

The logo features a stylized green open book with a white spine, set against a light green background with a subtle sunburst pattern. Below the book, the letters 'MCB' are written in a bold, blue, serif font, underlined with a thick green bar.

MCB

MCB Bank Limited
Investors Briefing

Financial Performance Analysis

For the Quarter Ended
March 31, 2016

Presented by:
Hammad Khalid

Head Investor Relations, Financial Reporting and Taxation

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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 1% in Equity

	Unconsolidated				Consolidated			
	Q1-2016	2015	YTD	%	Q1-2016	2015	YTD	%
Assets	1,060,274	1,016,630	43,645	4%	1,066,700	1,020,980	45,720	4%
Advances - net	312,249	315,585	(3,337)	-1%	315,463	316,771	(1,308)	0%
Investments	628,066	571,067	56,998	10%	624,031	566,564	57,466	10%
Cash and Balances with Banks & Lending to Financial Institutions	64,117	67,759	(3,641)	-5%	69,940	74,192	(4,252)	-6%
Other Assets (including fixed assets)	55,843	62,218	(6,376)	-10%	57,266	63,452	(6,186)	-10%
Liabilities	919,926	878,829	41,097	5%	922,122	878,803	43,319	5%
Deposits	733,239	708,091	25,148	4%	733,387	706,240	27,147	4%
Borrowings	136,462	118,459	18,002	15%	136,611	118,615	17,996	15%
Bills Payable	8,414	11,975	(3,561)	-30%	8,418	11,975	(3,558)	-30%
Other Liabilities (including deferred tax)	41,811	40,303	1,508	4%	43,706	41,973	1,733	4%
Net Assets	140,349	137,800	2,548	2%	144,578	142,177	2,401	2%
Equity without surplus (incl. M.I)	114,410	112,904	1,507	1%	117,347	115,765	1,582	1%

Non Performing Loans (NPLs)

Rs. In mln

Coverage ratio* at 86.91% (YE15: 90.83 %), NPLs ratio stands at 6.29% (YE15: 6.10 %)

	Mar 16	Dec 15	Sep 15	June 15	Mar 15
Total NPLs	20,774	20,369	20,814	21,201	21,684
QoQ	404	(444)	(387)	(483)	(224)
QoQ % variance	2%	-2%	-2%	-2%	-1%
Substandard	945	-	254	299	215
QoQ	945	(254)	(45)	84	(19)
QoQ % variance	-	-100%	-15%	39%	-8%
Doubtful	31	46	678	865	972
QoQ	(15)	(632)	(187)	(107)	99
QoQ % variance	-32%	-93%	-22%	-11%	11%
Loss	19,766	20,323	19,830	19,984	20,467
QoQ	(557)	493	(154)	(483)	(282)
QoQ % variance	-3%	2%	-1%	-2%	-1%
OAEM	31	-	52	53	29
QoQ	31	(52)	(1)	23	(21)
QoQ % variance	-	-100%	-1%	79%	-42%

YTD (Mar 16 vs. Dec 15)		
	Var.	%
Total NPLs	404	2%
Substandard	945	#DIV/0!
Doubtful	(15)	-32%
Loss	(557)	-3%
OAEM	31	#DIV/0!

Concentration of Category of NPLs

	Mar 16	Dec 15	Sep 15	June 15	Mar 15
Substandard	4.55%	0.0%	1.2%	1.4%	1.0%
Doubtful	0.15%	0.2%	3.3%	4.1%	4.5%
Loss	95.15%	99.8%	95.3%	94.3%	94.4%
OAEM	0.15%	0.0%	0.2%	0.2%	0.1%

* Coverage ratio = Specific plus General Provision/NPLs

Investments

Increase of Rs. 58.06B in Pakistan Investment Bonds

Rs. In mln

	Mar 2016	Dec 2015	Var.	% var.	Mar 2015	Var.	% var.
Treasury Bills	226,248	227,208	(961)	0%	207,335	18,912	9%
Pakistan Investment Bonds	338,105	280,042	58,063	21%	319,520	18,585	6%
TFCs, Debentures, Bonds and Certificates	5,941	7,055	(1,115)	-16%	4,177	1,764	42%
Other government securities	2,837	3,699	(862)	-23%	2,330	507	22%
Shares in Listed, Unlisted Co.s & Mutual funds	17,645	17,063	581	3%	14,275	3,369	24%
Sukuks Bonds	3,077	3,260	(182)	-6%	5,583	(2,506)	-45%
Bai Muajjal from GoP	2,298	2,265	34	1%	-	2,298	-
Subsidiaries & Associated Undertakings	11,772	11,792	(20)	0%	11,523	250	2%
Investments at cost	607,923	552,384	55,539	10%	564,744	43,180	8%
Prov for diminution in value of investments	(2,534)	(2,534)	-	0%	(1,687)	(847)	50%
Surplus on revaluation of securities	22,677	21,217	1,459	7%	22,914	(237)	-1%
Investments at revalued amount - net of provision	628,066	571,067	56,998	10%	585,971	42,095	7%

Deposits

CASA reported at 94%, Increase recorded in Current Deposits +7%, Saving Deposits +3%, Term Deposits -8%.

	Q1 16		Q4 15		Q3 15		Q2 15		Q1 15	
	Volume	Mix	Volume	Mix	Volume	Mix	Volume	Mix	Volume	Mix
Deposits - Volume	733,239		708,091		712,197		765,791		736,157	
Current deposits	276,895	38%	259,818	37%	260,294	37%	303,474	40%	258,949	35%
Savings deposits	410,449	56%	398,492	56%	404,564	57%	408,359	53%	413,424	56%
Term Deposits	45,894	6%	49,782	7%	47,338	7%	53,958	7%	63,784	9%
CASA	687,344	93.74%	658,310	92.97%	664,859	93.35%	711,833	92.95%	672,373	91.34%
Variance	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ
Current deposits	7%	7%	10%	0%	15%	-14%	15%	17%	22%	10%
Savings deposits	-1%	3%	2%	-2%	6%	-1%	12%	-1%	15%	6%
CASA	2%	4%	5%	-1%	10%	-7%	13%	6%	17%	7%
Term Deposits	-28%	-8%	-20%	5%	-21%	-12%	-7%	-15%	17%	3%
Total Deposits	0%	4%	3%	-1%	7%	-7%	12%	4%	17%	7%
Market Share (Domestic)		QoQ		QoQ		QoQ		QoQ		QoQ
Industry	9,559,122	-1.20%	9,675,588	6.79%	9,060,700	-0.88%	9,141,126	7%	8,508,337	2%
MCB	719,153	4%	692,751	-1%	700,454	-7%	755,448	4%	727,415	7%
Share	7.52%		7.16%		7.73%		8.26%		8.55%	

Profit and Loss Statement

Standalone PBT decreased by 24% and PAT decreased by 24%

Rs. In mln

	Unconsolidated				Consolidated			
	Q1-2016	Q1-2015	+/-	%	Q1-2016	Q1-2015	+/-	%
Mark-up Income	17,896	20,625	(2,730)	-13%	18,015	20,650	(2,635)	-13%
Mark-up Expense	6,427	8,623	(2,196)	-25%	6,411	8,627	(2,216)	-26%
Net Mark-up Income	11,468	12,002	(534)	-4%	11,604	12,023	(419)	-3%
Non Interest Income	2,969	5,104	(2,136)	-42%	3,055	4,951	(1,896)	-38%
Total Income	14,437	17,107	(2,670)	-16%	14,659	16,974	(2,315)	-14%
Non Mark-up Expense	5,805	5,499	306	6%	5,997	5,596	401	7%
<i>admin expenses</i>	5,659	5,327	331	6%	5,848	5,425	423	8%
<i>PF reversal</i>	(75)	(75)	-	0%	(75)	(75)	-	0%
<i>other charges</i>	221	246	(25)	-10%	224	246	(22)	-9%
Share of Undertaking	-	-	-	-	228	223	4	2%
Profit before Provisions	8,632	11,608	(2,976)	-26%	8,889	11,601	(2,712)	-23%
Provisions	(446)	(266)	(180)	68%	(431)	(266)	(165)	62%
against Investments	-	(16)	16	-100%	-	(16)	16	-100%
against loans & advances	(446)	(250)	(196)	78%	(431)	(250)	(181)	73%
Profit before Tax	9,078	11,874	(2,796)	-24%	9,320	11,867	(2,547)	-21%
Taxation	3,057	3,962	(904)	-23%	3,171	3,982	(810)	-20%
Profit after Tax	6,021	7,912	(1,891)	-24%	6,148	7,885	(1,737)	-22%

Key Ratios

	BV	ROA	ROE	EPS (annualised)	CAR	ADR	Infection ratio	Coverage ratio*	Coverage (incl. benefit of liquid sec)**	Non- markup/Total Rev
Mar 2016	102.79	2.32%	21.19%	21.64	18.15%	45.05%	6.29%	86.91%	95.72%	20.56%
Dec 2015	101.44	2.62%	23.25%	22.96	19.00%	47.18%	6.10%	90.83%	99.82%	25.76%
Sep 2015	101.20	2.74%	24.55%	24.22	20.13%	45.67%	6.40%	85.16%	94.08%	26.76%
June 2015	99.21	2.68%	24.92%	24.33	19.02%	43.52%	6.36%	84.98%	93.59%	27.52%
Mar 2015	99.19	3.25%	29.13%	28.43	19.54%	43.96%	6.70%	85.36%	93.87%	29.84%
Dec 2014	96.05	2.78%	23.83%	21.85	20.41%	46.83%	6.80%	85.62%	94.00%	22.93%
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%	19.47%
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%	18.17%
June 2012	76.17	3.35%	27.38%	20.14	22.15%	49.81%	10.00%	86.12%	94.30%	19.91%
Mar 2012	73.51	3.38%	27.73%	20.02	22.26%	49.37%	10.39%	85.00%	95.87%	18.41%
Dec 2011	71.22	3.18%	26.17%	17.45	21.79%	50.88%	10.67%	83.76%	94.74%	15.41%

* Coverage ratio is based on specific plus general provision

** Coverage ratio based on specific provision (excl. GP) plus benefit of liquid securities

Net revenue= net markup income + non-markup income

International Recognition



Estd. 1951

“Winner -Best Corporate Report Award 2014 – Banking Sector”

- “Winner” - Best Corporate Report Award 2013
- “Winner” - Best Corporate Report Award 2012
- “Runner-up” Best Corporate Report Award 2011
- “Winner - Best Corporate Report Award 2010
- “Winner - Best Corporate Report Award 2009



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



Best bank in Pakistan - 2015



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



Most Stable Bank of the year 2014
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**



The QFC Asian Banker Leadership Achievement Award 2010



Ranked among the **Top 25
Companies** in Pakistan



Best Commercial Bank –
Pakistan 2012



CSR Business Excellence Award 2012:
Best Media Coverage



Winner – Best Presented Annual Accounts 2014

- 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



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



Awards / Accolades



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Thankyou

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

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investor.relations@mcb.com.pk