



MCB

MCB Bank Limited

Investors Briefing

Financial Performance Analysis

For the Year ended
December 31, 2014

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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 10% in Equity

	Unconsolidated				Consolidated			
	2014	2013	YTD	%	2014	2013	YTD	%
Assets	934,631	815,508	119,123	15%	941,606	821,278	120,328	15%
Advances - net	303,559	248,243	55,317	22.3%	304,001	248,522	55,479	22%
Investments	511,137	449,006	62,131	13.8%	516,898	453,808	63,090	14%
Cash and Balances with Banks & Lending to Financial Institutions	51,188	62,708	(11,520)	-18%	51,236	62,766	(11,530)	-18%
Other Assets(including Fixed Assets)	68,747	55,552	13,196	24%	69,472	56,183	13,289	24%
Liabilities	804,527	705,277	99,250	14%	805,337	705,816	99,522	14%
Deposits	688,330	632,330	55,999	9%	688,270	632,309	55,961	9%
Borrowings	59,543	38,543	21,000	54%	59,777	38,660	21,116	55%
Bills Payable	16,628	10,139	6,489	64%	16,628	10,139	6,489	64%
Other Liabilities(including Deferred Tax)	40,027	24,266	15,762	65%	40,663	24,707	15,956	65%
Net Assets	130,104	110,231	19,873	18%	136,269	115,463	20,806	18%
Equity without surplus (incl. M.I)	106,908	97,272	9,636	10%	110,607	100,655	9,952	10%





Non Performing Loans (NPLs)

Rs. In mln

Coverage ratio* at 85.62% (YE13: 85.74%), NPLs ratio improved to 6.80% (YE13: 8.68 %)

	Dec 14	Sep 14	June 14	Mar 14	Dec 13
Total NPLs	21,908	21,925	22,100	22,514	23,268
QoQ	(17)	(175)	(414)	(753)	(1,668)
QoQ % variance	0%	-1%	-2%	-3%	-7%
Substandard	234	324	206	205	219
QoQ	(90)	118	1	(14)	(1,349)
QoQ % variance	-28%	57%	0%	-6%	-86%
Doubtful	874	920	883	1,517	1,453
QoQ	(46)	37	(634)	64	562
QoQ % variance	-5%	4%	-42%	4%	63%
Loss	20,749	20,596	20,963	20,737	21,560
QoQ	153	(367)	227	(823)	(886)
QoQ % variance	1%	-2%	1%	-4%	-4%
OAEM	50	85	48	55	36
QoQ	(35)	37	(7)	20	4
QoQ % variance	-41%	76%	-13%	55%	14%

YTD (Dec 14 vs. Dec13)		
	Var.	%
Total NPLs	(1,360)	-6%
Substandard	15	7%
Doubtful	(579)	-40%
Loss	(811)	-4%
OAEM	15	41%

Concentration of Category of NPLs

	Dec 14	Sep 14	June 14	Mar 14	Dec 13
Substandard	1.07%	1.5%	0.9%	0.9%	0.9%
Doubtful	3.99%	4.2%	4.0%	6.7%	6.2%
Loss	94.71%	93.9%	94.9%	92.1%	92.7%
OAEM	0.23%	0.4%	0.2%	0.2%	0.2%

* Coverage ratio = Specific plus General Provision



Investments

Increase of Rs. 221.37B in Pakistan Investment Bonds & decrease of Rs. 181.62B in Market Treasury Bills .

Rs. In mln

	Dec 2014	Dec 2013	Var.	% var.	Composition of Investments		
					Dec 2014	Dec 2013	
Treasury Bills	141,538	323,158	(181,620)	-56%	T-Bills	28.60%	72%
Pakistan Investment Bonds	328,987	107,615	221,371	206%	PIBs	66.47%	24%
TFCs, Debentures, Bonds and PTCs	4,448	3,736	711	19%	Equity securities	2.77%	2%
Euro Bonds	2,284	2,345	(61)	-3%	Debt instruments	2.16%	2%
Shares in Listed, Unlisted Co.s & Mutual funds	12,151	8,004	4,147	52%			
Sukuks Bonds	3,960	3,143	817	26%			
Subsidiaries & Associated Undertakings	1,573	1,573	-	0%			
Investments at cost	494,940	449,574	45,366	10%			
Prov for diminution in value of investments	(1,703)	(2,550)	847	33%			
Surplus /(Deficit) on revaluation of securities	17,900	1,982	15,918	803%			
Investments at revalued amount - net of provision	511,137	449,006	62,131	14%			



Deposits

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

YTD increase/decrease	YTD
Current deposits	10%
Savings deposits	10%
CASA	10%
Term Deposits	-4%
Total Deposits	9%

Q4 14		Q3 14		Q2 14		Q1 14		Q4 13	
Volume	Mix	Volume	Mix	Volume	Mix	Volume	Mix	Volume	Mix

Deposits - Volume	688,330		666,344		685,766		627,144		632,330	
Current deposits	236,427	34%	226,008	34%	263,982	38%	213,010	34%	214,524	34%
Savings deposits	389,685	57%	380,252	57%	363,469	53%	359,388	57%	353,204	56%
Term Deposits	62,218	9%	60,084	9%	58,315	9%	54,745	9%	64,602	10%
CASA	626,112	91%	606,260	91%	627,451	91%	572,398	91%	567,728	90%

Variance	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ
Current deposits	10%	5%	8%	-14%	19%	24%	7%	-1%	13%	2%
Savings deposits	10%	2%	22%	5%	16%	1%	24%	2%	30%	13%
CASA	10%	3%	16%	-3%	17%	10%	17%	1%	23%	9%
Term Deposits	-4%	4%	-3%	3%	-23%	7%	-29%	-15%	-22%	4%
Total Deposits	9%	3%	14%	-3%	12%	9%	11%	-1%	16%	8%

Market Share (Domestic)		QoQ		QoQ		QoQ		QoQ		QoQ
Industry	8,342,172	4%	8,036,547	-1%	8,082,412	7%	7,571,267	1%	7,529,370	6%
MCB	679,977	3%	658,254	-3%	678,266	9%	620,281	-1%	624,458	8%
Share	↓ 8.15%		↓ 8.19%		↑ 8.39%		↓ 8.19%		8.29%	

Profit and Loss Statement

Rs. In mln

Standalone PBT increased by 14% and PAT increased by 13%

	Unconsolidated				Consolidated			
	2014	2013	+/-	%	2014	2013	+/-	%
Mark-up Income	77,269	65,064	12,205	19%	77,411	65,186	12,225	19%
Mark-up Expense	33,757	27,196	6,561	24%	33,770	27,219	6,551	24%
Net Mark-up Income	43,512	37,868	5,644	15%	43,641	37,967	5,674	15%
Non Interest Income	13,435	11,171	2,264	20%	13,752	11,477	2,276	20%
Total Income	56,947	49,039	7,908	16%	57,394	49,443	7,950	16%
Non Mark-up Expense	21,668	19,586	2,081	11%	22,071	19,976	2,095	10%
<i>admin expenses</i>	21,443	20,411	1,032	5%	21,846	20,801	1,046	5%
<i>PF reversal</i>	(832)	(1,701)	870	-51%	(832)	(1,701)	870	-51%
<i>other charges</i>	1,056	876	180	20%	1,056	877	179	20%
Share of Undertaking	-	-	-	-	582	629	(47)	-7%
Profit before Provisions	35,280	29,453	5,827	20%	35,904	30,096	5,808	19%
Provisions	(1,450)	(2,836)	1,386	-49%	(1,450)	(2,836)	1,386	-49%
against Investments	(356)	(7)	(349)	5106%	(356)	(7)	(349)	5106%
against loans & advances	(1,094)	(2,829)	1,735	-61%	(1,094)	(2,829)	1,735	-61%
Profit before Tax	36,729	32,288	4,441	14%	37,354	32,932	4,422	13%
Taxation	12,405	10,793	1,612	15%	12,580	10,982	1,598	15%
Profit after Tax	24,325	21,495	2,829	13%	24,774	21,950	2,824	13%

Non- Markup Income

Rs. In mln

	Dec 2014	Dec 2013	Var.	% var.	Budgeted Dec 2014	Var.	% var.
NON MARKUP INCOME	13,435	11,171	2,264	20%	11,805	1,630	14%
Fee, Commission & Brokerage	7,225	6,741	484	7%	8,525	(1,300)	-15%
Dividend Income	1,061	933	128	14%	1,005	56	6%
Income from dealing in Foreign Currencies	1,443	917	527	57%	1,317	126	10%
Capital Gains	2,140	2,130	9	0%	835	1,305	156%
Other Income	1,566	450	1,117	248%	123	1,444	1175%



Key Ratios

	BV*	ROA	ROE	EPS* (annualised)	CAR	ADR	Infection ratio	Coverage ratio**	Coverage (incl. benefit of liquid sec)***	Non- markup/Total Rev
Dec 2014	96.05	2.78%	23.83%	21.85	20.46%	46.83%	6.80%	85.62%	94.00%	14.81%
Sep 2014	94.09	2.87%	23.93%	21.71	20.46%	46.24%	7.12%	84.62%	95.11%	14.40%
June 2014	91.68	2.79%	23.53%	21.07	20.22%	44.19%	7.29%	85.60%	94.15%	12.68%
Mar 2014	89.15	2.68%	22.44%	19.81	21.09%	43.45%	8.26%	85.66%	94.23%	13.25%
Dec 2013	87.39	2.72%	23.09%	19.31	22.25%	42.41%	8.68%	85.74%	94.66%	14.65%
Sep 2013	86.81	3.03%	24.70%	20.58	24.77%	41.98%	10.17%	84.28%	92.65%	15.00%
June 2013	85.05	3.08%	25.91%	21.36	23.96%	40.08%	10.12%	86.92%	95.42%	15.05%
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%	24.64%	18.57	22.24%	48.14%	9.74%	89.23%	87.55%	11.81%
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	70.90	3.18%	26.23%	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

Awards / Accolades in 2014

▶ CFA 11th Excellence Awards

 Best Bank of the year 2013 – Large Bank

 Most Stable Bank of the year 2013

▶ Asiamoney Awards

 Best of the Best Domestic Bank

▶ The Asian Banker (USA)

 Strongest Bank in Pakistan 2014

▶ Asset AAA

 Best Bank in Pakistan

 Best Domestic Bank

▶ ICAP & ICMAP

 Best Corporate & Sustainability Report 2013

▶ SAFA Award

 1st Runner-up for Best Presented Accounts & Merit Certificate

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



Best Commercial Bank – Pakistan 2012



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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