: 621
Country Ranking: 3rd highest among the local Top 5



CSR Business Excellence Award 2012:
 Best Media Coverage



The QFC Asian Banker Leadership Achievement Award 2010

International Excellence in Retail Financial Services Awards Program 2015



Ranked among the **Top 25 Companies** in Pakistan
 2011: # 15, 2010: # 17, 2009: # 19,
 2008: # 23, 2007: # 23, 2005: # 15



- 1st Runner Up Best Presented Annual Report Awards 2013 – Category Private Sector Banks**
- 2nd Runner Up Best Presented Annual Report Awards 2012– Category Private Sector Banks**
- Joint 2nd runner-up in the banking sector - Best Presented Accounts and Corporate Governance Disclosure Awards 2010**
- Certificate of Merit for 2009 - Banking Sector subject to Prudential Supervision**



Strongest Bank in Pakistan 2014
 Strongest Bank in Pakistan 2010



Triple A Country Awards
 Best Domestic Bank – Pakistan 2014: 2013: 2012:
 Best Bank – Pakistan 2014





MCB Bank Limited

Thankyou

For further details on MCB Bank Limited, please visit www.mcb.com.pk

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