



MCB

MCB Bank Limited

Investors Briefing

Financial Performance Analysis

For the Half Year 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			
	June-2015	2014	YTD	%	June-2015	2014	YTD	%
Assets	1,083,421	934,631	148,790	16%	1,079,943	941,606	138,336	15%
Advances - net	315,273	303,559	11,713	3.9%	315,448	304,001	11,448	4%
Investments	627,524	511,137	116,387	22.8%	623,000	516,898	106,102	21%
Cash and Balances with Banks & Lending to Financial Institutions	76,158	51,188	24,971	49%	76,222	51,236	24,986	49%
Other Assets (including Fixed Assets)	64,466	68,747	(4,282)	-6%	65,273	69,472	(4,199)	-6%
Liabilities	946,520	804,527	141,993	18%	937,682	805,337	132,345	16%
Deposits	765,791	688,330	77,461	11%	755,725	688,270	67,455	10%
Borrowings	130,013	59,543	70,470	118%	130,166	59,777	70,390	118%
Bills Payable	10,822	16,628	(5,805)	-35%	10,822	16,628	(5,805)	-35%
Other Liabilities(including Deferred Tax)	39,894	40,027	(134)	0%	40,968	40,663	305	1%
Net Assets	136,901	130,104	6,797	5%	142,261	136,269	5,991	4%
Equity without surplus (incl. M.I)	110,423	106,908	3,515	3%	113,832	110,607	3,225	3%

Non Performing Loans (NPLs)

Rs. In mln

Coverage ratio* at 84.98% (YE14: 85.62%), NPLs ratio improved to 6.36% (YE14: 6.80 %)

	June 15	Mar 15	Dec 14	Sep 14	June 14
Total NPLs	21,201	21,684	21,908	21,925	22,100
QoQ	(483)	(224)	(17)	(175)	(414)
QoQ % variance	-2%	-1%	0%	-1%	-2%
Substandard	299	215	234	324	206
QoQ	84	(19)	(90)	118	1
QoQ % variance	39%	-8%	-28%	57%	0%
Doubtful	865	972	874	920	883
QoQ	(107)	99	(46)	37	(634)
QoQ % variance	-11%	11%	-5%	4%	-42%
Loss	19,984	20,467	20,749	20,596	20,963
QoQ	(483)	(282)	153	(367)	227
QoQ % variance	-2%	-1%	1%	-2%	1%
OAEM	53	29	50	85	48
QoQ	23	(21)	(35)	37	(7)
QoQ % variance	79%	-42%	-41%	76%	-13%

YTD (June 15 vs. Dec 14)		
	Var.	%
Total NPLs	(707)	-3%
Substandard	65	28%
Doubtful	(9)	-1%
Loss	(765)	-4%
OAEM	2	4%

Concentration of Category of NPLs

	June 15	Mar 15	Dec 14	Sep 14	June 14
Substandard	1.41%	1.0%	1.1%	1.5%	0.9%
Doubtful	4.08%	4.5%	4.0%	4.2%	4.0%
Loss	94.26%	94.4%	94.7%	93.9%	94.9%
OAEM	0.25%	0.1%	0.2%	0.4%	0.2%

* Coverage ratio = Specific plus General Provision

Investments

Increase of Rs. 101.00B in Market Treasury Bills & decrease of Rs. 2.26B in Pakistan Investment Bonds .

Rs. In mln

	June 2015	Dec 2014	Var.	% var.	Composition of Investments		
					June 2015	Dec 2014	
Treasury Bills	242,539	141,538	101,001	71%	T-Bills	40.05%	29%
Pakistan Investment Bonds	326,730	328,987	(2,257)	-1%	PIBs	53.95%	66%
TFCs, Debentures, Bonds and PTCs	3,999	4,448	(449)	-10%	Equity securities	4.03%	3%
Euro Bonds	2,339	2,284	55	2%	Debt instruments	1.97%	2%
Shares in Listed, Unlisted Co.s & Mutual funds	12,902	12,151	751	6%			
Sukuks Bonds	5,564	3,960	1,604	41%			
Subsidiaries & Associated Undertakings	11,523	1,573	9,950	633%			
Investments at cost	605,595	494,940	110,655	22%			
Prov for diminution in value of investments	(1,686)	(1,703)	16	1%			
Surplus on revaluation of securities	23,616	17,900	5,715	32%			
Investments at revalued amount - net of provision	627,524	511,137	116,387	23%			

Deposits

CASA reported at all time high of 93%, Increase recorded in Current Deposits +28%, Saving Deposits +5%

YTD increase/decrease		Rs. In mln
Current deposits		28%
Savings deposits		5%
CASA		14%
Term Deposits		-13%
Total Deposits		11%

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

Deposits - Volume	765,791		736,157		688,330		666,344		685,766	
Current deposits	303,474	40%	258,949	35%	236,427	34%	226,008	34%	263,982	38%
Savings deposits	408,359	53%	413,424	56%	389,685	57%	380,252	57%	363,469	53%
Term Deposits	53,958	7%	63,784	9%	62,218	9%	60,084	9%	58,315	9%
CASA	711,833	92.95%	672,373	91.34%	626,112	90.96%	606,260	90.98%	627,451	91.50%

Variance	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ
Current deposits	15%	17%	22%	10%	10%	5%	8%	-14%	19%	24%
Savings deposits	12%	-1%	15%	6%	10%	2%	22%	5%	16%	1%
CASA	13%	6%	17%	7%	10%	3%	16%	-3%	17%	10%
Term Deposits	-7%	-15%	17%	3%	-4%	4%	-3%	3%	-23%	7%
Total Deposits	12%	4%	17%	7%	9%	3%	14%	-3%	12%	9%

Market Share (Domestic)		QoQ		QoQ		QoQ		QoQ		QoQ
Industry	9,141,126	7%	8,508,337	2%	8,342,172	4%	8,036,547	-1%	8,082,412	7%
MCB	755,448	4%	727,415	7%	679,977	3%	658,254	-3%	678,266	9%
Share	8.26%		8.55%		8.15%		8.19%		8.39%	

Profit and Loss Statement

Rs. In mln

Standalone PBT increased by 34% and PAT increased by 15%

	Unconsolidated				Consolidated			
	June-2015	Jun-14	+/-	%	June-2015	Jun-14	+/-	%
Mark-up Income	41,483	37,573	3,909	10%	41,538	37,632	3,907	10%
Mark-up Expense	16,607	16,137	470	3%	16,621	16,141	480	3%
Net Mark-up Income	24,876	21,437	3,439	16%	24,918	21,491	3,427	16%
Non Interest Income	9,444	5,456	3,989	73%	9,478	5,617	3,861	69%
Total Income	34,321	26,893	7,428	28%	34,396	27,108	7,288	27%
Non Mark-up Expense	11,286	10,073	1,213	12%	11,493	10,278	1,215	12%
<i>admin expenses</i>	11,167	10,040	1,127	11%	11,374	10,246	1,128	11%
<i>PF reversal</i>	(388)	(470)	82	-17%	(388)	(470)	82	-17%
<i>other charges</i>	507	502	5	1%	507	502	5	1%
Share of Undertaking	-	-	-	-	502	257	244	95%
Profit before Provisions	23,035	16,820	6,215	37%	23,404	17,087	6,317	37%
Provisions	(755)	(980)	224	-23%	(755)	(973)	217	-22%
against Investments	(16)	(41)	25	-61%	(16)	(41)	25	-61%
against loans & advances	(739)	(939)	200	-21%	(739)	(932)	193	-21%
Profit before Tax	23,790	17,800	5,990	34%	24,160	18,060	6,100	34%
Taxation	10,249	6,074	4,176	69%	10,641	6,216	4,424	71%
Profit after Tax	13,541	11,726	1,815	15%	13,519	11,843	1,676	14%

Non- Markup Income

Rs. In mln

	June 2015	June 2014			Budgeted June 2015		
		June 2014	Var.	% var.	June 2015	Var.	% var.
NON MARKUP INCOME	9,444	5,456	3,989	73%	6,177	3,267	53%
Fee, Commission & Brokerage	4,353	3,402	951	28%	3,959	394	10%
Dividend Income	615	449	166	37%	400	215	54%
Income from dealing in Foreign Currencies	481	750	(270)	-36%	816	(335)	-41%
Capital Gains	2,916	628	2,287	364%	638	2,278	357%
Other Income	1,080	226	854	378%	364	716	197%

	June 2015	June 2014	Var.	% var.
Capital Gains				
Federal Government Securities				
-Market Treasury Bills	4	(10)	14	-142%
-Pakistan Investment Bonds	1,116	30	1,086	3678%
Listed Shares / Units	1,796	609	1,187	195%
	2,916	628	2,285	364%

Key Ratios

	BV*	ROA	ROE	EPS* (annualised)	CAR	ADR	Infection ratio	Coverage ratio**	Coverage (incl. benefit of liquid sec)***	Non- markup/Total Rev
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%	43.76%	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%

* 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

Awards / Accolades



Estd. 1951

“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



GLOBAL FINANCIAL INTELLIGENCE SINCE 1926

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



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



Best Commercial Bank – Pakistan 2012



CSR Business Excellence Award 2012:
Best Media Coverage



The QFC Asian Banker Leadership Achievement Award 2010



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

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